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SEVENTY-FIFTH CONGRESS, FIRST SESSION

SENATE

WEDNESDAY, JULY 14, 1937

(Legislative day of Tuesday, July 6, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

DEATH OF SENATOR ROBINSON

Mrs. CARAWAY. Mr. President, it is with deep grief that I rise to announce the death of my late colleague and the majority leader of this body, the late senior Senator from Arkansas, Mr. ROBINSON. It is not my purpose at this time to try to enumerate the good qualities or to call attention to the statesmanship of the man whom the Senate, the Nation, and his State will so greatly miss and whose death they all so deeply deplore.

At this time I submit resolutions and ask unanimous consent for their immediate consideration.

The PRESIDENT pro tempore. The resolutions will be read.

The legislative clerk read the resolutions (S. Res. 150), as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. JOSEPH T. ROBINSON, late a Senator from the State of Arkansas.

Resolved, That a committee be appointed by the President pro tempore to take orders for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDENT pro tempore. The question is on agreeing to the resolutions submitted by the Senator from Arkansas.

Mr. COPELAND. Mr. President, we walk today in the "valley of the shadow of death." A great Democrat, a great patriot, a great American has been taken from us.

Senator ROBINSON was in the prime of life, as we count age today. He should have continued in the midst of things for a decade or more. Our friend died in battle, perhaps as he would have wished to die, but that is little comfort to his friends who mourn.

Some of us felt he was carrying a greater load than he should have been given. Within a few days, Tuesday a week ago, indeed, I became concerned over what I saw through my medical eyes. Going to his side in the midst of the debate I urged him not to permit his zeal to invite his own destruction. I felt that the Angel of Death was touching the elbow of Senator ROBINSON at that moment.

The oil of joy and contentment and peace lubricates the wheels of life; the sand of combat, dissension, and bitter argument is sure to get into the bearings and slow down, and even stop those wheels.

Mr. President, the fate of the Nation, its imminent peril, the possibility of war, or anything that might be a real menace to our people, would justify the continuance of this session. But no such necessity drives us today.

My fellow Senators, I am sorry sometimes that I ever studied medicine. Nearly 50 years have elapsed since I received that coveted diploma; but the embarrassment of medical knowledge is that many times it discloses to the medical man in the face and bearing of a friend the warning his dissolution is near at hand.

Mr. President, I say in all seriousness to my brethren that the menace is here in this Chamber today.

I speak of this because I have been urged for a week or two to speak seriously of the necessity of sounding a warning as to the physical effects which may follow what is being endured here.

We come to this Chamber, which seems cold as we come into it, and the first impression is a shock to the system. We go from it into the heated air, with another shock. All the conditions of our lives make for the possibility of physical disaster. Then when are added the mental conditions incident to argument and dissension, as well as the combat of discussion, we have a combination which should be a warning to every person within the sound of my voice. I felt it my duty to say these things. I have said them from the heart.

No one here, I am sure, respected and admired Senator ROBINSON more than did I. We mourn his loss; we are saddened by the sight of that empty chair. Mr. President, out of this disaster may come a warning which will fend off other disasters.

We mourn with Mrs. Robinson and share her grief.

Mr. BARKLEY. Mr. President, in the hour of grief, in the ministrations of affliction, when the mind is overshadowed with gloom and the sable drapery of mourning is drawn in heavy folds about us, silence is sometimes more eloquent and impressive than the chaste rhetoric of the scholar or the flowing declamation of the orator. We meet today in the midst of that gloom, in the midst of those ministrations, and with that sable drapery of mourning drawn in heavy folds around us. None of us this morning has that command of language which can portray the feelings of our hearts over the sad news which we have received since last we met. We cannot speak of our friend; we can only feel.

I had known Senator ROBINSON for a quarter of a century. I knew him as a Member of the other House, as, for a brief season, Governor of his State, and for nearly that long as a Senator of the United States. No abler, truer, finer, more loyal, or devoted man ever served in this Chamber from any State. No man ever bore the responsibility of leadership with greater courage, fortitude, patience, foresight, or wisdom than was that responsibility borne by the Senator in whose honor we speak briefly this morning.

I think Senator ROBINSON's death constitutes at this particular time a major calamity, not only to us who loved him as a friend, not only to the party whose leader he has been for many years, but to the country at large. Not within my recollection has death created a greater calamity to the public service.

From every standpoint, by whatever yardstick we use in measuring a man, Senator ROBINSON measured fully up to the highest standard. We mourn him as a friend; we mourn his loss as a public servant; and we ourselves, as men and as public servants, will do well to emulate his example.

Peace to his ashes. May God rest his militant soul, and if, after the long years of toil and labor and vicissitude here, it shall be our privilege to greet him in another land, we shall rejoice in that reunion and in that faith.

The President pro tempore (Mr. PITTMAN) is now occupying the chair. He was one of the most intimate friends of Senator ROBINSON, and at present is deprived of the opportunity of paying a tribute to his friend, but on the day set

aside for memorial exercises will have the opportunity of expressing his admiration, respect, and love for the deceased.

Mr. McNARY. Mr. President, wearied by the contest in which he played such a conspicuous and dramatic part, our beloved leader has passed on to his rest. The Republican Members of this body join with me in expressing profound regret and sorrow at the passing of Senator ROBINSON.

At some appropriate time I hope it may be my privilege to pay a further tribute to his memory.

Mr. McKELLAR. Mr. President, for many years I have sat here beside Senator ROBINSON. We were friends and neighbors down on the Mississippi River more than 30 years ago. We served in the House together. We served in the Senate together. We were personal, political, and social friends.

I never knew a nobler man than JOE ROBINSON. Impetuous at times, he was one of the finest characters, one of the manliest of men, one of the truest friends in all the world. I deeply mourn his passing. I deeply grieve over his untimely end.

There never was a better leader in either branch of the Congress than JOE ROBINSON. There never was a stronger man in either branch of Congress than JOE ROBINSON. There never was a truer friend and there never was a more generous opponent.

He had a wonderful mind and a noble heart. His life was an open book. His love and devotion to his lovely wife and to his family constituted one of the most admirable of his many admirable traits of character. He was a statesman second to none and one of the ablest lawyers in the Senate. I deeply deplore his death. I am grieved as for one of my own family. I join with every Member of the Senate in expressing the deepest regret over his untimely passing.

Mr. LEWIS. Mr. President, it may be, as the philosopher poet has inscribed, that—

> The boast of heraldry, the pomp of power,
> And all that beauty, all that wealth e'er gave,
> Awaits alike the inevitable hour;
> The paths of glory lead but to the grave.

But, sir, while we may reconcile ourselves to that philosophy and recognize in it the fulfillment of the decrees immutable, it is agreeable to dwell for a second upon the scene presented in this body at this moment. I would invite the countries of the world, wherever their parliaments are assembled, to view at this moment the United States Senate, this great legislative body in this American Nation. Behold how those of opposite political faith and those of conflicting contention sit in the quietude of suffering, with suppressed tears in their hearts at the loss of their fellow legislator. Every difference of the past is quelled. Every mutiny is hushed. Nothing of the past that took on the form of party contest is reflected in the slightest suggestion, while everything of expression moves to that beautiful sympathy, that brotherhood which feels the depths of loss and suffering for its stricken.

In this moment I rise to note what security there is in this scene in America. What a beautiful example is exhibited of the support and sustenance of all that could be called for in government. The compliments paid, the suggestions given by the eminent leader of our opposition called Republican [Mr. McNARY], that which came from the assistant leader occupying the place of leader, the Senator from Kentucky [Mr. BARKLEY], express the united feeling at this moment, together with that which we send out to our country, that it may know that at a more appropriate time will come those individual testimonials to character and qualification appropriate to the occasion. For the moment I merely invite the attention of the world to what this body now represents in its expressions as to America, and I close with the appropriate adoption of the poet Browning and proclaim, "God's in His heaven. All's well with America."

Mr. HARRISON. Mr. President, in common with the whole membership of the Senate, my heart is heavy and my eyes are filled with tears. JOE ROBINSON was, to my mind, the most useful, the most dynamic, the most forceful, and the most influential man I have ever seen in public life. He had a heart of gold, yet as tender as the heart of a child.

We are all grieved. Arkansas has contributed distinguished and illustrious names to add to the glory of our history; but, Mr. President, with all her distinguished and illustrious characters, none will ever brighten the future of this country as will the services and labors and fine deeds of this, her noble son.

I grieve with you, Mr. President and fellow Senators, in the loss of our colleague and friend.

Mr. VANDENBERG. Mr. President, with inexpressible sorrow and regret I wish humbly to be permitted to place my wreath of abiding affection and respect at the tomb of this great memory. Through nearly 10 years of my service here Senator ROBINSON was my cherished friend. He was a great citizen, a great Senator, and a great American. His country without division will mourn the passing of a sterling character and a noble soul.

It is dark in the valley of the shadow, Mr. President, but thank God for His promise of the great reunion.

Mr. O'MAHONEY. Mr. President, I am altogether conscious of my inability to express here upon this occasion the feelings that well up in my heart as in the hearts of every Member of this body. However, I cannot allow the moment to pass without giving some expression to the profound grief which I personally feel in the passing of this great man.

It was more than 20 years ago that I first heard Senator ROBINSON. It was on this floor. As a young man I listened to him in one of the great debates at the beginning of the World War. I shall never forget the inspiration I drew from what he said upon that occasion. I shall never forget the admiration with which I was filled at his eloquence and power.

I can only say now that he was a brave man; he was a simple man; he was a loyal man; he was an able man. He was a Senator of the United States. Vigorous and forceful though he was, he was also patient and tolerant and tender. He was beloved by his colleagues in all that term implies.

Mr. President, I am profoundly grieved that his service has ended.

Mr. WAGNER. Mr. President, later there may be an opportunity to add more to what I may say at this sad moment. Senator ROBINSON's life was one of ever-enlarging service to the Nation. His public career was long and distinguished, and his last years in the capacity of Democratic leader assured him a permanent place in American history.

Chosen to be the chief legislative general in the most comprehensive social and economic program ever enacted in this country, his integrity of mind and character and his remarkable talents made every Member of the Senate, regardless of party, feel that no one else could have done his work so well as he did it. His masterful accomplishments will long stand as an inspiration to others and as a standard by which unselfish, devoted, and brilliant public service will be judged.

The Nation has suffered a great loss, and everyone who knew Senator ROBINSON as I did will find it hard to recover from the shock of his unexpected passing.

Mr. AUSTIN. Mr. President, I rise to say farewell to a friend and to wish God's compassion and support for his bereaved widow.

The Nation has suffered a tremendous disappointment and loss in the sudden departure of JOSEPH ROBINSON. So far as his record known to me goes, I can testify that I have admired his fidelity as the leader in the Senate of a great party, responsible for a program. Regardless of and notwithstanding private opinions or private differences, I have admired and gloried in the sacrifice that I have realized was being made by him at times in fidelity to a cause; and so far as that other matter of the soul goes—that really lovely friendship tendered by him and enjoyed by all Members of this great deliberative body—I wish to record my gratitude for having been able to participate in it.

Only yesterday, at about 5 minutes of 12, while I was engaged in a hearing on a committee, a note was passed to me saying that Senator ROBINSON was trying to reach me by

telephone. I regret to say that, however rapidly I reached the telephone, I was unable to get into communication with him, and his office was unable to say where he might be called. Nevertheless, I feel that there is to be forever cherished in my memory the fact that he was trying to get in touch with me so late as about the hour of noon yesterday.

Mr. NEELY. Mr. President—

Whether at Naishapur or Babylon,
Whether the cup with sweet or bitter run,
The wine of life keeps oozing drop by drop,
The leaves of life keep falling one by one.

And oh, how swiftly the wine of life oozes; how rapidly the leaves of life fall within the little circle that surrounds the membership of the United States Senate!

The grim, insatiate reaper, with marble heart that feels no pity; with icy hand that knows no mercy; with sickle keen, that never turns its edge, has, without an instant's warning, removed JOSEPH T. ROBINSON, one of the most illustrious of Senators, from the tumultuous land of the living to the silent land of the dead.

For much more than a quarter of a century he was one of the most celebrated men of the Nation. He was successively a member of the general assembly of his State, a Member of the House of Representatives of the United States, Governor of Arkansas, and a Member of this body continuously from 1913 until last night, when his eyes closed in that peaceful sleep "from which none ever wake to weep."

Less than 20 hours ago he appeared to be in perfect health, in the very flower of mature manhood, and but a short step from the summit of human achievement. Only yesterday he was magnificently leading one side of the greatest parliamentary battle that has been waged in the Senate since the days of Webster and Calhoun and Clay.

A more capable, conscientious, or courageous forensic chieftain never entered the lists. He illuminated every question he discussed, graced every cause he espoused, dignified every task he touched, and ennobled every duty he performed.

But now we call his name in vain. From his pallid lips an answer nevermore will come. In the hush that pervades this sanctuary which he so long and so brilliantly adorned we realize that this faithful friend has sailed that surging, sad, and solemn sea which separates the narrow shores of time from the boundless kingdom of eternity. He has passed the limits of earthly vision.

His living form cannot be seen through the telescopes of science or the tears of grief. But in this hour of overwhelming anguish we look beyond the cloud of gloom that hangs above us like a pall and there, through faith, we see the star of hope still shining on. In the lustrous light of that constant star we read the assuring promise of the Savior of the world:

I am the resurrection and the life: he that believeth in me, though he were dead, yet shall he live.
And whosoever liveth and believeth in me shall never die.

Fellow Senators, in this promise let us put our trust. While dogmas perish and creeds crumble, while agnosticism decays and atheism dies, let us continue to lean upon the everlasting arm, believing that the twilight here is but the dawn of a grander day upon some other shore. Believing that the feeble flame that flickers here for a little while will at last leap into a bright and shining light when the spirit of man has winged its flight back to Him that gave it birth.

God grant that JOE ROBINSON is now walking the streets of paradise that are paved with stars.

Illustrious patriot and leader, loved and loving husband, cherished, faithful friend, a long farewell!

All our hearts are buried with you,
All our thoughts go onward with you!
Come not back again to labor,
Come not back again to suffer,
Where the famine and the fever
Wear the heart and waste the body.
Soon our task will be completed,
Soon your footsteps we shall follow
To the islands of the blessed,
To the land of the hereafter!

Farewell, great heart, till we meet you in the purple dawn of an endless day in that imperishable realm where the rainbow never fades, where no one ever grows old, where friends never part, and loved ones never, never die.

Mr. BYRNES. Mr. President, as I have listened to my colleagues I have wanted to join in paying tribute to Senator ROBINSON, but I have doubted, and doubt now, that I can give expression to my thoughts. Certainly to this grief-stricken group I would not recite Senator ROBINSON's public service. That service is known to each and every one of us. It is a matter of record, and that record will ever be an inspiration to the American people.

Reference has been made to his service as Democratic leader of the Senate, to his courage and forcefulness. I like to think of his fairness; and within the last few moments I have thought that it is fortunate that during the last few weeks an occasion arose which gave opportunity to every Member of this body, regardless of political affiliation, to offer to Senator ROBINSON evidence of the esteem in which he was held by those with whom he served.

I came to the House of Representatives in 1911. I lived in the same hotel with Senator ROBINSON. For 25 years I have been intimately associated with him. Happiness has come to me out of that intimate association. I enjoyed his friendship, and my life was enriched by reason of it. The Senate has lost a great leader. The Nation has lost a patriotic public servant. I have lost a loyal friend.

Mr. ASHURST. Mr. President, JOSEPH TAYLOR ROBINSON, patriot, statesman, orator, great lawyer, most successful parliamentary leader of his generation, has reached his journey's end and has gone to that vast realm of peace and of joy where the innumerable dwell.

As he lived, he died—valiant for truth, brave, imperious, and incorruptible, and I but speak the feeling of every Senator when I say we were all proud to be his friend and honored to be his contemporaries. His far-shining fame is built upon his faithful, constant service to his country. High above the range of doubt or fear, he held steadfastly to his main purpose—good government. With a grim gameness he traversed the long, hard path of duty, bearing aloft a flambeau of idealism, the cleansing flame of which he never permitted to expire.

Mr. PEPPER. Mr. President, I covet the experience of my older colleagues that they have been privileged to enjoy a longer but not a more appreciative friendship with Senator ROBINSON than have I. It has been my privilege to know him for about 6 months of this year, but I could never have had a father more considerate of me than he was, or more helpful in counsel. His door always stood open to the new Members of this body, who went to him as a son would to a father to take his counsel and his generous advice.

I know of no epitaph, Mr. President, to be applied to our departed colleague more appropriate than the words uttered by Antony as he looked down upon another who lay still in death:

His life was gentle, and the elements
So mix'd in him, that Nature might stand up
And say to all the world, "This was a man!"

Mr. OVERTON. Mr. President, that JOSEPH T. ROBINSON was a great Senator, a great lawyer, a great leader, a great statesman is beyond all question. That his sudden death is being mourned at this hour throughout the length and breadth of this land is most true. In the midst of the general encomiums being paid to his memory today I wish to offer this personal tribute.

From the day that I entered the United States Senate there has never been a time when I did not feel privileged to go to Senator ROBINSON for counsel and advice. There never was an occasion when he did not willingly and gladly give me his aid. He was always kind, always courteous, always sympathetic. He was my friend; he was a friend to us all.

The PRESIDENT pro tempore. The question is on agreeing to the resolutions presented by the Senator from Arkansas [Mrs. CARAWAY].

The resolutions were unanimously agreed to.

The PRESIDENT pro tempore. The Chair will announce later the committee to be appointed under the second resolution.

Mrs. CARAWAY. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 45 minutes p. m.) the Senate adjourned until tomorrow, Thursday, July 15, 1937, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 14, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Speak to us, O Lord God, for in these moments we are so defenseless. Out of the depths of our sorrow we cry: Thou art our refuge and strength and a very present help in trouble. Heavenly Father, while life is a great adventure, whatever we do help us to be true to God and duty. We praise Thee for the joy of living and for the hopes and promises for its continuance beyond the timeless centuries. We pray that we may be in preparation for that eternal haven where conflict and struggle, wonder and mystery are over and they who have trod the earth in labor and in pain are now walking the highways of the City of God. Heavenly Father, a statesman who served his State and Nation with distinction and fidelity has fallen, clothed in his armor of renowned leadership. Our heavy hearts pause at the mercy seat of prayer; our cup of sorrow is so full; he was our friend, our neighbor, and brother. Encourage us to go forward that we may fulfill our destiny and enter upon that higher life as servants of the Lord. Oh, comfort her in whose breast there is such an unspeakable void and give her great peace. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

NAVIGATION FACILITIES ON THE COLUMBIA RIVER

Mr. O'CONNOR of New York, from the Committee on Rules, reported the following resolution, which was referred to the House Calendar and ordered printed:

House Resolution 277

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7642, a bill to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rivers and Harbors, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXTENSION OF REMARKS

Mr. HAINES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered by our colleague the gentleman from New York [Mr. MEAD].

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein copies of letters from all Members of the Colorado delegation sent today to each Member of the House.

The SPEAKER. Is there objection?

There was no objection.

THE LATE SENATOR JOSEPH T. ROBINSON

Mr. DRIVER. Mr. Speaker, it is my sad duty to announce to the House of Representatives the death of Hon. JOSEPH T. ROBINSON, the senior Senator from the State of Arkansas, which occurred last night in the Capital City, bringing to a close a long and notable career in the public service. Senator ROBINSON entered public service in the House of Representatives of the State Legislature of Arkansas in the year 1894. Almost immediately thereafter he was elected to the Fifty-eighth Congress, and served in this body for 8 years, when, because of his outstanding ability, the people of my home State selected him as their Governor. Before he had served in that office 30 days a vacancy occurred in the Senate in the Sixty-second Congress, and he was elected by the State legislature to serve an unexpired term in the Senate, and has served continuously in that body since that period up to the date of his death.

In 1922 Senator ROBINSON was selected as the chairman of the minority conference in the Senate and served in that office until a change of administration occurred on the 4th of March 1933, when he was elected majority leader, and has rendered most distinguished service in that capacity during the period in which we have been engaged in recovery legislation.

Mr. Speaker, no man, in my opinion, has rendered a more unselfish, a more patriotic service than has this great citizen from my home State. He died in the harness, as he would wish to die, but I cannot help thinking of the period in Biblical history, when one of the great characters of that time was led up and afforded an opportunity to look over the Promised Land, which he never entered. Senator ROBINSON'S life ambition was to serve on the Supreme Court of the United States. It is believed by many that he would have attained that great ambition had he lived but a few more days, but it was denied him.

My friends, the Nation has suffered a most serious loss in the passing of this great man, and the State of Arkansas, his native State, has suffered an irreparable loss in the death of its most distinguished citizen. At a later date remarks more protracted and suitable to the occasion will be offered.

I offer the following resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 278

Resolved, That the House has heard with profound sorrow of the death of Hon. JOSEPH T. ROBINSON, a Senator of the United States from the State of Arkansas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of 23 Members be appointed on the part of the House to join with the committee appointed on the part of the Senate to attend the funeral.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The Chair appointed the following committee under the terms of the resolution:

Mr. RAYBURN, Mr. SNELL, Mr. DOUGHTON, Mr. JONES, Mr. DRIVER, Mr. MCREYNOLDS, Mr. O'CONNOR of New York, Mr. WOODRUM, Mr. WARREN, Mr. FULLER, Mr. BOEHNE, Mr. MILLER, Mr. DINGELL, Mr. WADSWORTH, Mr. ROBSION of Kentucky, Mr. TERRY. Mr. CRAVENS, Mr. SHORT, Mr. SNYDER of Pennsylvania. Mr. MCCLELLAN, Mr. NICHOLS, Mr. MICHENER, and Mr. KITCHENS.

The SPEAKER. The Clerk will read the concluding portion of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to; accordingly (at 12 o'clock and 17 minutes p. m.) the House adjourned until tomorrow, Thursday, July 15, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Thursday, July 15, 1937, at 10:30 a. m., to hold hearings on H. R. 7365, a bill to provide for the regional conservation and development of the national resources, etc.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, July 22, 1937. Business to be considered: Hearing on H. R. 1536, H. R. 5531, H. R. 7001, and H. R. 7643, research bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

718. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnson Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, and for other purposes; to the Committee on the Judiciary.

719. A letter from the president, Board of Commissioners, District of Columbia, transmitting a proposed amendment to H. R. 5039, a bill amending an act entitled "An act to regulate the business of loaning money, etc."; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 277. Resolution providing for the consideration of H. R. 7642; without amendment (Rept. No. 1217). Referred to the House Calendar.

Mr. MILLER: Committee on the Judiciary. H. R. 7508. A bill to amend the Liquor Enforcement Act of 1936; without amendment (Rept. No. 1218). Referred to the House Calendar.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 7645. A bill to authorize appropriations for construction and rehabilitation at military posts, and for other purposes; without amendment (Rept. No. 1219). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. House Joint Resolution 437. Joint resolution to amend an act entitled "An act to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934", approved April 10, 1935, and to redefine the jurisdiction of the Special Mexican Claims Commission in certain particulars; with amendment (Rept. No. 1220). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. House Joint Resolution 413. Joint resolution to permit the transportation of passengers by Canadian passenger vessels between ports or places in the United States on Lake Ontario and the St. Lawrence River; with amendment (Rept. No. 1221). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 7402. A bill to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes; without amendment (Rept. No. 1222). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'LEARY: Committee on Merchant Marine and Fisheries. H. R. 7158. A bill to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended; without amendment (Rept. No. 1223). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 6916. A bill to amend the laws relating to enlistments in the Coast Guard, and for other purposes; without amendment (Rept. No. 1224). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 7823. A bill to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes; without amendment (Rept. No. 1225). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CURLEY: A bill (H. R. 7862) to provide additional home-mortgage relief by providing for (1) a moratorium on foreclosures permitting appropriate legislation to provide further emergency relief to home-mortgage indebtedness; (2) to further refinance home mortgages; (3) to reduce the rate of interest and extend payment and amortization of mortgages; (4) to eliminate personal and deficiency judgments in foreclosures; (5) to have mortgagor insured for the amount of the loan; and for other purposes; to the Committee on Banking and Currency.

By Mr. RANKIN: A bill (H. R. 7863) to provide for the creation of conservation authorities, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 7864) to confer jurisdiction on the district courts of the United States in appeals from decisions of the Secretary of the Interior in Indian heirship and estate matters; to the Committee on Indian Affairs.

By Mr. CANNON of Missouri: A bill (H. R. 7865) making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937; to the Committee on Appropriations.

By Mr. DOWELL: Joint resolution (H. J. Res. 443) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ELLENBOGEN: Joint resolution (H. J. Res. 444) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to consider their chapter 304 of the acts of 1937, with reference to an act making uniform the procedure on interstate rendition; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to consider their chapter 307 of the acts of 1937, with reference to persons convicted of crimes or offenses who are on probation or parole; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2936. By Mr. KEOGH: Petition of the Tight Barrel Heading Manufacturers' Association, Memphis, Tenn., concerning the Black-Connery bills (S. 2475 and H. R. 7200); to the Committee on Labor.

2937. Also, petition of the Maritime Association of the Port of New York, concerning House bill 7365; to the Committee on the District of Columbia.

2938. By Mr. PFEIFER: Petition of the Stephen Jerry & Co., Inc., Brooklyn, N. Y., concerning the Black-Connery bills (S. 2475 and H. R. 7200); to the Committee on Labor.

2939. By the SPEAKER: Petition of the city of Lynn, Mass., concerning an annuity to the widow of William P. Connery, Jr.; to the Committee on Pensions.

SENATE

THURSDAY, JULY 15, 1937

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O merciful God and Heavenly Father, who has taught us in Thy Holy Word that Thou doest not willingly afflict or grieve the children of men: We come unto Thee at this sorrow-laden hour like ships storm-driven into port, like wanderers seeking refuge from the whelming night, asking Thee to receive us, to shelter us under Thy wing, to hide us in Thy heart.

Thou hast taken unto Thyself the soul of our beloved friend and gallant leader, for whose life we thank Thee, who knew no fear save that of wounding Thee, who never stooped to an unchivalrous deed, but always bowed in reverence before the innocence of little children because his heart was pure. Help us to imitate his virtues and at this altar of our sorrow to rededicate our lives to Thee and to the service of our beloved country. Through these halting hours of anguish deal tenderly, O compassionate Father, with the dear one, the heart companion of his life; enfold her in Thine arms of everlasting love, and by the very hush of Thy presence soothe her aching heart.

Bide with us all, dear Lord, for day is fast dying and the shadows of the night shall fall, and soon we shall no longer see each other's faces here, but be our light in darkness till Thy day shall break above us as we wait. We ask it in the name and for the sake of Him who hath brought life and immortality to light, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar days Tuesday, July 13, 1937, and Wednesday, July 14, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas.

The message announced that the House had passed a joint resolution (H. J. Res. 431) making an appropriation for the control of outbreaks of insect pests, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 458. An act for the relief of Eva Markowitz;

H. R. 730. An act for the relief of Joseph M. Clagett, Jr.;

H. R. 1377. An act for the relief of Walter T. Karshner, Katherine Karshner, Anna M. Karshner, and Mrs. James E. McShane;

H. R. 1945. An act for the relief of Venice La Prad;

H. R. 2332. An act for the relief of William Sulem;

H. R. 2562. An act for the relief of Mr. and Mrs. David Stoppel;

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries; and

H. R. 3634. An act for the relief of Noah Spooner.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 431) making an appropriation for the control of outbreaks of insect pests was read twice by its title and referred to the Committee on Appropriations.

CONTROL OF INSECT PESTS

Mr. LEWIS. I ask for a roll call, in order to assure the presence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

Mr. McKELLAR. Mr. President, before the roll is called, will the Senator from Illinois yield to me?

Mr. LEWIS. Mr. President, I withdraw for the present the suggestion of the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Illinois withdraws the point of no quorum.

Mr. McKELLAR. Mr. President, House Joint Resolution 431, making an appropriation for the control of outbreaks of insect pests, has just come over from the House. I am authorized by the Committee on Appropriations, and for the Senator from Virginia [Mr. GLASS], to report the joint resolution favorably without amendment, and I submit a report (No. 887) thereon. I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. KING. Does that mean that, without discussion and consideration, the House joint resolution shall be approved?

Mr. McKELLAR. Yes; I hope it may mean that. The proof before the House committee shows that a great emergency exists in the West in regard to insect pests. The Senator from Colorado is especially interested in the passage of the proposed legislation; it seemed to the committee to be an emergency matter, and it is hoped that the joint resolution may be passed without delay.

Mr. McNARY. Mr. President, I do not recall the provisions of the measure.

Mr. McKELLAR. Sometime ago the Congress, in connection with what is known as the grasshopper control, authorized an appropriation of $2,000,000, $1,000,000 of which has been appropriated and spent. The proof before the House was so very strong that, in order to control grasshoppers and other pests in various Western States, it is absolutely necessary that the appropriation provided by the joint resolution shall be made.

The PRESIDENT pro tempore. Is there objection to the present consideration of the House joint resolution?

There being no objection, the joint resolution (H. J. Res. 431) making an appropriation for the control of outbreaks of insect pests was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That for carrying out the purposes of and for expenditures authorized under the public resolution entitled "Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs", approved April 6, 1937, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000, to remain available until June 30, 1938: *Provided*, That in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for control of grasshoppers, Mormon crickets, or chinch bugs in any State until such State has provided the organization or materials and supplies necessary for cooperation: *Provided further*, That this appropriation shall be expended under the personal supervision and direction of the Secretary of Agriculture, who shall make a detailed report to the Secretary of the Senate and the Clerk of the House of Representatives of the several items of expenditure made hereunder: *Provided further*, That transportation of control materials purchased under this appropriation shall be under conditions and means determined by the Secretary of Agriculture as most advantageous to the Federal Government: *Provided further*, That procurements under this appropriation may be made by open-market purchases notwithstanding the provisions of section 3709 of the Revised Statutes of the United States (U. S. C., title 41, sec. 5).

Mr. McKELLAR. Mr. President, I ask unanimous consent that the joint resolution may be signed by the Presiding Officer while the Senate is in recess or adjournment following today's session.

The PRESIDENT pro tempore. Without objection, it is so ordered.

FARMERS HOME CORPORATION—CONFERENCE REPORT

Mr. BANKHEAD. Mr. President, for certain reasons, I am anxious to have final action taken on the conference report on House bill 7562, being the farm tenancy bill, so-called. I submit the conference report, and ask unanimous consent for its immediate consideration. If it leads to any debate, I will withdraw the request.

The PRESIDENT pro tempore. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7562) to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as 'The Bankhead-Jones Farm Tenant Act'.

"TITLE I—FARM TENANT PROVISIONS

"POWER OF SECRETARY

"SECTION 1. (a) The Secretary of Agriculture (hereinafter referred to as the 'Secretary') is authorized to make loans in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico to persons eligible to receive the benefits of this title to enable such persons to acquire farms.

"(b) Only farm tenants, farm laborers, sharecroppers, and other individuals who obtain, or who recently obtained, the major portion of their income from farming operations shall be eligible to receive the benefits of this title. In making available the benefits of this title, the Secretary shall give preference to persons who are married, or who have dependent families, or, wherever practicable, to persons who are able to make an initial down payment, or who are owners of livestock and farm implements necessary successfully to carry on farming operations. No person shall be eligible who is not a citizen of the United States.

"(c) No loan shall be made for the acquisition of any farm unless it is of such size as the Secretary determines to be sufficient to constitute an efficient farm-management unit and to enable a diligent farm family to carry on successful farming of a type which the Secretary deems can be successfully carried on in the locality in which the farm is situated.

"COUNTY COMMITTEES AND LOANS

"SEC. 2. (a) The County Committee established under section 42 shall—

"(1) Examine applications (filed with the county agent in the county, or with such other person as the Secretary may designate) of persons desiring to finance the acquisition of farms in the county by means of a loan from the Secretary under this title.

"(2) Examine and appraise farms in the county with respect to which an application for a loan is made.

"(b) If the committee finds that an applicant is eligible to receive the benefits of this title, that by reason of his character, ability, and experience he is likely successfully to carry out undertakings required of him under a loan which may be made under this title, and that the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of a loan with respect thereto will carry out the purposes of this title, it shall so certify to the Secretary. The committee shall also certify to the Secretary the amount which the committee finds is the reasonable value of the farm.

"(c) No certification under this section shall be made with respect to any farm in which any member of the committee or any person related to such member within the third degree of consanguinity or affinity has any property interest, direct or indirect, or in which they or either of them have had such interest within one year prior to the date of certification.

"(d) No loan shall be made to any person or with respect to any farm unless certification as required under this section has been made with respect to such person and such farm by the committee.

"TERMS OF LOANS

"SEC. 3. (a) Loans made under this title shall be in such amount (not in excess of the amount certified by the County Committee to be the value of the farm) as may be necessary to enable the borrower to acquire the farm and for necessary repairs and improvements thereon, and shall be secured by a first mortgage or deed of trust on the farm.

"(b) The instruments under which the loan is made and security given therefor shall—

"(1) Provide for the repayment of the loan within an agreed period of not more than forty years from the making of the loan.

"(2) Provide for the payment of interest on the unpaid balance of the loan at the rate of 3 per centum per annum.

"(3) Provide for the repayment of the unpaid balance of the loan, together with interest thereon, in installments in accordance with amortization schedules prescribed by the Secretary.

"(4) Be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the unpaid balance of the loan, together with interest thereon, to protect the security, and to assure that the farm will be maintained in repair, and waste and exhaustion of the farm prevented, and that such proper farming practices as the Secretary shall prescribe will be carried out.

"(5) Provide that the borrower shall pay taxes and assessments on the farm to the proper taxing authorities, and insure and pay for insurance on farm buildings.

"(6) Provide that upon the borrower's assigning, selling, or otherwise transferring the farm, or any interest therein, without the consent of the Secretary, or upon default in the performance of, or upon any failure to comply with, any covenant or condition contained in such instruments, or upon involuntary transfer or sale, the Secretary may declare the amount unpaid immediately due and payable, and that, without the consent of the Secretary, no final payment shall be accepted, or release of the Secretary's interest be made, less than five years after the making of the loan.

"(c) Except as provided in paragraph (6) of subsection (b), no instrument provided for in this section shall prohibit the prepayment of any sum due under it.

"(d) No provision of section 75, as amended, of the Act entitled 'An Act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898 (U. S. C., 1934 ed., title 11, sec. 203; Supp. II, title 11, sec. 203), otherwise applicable in respect of any indebtedness incurred under this title by any beneficiary thereof, shall be applicable in respect of such indebtedness until such beneficiary has repaid at least 15 per centum thereof.

"EQUITABLE DISTRIBUTION OF LOANS

"SEC. 4. In making loans under this title, the amount which is devoted to such purpose during any fiscal year shall be distributed equitably among the several States and Territories on the basis of farm population and the prevalence of tenancy, as determined by the Secretary.

"AVOIDANCE OF PRODUCTION EXPANSION

"SEC. 5. In carrying out this title, the Secretary shall give due consideration to the desirability of avoiding the expansion of production for market of basic commodities where such expansion would defeat the policy of Congress as set forth in section 7 (a) (5) of the Soil Conservation and Domestic Allotment Act, as amended, and shall, so far as practicable, assist beneficiaries of the program under this title to become established upon lands now in cultivation.

"APPROPRIATION

"SEC. 6. To carry out the provisions of this title, there is authorized to be appropriated not to exceed $10,000,000 for the fiscal year ending June 30, 1938, not to exceed $25,000,000 for the fiscal year ending June 30, 1939, and not to exceed $50,000,000 for each fiscal year thereafter. Not more than 5 per centum of the sums appropriated for any fiscal year in pursuance of this section shall be available for administrative expenses in carrying out this title during such fiscal year.

"TITLE II—REHABILITATION LOANS

"BORROWERS AND TERMS

"SECTION 21. (a) Out of the funds made available under section 23, the Secretary shall have power to make loans to eligible individuals for the purchase of livestock, farm equipment, supplies, and for other farm needs (including minor improvements and minor repairs to real property), and for the refinancing of indebtedness, and for family subsistence.

"(b) Loans made under this section shall bear interest at a rate not in excess of 3 per centum per annum, and shall have maturities not in excess of five years, and may be renewed. Such loans shall be payable in such installments as the Secretary may provide in the loan agreement. All loans made under this title shall be secured by a chattel mortgage, a lien on crops, and an assignment of proceeds from the sale of agricultural products, or by any one or more of the foregoing.

"(c) Only farm owners, farm tenants, farm laborers, sharecroppers, and other individuals who obtain, or who recently obtained, the major portion of their income from farming operations, and who cannot obtain credit on reasonable terms from any federally incorporated lending institution, shall be eligible for loans under this section.

"DEBT ADJUSTMENT

"SEC. 22. The Secretary shall have power to assist in the voluntary adjustment of indebtedness between farm debtors and their creditors and may cooperate with and pay the whole or part of the expenses of State, Territorial, and local agencies and committees engaged in such debt adjustment. He is also authorized to continue and carry out undertakings with respect to farm debt adjustment uncompleted at the time when appropriations for the purpose of this section are first available. Services furnished by the Secretary under this section shall be without charge to the debtor or creditor.

"APPROPRIATION

"SEC. 23. (a) For the fiscal year ending June 30, 1938, the balances of funds available to the Secretary for loans and relief to farmers, pursuant to Executive Order Numbered 7530 of December 31, 1936, as amended by Executive Order Numbered 7557 of February 19, 1937, which are unexpended on June 30, 1937, are authorized to be appropriated to carry out the provisions of this title.

"(b) The President is authorized to allot to the Secretary, out of appropriations made for relief or work relief for any fiscal year ending prior to July 1, 1939, such sums as he determines to be necessary to carry out the provisions of this title and to enable the Secretary to carry out such other forms of rehabilitation of individuals eligible under this title to receive loans as may be authorized by law and designated in the Executive order directing the allotment.

"TITLE III—RETIREMENT OF SUBMARGINAL LANDS

"PROGRAM

"SECTION 31. The Secretary is authorized and directed to develop a program of land conservation and land utilization, including the retirement of lands which are submarginal or not primarily suitable for cultivation, in order thereby to correct maladjustments in land use, and thus assist in controlling soil erosion, reforestation,

preserving natural resources, mitigating floods, preventing impairment of dams and reservoirs, conserving surface and subsurface moisture, protecting the watersheds of navigable streams, and protecting the public lands, health, safety, and welfare.

"POWERS UNDER LAND PROGRAM

"SEC. 32. To effectuate the program provided for in section 31, the Secretary is authorized—

"(a) To acquire by purchase, gift, or device, or by transfer from any agency of the United States or from any State, Territory, or political subdivision, submarginal land and land not primarily suitable for cultivation, and interests in and options on such land. Such property may be acquired subject to any reservations, outstanding estates, interests, easements, or other encumbrances which the Secretary determines will not interfere with the utilization of such property for the purposes of this title.

"(b) To protect, improve, develop, and administer any property so acquired and to construct such structures thereon as may be necessary to adapt it to its most beneficial use.

"(c) To sell, exchange, lease, or otherwise dispose of, with or without a consideration, any property so acquired, under such terms and conditions as he deems will best accomplish the purposes of this title, but any sale, exchange, or grant shall be made only to public authorities and agencies and only on condition that the property is used for public purposes. The Secretary may recommend to the President other Federal, State, or Territorial agencies to administer such property, together with the conditions of use and administration which will best serve the purposes of a land-conservation and land-utilization program, and the President is authorized to transfer such property to such agencies.

"(d) With respect to any land, or any interest therein, acquired by, or transferred to, the Secretary for the purposes of this title, to make dedications or grants, in his discretion, for any public purpose, and to grant licenses and easements upon such terms as he deems reasonable.

"(e) To cooperate with Federal, State, Territorial, and other public agencies in developing plans for a program of land conservation and land utilization, to conduct surveys and investigations relating to conditions and factors affecting, and the methods of accomplishing most effectively, the purposes of this title, and to disseminate information concerning these activities.

"(f) To make such rules and regulations as he deems necessary to prevent trespasses and otherwise regulate the use and occupancy of property acquired by, or transferred to, the Secretary for the purposes of this title, in order to conserve and utilize it or advance the purposes of this title. Any violation of such rules and regulations shall be punished as prescribed in section 5388 of the Revised Statutes, as amended (U. S. C., 1934 ed., title 18, sec. 104).

"PAYMENTS TO COUNTIES

"SEC. 33. As soon as practicable after the end of each calendar year, the Secretary shall pay to the county in which any land is held by the Secretary under this title, 25 per centum of the net revenues received by the Secretary from the use of the land during such year. In case the land is situated in more than one county, the amount to be paid shall be divided equitably among the respective counties. Payments to counties under this section shall be made on the condition that they are used for school or road purposes, or both. This section shall not be construed to apply to amounts received from the sale of land.

"APPROPRIATION

"SEC. 34. To carry out the provisions of this title, there is authorized to be appropriated not to exceed $10,000,000 for the fiscal year ending June 30, 1938, and not exceed $20,000,000 for each of the two fiscal years thereafter.

"TITLE IV—GENERAL PROVISIONS

"FARMERS' HOME CORPORATION

"SECTION 40. (a) There is hereby created as an agency, of and within the Department of Agriculture, a body corporate with the name 'Farmers' Home Corporation' (in this Act called the Corporation). The principal office of the Corporation shall be located in the District of Columbia, but there may be established agencies or branch offices elsewhere in the United States under rules and regulations prescribed by the Board of Directors.

"(b) The Secretary shall have power to delegate to the Corporation such powers and duties conferred upon him under title I or title II, or both, and such powers under title IV as relate to the exercise of the powers and duties so delegated, as he deems may be necessary to the efficient carrying out of the purposes of such titles and may be executed by the Corporation, and to transfer to the Corporation such funds available for such purposes as he deems necessary. In connection with and in the exercise of such powers and duties so delegated, all provisions of this Act relating to the powers and duties of, and limitations upon, the Secretary shall apply to the Corporation in the same manner as to the Secretary, and the term 'Secretary' shall be construed to include 'Corporation.'

"(c) The Corporation shall have a nominal capital stock in an amount determined and subscribed for by the Secretary. Receipts for payments for or on account of such stock shall be issued by the Corporation to the Secretary and shall be evidence of the stock ownership of the United States.

"(d) The management of the Corporation shall be vested in a board of directors (in this Act called the Board) subject to the general supervision of the Secretary. The Board shall consist of three persons employed in the Department of Agriculture who shall be designated by the Secretary. Vacancies in the Board, so long as there are two members in office, shall not impair the powers of the Board to execute its functions and two of the members in office shall constitute a quorum for the transaction of business. The directors, appointed as hereinbefore provided, shall receive no additional compensation for their services as such directors but may be allowed travel and subsistence expenses when engaged in business of the Corporation outside of the District of Columbia.

"(e) The Board may select, subject to the approval of the Secretary, an administrator, who shall be the executive officer of the Corporation, with such power and authority as may be conferred upon him by the Board.

"(f) The Corporation—

"(1) Shall have succession in its corporate name;

"(2) May adopt, alter, and use a corporate seal, which shall be judicially noticed;

"(3) May sue and be sued in its corporate name in any court of competent jurisdiction, State or Federal: *Provided*, That the prosecution and defense of all litigation to which the Corporation may be a party shall be conducted under the supervision of the Attorney General, and the Corporation shall be represented by the United States Attorneys for the districts, respectively, in which such litigation may arise, or by such other attorney or attorneys as may, under the law, be designated by the Attorney General: *And provided further*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property;

"(4) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised and enjoyed;

"(5) Shall be entitled to the free use of the United States mails in the same manner as other executive agencies of the Government;

"(6) Shall have such powers as may be necessary or appropriate for the exercise of the powers vested in the Corporation (including, but subject to the limitations of this Act, the power to make contracts, and to purchase or lease, and to hold or dispose of, such real and personal property as it deems necessary) and all such incidental powers as are customary in corporations generally. The Board shall define the authority and duties of the officers and employees of the Corporation, delegate to them such of the powers vested in the Corporation as it may determine, and require bonds of such of them as it may designate and fix the penalties and pay the premiums of such bonds.

"(g) Insofar as applicable, the benefits of the Act entitled 'An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, shall extend to employees of the Corporation.

"(h) All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or with the approval of the Secretary of the Treasury may be invested in obligations of the United States. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are hereby authorized and directed to act as depositories, custodians, and fiscal agents for the Corporation in the performance of its powers.

"(i) The Corporation, including its franchises, its capital, reserves, and surplus and its income and property shall, except as otherwise provided in section 50 (a), be exempt from all taxation now or hereafter imposed by the United States or any State, Territory, District, dependency, or political subdivision.

"(j) The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary a complete report as to the business of the Corporation.

"ADMINISTRATIVE POWERS OF SECRETARY AND CORPORATION

"SEC. 41. For the purposes of this Act, the Secretary shall have power to—

"(a) Appoint (without regard to the civil-service laws and regulations) and fix the compensation of such officers and employees as may be necessary. No person (except as to positions requiring technical training and experience for which no one possessing the requisite technical training and experience is available within the area) shall be appointed or transferred under this Act to any position in an office in a State or Territory the operations of which are confined to such State or Territory or a portion thereof, or in a regional office outside the District of Columbia the operations of which extend to more than one, or portions of more than one, State or Territory, unless such person has been an actual and bona-fide resident of the State or Territory, or region, as the case may be, in which such office is located, for a period of not less than one year next preceding the appointment or transfer to such position (disregarding periods of residence outside such State or Territory, or region, as the case may be, while in the Federal Government service). If the operations of the office are confined to a portion of a single State or Territory, the Secretary in making appointments or transfers to such office shall, except in the classes of cases exempted from the preceding sentence, appoint or transfer only persons who are residents of such portion of the State or Territory: *Provided*, That hereafter, wherever practicable, all appointments of persons to the Federal service for employment within the District of Columbia, under the provisions of this Act, whether such appointments be within the classified civil service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census.

"(b) Accept and utilize voluntary and uncompensated services, and, with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision.

"(c) Within the limits of appropriations made therefor, make necessary expenditures for personal services and rent at the seat of government and elsewhere; contract stenographic reporting services; purchase and exchange of supplies and equipment, law books, books of reference, directories, periodicals, newspapers, and press clippings; travel and subsistence expenses, including the expense of attendance at meetings and conferences; purchase, operation, and maintenance, at the seat of government and elsewhere, of motor-propelled passenger-carrying and other vehicles; printing and binding; and for such other facilities and services as he may from time to time find necessary for the proper administration of this Act.

"(d) Make contracts for services and purchases of supplies without regard to the provisions of section 3709 of the Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5) when the aggregate amount involved is less than $300.

"(e) Make payments prior to audit and settlement by the General Accounting Office.

"(f) Acquire land and interests therein without regard to section 355 of the Revised Statutes, as amended. This subsection shall not apply with respect to the acquisition of land or interests in land under title III.

"(g) Compromise claims and obligations arising under, and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into pursuant to, this Act, as circumstances may require.

"(h) Collect all claims and obligations arising under this Act, or under any mortgage, lease, contract, or agreement entered into pursuant to this Act, and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: *Provided*, That the prosecution and defense of all litigation under this Act shall be conducted under the supervision of the Attorney General, and the legal representation shall be by the United States Attorneys for the districts, respectively, in which such litigation may arise, or by such other attorney or attorneys as may, under the law, be designated by the Attorney General.

"(i) Make such rules and regulations as he deems necessary to carry out this Act.

"COUNTY COMMITTEE

"SEC. 42. (a) The Secretary is authorized and directed to appoint in each county in which activities are carried on under title I a county committee composed of three farmers residing in the county.

"(b) Each member of the committee shall be allowed compensation at the rate of $3 per day while engaged in the performance of duties under this Act but such compensation shall not be allowed with respect to more than five days in a month. In addition, they shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses.

"(c) The committee shall meet on the call of the county agent in the county, or on the call of such other person as the Secretary may designate. Two members of the committee shall constitute a quorum. The Secretary shall prescribe rules governing the procedure of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistants as he deems may be required by any committee.

"(a) Committees established under this Act shall, in addition to the duties specifically imposed under this Act, perform such other duties under this Act as the Secretary may require of them.

"RESETTLEMENT PROJECTS

"SEC. 43. The Secretary is authorized to continue to perform such of the functions vested in him pursuant to Executive Order Numbered 7530 of December 31, 1936, as amended by Executive Order Numbered 7557 of February 19, 1937, and pursuant to Public Act Numbered 845, approved June 29, 1936 (49 Stat. 2035), as shall be necessary only for the completion and administration of those resettlement projects, rural rehabilitation projects for resettlement purposes, and land development and land utilization projects, for which funds have been allotted by the President, and the balances of funds available to the Secretary for said purposes which are unexpended on June 30, 1937, are authorized to be appropriated to carry out said purposes: *Provided*, That any land held by the United States under the supervision of the Secretary pursuant to said Executive orders may where suitable be utilized for the purposes of title I of this act, and the Secretary may sell said land and make loans for the necessary improvement thereof to such individuals and upon such terms as shall be in accordance with the provisions of said title.

"GENERAL PROVISIONS APPLICABLE TO SALE

"SEC. 44. The sale or other disposition of any real property acquired by the Secretary pursuant to the provisions of this Act, or any interest therein, shall be subject to the reservation by the Secretary on behalf of the United States of not less than an undivided three-fourths of the interest of the United States in all coal, oil, gas, and other minerals in or under such property.

"TRANSFER OF AVAILABLE LANDS

"SEC. 45. The President may at any time in his discretion transfer to the Secretary or the Corporation any right, interest, or title held by the United States, and under the supervision of the Secretary, in any land which the President shall find suitable for the purposes of this Act, and the Secretary or the Corporation, as the case may be, may use and dispose of such land in such manner, and subject to such terms and conditions, as the President determines will best carry out the objectives of this Act.

"TRANSACTIONS WITH CORPORATIONS

"SEC. 46. Nothing in this Act shall be construed to authorize the making of any loan, or the sale or other disposition of real property or any interest therein, to any private corporation, for farming purposes.

"SURVEYS AND RESEARCH

"SEC. 47. The Secretary is authorized to conduct surveys, investigations, and research relating to the conditions and factors affecting, and the methods of accomplishing most effectively, the purposes of this Act, and may publish and disseminate information pertinent to the various aspects of his activities.

"VARIABLE PAYMENTS

"SEC. 48. The Secretary may provide for the payment of any obligation or indebtedness to him under this Act under a system of variable payments under which a surplus above the required payment will be collected in periods of above-normal production or prices and employed to reduce payments below the required payment in periods of subnormal production or prices.

"SET-OFF

"SEC. 49. No set-off shall be made against any payment to be made by the Secretary to any person under the provisions of this Act, by reason of any indebtedness of such person to the United States, and no debt due to the Secretary under the provisions of this Act shall be set off against any payments owing by the United States, unless the Secretary shall find that such set-off will not adversely affect the objectives of this Act.

"TAXATION

"SEC. 50. (a) All property which is being utilized to carry out the purposes of title I or title II of this Act (other than property used solely for administrative purposes) shall, notwithstanding that legal title to such property remains in the Secretary or the Corporation, be subject to taxation by the State, Territory, District, dependency, and political subdivision concerned, in the same manner and to the same extent as other similar property is taxed.

"(b) All property to which subsection (a) of this section is inapplicable which is held by the Secretary or the Corporation pursuant to this Act shall be exempt from all taxation now or hereafter imposed by the United States or any State, Territory, District, dependency, or political subdivision, but nothing in this subsection shall be construed as affecting the authority or duty of the Secretary under any other law to make payments in respect of any such property in lieu of taxes.

"BID AT FORECLOSURE

"SEC. 51. The Secretary is authorized and empowered to bid for and purchase at any foreclosure or other sale, or otherwise to acquire property pledged or mortgaged to secure any loan or other indebtedness owing under this Act; to accept title to any property so purchased or acquired; to operate or lease such property for such period as may be deemed necessary or advisable to protect the investment therein; and to sell or otherwise dispose of such property so purchased or acquired upon such terms and for such considerations as the Secretary shall determine to be reasonable, but subject to the reservation of the rights provided for in section 44.

"PENALTIES

"SEC. 52. (a) Whoever makes any material representation, knowing it to be false, for the purpose of influencing in any way the action of the Corporation upon any application, advance, discount, purchase, or repurchase agreement, contract of sale, lease, or loan, or any change or extension of any of the same by renewal, deferment of action or otherwise, or the acceptance, release, or substitution of security therefor, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"(b) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (2) with intent to defraud the Corporation, or any other body politic or corporate, or any individual, or to deceive, any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation or draws any order, or issues, puts forth, or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (3) with intent to defraud the Corporation, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission contract, or any other act of the Corporation, shall be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both.

"(c) Whoever willfully shall conceal, remove, dispose of, or convert to his own use or to that of another, any property mortgaged or pledged to, or held by, the Corporation, as security for any obligation, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both.

"(d) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States (U. S. C., title 18, secs. 202–207, inclusive), insofar as applicable, are extended to apply to contracts or agreements of the Corporation, which for the purposes hereof shall be held to include advances, loans, discounts, purchase

and repurchase agreements, contracts of sale, and leases; extensions and renewals thereof; and acceptances, releases, and substitutions of security therefor.

"(e) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, on conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful act.

"FEES AND COMMISSIONS PROHIBITED

"SEC. 53. No Federal officer, attorney, or employee shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this Act other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee established under section 42 shall knowingly make or join in making any certification prohibited by section 2 (c). Any person violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $1,000 or imprisoned for not more than one year, or both.

"EXTENSION OF TERRITORIES

"SEC. 54. The provisions of this Act shall extend to the Territories of Alaska and Hawaii and to Puerto Rico. In the case of Alaska and Puerto Rico the term "county" as used in this Act shall be deemed synonymous with the Territory, or any subdivision thereof as may be designated by the Secretary, and payments under section 33 of this Act shall be made to the Governor of the Territory or to the fiscal agent of such subdivision.

"SEPARABILITY

"SEC. 55. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby."

That the House recede from its disagreement to the amendment to the title of the bill.

J. H. BANKHEAD,
J. P. POPE,
LYNN J. FRAZIER,
Managers on the part of the Senate.
MARVIN JONES,
WALL DOXEY,
CLIFFORD R. HOPE,
Managers on the part of the House.

The PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

Mr. McNARY. Mr. President, it was rather understood that general legislation would not be considered today. I have no objection to proceeding to the consideration of the conference report if it will not lead to debate.

Mr. BANKHEAD. I will say to the Senator that if it leads to debate, I will promptly withdraw it.

Mr. McNARY. I reserve the right to object later if it should lead to debate.

Mr. BARKLEY. Mr. President, if the Senator from Alabama will yield to me, I should like to make a general statement.

Mr. BANKHEAD. I yield.

Mr. BARKLEY. It was my understanding and the feeling of us all that there would be no legislative business transacted today or tomorrow or at any time until after the funeral of our late beloved colleague. The Senator from Alabama has illness in his family and desires to go home. With the understanding that the conference report will lead to no discussion, and that there will be no objection to its consideration, I shall not object; but I should like to have it understood that my statement applies to any matter which may be brought before the Senate.

Mr. McNARY. I made such a reservation. So I think we might go forward.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

CHARLES CARROLL OF CARROLLTON BICENTENARY COMMISSION

Mr. TYDINGS. Mr. President, it is with great reluctance that I ask unanimous consent for the present consideration of Calendar No. 908, being Senate Joint Resolution 171, dealing with the Charles Carroll of Carrollton Bicentenary Commission. The joint resolution does not propose new legislation. An appropriation has been made and a commission has been created, but, due to the fact that some portraits have to come from Italy to Baltimore for exhibition there, and as the time limit is very short, the Commission is held up in the most important part of its work. I ask unanimous consent that the joint resolution may be considered at this time.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the joint resolution (S. J. Res. 171) relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That for the purpose of carrying out its functions under the joint resolution of June 15, 1936, the Charles Carroll of Carrollton Bicentenary Commission, or the chairman acting for the Commission, is authorized to fix the compensation of such officers and employees as may be necessary without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States, and to determine its necessary expenditures and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds; and be it further

Resolved, That the Commission be authorized to borrow the services of employees from other Government agencies.

APPROPRIATIONS FOR CIVIL FUNCTIONS OF WAR DEPARTMENT—CONFERENCE REPORT

Mr. COPELAND. Mr. President, I desire to ask unanimous consent for the immediate consideration of the conference report on the bill making appropriations for certain nonmilitary activities of the War Department. May I do that now? I may say that there is no disagreement between the House and the Senate as to any provision except one, and that has to do with amendment no. 15. That amendment relates to the pay of five retired officers of the Regular Army assigned to active duty at the United States Soldiers' Home. The question was submitted to the House, and the House disagreed to this amendment. I have talked with the chairman of the House committee, who says there is no use whatever in making any further attempt to obtain favorable action on that side. I think that is true, because, as a matter of fact, it was a controversial question in the committee.

Mr. KING. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. KING. Is it pertinent to the proposed legislation to have included in it a provision for the salaries or increase of compensation of the officers referred to? Is that germane to the main purposes of the bill?

Mr. COPELAND. Yes; because the bill makes appropriations for certain civil functions administered by the War Department, and among such functions is the operation of the United States Soldiers' Home. It seems that five retired officers of the Army are on duty there. They get their retired pay. They have quarters and subsistence. But at the same time personally I feel, and I think it is the feeling of all members of the Senate committee, that these men are on active duty, performing active service, and ought to be paid accordingly. Of course, they have certain emoluments and certain privileges which they get, perhaps, in some degree, because of this service. The matter was discussed at some length in the conference committee. There was disagreement there. When the matter went to the House, the House Members, with only three exceptions, voted against it.

Mr. WALSH. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WALSH. The regular order of business now before the Senate is the presentation of petitions and memorials. Many of us have bills to introduce and reports to make. May I suggest that the Senator wait until morning business shall have been disposed of?

Mr. COPELAND. I shall be very glad to do that. I shall wait and take up the matter again after morning business shall have been concluded.

COMMERCIAL AIRPORT FOR THE DISTRICT OF COLUMBIA

The PRESIDENT pro tempore laid before the Senate a letter from the chairman of the District of Columbia Airport Commission (Hon. WILLIAM H. KING, senior Senator from Utah), submitting, pursuant to law, the report of the Commission concerning potential sites for commercial airports in and the establishment of a commercial airport for the District of Columbia, which was ordered to lie on the table.

ACTS OF THE COMMONWEALTH OF MASSACHUSETTS

The PRESIDENT pro tempore laid before the Senate certified copies of the following acts of the Legislature of the State of Massachusetts, which were referred to the Committee on the Judiciary:

(Chap. 304.) An act making uniform the procedure on interstate rendition; and

(Chap. 307.) An act providing for the entry of this Commonwealth into compacts with any of the United States for mutual helpfulness in relation to persons convicted of crimes or offenses who are on probation or parole.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the City Council of Lynn, Mass., favoring the granting of an annuity during her natural life to the widow of Hon. William P. Connery, Jr., late a Representative from the State of Massachusetts, which was referred to the Committee on Pensions.

He also laid before the Senate a letter in the nature of a petition from Charles X. Newman, of Oakland, Calif., praying that legislative action be taken to reverse the alleged order of California W. P. A. officials to their project supervisors "to lay off the least employable first" and "to keep the best men on W. P. A.", which was ordered to lie on the table.

He also laid before the Senate resolutions adopted at the Twenty-eighth Annual Conference of the National Association for the Advancement of Colored People held at Detroit, Mich., favoring the enactment of the so-called Wagner-Van Nuys-Gavagan antilynching bill, and other measures of beneficial interest to the Negro race, which were ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by the Home Owners and Taxpayers' Association of Staten Island, Inc., of Staten Island, N. Y., protesting against the present foreclosure policy of the Home Owners' Loan Corporation, and favoring the prompt enactment of legislation for the relief of home owners, which was referred to the Committee on Banking and Currency.

He also presented resolutions adopted by Robert Morris Council, No. 100, of New York City, and Banksville Council, No. 86, of Bedford, both of the Junior Order United American Mechanics, in the State of New York, protesting against the enactment of the bill (H. R. 6391) to authorize the prompt deportation of criminals and certain other aliens, and for other purposes, which were referred to the Committee on Immigration.

He also presented a resolution adopted by the Twenty-sixth Annual Grand Chapter of the Kappa Alpha Psi Fraternity held in Washington, D. C., favoring the prompt enactment of pending antilynching legislation, which was ordered to lie on the table.

Mr. REYNOLDS presented the following joint resolution of the Legislature of the State of North Carolina, which was ordered to lie on the table:

Joint resolution endorsing the recommendations of the President of the United States of February 5, 1937, for reforms in the Federal judicial system and requesting the Senators and Members of Congress from North Carolina to support the measure presented to carry out this purpose

Whereas Franklin D. Roosevelt, President of the United States, in a message to Congress on February 5, 1937, recommended the enactment of a measure making important changes in the Federal judicial system, including a provision which would empower the President, when any judge of the United States Supreme Court, appointed to hold office during good behavior, has hereafter attained the age of 70 years after at least 10 years of service and within 6 months thereafter has neither resigned nor retired, to nominate and with the consent of the Senate to appoint one additional judge for such Court: *Provided*, That this increase in the number of judges so appointed shall not result in more than 15 members of the Supreme Court of the United States, or more than two additional judges of the circuit court of appeals or other specified court; and

Whereas, by reason of the recommendations of the President of the United States to Congress, and action upon the bill presented by the President for the purpose of carrying out his recommendations, presents an issue of great national importance in which the people of North Carolina and all other people of the United States are vitally concerned; and

Whereas the people of the State of North Carolina are strongly supporting the President of the United States in his recommendations to Congress and a great majority of the people of this State firmly believe that the enactment of such measure is vital to the future happiness and welfare of our people; and

Whereas the members of the General Assembly of North Carolina desire to express to the President of the United States and to our Representatives in Congress full endorsement and approval of the measure presented by the President to Congress, and to urge Members of Congress from North Carolina to support the same: Now, therefore, be it

Resolved by the house of representatives (the senate concurring):

SECTION 1. That the General Assembly of North Carolina does hereby fully endorse and approve the recommendations made by the President of the United States, Franklin D. Roosevelt, in his message to Congress of February 5, 1937, and that we do hereby recommend to and urge upon the Members of Congress from North Carolina that they shall vote for and support the measure presented to Congress to carry out said recommendations.

SEC. 2. That duly certified copies of this joint resolution shall be immediately forwarded to the President of the United States and to the Members of Congress from North Carolina, and the Members of Congress from North Carolina are requested to present this joint resolution to the Congress of the United States promptly after the receipt thereof.

SEC. 3. That this resolution shall be in force and effect from and after its ratification.

[In connection with the presentation of the foregoing joint resolution, Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a resolution of the Bar Association of Hertford County, N. C., and an address by L. J. Lawrence, president of said bar association, relative to the reorganization of the Federal judiciary, which appear in the Appendix.]

AGRICULTURAL ADJUSTMENT LEGISLATION

Mr. REYNOLDS. Mr. President, I have before me and present a letter from E. F. Arnold, executive secretary of the North Carolina Farm Bureau Federation, of Raleigh, N. C., together with a copy of my answer thereto, and a petition signed by some 3,000 farmers of North Carolina praying for the enactment of the so-called Flannagan bill, being the bill (H. R. 7577) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes. I ask that the letters and petition be referred to the Committee on Agriculture and Forestry.

The PRESIDENT pro tempore. The letters and petition referred to by the Senator from North Carolina will be received and referred to the Committee on Agriculture and Forestry.

CONNECTICUT VALLEY COMPACT

Mr. LONERGAN presented copy of a compact approved by the States of Connecticut, Massachusetts, New Hampshire, and Vermont for the control of floods in the Connecticut River Valley, which was referred to the Committee on Commerce to accompany the joint resolution (S. J. Res. 177) consenting to an interstate compact relating to flood control in the Connecticut River Valley, heretofore referred to that committee.

CONNECTICUT RIVER VALLEY FLOOD CONTROL—ACTS OF LEGISLATURE OF VERMONT

Mr. AUSTIN. I send to the desk two acts passed by the Legislature of Vermont, the first being a copy of no. 224 of the Acts of 1937, entitled "An act ratifying a proposed agreement or compact between the State of Vermont and the Commonwealth of Massachusetts, the State of Connecticut and the State of New Hampshire, relating to the creation of the Connecticut River Valley Flood Control Commission, providing for flood control in the Connecticut River Basin, and for carrying out the provisions of said agreement or compact", approved April 10, 1937; and the other, no. 230 of the Acts of 1937, entitled "An act to provide for cooperation by the State with the Connecticut River Valley Flood Control Commission in the acquisition of lands, easements, and rights-of-way essential for flood-control purposes, and to enable the State to comply with the provisions of the compact entered into by it with the Commonwealth of Massachusetts and the States of Connecticut and New Hampshire, and for other purposes", approved April 10, 1937.

I ask that the acts be referred to the Committee on Commerce.

The PRESIDENT pro tempore. Without objection, the reference will be made.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2159. A bill for the relief of George R. Slate (Rept. No. 888); and

S. 2751. A bill to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the West Point Military Reservation, N. Y., for the construction thereon of certain public buildings, and for other purposes (Rept. No. 889).

Mr. SHEPPARD also, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 607. A bill to authorize improvement of navigation facilities on the Columbia River, and for other purposes (Rept. No. 890);

H. R. 6636. A bill granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across the Wabash River at or near Lockport, Ind. (Rept. No. 891); and

H. R. 6920. A bill granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell (Rept. No. 892).

Mr. LOGAN, from the Committee on Military Affairs, to which was referred the bill (S. 1971) to provide for the recognition by the Government of the United States of the academic standing of military and naval schools under its jurisdiction, reported it with an amendment and submitted a report (No. 893) thereon.

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 153) providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased, reported it without amendment and submitted a report (No. 894) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 126) authorizing the President to present, in the name of Congress, a medal of honor to Harold R. Wood, reported it with amendments and submitted a report (No. 895) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 6402. A bill for the relief of Emory M. McCool, United States Navy, retired (Rept. No. 896); and

H. R. 7641. A bill to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Madison, Wis., September 5 to 10, inclusive, 1937 (Rept. No. 897).

Mr. WALSH also, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 6899) to repeal the limitation on the sale price on the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky., reported it without amendment and submitted a report (No. 898) thereon.

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (S. 2215) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it without amendment and submitted a report (No. 899) thereon.

Mr. BROWN of Michigan, from the Committee on Finance, to which was referred the bill (H. R. 6906) to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording, reported it with amendments and submitted a report (No. 900) thereon.

INTERFERENCE WITH UNITED STATES MAILS—MINORITY VIEWS

Mr. BRIDGES, as a member of the Committee on Post Offices and Post Roads, submitted the views of the minority on the resolution (S. Res. 140) authorizing an investigation of the delivery or nondelivery of mail to establishments where industrial strife is in progress (submitted by Mr. BRIDGES on June 7, 1937), which was ordered to be printed as part 2 of Senate Report No. 885.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Appropriations, reported favorably the nomination of Joseph Newman Alderson, of West Virginia, to be State administrator for West Virginia in the Works Progress Administration.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for appointment, by transfer, in the Regular Army.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OVERTON:

A bill (S. 2773) to authorize the issuance of an unrestricted patent to Judson M. Grimmet; to the Committee on Public Lands and Surveys.

By Mr. WHEELER:

A bill (S. 2774) to authorize the Secretary of the Interior to relinquish in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., the interest in certain land acquired by the United States under the Federal reclamation laws; to the Committee on Indian Affairs.

By Mr. WALSH:

A bill (S. 2775) to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, and for other purposes; to the Committee on the Judiciary.

By Mr. BRIDGES:

A bill (S. 2776) to provide for the establishment of maximum hours and minimum wages in employments in or affecting interstate commerce, and for other purposes; to the Committee on Education and Labor.

By Mr. McCARRAN:

A bill (S. 2777) for the benefit of the Goshute and other Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. SHEPPARD:

A bill (S. 2778) for the relief of J. J. Collins; to the Committee on Claims.

A bill (S. 2779) granting a pension to Robert C. Wood; to the Committee on Pensions.

By Mr. GUFFEY:

A bill (S. 2780) to regulate interstate commerce in anthracite, to conserve the anthracite resources of the United States, to establish an anthracite reserve, to provide for the general welfare, and for other purposes; to the Committee on Mines and Mining.

By Mr. KING:

A bill (S. 2781) to provide authorization for the advancement of funds for the District of Columbia; and

A bill (S. 2782) amending the act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, corporations other than national banks, licensed brokers, trust companies, savings banks, building and loan associations, and real-estate brokers in the District of Columbia", approved February 4, 1913, as amended; to the Committee on the District of Columbia.

A bill (S. 2783) to amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations; to the Committee on the Judiciary.

By Mr. COPELAND:

A bill (S. 2784) to amend section 2169 of the Revised Statutes, as amended, to permit the naturalization of natives of India of East Indian blood; to the Committee on Immigration.

A bill (S. 2785) to define certain units and to fix the standards of weights and measures of the United States; and

A bill (S. 2786) to authorize the Secretary of Commerce to exchange with the people of Puerto Rico, the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes; to the Committee on Commerce.

(Mr. POPE and Mr. MCGILL introduced Senate bill 2787, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. BYRD:

A bill (S. 2788) to amend the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911; to the Committee on Naval Affairs.

(Mr. BILBO introduced Senate bill 2789, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. WALSH (for himself, Mr. LODGE, Mr. BROWN of New Hampshire, and Mr. BRIDGES):

A joint resolution (S. J. Res. 178) consenting to an interstate compact relating to flood control in the Merrimack River Valley; to the Committee on Commerce.

By Mr. COPELAND:

A joint resolution (S. J. Res. 179) to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York; to the Committee on Commerce.

PARITY PRICES FOR MAJOR AGRICULTURAL COMMODITIES

Mr. POPE. I introduce for the Senator from Kansas [Mr. MCGILL] and myself a bill for appropriate reference, and ask that certain telegrams in connection therewith from various sections of the country may be printed in the RECORD, together with a statement explanatory of the bill, in order that they may all appear in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the telegrams and statement referred to will be printed in the RECORD.

The bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

The telegrams and statement presented by Mr. POPE are as follows:

JACKSON, MISS., *July 13, 1937.*

Senator JAMES P. POPE,
United States Senate, Washington, D. C.:

Three thousand farmers attending eight district meetings fully endorse H. R. 7577 and urge passage at present session. Resolutions from county meetings continue urging immediate action as necessary for farmers welfare in face of prospective high yields.

MISSISSIPPI FARM BUREAU FEDERATION,
H. S. JOHNSON, *Secretary.*

JACKSON, MISS., *July 12, 1937.*

EDWARD A. O'NEAL,
President, American Farm Bureau Federation,
Munsey Building, Washington, D. C.:

Eight district meetings held last week; 3,000 attendance unanimous endorsement of bill urging action now. Gigantic meeting planned State College July 27; must have you; no substitute. Wire reconsideration today.

MISSISSIPPI FARM BUREAU FEDERATION,
H. S. JOHNSON, *Secretary.*

PITTSFIELD, ILL., *July 10, 1937.*

EDWARD O'NEAL,
President, American Farm Bureau Federation,
Washington, D. C.:

Twelve hundred leaders from all counties unanimously endorse bill and urge passage by Congress now.

EARL C. SMITH,
President, Illinois Agricultural Association.

EXPLANATORY STATEMENT ON PROPOSED AGRICULTURAL ADJUSTMENT ACT OF 1937

Objectives: The bill specifies four objectives.

The first objective is parity prices to farmers for normal supplies of the five major agricultural commodities—cotton, wheat, corn, rice, and tobacco. Parity prices are those that would give these five commodities at all times the same purchasing power (with regard to articles that farmers buy) as these commodities had in the favorable pre-war base period of 1909–14. In case of tobacco the post-war period 1919–29 is used as the base period. Inasmuch as prices of articles that farmers buy reflect increases in industrial wages and in costs of living and production generally, realization of the objective of parity prices means that the farm price for each major agricultural commodity would keep pace with the rise and fall of the farmer's costs of living and production. It is a premise of the bill that over any period of years farmers would obtain a much larger income from having their selling prices keep pace with costs of living and production than from receiving, as at present, the peak prices obtainable during periods of scarcity when farmers have little on hand to sell and the depression prices obtainable during periods of overabundance when farmers have a large crop to sell.

The second objective is parity income for the farmer. This would be a net income that bears to the income of the nonagricultural population the same relation as prevailed during the base period.

The third objective is, without interfering with parity prices, to establish an ever-normal granary for each of the five major agricultural commodities. The maximum granary provided is 10 percent of the normal supply of the commodity—that is, 10 percent of a normal year's domestic consumption, exports, and commercial carry-over combined. However, it is believed that conditions will probably require the establishment by the Secretary of Agriculture in most years of an ever-normal granary of not more than 7½ percent of the normal supply.

On such a 7½-percent basis there would be established for corn, for instance, in addition to the normal carry-over of the 119,000,000 bushels, an ever-normal granary of 187,000,000 bushels, a total carry-over of 306,000,000 bushels.

Similarly, for wheat the total carryover would reach a maximum of 19,000,000 bushels of white wheat and 180,000,000 bushels of other wheat in lieu of the normal carry-over of 137,000,000 bushels; and for rice a total carry-over of 142,000,000 barrels in lieu of the normal carry-over of 550,000 barrels. For the nonfood commodities, cotton and tobacco, the ever-normal granary principle is also made applicable, although, because of the commercial practice of maintaining larger carry-overs for such commodities, the percentage increase in carry-over by reason of the ever-normal granary is correspondingly less. For instance, cotton from a normal carry-over of 5,200,000 bales would reach a total carry-over of 6,600,000 bales; dark tobacco from a normal carry-over of 182,000,000 pounds would reach a total carry-over of 207,000,000 pounds; and cigar tobacco from a normal carry-over of 243,000,000 pounds would reach a total carry-over of 271,000,000 pounds.

These carry-overs would mean that the total supply level at the beginning of each marketing year (i. e., carry-over plus current crop) sought as the supply objective of the bill under the ever-normal granary principle would be not the normal supply level of the past but a new ever-normal granary supply level as follows: Cotton, 19,600,000 bales; wheat (other than white wheat), 800,000,000 bushels; white wheat, 84,000,000 bushels; field corn, 2,681,000,000 bushels; rice, 12,420,000 barrels; dark tobacco, 362,000,000 pounds; and cigar tobacco, 406,000,000 pounds.

Under the bill the ever-normal granary is designed to make available to domestic consumers reserves that will provide adequate supplies at fair prices in years of drought, flood, or other adverse conditions, as well as in years of plenty, and also to take care of profitable exports during such periods. The ever-normal granary will also protect the consumer from abnormally high prices.

The fourth objective is to conserve our national soil resources through preventing production of surpluses for which there are no adequate markets, present or prospective. Such surpluses expend our soil fertility without producing commensurate income to the farmer or benefit to the public.

In part the bill embodies a new agricultural philosophy. It assures the farmer substantially a parity return for normal supplies of major agricultural commodities in the belief that such a return is fair to all elements of our population and that national prosperity cannot exist if our agricultural population does not share in that prosperity through prices that keep pace with industrial prices and wages. At the same time, however, the bill rejects a scarcity philosophy in favor of the advantages, both to the consumer and the farmer, of the stable and abundant supply provided by the ever-normal granary.

The bill is framed in the view that a stabilized market for corn and wheat will in large measure eliminate violent fluctuations in the cost of feedstuffs to the dairy and livestock farmers, as well as mitigate the violent fluctuations and vicious cycles in livestock and dairy production; stabilize the price for feed products for livestock; and substantially assist dairy and livestock farmers in obtaining parity income.

A stable supply under the bill will also directly benefit concerns engaged in processing major agricultural commodities or in furnishing farmers with storage and transportation facilities and production equipment and materials, and will provide more uniform employment for labor engaged in these activities.

Methods of operation: To achieve the foregoing objectives the bill directs the Secretary of Agriculture to take action along three lines. These are designed and interrelated so as to stabilize at parity the return to farmers for normal supplies of major agricultural commodities and to stabilize the total supply of each such commodity at the ever-normal granary supply level for the commodity.

These lines of action include: First, parity payments and surplus reserve loans; second, acreage diversion, storage under seal, and marketing quotas; and third, release of stocks of the commodity held off the market as security for surplus reserve loans or under marketing quotas, and reductions in the rate of tariff duty on the commodity. Each of these is described below.

In carrying out the purposes of the bill adjustment contracts (described later in this statement) are authorized to be entered into between the Secretary of Agriculture and farmers producing any of the major agricultural commodities for market and willing to cooperate with the Government. These contracting farmers are "cooperators."

Parity payments: The farmer has the burden of establishing and maintaining the ever-normal granary, and thereby enabling the Government to safeguard the consumer from inadequate supplies and unreasonable prices in the lean years. In consideration thereof, the Government provides under the bill for parity payments to the farmer. In years when the supply is not overnormal, the parity payments would bring the return to the farmer substantially up to parity. At the present time this would mean at the farm 16-cent cotton, $1.14 wheat (not including white wheat), $1.09 white wheat, 85-cent corn, rice $3.77 a barrel, dark tobacco 10.2 cents a pound, cigar tobacco 13.9 cents a pound.

However, under the operation of this bill the total supply will ordinarily be above normal by reason of the presence of the supply constituting the ever-normal granary. The parity payments are graduated according to the total supply. As the total supply increases above normal, parity payments increase, but only about half as rapidly as the farm price decreases in the face of the larger supply. Therefore as the total supply, including ever-normal granary, increase above normal the return per unit to the farmer (farm price plus parity payment) decreases. In the presence, for instance, of an ever-normal granary supply of 7½ cents above normal, the parity payments would bring the return per unit to the farmer up to a maximum of about 90 percent of parity. A 5-percent ever-normal granary would result in a 92-percent parity return; a 10-percent or completely filled ever-normal granary, would result in an 87-percent parity return. In effect, the farmer and the Government share the cost of maintaining the ever-normal granary supply. This constitutes a major contribution by the farmer to the program in return for the benefits to him.

The precise maximum rate of return per unit under the bill to the farmer at the various supply levels is specified in schedule A of the bill and is designated therein as the "maximum income rate." In no event will the parity payments exceed the difference between this rate and the current average farm price for the commodity throughout the year.

Parity payments are made at the close of the marketing year for the particular crop and are paid on the aggregate normal yield of the base acreage planted to the crop during such marketing year. Only cooperators are entitled to parity payments.

A cooperator is afforded a 10-percent tolerance, so that if he plants to the commodity more than 90 percent but not over 100 percent of the acreage permitted to be planted, he will receive payments on the basis of 100 percent planting. Such a tolerance allows for irregularities in sizes of fields, errors in farmers' estimates of acreage, and the like.

Surplus reserve loans: For corn and wheat (other than white wheat) surplus reserve loans are available at all supply levels. The rate of loan, like the parity payments, is graduated according to the total supply of the commodity on hand at the beginning of the year. If such supply is not in excess of normal, loans may be had up to 85 percent of the parity price of the commodity. As the total supply increases the rate of loan decreases until when the total supply is 114 percent or more above normal the loan rate is 52 percent of parity. Also, at this supply level surplus reserve loans become available at the same rate for the major agricultural commodities on an export basis, i. e., cotton, tobacco, rice, and white wheat.

The loans serve several purposes. In the case of corn and wheat (other than white wheat) the loans, being available at all supply levels, will at all times have a stabilizing effect on the farm price. As a result, the difference between the farm price and the maximum rate of return to the farmer is minimized, and the amount of parity payments necessary to take up the slack between this maximum and the farm price is much less than what it would be if the farm price were not supported by the loans.

Tobacco, rice, cotton, and white wheat being on a world-price basis, loans only become available in the case of extraordinarily large supplies. The loans then serve to prevent the domestic price from falling to exceedingly low levels.

In addition to the direct effect upon price, the surplus reserve loans permit more orderly marketing and enable the farmer to withhold and store a large part of the normal carry-over and of the additional reserves that will constitute the ever-normal granary. The loans will finance the storage of these reserves.

The surplus reserve loans are available only to cooperators. The loans are made solely on the security of the commodity stored on the farm or in warehouses conforming to Government regulations.

Acreage diversion: Cooperators may be required to divert base acreage from the production of the commodity if the total supply exceeds normal at the beginning of the marketing year and the ever-normal granary supply is adequate. The amount of diversion is to be fixed so as to make effective the objective of parity and, without interfering with the maintenance of parity prices, also to make effective the objective of an adequate ever-normal granary supply. In no event is the amount of diversion to be so great as to bring the total supply at the end of the marketing year to less than normal. Any diversion of acreage required is undertaken by a cooperator without special compensation and in return for the benefits of a stabilized income afforded him by the act. A cooperator is required to engage in certain soil maintenance, soil building, and dairy practices with respect to the acreage diverted. Wheat and corn acreage may be interchanged by the farmer for diversion purposes.

Storage under seal: Cooperators may be required to store under seal not to exceed 20 percent of their harvest of the current crop. Such storage is to be on the farm or in warehouses conforming to regulations of the Secretary. Surplus reserve loans may be obtained on the security of the commodity so stored.

Marketing quotas: If the total supply of a major agricultural commodity at the beginning of a marketing year exceeds normal by more than certain amounts, marketing quotas are then to be placed in effect for the current crop of the commodity. Thus the marketing-quota level for cotton, for instance, is a total supply 15 percent in excess of normal, or 20,900,000 bales; corn, 10 percent in excess of normal, or 2,743,000,000 bushels; wheat (other than white wheat), 20 percent in excess of normal, or 893,000,000 bushels; rice, 10 percent in excess of normal, or 12,700,000 barrels; dark tobacco, 10 percent in excess of normal, or 371,000,000 pounds; and cigar tobacco, 10 percent in excess of normal, or 416,000,000 pounds. When the provisions of the bill are in operation, supplies of this magnitude would not occur frequently, because, with the voluntary diversion which would be in effect from time to time, these large supplies would probably occur only in years of extraordinarily favorable yields or large increases in the planted acreages of noncooperators.

The national marketing quota for any commodity is to be so fixed as to make available during the marketing year at least a normal supply of the commodity. The national marketing quota for any commodity will in no event be less than the normal supply for the commodity adjusted by deducting, first, the carry-over available for market, and, second, by the quantity not produced for market. On the other hand, the national marketing quota for any commodity cannot be greater than the ever-normal granary supply level, similarly adjusted.

The Secretary of Agriculture is required, after public hearing with respect to the facts involved, to proclaim the amount of the national marketing quota for any commodity, both in terms of the quantity which may be marketed and in terms of a percentage of the national base acreage for the commodity, computed on the basis of the national average yield for such commodity.

The amount of the marketing quota for any farm shall be the current crop of the commodity less the normal yield of the acreage on the farm devoted to the production of such crop in excess of the percentage of base acreage specified in the proclamation of the Secretary. However, the farmer who, through flood, drought, or other adverse conditions, fails to produce an amount equal to the normal yield of at least half his base acreage for the commodity is not subject to quota.

The noncooperator, as well as the cooperator, is subject to the quota provisions of the bill. Inasmuch as the cooperator will have already conformed to the crop-diversion requirements under the adjustment contract prior to the imposition of the marketing quota on the crop, it is unlikely that in any year in which the marketing quotas are in effect a cooperator would be in any way restricted in his marketings. The effect of the marketing quotas is thus to place the noncooperator in the same position as the cooperator, by requiring the noncooperator to withhold from market the normal yield of an acreage about equivalent to that which the cooperator will have diverted from production of the crop plus the normal yield of any acreage in excess of his base acreage which the noncooperator may have also devoted to such crop. It is also to be noted that efficient production is not penalized under the provisions of the bill, inasmuch as the amount to be withheld from market is based upon the normal yield for the farm and not the actual yield for the farm in any particular year.

In the event marketing quotas are imposed, the farmer who produces in excess of his quota is required to refrain from marketing such excess until the price of the commodity has risen to more than 10 percent over parity, or until he has absorbed the excess through subsequently diverting from the production of the commodity an acreage whose normal yield at least equals the excess. A farmer who fails to conform to these marketing requirements and markets in excess of quota is, under the bill, engaged in an unfair agricultural practice. Any farmer engaging in any such unfair agricultural practice that affects interstate or foreign commerce is subject to penalties at the rate of 50 percent of the parity price of the excess marketed. For tobacco, penalties at somewhat different rates are specified. Marketing includes feeding in any form to livestock which are to be sold, or the products of which are to be sold.

Release of stocks and tariff-rate reduction: The bill is also designed to safeguard the consumer by preventing the farm price from substantially exceeding parity. If the current average farm

price for the commodity is more than 10 percent above the parity price, then action may be taken as follows:

1. Release of stocks of the commodity which cooperators had been required to store under seal.

2. Release of stocks of the commodity held off the market under marketing quotas.

3. Calling of surplus reserve loans and disposal of any stocks of the commodity acquired by the Government in connection with such loans.

4. In case of corn, wheat, rice, and tobacco, reduction of the tariff rate on imports by the amount by which the current average farm price for the commodity is more than 10 percent above parity price. This is an automatic flexible tariff operating without delay on these four commodities. A corresponding increase in tariff rate for these commodities is provided if their current average farm price is more than 10 percent below parity price.

Contracts with cooperators: Every farmer engaged in producing any major agricultural commodity (the production and marketing of which affects interstate or foreign commerce) is eligible to enter into an adjustment contract, provided at least 25 percent of his production is for market; that is, at least 25 percent of his production is to be sold or is to be fed in some form to livestock which or the products of which are to be sold. There is a further qualification, however, affecting the small corn and wheat farmer. If the normal yield of his base acreage in the case of corn is less than 300 bushels or in the case of wheat is less than 100 bushels and he confines his production to his base acreage, then such a farmer does not become a noncooperator by failing to enter into an adjustment contract. It is expected that this provision will simplify the administration of the bill and at the same time afford the small farmer all the benefits under the bill if he wishes to take advantage of them.

The first adjustment contracts to be offered to farmers are for the 3-year period beginning with the crops planted to be harvested in 1938. New adjustment contracts will cover additional periods to be determined by the Secretary. Adjustment contracts are tendered to farmers during the last 5 months of each calendar year, but apply only with respect to crops to be harvested in subsequent years covered by the contract. A separate contract is required for each farm, but each contract covers all major agricultural commodities.

The Secretary of Agriculture enters into the adjustment contract with the person owning the land comprising the farm, except that if the farm is leased to a person having full control of cropping operations on the farm for 1 year or more during the period covered by the adjustment contract, then the Secretary enters into the contract with such lessee. In preparing and entering into adjustment contracts the Secretary of Agriculture is required to take into consideration and protect the rightful interests and equities of tenants and sharecroppers.

Under his adjustment contract the cooperator is entitled to parity payments, to surplus reserve loans, and to soil-building payments under the Soil Conservation and Domestic Allotment Act; also to soil-conserving payments under that act with respect to commodities other than the five major agricultural commodities. Commencing with 1938 no soil-conserving payments under that act will be payable with respect to cotton, wheat, corn, rice, and tobacco, but in lieu thereof cooperators will receive the parity payments. An exception is made in case of flue-cured, Maryland, and burley tobacco, the producers of which will continue to receive the soil-conserving payments and not the parity payments. Noncooperators eligible to enter into adjustment contracts will receive no payments under the Soil Conservation and Domestic Allotment Act. The bill in nowise affects payments under the Soil Conservation and Domestic Allotment Act to farmers not engaged in producing for market one of the major agricultural commodities.

In return for the benefits under his adjustment contract the cooperator is obligated, under certain supply conditions heretofore set forth and without special compensation therefor, to divert acreage from production of any major agricultural commodity and to store under seal not in excess of 20 percent of his production. Independent of his contract, the cooperator, like the noncooperator, has the duty to restrict marketing in accordance with any marketing quotas in effect. For breach of his contract the cooperator loses his right to surplus reserve loans and parity payments with respect to the crop concerning which the breach occurs.

Base acreages and normal yields: On each farm of any farmer producing any major agricultural commodity the production and marketing of which affects interstate or foreign commerce, there is to be established, whether or not the farmer is a cooperator, a base acreage, and a normal yield for each such commodity. The national base acreage for each commodity is specified in actual acreage figures. These figures are sufficiently large to cover an aggregate base acreage equal in amount to all base acreage recognized under the existing Soil Conservation and Domestic Allotment Act. Ordinarily the whole of the base acreage for a commodity will not be needed in order to maintain supply at the ever-normal granary supply level. This large base acreage, however, remains available to meet extraordinary demands. Ordinarily a substantial portion of this base acreage will be diverted from production. This, however, has no effect on the costs under the bill for, as heretofore pointed out, payments are not made for diversion or based on the amount of diversion.

The national base acreage is allotted among the States on the basis of acreage devoted to production of the commodity during the preceding 10 years, with adjustments for abnormal weather conditions, recent trends in acreage, and acreage diverted through agricultural adjustment and conservation programs. The State base acreage is allotted among counties and local administrative areas within the State on the same basis with an additional adjustment for promoting changes in soil-conservation practices. The local allotments are allotted among the farms within the area through local committees of farmers, and equitably adjusted by the committee among such farms. The adjustment is made on tillable acreage, type of soil, topography, and production facilities.

The normal yield is the average yield of the farm for the commodity during the preceding 10 years with adjustments in those areas that were subject to abnormal weather conditions; also where there is no actual yield or where the data therefor is not available for any year, an appraised yield, as determined under regulations of the Secretary of Agriculture, is to be used. The normal yield is to be recomputed whenever new adjustment contracts are to be entered into.

Soil depleting base acreages, normal yields, and marketing quotas are required to be published within the county and filed for public inspection. Any farmer dissatisfied may obtain a review before an independent committee of farmers. Where necessary further review may be had before a reviewing officer designated by the Secretary of Agriculture and before the courts. Any increase in such base acreage or marketing quota as a result of review proceedings is to be made by reducing pro rata all other base acreages or marketing quotas within the same local administrative area.

Administration: The act is to be administered by the Secretary of Agriculture. He may utilize local committees or associations of farmers, or State public or private agencies adequately empowered by State laws. Cooperative associations are to be accorded such recognition as will promote efficient methods of marketing and distribution. Observance of acreage diversion and quota requirements is expected to be policed by the local associations of producers.

For administering the surplus reserve loans there is established within the Department of Agriculture, and as an agency of the Department, a corporation to be known as Surplus Reserve Loan Corporation. The management of the corporation is vested in a board of three persons employed in the Department, to be appointed by the Secretary and to be subject to his general supervision. The corporation has a capital stock of $100,000,000 subscribed to by the United States, and that sum is authorized to be appropriated by the bill. The corporation is authorized to have outstanding at any time notes, debentures, and other obligations in a par amount aggregating not more than five times its paid-in capital stock. The Secretary of the Treasury may purchase obligations of the corporation.

Appropriations: Aside from the foregoing appropriation for the capital stock of the Surplus Reserve Loan Corporation, which is not annual but is required to be made only once, the appropriations required by the bill are those necessary for the Soil Conservation Act payments and the parity payments pursuant to adjustment contracts made with cooperators. According to the estimates of the Department of Agriculture, the probable amount of funds required annually for payments pursuant to adjustment contracts will vary from $200,000,000 to $500,000,000. A large part of this cost will be met by the discontinuance under the Soil Conservation and Domestic Allotment Act of the soil-conserving payments on the five major agricultural commodities. These payments have heretofore been made from a portion of the $500,000,000 appropriation authorized under that act.

In view of the foregoing considerations the bill authorizes $400,000,000 to be appropriated annually and to remain available until expended. However, of this amount $250,000,000 will be made available from the appropriation for the Soil Conservation and Domestic Allotment Act. This, together with the funds appropriated to the Secretary of Agriculture by section 32 of the act of August 24, 1935, and not required for other purposes, viz, $50,000,000, will come close to covering all payments under the proposed legislation without increase in the authorized appropriations for Agricultural Adjustment Administration programs.

USES OF SOUTHERN AGRICULTURAL PRODUCTS

Mr. BILBO. Mr. President, on April 12 I introduced Senate bill 2140, providing for the establishment and maintenance of a regional research laboratory for the development of industrial uses for southern agricultural products. The bill was enthusiastically approved by the Department of Agriculture and by the President as well, but owing to the financial situation the Budget Bureau objected. After conferences with the Budget Bureau, the bill was redrafted. At this time I introduce for appropriate reference another bill on the same subject, and ask that it be printed in the RECORD at this point, together with a letter from the President endorsing the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and the letter from the President will be printed in the RECORD.

The bill (S. 2789) to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for southern agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional

units to be provided for the study of other crops as additional funds are provided, was read twice by its title, and referred to the Committee on Agriculture and Forestry, as follows:

A bill to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for southern agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional units to be provided for the study of other crops as additional funds are provided

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed (1) to establish and maintain a regional research laboratory within one of the following Southern States: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia; (2) to conduct at such laboratory research, experiments, investigations, tests, and demonstrations with respect to the chemical, physical, and physiological properties and utilization and preservation of cotton and its by-products, including cottonseed, cottonseed meal, cottonseed oil, cotton hulls, moats, cotton lint and linters, and cotton stalks; and the collection, harvesting, preservation, and industrial utilization of whole cotton as a raw material for the manufacture of cellulose, cellulosic materials, lignin and lignin derivatives, etc., with a particular view to the development of wider uses of cotton by industry; and (3) to make public the results of such research, experiments, investigations, tests, and demonstrations. This shall constitute the first unit.

SEC. 2. Such laboratory shall be established only upon the condition that the State in which it is to be located shall provide suitable lands without expense to the United States and shall provide the sum of $250,000 to defray the expenses of the construction of suitable buildings. The Secretary of Agriculture shall within 60 days after the enactment of this act transmit to the Governor of each of the said States information with respect to the lands necessary to provide a suitable site for such laboratory. If thereafter any of the said States, on or before March 1, 1938, submits to the Secretary of Agriculture an offer to provide the lands and money required by this section, with such guaranties for the performance thereof as may be satisfactory to the Secretary, he shall accept from among the offers submitted the offer of the State deemed by him to be most desirable for the location of such laboratory. Upon the acceptance of the offer of any State, the Secretary of Agriculture shall as soon thereafter as practicable accept, in the name of the United States, title to the land offered by such State and the money offered by such State shall be covered into the United States Treasury as a special fund to be used for the purpose of this act.

SEC. 3. The Secretary of Agriculture is authorized and directed to construct, on any lands acquired under this act for the purpose of establishing such laboratory, suitable buildings and appurtenances thereto at a cost not in excess of $250,000. The Secretary is further authorized, for the purposes of this act, to acquire such equipment, apparatus, and supplies as he deems necessary and to cooperate with other branches of the Department of Agriculture, other departments or agencies of the Federal Government, States, State agricultural experimental stations, universities, and other State agencies and institutions, counties, municipalities, business, or other organizations, corporations, associations, scientific societies, and individuals upon such terms and conditions as he may prescribe.

SEC. 4. Any money received from a State under this act is hereby made available solely for the construction of buildings and appurtenances for such laboratory; and, in addition thereto, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000 for each fiscal year, beginning with the fiscal year ending June 30, 1939, to carry out the purposes of this act. Ten percent of the appropriations may be expended for administrative purposes in the District of Columbia.

SEC. 5. The Secretary of Agriculture is further authorized to establish from time to time as funds are provided, other than the funds available under this act, additional units on the land acquired under this act for research in other southern farm products and byproducts such as rice straw, rice hulls, tung nuts, tung hulls, tung oil, peanuts, peanut oil, peanut hulls, sugarcane bagasse, palmetto fiber, and any other southern crop and its by-products that offer promising possibilities for new and wider industrial outlets for agricultural products.

The letter presented by Mr. BILBO is as follows:

THE WHITE HOUSE,
Washington, July 6, 1937.

HON. THEODORE G. BILBO,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have given careful consideration to the matter of the establishment and operation of a regional research laboratory for the development of new uses of southern agricultural products, as proposed by the bill which you have introduced in the Senate (S. 2140) and as explained in your letter to me of June 10, 1937.

I consider the aims and purposes of the project highly meritorious and would be willing to favor the Federal Government doing its part to further them. I do not feel, however, that this part should consist of financing the project wholly at the expense of the Government. It would seem that since the matter is of such importance to the Southern States, particularly those in the Cotton Belt, that the States concerned should be willing to cooperate to the extent of furnishing the necessary buildings and grounds, leaving to the Government the cost of furnishing the necessary equipment and the conduct of research activities.

In order not to impose too great a burden at this time, when the financial situation of the Government and of the States concerned is not as favorable as might be desired, I would suggest that the project might be initiated by providing for the establishment and operation during the fiscal year 1939 of but one unit of the proposed research laboratory, to be devoted to the South's principal agricultural product—the cotton plant, including the utilization of the raw cotton, stalks, seed, burrs, etc. I am advised that the cost of such a unit would be approximately $250,000 for building and grounds and $250,000 for equipment and operation the first year, and that thereafter the cost of operation would be about $250,000 a year. It is my thought that, as the financial situation improves so as to justify such action, additional building units might be provided from time to time and research activities undertaken with respect to other major agricultural products of the Southern States.

If you should see fit to redraft your bill to set forth a plan along the lines above suggested, I should be glad to give it my approval.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

AMENDMENT OF UNITED STATES WAREHOUSE ACT—AMENDMENT

Mr. WALSH submitted an amendment intended to be proposed by him to the bill (S. 2356) to amend section 2 of the United States Warehouse Act, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

LOW-COST HOUSING—AMENDMENT

Mr. WALSH submitted an amendment intended to be proposed by him to the bill (S. 1685), to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, which was referred to the Committee on Education and Labor and ordered to be printed.

ESTABLISHMENT OF A NATIONAL ECONOMIC COUNCIL—LIMIT OF EXPENDITURES

Mr. BULKLEY submitted the following resolution (S. Res. 152), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Manufactures, authorized by resolution 114, Seventy-fourth Congress, to investigate the desirability of establishing a National Economic Council, hereby is authorized, in pursuance of such investigation, to expend from the contingent fund of the Senate $5,000 in addition to the amount heretofore authorized for such purpose.

IMPORTS UNDER PARAGRAPH 713 OF TARIFF ACT OF 1930

Mr. LODGE (for himself, Mr. WALSH, Mr. LONERGAN, Mr. MALONEY, Mr. AUSTIN, Mr. GIBSON, Mr. BROWN of New Hampshire, Mr. BRIDGES, Mr. HALE, and Mr. WHITE) submitted the following resolution (S. Res. 153), which was referred to the Committee on Finance:

Resolved, That the United States Tariff Commission is hereby authorized and directed to report to the Senate as soon as practicable the total volume of each article enumerated in paragraph 713 of the Tariff Act of 1930, which was imported into the United States during the 5-year period immediately preceding the date of adoption of this resolution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed a bill (H. R. 7865) making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 7865) making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937 was read twice by its title and referred to the Committee on Appropriations.

EXTENSION OF INTERIOR DEPARTMENT APPROPRIATIONS

Mr. McKELLAR. Mr. President, the Committee on Appropriations has conferred with regard to House bill 7865,

which has just come over from the other House, and has authorized me to report it favorably. I now do so, and ask unanimous consent for the immediate consideration of the bill. The Interior Department cannot continue their necessary functions unless the extension is made until July 31, 1937. This is merely a measure continuing for a limited time the appropriations.

The PRESIDENT pro tempore. Without objection, the report will be received. The Senator from Tennessee asks unanimous consent for the present consideration of the bill. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 7865) making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937, which was ordered to a third reading, read the third time, and passed.

AUTHORITY TO SIGN BILLS AND JOINT RESOLUTIONS

Mr. McKELLAR. I ask unanimous consent that the Presiding Officer may be authorized to sign the bill during the recess or adjournment of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, I extend that request to the signing of any document by the Presiding Officer during any adjournment or recess of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CAMPAIGN RADIO ADDRESSES BY SENATOR MALONEY

[Mr. MALONEY asked and obtained leave to have printed in the RECORD sundry speeches made by him during the campaign of 1936, which appear in the Appendix.]

LAW VERSUS CHAOS—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. BULOW asked and obtained leave to have printed in the Record an address entitled "Law versus Chaos", delivered by Senator THOMAS of Utah before the Institute of Public Affairs, University of Virginia, on July 12, 1937, which appears in the Appendix.]

REORGANIZATION OF FEDERAL JUDICIARY—ADDRESS BY SENATOR HATCH

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD a radio address delivered by Senator HATCH on July 12, 1937, relative to the reorganization of the Federal judiciary, which appears in the Appendix.]

COST OF CERTAIN HOMESTEAD PROJECTS

[Mr. BYRD asked and obtained leave to have printed in the RECORD a letter from R. N. Elliott, Acting Comptroller General of the United States, relative to the cost of certain homestead projects, a table on the same subject, and a statement on the subject issued by himself, which appear in the Appendix.]

WORK OF THE ARMY ENGINEERS

[Mr. SHEPPARD asked and obtained leave to have printed in the RECORD two editorials from the Beaumont (Tex.) Enterprise relative to the work of the Army engineers, which appear in the Appendix.]

APPROPRIATIONS FOR CIVIL FUNCTIONS OF WAR DEPARTMENT—CONFERENCE REPORT

The PRESIDENT pro tempore. Morning business is closed. The Senator from New York [Mr. COPELAND] is recognized.

Mr. COPELAND. Mr. President, I have explained to the Senate the disagreement relating to certain officers at the Soldiers' Home. I wish the money might be provided, but it seems to me foolish for us to make the effort at this time.

The other matters in dispute are few in number. The first one relates to graves and grounds in the Congressional Cemetery. It may not be known to some of the newer Members of the Senate body that the Government many years ago bought 950 lots in the Congressional Cemetery, and that many distinguished men are buried there. Also in the Congressional Cemetery is the grave of a famous Indian chief, who came here representing his tribe on some matter of Government importance, who died while here, and was buried in that cemetery. The language which was inserted by the Senate was amended so that it might include the care of the grave of this patriotic Indian.

The other amendments, relating to flood control, are of concern to everybody.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. COPELAND. Certainly.

Mr. McNARY. As I recall the status of the flood-control items, $30,000,000 was carried for flood control in the deficiency bill.

Mr. COPELAND. No. The Budget Bureau approved an expenditure of $30,000,000.

Mr. McNARY. In what bill was that appropriation carried?

Mr. COPELAND. It is carried in the bill making appropriations for the civil functions of the War Department.

Mr. McNARY. In the bill now before us?

Mr. COPELAND. Yes; in this bill. The Senator may recall that last year we wanted to get $50,000,000 under the so-called Copeland plan, but Congress adjourned before the bill was signed. This year the Bureau of the Budget approved $30,000,000 for use on the lower Mississippi. We were not satisfied with that, and so the Senate increased the amount to $60,000,000 under the Copeland Act and $45,000,000 under the Overton Act. The only way the matter can be presented to us is through this bill.

Mr. McNARY. Does this bill carry $60,000,000 for flood control?

Mr. COPELAND. This bill calls for $30,000,000 in cash and $30,000,000 from relief funds.

Mr. McNARY. Relief funds which have heretofore been appropriated by Congress?

Mr. COPELAND. Yes; which were appropriated in a recent act. The Army engineers have testified that for every dollar expended for materials and engineering they can use a dollar of relief aid to carry on the work.

We in the Senate desired to appropriate directly the $60,000,000, and to provide a contractual authorization for $38,000,000 more. The Army engineers have made it clear to us since that time that we really do not need such an arrangement to apply specifically to this bill, because under the general law they may go ahead and make contracts, and the payments are to be made when and if the money is appropriated. Under this bill, however, there will be $30,000,000 of direct appropriations and $30,000,000 from relief funds, and the $60,000,000 will be expended under the direction of the Army engineers.

The situation as to the lower Mississippi is just a little different. For the lower Mississippi the direct appropriation is twenty-two and a half million dollars. Then from relief funds there is to be added $7,500,000 more, making $30,000,000, and then there is to be a further use of relief labor to the extent of $15,000,000, making $45,000,000 in all. So it would seem to me that it will be possible to carry on the projects very well.

Mr. McNARY. Mr. President, when money for this purpose is reappropriated out of relief funds heretofore appropriated, from what source is the deduction to take place?

Mr. COPELAND. Suppose I read the language of the House amendment. The Senate had provided an appropriation of $60,000,000. The $60,000,000 appropriation has been stricken out by this amendment, which reads:

> Thirty million dollars and, in addition, $30,000,000 of the appropriation of $1,500,000,000 contained in the Emergency Relief Appropriation Act of 1937 shall be available exclusively for carrying out the provisions of such Flood Control Act, approved June 22, 1936, and shall be expended under the direction of the Chief of Engineers under the provisions established in and in pursuance of such Emergency Relief Appropriation Act of 1937 not inconsistent herewith: *Provided*, That the requirement in section 1 of such Emergency Relief Appropriation Act of 1937 that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control projects authorized by such Flood Control Act, approved June 22, 1936.

So there will be available $30,000,000 to be expended under the direction of the Army engineers under exactly the same conditions as the $30,000,000 direct appropriation.

I move that the conference report be adopted.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New York.

The motion was agreed to.

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives on certain amendments of the Senate to House bill 7493, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
July 9, 1937.

Resolved, That the House recede from its disagreement to the amendment of the Senate no. 1 to the bill (H. R. 7493) making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes, and concur therein with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert ", and that portion of Congressional Cemetery to which the United States has title and the graves of those buried therein, including the burial site of Pushmataha, a Choctaw Indian chief."

That the House recede from its disagreement to the amendment of the Senate no. 7 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment, insert "$30,000,000, and, in addition, $30,000,000 of the appropriation of $1,500,000,000 contained in the Emergency Relief Appropriation Act of 1937 shall be available exclusively for carrying out the provisions of such Flood Control Act, approved June 22, 1936, and shall be expended under the direction of the Chief of Engineers under the provisions established in and in pursuance of such Emergency Relief Appropriation Act of 1937 not inconsistent herewith: *Provided*, That the requirement in section 1 of such Emergency Relief Appropriation Act of 1937 that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control projects authorized by such Flood Control Act, approved June 22, 1936."

That the House recede from its disagreement to the amendment of the Senate numbered 12 to said bill, and concur therein with an amendment as follows: In lieu of the matter proposed to be inserted by said amendment insert "$22,500,000, and, in addition, $22,500,000 of the appropriation of $1,500,000,000 contained in the Emergency Relief Appropriation Act of 1937 shall be available exclusively for carrying out the provisions of such Flood Control Act, approved May 15, 1928, as amended by such Flood Control Act, approved June 15, 1936, and of such additional amount, $7,500,000 shall be in augmentation of the foregoing appropriation of $22,500,000, and the remainder shall be expended under the direction of the Chief of Engineers subject to the provisions established in and in pursuance of such Emergency Relief Appropriation Act of 1937 not inconsistent herewith: *Provided*, That the requirement in section 1 of such Emergency Relief Appropriation Act of 1937 that no Federal construction project shall be undertaken unless and until there have been allocated and irrevocably set aside sufficient funds for its completion shall not apply to flood-control projects authorized by such Flood Control Act, approved June 22, 1936"; and

That the House insist upon its disagreement to the amendment of the Senate numbered 15 to said bill.

Mr. COPELAND. I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 1, 7, and 12.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New York.

The motion was agreed to.

Mr. COPELAND. I move that the Senate recede from its amendment numbered 15.

The PRESIDENT pro tempore. The question is on the motion of the Senator from New York.

The motion was agreed to.

Mr. COPELAND. Mr. President, do I understand that the order already entered will permit the Presiding Officer to sign this bill?

The PRESIDENT pro tempore. The Chair so understands. Unanimous consent has been given for the signing of any and all bills or joint resolutions during the recesses or adjournments of the Senate.

EXTENSION OF REDUCED INTEREST RATE ON FEDERAL LAND-BANK LOANS—VETO MESSAGE

Mr. BORAH. Mr. President, the veto message of the President with reference to the bill (H. R. 6763) reducing the rate of interest on farm mortgages is on the Vice President's desk. It is not my purpose to call it up at this particular time; but I give notice that at the very first appropriate opportunity I shall move to have the matter considered and ask for a vote upon it.

Mr. KING. Mr. President, I did not understand the request of the Senator from Idaho. Is it to take up for consideration at this time the veto message?

Mr. BORAH. As soon as may be appropriate. I do not undertake to do it today, as there are many Senators absent.

Mr. KING. I shall be glad if it is taken up, and I indicate my desire to support the President of the United States in the veto.

Mr. BORAH. I indicate my desire to override the veto.

Mr. BARKLEY. Mr. President, it is not desirable to take up the veto message today. There will be no objection to taking it up early next week, so far as I know; but it ought not to be taken up today.

TERMS OF UNITED STATES DISTRICT COURT, WEST VIRGINIA

Mr. NEELY. Mr. President, I ask unanimous consent for the immediate consideration of House bill 6208, Calendar No. 847, with the assurance that such consideration will not cause any debate.

This bill, which was unanimously passed by the House, simply changes the time of holding certain terms of Federal court in the State of West Virginia. Its enactment will impose no burden of any kind upon the Government. Its sole object is to promote efficiency in the transaction of public business. All three of the district judges in West Virginia have requested or approved the changes proposed in the bill.

The PRESIDENT pro tempore. The clerk will state the title of the bill.

The CHIEF CLERK. A bill (H. R. 6208) to amend an act of Congress entitled "An act to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia", approved June 22, 1936, by changing the times provided therein for holding the United States district court at various places now fixed by law in the State of West Virginia.

Mr. KING. Mr. President, I desire to make an inquiry of the Senator from West Virginia. The bill does not increase the number of places at which the court may be held?

Mr. NEELY. It does not. It simply changes the time of holding terms of court.

Mr. KING. And its passage would not increase the expenses of the Government?

Mr. NEELY. Not a penny.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia for the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the present district judge for the northern district of West Virginia shall hold regular terms of court in such northern district at the following places and times, that is to say:

(a) At the city of Martinsburg on the first Tuesday in April and the fourth Tuesday in September in each year;

(b) At the city of Wheeling on the third Tuesdays in April and October in each year;

(c) At the city of Elkins on the first Tuesday in June and the third Tuesday in November in each year;

(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

The present district judge for the southern district of West Virginia shall hold regular terms of court in said southern district at the following times and places, that is to say:

(a) At the city of Bluefield on the third Tuesdays in January and June in each year;

(b) At the city of Lewisburg on the first Tuesdays in March and September in each year;

(c) At the city of Charleston on the second Tuesday in April and on the third Tuesday in November in each year;

(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

The district judge for the said northern and southern districts of West Virginia, appointed under the act approved June 22, 1936, shall hold regular terms of court in said northern and southern districts at the following places and times, that is to say:

(a) At the city of Clarksburg in said northern district on the first Tuesday in January and on the fourth Tuesday in August in each year;

(b) At the city of Parkersburg in said northern district on the third Tuesday in March and on the first Tuesday in October in each year;

(c) At the city of Huntington in said southern district on the second Tuesday in May and on the third Tuesday in October in each year;

(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

SEC. 2. This act shall take effect on the 1st day of July 1937.

Mr. NEELY. I move to amend the bill by striking out section 2, which is as follows:

This act shall take effect on the 1st day of July 1937.

As the bill was not passed before the time mentioned, this amendment is necessary.

The PRESIDENT pro tempore. The amendment offered by the Senator from West Virginia will be stated.

The CHIEF CLERK. It is proposed to strike out lines 14 and 15, on page 3, in the following words:

SEC. 2. This act shall take effect on the 1st day of July 1937.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FUNERAL SERVICES FOR SENATOR ROBINSON

Mrs. CARAWAY. Mr. President, yesterday Members of this body arose to express their sorrow upon the death of my colleague the late senior Senator from my State, the veteran majority leader. It was a heartfelt outpouring of their respect and love for him which will in time bring great comfort to his family. That it would have meant much to him to have had such expressions of love and respect to buoy him up through the severe strain of his legislative duties no one can doubt; but all humanity is shy about expressing itself on the things they feel most deeply for fear of being thought guilty of sentimentality.

For years Senator ROBINSON has been in the public eye. He ever displayed a courage and loyalty of the highest order, combined with strong native ability, which has been and will continue to be a matter of great pride to Arkansas. No other man in our State ever wielded a greater power in both State and Nation, nor will another in a century.

I may not be able to express myself so forcefully or dramatically as some. I feel too deeply the loss of this man to his State, to us here in the Senate, and to the country to be able to talk about it. He was my friend. We shall for years to come regret his untimely death and wish that he were here to advise and direct.

Mr. President, I send a resolution to the desk, and ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will read the resolution.

The resolution (S. Res. 151) was read and unanimously agreed to, as follows:

Resolved, That the Secretary invite the Members of the House of Representatives to attend the funeral of Hon. JOSEPH T. ROBINSON in the Senate Chamber on Friday, July 16, at 12 o'clock m., and to appoint a committee to act with the committee of the Senate; and be it further

Resolved, That invitations be extended to the President of the United States and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the Diplomatic Corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard to attend the funeral in the Senate Chamber.

ORDER FOR ADJOURNMENT TO TUESDAY FOLLOWING FUNERAL SERVICES

Mr. BARKLEY. Mr. President, according to the resolution just agreed to the funeral services will be held in this Chamber at 12 o'clock noon tomorrow in honor of the late Senator ROBINSON. I ask unanimous consent that at the conclusion of the funeral services tomorrow the Senate shall stand adjourned until noon on Tuesday next.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is ordered.

COMMITTEE TO ATTEND FUNERAL OF SENATOR ROBINSON

The PRESIDENT pro tempore. In reference to the appointment of a committee of Senators to attend the funeral ceremonies of the late Senator JOSEPH T. ROBINSON, to be held at Little Rock, Ark., on Sunday, July 18, the Chair makes the following announcement:

The Senate, by resolution, authorized the Chair to appoint any Member on this committee. The Chair has announced that any Senator who desires to attend such ceremonies will be considered as appointed on the committee. So far the following Senators have expressed a desire to attend such funeral ceremonies and be appointed on the committee:

Mr. ANDREWS, Mr. ASHURST, Mr. AUSTIN, Mr. BAILEY, Mr. BANKHEAD, Mr. BARKLEY, Mr. BILBO, Mr. BLACK, Mr. BONE, Mr. BRIDGES, Mr. BROWN of Michigan, Mr. BULKLEY, Mr. BURKE, Mr. BYRD, Mr. BYRNES, Mrs. CARAWAY, Mr. CHAVEZ, Mr. CLARK, Mr. CONNALLY, Mr. DIETERICH, Mr. ELLENDER, Mr. GLASS, Mr. GREEN, Mr. GUFFEY, Mr. HARRISON, Mr. HATCH, Mr. HERRING, Mr. HOLT, Mr. LA FOLLETTE, Mr. LEE, Mr. LEWIS, Mr. LODGE, Mr. LUNDEEN, Mr. MCADOO, Mr. MCCARRAN, Mr. MCGILL, Mr. MCKELLAR, Mr. MCNARY, Mr. MINTON, Mr. MURRAY, Mr. NEELY, Mr. O'MAHONEY, Mr. OVERTON, Mr. PEPPER, Mr. PITTMAN, Mr. POPE, Mr. REYNOLDS, Mr. RUSSELL, Mr. SCHWARTZ, Mr. SCHWELLENBACH, Mr. SHIPSTEAD, Mr. THOMAS of Utah, Mr. TOWNSEND, Mr. TRUMAN, Mr. VANDENBERG, Mr. WAGNER, Mr. WHEELER, and Mr. WHITE.

ADJOURNMENT

Mr. BARKLEY. I now move that the Senate adjourn.

The motion was agreed to; and (at 12 o'clock and 40 minutes p. m.) the Senate adjourned until tomorrow, Friday, July 16, 1937, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 15, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, Thou who dost uphold all things by the breath of Thy power, we beseech Thee that our prayer may reach the Father's heart. So manifold are Thy providences that surely goodness and mercy shall follow us all the days of our lives. Thy presence forsakes us never and Thy care is the home of the soul. May we be minstrels of the Most High with our breasts attuned at the source of all melody and all hope. May we serve Thee and our country by loving one another, by exercising patience with one another, and by bearing with one another. Bring to us a divine blessing that shall lead us soul deep in appreciation of our Republic, which gives freedom to the oppressed and where institutions are united to succor our fellow men. In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MARY E. HALTIGAN

Mr. WARREN. Mr. Speaker, I offer a privileged resolution (H. Res. 276) from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 276

Resolved, That there shall be paid out of the contingent fund of the House to Mary E. Haltigan, wife of Patrick J. Haltigan, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not to exceed $250, to defray funeral expenses of the said Patrick J. Haltigan.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

UNITED STATES COURT FOR CHINA

Mr. MCREYNOLDS. Mr. Speaker, I ask unanimous consent to recommit to the Committee on Foreign Affairs the bill (H. R. 6444) to amend the act of June 30, 1906, entitled "An act creating a United States Court for China and prescribing the jurisdiction thereof", for the purpose of correcting the report and making it in accordance with the facts.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

INTERIOR DEPARTMENT AND WAR DEPARTMENT APPROPRIATION BILLS—CONTINUING RESOLUTION

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7865) making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, I understand this is a continuing resolution, to carry along appropriations at the rate that appropriations were carried in the 1937 bill, for the maintenance of the departments for which the regular supply bills for 1938 have not been enacted. We passed such a resolution on the 1st of July or the 30th of June that carried it until the middle of July. This resolution carries it through the end of July. Is that correct?

Mr. CANNON of Missouri. That is correct. The resolution under which the departments are operating terminates at midnight the 15th, and the proposed resolution carries authority to continue operations until midnight of July 31, or until pending supply bills are enacted.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York, the minority leader.

Mr. SNELL. How many general appropriation bills are there which have not yet been passed?

Mr. CANNON of Missouri. Two of the supply bills have not yet reached enactment—the nonmilitary bill for the War Department and the Interior Department appropriation bill.

Mr. SNELL. And those are all?

Mr. CANNON of Missouri. Those are all and we hope to get those two through in the next few days.

The SPEAKER. Is there objection to the request of the gentleman from Missouri for present consideration of the bill.

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection. The Chair hears none and the Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act entitled "An act making appropriations for the first half of the month of July 1937, for certain operations of the Federal Government which remain unprovided for on July 1, 1937, through the failure of enactment of the supply bills customarily providing for such operations", approved July 1, 1937, are extended and continued in full force and effect for and during the last half of the month of July 1937: *Provided*, That notwithstanding section 3 of such act, the amount to be expended out of any appropriation provided by this act for such last half of the month of July 1937 may equal, but shall not exceed, one twenty-fourth of the appropriation available for like purposes for the fiscal year ending June 30, 1937.

Mr. CANNON of Missouri. Mr. Speaker, the authority conferred by the continuing resolution passed by the House on June 29 ends at midnight tonight. The expectation was that within the 2 weeks provided by the resolution the remaining supply bills would be enacted. But conditions and events unforeseen and unexpected intervened and two of the bills are still in conference. This resolution merely extends for 2 additional weeks the appropriations for the two departments unprovided for, at the ratio carried by the 1937 bills, to terminate on enactment of the 1938 bills, which we have every reason to believe will be sometime within the coming week.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes after disposition of matters on the Speaker's table and prior to the taking up of the conference report on the Interior Department appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. JOHNSON of Oklahoma. Mr. Speaker, reserving the right to object—I dislike very much to object, but this conference report has some controversial matters, and it is going to be very difficult to finish today unless we begin immediately. I remember when the bill was being considered before, we agreed to give way to one and then others asked for time, and I think the RECORD will show that we lost about an hour or an hour and a half getting started.

Mr. COX. Mr. Speaker, will the gentleman yield? I trust the gentleman will not make objection to this request.

Mr. RAYBURN. Well, Mr. Speaker, reserving the right to object, I must object. At least two gentlemen have been to me this morning and asked me if I would consent to their speaking before this conference report was taken up. I told them I would feel obliged to object. They said they would extend their remarks in the RECORD. Of course, I do not like to object to the gentleman from Illinois addressing the House, but under the circumstances I must do so.

Mr. COX. I do not think the gentleman ought to object. The gentleman from Illinois seldom makes a request to address this House.

Mr. JOHNSON of Oklahoma. If the gentleman can assure me that it will only be 10 minutes——

Mr. RAYBURN. Of course, the gentleman from Oklahoma cannot make any agreement.

Mr. JOHNSON of Oklahoma. I realize I cannot make any agreement that would bind anyone else.

Mr. COX. The statement of the gentleman would not be appropriate at any other time. In view of that, I trust the gentleman will not object.

Mr. CREAL. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. DIRKSEN asked and was given permission to revise and extend his remarks in the RECORD.

Mrs. O'DAY and Mr. SABATH asked and were given permission to extend their own remarks in the RECORD.

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. TEIGAN] may be permitted to extend in the Appendix of the RECORD a speech he made on the radio a few days ago.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief statement by World Peaceways, Inc., which has reference to a bill I have introduced in Congress.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CALL OF THE HOUSE

Mr. LUCAS. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Obviously there is not a quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 108]

Allen, Del.	Eaton	Kloeb	Schuetz
Amlie	Edmiston	Kopplemann	Scott
Bacon	Ellenbogen	Ludlow	Simpson
Bates	Ferguson	Luecke, Mich.	Sirovich
Brewster	Fernandez	McGrath	Smith, W. Va.
Buck	Fitzgerald	McGroarty	Sumners, Tex.
Buckley, N. Y.	Fleger	Maas	Sutphin
Burch	Ford, Calif.	Mitchell, Ill.	Taylor, Colo.
Caldwell	Frey, Pa.	Mosier, Ohio	Taylor, Tenn.
Cannon, Wis.	Fulmer	Mott	Teigan
Carlson	Gasque	Mouton	Tinkham
Casey, Mass.	Gilchrist	Patrick	Tobey
Celler	Hartley	Peyser	Wene
Collins	Hill, Ala.	Phillips	White, Idaho
Colmer	Holmes	Reed, N. Y.	White, Ohio
Crosby	Johnson, Lyndon	Reilly	Wigglesworth
Crosser	Johnson, Minn.	Rogers, Okla.	Wood
Culkin	Keller	Ryan	
Duncan	Kelly, N. Y.	Sadowski	

The SPEAKER. On this roll call, 357 Members have answered to their names, a quorum.

On motion of Mr. JOHNSON of Oklahoma, further proceedings under the call were dispensed with.

PERMISSION TO ADDRESS THE HOUSE

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of business on the Speaker's table, the legislative business for the day, and the previous order heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed the following resolutions:

Senate Resolution 150

IN THE SENATE OF THE UNITED STATES,
July 6 (calendar day, July 14), 1937.

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. JOSEPH T. ROBINSON, late a Senator from the State of Arkansas.

Resolved, That a committee be appointed by the President pro tempore to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

Senate Resolution 151

IN THE SENATE OF THE UNITED STATES,
July 15, 1937.

Resolved, That the Secretary invite the Members of the House of Representatives to attend the funeral of Hon. JOSEPH T. ROBINSON in the Senate Chamber on Friday, July 16, at 12 o'clock meridian, and to appoint a committee to act with the committee of the Senate; and be it further

Resolved, That invitations be extended to the President of the United States and the members of the Cabinet, the Chief Justice and Associate Justices of the Supreme Court of the United States, the diplomatic corps (through the Secretary of State), the Chief of Staff of the Army, the Chief of Naval Operations of the Navy, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard to attend the funeral in the Senate Chamber.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7493) entitled "An act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate nos. 1, 7, and 12, and recedes from its amendment no. 15 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7562) entitled "An act to encourage and promote the ownership of farm homes and to make the possession of such homes more secure, to provide for the general welfare of the United States, to provide additional credit facilities for agricultural development, and for other purposes."

The message also announced that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H. R. 7865. An act making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937; and

H. J. Res. 431. Joint resolution making an appropriation for the control of outbreaks of insect pests.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech recently made by the distinguished gentleman from New York [Mr. CELLER].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(Mr. DALY, Mr. HIGGINS, and Mr. LAMBERTSON asked and were given permission to extend their own remarks in the RECORD.)

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a tribute to the late lamented Member of Congress, John J. McSwain, by the Senator from South Carolina [Mr. BYRNES.]

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address I recently delivered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOOK. Mr. Speaker, in view of the fact that one of the members of the press saw fit to make disparaging remarks that were lies, and that they affect myself and other Congressmen, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent to address the House for 5 minutes at this time. Is there objection?

Mr. JOHNSON of Oklahoma. Mr. Speaker, I regret very much to have to object, but I have heretofore sought an agreement that there would be no speeches made before the disposition of the conference report.

Mr. HOOK. I do not want to rise to a question of personal privilege.

Mr. JOHNSON of Oklahoma. Others have asked for time, but objection has been made.

The SPEAKER. Objection is heard.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1938

Mr. JOHNSON of Oklahoma. Mr. Speaker, I call up the conference report on the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, and ask that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6958) "making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other

purposes", having met, after full and free conference have agreed to recommend and do recommend to their respectives Houses as follows:

That the Senate recede from its amendments numbered 4, 19, 21, 27, 31, 33, 36, 45, 49, 50, 55, 56, 63, 82, 91, 92, 99, 100, 102, 103, 108, 110, 111, 120, 126, 127, and 128.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 10, 11, 13, 14, 17, 20, 22, 29, 36, 39, 40, 41, 42, 44, 47, 48, 51, 52, 57, 58, 59, 60, 61, 62, 64, 65, 66, 67, 68, 69, 70, 71, 72, 75, 76, 77, 79, 83, 84, 86, 88, 96, 101, 113, 115, 118, 122, 130, and 131, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$280,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$56,460"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$436,100"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$243,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$78,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$10,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$10,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$508,470"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$130,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That no part of this appropriation shall be available for expenditure in that part of the State of New Mexico embraced in the Navajo Indian Reservation, and not to exceed $15,000 shall be available for expenditure in said State"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$950,000"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$275,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$625,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert "$23,000"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$30,000"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "$30,000"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "one physicians' cottage, $7,500;"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$2,047,500"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$900,000"; and the Senate agree to the same.

Amendment numbered 105: That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$700,000"; and the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$60,000"; and the Senate agree to the same.

Amendment numbered 107: That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$315,000"; and the Senate agree to the same.

Amendment numbered 109: That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,927,000"; and the Senate agree to the same.

Amendment numbered 112: That the House recede from its disagreement to the amendment of the Senate numbered 112, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$624,000"; and the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$359,000"; and the Senate agree to the same.

Amendment numbered 116: That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$300,000"; and the Senate agree to the same.

Amendment numbered 117: That the House recede from its disagreement to the amendment of the Senate numbered 117, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$225,000"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$2,222,450"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 5, 8, 12, 24, 28, 30, 35, 37, 46, 53, 54, 73, 74, 87, 89, 90, 93, 94, 95, 97, 98, 121, 123, 124, 125, 129, 132, 133, and 134.

JED JOHNSON,
J. G. SCRUGHAM,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
Managers on the part of the House.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
ALVA B. ADAMS,
GERALD P. NYE,
FREDERICK STEIWER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

OFFICE OF THE SOLICITOR

On amendment no. 1: Appropriates $280,000 for personal services, instead of $275,000, as proposed by the House, and $286,400, as proposed by the Senate.

DIVISION OF TERRITORIES AND ISLAND POSSESSIONS

On amendment no. 2: Appropriates $56,460 for this division, instead of $55,520, as proposed by the House, and $58,760, as proposed by the Senate. The action of the conferees will have the effect of denying one new position of principal clerk at $2,300.

DIVISION OF INVESTIGATIONS

On amendments nos. 3 and 4: Appropriates $436,100 for this division, instead of $416,000, as proposed by the House, and $500,000, as proposed by the Senate, and makes $27,000 available for personal services in the District of Columbia, as proposed by the House, instead of $30,500, as proposed by the Senate.

PRINTING AND BINDING

On amendments nos. 6 and 7: Appropriates $243,000 for this purpose, instead of $240,000, as proposed by the House, and $250,000, as proposed by the Senate; and provides that of this sum, $78,000 shall be for the Bureau of Mines, instead of $75,000, as proposed by the House, and $85,000, as proposed by the Senate.

NATIONAL BITUMINOUS COAL COMMISSION

On amendments nos. 9, 10, and 11: Appropriates $3,600,000 for salaries and expenses of the Commission and $300,000 for the consumers' counsel, as proposed by the Senate.

WAR MINERALS RELIEF COMMISSION

On amendment no. 13: Appropriates $20,000 for administrative expenses, as proposed by the Senate, instead of $18,000, as proposed by the House.

GENERAL LAND OFFICE

On amendments nos. 14, 15, 16, and 17: Appropriates $637,700 for salaries in the District of Columbia, as proposed by the Senate, instead of $587,700, as proposed by the House; appropriates $10,000 for transcribing records, instead of $20,000, as proposed by the Senate; appropriates $10,000 for binding records, instead of $24,000, as proposed by the Senate; and appropriates $1,000,000 for surveying public lands, as proposed by the Senate, instead of $675,000, as proposed by the House.

BUREAU OF INDIAN AFFAIRS

On amendment no. 18: Appropriates $508,470 for salaries in the District of Columbia, instead of $505,270, as proposed by the House, and $510,090, as proposed by the Senate.

On amendment no. 19: Appropriates $32,000 for general expenses, as proposed by the House, instead of $35,000, as proposed by the Senate.

On amendment no. 20: Correct a typographical error.

On amendments nos. 21 and 22, relating to law and order enforcement: Eliminates the word "peyote", inserted by the Senate, and appropriates $216,540, as proposed by the Senate, instead of $210,540, as proposed by the House.

On amendments nos. 23 and 25: Appropriates $130,000 for organizing Indian chartered corporations, instead of $100,000, as proposed by the House, and $160,000, as proposed by the Senate; and provides that no part of such appropriation shall be available for expenditure on that part of the Navajo Indian Reservation in the State of New Mexico, and that not to exceed $15,000 shall be available for expenditure in such State.

On amendments nos. 26 and 27: Appropriates $950,000 for the acquisition of lands, instead of $900,000, as proposed by the House, and $1,000,000, as proposed by the Senate; and provides that $20,000 of such appropriation shall be available for personal services in the District of Columbia, as proposed by the House, instead of $34,000, as proposed by the Senate.

On amendment no. 29: Provides that tribal fund appropriations for the Ute Indians in Utah may be expended for improvements on former public-domain lands, as proposed by the Senate.

On amendments nos. 31 and 32: Eliminates the amendment of the Senate providing that funds for the preservation of timber on the Menominee Indian Reservation be paid from Federal appropriations; and appropriates $275,000 for the preservation of timber on other Indian reservations, instead of $260,000, as proposed by the House, and $300,000, as proposed by the Senate.

On amendment no. 33: Appropriates $80,000 for inspection of mines and examination of mineral deposits on Indian lands, by the Geological Survey, as proposed by the House, instead of $90,000, as proposed by the Senate.

On amendment no. 34: Appropriates $625,000 for developing agriculture and stock raising, instead of $600,220, as proposed by the House and $640,000, as proposed by the Senate.

On amendment no. 36: Excepts the Navajo Indians in Arizona and New Mexico from the limitation of $25,000 on expenditures which may be made on any one reservation for the purpose of encouraging industry and self-support among Indians, as proposed by the Senate.

On amendment no. 38: Appropriates $42,500 for the development of Indian arts and crafts, as proposed by the House, instead of $50,000, as proposed by the Senate.

On amendments nos. 39, 40, and 41: Appropriates a total of $349,500, for operation and maintenance of the San Carlos irrigation project, as proposed by the Senate, instead of $299,500, as proposed by the House, and provides $50,000 additional from power revenues for operation of the power plant, such sum accounting for the increase in the total appropriation.

On amendment no. 42: Requires payment of irrigation operation and maintenance charges from Indian tribal funds in connection with certain lands of the Pima Indians in Arizona, and authorizes the expenditure of not to exceed $2,000 from tribal funds for the employment of an attorney.

On amendments nos. 43 and 44: Eliminates the amendment of the Senate appropriating $2,000 for the investigation of damage claims on the Fort Hall irrigation project; appropriates $23,000 for operation and maintenance of the project from Federal funds, instead of $18,000 as proposed by the House and $25,000 as proposed by the Senate; and appropriates $25,000 for operation and maintenance from collections, as proposed by the Senate, instead of $30,000, as proposed by the House.

On amendment no. 45: Eliminates the amendment of the Senate appropriating $95,000 for rehabilitation and maintenance and operation of the irrigation systems on the Blackfeet Indian Reservation in Montana.

On amendments nos. 47, 48, 49, and 50, relating to the construction or improvement of irrigation systems in Montana: Appropriates $251,275, as proposed by the Senate, for the Flathead project, instead of $200,000, as proposed by the House; appropriates $200,000 for the Crow project, as proposed by the Senate; and eliminates the amendments of the Senate appropriating $50,000 for resurveying the Poplar River project and $100,000 for the Fort Peck project.

On amendment no. 51: Strikes out the provision of the House appropriating $20,000 for the Moapa project and $10,000 for the Summit Lake project, each in Nevada, as proposed by the Senate.

On amendment no. 52: Appropriates $60,000 for miscellaneous garden tracts, as proposed by the Senate.

On amendments nos. 55 and 56: Strikes out the proposal of the Senate that $50,000 be appropriated for the construction of a school in the Hays Public School District, Montana.

On amendment no. 57: Reappropriates an unexpended balance for the acquisition of land adjacent to the Pierre, S. Dak., nonreservation boarding school, as proposed by the Senate.

On amendment no. 58: Appropriates $55,000 for the education of natives of Alaska, fiscal year 1937, and increases the limitation in the 1937 Appropriation Act for freight and operation and repair of vessels from $65,000 to $120,000.

On amendments nos. 59, 60, 61, and 62, relating to the conservation of health: Appropriates a total of $4,595,690 for this purpose, as proposed by the Senate, instead of $4,400,000, as proposed by the House, and appropriates Federal funds for the operation and maintenance of hospitals in the State of Minnesota, as proposed by the Senate, instead of tribal funds, as proposed by the House.

On amendment no. 63: Appropriates $2,604,600 for support of Indians, as proposed by the House, instead of $2,700,000, as proposed by the Senate.

On amendment no. 64: Appropriates $80,000 for the support of Indians during the fiscal year 1937, as proposed by the Senate.

On amendments nos. 65, 66, 67, 68, 69, 70, and 71: Appropriates additional funds for the general support of Indians and administration of Indian property, as proposed by the Senate.

On amendment no. 72: Appropriates $10,000 from tribal funds for compensation and expenses of attorneys employed by the Chippewa Tribe, as proposed by the Senate.

On amendment no. 75: Appropriates $10,000, from tribal funds, for acquisition, rehabilitation, and preservation of the Tuskahoma Council House, Okla., as proposed by the Senate.

On amendment no. 76: Appropriates $15,000, from tribal funds, for compensation of persons who have rendered services to the Chickasaw Nation of Oklahoma under the terms of a contract approved by the Secretary of the Interior, as proposed by the Senate.

On amendment no. 77: Appropriates $3,000,000 for the construction of roads and trails, as proposed by the Senate, instead of $2,700,000, as proposed by the House.

On amendments nos. 78, 79, 80, 81, 82, 83, 84, 85, and 86, relating to construction and repair of Indian school, agency, hospital, and other buildings: Appropriates $30,000 for employees' quarters, Claremore Hospital, Okla., instead of $40,000, as proposed by the Senate; appropriates $21,000 for improvement of water supply for the Colorado River Reservation, Ariz.; appropriates $30,000 for improvement of water supply, Colville, Wash., instead of $35,000, as proposed by the Senate; appropriates $7,500 for one physicians' cottage, Fort Sill, Okla., instead of $15,000 for two such cottages, as proposed by the Senate; strikes out the proposal of the Senate appropriating $25,000 for an office building, Mescalero, N. Mex.; appropriates $30,000 for the Birney day school, Tongue River, Mont.; appropriates $62,500 for day school facilities, Turtle Mountain, N. Dak., each of the two latter items being as proposed by the Senate; corrects the total of the construction items in the bill; and strikes out, as proposed by the Senate, language of the House authorizing the transfer of funds.

BUREAU OF RECLAMATION

On amendment no. 88: Strikes out the words "as hereinafter stated", as proposed by the Senate.

On amendment no. 91: Strikes out the amendment of the Senate appropriating $35,000 for construction work on the Frenchtown reclamation project, Montana.

On amendment no. 92: Appropriates $150,000 for Colorado River Basin investigations, as proposed by the House, instead of $250,000, as proposed by the Senate.

On amendment no. 96: Inserts the words "and for general investigations" in the paragraph outlining the purposes for which expenditures may be made in connection with the Central Valley project and the Grand Coulee Dam, as proposed by the Senate.

On amendment no. 99: Strikes out the language of the Senate providing that allotments made or to be made from the Emergency Relief Act of 1937 shall remain available during the fiscal year 1938.

GEOLOGICAL SURVEY

On amendment no. 100: Appropriates $140,000 for salaries in the District of Columbia, as proposed by the House, instead of $165,000, as proposed by the Senate.

On amendment no. 101: Increases to $3,000, as proposed by the Senate, the limitation on traveling expenses in attendance upon meetings, in lieu of $2,500, as proposed by the House.

On amendment no. 102: Appropriates $650,000 for topographic surveys, as proposed by the House, instead of $800,000, as proposed by the Senate.

On amendment no. 103: Makes $25,000 available for personal services in the District of Columbia, in connection with mineral resources of Alaska, instead of $34,000, as proposed by the Senate.

On amendments nos. 104 and 105: Appropriates $900,000 for gaging streams, instead of $800,000, as proposed by the House, and $1,000,000, as proposed by the Senate; and provides that $700,000 of such sum shall be available only for cooperation with States or municipalities, instead of $600,000, as proposed by the House, and $800,000, as proposed by the Senate.

On amendment no. 106: Appropriates $60,000 for personal services in the District of Columbia in connection with the classification of lands, instead of $50,000, as proposed by the House, and $70,000, as proposed by the Senate.

On amendments nos. 107 and 108: Appropriates $315,000 for mineral leasing, instead of $275,000, as proposed by the House, and $350,000, as proposed by the Senate; and provides that $60,000 of such sum shall be available for personal services in the District of Columbia, as proposed by the House, instead of $75,000, as proposed by the Senate.

On amendment no. 109: Corrects a total.

BUREAU OF MINES

On amendments nos. 110 and 111: Appropriates $65,500 for salaries and expenses, as proposed by the House, instead of $68,380, as proposed by the Senate; and provides that not exceeding $52,000 shall be available for personal services in the District of Columbia, as proposed by the House, instead of $54,900, as proposed by the Senate.

On amendment no. 112: Appropriates $624,000 for operating mine rescue cars and stations, instead of $615,000, as proposed by the House, and $637,500, as proposed by the Senate.

On amendment no. 113: Appropriates $250,400 for testing fuel, as proposed by the Senate, instead of $240,400, as proposed by the House.

On amendment no. 114: Appropriates $359,000 for mining experiment stations, instead of $305,000, as proposed by the House, and $388,850, as proposed by the Senate, the increase of $54,000 above the bill as passed by the House being provided for additional experimental work at the mining experiment station at Tuscaloosa, Ala.

On amendment no. 115: Appropriates $87,690 for the care of buildings and grounds at Pittsburgh and Bruceton, Pa., as proposed by the Senate, instead of $82,690, as proposed by the House.

On amendments nos. 116 and 117: Appropriates $300,000 for economics of mineral industries, instead of $274,790, as proposed by the House, and $324,970, as proposed by the Senate; and provides $225,000 for personal services in the District of Columbia, instead of $200,000, as proposed by the House, and $262,700, as proposed by the Senate.

On amendment no. 118: Increases the limitation on expenditures for attendance upon meetings to $3,000, as proposed by the Senate, instead of $2,500, as proposed by the House.

On amendment no. 119: Corrects a total.

NATIONAL PARK SERVICE

On amendment no. 120: Appropriates $196,940 for salaries in the office of the Director, as proposed by the House, instead of $150,000, as proposed by the Senate.

On amendment no. 122: Appropriates $20,000 for improvement of the lighting system at the Oregon Caves National Monument, Oreg., as proposed by the Senate.

On amendment no. 126: Appropriates $24,000 for a survey of historic sites and buildings, as proposed by the House, instead of $50,000, as proposed by the Senate.

On amendments nos. 127 and 128: Appropriates $7,137,280, as proposed by the House, instead of $7,237,280, as proposed by the Senate, the effect of the two amendments as agreed to by the conferees being to deny an additional $100,000 for increases in the pay of custodial employees under this Service.

OFFICE OF EDUCATION

On amendment no. 130: Appropriates $425,000 for salaries and expenses of administering the so-called George-Deen and Smith-Hughes Vocational Education Acts, as proposed by the Senate, instead of $350,000, as proposed by the House.

On amendment no. 131: Increases the limitation on expenditures for attendance upon meetings to $3,000, as proposed by the Senate, instead of $2,500, as proposed by the House.

AMENDMENTS IN DISAGREEMENT

The committee of conference report in disagreement the following amendments of the Senate:

On amendment no. 5: Relating to the purchase of furniture and equipment without regard to the provisions of section 3709 of the Revised Statutes.

On amendment no. 8: Relating to continuation during the fiscal year 1938 of the George Rogers Clark Sesquicentennial Commission and the unexpended balances of appropriations therefor.

On amendment no. 12: Relating to the appropriation for the Petroleum Conservation Division.

On amendment no. 24: Fixing the per diem allowance which may be paid Indians traveling in connection with Indian organization work.

On amendment no. 28: Authorizing contractual obligations to the extent of $500,000 in connection with the purchase of land for Indians.

On amendment no. 30: Reappropriation of an unexpended balance in connection with the purchase of land for Indians in California.

On amendments nos. 35 and 37: Relating to the disposition of sheep on the Navajo Indian Reservation and authorizing loans to old and indigent Indians and for educational purposes for Indian youths.

On amendments nos. 46 and 53: Authorizing the Secretary of the Interior to enter into contracts not exceeding $750,000 in connection with the Colorado River irrigation project; and correcting the total of the several irrigation items.

On amendment no. 54: Relating to an appropriation of $100,000 for the improvement and extension of school buildings in Glacier County, Mont.

On amendment no. 73: Appropriating $2,000 from tribal funds for attorneys rendering service to the Creek Nation of Indians.

On amendment no. 74: Providing that section 2 of the Act of August 12, 1935, shall not apply to the Five Civilized Tribes.

On amendment no. 87: Authorizing a per capita payment of $50 each to members of the Menominee Tribe.

On amendment no. 89: Appropriating funds for construction of the Gila reclamation project in Arizona.

On amendment no. 90: Appropriating funds for beginning construction of the Colorado-Big Thompson project, Colo.

On amendment no. 93: Appropriating funds for administrative expenses in connection with the construction of reclamation projects under the reclamation fund.

On amendment no. 94: Reappropriating unexpended balances of appropriations from the reclamation fund, contained in the Interior Department Appropriation Act, 1937.

On amendment no. 95: Correcting a total.

On amendment no. 97: Appropriating funds for general investigations in connection with proposed Federal reclamation projects, etc.

On amendment no. 98: Correcting a total.

On amendment no. 121: Appropriating funds for the acquisition of a fish hatchery for Glacier National Park, Mont.

On amendment no. 123: Relating to the giving of educational lectures in the national parks.

On amendments nos. 124 and 125: Relating to the appropriation for continuing construction of the Blue Ridge and Natchez Trace Parkways.

On amendment no. 129: Relating to the employment of per-diem workers and the hire of draft animals, by the Director of the National Park Service.

On amendment no. 132: Appropriating $110,000 for defraying the deficits in the treasuries of the municipalities of St. Thomas, St. John and St. Croix, Virgin Islands.

On amendment no. 133: Making available from and including July 1, 1937, appropriations contained in the act, and ratifying obligations incurred between June 30, 1937, and the date of approval.

On amendment no. 134: Correcting a section number.

JED JOHNSON,
J. G. SCRUGHAM,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
Managers on the part of the House.

Mr. McLEAN (interrupting the reading of the conference report). Mr. Speaker, I ask unanimous consent that the further reading of the report be dispensed with.

The SPEAKER pro tempore (Mr. WARREN in the chair). Is there objection to the request of the gentleman from New Jersey.

Mr. RICH. Mr. Speaker, reserving the right to object, may I say if the membership of the House will listen to the reading of this conference report they will note that the amendments considered in this report show that the managers on the part of the House of Representatives conceded on practically every point and increased the expenditures materially. I think the House ought to have this information and the only way they can get it is to listen to the report. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk concluded the reading of the conference report.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 10 minutes to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL of Kentucky. Mr. Speaker, because I was a member of the conference committee and did not sign the conference report, and being the only Democrat who did not sign it, I feel I should make a statement relative to the conference report, giving the reasons and the causes why I took the position I did.

It has been a very interesting thing to me to watch the progress of this bill from the time the committee considered

it. I would appreciate if the Members of the House would listen to the story I am going to tell in reference to this bill, because I think there are certain lessons and deductions that can be drawn which might be beneficial for the future conduct of business in the House.

Mr. Speaker, the Interior Subcommittee labored for weeks to present to the House a bill which might show an effort to economize in line with the President's message and the crucial, critical condition of our financial affairs. The final result which is presented today as a conference report and recommendation is a travesty, and if understood by the people of America would be taken as a striking example of our incapacity to practice self-restraint where our own sectional benefits are involved. Having an optimistic nature, one ray of hope shows through, and that is the possibility that this Interior conference bill, so outrageous and so contrary to sound business methods, may help to awaken Congress to watch every item in bills coming before it. Perhaps it may, as a horrible example of extravagance and exchange of favors, bring us to a better analysis of why we are more and more in the red. My remarks are not directed at the members of my committee; as the sole Democrat dissenter, I am under suspicion that I may be wrong; but, holding the views that I do, I am unable to be in the more agreeable position of going along with my colleagues.

I would like for the House to hear the story of this bill.

The Bureau of the Budget sent estimates to the committee in the beginning of $120,612,604.85.

Our subcommittee, after great and severe labor, brought the bill to the House for the amount of $115,871,264.85.

In other words, our committee by zealous effort cut off $4,741,340.

And then the House proceeded to undo the long weeks of labor by increasing the bill to the amount of $123,001,304.85. This was $2,388,700 over the Budget, and it increased the bill which the committee presented by $7,130,040.

The committee justly felt that it had wasted weeks of labor. You will recall the larger items which were inserted on the floor of the House, which destroyed the efforts of the committee and made economy seem a mockery. Further, if certain items amounting to a large sum had not gone out on points of order in the House, the increase over the Budget and the bill as presented would have been even larger.

And then the other body took the bill, and added 134 amendments, some involving no money increases, some for small increases and some for large increases, and practically none for reductions. The amendments, if you will read the CONGRESSIONAL RECORD, in almost every case were presented and adopted without explanation, speeches, arguments, or discussions. There are many interesting sidelights which I cannot discuss, but the sum total of the job of plastering and patching the Interior bill was as follows:

The amount of 1938 bill as passed the Senate was $136,054,879.85.

You will recall that the snowball which the House sent to the Senate was for $123,001,304.85.

So the bill which passed the Senate as quietly and smoothly as a moving shadow was an increase over the House bill of $13,053,575.

Incidentally, in this year of rigid economy, the Interior appropriation bill came from the Senate $11,653,738.39 more than the Interior bill of the year before.

As just stated, the Senate bill was over the House bill $13,053,575.

It is but fair to state that the Bureau of the Budget sent supplemental estimates to the Senate, for such things as the National Bituminous Coal Commission in the amount of $3,851,000, which leaves an actual difference between the House bill and Senate bill of $9,202,575.

And then this Santa Claus affair was sent to conference. Those who conferred for the other body and the States from which they came can be seen in the conference report.

There was great harmony and unanimity among the conferees of the other body. Save for the chairman, hardly anything was said by others, except on two or three items apiece, at which time they were quite firm.

In order not to be too long in commenting on this interesting game of human nature and I will chase you if you will chase me, the conferees agreed upon a bill amounting to $133,298,999.85.

Amount of all Budget estimates was $124,463,604.85;

And the increase in the bill now coming to you out of conference over the Budget estimate is $8,835,395;

And the increase over own overloaded bill is $10,297,695, inclusive of the Bituminous Coal Commission.

Mr. Speaker, I dislike to quote figures, but they are more eloquent and more exact than anything I could say on this subject. There is another set of figures I must mention:

The net amount that our committee caused the Senate to recede in was $2,755,880.

The net amount that the Senate conferees caused the House to recede in was $10,297,695.

Again it is but fair to state that four million should be deducted for the supplemental Budget estimates, which still would leave six million plus that our committee receded from.

And so, Members of the House, here is the conference report before you, $133,298,999.85, which came to you first from our subcommittee in the amount of $115,871,264.85, a difference of $17,427,735.

Through the enthusiastic cooperation of all concerned from the time the bill first reached the House until the prodigal son returned to it, you will hardly recognize it. And so it was with regret that I could not sign the report and that I cannot vote for it now.

In the short time at my command it is impossible to deal with this subject adequately. I would like to discuss my reasons for believing that the conference agreements do not protect the actions and the will of the House. In my opinion, conferees are attorneys in fact to represent the House, and should fight to maintain its position, compromising only where there is no other solution. The House committees have extensive hearings and studiously arrive at a figure which they believe to be fair to the department presenting it and fair to the taxpayer. The bill leaves the House and the department calls a Member of the other body and states that his department needs the original amount. The conferees meet, and on almost every item the department secures, by way of compromise, an additional sum over the House figure. In my opinion, the conferees should not feel that every item should be adopted, but an effort should be made to retain the amount arrived at after hard study, and reason should govern.

Moreover, there are in this bill, and most bills, items which have not been studied by any committee, and are only the personal wishes of some influential man. Occasionally there might be a situation where some circumstance has prevented the presentation of a matter by hearings to the House or to the Budget, but that is rarely the case. I am unwilling to vote for any amendment, not classed as an emergency, which could have been presented to the Bureau of the Budget or to the proper committee of the House for study and was not so presented. This bill includes several items which were not presented to the Budget and the House committee, and which could have been. In my opinion the House conferees should not have agreed to them and the House should not now agree to them. We should demand good business methods and a fair time to study each proposed expenditure.

One thing more: Every project should be fairly and frankly presented to this House for authorization. If it cannot pass on its merits it should not come through an appropriation bill. A small start by way of an appropriation sometimes seems so innocent, but it often results in an involvement of millions of dollars.

In conclusion, there are several amendments which must come to you for action. I trust that in the interest of the proper conduct of business, orderly procedure, and the integrity of the House you will not vote to recede and concur.

Mr. COCHRAN. Will the gentleman yield?

Mr. O'NEAL of Kentucky. I yield to the gentleman from Missouri.

Mr. COCHRAN. Is it not true there are 29 amendments in disagreement in this conference report, each and every

one of which would have been subject to a point of order if they had been presented in the House, because they were legislation on an appropriation bill not authorized by law?

Mr. O'NEAL of Kentucky. There are several such, the exact number I do not remember.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 12 minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Speaker, I dislike very much to have to disagree with my friend the gentleman from Kentucky, but I feel the conference report as brought in here is fair and just. Let us take some of the figures.

The Department of the Interior made a request for $193,479,983.85. That was the total of its request. The Budget recommended $124,463,604.85. The subcommittee recommended to the House $115,871,264.85, some seven or eight million dollars less than the Budget estimate.

What happened on the floor of the House? You voted for $11,400,000 above the Budget estimate for vocational training. Assuming the House had not approved that item, we would now be under the Budget estimate by four or five million dollars. You can therefore see this increase in the Budget was made by the Members of the House.

Later on we passed the coal bill, which increased the appropriation $3,900,000. Now they find fault because a bill comes in here with appropriations involving $133,298,999.85. Mr. Speaker, last Friday in less than 30 minutes we passed a bill authorizing $50,000,000 for the Navy without a word of protest from any of the economists who are now against this appropriation. They are going to make their fight on three or four recommendations of the conferees. One involves the Gila project and the other the Colorado River project.

I attended all the meetings of the subcommittee which considered the Interior Department appropriation bill. I was greatly impressed by the Members of the House from the various States when they came in and asked for appropriations for reclamation projects. It brought back to me a trip I made through that part of the country in 1931. I, with my family, traveled through that section, not at the expense of the Government, not on a junket, and not entertained by chambers of commerce or other organizations, but at my own expense. I will never forget traveling through the San Joaquin Valley in California in an observation car and seeing thousands of acres being burned up and beautiful homes vacant. I asked passengers on the train and the railroad men what was the cause of this condition. They said, "Water. If those people had water, they could work their farms and make a living."

I was so impressed by this condition at the time that when our hearings took place I asked many questions of the witnesses that appeared before the committee on reclamation projects. When the Gila project was brought up I asked the gentleman representing the Bureau of Reclamation if what would be produced on the new acreage would come in competition with other farm products throughout the country. He said nothing of which we had a surplus would be produced there, such as grain, corn, or cotton; but that these acres would produce fruits during a season when we could not get them in the North, East, or Northwest. I was impressed by this statement, and for that reason supported the Gila project in Arizona. The provision covering this project was knocked out in the House by a point of order as a result of objections by Members from the five upper States. Today these Members are not opposed to the project because provision is made to take care of the five upper States.

There is also in the bill an appropriation for the Colorado project. I visited that State in 1931. I realized what was taking place on the east side of the Rockies due to the lack of water. For years they have been trying to get relief on the east side of the Rockies, but because of a fight within the delegation they could never get together. Now the Members from the west side of the Rockies are united with the Members from the east side of the Rockies in an effort to give the latter this water. On the east side of the Rockies there are 175,000 farmers crying for water, for which they are willing to pay. The cost is not paid by the taxpayers, because the money comes out of the reclamation fund.

Only last night a Member of the House said to me, "Jim, I think they are deserving of this project, but it will destroy that beautiful park." What a false impression, to think that digging an 8- or 9-foot tunnel from 800 to 4,000 feet below the surface would harm the trees on the surface! Nevertheless, you and I are receiving letters from people throughout the country asking us to vote against the Colorado project because it may destroy some of the trees. The thing is ridiculous. This man said, "The water would seep down." Mr. Speaker, under the East and the North Rivers in our great city of New York we have tunnels, and the water is not seeping down. It will not seep down from the Rockies if we bring this water in to take care of 175,000 farmers.

I, from an eastern section of our country, am 100 percent behind these reclamation projects for which the people themselves are paying, as long as they bring relief to the farmers in those districts. [Applause.]

They talk about economy. Any man who votes against this reclamation project because of a desire for economy is following a false trail, because there is no economy in it. If the farmers out in those States are prosperous, we in the East and in the North will benefit by it. Why should we not go along with these men and give them the relief they need—water? I am speaking from my experience in traveling through these States. For that reason I am here today pleading with you not to follow the men who last week voted without a word for an expenditure of $50,000,000 but who are today going to oppose the spending of $900,000 and $1,125,000 in order to bring water to the distressed farmers of our country.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Does the gentleman state the cost of the Big Thompson project is a charge on the reclamation fund?

Mr. FITZPATRICK. Yes; $20,000,000. We may go into the power business, but $20,000,000 will be charged to the reclamation fund. The same thing is true of the Arizona project, that the cost will be charged to the reclamation fund.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. RICH. Had the gentleman ever heard of the Big Thompson project before he went into conference with the Senate conferees?

Mr. FITZPATRICK. Yes; it has been discussed in this House for years. I have heard our good friend the gentleman from Colorado [Mr. TAYLOR] discuss it. He had been opposed to it, but now he is in favor of it, as any Member of Congress from that part of the country should be.

Mr. RICH. Was the project ever authorized in any way by Congress?

Mr. FITZPATRICK. No; except that hearings were held on it in the Senate, and the Senate committee reported it unanimously.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. DUNN. Did I correctly understand the gentleman to say the Colorado project will benefit about 175,000 farmers?

Mr. FITZPATRICK. One hundred and seventy-five thousand farmers on the east side of the Rockies.

Mr. DUNN. Then I am for the bill.

Mr. FITZPATRICK. I do not blame the gentleman.

Mr. O'NEAL of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. O'NEAL of Kentucky. The gentleman fails to mention the fact the Big Thompson project was not only discussed here but was defeated when the appropriation bill which contained that provision was under consideration.

Mr. FITZPATRICK. I was not on the committee last year and do not know whether this bill was discussed or not, but I understand it was.

Mr. O'NEAL of Kentucky. The project came up in the conference report last year. Chairman Buchanan made a fight against it and the House turned it down.

Mr. FITZPATRICK. Why?

Mr. O'NEAL of Kentucky. For the same reason, I hope, the House is going to turn it down this year.

Mr. FITZPATRICK. This is like the fight that was made on the Central Valley project.

A man appeared before our committee and tried to get some of the southerners to go along because they were raising cotton. I brought out from this man the fact that the reason they were raising cotton in southern California was because they could not get sufficient water to raise anything on the land except cotton, and if they had sufficient water they would not produce cotton but would produce citrus fruits.

For the reasons I have just stated, I am supporting these items in the bill.

Mr. HILL of Washington. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. HILL of Washington. Was not the Colorado project defeated last year because of division between those in the eastern and western parts of Colorado?

Mr. FITZPATRICK. I stated that was the reason the bill was not passed years ago, but today they are united, and our good friend the chairman of the Appropriations Committee [Mr. TAYLOR] is in favor of this project.

Mr. SWOPE. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. SWOPE. I understood the gentleman to say that this money is to come from the reclamation fund. Does the reclamation fund have this amount of money in it now?

Mr. FITZPATRICK. They have for this year around $11,000,000, and the two projects only call for the spending of a little more than $2,000,000 this year.

Mr. SWOPE. But the ultimate cost of the two projects will be $25,000,000 and $19,000,000, or $44,000,000 in all.

Mr. FITZPATRICK. There will be sufficient money in the funds when the project is completed to meet the $44,000,000. In conclusion, I am going to ask the Members of the House to listen to the arguments made here today and not to pay any attention to the lobbyists receiving salaries from organizations who are going around here asking us to save the trees and destroy the farms. Let us protect and save the farms in preference to the trees, that are not in any danger. [Applause.]

Mr. SCRUGHAM. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I agree with the statement made by the gentleman from Kentucky [Mr. O'NEAL]. He is a statesman. I want to call the attention of the House to the statement on the first page of the conference report on the Interior Department appropriation bill for 1938, which says, "having met, after full and free conference, have agreed to recommend and do recommend", and so forth. After full and free conference!

I first should call your attention to the fact that this conference report is signed by four members of the House committee, three members of the House committee refusing to sign the report.

When we were placed on this committee by the Speaker of the House we only had one object in view, and that was to try to do what was for the best interests of the Interior Department and for the best interests of the country. Personally—and I feel that I speak for the other members of the committee—we had no object in view of any kind except to meet the needs of the Interior Department. I want to help the Interior Department; but I may say to the Members of the House that we spent over 1 month up in a room in a corner of this Capitol Building, working diligently practically every day for hours, going over the various items that were in the bill as it was reported to you by the committee. We listened to the people who came there to tell us why they needed this particular money in the conduct of the affairs of the Interior Department. Here are the hearings—over 1,700 pages—that we had printed; but after we had held our hearings the chairman of the committee, time after time, told us we could not put into print all the hearings that had been conducted in that room, so we deleted all we possibly could. If we had not done that we would have had a book, I venture to say, twice as large as the one I have before you. The Senate held hearings for a few days, and here are the complete hearings of the Senate—470 pages.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield there?

Mr. RICH. Let me make my statement, and then I shall yield.

What happened? If you will look over this report you will see that the Senate has receded on 27 items, the House has receded on 50 items, and the House has a compromise on 28 items.

We met in our committee on the 1st of July, after we had a conference with our full subcommittee. We decided we would meet in our committee room on the 1st of July at 9 o'clock in the morning, which we did. For 1 hour we discussed the procedure we would follow on the conference. We met the Senate in joint session at 10 o'clock that day and were in session from 10 o'clock on for the balance of the morning. In a few moments we decided to get down to the bill and very little conference was had with respect to what the procedure would be. We decided we would wait until we saw what the conference with the Senate would amount to. We discussed the various items and went back into session at 1:30 and by 6:30 the majority members of the House and Senate committee railroaded this bill through conference. If anyone says we had a full and free discussion of the bill, then I do not know what the term means, because I can tell you that time after time we tried to get recognition, but all they did was to railroad this bill right through the conference.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. RICH. Just a moment, until I give you a few more statements. The gentleman from New York [Mr. FITZPATRICK] knows very well that we are not here trying to make statements that are not founded on facts. If we had been given time, I certainly would not be here trying to get Members of this House to realize that we did not have a full and free discussion, but this bill has been railroaded through the conference committee, with very little discussion. We had very little discussion on the items that we would like to have had discussion on. Many times Members of the House conferees tried to get up and ask for recognition, but the chairman of the committee, for some reason or other, seemed to side in with the Members of the Senate, and they were practically a unit, and they said O. K., and we could hardly get a vote on some questions. I could tell you many other things that happened in this committee, but I do not want to take any individual to task, I may have a different opinion than other Members and they have a right to their own opinion, but I must be convinced before I will agree to a project that costs the Government a lot of money, it must be a worthy project.

I call attention now to some of the items in this conference report. The Bituminous Commission is set up with $3,921,000. Nothing had ever been discussed in the House committee in respect to any request for this money.

Mr. FITZPATRICK. Is it not a fact that that bill was passed after the committee had been appointed and it could not consider it?

Mr. RICH. I say we did not even consider it. Not in conference fully as it should have been.

Mr. FITZPATRICK. Is it not a fact also that the hearings in the House were over and that the Senate members of this committee went over the House hearings and picked out that part they thought should be amended, and they yielded in over 90 percent on what we passed in the House?

Mr. RICH. The gentleman knows when they establish a commission they always try to ask for as much money as they can possibly get, and when they asked for $3,920,000 we believed they asked for too much money to start out with this commission, because we will be in session here in January and if they need additional funds before they set up an elaborate body for the conduct of the commission, we could then grant them an additional fund, and we believed that would be a part of wisdom, especially after the President of the United States says he wants economy. We do not, as legislators, use good, sound judgment in granting such exhorbitant expenditures in this set-up.

In this connection I just cannot help calling attention to the statement of the Treasury of July 9 of this year, beginning July 1, 1937. You say we are going to have economy. What is the result? In the first 9 days of this new year we spent $40,000,000 more than we spent in the first 9 days of last year, and yet we talk about economy with a national debt of $36,544,661,686.37. You gentlemen know the amount of money that we went in the red last year—over $3,000,000,000.

This committee worked hard to cut this bill down, and to think that we went over into the Senate, and let them railroad it through and put many of these increases in this bill, many that we did not have time to discuss. They are new projects that were put into the bill by the Senate and members of the House committee did not know about before we went into conference. Take item no. 14. That was increased $50,000; item no. 17, for the survey of public lands, was increased—let us see how much. We put $675,000 down, and we thought that that was a lot of money for surveying public lands. The Senate increased that to a million dollars, and the Members of the House who signed the report agreed to it—$325,000 more than it should have been, in my judgment. No. 42 is new language, and it gives the Indians the privilege of employing attorneys. Although we have in the Interior Department and the Indian Bureau attorneys, these Indians can go out themselves and employ lawyers to fight the lawyers the Federal Government has in trying to handle the affairs of the Inidians. No. 47 is a new project, requiring $51,270, that we knew nothing about. No. 48 is a new project requiring $200,000; 49 is a new project, requiring $50,000; 50 is a new project requiring $100,000; 52 is a new project requiring $60,000; 58, a new project increasing the amount to $55,000 over what was considered by the House; 61, a new project increasing it $90,000; 64 is a new project increasing $80,000; and 75 is a new project increasing $10,000. Item 77 increases the money for roads in the Indian Bureau from $2,700,000 to $3,000,000. Item 78 is new language in the bill, $30,000; 79 is new language, $21,000; 80 is new language, $30,000; and 81 requires $75,000. These items 78, 79, 80, 81 are nothing but salve for the Senators with which to salve their representatives, and vice versa. Eighty-one is new language, $75,000; 83, new language, $30,000; 84, new language, $62,350; 121, $16,500; 122, $22,000; 129, $176,000. Your committee carried on and tried to work for economy. See what the Senate did to us. We went over there, and the conference was railroaded through in 6 hours. We figured it would require at least 2 days. I say that it is mighty discouraging to the men you have in the House who try their best to do a good job in keeping down the request for funds from these departments. It is disheartening. It is a shame that all of our hard work is thrown overboard and all the money we tried to save is now being spent in this conference report.

I hope that when we reach some of these items in the bill later in the day you will give the matter very careful consideration. The Big Thompson project in Colorado has never been approved by this Congress. It was never presented to a House committee. You will be asked to appropriate $900,000 to start that project. It will require $44,000,000 before it is completed. There are items in the bill that will require twice as much as the bill itself before they can be completed. You Members should be very careful and very cautious in starting these projects that will involve the expenditure of millions of dollars later on and which will be a boomerang to this Government. I hope the chairman of the committee will give time to consider these amendments and you will have an opportunity to vote on them.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. CRAWFORD. Will the cost of the Big Thompson project come out of the reclamation fund?

Mr. RICH. No. It is not so stated in the bill.

Mr. LEWIS of Colorado. Oh, Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. LEWIS of Colorado. I call attention to the language on page 85, lines 16–23, of the bill itself. This language, which introduces a number of reclamation projects, among them the Colorado-Big Thompson project, is as follows:

> Construction: For continuation of construction of the following projects in not to exceed the following amounts, respectively, to be expended from the reclamation fund under the same general conditions and in the same manner and for the same objects of expenditure as specified for projects hereinbefore in this act under the caption "Bureau of Reclamation", and to be reimbursable under the reclamation law.

The gentleman from Pennsylvania, who has so carefully studied this bill, ought to know what language the bill contains.

Mr. RICH. Study the bill. We have not had a chance to study the bill. It came into the conference report. We never saw it before that time. We never knew anything about it. That was an agreement made by the gentleman from Colorado on the Gila project and the Big Thompson project, and those fellows from Colorado and New Mexico recently made a compact or agreement to get both projects through in this bill, and Mr. LEWIS is the gentleman who knocked the Gila project out on a point of order. Now they have got together and they want to jam it down our throats. [Laughter and applause.]

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. RICH] has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, I hope the House will do the unusual thing by defeating the general conference report. I think we ought to make an example of this proposition and defeat this conference report and send it back. Before we went into conference I announced one day on the floor that the Senate had put on 134 amendments. When I went over there, after 2 days here, they took me to task for what I put into the RECORD about their having had only 10 hours of hearings. Another Senator spoke up and said, "Why, I did not suppose we had had that much." We had had 30 days' hearings on these matters. We know that they did not actually have over 10 hours' hearings.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. BIERMANN. And after you had those extensive hearings you brought in a bill carrying $115,000,000 and the House increased it to $123,000,000, and now the conference report comes back increasing it to $133,000,000. As the gentleman says, we ought to defeat the conference report.

Mr. LAMBERTSON. I think we should defeat the conference report. I have real affection for these four men who signed the conference report. I like them. I have served with them. The House committee met for over 2 days to consider what their position would be when we reached the Senate. It was unfortunate that our chairman during most of that time was attending a Democratic steering committee meeting and was not in on our decision very much. So when he went to the Senate to lead us——

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield right there?

Mr. LAMBERTSON. Yes; I yield.

Mr. FITZPATRICK. Is it not a fact that the chairman of the subcommittee stood by what the committee had agreed on?

Mr. LAMBERTSON. Yes; but the gentleman did not let me finish. I agreed to that, but when we got to the Senate the chairman of the subcommittee was not thoroughly informed on what the committee had decided to do, and he did not stand up on his hind legs and fight. That is what he did not do before that Senate committee.

Mr. FITZPATRICK. Will the gentleman yield further?

Mr. LAMBERTSON. I yield.

Mr. FITZPATRICK. How many of these amendments were corrective amendments, just to correct totals?

Mr. LAMBERTSON. Only a few of them.

Mr. FITZPATRICK. Does not the gentleman think the Senate should have something to say on an appropriation bill?

Mr. LAMBERTSON. The Senate has everything to say. That is why we want to send this back. I hope the gentleman will let me make my speech.

Mr. FITZPATRICK. We do not want to simply send it over there and let them take a rubber stamp and stamp it.

Mr. LAMBERTSON. The Senate has this habit. They are commendable on a lot of things, but they have a habit of increasing every House item that any Senator asks for. That is senatorial courtesy on an appropriation bill—to put in the bill what any Senator asks for. They increased practically every item. I am complaining about it because we agreed to let them have their way on about four-fifths of them. Now, the point is, shall we stand for this sort of thing? We should not do it. One Senator said to us, "Why, it is only $133,000,000. Look at the Army and Navy bills."

I find there are three types of men on the appropriations committees. There is the type of man who wants to save; there is another type of man who gets on the committee because he has some purpose to serve, who thinks that that is the chance to get some money; and there is a third type of man who thinks that is a good way to distribute the wealth of the Nation.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Not for the moment.

Mr. FITZPATRICK. The gentleman made an assertion there.

Mr. LAMBERTSON. Yes; I did.

Mr. FITZPATRICK. I live in an eastern district and, therefore, have nothing to gain. Did not the gentleman vote for over $11,400,000 in excess of the Budget recommendation?

Mr. LAMBERTSON. No; I did not; I was not here.

Mr. FITZPATRICK. Well, the gentleman would have voted for it.

Mr. LAMBERTSON. Oh, I would not. I tried to amend the bill both in the subcommittee and in the whole committee. I pointed out how they could save $4,000,000 if they would make the item for vocational education $10,000,000. I offered such an amendment both in the subcommittee and in the whole committee, but was defeated each time. I was not here to vote on the passage of the bill.

Mr. FITZPATRICK. But the gentleman would have voted for it.

Mr. LAMBERTSON. No; I would not. I would have offered an amendment as before.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Yes.

Mr. LEWIS of Colorado. Is my understanding correct that the gentleman is an advocate of economy?

Mr. LAMBERTSON. I try to be. I am not here to serve my district or State in a selfish way.

Mr. LEWIS of Colorado. Did the gentleman vote to override the President's recent veto?

Mr. LAMBERTSON. Yes; in the interest of economy.

Mr. LEWIS of Colorado. But that will cost the Government something like $40,000,000 a year.

Mr. LAMBERTSON. It was in the interest of Colorado farmers, as all others, to keep them off relief.

Mr. LEWIS of Colorado. That is all right?

Mr. LAMBERTSON. That is all right. Why, we could save that whole extra expense out of the St. Louis-Jefferson Memorial alone. [Laughter and applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I had not intended saying a word on this report, but since my genial friend the distinguished gentleman from Kansas criticized the report and the personnel of the conference committee, and criticizes the acting chairman of the committee, and charges me with spending some time at a Democratic steering committee meeting during a part of these hearings, I think I should make a brief statement.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield for just a word?

Mr. JOHNSON of Oklahoma. In just a minute.

It is true that I happen to be chairman of the Democratic steering committee of the House. It is not a Democratic caucus by any means. I was away only twice in the 5 weeks of the hearings on the pending bill. I excused myself and turned the hearings over to the next ranking member to attend, for a few minutes, meetings of the House steering committee, before which some very important legislative matters were being considered, one being the farm-tenant bill. It will be recalled that it was at a steering committee meeting we got Chairman JONES and Chairman BANKHEAD together, both of whom had farm-tenant bills pending, and it was in our committee that agreement was reached that a farm-tenant bill would actually be passed during the present session of Congress. Certainly I shall not apologize to the gentleman from Kansas or anyone else for the humble part I played in getting action on the farm-tenant bill or for attending briefly two meetings of the steering committee while the other Members of the House considered some items of the Interior bill.

It has been charged here today, as usual, that the House Members of the conference committee surrendered everything to the Senate. The distinguished gentleman from Kentucky [Mr. O'NEAL], for whom I also hold a high regard, made a very excellent speech in opposition to the adoption of the report. But if I did not misunderstand him, he stated that the House had receded on practically every amendment. The fact is that the Senate receded on 27 amendments and that the House receded on 25 other amendments with amendments. This means that the Senate receded outright on 27 amendments and receded in part on 25 amendments. This makes a total of 52 amendments on which the Senate actually receded in whole or in part.

I may say to the gentleman that the bill was not altogether satisfactory to me when it left the House. I will go further and say it is not as satisfactory to me now as it was when it left the House. I think, however, that I used every possible effort to get the Senate to go along with us on all those amendments where it was possible to do so, but we must recognize that there is another body at the other end of this Capitol. It is my judgment that the Members of the House conferees brought in the very best report it was humanly possible to bring to this body under the circumstances.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. RICH. I know that the gentleman wants to be correct in his statements.

Mr. JOHNSON of Oklahoma. Absolutely.

Mr. RICH. The Senate receded on 27 amendments.

Mr. JOHNSON of Oklahoma. That is correct, and the Senate receded on 25 other amendments in part. That was my statement, and I stand by it. This makes a total of 52 amendments on which the Senate receded in whole or in part. Is not that correct? The House receded on 50 amendments.

Mr. RICH. That is right.

Mr. JOHNSON of Oklahoma. Certainly that is correct, and that was my original statement.

Mr. O'NEAL of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. O'NEAL of Kentucky. If the Speaker please, I made no comment on the number of amendments on which we

receded, but I did make the statement that the House receded on over $10,297,000 and that the Senate receded on $2,755,000. Of that amount, in all fairness, $4,000,000 was for supplemental estimates, leaving a total recession on the part of the House of $6,000,000.

Mr. JOHNSON of Oklahoma. That is a correct statement. It is also true that there were many supplemental estimates which went over to the Senate after the bill was considered by the House. Those supplemental estimates are responsible for a number of these amendments upon which we are to vote today.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York, a member of the committee.

Mr. FITZPATRICK. Is it not the fact the amendments added by the Senate were added upon the recommendation of Senators who were elected by the people, while the amendments of the House, carrying some $11,000,000, were put on there by lobbyists sitting up here in the gallery? I prefer the elected officials at any time for increases in appropriations in preference to lobbyists.

Mr. JOHNSON of Oklahoma. Of course, that is a matter of opinion. Personally, I feel the appropriation for vocational education was one of the best appropriations made by the House. We are not of the same opinion, of course, with reference to many of these amendments. I am not apologizing for a single amendment in this report. It is the best report the managers were able to bring in under the circumstances.

Mr. TABER. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman have any information as to the amount the original Bituminous Coal Commission spent last year?

Mr. JOHNSON of Oklahoma. I do not believe the committee had that information, but as the gentleman well knows, the estimate of the Budget went over to the Senate after the House had passed the Interior Department appropriation bill; therefore the House had no opportunity to pass on that matter when the bill was pending before the House.

Mr. TABER. I appreciate that.

Mr. JOHNSON of Oklahoma. The Commission asked for $5,000,000 and got $3,600,000.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. I want to make it clear to the chairman that I tried to be fair. I want to say he was a faithful chairman all the way through the hearings. I said that during the 2 days we were digesting the thing and coming to a conclusion, the most important 2 days of the year, he was attending part of the time this Democratic steering committee.

Mr. JOHNSON of Oklahoma. Frankly I am somewhat amazed at the statement of the gentleman from Kansas. If I desired to do so, I might point out that if I had missed as many of the hearings as did the distinguished gentleman from Kansas, I would be the last man to criticize or attempt to scold someone upon the floor of the House. The record speaks for itself. It is a fact that the Democratic steering committee meets every Tuesday afternoon at 2:30, and I am very proud to be chairman of that very important committee. It is not a Democratic caucus, as the gentleman appears to think. The House steering committee considers pending and proposed legislation before the Congress. It is true that two afternoons, and two only in the 5 weeks of our hearings, I attended steering committee meetings for possibly an hour each time. Of course, I made a mistake. I should have asked the gentleman from Kansas for his permission to leave.

Mr. LAMBERTSON. We were meeting at that time, and it is just a question whether the chairman considered the Democratic steering committee more important than the deliberations of the committee on the Interior Department appropriation bill.

Mr. JOHNSON of Oklahoma. Of course, there are matters of grave importance that are discussed by the steering committee, but what in the world does that have to do with the issues involved in this bill? Personally I have the highest regard for the gentleman from Kansas, and am not interested in how many of his Republican Party caucuses he may or may not attend.

Mr. LAMBERTSON. May I ask of you, Mr. TABER, if it has not been your observation that the Senators invariably practice this thing of increasing appropriations over the House? Then they claim all the patronage because of the increases they have put in the bill; is that not so? Have not you Democratic Members of the House found out that the Democratic Senators claim the benefit of all the patronage? Yes; you do.

Mr. TABER. Mr. Speaker, I do not yield further.

I call attention to the fact that as a result of the operation of this conference report which we are going to vote on in a moment, the appropriation bill as passed by the House has been increased in 52 cases to the extent of $6,618,000, and reduced in two cases to the extent of $12,500.

Is that not commentary enough upon the conference report? It seems to me we ought to vote it down and not swallow all of these big increases. All along the line increases seem to be in order, but we are never going to make progress toward balancing the Budget unless we begin cutting down. I hope, therefore, the House will reject the conference report.

There are a great number of amendments in disagreement, and the vote on the conference report has nothing whatever to do with the amendments in disagreement. Those amendments will come up separately and will be discussed separately. This thing involves just the differences in amount of various authorized projects. The projects that are not authorized by law will come up separately.

Mr. Speaker, I hope the House will vote down the increases that the Senate has put in this appropriation bill, to which the conferees have agreed, so that we may get somewhere toward stopping this continual rise in governmental expenditures. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3½ minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, I rise at this particular moment because in connection with the general debate that has taken place with reference to economy I have a little something I desire to put in the RECORD. I appeal to you to read it.

It will be recalled that in the first part of the session I offered seven resolutions to investigate seven different trips to Europe—sometimes they are called junkets. You will recall that all those resolutions were immediately tabled and I was told that I should have been satisfied with the brief letters received by the committees from the particular departments involved. However, I pursued the investigation of some of those matters and have some information that may be of interest to the House.

The cooperative marketing cruise, headed by one Jacob Baker, is most interesting. Mr. Baker was formerly with the W. P. A., but you will recall that he is now with John L. Lewis. His past record of activities are interesting and will lead you to believe that he has at last found his proper sphere. The Comptroller General has finally considered the expense involved on the trip and reported to me. I will place the report in the RECORD, showing the illegality in the use of these funds. I understand the trip was financed at the request of the President of the United States in spite of the act of Congress limiting relief expenditures to be made only within the borders of the United States and its possessions.

We thank the Comptroller General and I urge you to read this report, because it may have taken a little courage at this time to make the decision. The Comptroller General has determined that these funds were earmarked and

could have been spent only within the United States, as Congress itself had decreed. He is now calling upon the individuals who made the trip to make good the money they individually spent. In the RECORD you will find the letter stating their defense of the expenditure.

I rise at this point in order that you may know we do not give up investigations immediately, although it is with very great difficulty that you can pry any information of real value from any department of the Government relating to such activities. May we continue to keep and avail ourselves of the office of Comptroller General! [Applause.]

Mr. Speaker, the letter to which I have referred is as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, June 14, 1937.

PRESIDENT, FEDERAL SURPLUS COMMODITIES CORPORATION,
1901 D Street NW., Washington, D. C.

SIR: Your letter of June 3, 1937, is as follows:

"Receipt is acknowledged of your letter of April 1, 1937 (file A-84565) in connection with the direct settlement of vouchers covering claims for travel and other expenses during the period June 30 to September 22, 1936, by various individuals traveling to Great Britain and continental Europe 'for the purpose of making studies of cooperative enterprises in Europe as such enterprises affect the expansion of markets and the increase and improvement of the distribution of agricultural and other commodities and the products thereof', making inquiry as to the following matters: First, an explanation as to whether due consideration was given to the statutory restriction contained in section 2 of the Emergency Relief Appropriation Act of 1935 (49 Stat. 117), which limits the expenditure of funds appropriated therein for use only in the United States and its Territories and possessions; second, an explanation as to how the travel in anywise accomplished the purpose and policy of the Corporation; and third, the authority for using the funds in question to pay losses due to unfavorable rates of exchange.

"The first inquiry appears to assume that funds now on deposit to the credit of the Federal Surplus Commodities Corporation consist of funds either appropriated to the Corporation from the Emergency Relief Act of 1935 or appropriated to the Federal Emergency Relief Administration by that act and subsequently granted to the Corporation by the Federal Emergency Relief Administration. The Corporation has never received any appropriations from Congress, nor has it received any grants from the Federal Emergency Relief Administration. The only Federal Emergency Relief Administration funds which have eventually found their way into the treasury of the Corporation consist of funds granted by the States to the Corporation, and of these none were initially 1935 funds.

"Until November 16, 1935, when the control of the Corporation was transferred to the Department of Agriculture, the Corporation was financed exclusively by funds granted and assigned to the Corporation by the Governors of the several States and all of the Territories except Hawaii.

"Concerning the second point in your letter, namely, the connection between an inquiry into the methods of marketing cooperatives and the functions of the Corporation, there was quoted in your letter an excerpt from the United States Government Manual, which emphasized the principal activity of the Corporation as being the distribution of surplus agricultural commodities to State relief agencies. This is true as a generalization but is not descriptive of all of the functions of the Corporation.

"Prior to November 16, 1935, when the Corporation was under the control of the Federal Emergency Relief Administration, its policies were determined by relief consideration and it procured certain commodities which were not of agricultural origin. For instance, in the winter of 1933-34 it made distribution of 1,133,890 tons of coal and coke.

"However, with the transfer of control to the Department of Agriculture, the emphasis was shifted from relief to agricultural considerations, and the Corporation has been considered to have authority to engage in any operation consistent with the policies of the Department of Agriculture and not inconsistent with its own charter powers.

"Ever since the passage of section 32 of Public, No. 320, as amended, the Federal Surplus Commodities Corporation has cooperated closely with the Department of Agriculture in connection with the distribution of agricultural commodities procured by the Agricultural Adjustment Administration pursuant to said act. The charter powers of the Corporation which permit such cooperation are contained in the third article of the certificate of incorporation, which provides as follows:

"'3. The nature of the business and objects or purposes to be transacted, promoted, or carried on by this Corporation are:

"'(a) To relieve the existing national economic emergency by expansion of markets for, removal of, and increasing and improving the distribution of, agricultural and other commodities and products thereof.

* * * * * * *

"'(g) To cooperate with any private, public, or governmental agency or agencies;

* * * * * * *

"'(j) To enter into and encourage farmers, producers, and others to enter into marketing plans and agreements and to cooperate in any plan which provides for reduction in the acreage or reduction in the production for market of agricultural commodities; * * *.'

"Copies of the Corporation's charter and bylaws are on file in your office.

"The purpose of section 32 of Public, No. 320, Seventy-fourth Congress, as amended, is to relieve agricultural marketing situations by encouraging the exportation and the domestic consumption of agricultural commodities and products thereof. An inquiry into the methods of cooperative enterprises as they relate to the distribution of agricultural and other commodities and products was considered to be pertinent to certain agricultural and marketing problems. At the cost of financing such an inquiry by the Corporation did not appear to contravene any provisions of existing law, the advisability of having such an inquiry made was considered to be a matter within the field of administrative discretion.

"The third point in your letter for consideration is the authority for paying exchange losses sustained by employees on travel status in foreign countries. The act of March 26, 1934 (48 Stat. 466), which was referred to in your letter, authorizes appropriations to meet losses sustained by employees of the United States due to appreciation of foreign currencies in their relation to the American dollar, but said act does not authorize payment of any such losses. The authority for such payments is to be found in Amendment of Executive Order No. 6657-A of March 27, 1934, as amended, dated December 24, 1934. Section 2 of this Executive order reads as follows:

"'The purpose of these regulations is to provide for reimbursement to officers, enlisted men, and employees of the United States (hereinafter referred to as employees) for losses sustained from appreciation of foreign currencies in their relation to the American dollar, as authorized under the aforesaid act.'

"The fact that this Corporation never received any appropriation under the act of March 26, 1934 (48 Stat. 466), is not considered to preclude it from reimbursing employees for exchange losses pursuant to the Executive order cited above.

"Although the administrative expenses of this Corporation come under the supervision of the Bureau of the Budget by virtue of Executive Order No. 7126, as amended by Executive Order No. 7150, and appear regularly in the Budget of the United States, Congress never has appropriated any funds for this Corporation. Hence, if it is held that the Corporation may pay exchange losses only out of appropriated funds, there would appear to be no authority for payment of salaries and other administrative expense items, for the reason that the Corporation never has had an appropriation to meet administrative expenses.

"It is hoped that, in the light of this additional clarifying information, you will find that careful consideration was given to the propriety of the use of the funds of the Corporation to accomplish the purposes of the Corporation and to the payment of exchange losses suffered by employees on travel status in foreign countries."

Executive Order 7126 of August 5, 1935, as amended by Executive Order 7150 of August 19, 1935, required your Corporation to submit to the Bureau of the Budget estimates for administrative expenses. Based on such estimates, the Budget, 1937 (p. 46), discloses the source of your funds as follows:

Source of funds	Estimate, 1936	Actual, 1935
Transfers from States (through Federal Emergency Relief Administration):		
1934 obligated for 1935, regular relief		−$7,351,785
Allotments received in 1935:		
Regular relief	−$1,041,780	−45,501,000
Drought relief		−40,300,000
1935 allotment available in 1936, regular relief	−18,010,856	+18,010,856

While the funds in the special deposit account, Federal Surplus Commodities Corporation, were not appropriated directly to your Corporation, they nevertheless were initially federally appropriated funds and were granted to the various States for specific purposes of relief. In turning such funds over to your Corporation the States did not and could not enlarge the purposes for which they were originally granted. Obviously, their use for conducting investigations or studies in Europe which, if authorized, would otherwise have been chargeable to appropriations of the Department of Agriculture, or the Agricultural Adjustment Administration, is not applying such funds to the relief purposes for which they were granted to the States. It is not a question of what powers may be exercised under your charter, but a question of the proper use of funds which, when made available to your Corporation, were impressed with a definite trust. Section 32 of the act of August 24, 1935 (49 Stat. 774), as amended, referred to in your submission, which provides funds for use by the Secretary of Agriculture for certain purposes, did not confer any additional authority upon your Corporation nor authorize the use of its funds for the purposes of that section.

In view of the foregoing, no part of the amounts claimed by the 10 employees was properly chargeable to the special-deposit account of your Corporation, and insofar as the settlements

authorized the payment to the claimants of portions of the amounts claimed, the settlements were in error and will be revised and charges raised against the respective employees for the amounts paid thereunder.

In view of the foregoing, it is not necessary at this time to pass upon the questions of exchange loss or the allowance of per diem while on board ship when not provided in the travel orders.

Respectfully,

R. N. ELLIOTT,
Acting Comptroller General of the United States.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts has expired.

The question is on the conference report.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 67, noes 52.

So the conference report was agreed to.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to insert in my remarks the letter to which I referred.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 5: Page 8, at the beginning of line 1, insert the following: "Furniture, furnishings, and equipment, new Interior Department Building: The provisions of section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) shall not apply to any expenditure authorized under this head in the First Deficiency Appropriation Act, fiscal year 1936 (49 Stat., p. 1619), when the aggregate amount involved is less than $300."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur in the Senate amendment, and yield 10 minutes to the gentleman from Illinois [Mr. LUCAS].

Mr. LUCAS. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LUCAS. Mr. Speaker, it is with the utmost modesty I confidently assert that I know the peak and issue of the constitutional story which is now being told to the American people through the medium of debate in the American Congress.

When conviction battles loyalty upon deep-seated and far-reaching human problems men's souls are always tried, but invariably conviction becomes the victor. To really know something through years of teaching and environment is to believe, and, Mr. Speaker, if we really believe enough in something fundamental and have the courage of our convictions, there is none who shall tell another what he shall do.

And so, as time augments the future records of this great Republic, those living Americans who have convictions upon the true independence of our three branches of government will read the able address of the distinguished chairman of the Judiciary Committee of this House and even at that late hour rise up and call him blessed. In his firmness there is an element of hope. There were none who could tell Judge SUMNERS what to do. Silent through many days of rancor and bitterness, this stalwart citizen steps to the forefront of the American stage and becomes one of its greatest actors in a combination of drama and tragedy, the result of which no man can foretell at this hour. With an allegiance to fundamental principles of American government, this brilliant lawyer and statesman advises the people of a mighty nation that all his legislative wealth is wrapped in one high and noble purpose. His entire speech is worthy of the most serious consideration by every American who is interested in the great cause before us. He speaks like the philosopher under whom I have been tutored throughout my life. It was with the deepest feeling for the future of free and independent America that he said that "the problems of this hour challenge us to produce the most united people and the most capable people who ever assumed the responsibility of government on the face of this earth." Mr. Speaker, these are words of warning and wisdom, and, while my love of life has never permitted me to look upon the dark side of things, yet I sadly confess that I must concur in that prophetic utterance.

From a heart chiseled with sincerity and with the utmost candor, I ask why all of this is necessary. Is there a single Democrat in this historic hall who believes that a continuation of this fight will accomplish a single constructive thing? Ah, but, my distinguished colleagues, it is full of destruction. Mr. Speaker, unless those in power call a halt to this useless, selfish, and futile gesture I here and now predict that the evil path of this so-called progressive action may ultimately shatter the very foundations of American liberty and life. [Applause.] Mr. Speaker, if the admonition of the distinguished gentleman from Texas [Mr. SUMNERS] is not followed the Democratic Party will be split in twain and probably destroyed. It will be the beginning of the end of real constitutional government in this Nation. It will further impair and destroy the lives of great men that a free nation cannot afford to lose. Mr. Speaker, as our devoted and lovable chaplain said yesterday, I, too, pause here on the alter of prayer, praying that somebody somewhere will call a halt. [Applause.]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 8: Page 9, after line 6, insert the following:

"GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

"The George Rogers Clark Sesquicentennial Commission created by the joint resolution approved May 23, 1928, as amended, shall cease and terminate June 30, 1938, and the unexpended balances of the appropriations heretofore made for carrying out the purposes of such joint resolution, as amended, shall be available until June 30, 1938."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Pennsylvania.

Mr. RICH. May I say in connection with this amendment that the Commission has an unexpended balance of $26,913, and wants an extension of time for 1 year. I am in hopes the chairman of the committee or someone will notify this Commission we will not continue it any longer at the expiration of the time in the bill. This question has been brought up here for 3 or 4 years now, and it is time the Commission completes its job. At the end of this extension of 1 year the matter ought not to be brought back again to the House of Representatives. If the Commission will complete its job within 1 year, which it should and must do, I do not think we will object to the amendment.

Mr. JOHNSON of Oklahoma. May I say to the gentleman I think he is absolutely correct. Insofar as I am concerned, and I think as far as the members of the committee on this side are concerned, we shall insist that this be the last money to be spent for this purpose, unless some unforseen contingency arises which might make an additional expenditure absolutely necessary.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 12: Page 11, after line 16, insert the following:

"PETROLEUM CONSERVATION DIVISION

"Salaries and expenses, oil regulation and enforcement: For administering and enforcing the provisions of the act approved February 22, 1935 (49 Stat., p. 30), entitled 'An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes', as amended, and to include necessary personal services in the District of Columbia and elsewhere without regard to the civil-service laws and regulations, traveling expenses, contract steno-

graphic reporting services, rent, stationery, and office supplies, not to exceed $1,000 for necessary expenses of attendance at meetings and confrences concerned with the work of petroleum conservation when authorized by the Secretary of the Interior, not to exceed $4,000 for printing and binding, not to exceed $500 for books and periodicals, and not to exceed $14,000 for the purchase, exchange, hire, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles, $285,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Pennsylvania.

Mr. RICH. May I say that sometime ago we passed a law providing for the continuation of the Petroleum Conservation Division, under the Department of the Interior, and now they are asking for an appropriation of $285,000. I think if the division is to function it will be necessary to have this provision included in the bill. There may be additional statements the chairman of the committee may wish to make in order that the House may know that this amount is in conformity with the law passed some few days ago.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 24: Page 19, after the word "Columbia", in line 6, insert a colon and the following proviso: "*Provided*, That in the discretion of the Secretary of the Interior, not to exceed $3 per diem in lieu of subsistence may be allowed to Indians actually traveling away from their place of residence when assisting in organization work."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur in the Senate amendment, and yield 5 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Speaker, I desire to address my remarks not to any particular amendment, but to all of the amendments to the original bill.

I was for the bill as it was first reported to the House by the committee and I think we have a committee of great men. I have every confidence in the committee. They studied these items carefully, considered them, and brought to this House the result of their deliberate judgment. This House acted upon their judgment, adding a little bit to the amounts reported. Then the bill went to the body at the other end of the Capitol, and it comes back to us, as bills have time and again, with millions of dollars added to it, and this House has had no opportunity to study these items, our committee has had no opportunity to study them, but we are asked to pass in the twinkling of an eye $10,000,000 of the money of the people of the United States.

A century and a half ago, when our forefathers set up this great Government and formulated our Constitution, in their wisdom they placed the appropriating power or the power to initiate appropriations or the power to control the purse strings of this great Nation here where it belongs, with the direct representatives of the people, who are sent here for 2 years at a time in order that the pulse of the people may be readily felt by this body.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BELL. I beg the gentleman's pardon, but I cannot yield now.

It seems to me that the remarks of a certain old circuit judge whom I knew so well down in Missouri might be apropos. He was discussing the course of business through our trial court there and said:

You know, I am becoming disgusted with the condition of things; the trial court is just a sort of whistling post that a case passes through on its way to the court of appeals.

Now, this is the situation, with all due respect to both Houses of this great Congress, we have got into here. Bills go through this House, having received our deliberate judgment and the judgment of the splendid men upon these committees, who have studied them time after time, day and night. Certain departments deliberately wait until after the bill has left the House and then whisper in the ear of someone at the other end of the Capitol, and $10,000,000 is added without the House knowing anything about it.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for just one question?

Mr. BELL. I will yield in just a moment.

It is for these reasons, not that I have any particular objection to any of these items, because, like the rest of you, I do not know anything about them, that I am opposing this procedure. These items have been added without giving us any opportunity to know about them, and therefore I am pleading with you to uphold the dignity of this House as the representatives of the people of this country. The President of the United States has plead with us to help balance the Budget, to quit spending money without knowing what we are spending, and with this thought in view I plead with you to vote against the adoption of the report and to vote against all of these amendments.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield.

Mr. FITZPATRICK. The gentleman spoke about the great work done by the subcommittee. In this House they increased the Budget recommendation in less than 2 hours by $11,000,000. They increased it at the other end of the Capitol by $10,000,000 or $11,000,000, but $3,900,000 of that amount was authorized by the Congress, and no doubt the gentleman voted for it. Therefore the increase which was made over there was only $6,000,000 or $7,000,000 over the recommendation of the committee, while the increases made in the House were over $11,000,000, and the increases made over there were on the recommendation of duly elected Members of the Senate and not by lobbyists seeking to control the House the day they were in session on the bill.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BELL. I yield.

Mr. RICH. I would like to call the attention of the gentleman from Missouri to amendment no. 90, the Colorado-Big Thompson project, where they are asking us to appropriate $900,000. This was never considered by the House, was never voted on, and if you appropriate this $900,000 then it will mean that the camel is getting its nose under the tent, and you will have to appropriate $44,000,000 to complete the project. Remember this when you vote on amendment no. 90.

Mr. BELL. Mr. Speaker, that is just one of the reasons I think we ought to vote down any proposition that spends millions of dollars of the people's money unless we are given an opportunity to know what we are spending. [Applause.]

[Here the gavel fell.]

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman 2 minutes more.

Mr. O'NEAL of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. BELL. Yes.

Mr. O'NEAL of Kentucky. To make the RECORD correct, because I think the statement made inadvertently by the gentleman from New York [Mr. FITZPATRICK] is not quite correct. The Senate added $13,050,000.

Mr. FITZPATRICK. But $3,500,000 was submitted by the Budget.

Mr. BELL. Mr. Speaker, I yield back the remainder of my time.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. BEAM].

Mr. BEAM. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BEAM. Mr. Speaker, and Members of the House. We are today in a state of judicial hysteria. A few days ago I listened with a great deal of interest to the distinguished

and learned gentleman from Texas [Mr. SUMNERS], the chairman of the Judiciary Committee, make a most dramatic plea to save this country from a dictatorship.

Only a few moments ago I again heard those sentiments reechoed by my distinguished colleague from Illinois [Mr. LUCAS], as I listened to him characterize as a selfish gesture the philosophy and intendment of the Court bill, now pending before the Senate of the United States for consideration and determination.

I, for one, cannot stand idly by and permit such statements to go unchallenged. I cannot, in the throes of highly publicized and specialized propaganda, desert a gallant leader, who is waging a fight for the great masses of our citizens and to preserve and make secure for them the blessings of equal opportunity in our land.

What sinister force, under the cloak of statesmanship is instigating and endeavoring to accomplish this desertion from our party? Is he a friend of the Democratic Party or is he a foe in the guise of a friend? Permit me, my colleagues to suggest caution.

Has the leadership of the President been repudiated by the Democratic Party and the citizens of the United States? Are we going to permit the word "dictator" to become a delusion and a snare by which timid souls become frightened and fanciful fears grip the minds of our countrymen? I trust not. I have enough confidence and faith in the cool and deliberate judgment of our American people.

Let me ask the gentleman from Illinois, "Was it a selfish gesture on the part of a dictator when, in response to a message from the President a few years ago, we passed legislation to feed and clothe the hungry and starving people in our land, and by so doing avoided untold bloodshed, as everybody who was serving in the Congress of the United States knew and realized at the time?" Those were tense days in the life of our Republic.

I ask, "Was it a selfish gesture when, in response to a Presidential message, legislation was enacted by a sympathetic and understanding Congress to preserve the farms and homes of our citizens—to safeguard their bank deposits; to stabilize the banking institutions; to revive industry—and obtain for the laborer and farmer the right to earn a decent living as an American citizen—and,—by a series of legislative enactments, too numerous to mention, succeeded in dissipating and destroying those dark clouds of fear, of trepidation, and uncertainty which engulfed our entire citizenship, and by the beneficent results thereby obtained heralded the advent of a new and brighter day for our people on this broad horizon we call America?"

Mr. Speaker, the people of the United States, and particularly the people of the great State of Illinois, are still behind Franklin D. Roosevelt. [Applause.]

The great masses of our citizens have faith in the integrity and sincerity of the President of the United States. They will not retreat nor will they desert in this hour a leader whose hopes, ambitions, and aspirations are for the betterment, welfare, happiness, and prosperity of all our people. [Applause.]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. RICH. Does the gentleman realize that the American Indian Federation of America is opposed to amendment numbered 24?

Mr. JOHNSON of Oklahoma. I understand that the American Indian Federation is opposed to it, as well as practically everything else that the Indian Office favors. Frankly I have never been able to find but two Indians who are members of that so-called American Indian Federation. I know of only one Indian in Oklahoma who is connected with the organization. The committee also heard a charming enthusiastic lady who is connected with that organization. Possibly there are other Indians, however, in the United States connected with or interested in the Indian organization to which the gentleman refers, but they did not appear before our committee.

The amendment in question fixes the per diem of $3 a day, and I assume there is really no objection to it.

Mr. FITZPATRICK. Is it not a fact that that was knocked out in the House on a point of order?

Mr. RICH. I am calling the chairman's attention to the fact that the American Indian Federation, of 116 C Street NE., objects to the amendment.

Mr. FITZPATRICK. In our hearings I think it was brought out there were only about 3,500 members of that organization throughout the whole country.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 28: Page 24, at the end of line 15, insert a colon and the following proviso: "*Provided further*, That in addition to the amount herein appropriated the Secretary of the Interior may also incur obligations, and enter into contracts for the acquisition of additional land, not exceeding a total of $500,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for the acquisition of land pursuant to the authorization contained in the act of June 18, 1934, shall be available for the purpose of discharging the obligation or obligations so created."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from New York.

Mr. TABER. Mr. Speaker, this amendment permits the Chief of the Bureau of Indian Affairs to go out and contract for land up to about $500,000. He is going out into the country and buying desert land at $2 an acre, wasting a great lot of money that can do absolutely no good to the Indian, doing something that tends to a community pool of land.

This practice has been demonstrated to be bad. I hope the House will not vote for this item.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 30: Page 26, beginning in line 11, insert: "The unexpended balance of $5,004.25 of the appropriation 'Purchase of land for landless Indians in California, act of March 3, 1925, special fund', which appropriation was repealed by section 4 (b 24) of the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1227), is hereby reappropriated and made available until expended for payment of obligations heretofore incurred or to be incurred hereafter in the acquisition of land in California, with such improvements as may be appurtenant thereto, for the relief of homeless Indians of that State."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur in the Senate amendment.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Mr. Speaker, this amendment reappropriates a little over $5,000 for the purchase of land for landless Indians in California. This sum was obtained by a sale to the city of Los Angeles of land originally purchased by the Government for landless Indians in California. The permanent repeal act of 1934 had the effect of repealing the unexpended balance referred to. We think the Indians are entitled to this sum and recommend that this item be included in the bill.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that amendments nos. 35 and 37 be considered together, as they relate to the same subject matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman intends to offer an amendment to amendment no. 37, does he not?

Mr. JOHNSON of Oklahoma. It is intended to offer an amendment to both amendments.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report amendments nos. 35 and 37.

The Clerk read as follows:

Amendment no. 35: Page 29, line 10, after the word "crops", strike out "$165,000" and insert in lieu thereof "$390,000."

Amendment no. 37: Page 30, line 2, after the word "Indians", insert the following: *"Provided, further,* That the Secretary of the Interior is hereby authorized, in his discretion and under such rules and regulations as he may prescribe, to make advances from this appropriation to old, disabled, or indigent Indian allottees, for their support, to remain a charge and lien against their land until paid: *Provided further,* That not to exceed $15,000 may be advanced to worthy Indian youths to enable them to take educational courses, including courses in nursing, home economics, forestry, and other industrial subjects in colleges, universities, or other institutions, and advances so made shall be reimbursed in not to exceed 8 years, under such rules and regulations as the Secretary of the Interior may prescribe: *Provided further,* That not to exceed $275,000 may be advanced to the Navajo Tribe of Indians for the purchase, feeding, sale, slaughter, or other disposition of sheep, goats, and other livestock belonging to the Navajo Indians, including the erection of necessary structures, the purchase of machinery and equipment, materials and supplies, the purchase or lease of land or buildings, salaries of employees, traveling expenses, advertising, and all other necessary expenses."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendments, with amendments in each instance.

The SPEAKER pro tempore. The Clerk will report the motions of the gentleman from Oklahoma.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 35 and agree to the same with an amendment as follows: In lieu of the sum proposed, insert "$215,000."

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 37 and agree to the same with an amendment as follows: Strike out the proviso, beginning in line 14 of said amendment, down to and including the word "expenses" in line 21, and insert in lieu thereof the following: *"Provided further,* That not to exceed $50,000 may be advanced to the Navajo Tribe of Indians for the purchase, feeding, sale, or other disposition of sheep, goats, and other livestock belonging to the Navajo Indians."

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. RICH. I want to say to the Members of the House that the committee decided to cut out $225,000 for a slaughterhouse on this Indian reservation.

Mr. JOHNSON of Oklahoma. That is correct.

Mr. RICH. I congratulate the committee in going along with us at least that far in trying to save that amount of money and keeping the Government from going into the slaughterhouse business on an Indian reservation.

Mr. JOHNSON of Oklahoma. And I congratulate the gentleman from Pennsylvania in going along with the committee as nicely as he has.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. LANHAM. I notice there is a provision for loans to Indian youths for educational purposes. Do those Indian youths enjoy the benefits to be derived under the National Youth Administration?

Mr. JOHNSON of Oklahoma. No; they do not. This is an item that has been in the bill in the past, which assists strictly Indian children.

Mr. LANHAM. Why do they not enjoy the benefits of the National Youth Administration, and does this legislation give them any additional advantages over other youths of America?

Mr. JOHNSON of Oklahoma. No. I should say it does not give them any additional advantages over other youths of America. The Indians were eliminated from the National Youth Administration for the reason, I assume, that there was an item in last year's bill for Indian education, and should this House eliminate this from this bill, then the Indian children would be discriminated against and would not have the benefit of any assistance whatever.

Mr. LANHAM. But this gives them no preference over the youths who are enjoying benefits under the National Youth Administration?

Mr. JOHNSON of Oklahoma. That is correct.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. HOBBS. I rise to inquire merely what relationship this appropriation bears to that made to the National Youth Administration for American citizens other than Indians?

Mr. JOHNSON of Oklahoma. It has no relationship whatever to that.

Mr. HOBBS. I mean in amount.

Mr. JOHNSON of Oklahoma. It is undoubtedly smaller in amount than the amount to other American youth.

Mr. HOBBS. The gentleman is mistaken, if my memory is correct.

Mr. JOHNSON of Oklahoma. It is only $15,000 for the entire United States.

Mr. HOBBS. I understand, but the maximum to other American citizens is infinitesimally small in comparison to this.

Mr. JOHNSON of Oklahoma. I am quite certain that the gentleman is mistaken. As I have just stated, the amount is only $15,000 for the Indian youth of the entire United States.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is this $50,000 which it is proposed be advanced to the Indians reimbursable?

Mr. JOHNSON of Oklahoma. Yes; it is reimbursable, but the item is not $50,000, but is only $15,000 for the entire United States. I think it ought to be a larger sum.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma that the House recede from its disagreement to the amendments of the Senate nos. 35 and 37 and concur therein with amendments.

The motions were agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment 46: Page 43, line 16, strike out "$700,000, reimburseable" and insert the following: "$500,000, reimbursable, and in addition thereto the Secretary of the Interior may also incur obligations and enter into a contract or contracts not exceeding the total amount of $750,000 and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for continuing construction of this project shall be available for the purpose of discharging the obligation or obligations so created."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 46 and concur in the same.

Mr. RICH. Mr. Speaker, will the gentleman explain this change to the House?

Mr. JOHNSON of Oklahoma. I should be pleased to. This amendment provides an appropriation of $500,000 together with a contract authorization of $750,000 for beginning construction of the Colorado River Indian irrigation system, making a total of $1,250,000 available for contract. This is the estimated cost of the dam and the headworks, and testimony given before the Senate committee by the Director of Indian Irrigation was to the effect that if this money and authorization were granted it would enable the work to be done by the same contractor at a great saving of Federal funds to the Government of the United States. I am sure that the gentleman from Pennsylvania wants to save a little money.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma that the House recede from its disagreement to the amendment of the Senate no. 46 and concur in the same.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 53: Page 45, in line 1, strike out "$2,288,000" and insert in lieu thereof "$2,219,275."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate no. 53 and concur in the same with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 53 and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,169,275."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 54: Page 49, after line 5, insert the following: "The appropriation of $100,000 contained in the Second Deficiency Appropriation Act, fiscal year 1935, for cooperating with public-school districts in Glacier County, Mont., in the improvement and extension of school buildings to be available to both Indian and white children, as authorized by the act of June 7, 1935 (49 Stat. L. 327), is hereby made available under the same conditions as specified in the said Second Deficiency Appropriation Act until June 30, 1938, for improvement and extension of school buildings in rural communities in district no. 9, Glacier County, as well as other public-school districts within said county."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 54 and concur in the same.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR of Montana. Mr. Speaker, as I understand, there was appropriated $100,000 in the year 1935 for cooperating with public-school districts in Glacier County, Mont. This was for the purpose of meeting the expense of educating Indian children. This is an amendment which was proposed by Senator WHEELER, and I want to quote his words in explanation of its purpose. It does not carry any new appropriation of money. It simply is desired to make the existing legislation permit the use of the item of $40,000 in any rural community in Glacier County where they have any considerable number of Indian children; in other words, to make available money heretofore appropriated by this Congress for the purpose of enabling school districts to meet the expense of educating Indian children in the various school districts of Glacier County.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield gladly to the distinguished gentleman from Pennsylvania.

Mr. RICH. Why was not this money used in 1935?

Mr. O'CONNOR of Montana. Because, as I understand, the Comptroller General ruled that there was some defect in the legislation prohibiting the use generally in school districts in the county. The purpose of this amendment is to cure that defect and permit this money to be used in any school district in that county where there are a considerable number of Indian children.

Mr. RICH. Was that the intent and purpose of the item originally passed in 1935?

Mr. O'CONNOR of Montana. That was the intent and purpose of the law as originally passed. This amendment carries no additional appropriation.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Amendment no. 73: Page 65, after line 13, insert: "There is hereby authorized to be expended out of the fund 'Interest on judgment, Court of Claims, Creek Indian Nation', now standing to the credit of the Creek Nation of Indians in the Treasury of the United States, the sum of not exceeding $2,000 to be paid, in the discretion of the Secretary of the Interior, to attorneys for said Creek Nation of Indians employed under the authority of the act of Congress approved May 24, 1924 (43 Stat. 139), the payments to be made in such sums as may be necessary to reimburse the attorneys for such proper and necessary expenses as may have been incurred or may be incurred in the investigation of records and preparation, institution, and prosecution of suits of the Creek Nation of Indians against the United States under the above-mentioned act of May 24, 1924: *Provided further*, That the claims of the attorneys shall be filed by said attorneys with the Secretary of the Interior and shall be accompanied by the attorneys' itemized and verified statement of the expenditures for expenses and by proper vouchers, and that the claims so submitted shall be subject to the approval of the Secretary of the Interior."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

I may say for the benefit of the Members that this paragraph is similar to one carried in the bill in 1932 which authorized tribal funds, not Federal funds, mind you, but funds of the Creek Nation, to be used for expenses incurred by attorneys in the prosecution of suits filed by the Creek Nation against the United States in the Court of Claims pursuant to the Jurisdiction Act of May 24, 1924. Some cases are active at the present time and the attorneys employed on behalf of the tribe estimate that the $2,000 provided in this paragraph will be sufficient to meet all expenses prior to the settlement of the suit. I assume, therefore, that there will be no objection to this item.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next Senate amendment in disagreement.

The Clerk read as follows:

Amendment no. 74: Page 67, line 1, after the word "each", insert the following; "*Provided further*, That section 2 of the act of Congress approved August 12, 1935 (49 Stat., 571), shall not apply to the Five Civilized Tribes."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment. I desire to make a brief statement and will yield some time before a final vote is taken.

This amendment is what is known as the Thomas amendment, which was placed in the bill by the senior Senator from Oklahoma. It does not affect the Indians of western Oklahoma that I have the honor to represent in part, nor Indians in any other section of Oklahoma, except the Five Civilized Tribes.

It may be recalled that in 1924 the Jurisdictional Act for the Five Civilized Tribes was passed by the Congress. Many of you who were here at that time served with the Hon. W. W. Hastings who was the author of that jurisdictional bill.

These jurisdictional acts were so drawn as to give effect to the treaty provision which provided in substance that no charges or claims shall ever be made by the United States for the division of their estates and tribal property among the members of these particular Five Civilized Tribes. Suits were filed under this act, and after 11 years of proceedings the act of August 12, 1935, was passed out of a clear sky, which provided in substance that every expense of administration the Government promised never to set up against these tribes should now be set up against them in violation of the treaty guaranty that the Government made with the Five Civilized Tribes.

The Indians did not have an opportunity to be heard in reference to this matter. It was inserted in the middle of a large second deficiency bill, which was passed under a gag rule; and, as I remember, no points of order could be raised. The proposed Senate amendment no. 74 in this Interior Department appropriation bill seeks merely to correct the wrong done the Five Civilized Tribes by the act of 1935 and turns them back to the original Jurisdictional Act, which gives effect to the provisions of the treaty that no charges or claims shall ever be made against them for administration expenses. That was a solemn agreement made

by the Government of the United States by and with these particular tribes of Indians.

Mr. CARTWRIGHT. They did not have a chance to say a word?

Mr. JOHNSON of Oklahoma. As the gentleman from Oklahoma has suggested, the Indians were not given the courtesy of a hearing. They had no opportunity to appear before any committee and present their side of the case.

Mr. Speaker, inasmuch as this amendment does not affect the Indians in the district represented by me in Congress, and not being personally familiar with issues involved, I took the liberty of taking the matter up with the Interior Department, having addressed a letter to the Commissioner of Indian Affairs asking him what the attitude of the Commissioner would be with reference to this amendment. I also asked him to give me any information he cared to for the benefit of the Members of the House. With your permission, I desire to read into the RECORD at this time the letter I have just received from the Acting Secretary of the Interior in answer to my letter of inquiry.

Mr. Speaker, I ask unanimous consent that the Clerk may read the letter which I send to the desk.

The SPEAKER pro tempore. Without objection, the Clerk will read the letter.

There was no objection.

The Clerk read as follows:

DEPARTMENT OF THE INTERIOR,
Washington, July 15, 1937.

Hon. JED JOHNSON,
House of Representatives.

MY DEAR MR. JOHNSON: Reference is made to your letter of July 13 to the Commissioner of Indian Affairs concerning Senate amendment no. 74 of the Interior Department appropriation bill for the fiscal year 1938.

The purpose of this amendment is to exclude suits filed in the Court of Claims by the Choctaw, Chickasaw, Cherokee, Creek, and Seminole Nations, under authorization contained in specific jurisdictional acts, from the operation of section 2 of the Deficiency Appropriation Act approved August 12, 1935 (49 Stat. 596). A number of suits have been filed pursuant to the jurisdictional acts. Some of these suits have been disposed of but others still are pending.

I call to your attention the circumstances leading to the enactment of section 2 of this act of August 12, 1935. Following hearings conducted by the House Committee on Expenditures in the Executive Departments, to which hearings representatives of this Department were not invited and of which we knew nothing, section 2 was inserted in the deficiency act. Representatives of this Department were not heard in connection with the section, although representatives of the Attorney General were called and did testify before the Appropriation Subcommittee. The first we knew of the situation was when the appropriation bill was reported to the House. This legislation on an appropriation bill was protected by a special rule.

The section in brief provides that in all suits by an Indian tribe or band then pending in the Court of Claims which had not been tried or submitted, or in any suit thereafter filed by any tribe or band of Indians, the court shall consider as an offset against any amount found to be due such tribe or band all sums expended gratuitously by the United States for the benefit of any such tribe or band of Indians. Amendment no. 74 will prevent the United States from offsetting against any claim or judgment in favor of any of the Five Civilized Tribes any sum or sums expended in behalf of the members of these tribes by the United States out of gratuity appropriations made by Congress for the benefit of Indians.

It is the view of this Department that the act of August 12, 1935, should not have been made retroactive, and should not now be applied to suits filed under previously enacted jurisdictional acts containing no provision for the offset of gratuities. Gratuity expenditures for the benefit of individual members of a tribe should not in equity and in good conscience be charged against the tribe or band itself in any legitimate claim that the latter may have against the United States. The substantial sums appropriated by Congress for the education and civilization of the Indian wards of the Nation are spent largely for the pay of employees and the discharge of the duties owing by the United States to its Indian wards. Gratuity appropriations so made and spent should not be charged as an offset against any legitimate claims which the tribes may have against the United States.

The Indians affected by the numerous jurisdictional acts relating to the Five Civilized Tribes are much disturbed by the effect section 2 of the deficiency act may have on their claims and consider that section as another act of bad faith on the part of the United States in administering their affairs.

This Department did not sponsor the amendment but we have no objection thereto. The adoption of the amendment will afford relief to a few tribes. It is evident, however, that other tribes are greatly disturbed and that eventually section 2 of the deficiency act will have to be reconsidered by the Congress. It is hoped when that time comes representatives of this Department will have an opportunity to be heard.

Sincerely yours,

CHARLES WEST,
Acting Secretary of the Interior.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, in all my experience in Congress, I have never seen, heard, or read such a remarkable letter as the one that has just been submitted by the gentleman from Oklahoma, signed by the Acting Secretary of the Interior, Mr. West. In the first place, what has Mr. West or any other official in that Department to do now with the cases which are pending against the United States Government in the Court of Claims. It is not the duty, as I see it, for the Department of the Interior or any officer in that Department to defend suits filed by Indian tribes. That duty rests with others and for Mr. West to attempt to express an opinion on a matter of this kind is something out of the ordinary. Certainly the gentleman from Oklahoma was entitled to an answer to his inquiry but a proper answer would have been a suggestion that he ask the Department of Justice which is charged with the responsibility of defending these Treasury raids.

Mr. JOHNSON of Oklahoma. Will the gentleman yield so that I may answer the question?

Mr. COCHRAN. I will yield in a second. I desire to go ahead with my statement now. I hope to have time left to yield to the gentleman but if I do not he is in control of the time and will have an opportunity to answer.

Many cases were filed under the Jurisdictional Act to which the gentleman refers. I was here when the jurisdictional acts were passed and I well remember the chairman of the Indian Affairs Committee at the time. Subsequent developments show that Congress gave little attention to the wording of the acts. We threw the doors wide open and put the Government in a terrible hole. I will show the House just what happened.

Growing out of those acts the Five Civilized Tribes filed suits against the United States in the Court of Claims for how much? I am not going to ask you to take my word for it. Here are the official figures—$850,000,000. Read the hearings before the Appropriations Committee and the letter from the General Accounting Office. Some of the cases have been disposed of, but many of them are pending.

The Government won practically all of the cases because the Department of Justice was permitted to offset the Indians' claims, and what you are asked to do now is to repeal the section that permitted the Government to secure a favorable decision.

I was responsible for the amendment in the deficiency act which this proviso seeks to set aside. It is true we did not call before us the Secretary of the Interior or the Commissioner of Indian Affairs, because it was a legal matter which they had absolutely nothing to do with. It is their duty to administer the laws Congress passes, not to try cases in the Court of Claims. However, we did call the recognized agents of the Government who were trying to protect the Treasury of the United States in these suits. Under our Constitution it is the duty of the Attorney General, and not the Commissioner of Indian Affairs, to defend such causes instituted against our Government. That is why we did not call them. At the expiration of those hearings by direction of the committee, of which I am chairman, I turned the matter over to the former chairman of the Committee on Appropriations, the late Mr. Buchanan. It so happens I was sick in the hospital at the time the Appropriations Committee held its hearing and also at the time the section was considered and passed.

Efforts have been made to set that section aside time and time again. Bills have been reported by the Indian Affairs Committee, but, with others, I have succeeded in defeating every one with one exception. That was in the Klamath case, and the bill passed when I was again confined to my bed. That was a year ago, and it cost the taxpayers just nearly $5,000,000, because only last month the court decided

that case and denied the right to offset the Indians' claims, the Government lost.

I do not ask you to accept my word about this matter. If you will refer to my remarks on pages 1768 to 1771 in the Appendix of the RECORD, you will find a letter from the Attorney General of the United States, also a letter from the Comptroller General of the United States, in which they state that if these two lines remain in the bill it will eventually cost the taxpayers of this country approximately $20,000,000. The Government of the United States has expended in gratuities to the Five Civilized Tribes over $19,000,000. All the Government of the United States asks is to be allowed to offset that amount in the cases pending before the Court of Claims.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for a question?

Mr. COCHRAN. I will yield to the gentleman in just a moment.

That is all the Government wants to do. You will find in my remarks a list of other jurisdictional acts concerning claims which are subject to offsets.

If you concur in this amendment, you will be justified in repealing entirely the amendment in the deficiency act. Why treat the Five Civilized Tribes differently from all the other Indian tribes? Let us be fair. When I offered my amendment to section 213 of the Economy Act the other day I knew what I was doing. I said, "If we are going to make this apply to the employees in the regular establishments, then it should also apply to everybody working for the Government." The same applies here. If you want to be honest with all the Indians, do not ask the House to concur in this amendment, but ask the House to repeal the section. That is what you should do. Do not pick out the Five Civilized Tribes and say, "We will give you $20,000,000", and tell all the other Indian tribes, "You do not get anything." Those of you who represent the other Indian tribes, remember that your Indians will be calling on you to do the same for them that would be done for the Five Civilized Tribes by this amendment.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I will yield in a moment.

The entire question involved in this amendment is whether or not you want the legal representatives of the United States in their fight against the tremendous claims filed by the attorneys for the Indians to charge off the gratuities, the money, if you please, that the taxpayers of the United States have advanced to these Indians. When you and I are settling a claim and we sit down at a table to find out how we stand, you let me charge off the amounts I have advanced to you, and then say, "Pay me the rest." That is all the Government asks to be allowed to do in these cases.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York.

Mr. FITZPATRICK. During the last 3 or 4 years the Government has spent several billion dollars on relief of the unemployed in this country. Assuming some of the people who are receiving relief should in the future have a claim against the Government by reason of either accident or property being taken, would the gentleman have the Government say to these citizens, "We are going to charge against you the money which was given to you while you were unemployed, as we are doing to the Indians"? Answer the question "yes" or "no." Would the gentleman charge that amount up to them?

Mr. COCHRAN. I will answer the gentleman and tell him what I would do. If at any time during the period of my service in the House a claim bill ever comes in here to reimburse a State for a claim against the United States Government, I will oppose that bill, because we have advanced each State millions and millions since the depression.

Mr. FITZPATRICK. I did not ask the gentleman that question. I asked the gentleman if an individual now receiving relief from the United States Government should have a claim, would the gentleman have the amount given as relief charged up against that person?

Mr. COCHRAN. No. We are dealing now not with individual Indians but with the tribes.

Mr. FITZPATRICK. Why? Because the white man is organized throughout the country and has something to say, whereas the Indian is unorganized. We can readily see where we can be very independent with the poor, unfortunate Indian, but the white man is organized.

Mr. COCHRAN. That is not the question here. Mr. Speaker, a bill has passed the Senate which provides that the section in the deficiency act referred to shall not apply to all Indian tribes. A similar bill has been reported to the House by the Committee on Indian Affairs. If it is proper to do this for the Five Civilized Tribes, it is proper to do it for all the tribes.

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. Not just now. Why not wait and let us take the legislation which has come from our legislative committee, bring it on the floor under the regular rules of the House, and let the House vote on it?

Mr. FITZPATRICK. Why did the gentleman not do that with the section he added to the deficiency act?

Mr. COCHRAN. Because an emergency existed. Let the House vote on it. The Indian Affairs Committee could have called that bill up on Calendar Wednesday, the other day when it had the call, but did not call it up.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman.

Mr. LEAVY. Does not the gentleman grant that in this particular case the situation is quite different from the situation with respect to the other Indian tribes throughout the country, in that this involves a treaty the Government made with the Indians in 1898, and it is now a question either of living up to the treaty obligation or repudiating it?

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Speaker, I yield 3 additional minutes to the gentleman from Missouri.

Mr. COCHRAN. The same claim that we have violated our treaties is made by every Indian tribe. Some of the treaties on which these suits are based date back to 1790. The total amount involved is over $3,000,000,000. We are talking about money now. When you are talking about millions you are not talking about real money these days, but here we are talking about billions. Now you are going to hear some of the gentlemen from Oklahoma get up in a few minutes and tell you this is not a fact. Just read the hearings before the Appropriations Committee and before the Committee on Expenditures in the Executive Departments and you will find out the Department of Justice is responsible for the statement as to the amount. Those officials should know, as they are charged with defending the suits.

You are also going to hear the Five Civilized Tribes, according to these same gentlemen, are suing for a small amount, but just read the hearings I refer to and you will see the amount is over $800,000,000. Remember, this is the Five Civilized Tribes alone.

The attorneys representing the Indians are responsible for this amendment. They are the ones who are bearing down on the Members of the Congress. It is my view, Mr. Speaker, we should not permit this amendment to pass. It has absolutely no place in this bill. It would have been subject to a point of order had it been offered from the floor of the House. The bill goes over to the Senate where the Senator from Oklahoma places it in the measure, where under their rules they seem to be able to do as they please; it is not debated but agreed to, and it comes back here with the majority of the House conferees in agreement and the chairman of the conference committee asking the House to recede and concur. Recede and concur in doing what? In giving away nearly $20,000,000 of the taxpayers' money, the money of your constituents and my constituents.

The Indians of this country are being well taken care of by the Government of the United States. They are being

just as well taken care of, and in many instances better, than your constituents or my constituents. What are we doing for them in this bill? For every Indian in this country you appropriate $1,000.

In conclusion, I may say I have been making this fight for years. I am going to continue to make it as long as I am able, because I know I am right. I am supported by the Attorney General of the United States, I am supported by the Comptroller General of the United States, and I repeat that if you will read my remarks in the Appendix of the RECORD, page 1768, you will find that those officials say this amendment will cost nearly $20,000,000, and further, if the Congress should pass this amendment that the chairman has asked us to agree to, then every other tribe will be justified in coming to the Congress and asking us to do the same thing for them. If that should be done, it would cost hundreds of millions of dollars. There is but one thing to do and that is to vote down the motion of the gentleman from Oklahoma [Mr. JOHNSON].

Mr. SCRUGHAM. Mr. Speaker, I yield 15 minutes to the gentleman from Oklahoma [Mr. NICHOLS].

Mr. NICHOLS. Mr. Speaker, I suspect this is the most misunderstood proposition that has been before the House within the knowledge of those who are Members of the House at this time. I want to answer one or two statements made by my colleague from Missouri and I shall answer every one of them from the record of hearings held on this subject before committees of the House.

In the first place, the provision to which this Senate amendment is directed is the rider which was placed on the second deficiency appropriation bill, being the act of August 12, 1935. This rider went on there, as has been pointed out, without hearing either in the Senate or in the House and without the knowledge of either body, and was a rider on an appropriation bill. I have said heretofore that had the House known about it the House could have interposed a point of order against the rider, but I have discovered since that time that that was not even the case. It was brought to the floor of the House under a rule given by the Rules Committee which made it impossible for even a point of order to lie against it. I did not know such a rule was possible, but I am told that is what happened.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. Gladly.

Mr. TABER. I think everyone in the House knew what was going on. The Attorney General's office was called before the Appropriations Committee and hearings were held on this particular matter.

Mr. NICHOLS. No; the Attorney General's office was called before a subcommittee of the Appropriations Committee.

Mr. TABER. Certainly.

Mr. NICHOLS. And I will leave it to the knowledge of the House and to their judgment whether they knew such a rider was on the appropriation bill, but be that as it may, had it not been for the fact that this rider was attached to this bill, without the knowledge of the House, or with the knowledge of the House, those who were interested in the matter and knew the facts would, of course, have raised a point of order had that been possible.

At the time the second deficiency bill was up for consideration Mr. Harry Blair, Assistant Attorney General, and George B. Stormount were called before the committee, or were permitted to come before the committee at their own request, and it was upon statements made by them that the rider was prepared. This was done without the knowledge of any of us folks who were interested in this matter. I certainly know that I knew nothing about it. If you will follow me, I will try to straighten this whole situation out to you, and do it briefly.

The rider provided that the Government on suits which were pending or were to be heard before the Court of Claims would charge against any judgment obtained by any tribe or band as offsets any moneys expended gratuitously on or for that tribe or band of Indians, but there was a provision placed in the rider as follows, and I quote from the rider itself:

> And said section shall not be deemed to amend or affect the various acts granting jurisdiction to the Court of Claims to hear and determine the claims listed on page 678 of the hearings before the subcommittee of the House Committee on Appropriations on the second deficiency appropriation bill for the fiscal year 1935.

This excepted every tribe of Indians in the United States with the exception of the Five Civilized Tribes of Oklahoma. Why? Because those tribes of Indians, when they had filed their jurisdictional claims, had said in them—and I want to be fair about this:

> The Government shall charge off against us moneys gratuitously expended on our Indians.

Now, why did not the jurisdictional bill for the Five Civilized Tribes say that? Because in the treaties entered into, not in 1700, but in 1896, treaties entered into by and between the Five Civilized Tribes and the Government of the United States, the Government said to those Indians, "We want to bring Oklahoma into this Union of States; we want this great Indian Territory to become one of the States of the Union."

They said, "We cannot do it unless you let us take the lands which the Government has given you, and let us survey them, let us break them down into town lots, let us break them down into individual allotments", and the Indians said no, "We don't want to do that way. When you brought us out of Florida and the States in the South you told us we could have this land forever for our own to do with as we would", and they said that they were satisfied and that they would stay right where they are; but the Great White Father from 1893 until 1898 importuned those Indians day after day, week after week, month after month, and finally, as an inducement to those five tribes to permit the Government to allot their lands individually and to survey their lands, said, "If you will let us do this, we will agree with you in solemn treaty that the money that is expended to do it will never be charged against you. We want this as a State, and, Mr. Indian, if you will let us use it for that purpose we will not ever charge you anything for the work and the expenditure of money that the Government expends in order to get it."

Mr. DISNEY. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. Yes.

Mr. DISNEY. The object in doing this thing was to allot the lands so that the white folks could buy them.

Mr. NICHOLS. Partially. Mr. Speaker, I now quote from the Choctaw-Chickasaw treaty of June 28, 1898:

> That no charge or claim shall be made against the Choctaw or Chickasaw Tribes by the United States for expense of surveying and platting the lands as town sites or for grading or for appraising and allotting the lands or for appraising and disposing of the town lots herein provided.

I quote further treaty entered into with the Creek Tribe of Indians on March 1, 1901:

> The United States shall pay all expenses incident to the surveying, platting, and disposition of town lots and the allotments of lands made under the provisions of this agreement.

Let us see what are set up as gratuities, claims, and charges against these Indians. I hold in my hand in the case of the Choctaw and Chickasaw Nations against the United States, the defendant's statement. This is the statement of the United States, setting forth gratuities. Let us see what it is that the United States wants to charge against these Indian tribes as gratuities, and I read from their own pleadings:

> Agency building repairs, allotting, appraising, appraising and selling lands, appraisal and sale of restricted lands, keeping allotment records; equalization of allotments, examining records in disputed citizenship cases, investigating leases, leasing of minerals and other lands, probate expenses, protecting property interests, removal of intruders, sale of allotted lands, sale of town lots, sale of town sites, sale of unallotted lands, surveying, surveying and allotting of lands, surveying, platting, and appraising town sites, surveying selected coal and timber lands, timber estimating.

All to the total sum of $12,267,989.25. My friends, all that the Five Civilized Tribes want is only that to which they are entitled. My distinguished friend has said that if these suits are permitted to go on it will cost the Government an estimated $20,000,000. He says also that the Five Civilized Tribes have filed suits against the Government in the sum of $800,000,000. Let us go to the record and see. I quote from the hearings before the Committee on Indian Affairs

of the United States Senate, and this was in the Seventy-second Congress, and in that hearing on page 13549 there is a table produced there which shows that the total of all claims filed by all Indian tribes in the entire United States, not just five little tribes down in Oklahoma, but the total of every Indian nation in the United States is $772,117,772.25.

The gentleman must be in error about his statement, and can it cost the Government anything? Let us see about that. The gentleman would have you believe that by the adoption of this amendment it would cost the Government of the United States $20,000,000. That is not so. What must happen before through the adoption of this amendment it could cost the Government a single nickel? Of course, you all understand this provides for no appropriation. There is no appropriation of money involved here. Here is what would have to happen before it could cost the Government a cent. They must first win their case in the Court of Claims. Then, if they are successful, they must go with the United States on its route of appeal to the circuit court of appeals and the Supreme Court of the United States. If they are successful in those three steps, then they must come back to this Congress. First, probably it would be necessary to pass a bill to authorize the appropriation of funds to pay the judgment obtained in the highest court in the land, and then before they could get the money it would be necessary that you, ladies and gentlemen of this body and the other body at the other end of the Capitol, should, by appropriations through the United States Treasury, appropriate the money to pay the judgment.

The SPEAKER pro tempore. The time of the gentleman from Oklahoma has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. NICHOLS. There has been a great deal said about the tremendous sums of money that these Indians have gained in judgments against the United States. There has been a great deal said about the huge attorneys' fees that have been paid to lawyers in these cases. I ask you again to go with me to the record. The record of the Court of Claims discloses this fact: It shows that 51 cases have been filed for the Five Civilized Tribes; 16 of the 51 have been disposed of; 16 of them have been disposed of; 14 of the cases which have been disposed of were decided in favor of the Government; 14 of the 16 that have been decided were decided in favor of the Government; 2 have been decided in favor of the tribes. How much money do you suppose the tribes got under those two judgments? It would not break the Government. Their long list of attainments totals $154,-605.20, and no more. Let us see if this will break the Government. Thus in 16 suits disposed of the tribes have recovered less than 1 percent of the amount sued for. Do those figures show that the finances of the United States are seriously endangered?

Let us see about the attorneys. In 13 years of work—this is also from the record—in 13 years of trial of cases for the Indians of the Five Civilized Tribes attorneys for those Indians have collected in fees the staggering sum of $14,000, and I quote from the record, and I challenge anyone to show it is wrong.

These five tribes of Indians are only asking you to put them on the same footing that you have 24 other tribes of Indians. The distinguished gentleman from Missouri said, "Why should you do anything for the Five Tribes that you will not do for the others?" I want to know why you will do something for all the rest of them that you will not do for the Five Tribes?

When this rider was adopted it excluded every other tribe in the United States with the exception of these tribes, and these tribes have a solemn treaty agreement, as late as 1901, with your Government, which treaty was ratified by the other body of this Congress, telling them that in consideration of their turning over their lands in Oklahoma this money never would be charged against them.

I appeal to you only in the spirit of fair play and sportsmanship to forget, if you can, the prejudice that holds in your breast against these red men of Oklahoma who have been pictured here as despots.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. DUNN. I want to say that when that appropriation comes up for the poor Indians I am going to vote for it.

Mr. NICHOLS. I thank the gentleman.

Mr. Speaker, I yield back the balance of my time.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 10 minutes the gentleman from Illinois [Mr. DIRKSEN].

Mr. BEAM. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BEAM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I am not a little amazed at the statements made by the distinguished gentleman from Oklahoma [Mr. NICHOLS], for whom I cherish a very deep and abiding affection, but I am afraid the recent statements made relative to the record will not stand the light of close scrutiny. For instance, when the gentleman says this is discrimination against the Five Civilized Tribes and that in the case of no other tribe are offsets permitted, I would suggest that on page 675 of the hearings on the second deficiency act of 1935 he read the testimony of the Assistant Attorney General of the United States. He very specifically states that in the case filed by the Blackfeet Indians a claim of some $6,130,000 was offset by gratuities, and so forth, in the sum of $5,508,000. My information is that all other tribes are in a position where these offsets can be made and that we have been trying to keep the civilized tribes within the purview of these offsets. But here comes an amendment written in by the Senate of the United States that seeks to give these Five Civilized Tribes a preferential status, which is eminently unfair both to the Treasury and to the rest of the Indians of the country.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Not just now.

Mr. NICHOLS. The gentleman made reference to me in a rather disparaging manner.

Mr. DIRKSEN. Oh, no.

Mr. NICHOLS. The gentleman says I did not quote the record.

Mr. DIRKSEN. Mr. Speaker, I cannot yield just now until I finish my statement. Here is the record. The gentleman can read it any time.

We have approximately 330,000 Indians in the country. Twenty thousand of them no longer wear the tribal blanket. They are the unorthodox Indians, who have gone out to become moving-picture actors, baseball players, and medicine men. That leaves three hundred and ten thousand and odd. We appropriate about $31,000,000 annually for the Indians. They share in all the benefits that are made available to the rest of the people of the country. They share in the benefits of hard roads and all other things.

In addition thereto we have made available by appropriations of Congress $1,000 per capita approximately as a special benefit for the Indians of the country. It seems to me that we have treated them very decently, if you please. We recognize the fact that the Government of the United States stands to the Indian in the relationship of guardian to ward. Under the treaties that go back to 1790 we have been trying to do our duty by those Indians, and we have done a pretty good job.

They started filing claims against the Federal Government on various grounds and want to take back the value of what they once gave, and that is where we got the felicitous expression "Indian giver." First, you give something and then you take it back. They gave some lands and received in return shelter and assistance from the Government, and now they want to file claims. I read again from the record before the Appropriations Committee in 1935 to show that the Solicitor General said that the claims do not amount to

$800,000,000, but rather to one billion seven hundred and ninety-seven million dollars and odd.

Mr. NICHOLS. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. NICHOLS. Those were not claims by the Five Civilized Tribes.

Mr. DIRKSEN. Oh, no.

Mr. NICHOLS. That was the total of all Indian claims.

Mr. DIRKSEN. That is right; but I take it if we measure our regard for the Indians, we must refer to what we have done for all of them and not just the Five Civilized Tribes.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I cannot yield.

There is the record as far as all the tribes are concerned. My friend from Oklahoma may be right as to what is involved in connection with the Five Civilized Tribes. We are treating these other Indians in that fashion. When they file claims, we are offsetting the things that the Federal Government has made available in the form of gratuities, advances, and so forth, but now come the Five Civilized Tribes through an amendment, amendment no. 74, written into this bill by the Senate asking for special, preferential treatment. Here are the Cherokees and the Choctaws, here are the Creeks and Chickasaws, and here are the Seminoles, known as the Five Civilized Tribes, asking that no offset be permitted against the claims which they might file. They put themselves in the position of saying they are better than other Indians. Is there any distinction between a Choctaw and a Nez Perce Indian? Is there any distinction between a Chickasaw and a Navajo or an Arapaho? Is there any distinction between a Seminole and a Flandreau Indian?

Mr. THOM. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. THOM. Let me ask the gentleman whether or not it is true that by treaty we said to these particular Indian tribes that we would bear certain expenses.

Mr. DIRKSEN. I think that is probably true.

Mr. THOM. Should we not keep our treaties?

Mr. DISNEY. These things are recited in that treaty.

Mr. DIRKSEN. All these things were not contained in the treaty. For instance, the Blackfeet——

Mr. NICHOLS. I am talking only about the Five Tribes.

Mr. DIRKSEN. I just want to get at the substance of this.

Mr. DISNEY. The gentleman cannot get at the substance of it without the treaty.

Mr. DIRKSEN. There was no treaty provisions, for instance, for hunting grounds. That was thrown out. There was not anything in the treaty with reference to the right to hunt and fish in Glacier National Park. That was thrown out; it was not recognized.

Mr. NICHOLS. Will not the gentleman be fair? That has nothing to do with the bill.

Mr. DIRKSEN. I am quoting exactly from the record.

Mr. NICHOLS. That has nothing to do with the bill, I would remind the gentleman. The Blackfeet Indians are in Idaho and Montana. This amendment applies only to the Five Tribes.

Mr. DIRKSEN. All right; the gentleman from Oklahoma recited the whole list of things for which a claim could not properly be offset against the Indians.

Mr. NICHOLS. By the Five Tribes only.

Mr. DIRKSEN. He did not recite those things that did not come within the treaty and that have not been enumerated there, and those, among other things, constitute the basis for some of the offsets they have been insisting upon under section 2 of the Deficiency Appropriation Act of 1935.

Mr. NICHOLS. I will say to the gentleman that the things I enumerated are the very things that were charged off.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. COCHRAN. On page 678 of the hearings on the second deficiency appropriation bill, under the heading, "Cases in which offset cannot be pleaded", there are 43 cases pending in the Court of Claims, involving approximately $850,000,000, brought by the Five Civilized Tribes.

Mr. NICHOLS. I make reference to the same hearings. The gentleman referred to an amount of money far exceeding $1,000,000,000 representing the claims brought by all the Indian tribes in the United States.

In another hearing before the committee they set up the fact that $772,000,000 involved all of the claims filed by all tribes in the United States. I hand the gentleman that information.

Mr. DIRKSEN. Except those that were not completed by the Comptroller General at the time the statement was made.

Mr. NICHOLS. So far as what the gentleman is referring to is concerned, this was not made to apply to 24 of the western tribes of the United States, although it was left to apply to the Five Tribes.

Mr. COCHRAN. On page 677 of the hearings, Mr. Blair, Assistant Attorney General, was asked by Mr. Buchanan what the total was they were suing for in these 98 cases—meaning all the Indians—and Mr. Blair replied:

A little over $3,000,000,000.

That is right there in the hearings.

Mr. NICHOLS. I may say if Mr. Blair made that statement, I think he is in error about the $3,000,000,000. My check of the figures does not disclose that.

Mr. DIRKSEN. Mr. Speaker, I want to finish my statement by appealing to the common sense of the Members in this matter involving these aboriginal inhabitants who, it is recognized, owned the country before the white man came here. But under various treaties as made with these Indians we made up to them by way of benefits of one kind or another for what we acquired. It is essentially true that the Indian is a shiftless sort of person. He would not have done anything with the country, anyhow. We have tried to be just as good as a guardian can be to a ward all this time. We have proceeded under these various treaties, dating back to 1790. Suddenly some attorney recognizes the legal beauties of a claim that may be preferred against the Federal Government, so they appeal to Congress for the right to present their claims in court. Congress generously afforded that right. In 1935 Congress spoke again by saying that gratuities and advances would be offset against these claims. Now come the Indians and insist that such benefits should not be filed as offsets. If amendment no. 74 is defeated—and I trust it will—it will be the equivalent of the guardian saying to the ward, "If you are going to sue me on claims that may date back to 1790, I am going to exercise my right to offset those claims with the benefits that I have purveyed to you over a period of years."

Is there anything unfair about that?

Mr. Speaker, it is absolutely necessary to defeat amendment 74 and take it out of the bill completely unless we want to open the doors of the Federal Treasury to a lot of Indian lawyers.

If this amendment remains in the bill, this Congress will be beset by every Indian tribe in the country, whether they have a treaty with the Government or not, to make available to them, the same preferences that are contemplated by the pending amendment. This amendment is the little seep that will break the dam and open up easy access to the Federal Treasury. No matter how much may have been obtained by the Indians in previous suits on claims, the fact is that the Federal Treasury is exposed to judgments that might reach into the billions and the time to stop it is now. I sincerely hope the House will do its proper duty today and decisively defeat amendment no. 74.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 4 minutes to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL of Kentucky. Mr. Speaker, what I am about to say has nothing to do with the merits or demerits of this controversy. There was an old magistrate in my district who once said that he liked to hear but one side of a case, because it confused him if he heard both sides.

That is my objection to using an appropriation bill as a vehicle for legislation. No Member of the House could have presented this matter in an appropriation bill without having

it go out on a point of order. I agree it should not have been put into the deficiency bill in the first place.

What happened? We went into conference. The House realizes that it did not have the right to put it in the bill. We knew nothing of it as a House committee until we went into conference; the Senator from Oklahoma had inserted in the bill this amendment. It involves millions of dollars and has to do with equities that could only be determined, if done intelligently, by a study and testimony. He put it in the bill and we are asked in this short time to sit as judge and jury and pass upon the relative merits of each side's contention.

Mr. Speaker, that is not business. It is not good common sense. It certainly if not fair to ask this group to make a decision involving millions of dollars of taxpayers' money simply on what we hear from those gentlemen who stand upon the floor and make a short statement. May I ask each of you, how many of you feel that you know anything about this subject? How many of you feel that you know where the equities are? Who is competent to pass upon this of those who have sat here and heard these arguments? Mr. Speaker, if this were the court of last resort, we might take a chance and decide the matter, but this is not the only remedy.

These gentlemen may come in the first of next year or may present a bill this year and the matter then can be considered on its merits and an intelligent decision arrived at. I do not believe the House feels we are proceeding in an orderly or intelligent way in attempting to pass upon this matter simply because some Senator wants it, or because it has met with the enthusiastic support of gentlemen from that section of the country, who, no doubt, are very much concerned about it.

Mr. COCHRAN. Will the gentleman yield?

Mr. O'NEAL of Kentucky. I yield to the gentleman from Missouri.

Mr. COCHRAN. As a matter of fact, the Senate has already passed a bill of the character the gentleman describes. It is on the Speaker's desk now. The House committee has reported a similar bill, which is on the calendar, and if the House Committee on Indian Affairs had desired to do so a few weeks ago, when it had the call on Calendar Wednesday, it could have called up that bill which had already passed the Senate.

Mr. O'NEAL of Kentucky. Mr. Speaker, I hope the committee will in a businesslike way defeat the motion.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. CARTWRIGHT] such time as he may desire.

Mr. CARTWRIGHT. Mr. Speaker, the distinguished chairman of the subcommittee, Mr. JOHNSON, covered the whole subject in his opening statement so far as this amendment is concerned. The gentleman from Oklahoma [Mr. NICHOLS] also made a fine statement, and, as members of the Supreme Court sometimes do when they do not wish to render a long opinion, I concur in what the gentlemen have had to say. I will, however, very briefly summarize the situation.

In 1924 the jurisdictional acts of the Five Civilized Tribes were passed by Congress. Hon. W. W. Hastings, a Member of Congress, originated the idea of permitting these tribes to sue the Government in order that their affairs might be finally settled. These jurisdictional acts were so drawn as to give effect to their treaty provisions, which provided in substance that no charges or claims shall ever be made by the United States for the division of their estates and other tribal property among the members of these tribes.

Suits were filed under these acts, and, after 11 years of proceedings, the act of August 12, 1935, was passed out of a clear sky. It provided in substance that the very expenses of administration, which the Government had promised never to set up against these tribes, should now be set up against them in violation of their treaty guaranties. The Indians did not have an opportunity to be heard on this matter. It was inserted in the middle of a large second deficiency bill and was passed under a "gag" rule and no point of order could be made at that time against it.

The proposed Senate amendment no. 74 in this Interior bill seeks merely to correct the wrong done to these Five Civilized Tribes by the act of 1935 and to turn them back to the original jurisdictional acts, and thus give effect to the provisions of their treaties that no charges or claims shall ever be made against them for these administrative expenses.

The best argument for this amendment made this afternoon was made by an opponent, the gentleman from Kentucky [Mr. O'NEAL], when he said the act of 1935 should never have carried the provision authorizing gratuity offsets. That is exactly why we should take it out now by adopting the Thomas amendment.

Let us in good conscience keep faith with the Indians.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. NICHOLS) there were—ayes 27, noes 70.

Mr. NICHOLS. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and twenty-seven Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 88, nays 242, not voting 101, as follows:

[Roll No. 109]

YEAS—88

Bernard	Evans	Kennedy, Md.	O'Connor, N. Y.
Bigelow	Fitzpatrick	Kennedy, N. Y.	O'Day
Boileau	Ford, Calif.	Kirwan	Patrick
Boland, Pa.	Ford, Miss.	Kvale	Rankin
Boren	Gehrmann	Leavy	Schneider, Wis.
Buckler, Minn.	Gildea	Lemke	Schulte
Burdick	Green	Lesinski	Scrugham
Cartwright	Greever	Lewis, Colo.	Secrest
Case, S. Dak.	Guyer	McFarlane	Shannon
Chandler	Havenner	McGehee	Smith, Va.
Clark, Idaho	Hendricks	McGrath	Smith, Wash.
Coffee, Wash.	Hennings	McSweeney	Sparkman
Cox	Hildebrandt	Magnuson	Steagall
Cullen	Hill, Okla.	Martin, Colo.	Stefan
Delaney	Hill, Wash.	Massingale	Sweeney
Dickstein	Honeyman	Maverick	Voorhis
Dingell	Hook	Mead	Wallgren
Disney	Hunter	Merritt	Wearin
Doughton	Izac	Murdock, Utah	Weaver
Doxey	Johnson, Okla.	Nichols	White, Idaho
Dunn	Johnson, W. Va.	O'Connell, Mont.	Wilcox
Eckert	Keller	O'Connor, Mont.	Withrow

NAYS—242

Aleshire	Cole, Md.	Garrett	Kleberg
Allen, La.	Cole, N. Y.	Gearhart	Kniffin
Anderson, Mo.	Colmer	Gifford	Knutson
Andresen, Minn.	Cooper	Gingery	Kocialkowski
Andrews	Costello	Goldsborough	Kramer
Arends	Cravens	Gray, Ind.	Lambertson
Arnold	Crawford	Gregory	Lamneck
Ashbrook	Creal	Griffith	Lanham
Atkinson	Crowe	Griswold	Lanzetta
Barden	Cummings	Gwynne	Larrabee
Barry	Daly	Haines	Lea
Bates	Deen	Halleck	Lewis, Md.
Beam	DeMuth	Hamilton	Lord
Beiter	Dies	Hancock, N. Y.	Lucas
Bell	Dirksen	Harlan	Luce
Biermann	Ditter	Hart	Luckey, Nebr.
Binderup	Dixon	Harter	Ludlow
Bland	Dondero	Higgins	McAndrews
Boehne	Douglas	Hobbs	McClellan
Boyer	Dowell	Hoffman	McCormack
Boykin	Drew, Pa.	Hope	McKeough
Bradley	Driver	Houston	McLaughlin
Brooks	Eberharter	Hull	McReynolds
Brown	Eicher	Imhoff	Maas
Byrne	Elliott	Jarman	Mahon, S. C.
Carlson	Engel	Jarrett	Mahon, Tex.
Carter	Englebright	Jenkins, Ohio	Maloney
Champion	Faddis	Jenks, N. H.	Mansfield
Church	Farley	Johnson, Luther A.	Mapes
Citron	Fish	Johnson, Lyndon	Martin, Mass.
Clark, N. C.	Flannery	Jones	Mason
Clason	Fletcher	Kelly, Ill.	Meeks
Claypool	Forand	Kenney	Michener
Cluett	Frey, Pa.	Keogh	Millard
Cochran	Fries, Ill.	Kerr	Miller
Coffee, Nebr.	Fuller	Kinzer	Mills
Colden	Gambrill	Kitchens	Mitchell, Tenn.

Moser, Pa.	Powers	Shafer, Mich.	Tinkham
Mott	Rabaut	Shanley	Towey
Nelson	Ramsay	Sheppard	Transue
Norton	Ramspeck	Short	Treadway
O'Brien, Ill.	Randolph	Smith, Conn.	Turner
O'Connell, R. I.	Rayburn	Smith, Maine	Umstead
O'Leary	Reece, Tenn.	Snell	Vincent, B. M.
O'Malley	Reed, Ill.	South	Vinson, Fred M.
O'Neal, Ky.	Rees, Kans.	Spence	Walter
O'Neill, N. J.	Reilly	Stack	Warren
O'Toole	Rich	Starnes	Welch
Oliver	Richards	Sumners, Tex.	West
Pace	Rigney	Sutphin	Whelchel
Palmisano	Robertson	Swope	Whittington
Parsons	Robinson, Utah	Taber	Williams
Patman	Robsion, Ky.	Tarver	Wolcott
Patterson	Rogers, Mass.	Taylor, S. C.	Wolfenden
Pearson	Romjue	Terry	Wolverton
Peterson, Ga.	Rutherford	Thom	Wood
Pettengill	Sabath	Thomas, N. J.	Woodruff
Pfeifer	Sanders	Thomas, Tex.	Woodrum
Pierce	Sauthoff	Thomason, Tex.	Zimmerman
Poage	Schaefer, Ill.	Thompson, Ill.	
Polk	Seger	Thurston	

NOT VOTING—101

Allen, Del.	DeRouen	Jenckes, Ind.	Reed, N. Y.
Allen, Ill.	Dockweiler	Johnson, Minn.	Rogers, Okla.
Allen, Pa.	Dorsey	Kee	Ryan
Amlie	Drewry, Va.	Kelly, N. Y.	Sacks
Bacon	Duncan	Kloeb	Sadowski
Bloom	Eaton	Kopplemann	Schuetz
Boylan, N. Y.	Edmiston	Lambeth	Scott
Brewster	Ellenbogen	Long	Simpson
Buck	Ferguson	Luecke, Mich.	Sirovich
Buckley, N. Y.	Fernandez	McGranery	Smith, W. Va.
Bulwinkle	Fitzgerald	McGroarty	Snyder, Pa.
Burch	Flannagan	McLean	Somers, N. Y.
Caldwell	Fleger	McMillan	Sullivan
Cannon, Mo.	Fulmer	May	Taylor, Colo.
Cannon, Wis.	Gasque	Mitchell, Ill.	Taylor, Tenn.
Casey, Mass.	Gavagan	Mosier, Ohio	Teigan
Celler	Gilchrist	Mouton	Tobey
Chapman	Gray, Pa.	Murdock, Ariz.	Tolan
Collins	Greenwood	O'Brien, Mich.	Vinson, Ga.
Cooley	Hancock, N. C.	Owen	Wadsworth
Crosby	Harrington	Patton	Wene
Crosser	Hartley	Peterson, Fla.	White, Ohio
Crowther	Healey	Peyser	Wigglesworth
Culkin	Hill, Ala.	Phillips	
Curley	Holmes	Plumley	
Dempsey	Jacobsen	Quinn	

So the motion was rejected.

Mr. LUCAS changed his vote from "yea" to "nay."

The Clerk announced the following pairs:

On the vote:

Mr. Teigan (for) with Mr. Eaton (against).
Mr. Bloom (for) with Mr. Vinson of Georgia (against).
Mr. Johnson of Minnesota (for) with Mr. White of Ohio (against).
Mr. Boylan of New York (for) with Mr. Plumley (against).
Mr. Tolan (for) with Mr. Bacon (against).
Mr. Sirovich (for) with Mr. Caldwell (against).
Mr. Gavagan (for) with Mr. Tobey (against).
Mr. Rogers of Oklahoma (for) with Mr. Wigglesworth (against).
Mr. Sullivan (for) with Mr. Holmes (against).
Mr. Kelly of New York (for) with Mr. Reed of New York (against).
Mr. Buckley of New York (for) with Mr. Crowther (against).
Mr. Ferguson (for) with Mr. Hartley (against).

General pairs:

Mr. Burch with Mr. Wadsworth.
Mr. Crosser with Mr. Taylor of Tennessee.
Mr. Drewry with Mr. Amlie.
Mr. Patton with Mr. Simpson.
Mr. Cannon of Missouri with Mr. McLean.
Mr. Lambeth with Mr. Gilchrist.
Mr. Greenwood with Mr. Brewster.
Mr. Cooley with Mr. Culkin.
Mr. Hill of Alabama with Mr. Allen of Illinois.
Mr. McMillan with Mr. Chapman.
Mr. Taylor of Colorado with Mr. Jacobsen.
Mr. Bulwinkle with Mr. Schultz.
Mr. Hancock of North Carolina with Mr. Allen of Delaware.
Mr. Fulmer with Mr. Fleger.
Mr. Celler with Mr. Scott.
Mr. Fitzgerald with Mr. Wene.
Mr. Collins with Mrs. Jenckes of Indiana.
Mr. Luecke of Michigan with Mr. Kee.
Mr. Snyder of Pennsylvania with Mr. Mouton.
Mr. Dempsey with Mr. Phillips.
Mr. Gasque with Mr. Allen of Pennsylvania.
Mr. Owen with Mr. Quinn.
Mr. May with Mr. Ryan.
Mr. Fernandez with Mr. Edmiston.
Mr. Peterson of Florida with Mr. Dockweiler.
Mr. Somers of New York with Mr. Buck.
Mr. Casey of Massachusetts with Mr. DeRouen.
Mr. Peyser with Mr. Ellenbogen.
Mr. Dorsey with Mr. McGroarty.
Mr. Healy with Mr. Gray of Pennsylvania.
Mr. Curley with Mr. Duncan.
Mr. Smith of West Virginia with Mr. Harrington.
Mr. McGranery with Mr. Crosby.
Mr. Mitchell of Illinois with Mr. Kloeb.

The result of the vote was announced as above recorded.

Mr. COCHRAN. Mr. Speaker, I move that the House insist upon its disagreement to the Senate amendment.

The motion was agreed to.

FUNERAL SERVICES OF THE LATE HONORABLE JOSEPH T. ROBINSON

Mr. RAYBURN. Mr. Speaker, I offer a resolution.

The Clerk read as follows:

House Resolution 279

Resolved, That the House of Representatives accepts the invitation of the Senate to attend the funeral services of the late Honorable JOSEPH T. ROBINSON to be held in the Senate Chamber Friday, July 16, 1937, at 12 o'clock meridian, and that the committee appointed by the Speaker of the House to attend the funeral shall act in conjunction with the committee of the Senate to make the necessary arrangements.

Resolved, That upon the return of the House to its Chamber following the services in the Senate Chamber the Speaker shall, as a further mark of respect to the memory of the deceased Senator, declare the House adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

The resolution was agreed to.

HOUR OF MEETING TOMORROW

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11:40 a. m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL, 1938

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 87: Page 75, after line 14, insert the following: "The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States $105,000 of any funds on deposit to the credit of the Menominee Indians in Wisconsin (except the Menominee log funds), and to expend said sum, or so much thereof as may be necessary, for a per-capita payment of $50 to each enrolled member of the Menominee Tribe: *Provided*, That such payment shall be in lieu of the payment authorized by the act of June 15, 1934 (48 Stat., p. 964), for the fair market stumpage value of timber cut on the Menominee Reservation during the fiscal year 1937: *Provided further*, That in the discretion of the Secretary of the Interior the payment herein authorized may be made in two installments."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Pennsylvania for a question.

Mr. RICH. Mr. Speaker, sometimes I question the advisability of making a wide distribution of funds to the Indians, even though they be funds of the Indian tribes, for this reason: The Indians, as I now see the situation, are supposed to be wards of the Federal Government, and there are 230,000 of them. We are spending annually an increasing amount for the preservation of the Indians. Many of the tribal funds which I have observed during the handling of this bill in the past year have been depleted. Whenever the tribes deplete their funds they come back to the Federal Government and ask to be given additional grants of money out of the Federal Treasury in order that the Indians may have enough money to support themselves.

It seems to me, if we are trying to put the Indians on a self-supporting basis, the amount of money paid annually out of the Federal Treasury for the Indians should become less and less if we are doing a good job of making them self-supporting. Instead of that, each year it costs the Federal Government more. As long as we are the guardians

of these Indians we should protect their treasuries in respect of the amounts of their own funds we permit the tribes to spend.

Mr. Speaker, I think we ought to consider this amendment very carefully before we allow the distribution of $50 to each Indian in this tribe. I think someone in the House should give information concerning this amendment to the Members of the House who have not had the opportunity of hearing about these tribes and the amounts of money they have in reserve.

Mr. JOHNSON of Oklahoma. Mr. Speaker, the gentleman has asked rather a long question, if that is all one question. Seriously, however, his statement is to the point, and I agree with the gentleman generally in his observation. I agree, Mr. Speaker, per-capita payments should not be granted if and when there is any possibility of the funds being depleted. However, these Indians are among the richest in the United States. There is only one other tribe in the entire United States which has more money than the Menominee Tribe of Indians. At this time, as I recall, they have approximately $1,500,000 on hand. This item is similar to the item which is carried in the current law and has been previously carried. The tribal funds of these Indians have not been depleted. The Indians have a substantial income. They requested this per-capita payment, and the committee was unanimous, as I recall, in asking that this be granted.

The gentleman from Wisconsin [Mr. BOILEAU] is more familiar with the affairs of this particular tribe than am I. I now yield 5 minutes to the gentleman from Wisconsin to make any statement he may desire and to answer any questions which any Member may have with reference to this tribe of Indians.

Mr. BOILEAU. Mr. Speaker, may I call the attention of the House to the fact that this is not a payment out of the General Treasury, but is merely a payment of $105,000 to provide $50 per capita to the members of the Menominee Tribe of Indians of the State of Wisconsin.

The Menominees, as the distinguished chairman of the subcommittee has stated, have on deposit with the Federal Government approximately $1,500,000 of their own funds, so this money can be taken out of that fund without seriously depleting it. There is no danger of depleting their funds, as was suggested by the distinguished gentleman from Pennsylvania [Mr. RICH], for the reason that this fund of $1,500,000 draws interest and each year becomes larger and larger. Furthermore, the Menominee Tribe of Indians have the finest stand of timber in the Central West. They have a sawmill on their reservation. They cut this timber and cut it scientifically. A great deal of credit can be given to the late Senator La Follette for passing in 1908 what is known as the La Follette Act, which provided that the timber on this reservation should be cut selectively. This has been one of the finest experiments in selective cutting of timber in the history of this country.

They do not go into that reservation and cut all the timber that is in sight, as happens in normal or ordinary logging operations, but they are permitted to cut only the mature timber, and the reservation is large enough and they have enough timber so that with their selective cutting they can cut a sufficient amount of timber every year to keep the sawmill going pretty well. There is also a pretty good market for their timber, and I believe the mill is properly managed. I hope that any so-called abuses that may have existed in the past have now been cleared up; and those of us who are interested in the Menominee Reservation believe that the reservation, operating on a business basis and with selective cutting of timber, will have a steady income that will increase each year the amount that is on deposit to their credit in the Federal Treasury.

If they have this money and if it is to do them any good, or if it is to do anyone any good except the particular Indians who have an opportunity to work in the sawmill, there must be these per-capita payments distributed among the members of the tribe on the reservation.

In 1934 I introduced in this body a bill, which was passed and became law, that provided that instead of per-capita payments there should be payments out of the depletion of the timber; in other words, that the fair stumpage value of the timber cut should be set aside to be distributed among the members of the tribe instead of per-capita payments. I do not know why that is not working out the way it should at the present time. I do not know why they come in here today and ask for per-capita payments in lieu of the payments they would receive under the act of 1934; but apparently they feel it is best, for the time being at least, to continue these per-capita payments.

As one who is interested in this tribe, I am hopeful that in the future there will not be any necessity for per-capita payments, but that they will use this fund that accumulates from the cutting of the mature timber. However, I want to assure the House that the members of the Menominee Tribe of Indians are not getting anything under the provisions of this amendment from the Government for nothing. As a matter of fact, our tribe gets very little from the Federal Government. The education of the Menominee Indian children is provided for by the tribal fund. You will recall that a few weeks ago I pointed out that the Menominees are the only ones who are not getting any benefits from the fund that provides for the care of timber on the various reservations, because the Government feels, apparently, that so long as the Menominees have any money of their own they should not benefit from the general provisions of a law for the benefit of Indians generally.

We have not been getting anything from the Federal Government and we believe that these per-capita payments out of their own fund are amply justified.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. HOUSTON. As I understand, the dividends they now receive from the sale of timber on this reservation go into the fund and the gentleman contends that they should be paid out of that fund instead of receiving per-capita payments.

Mr. BOILEAU. That was the intention of the bill I introduced in 1934, which was passed. However, this bill is in lieu of payments under that act.

Mr. HOUSTON. Is the gentleman in favor of making this payment?

Mr. BOILEAU. I am in favor of this payment now, and I will frankly tell the gentleman I do not know why the act I have referred to is not working out as satisfactorily as I believe it should. I intend to investigate and try to make it work out satisfactorily, but I may say that the Department recommends this provision.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman from Wisconsin 2 additional minutes.

Mr. BOILEAU. I understand the Department favors this method of payment. The other may be a little complicated. I cannot undertake to tell the gentleman why they are not operating under the law that was passed, because I do not know, but I say to the gentleman, as one who is interested in this tribe, I shall make an investigation, and if it is possible to carry out the provisions of the act of 1934 so that we will not have to come back for per-capita payments, I want to see that done. When I introduced that bill on behalf of the Menominee Indians they assured me it was their intention not to come back for per-capita payments. I do not want to say anything here that will preclude me in the future, in the event it becomes necessary to ask for such payments, but I do wish to say to the gentleman that I do not believe per-capita payments should be made if the matter can be worked out in the manner provided for in the act of 1934. However, I may say this does not deplete the accumulations from the sale of timber that have gone into the fund.

Mr. HOUSTON. All the receipts from the sale of timber go into this fund?

Mr. BOILEAU. It all goes into their fund; yes.

Mr. HOUSTON. What about the second growth of trees? Do they continue to plant as they cut?

Mr. BOILEAU. They do some planting, I believe, but they have sufficient timber from natural replanting. Let me point out to the gentleman that this is one of the finest experiments in reforestation and in the maintenance of forest reserves ever conducted in this country. They cut their timber so there is natural reseeding and a continuous growth. Since 1908 it has been going on in this way, and it has proven very satisfactory, and it has been very helpful to those in this country who are interested in reforestation to see how this has worked out.

Mr. HOUSTON. And the timber is not going to be depleted in the next few years.

Mr. BOILEAU. No; it will not be, because of the fact we do selective cutting, and that is the only thing that is going to protect the Menominee Indians, and it is also the reason the chairman can say today that the Menominee Tribe of Indians is the second richest tribe of Indians in the United States. There are only 2,000 of them, but they have some property left because the La Follette Act prohibits the exploitation of the Indians of Wisconsin. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma to recede and concur in the Senate amendment.

The question was taken; and on a division, the Chair announcing himself in doubt, there were—ayes 115, noes 9.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 89: Page 85, after line 23, insert: "Gila project, Arizona, $1,250,000; said Gila project, including the waters to be diverted and used thereby and the lands and structures for the diversion and storage thereof, to be subject to the provisions of the Boulder Canyon Project Act of December 21, 1928, and subject to and controlled by the provisions of the Colorado River compact signed at Santa Fe, N. Mex., November 24, 1922."

Mr. SCRUGHAM. Mr. Speaker, I move that the House recede and concur.

The SPEAKER. The question is on the motion of the gentleman from Nevada that the House recede and concur.

Mr. MURDOCK of Utah. Mr. Speaker, I demand a division of that question.

The SPEAKER. The gentleman is entitled to a division of the question. The question is whether the House shall recede from its disagreement to the Senate amendment.

Mr. RICH. Mr. Speaker, I would like to have the chairman of the committee yield, so that we can have some time on this amendment.

Mr. SCRUGHAM. As I understand, the gentleman from Utah has demanded a division of the question. That is, to vote separately on receding and on concurring.

Mr. RICH. Mr. Speaker, we do not want to recede or concur until we know what is going on.

Mr. SCRUGHAM. The gentleman will not have to vote on either one until there is ample time for debate.

Mr. RICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RICH. If we agree to the motion, will we be deprived of the privilege of discussing this matter before the House?

The SPEAKER. The motion to concur is debatable. The first proposition is on the division of the question. The question is on the motion that the House recede from its disagreement to the Senate amendment.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 58, noes 58.

The SPEAKER. The Chair votes "aye."

Mr. RICH. Mr. Speaker, I object to the vote upon the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Pennsylvania makes the point of order that there is no quorum present. The Chair will count. Two hundred and nineteen Members present, a quorum.

Mr. TABER. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from New York demands the yeas and nays. Those in favor of ordering the yeas and nays will rise and stand until counted. [After counting.] Forty-nine Members have risen, a sufficient number, and the yeas and nays are ordered. The question is, Shall the House recede from its disagreement to the Senate amendment?

The question was taken; and there were—yeas 122, nays 191, not voting 118, as follows:

[Roll No. 110]

YEAS—122

Barden	Eckert	Kvale	Poage
Bernard	Elliott	Leavy	Ramsay
Bigelow	Englebright	Lemke	Randolph
Boileau	Evans	Lesinski	Rankin
Boland, Pa.	Fitzpatrick	Lewis, Colo.	Rayburn
Boren	Ford, Calif.	Luckey, Nebr.	Robinson, Utah
Brown	Ford, Miss.	McFarlane	Romjue
Buckler, Minn.	Fuller	McGehee	Sanders
Burdick	Fulmer	McGrath	Scrugham
Byrne	Gearhart	McKeough	Shanley
Carter	Gehrmann	McReynolds	Shannon
Cartwright	Gildea	Magnuson	Sheppard
Case, S. Dak.	Green	Martin, Colo.	Smith, Wash.
Chandler	Greever	Massingale	Sparkman
Clark, Idaho	Harlan	Maverick	Thomas, Tex.
Coffee, Wash.	Havenner	Mead	Thomason, Tex.
Colden	Healey	Merritt	Turner
Costello	Hendricks	Mott	Voorhis
Cullen	Hildebrandt	Murdock, Ariz.	Wallgren
Cummings	Hill, Okla.	Murdock, Utah	Wearin
Daly	Honeyman	Norton	Weaver
Delaney	Hook	O'Connell, Mont.	Welch
Dempsey	Houston	O'Connor, Mont.	West
DeMuth	Izac	O'Day	White, Idaho
Dies	Johnson, Lyndon	O'Leary	Whittington
Dingell	Johnson, Okla.	O'Malley	Wilcox
Disney	Johnson, W. Va.	Palmisano	Withrow
Doughton	Jones	Patman	Wood
Doxey	Keller	Patton	Zimmerman
Drew, Pa.	Kelly, Ill.	Peterson, Fla.	
Dunn	Kramer	Pierce	

NAYS—191

Aleshire	Driver	Knutson	Richards
Anderson, Mo.	Eberharter	Kocialkowski	Rigney
Andresen, Minn.	Eicher	Lambertson	Robertson
Andrews	Engel	Lamneck	Robsion, Ky.
Arends	Faddis	Lanham	Rogers, Mass.
Arnold	Farley	Lanzetta	Rutherford
Ashbrook	Fish	Lord	Sauthoff
Atkinson	Flannery	Luce	Schaefer, Ill.
Barry	Fletcher	Ludlow	Schneider, Wis.
Bates	Forand	McAndrews	Schulte
Beam	Frey, Pa.	McClellan	Secrest
Beiter	Fries, Ill.	McCormack	Seger
Bell	Gambrill	McGranery	Shafer, Mich.
Biermann	Garrett	McLaughlin	Short
Binderup	Gifford	Maas	Smith, Conn.
Boehne	Gingery	Mahon, S. C.	Smith, Maine
Boyer	Goldsborough	Mahon, Tex.	Smith, Va.
Boykin	Gray, Ind.	Maloney	Snell
Bradley	Gregory	Mapes	South
Brooks	Griffith	Martin, Mass.	Spence
Carlson	Griswold	Mason	Starnes
Champion	Guyer	Michener	Stefan
Church	Gwynne	Millard	Sweeney
Citron	Haines	Miller	Swope
Clason	Halleck	Mitchell, Tenn.	Taber
Claypool	Hamilton	Moser, Pa.	Tarver
Cluett	Hancock, N. Y.	Nelson	Taylor, S. C.
Cochran	Hart	O'Brien, Ill.	Terry
Coffee, Nebr.	Harter	O'Connell, R. I.	Thom
Cole, Md.	Hennings	O'Neal, Ky.	Thomas, N. J.
Cole, N. Y.	Higgins	O'Neill, N. J.	Thompson, Ill.
Colmer	Hobbs	O'Toole	Thurston
Cooley	Hoffman	Oliver	Tinkham
Cooper	Hope	Owen	Towey
Cox	Hull	Parsons	Transue
Cravens	Imhoff	Patterson	Treadway
Crawford	Jacobsen	Pearson	Umstead
Creal	Jarrett	Peterson, Ga.	Vincent, B. M.
Crosser	Jenkins, Ohio	Pettengill	Vinson, Fred M.
Crowe	Jenks, N. H.	Polk	Walter
Deen	Johnson, Luther A.	Powers	Whelchel
Dirksen	Kennedy, Md.	Rabaut	Williams
Ditter	Kenney	Ramspeck	Wolcott
Dixon	Keogh	Reece, Tenn.	Wolfenden
Dondero	Kinzer	Reed, Ill.	Wolverton
Dorsey	Kitchens	Rees, Kans.	Woodruff
Douglas	Kleberg	Reilly	Woodrum
Dowell	Kniffin	Rich	

NOT VOTING—118

Allen, Del.	Allen, La.	Amlie	Bland
Allen, Ill.	Allen, Pa.	Bacon	Bloom

Boylan, N. Y.	Fitzgerald	Lewis, Md.	Sabath
Brewster	Flannagan	Long	Sacks
Buck	Fleger	Lucas	Sadowski
Buckley, N. Y.	Gasque	Luecke, Mich.	Schuetz
Bulwinkle	Gavagan	McGroarty	Scott
Burch	Gilchrist	McLean	Simpson
Caldwell	Gray, Pa.	McMillan	Sirovich
Cannon, Mo.	Greenwood	McSweeney	Smith, W. Va.
Cannon, Wis.	Hancock, N. C.	Mansfield	Snyder, Pa.
Casey, Mass.	Harrington	May	Somers, N. Y.
Celler	Hartley	Meeks	Stack
Chapman	Hill, Ala.	Mills	Steagall
Clark, N. C.	Hill, Wash.	Mitchell, Ill.	Sullivan
Collins	Holmes	Mosier, Ohio	Sumners, Tex.
Crosby	Hunter	Mouton	Sutphin
Crowther	Jarman	Nichols	Taylor, Colo.
Culkin	Jenckes, Ind.	O'Brien, Mich.	Taylor, Tenn.
Curley	Johnson, Minn.	O'Connor, N. Y.	Teigan
DeRouen	Kee	Pace	Tobey
Dickstein	Kelly, N. Y.	Patrick	Tolan
Dockweiler	Kennedy, N. Y.	Peyser	Vinson, Ga.
Drewry, Va.	Kerr	Pfeifer	Wadsworth
Duncan	Kirwan	Phillips	Warren
Eaton	Kloeb	Plumley	Wene
Edmiston	Kopplemann	Quinn	White, Ohio
Ellenbogen	Lambeth	Reed, N. Y.	Wigglesworth
Ferguson	Larrabee	Rogers, Okla.	
Fernandez	Lea	Ryan	

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Vinson of Georgia with Mr. Eaton.
Mr. Bland with Mr. White of Ohio.
Mr. Sullivan with Mr. Plumley.
Mr. Caldwell with Mr. Bacon.
Mr. Gavagan with Mr. Tobey.
Mr. Clark of North Carolina with Mr. Wigglesworth.
Mr. Bloom with Mr. Reed of New York.
Mr. Tolan with Mr. Holmes.
Mr. Kerr with Mr. Crowther.
Mr. Boylan of New York with Mr. Hartley.
Mr. McSweeney with Mr. Teigan.
Mr. Mansfield with Mr. Johnson of Minnesota.
Mr. Flannagan with Mr. Dickstein.
Mr. Larrabee with Mr. Mills.
Mr. O'Connor of New York with Mr. Pace.
Mr. Steagall with Mr. Hill of Washington.
Mr. Pfeifer with Mr. Jarman.
Mr. Sumners of Texas with Mr. Kirwan.
Mr. Nichols with Mr. Hunter.
Mr. Sutphin with Mr. Allen of Louisiana.
Mr. Lea with Mr. Meeks.
Mr. Kennedy of New York with Mr. Lucas.
Mr. Lewis of Maryland with Mr. Mosier of Ohio.
Mr. O'Brien of Michigan with Mr. Patrick.
Mr. Sabath with Mr. Sadowski.

Mr. MCGRANERY changed his vote from "aye" to "no."

Mr. McCORMACK. Mr. Speaker, I desire to vote.

The SPEAKER. Does the gentleman qualify?

Mr. McCORMACK. I cannot qualify, Mr. Speaker.

Mr. SUMNERS of Texas. Mr. Speaker, I desire to vote.

The SPEAKER. Does the gentleman qualify?

Mr. SUMNERS of Texas. I cannot qualify, Mr. Speaker.

The result of the vote was announced as above recorded.

Mr. SCRUGHAM. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate numbered 89.

The motion was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WIGGLESWORTH (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of illness.

To Mr. FLEGER (at the request of Mr. KIRWAN), on account of illness.

To Mr. LAMBETH, indefinitely, on account of official business.

To Mr. PLUMLEY, for 2 weeks, on account of official business.

To Mr. COLLINS (at the request of Mr. RAYBURN), indefinitely, on account of important business.

To Mr. FITZGERALD (at the request of Mr. SMITH of Connecticut), for 2 days, on account of important business.

To Mr. RAMSPECK, until Tuesday, July 20, 1937, on account of important business.

EXTENSION OF REMARKS

Mr. MILLARD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from Dr. Adams.

The SPEAKER. Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks by including a short editorial on the Court.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an address which I delivered in the Old South Church in Boston, Mass., on the subject of the General Welfare Act, 1937.

The SPEAKER. Is there objection?

There was no objection.

Mr. BARRY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a copy of a letter which I addressed to the members of the Committee on Banking and Currency today.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PIERCE. Mr. Speaker, I ask unanimous consent that on Thursday next, after disposition of matters on the Speaker's table and the conclusion of the legislative program, I may be given 20 minutes in which to discuss the Washington plan on electric rates.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7562. An act to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes;

H. R. 7865. An act making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937; and

H. J. Res. 431. Joint resolution making an appropriation for the control of outbreaks of insect pests.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 458. An act for the relief of Eva Markowitz;

H. R. 730. An act for the relief of Joseph M. Clagett, Jr.;

H. R. 1377. An act for the relief of Walter T. Karshner, Katherine Karshner, Anna M. Karshner, and Mrs. James E. McShane;

H. R. 1945. An act for the relief of Venice La Prad;

H. R. 2332. An act for the relief of William Sulem;

H. R. 2562. An act for the relief of Mr. and Mrs. David Stoppel;

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries;

H. R. 3634. An act for the relief of Noah Spooner;

H. R. 7562. An act to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes;

H. R. 7865. An act making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937; and

H. J. Res. 431. Joint resolution making an appropriation for the control of outbreaks of insect pests.

ADJOURNMENT

Mr. SCRUGHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until tomorrow, Friday, July 16, 1937, at 11:40 a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, July 22, 1937. Business to be considered: Hearing on H. R. 1536, H. R. 5531, H. R. 7001, and H. R. 7643, research bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

720. A communication from the President of the United States, transmitting the draft of a proposed provision pertaining to an existing appropriation of the Civilian Conservation Corps for the fiscal year 1938 (H. Doc. No. 298); to the Committee on Appropriations and ordered to be printed.

721. A communication from the President of the United States, transmitting the draft of a proposed provision pertaining to an existing appropriation of the Federal Housing Administration for the fiscal year 1938 (H. Doc. No. 297); to the Committee on Appropriations and ordered to be printed.

722. A letter from the Acting Secretary of the Navy, transmitting the draft of a proposed bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost while engaged in emergency relief expeditions during the Ohio Valley flood in February 1937; to the Committee on Claims.

723. A letter from the Secretary of War transmitting a letter from the Chief of Engineers, United States Army, dated July 13, 1937, submitting a report, together with accompanying papers on a preliminary examination of Redondo Beach Harbor, Calif., authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

724. A letter from the Acting Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claims of Frank Pashley and Brown Garrett against the United States with request that you lay the same before the House of Representatives; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HEALEY: Committee on the Judiciary. H. R. 4810. A bill to incorporate the Marine Corps League; with amendment (Rept. No. 1246). Referred to the House Calendar.

Mr. DORSEY: Committee on Military Affairs. H. R. 6173. A bill to authorize the attendance of the Army Band at the National Convention of the Military Order of the Purple Heart to be held in Philadelphia, Pa., August 7, 1937; without amendment (Rept. No. 1247). Referred to the Committee of the Whole House on the state of the Union.

Mr. KENNEDY of Maryland: Committee on the District of Columbia. H. R. 7835. A bill to provide authorization for the advancement of funds for the District of Columbia; with amendment (Rept. No. 1248). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANZETTA: Committee on Insular Affairs. H. R. 4275. A bill to correct the United States citizenship status of certain persons born in Puerto Rico, and for other purposes; with amendment (Rept. No. 1249). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CARLSON: Committee on Claims. H. R. 345. A bill for the relief of Genevieve E. Daley; with amendment (Rept. No. 1226). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 459. A bill for the relief of the Derby Oil Co.; with amendment (Rept. No. 1227). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. H. R. 2195. A bill for the relief of Oliver Z. Hoge; with amendment (Rept. No. 1228). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 2455. A bill for the relief of the heirs of Edward P. Frank, deceased; with amendment (Rept. No. 1229). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 3225. A bill for the relief of Roland Stafford; with amendment (Rept. No. 1230). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 4229. A bill for the relief of Clifford Belcher; with amendment (Rept. No. 1231). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 4493. A bill for the relief of Charles N. Robinson; with amendment (Rept. No. 1232). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4506. A bill for the relief of Norman E. Sherman and Banks W. Smith, operating under the name of California Flyers, for damages sustained by collision with Navy plane *F4B4* by Waco cabin airplane *NC12456;* with amendment (Rept. No. 1233). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 4583. A bill for the relief of Arthur T. Worley; with amendment (Rept. No. 1234). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 4864. A bill for the relief of Helen Rauch; with amendment (Rept. No. 1235). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 5568. A bill for the relief of Maj. William W. McCaw; with amendment (Rept. No. 1236). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 5639. A bill for the relief of Henrietta Wilis; with amendment (Rept. No. 1237). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5768. A bill for the relief of A. B. Chambers and in behalf of Mary Louise Chambers, a minor; with amendment (Rept. No. 1238). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5994. A bill for the relief of S. Uttal; with amendment (Rept. No. 1239). Referred to the Committee of the Whole House.

Mr. ATKINSON: Committee on Claims. H. R. 6135. A bill for the relief of R. E. Rainer; with amendment (Rept. No. 1240). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 6155. A bill for the relief of Sadie N. Pike and Edward W. Pike; with amendment (Rept. No. 1241). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 6271. A bill for the relief of Annie Fleming, George Perdue, O. B. Ross, and Sadie Washington; with amendment (Rept. No. 1242). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 1585. An act for the relief of Sallie S. Twilley; without amendment (Rept. No. 1243). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 7716. A bill to provide for admission into the United States of Clarence Joseph Ferguson, an alien; with

amendment (Rept. No. 1250). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND of Pennsylvania: A bill (H. R. 7866) to regulate interstate commerce in anthracite, to conserve the anthracite resources of the United States, to establish an anthracite reserve, to provide for the general welfare, and for other purposes; to the Committee on Ways and Means.

By Mr. GREEVER: A bill (H. R. 7867) to amend section 11 of the act of Congress approved July 10, 1890 (26 Stat., ch. 664), relating to the admission into the Union of the State of Wyoming; to the Committee on the Territories.

By Mr. LEMKE: A bill (H. R. 7868) to provide for conveying to the State of North Dakota certain lands within Burleigh County within that State for public use; to the Committee on the Public Lands.

By Mr. SOMERS of New York: A bill (H. R. 7869) to define certain units and to fix the standards of weights and measures of the United States; to the Committee on Coinage, Weights, and Measures.

By Mr. SCHULTE: A bill (H. R. 7870) authorizing appropriation for the investigation and survey of a site for a bridge over the Potomac River at or near the foot of King Street, Alexandria, Va., to Congress Heights, D. C.; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON: A bill (H. R. 7871) to create a commission to be known as the Alaskan International Highway Commission; to the Committee on Foreign Affairs.

By Mrs. JENCKES of Indiana: A bill (H. R. 7872) to amend the Teachers' Retirement Act of June 15, 1920, and for other purposes; to the Committee on the District of Columbia.

By Mr. MEAD: A bill (H. R. 7873) providing for the transportation of the mails on certain commercially operated aircraft, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. PIERCE: A bill (H. R. 7874) to provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts; to the Committee on the Public Lands.

By Mr. THOM: A bill (H. R. 7875) to provide that the heads of the executive departments may occupy seats on the floor of the Senate and the House of Representatives; to the Committee on Rules.

By Mr. MAGNUSON: A bill (H. R. 7876) to amend the United States mining laws applicable to the national forests within the State of Washington; to the Committee on the Public Lands.

Also, a bill (H. R. 7877) to appropriate funds for construction of a graving dock at Puget Sound Navy Yard, Bremerton, Wash.; to the Committee on Naval Affairs.

By Mr. DIMOND: A bill (H. R. 7878) to amend an act approved June 14, 1906 (34 Stat. 263), entitled "An act to prevent aliens from fishing in the waters of Alaska"; to the Committee on the Territories.

By Mr. HILDEBRANDT: A bill (H. R. 7879) to provide additional compensation to star-route carriers for necessary increased mileage, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. GASQUE: A bill (H. R. 7880) to amend the Veterans' Regulation No. 10, pertaining to line of duty for peacetime veterans, their widows and dependents, and for other purposes; to the Committee on Pensions.

By Mr. KENNEY: Joint resolution (H. J. Res. 445) granting the consent of Congress to a compact between the States of New York and New Jersey providing for the creation of the Palisades Interstate Park Commission as a joint corporate municipal instrumentality of said States with appropriate rights, powers, duties, and immunities, for the transfer of said commission of certain functions, jurisdiction, rights, powers, and duties, together with the properties of the bodies politic now existing in each State known as "Commissioners of the Palisades Interstate Park" and for the continuance of the Palisades Interstate Park; to the Committee on Interstate and Foreign Commerce.

By Mr. DOUGHTON: Joint resolution (H. J. Res. 446) to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BINDERUP: A bill (H. R. 7881) granting a pension to Margaret A. Redfield; to the Committee on Pensions.

Also, a bill (H. R. 7882) for the relief of Karl A. Medalin; to the Committee on Claims.

By Mr. FITZGERALD: A bill (H. R. 7883) for the relief of Stefano Pagliaro; to the Committee on Immigration and Naturalization.

By Mr. FLANNERY: A bill (H. R. 7884) for the relief of William F. Sponenberg; to the Committee on Military Affairs.

By Mr. FORD of California: A bill (H. R. 7885) for the relief of John Paul Smith; to the Committee on Naval Affairs.

By Mr. GRAY of Pennsylvania: A bill (H. R. 7886) granting a pension to Benson A. Weston; to the Committee on Invalid Pensions.

By Mrs. JENCKES of Indiana: A bill (H. R. 7887) granting a pension to Roxie Francis Coffey and Barbara Jean Coffey, minor children of John Coffey; to the Committee on Invalid Pensions.

By Mrs. O'DAY: A bill (H. R. 7888) for the relief of sundry aliens; to the Committee on Immigration and Naturalization.

By Mr. PATRICK: A bill (H. R. 7889) for the relief of First Lt. Samuel E. Williams; to the Committee on Claims.

By Mr. RAMSPECK: A bill (H. R. 7890) for the relief of Brooks-Callaway Co.; to the Committee on Claims.

By Mr. SIROVICH: A bill (H. R. 7891) for the relief of Mira Friedberg (Mira Dworecka); to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2940. By Mr. FITZPATRICK: Petition of a number of citizens of Pelham and Pelham Manor, N. Y., protesting against the President's bill, or any substitutes, permitting the executive branch of the Government to control or subordinate the judicial or the legislative powers established under the Constitution; to the Committee on the Judiciary.

2941. By Mr. HAVENNER: Petition of the Union Recreation Center, San Francisco, urging support of the proposals of President Roosevelt to reform the Supreme Court of the United States; to the Committee on the Judiciary.

2942. Also, petition of citizens of San Francisco and others, opposing the nullification of the California community property tax law; to the Committee on Ways and Means.

2943. By Mr. HIGGINS: Resolution making application to Congress to grant an annuity to the widow of Congressman William P. Connery, Jr., former Representative of the Seventh Congressional District of Massachusetts; to the Committee on Accounts.

2944. By Mr. HILDEBRANDT: Petition for the relief of Aurora County, S. Dak.; to the Committee on Appropriations.

2945. By Mr. KENNEY: Petition of the New Jersey State Council of Steuben Society of America, favoring the adoption of the Ludlow war referendum resolution; to the Committee on the Judiciary.

2946. By Mr. O'NEILL of New Jersey: Petition of the United Association of Journeymen Plumbers and Steam Fitters, Local 236, Trenton, N. J., and Brotherhood of Painters,

Decorators, and Paperhangers, Local 301, Trenton, N. J., petitioning for the passage of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2947. By Mr. PETERSON of Georgia: Petition of citizens of Emanuel County, Ga., concerning the old-age pension bill (H. R. 2257); to the Committee on Ways and Means.

SENATE

FRIDAY, JULY 16, 1937

The Senate met at 12 o'clock meridian.

FUNERAL OF SENATOR ROBINSON

The casket containing the body of the deceased Senator had been previously brought into the Senate Chamber and placed in the area in front of the desk, being surrounded by many floral tributes.

The PRESIDENT pro tempore. The Senate is in session, according to the unanimous-consent order, to participate in the funeral services for the late Senator JOSEPH T. ROBINSON, of Arkansas.

The invited guests of the Senate will be escorted to the places assigned them.

The Members of the House of Representatives, preceded by the Sergeant at Arms and the Clerk and by the Speaker, entered the Senate Chamber. The Speaker was escorted to a seat on the right of the President pro tempore. The Sergeant at Arms and Clerk were assigned to seats at the Secretary's desk, and Members of the House were given the seats provided for them.

The members of the Diplomatic Corps entered the Chamber and were seated to the left of the Vice President's desk.

Mr. Justice Butler, of the Supreme Court of the United States, representing that body, accompanied by the Marshal, entered the Chamber and was seated in the area to the left of the Vice President's desk.

The Chief of Staff of the Army, the Chief of Naval Operations, the Major General Commandant of the Marine Corps, and the Commandant of the Coast Guard entered the Chamber and were seated in the area to the left of the Vice President's desk.

Mrs. Robinson and relatives and friends of the deceased Senator, accompanied by Rev. Z@Barney T. Phillips, D. D., Chaplain of the Senate, and Rev. James Shera Montgomery, D. D., Chaplain of the House of Representatives, entered the Chamber. Mrs. Robinson, members of the family, and friends were seated in the area below and to the left of the Vice President's desk. Dr. Phillips and Dr. Montgomery took their places at the Secretary's desk.

The President of the United States and the Members of his Cabinet, preceded by the Sergeant at Arms of the Senate, entered the Chamber and were seated in the area in front and to the right of the Vice President's desk.

The PRESIDENT pro tempore. The President of the United States, members of the Cabinet, members of the Supreme Court, the Diplomatic Corps, the Chief of Staff of the Army, the Chief of Naval Operations, the Major General Commandant of the Marine Corps and the Commandant of the Coast Guard, the House of Representatives of the United States and its Speaker [WILLIAM B. BANKHEAD, of Alabama], the widow, relatives, and friends of the deceased having assembled, in accordance with the unanimous-consent order and invitation to participate in the formal Senate ceremonies on the occasion of the funeral of our late beloved colleague, Senator JOSEPH T. ROBINSON, the Chair now, in accordance with that order, requests the Chaplain of the Senate to conduct the services.

Miss Helen Howison, of the city of Washington, sang Lead Kindly Light.

Lead Kindly Light, amid the encircling gloom,
Lead Thou me on!
The night is dark, and I am far from home—
Lead Thou me on!
Keep Thou my feet; I do not ask to see
The distant scene—one step enough for me.

I was not ever thus, nor prayed that Thou
Shouldst lead me on.
I loved to choose and see my path; but now
Lead Thou me on!
I loved the garish day, and, spite of fears,
Pride ruled my will; remember not past years.

So long Thy power hath blessed me, sure it still
Will lead me on,
O'er moor and fen, o'er crag and torrent, till
The night is gone;
And with the morn those angel faces smile
Which I have loved long since, and lost a while.

The Chaplain of the Senate recited from the Episcopal burial office as follows:

I am the resurrection and the life, saith the Lord. He that believeth in Me, though he were dead, yet shall he live; and whosoever liveth and believeth in Me shall never die.

* * * * * * * *

I know that my Redeemer liveth, and that He shall stand at the latter day upon the earth, and though this body be destroyed, yet shall I see God, whom I shall see for myself, and mine eyes shall behold, and not another.

* * * * * * * *

We brought nothing into this world, and it is certain we can carry nothing out. The Lord gave and the Lord hath taken away; blessed be the name of the Lord.

* * * * * * * *

Lord, let me know mine end and the number of my days, that I may be certified how long I have to live.

Behold, Thou hast made my days as it were a span long, and mine age is even as nothing in respect of Thee; and verily every man living is altogether vanity.

For man walketh in a vain shadow and disquieteth himself in vain; he heapeth up riches and cannot tell who shall gather them.

And now, Lord, what is my hope? Truly my hope is even in Thee.

Deliver me from all mine offences, and make me not a rebuke unto the foolish.

When Thou with rebukes dost chasten man for sin, Thou makest his beauty to consume away, like as it were a moth fretting a garment; every man therefore is but vanity.

Hear my prayer, O Lord, and with Thine ears consider my calling; hold not Thy peace at my tears; for I am a stranger with Thee and a sojourner, as all my fathers were.

Oh, spare me a little, that I may recover my strength before I go hence and be no more seen.

Glory be to the Father and to the Son and to the Holy Ghost. As it was in the beginning, is now, and ever shall be, world without end. Amen.

(St. John 14: 1)

Jesus said, Let not your heart be troubled; ye believe in God, believe also in Me. In My Father's house are many mansions; if it were not so, I would have told you. I go to prepare a place for you. And if I go and prepare a place for you, I will come again, and receive you unto myself; that where I am, there ye may be also. And whither I go ye know, and the way ye know. Thomas saith unto Him, Lord, we know not whither Thou goest; and how can we know the way? Jesus saith unto him, I am the way, the truth, and the life; no man cometh unto the Father but by Me.

(Romans 8: 14)

As many as are led by the Spirit of God, they are the sons of God. For ye have not received the spirit of bondage again to fear; but ye have received the Spirit of adoption, whereby we cry, Abba, Father. The Spirit himself beareth witness with our spirit, that we are the children of God; and if children, then heirs; heirs of God, and joint heirs with Christ; if so be that we suffer with Him, that we may be also glorified together. For I reckon that the sufferings of this present time are not worthy to be compared with the glory which shall be revealed in us. For the earnest expectation of the creature waiteth for the manifestation of the sons of God. We know that all things

work together for good to them that love God, to them who are the called according to his purpose. What shall we then say to these things? If God be for us, who can be against us? He that spared not His own Son, but delivered Him up for us all, how shall He not with Him also freely give us all things? Who is he that condemneth? It is Christ that died, yea rather, that is risen again, who is even at the right hand of God, who also maketh intercession for us. Who shall separate us from the love of Christ? Shall tribulation, or distress, or persecution, or famine, or nakedness, or peril, or sword? Nay, in all these things we are more than conquerors through him that loved us. For I am persuaded, that neither death, nor life, nor angels, nor principalities, nor powers, nor things present, nor things to come, nor height, nor depth, nor any other creature, shall be able to separate us from the love of God, which is in Christ Jesus our Lord.

Here endeth the lesson.

Let us pray.

One sweetly solemn thought
Comes to me o'er and o'er;
I am nearer home today
Than I've ever been before.

Nearer my Father's house,
Where the many mansions be;
Nearer the great white throne,
Nearer the crystal sea.

Nearer the bound of life,
Where we lay our burdens down;
Nearer leaving the cross!
Nearer gaining the crown!

But lying darkly between,
Winding adown through the night,
Is the silent, unknown stream,
That leads at last to the light.

Father, be near when my feet
Are slipping o'er the brink
For it may be I am nearer home—
Nearer now than I think.

Amen.

O Father of mercies, O God of all comfort, in whom we live and move and have our being, we pray Thine especial blessing upon these dear children of Thine. Oh, may they feel that underneath are Thine everlasting arms. May they know that though they pass through the rivers, Thou art with them; and through the waters, they shall not overflow them. Though they walk through the fire, they shall not be burned; neither shall the flames kindle upon them; for Thou art the Lord their God, the Holy One of Israel, their Saviour. Deal tenderly with them in their affliction. Comfort, strengthen, and stablish them. Lift up the light of Thy countenance upon them, and breathe upon them that peace which the world can neither give nor take away, that peace which passeth all understanding. Through Jesus Christ our Lord.

O Lord, Jesus Christ, who by Thy death didst take away the sting of death, grant unto us Thy servants so to follow in faith where Thou hast led the way that we may at length fall asleep peacefully in Thee and awake after Thy likeness through Thy mercy, who liveth with the Father and the Holy Spirit, one God, world without end. Amen.

O Almighty God, who hast knit together Thine elect in one communion and fellowship, in the mystical body of Thy Son, Christ our Lord, grant us grace so to follow Thy blessed saints in all virtuous and godly living, that we may come to those unspeakable joys which Thou hast prepared for those who unfeignedly love Thee. Through Jesus Christ our Lord. Amen.

Almighty God, with whom do live the spirits of those who depart hence in the Lord, and with whom the souls of the faithful, after they are delivered from the burden of the flesh, are in joy and felicity, we give Thee hearty thanks for the noble and gracious example of our beloved friend, Thy servant, who hath but yesterday fallen on sleep. Grant that we, with all those who are departed in the true faith of Thy holy name, may have our perfect consummation and bliss in Thy eternal and everlasting glory. Through Jesus Christ our Lord. Amen.

O God, the God of the spirits of all flesh, in whose embrace all creatures live in whatsoever world or condition they be, we beseech Thee for him, Thy blessed child, whose name and dwelling place and every need Thou only knowest. Lord, vouchsafe him light and rest, peace and refreshment, joy and consolation in paradise, in the companionship of saints and loved ones, in the presence of Christ, in the ample folds of Thy great love. Grant that his life, so wonderful here, so full of love and tenderness, may yet unfold itself in Thy sight and find sweet employment in the spacious fields of eternity.

If in aught we can minister to his peace, be pleased of Thy love to let this be; and so keep us from every act which may deprive us of the sight of him as soon as our trial time is over or mar the fullness of our joy when the end of the day hath come.

Pardon, O Gracious Lord and Father, whatever is amiss in this our prayer, and let Thy will be done, for our will is blind and erring, but Thine is able to do exceedingly abundantly above all that we ask or think; and we only ask in the name and for the sake of Jesus Christ our Lord and Savior. Amen.

And now, Lord, support us all the day long of this troublous life until the shadows lengthen and the evening comes and the busy world is hushed and the fever of life is over and our work is done. Then in Thy mercy grant us a safe lodging, holy rest, and peace at the last. Through Jesus Christ our Lord. Amen.

Father, in Thy gracious keeping
Leave we now Thy servant sleeping.

Amen.

Miss Helen Howison sang the following three verses from the hymn Abide With Me:

Abide with me! Fast falls the eventide;
The darkness deepens: Lord, with me abide!
When other helpers fail, and comforts flee,
Help of the helpless, O abide with me!

I fear no foe with Thee at hand to bless:
Ills have no weight, and tears no bitterness.
Where is death's sting, where, grave, thy victory?
I triumph still, if Thou abide with me.

Hold Thou Thy cross before my closing eyes;
Shine through the gloom, and point me to the skies:
Heaven's morning breaks, and earth's vain shadows flee:
In life and death, O Lord, abide with me!

The Chaplain of the House of Representatives pronounced the benediction as follows:

May the peace of God that passeth all understanding keep your hearts and minds in the knowledge of God and of His Son, Jesus Christ, our Lord.

And now may the blessing of God Almighty, the Father, Son, and Holy Spirit remain with you always. Amen.

At 12 o'clock and 43 minutes p. m., the funeral ceremonies having been concluded, and Mrs. Robinson and relatives and friends of the deceased Senator and the invited guests retired from the Chamber.

Mr. BARKLEY. Mr. President, in compliance with the unanimous-consent order entered on yesterday, I move that the Senate adjourn.

The motion was agreed to; and (at 12 o'clock and 44 minutes p. m.) the Senate, under the order previously entered, adjourned until Tuesday, July 20, 1937, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 16, 1937

The House met at 11:40 a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, Father Almighty, at whose word night yields to day, be Thou our guide and we shall fear no ill. We rejoice that when we draw near to Thee, change and vicissitude

pass away and the sense of security and stability brings us peace. Heavenly Father, we thank Thee that life is ever lord of death, and love can never lose its own. O Thou Holy One of God, despised and slain, may we dwell with Thee in Thy secret place and abide under Thy shadow. As Thy children, help us to go forth with brave hearts. Inspire us with a triumphant faith that sees through doubt, endures through temptation, and whenever fortune frowns, trusts Thee. Blessed Lord, we thank Thee for life; it is very brief, it is very grand, very sacred, and of infinite value, because it is the good gift of a good God. We pray in the name of our blessed Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6208. An act to amend an act of Congress entitled "An act to provide for the appointment of an additional district judge for the northern and southern districts of West Virginia", approved June 22, 1936, by changing the times provided therein for holding the United States district court at various places now fixed by law in the State of West Virginia.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 171. Joint resolution relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 7493. An act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. FERNANDEZ (at the request of Mr. DEROUEN) for 10 days, on account of illness.

TRANSPORTATION ARRANGEMENTS FOR COMMITTEE TO ATTEND THE FUNERAL OF THE LATE SENATOR ROBINSON

The SPEAKER. At the request of the Sergeant at Arms of the House the Chair asks the Clerk to read the following announcement with reference to the arrangements for the train transportation of the committee to attend the funeral of the late Senator ROBINSON at Little Rock, Ark.

The Clerk read as follows:

MEMORANDUM FOR THE SPEAKER

The special train bearing Members of the House and Senate appointed to attend the funeral of Senator ROBINSON in Little Rock, Ark., Sunday afternoon, will leave the Union Station at 10 p. m. over the Baltimore & Ohio Railroad. The Sergeant at Arms of the House will be at the train to assign reservations for the members of the House committee. Informal summer clothes, preferably white, will be worn at the funeral in Little Rock by delegations from both the House and Senate.

ATTENDANCE UPON SERVICES IN THE SENATE CHAMBER

The SPEAKER. The Chair suggests to the Members, in view of the fact that certain seats have been reserved in the Senate Chamber for the committee appointed to attend the funeral of the late Senator ROBINSON, that the committee immediately follow the Speaker and that the Members then follow the committee in the procession to the Senate Chamber. The Speaker will take his place at the door, the members of the committee will fall in behind him, and the other Members will follow in order.

Thereupon, at 11:55 o'clock a. m., the Members of the House proceeded to the Senate Chamber.

At 12:43 o'clock p. m., the Members of the House returned to the House Chamber.

ADJOURNMENT

The SPEAKER. Pursuant to the provisions of House Resolution 279 and the special order agreed to upon yesterday, the House, as a further mark of respect to the memory of the deceased Senator, will stand adjourned until 12 o'clock noon on Monday next.

Accordingly (at 12 o'clock and 47 minutes p. m.) the House, in accordance with its previous order, adjourned until Monday, July 19, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, July 20, 1937, at 10:30 a. m. to continue hearings on H. R. 7365.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, July 22, 1937. Business to be considered: Hearing on H. R. 1536, H. R. 5531, H. R. 7001, and H. R. 7643, research bills.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MASSINGALE: Committee on Immigration and Naturalization. H. R. 7888. A bill for the relief of sundry aliens; without amendment (Rept. No. 1251). Referred to the Committee of the Whole House.

Mr. HAINES: Committee on the Post Office and Post Roads. H. R. 7448. A bill to provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes; with amendment (Rept. No. 1252). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 7227) granting a pension to Rachel Roesel, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HILL of Washington: A bill (H. R. 7892) to authorize postmasters and assistant postmasters to administer oaths required by law; to the Committee on the Judiciary.

By Mr. KENNEY: A bill (H. R. 7893) to create a Division of Aviation Education in the Office of Education; to the Committee on Education.

By Mr. COSTELLO: Joint resolution (H. J. Res. 447) to protect the copyrights and patents of foreign exhibitors at the Pacific Mercado International Exposition, to be held at Los Angeles, Calif., in 1940; to the Committee on Patents.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McFARLANE: A bill (H. R. 7894) granting a pension to James F. Phillips; to the Committee on Pensions.

By Mr. SPARKMAN: A bill (H. R. 7895) for the relief of Esther Hill; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2948. By Mr. LUTHER A. JOHNSON: Petition of J. H. Powell, president, Navasota Cooperage Co., Navasota, Tex., opposing the Black-Connery wage and hour bill; to the Committee on Labor.

2949. Also, petition of F. E. Morriss, executive secretary and general manager, Texas Retail Dry Goods Association, of Dallas, Tex., favoring House bills 7152 and 7550; to the Committee on Ways and Means.

2950. Also, petition of Brazos County Agricultural Association and Lynn Sample, Bryan, Tex., favoring House bill 7577, Flannagan farm-adjustment bill; to the Committee on Agriculture.

2951. By Mr. LAMNECK: Petition of Denny Cross and 250 other citizens of Columbus, Ohio, urging passage of House bill 4199, known as the General Welfare Act; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 19, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Merciful God, our Heavenly Father, as we pause in prayer at Thy mercy seat may we hear Thee in conscience and in the dictates of a higher selfhood. Quicken our souls, for the best influence in all this world is a spiritualized manhood. We pray that by vision and by virtue we may be a voice for the oppressed, the suffering, and the sinning. Give us, we entreat Thee, a truthful knowledge of ourselves for the freshening of our ideals and for the answers of our fevered questions. Help us, we beseech Thee, for we are compounds of weakness and of strength, and the difficult task is to separate the bad from the good, the wise from the unwise. May this day be the beginning of a week of earnest living and earnest doing. Abide with our President, our Speaker, and the Congress, and be in all their counsels. Thine shall be the praise. In the name of Jesus. Amen.

The Journal of the proceedings of Friday, July 16, 1937, was read and approved.

CAROLINE L. RODGERS

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts.

The Clerk read the resolution, as follows:

House Resolution 280

Resolved, That there shall be paid out of the contingent fund of the House to Caroline L. Rodgers, wife of Joseph G. Rodgers, late an employee of the House, an amount equal to 6 months' compensation and an additional amount, not to exceed $250, to defray funeral expenses of the said Joseph G. Rodgers.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include two statements by myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SHALL WE SAVE OUR MARKETS FOR AMERICAN FATS AND OILS?

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD on the trade treaty with Norway.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PIERCE. Mr. Speaker, the National Grange and other farm organizations are seeking to enlist the cooperation of Congressmen, as well as fellow Grangers, dairymen, and other agricultural producers for the protection of an American industry now threatened by a proposed reciprocal trade agreement with Norway. I am now, and have been for over a quarter of a century, a member of the Grange. For the many years of my public life, as Oregon State senator and Governor, and now in Congress, I have been an uncompromising champion of the dairymen and have, as a member of the Committee on Agriculture of the House of Representatives, interested myself in farm legislation. We have in Washington many kinds of lobbyists, not all of them helpful, but I have found at least two here who are unceasing in their efforts in behalf of American farmers—Fred Brenckman, of the National Grange, and A. M. Loomis, of the Dairy Union.

THE PRESENT EMERGENCY AND THE RECIPROCAL TARIFF ACT

Now, the friends of the farmer in Washington are working together on a matter which affects both producers and consumers of products which are prosaically called "fats and oils." It happens that the State Department is, under the Reciprocal Tariff Act, considering a trade agreement with Norway. Until the Reciprocal Tariff Act was passed, in 1934, all treaties were ratified by the Senate. Under that act, renewed this session, trade treaties or agreements are made by the State Department independently of the Congress. It appears to me that under this system farmers have been sacrificed for the benefit of industry. By this I mean that foreign agricultural products have been given our American markets in exchange for foreign markets for American automobiles and adding machines. Under the most-favored-nation clause of the act, lowering of tariff on any commodity for one nation gives all nations the same privilege. I voted against renewal of this act; now I want to help to overcome its disadvantages.

THE NORWEGIAN TREATY AND WHAT YOU CAN DO ABOUT IT

You will recall that Norway, "land of the midnight sun", sends its sailors forth into the ports of the world, and that its fishermen are famed as the most hardy and successful whalers. They bring home the products of their venturesome journeys at sea and Norwegian people must find a market for the whale oil, which is one of their chief exports. Our friends in Norway seek to have the United States, through a reciprocal-trade agreement, admit to our markets millions of pounds of whale oil to be sold here in competition with the products of the farmers of America. If this treaty goes through, this whale oil can be made into oleomargarine here at a cost of less than 8 cents a pound. As it is now, under a tariff which we have placed for the protection of our American farmers, the whale oil, which is worth around 5 cents on the world market, would have to be sold here raw for 8 cents. The Norwegians have always been large producers of fats and oils; formerly they were used for lamps, lanterns, and grease. Now their whale oil is a substitute for our lard and tallow and it is used for soap, as a butter substitute in oleomargarine, and for many other commercial purposes. This low-tariff wall of 3 cents a pound on certain foreign fats and oils was erected by Congress in 1934 for your protection. Shall we allow those who bargain for us through the State Department to breach that wall for the purpose of the hardy Norwegians if it will work injury to our own farm people who have been so hard-pressed since 1920?

In order to be entirely fair, we must consider several phases of this problem and we must be informed if we are to make an intelligent decision. I am asking the Members of this House to study this matter and to make representation to the State Department, telling them what they think of the proposal to place the American producers outside the protection of this small tax of 3 cents levied on foreign fats and oils. Remember, if the tax is remitted for Norway, it must, under the most-favored-nation clause, be remitted to all who have such products to send us.

WHAT PRODUCERS WILL BE AFFECTED?

If this 3-cent tariff or tax is removed by the State Department, it will lower the income of many types of producers in America, including dairymen, beef-cattle growers, and practically all the livestock industry, cottonseed, corn, and soybean growers. It will actually affect owners and workers on at least four-fifths of all the farms in the country. It is not merely one section of the country which would be affected but practically all sections, because there are so many kinds of animal and vegetable oils and fats produced. This slight tariff wall brought about increased prosperity which the American farmers have enjoyed recently. Because it gave the farmers buying power, it helped the businessmen and industry. Why should we Americans deny

ourselves this advantage for the benefit of any European country?

This is not a romantic subject, but the figures of the vastness of the world's business in fats and oils are impressive. They constitute a very large percentage of the world's commerce in agricultural products. I was amazed when I learned the magnitude of this business. It has come about very largely through the scientific skill of modern chemists, and the advancement which has followed chemical research. Practically all the fats and oils, vegetable and animal, may be so refined and used that they come into competition with our own farm products raised throughout the whole country—such as butter, lard, tallow, cottonseed oil, soybean oil, and corn oil; also the oil produced through the fisheries. The quantities are so great that we measure them, like the national debt, in "billions." All imported fats and oils come into competition with our own agricultural products. Why should we give any other nation the privilege of flooding our markets with their oils and fats?

SPECIAL BENEFITS OF THE 3-CENT TAX

In 1936, 8,000,000 tons, or 16,000,000,000 pounds, of oil were moved in ships in foreign commerce. That is more than twice the amount of all the fats and oils produced in the United States, which turns out six and one-half billion pounds a year. Most of our domestic fats and oils are consumed within our own borders, as we export only small quantities. We have always been importers of certain oils, which have come in over the 3-cent tax, not intended to be prohibitive, but protective only. The noncompetitive oils are not included in this story, which is limited to those entering into competition with American farm producers. Last year, over this 3-cent wall, which was 4½ cents on some oils, we imported over 1,700,000,000 pounds of oil, or oil-bearing materials. These were subject to the tax and were admitted to our manufacturing industries and our commerce. I wonder if we need to import a billion and a half pounds of oils? Why can we not produce them here? We need new crops of which we have no surplus, and we very specially need crops which could take up the lands now used for our surplus crops, like wheat, corn, and cotton. The disposal and control of these surplus crops is a vexing national problem.

It is my belief that our dairy products today are 25 percent higher than they would be had we not placed this tax on imported ingredients for oleomargarine. The State Department is great and majestic, but, like other departments in Government, it should function for the everyday welfare of our people, and those who milk old Bess are an important part of our population.

The soybean industry, a fairly recent importation from the Asiatic shores, has grown tremendously. When I came to Congress in 1933, soybean oil was produced in this country to the extent of twenty-six and one-half million pounds; in 1936 it was nine times as much, or more than 225,000,000 pounds. Farmers who raised soybeans got 64 cents a bushel in 1933, and in 1935 the price had advanced to $1.02 a bushel, for the tremendous crop of nearly 45,000,000 bushels. This increase in production amounted in shining money to nearly $17,000,000 income for American farmers, and remember, it came from lands which might have been used for our troublesome surplus crops.

Tallow is one of the most important fats in our production. In 1933 it brought 3 cents a pound; today it brings 8½ cents, and the benefits due to this increased price are over $40,000,000. These welcome dollars were paid to stock farmers in better prices for their cattle, and helped dairy farmers because of the higher cost of competing oleomargarine.

What is the story as it relates to the cotton farmers of the South, who find the sale of cotton seed so important? When I first wrote "M. C." after my name, these farmers received $10.35 a ton for their seed. Last year it was $31.33 a ton, and the amount of additional money brought to cotton farmers because of that increased price was over $100,000,000.

This year we look for a 200,000,000-pound production of corn oil, a source of great profit to farmers. Peanut-oil production has increased since 1933 from twelve and one-half million to over 70,000,000 pounds. And so the amazing effects of encouragement of home production have been felt by farmers everywhere in our fair land.

Now, every pound of these oils produced in our country has meant money to American farmers, and the farmers have put that money into circulation for the benefit of industry and business. On the contrary, every pound of the foreign fats and oils landed on our shores benefits a competitor for our production and for our money. Are our farmers in a position to allow that unfair competition to rob them of much-needed income? That 3-cent tax has helped to build up the oil and fat industries of this country. Why not continue to demand that any necessary imports should come over the low protective wall of 3 cents a pound? Modern transportation has made the world so much of a neighborhood that it has been necessary to restudy and recast our trade relations, but every other nation has protected its own people. Unless we in the United States continue this policy of aiding those throughout the country who produce those different oils and fats, a large proportion of the 19,000,000,000 pounds of oils in the world's trade would be brought to American ports.

I am well aware that many of those employed in our industries and factories are made by propaganda to think they are adversely affected when farm prices are increased. They believe it is to their interest to be able to buy cheap food. No one but the greediest of greedy owners could justly take that viewpoint, because the workers, when given higher wages, are willing that the farmers should share their prosperity through higher prices for the products of their labor. Prices of farm products have never gone to the prohibitive point, and people of farm and factory should work together to help each other. All America prospers when the farmer receives a reasonable price for his product. He spends his income for the products of industries. His taxes, which are now harder to pay than they have ever been, help to fill the Public Treasury. Prosperity cannot come to the American farmer nor to the manufacturer if farm products must be sold for less than the cost of production. Are we in a position to lose the advantage in price and public income which we have enjoyed because of the 3-cent tax which has brought increased millions to the producers of this country and extended our farming operations?

PUBLIC REVENUE A FACTOR

Now, this matter of protection of so large and important a section of the American producers is not the only point at issue. Since we placed the tax on foreign fats and oils in 1934 our Government has collected about $69,000,000 from this duty. The collections on Philippine coconut oil must, under our agreement, be returned to that Government, but the net revenue to our Treasury through this 1934 3-cent tax has been more than $26,000,000. This is almost enough to fill the gap made by the 3½-percent farm interest rates which we have recently had such a struggle to retain through congressional action. Now the same sort of group which would require our farmers to pay the highest interest rates on Government money are proposing that those farmers should allow an important part of their markets in this country to be destroyed for the benefit of Norwegian fishermen. We honor the Norwegian people who have settled among us and have the most friendly feeling for their country, but we should not be called upon to make such a sacrifice when we are just coming out of an unprecedented agricultural depression.

We must help the Grange and other farm organizations who are seeking to do justice to American farmers. The State Department must not allow interference with our small protective tax, even in the trade agreement with Norway. The welfare of American farmers should not be sacrificed in the Norwegian reciprocal-trade agreements as they have recently been sacrificed in other trade agreements. Now is the time when we can protect our farm earnings by vigorous action.

This recital of increased prices for certain farm commodities during the past 4 years must impress every listener with the fact that something has been done for the farmer by the group controlling legislation in Washington over this period. The farmer has never had better friends in public life, but he must, of course, express his own opinion in an unmistakable manner.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

REVISION OF AIR-MAIL LAWS

The Clerk called the first bill on the Consent Calendar, H. R. 4732, to revise the air-mail laws.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PREFERRED EMPLOYMENT OF AMERICAN CITIZENS

The Clerk called the next bill, H. R. 3423, to provide for the preferred employment of American citizens by the Government of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That no existing or future appropriation shall be available to pay the compensation of any alien who is compensated out of appropriations made by Congress unless the appointing officer certifies under oath that no qualified American citizen can be found who is available for the office or employment: *Provided,* That no existing or future appropriation shall be available to pay the compensation of any alien who is illegally in the United States or its possessions.

SEC. 2. This act shall become effective 30 days after the date of its enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That no existing or future appropriation shall be available after December 31, 1937, to pay the compensation of any alien now or hereafter employed within the continental United States in any office or employment who is compensated in whole or in part out of appropriations made by Congress, unless the appointing officer certifies under oath that no qualified American citizen is available for such office or employment. This section shall not apply to persons on the active or retired lists of the armed forces of the United States, commissioned, appointed, enlisted, or enrolled prior to the enactment of this act, nor to instructors in foreign languages at the United States Military, Naval, or Coast Guard Academies. The President may by order prescribe such additional exceptions to the provisions of this section as in his opinion are necessary to the efficiency of the Government service.

"SEC. 2. No existing or future appropriation shall be available after December 31, 1937, to pay the compensation of any alien who is illegally in the United States or any of its possessions."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF FEDERAL EMPLOYEES OF THE FEDERAL SUBSISTENCE HOMESTEADS CORPORATIONS

The Clerk called the next bill, H. R. 3058, for the relief of former employees of the Federal Subsistence Homesteads Corporations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the case of any person who was employed by any corporation, all of the stock of which was owned by the Federal Subsistence Homesteads Corporation of Delaware, and who was transferred to a position in the Department of the Interior with the same or substantially similar duties but at an increase in his rate of compensation, if there have been heretofore withheld or deducted from any amounts, otherwise payable to such person out of Government funds, any amount on account of any payment of salary to such person, subsequently disallowed or held to have been illegally made under any decision of the Comptroller General that such transfer to such position in the Department of the Interior constituted an administrative promotion within the provisions of section 7, as amended and extended, of the Treasury-Post Office Appropriation Act, fiscal year 1934, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to such person a sum equal to the amount so withheld or deducted.

SEC. 2. Each person referred to in section 1, and each disbursing officer who made any payments of salary referred to in such section to any such person, is hereby released from any liability to refund or pay to the Government, or otherwise discharge, any amount on account of any such payment of salary to such person, subsequently disallowed or held to have been illegally made under any decision of the Comptroller General that the transfer of such person to such position in the Department of the Interior constituted an administrative promotion within the provisions of section 7, as amended and extended, of the Treasury-Post Office Appropriation Act, fiscal year 1934, and no deduction shall be made from any amount due or payable out of Government funds to any such person or disbursing officer by reason of any such decision.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF BOUNDARIES OF THE PAPAGO INDIAN RESERVATION (ARIZONA)

The Clerk called the next bill, S. 1806, to extend the boundaries of the Papago Indian Reservation in Arizona.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That whenever all privately owned lands except mining claims within the following-described area have been purchased and acquired as hereinafter authorized, the boundary of the Papago Indian Reservation in Arizona shall be extended to include the west half of section 4; west half of section 9, township 17 south, range 8 east; all of township 18 south, range 2 west, all of fractional township 19 south, range 2 west; and all of fractional townships 18 and 19 south, range 3 west, except sections 6, 7, 18, 19, 30, and 31 in township 18 south, range 3 west, Gila and Salt River meridian. This extension shall not affect any valid rights initiated prior to the approval hereof nor the reservation of a strip of land 60 feet wide along the United States-Mexico boundary made by proclamation of the President dated May 27, 1907 (35 Stat. 2136). The lands herein described when added to the Papago Indian Reservation as provided in this act shall become a part of said reservation in all respects and upon all the same terms as if said lands had been included in the Executive order issued by the President on February 1, 1917: *Provided,* That lands acquired hereunder shall remain tribal lands and shall not be subject to allotment to individual Indians.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to purchase for the use and benefit of the Papago Indians with any available funds heretofore or hereafter appropriated pursuant to authority contained in section 5 of the act of June 18, 1934 (48 Stat. 984), all privately owned lands, water rights, and reservoir site reserves within townships 18 and 19 south, ranges 2 and 3 west, together with all grazing privileges and including improvements upon public lands appurtenant to the so-called Menager Dam property, at the appraised value of $40,016.37.

SEC. 3. The State of Arizona may relinquish in favor of the Papago Indians such tracts within the townships referred to in section 1 of this act as it may see fit and shall have the right to select other unreserved and nonmineral public lands within the State of Arizona equal in area to those relinquished, said lieu selections to be made in the same manner as is provided for in the enabling act of June 20, 1910 (36 Stat. 558), or in the discretion of the State of Arizona under the provisions of section 8 of the act of June 28, 1934 (48 Stat. 1269), as amended and supplemented by the act of June 26, 1936 (49 Stat. 842). The payment of fees or commissions is hereby waived in all lieu selections made pursuant to this section.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO SECTION 3 OF THE ACT OF JUNE 18, 1934 (48 STAT., 984–988) RELATING TO INDIAN LANDS IN ARIZONA

The Clerk called the next bill, S. 2188, to amend section 3 of the act of June 18, 1934 (48 Stat. 984–988), relating to Indian lands in Arizona.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act of June 18, 1934 (48 Stat. 984–988), be, and it is hereby, amended to read as follows:

"SEC. 3. (a) The Secretary of the Interior, if he shall find it to be in the public interest, is hereby authorized to restore to tribal ownership the remaining surplus lands of any Indian reservation heretofore opened, or authorized to be opened, to sale, or any other form of disposal by Presidential proclamation, or by any of the public-land laws of the United States: *Provided, however,* That valid rights or claims of any persons to any lands so withdrawn existing on the date of the withdrawal shall not be affected by this act: *Provided further,* That this section shall not apply to lands within any reclamation project heretofore authorized in any Indian reservation: *Provided further,* That this section shall not apply to the lands ceded and excluded from the San Carlos Indian Reservation in Arizona by the agreement of February 25, 1896, ratified by the act of June 10, 1896 (29 Stat. 358).

"(b)(1) The order of the Department of the Interior signed, dated, and approved by Hon. Ray Lyman Wilbur, as Secretary of the Interior, on October 28, 1932, temporarily withdrawing lands of the Papago Indian Reservation in Arizona from all forms of mineral

entry or claim under the public-land mining laws, is hereby revoked and rescinded, and the lands of the said Papago Indian Reservation are hereby restored to exploration and location, under the existing mining laws of the United States, in accordance with the express terms and provisions declared and set forth in the Executive orders establishing said Papago Indian Reservation: *Provided*, That damages shall be paid to the superintendent or other officer in charge of the reservation for the credit of the owner thereof, for loss of any improvements on any land located for mining in such a sum as may be determined by the Secretary of the Interior to be the fair and reasonable value of such improvements: *Provided further*, That a yearly rental not to exceed 5 cents per acre shall be paid to the superintendent or other officer in charge of the reservation for deposit in the Treasury of the United States to the credit of the Papago Tribe for loss of the use or occupancy of any land withdrawn by the requirements of mining operations.

"(2) In the event any person or persons, partnership, corporation, or association desires a mineral patent, according to the mining laws of the United States, he or they shall first pay to the superintendent or other officer in charge of the reservation, for deposit in the Treasury of the United States to the credit of the Papago Tribe, the sum of $1 per acre in lieu of annual rental, as hereinbefore provided, to compensate for the loss of the use or occupancy of the lands withdrawn by the requirements of mining operations; but the sum thus deposited, except for a deduction of rental at the annual rate hereinbefore provided, shall be refunded to the applicant in the event that patent is not acquired: *Provided*, That an applicant for patent shall also pay to the superintendent or other officer in charge of the said reservation, for the credit of the owner thereof, damages for the loss of improvements not theretofore paid, in such a sum as may be determined by the Secretary of the Interior to be the fair value thereof.

"(3) Water reservoirs, charcos, water holes, springs, wells, or any other form of water development by the United States or the Papago Indians shall not be used for mining purposes under the terms of this act, except under permit from the Secretary of the Interior approved by the Papago Indian Council: *Provided*, That nothing herein shall be construed as interfering with or affecting the validity of the water rights of the Indians of this reservation: *Provided further*, That the appropriation of living water heretofore or hereafter affected by the Papago Indians is hereby recognized and validated subject to all the laws applicable thereto.

"(4) Nothing herein contained shall restrict the granting or use of permits for easements or rights-of-way; or ingress or egress over the lands for all proper and lawful purposes; and nothing contained herein, except as expressly provided, shall be construed as authority for the Secretary of the Interior, or any other person, to issue or promulgate a rule or regulation in conflict with the Executive order of February 1, 1917, creating the Papago Indian Reservation in Arizona or the act of February 21, 1931 (46 Stat. 1202)."

With the following committee amendment:

Page 2, line 5, after the word "reservation", strike out the remainder of line 5 and all of lines 6, 7, 8, and 9.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMISSION TO CITIZENSHIP OF CERTAIN ALIENS

The Clerk called the next bill, H. R. 6785, for the admission to citizenship of aliens who came into this country prior to February 5, 1917.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. LANZETTA. Will the gentleman withhold his request for a moment?

Mr. JENKINS of Ohio. Yes.

Mr. LANZETTA. I believe the gentleman understands what this bill purports to do. It purports to give citizenship to people who have been here for 20, 30, and 40 years or more and who have been unable to become American citizens because of their inability to comply with the educational requirements of our naturalization law. This is a humane piece of legislation, and in view of the laws which are being passed by Congress barring aliens from employment on Government work and depriving them of W. P. A. positions, I think our Government owes it to these people who have been in this country a great number of years to admit them to citizenship. In most countries persons are admitted to citizenship on the basis of length of residence in the country.

Mr. JENKINS of Ohio. In most countries they cannot become citizens at all.

Mr. LANZETTA. I do not think that is true.

Mr. JENKINS of Ohio. This is the most liberal country in the world in that respect.

Mr. LANZETTA. I received information from various countries that citizenship is granted after a certain period of residence. My bill takes care of persons who in the main have American families.

Mr. JENKINS of Ohio. If the gentleman will not object to my request to pass this bill over without prejudice, I will be glad to look into the matter until the calendar is called the next time; otherwise I shall have to object.

Mr. LANZETTA. If the gentleman wishes to further study the bill, I shall not object.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

NATURALIZATION OF ALIEN VETERANS OF THE WORLD WAR

The Clerk called the next bill, H. R. 4291, to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, may I ask the author of the bill if this covers simply an extension of time granted in bills we have heretofore passed?

Mr. LESINSKI. Mr. Speaker, this bill is similar to the bill, H. R. 2739, passed in the Seventy-fourth Congress, but strikes out the words "having been denied entry into the military and naval forces of the United States." Many of these aliens joined the armies in France prior to our entry into the war, so they cannot prove they were denied service in this Army.

Mr. JENKINS of Ohio. Does the gentleman state this bill is similar to bills we have heretofore passed?

Mr. LESINSKI. This is the same bill, except for the wording.

Mr. JENKINS of Ohio. I want to know about the difference. Will the gentleman please state the difference again?

Mr. LESINSKI. The difference is that line 10 in the old bill is struck out, reading as follows:

Having been denied entry into the military and naval forces of the United States.

Mr. JENKINS of Ohio. To whom does the gentleman refer when he uses the phrase "having been denied"?

Mr. LESINSKI. The aliens who went across prior to our entering the war.

Mr. JENKINS of Ohio. The gentleman states "having been denied."

Mr. LESINSKI. They left the country, so they could not be denied.

Mr. JENKINS of Ohio. Is this the only class? The gentleman is not including anybody who has made application here but could not get in?

Mr. LESINSKI. No one at all, except the aliens who left the country before we were in the war.

Mr. JENKINS of Ohio. Heretofore we have been very liberal, and I think justly so. I have always favored this kind of a bill letting in all of these veterans. However, we have extended the time several times. Is this going to open the door in any way so that we are going to give citizenship to some fellow who has complicated the situation by getting into some other country, and if we give him citizenship now it will complicate our relationship with some other country?

Mr. LESINSKI. No; it does not include such a man at all. The reason for introducing this bill is that some of the judges claimed they would not grant citizenship to these veterans on account of certain words in the Connally-Cannon bill, which have been struck out in my bill.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Illinois if he has anything to offer.

Mr. MASON. This bill applies only to veterans of the World War who were aliens and joined the other armies before we got in.

Mr. JENKINS of Ohio. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (a) of section 1 of the act entitled "An act to further amend the naturalization laws, and for other purposes", approved May 25, 1932 (47 Stat. 165; U. S. C., Supp. VII, title 8, sec. 392b (a)), shall, as herein amended, continue in force and effect to include petitions for citizenship filed prior to May 25, 1938, with any court having naturalization jurisdiction: *Provided*, That for the purposes of this act clause (1) of subdivision (a) of section 1 of the aforesaid act of May 25, 1932, is amended by striking out the words "all such period" and in lieu thereof inserting the words "the 5 years immediately preceding the filing of his petition."

SEC. 2. The provisions of section 1 of this act are hereby extended to include any alien lawfully admitted into the United States for permanent residence who departed therefrom between August 1914 and April 5, 1917, or who departed therefrom subsequent to April 5, 1917, for the purpose of serving, and actually served prior to November 11, 1918, in the military or naval forces of any of the countries allied with the United States in the World War and was discharged from such service under honorable circumstances: *Provided*, That before any applicant for citizenship under this section is admitted to citizenship, the court shall be satisfied by competent proof that he is entitled to and has complied in all respects with the provisions of this act; and that he was and had been a bona fide lawfully admitted resident in the United States for 2 years before the passage of this act.

SEC. 3. The Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, shall prescribe such rules and regulations as may be necessary for the enforcement of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECORDS OF THE HOUSE OF REPRESENTATIVES

The Clerk called House Resolution 222, authorizing the Clerk of the House of Representatives to transfer certain records not necessary in current business to the Archivist of the United States.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the resolution may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATIONAL PLAN FOR FLOOD CONTROL

The Clerk called House Joint Resolution 175, to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes.

Mr. DONDERO. Mr. Speaker, I object.

Mr. WHITTINGTON. Would the gentleman object to having the joint resolution passed over without prejudice? The author of the resolution is not here at the moment.

Mr. DONDERO. Not at all.

Mr. WHITTINGTON. If the gentleman will submit that request, I will be very much obliged to him.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the resolution may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SALE OF DORMITORY PROPERTIES OF THE CHICKASAW TRIBE OF INDIANS

The Clerk called the next bill, H. R. 7409, providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ACCOMMODATIONS FOR HOLDING COURT AT SHAWNEE, OKLA.

The Clerk called the next bill, H. R. 4605, relating to the accommodations for holding court at Shawnee, Okla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla.", approved May 13, 1936 (U. S. C., 1934 ed., Supp. II, title 28, sec. 182), is amended by striking out ": *Provided*, That suitable rooms and accommodations for holding court at Shawnee are furnished without expense to the United States."

With the following committee amendment:

Page 1, line 7, after the word "out", strike out the remainder of line 7 and down to and including line 10 and insert the following: "the period at the end of the proviso and adding the following: 'until, subject to the recommendation of the Attorney General of the United States with reference to providing such rooms and accommodations for holding court at Shawnee, a public building shall have been erected or other Federal space provided for court purposes in said city.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHIPPEWA INDIANS IN THE STATE OF MINNESOTA

The Clerk called the next bill, H. R. 4540, authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the next bill, H. R. 4539, authorizing a per-capita payment of $25 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MEMORIAL TO WILL ROGERS

The Clerk called the next bill, H. R. 6482, providing for cooperation with the State of Oklahoma in constructing a permanent memorial to Will Rogers.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CREATION OF UNITED STATES BOARD OF AWARDS

The Clerk called the next bill, H. R. 171, to create a United States Board of Awards and to provide for the presentation of certain medals.

Mr. COSTELLO and Mr. WOLCOTT asked unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California and the gentleman from Michigan?

There was no objection.

ANNIVERSARY OF THE INAUGURATION OF GEORGE WASHINGTON

The Clerk called House Joint Resolution 366, providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the inauguration of George Washington as first President of the United States and authorizing the President to invite foreign countries to participate therein.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ACQUISITION OF LANDS OF THE SHOSHONE OR WIND RIVER INDIAN RESERVATION

The Clerk called the next bill, H. R. 6914, to authorize the acquisition by the United States of certain tribally owned lands of the Indians of the Shoshone or Wind River Indian Reservation, Wyo., for the Wind River irrigation project.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to acquire on behalf of the United States for the use and benefit of the Wind River Indian irrigation project, Shoshone Indian Reservation, Wyo., at the appraised value thereof, the E½SE¼ sec. 8; the E½NE¼ and NW¼SE¼ sec. 17; the N½N½NE¼ sec. 20; and the N½NW¼NW¼ sec. 21, all in T. 1 S., R. 2 W., Wind River meridian, Wyoming, and not to exceed $650 of the allotment made by the Federal Emergency Administration of Public Works to the Indian Service for Federal project 266–Indian, may be used for this purpose. The amount herein authorized shall be deposited to the credit of the Indians of the Shoshone Reservation as proceeds of labor, Shoshone and Arapahoe Indians, Wyoming, and shall be subject to expenditure pursuant to the provisions of existing laws: *Provided*, That such deposits of funds shall operate as a full, complete, and perfect extinguishment of all right, title, and interest the Indians may possess in and to the land herein described.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF THE FIVE CIVILIZED TRIBES

The Clerk called the next bill, H. R. 4407, authorizing the Five Civilized Tribes, in suits heretofore filed under their original Jurisdictional Acts, to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and authorizing said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original Jurisdictional Acts.

Mr. COCHRAN. Mr. Speaker, I object.

EXCHANGE OF LANDS WITHIN THE GREAT SMOKY MOUNTAINS NATIONAL PARK

The Clerk called the next bill, H. R. 5472, to authorize the exchange of certain lands within the Great Smoky Mountains National Park for lands within the Cherokee Indian Reservation, N. C., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, under such terms and conditions as he may deem proper, to exchange a tract of land of approximately 1,202 acres, near Smokemont, N. C., known as the Towstring tract and forming a part of the Cherokee Indian Reservation, for three tracts of land, totaling approximately 1,547 acres, in the vicinity of Ravensford, N. C., known as the Boundary Tree, Ravensford, and Tight Run tracts and forming a part of the Great Smoky Mountains National Park, conditioned upon the consent of the Eastern Band of Cherokee Indians to the acquisition by the State of North Carolina of a right-of-way, which shall vary in width between 200 feet and 800 feet, for the Blue Ridge Parkway across the said reservation, and further conditioned upon payment to the said Cherokee Indians by the said State of North Carolina of such compensation as shall have been determined by the said Secretary as just and reasonable for the said right-of-way. When the foregoing conditions have been complied with, the Secretary of the Interior is hereby further authorized to grant to the State of North Carolina a right-of-way as hereinbefore provided for.

SEC. 2. The consent of the said Cherokee Indians to any proposed exchange and the acquisition of a right-of-way by the State of North Carolina as provided for herein shall be considered as expressed in the event the tribal council has, by the majority vote, agreed thereto within 60 days after the passage of this act, or in the event the said Cherokee Indians have, in a general election held thereafter and in which a majority vote in favor thereof, agreed thereto.

SEC. 3. No exchange shall be consummated pursuant to the provisions of this act unless and until the consent of the State of North Carolina is first had and obtained thereto as indicated by an act of its legislature.

SEC. 4. Upon the consummation of the exchange made pursuant to the provisions of this act, the lands transferred to the Indians shall be held in trust by the United States for the said Eastern Band of Cherokee Indians and shall be nontaxable and nonalienable the same as the balance of said lands and the lands transferred to the National Park Service shall become and be a part of the Great Smoky Mountains National Park and shall be subject to the provisions of the act of Congress approved August 25, 1916 (39 Stat. 535), as amended: *Provided*, That should any of the exchanged area or parkway right-of-way herein dealt with cease to be used for park purposes, the title thereto shall revert to its status prior to the exchange.

With the following committee amendments:

Page 2, line 5, after the word "to", insert "this exchange and to."

Page 2, section 2, strike out all of lines 19, 20, 21, 22, and 23, inclusive, and insert in lieu thereof the following: "be expressed by secret ballot in a general election, in which a majority vote in favor thereof. Such election to be arranged and supervised by the tribal council within 60 days after the passage of this act, and the results of such election shall be final."

Page 3, line 7, strike out the word "said" and insert in lieu thereof "the Indian."

Page 3, line 8, after the first word of the line and before the comma, insert "of the aforesaid reservation."

Page 3, line 8, strike out the words "National Park Service" and insert in lieu thereof "United States for park purposes."

Page 3, line 14, after the word "park", insert "or parkway."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT FOR CERTAIN LANDS APPROPRIATED BY THE UNITED STATES

The Clerk called the next bill, H. R. 4399, authorizing payment for certain lands appropriated by the United States, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. MURDOCK of Utah. Mr. Speaker, reserving the right to object, I would like to make this explanation: H. R. 4399 is an appropriation bill to pay for certain coal lands taken from the Indians of my State for Government purposes several years ago. Congress paid for all of the land—1,010,000 acres, mostly grazing land—with the exception of 36,000 acres of coal land. The Congress instructed the Secretary of the Interior to ascertain the value of the coal land and report back to the Congress, which was done. I introduced a bill for the appropriation of money to pay for it, which bill was killed in the last session of Congress. I anticipated there would be objection to this appropriation bill, so at the same time I introduced it I also introduced a companion bill, H. R. 3162, giving these Indians the right to go into the Court of Claims and establish the value of the coal lands and present any and all other claims they had against the Government. While I do not find any fault with the objection to the appropriation bill, I do hope that the next bill, H. R. 3162, which is merely a jurisdictional bill, will be allowed to pass at this time. If this Congress is unwilling, as directed by a former Congress, to assume the payment of this just claim, then the least we can do is to pass this jurisdictional bill and let the Indians involved present their claim to the Court of Claims. To do less is to deny justice to them, to ignore a solemn, just claim predicated upon a treaty, and to shut our ears and eyes to the facts.

Some gentlemen of this house, regardless of the merit of pending bills, object to their consideration on the ground of economy, but justice should not be denied or delayed on the principle of economy or any other principle. The premise of economy in delaying a meritorious claim is false and only forestalls the day of reckoning and at the same time overlooks the piling up of interest which, under our Supreme Court decisions, attaches from the inception of the claim and runs until it is ultimately paid. It is a simple thing to object to a bill which, by reason of its merit, will eventually pass, but such a course usually proves to be false economy. This jurisdictional bill should pass on its merit.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

CONFERRING JURISDICTION UPON THE UNITED STATES COURT OF CLAIMS TO EXAMINE CLAIMS OF VARIOUS INDIAN TRIBES

The Clerk called the next bill, H. R. 3162, conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice. I have asked for a report on it and I have not yet received it.

The SPEAKER. Is there objection to the request of the gentleman from Missouri that the bill be passed over without prejudice?

There was no objection.

TO AMEND ACT OF MARCH 26, 1934

The Clerk called the next bill, H. R. 7512, to amend the act approved March 26, 1934.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved March 26, 1934, to authorize annual appropriations to meet losses sustained by officers and employees of the United States in foreign countries due to appreciation of foreign currencies in their relation to the American dollar, be, and is hereby, amended by substitution of the date "July 1, 1933", for "July 15, 1933", as the date from which officers and employees of the United States in service in foreign countries may be reimbursed for losses sustained due to the appreciation of foreign currencies in their relation to the American dollar, and reimbursement of losses sustained for such additional period is authorized to be paid from any unexpended balance of funds appropriated for exchange relief remaining in the Treasury which are otherwise unencumbered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HUNTING ISLAND LIGHTHOUSE RESERVATION

The Clerk called the next bill, H. R. 4642, to provide for the conveyance by the United States to the county of Beaufort, S. C., of the Hunting Island Lighthouse Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to the condition hereinafter specified, the Secretary of Commerce is authorized and directed to convey to the county of Beaufort, S. C., all the right, title, and interest of the United States in and to the two parcels of land (together with all improvements thereon) constituting the Hunting Island Lighthouse Reservation, situated on the island known as Hunting Island, in the county of Beaufort, S. C. Such conveyance shall contain the express condition that if the county of Beaufort, S. C., shall at any time cease to use the property as a public park for public recreation or as a game sanctuary, or both, or shall alienate or attempt to alienate such property in any manner other than that authorized by section 1 of the joint resolution of the General Assembly of the State of South Carolina, approved June 2, 1936, authorizing the development of Hunting Island, title thereto shall revert to the United States.

With the following committee amendment:

Page 1, line 4, strike out "Secretary of Commerce" and insert "Director of Procurement, subject to the approval of the Secretary of the Treasury."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATANO REAR RANGE LIGHT RESERVATION, P. R.

The Clerk called the next bill, H. R. 6045, authorizing and directing the Secretary of Commerce to transfer to the Government of Puerto Rico a portion of land within the Catano Rear Range Light Reservation, P. R., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce be, and he is hereby, authorized and directed to transfer to the Government of Puerto Rico a portion of land within the Catano Rear Range Light Reservation, Puerto Rico, as shown on the map filed in the Department of Commerce, Washington, D. C., described more particularly as follows:

Beginning at a point lettered "A'" in the easterly line of the Catano Rear Range Light Reservation on the north side of the present municipal road, Catano Palo Seco Road, as shown on the chart no. 2306 of the Department of Commerce, located at a distance of 2.16 feet from point lettered "A" on above-mentioned chart no. 2306; thence, from said initial point lettered "A'", by metes and bounds, the following courses:

South 28°23' W. 28.84 feet to a point lettered "B"; south 61°37' E. 100 feet to a point lettered "C"; north 28°23' E. 6.14 feet to a point lettered "D"; north 61°37' W. 59.93 feet to a point lettered "E'"; north 30°47' W. 17.68 feet to a point lettered "F"; north 25°51' W. 28.77 feet to the starting point "A'."

Contains an area of 110.95 square yards.

With the following committee amendments:

Page 1, line 5, after the words "Puerto Rico", insert "for roadway purposes."

Page 1, line 6, strike out "Rear Range Light" and insert "Range Rear Lighthouse."

Page 1, line 7, strike out the word "map" and insert "drawing numbered 2309."

Page 2, beginning in line 1, strike out all down to and including line 22 and insert the following:

"From a point lettered A, Ninth Lighthouse District Drawing No. 2309, which is the initial point of the metes and bounds of lighthouse reservation at Catano Range Rear Light as per survey dated October 27, 1904, this point being located north 89°16' W. 56.30 feet from center of original wooden tower now removed and south 85°52' W. and 57.90 feet from center of present steel rear range tower, thence by metes and bounds as follows: South 62°5' E. 100 feet along south boundary of lighthouse reservation to a point lettered B; thence north 27°55' E. 18 feet along east boundary of said reservation to a point lettered C; thence north 62°5' W. 59.93 feet to a point lettered D; thence north 31°15' W. 17.68 feet to a point lettered E; thence north 26°9' W. 30.31 feet to a point lettered F on west boundary of said reservation; thence along this boundary south 27°55' W. 45 feet to point of beginning; enclosing an area of 249.50 square yards.

"All bearings given are true, calculated from magnetic bearings from survey of October 27, 1904, corrected by 1°46' W. variation.

"SEC. 2. The deed of conveyance shall contain a provision that should the government of Puerto Rico cease to use the property for the purpose for which it is conveyed title thereto shall revert to the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill authorizing and directing the Secretary of Commerce to transfer to the government of Puerto Rico a portion of land within the Catano Range Rear Lighthouse Reservation, P. R., and for other purposes."

SAFETY OF RAILROAD OPERATION

The Clerk called the next bill, S. 29, to promote the safety of employees and travelers on railroads by requiring common carriers engaged in interstate commerce to install, inspect, test, repair, and maintain block-signal systems, interlocking, automatic train-stop, train-control, cab-signal devices, and other appliances, methods, and systems intended to promote the safety of railroad operation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HARLAN. Mr. Speaker, I object.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. HARLAN. Certainly.

Mr. MARTIN of Colorado. In view of the fact that the gentleman from Ohio [Mr. CROSSER], author of the bill, is not present this morning on account of a death in his family, would the gentleman mind asking leave that the bill go over without prejudice?

Mr. HARLAN. Mr. Speaker, instead of objecting to the present consideration of the bill, I ask unanimous consent that the bill be passed over without prejudice. I did not know the gentleman from Ohio [Mr. CROSSER] was not present.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

SALE BY SECRETARY OF WAR OF SUPPLIES AND EQUIPMENT TO PROSPECTIVE MANUFACTURERS

The Clerk called the next bill, S. 1972, to authorize the Secretary of War to sell, loan, or give samples of supplies and equipment to prospective manufacturers.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, it would seem to me there is no limitation here concerning the amount of property that the Secretary of War could give away. There is a strong inference in the bill that the property is given to contractors in anticipation of their bids, in order that they may have a better understanding of the needs of the departments.

Should there not be some restriction in the bill that would authorize the Secretary of War to give this property only for that purpose; and should not the words "in anticipation of a bid", or something of that nature, be inserted in the bill? I have every faith and confidence in the Secretary of War, of course, not to violate this, but some future Secretary of War might violate the confidence that we are reposing in him.

Mr. FADDIS. I may say to the gentleman that the committee took that into consideration during the hearings on the bill. We were assured that it was not necessary, that every safeguard was taken.

Mr. WOLCOTT. Then, may it be recorded that the intention of Congress is that the Secretary of War shall give this property to the contractors only in anticipation of a bid?

Mr. FADDIS. Surely. I am glad the gentleman brought that point out, because the point was brought out in the committee hearings also.

Mr. WOLCOTT. And the amount that is necessary is only that amount which will give the bidder a clear understanding of the needs of the Department.

Mr. FADDIS. Yes. I am glad the gentleman brought that point out.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized, in his discretion and under rules, regulations, and limitations to be prescribed by him, to sell, loan, or give to contractors and private firms which are or may likely be manufacturers or furnishers of supplies and equipment for the use of the War Department or of the Army, under approved production plans, such drawings, manufacturing and other information, and samples of supplies and equipment to be manufactured or furnished, as he may consider will best promote the interests of national defense.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL NUMBER OF CADETS AT UNITED STATES MILITARY ACADEMY

The Clerk called the next bill, S. 2295, to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the portion of the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, which reads as follows: "one to be selected by the Governor of the Panama Canal Zone, from among the sons of civilians of the Panama Canal Zone and the Panama Railroad, resident on the zone", is amended to read as follows: "one cadet to be selected by the Governor of the Panama Canal from among the sons of civilians residing in the Canal Zone and the sons of civilian personnel of the United States Government and the Panama Railroad Co. residing in the Republic of Panama."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PORT OF NORFOLK, VA.

The Clerk called the next bill, H. R. 7614, to amend the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911 (36 Stat. 1353; U. S. C., title 34, secs. 1121–1123), is amended by adding at the end of the first section the following paragraph:

"The port of Norfolk specified in the preceding paragraph shall be construed as embracing Norfolk, or Portsmouth, or Newport News, or any other city, town, municipality, or locality within the territorial limits of the customs-collection district having its headquarters at Norfolk, Va."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PUNISHMENT FOR REPEATED VIOLATIONS OF NARCOTIC LAWS

The Clerk called the next bill, H. R. 6283, to increase the punishment of second, third, and subsequent offenders against the narcotic laws.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HARLAN. Mr. Speaker, I object.

COLUMBIA NATIONAL FOREST, STATE OF WASHINGTON

The Clerk called the next bill, H. R. 3866, to add certain lands to the Columbia National Forest in the State of Washington.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to any valid existing claim or entry, all lands of the United States within the areas hereinafter described be, and the same are hereby, added to and made parts of the Columbia National Forest, in the State of Washington, to be hereinafter administered under the laws and regulations relating to the national forests; and the provisions of the act approved March 20, 1922 (U. S. C., title 16, secs. 486, 487), as amended, are hereby extended and made applicable to all other lands within the said described area.

Sections 1 to 3, inclusive, and 11 and 12, township 2 north, range 4 east; sections 1 to 3, inclusive, 6 to 8, inclusive, and 10 to 36, inclusive, township 3 north, range 4 east; sections 1 to 28, inclusive, 34 to 36, inclusive, township 4 north, range 4 east; all of township 5 north, range 4 east; sections 1, 2, 11 to 15, inclusive, 22 to 27, inclusive, and 33 to 36, inclusive, township 6 north, range 5 east; sections 4 to 9, inclusive, 16 to 21, inclusive, 28 to 33, inclusive, township 6 north, range 5 east, all in the State of Washington, Willamette meridian.

With the following committee amendment:

Pame 2, line 8, strike out the figure "5" and insert in lieu thereof the figure "4."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF SCOTLAND COUNTY TO THE MIDDLE JUDICIAL DISTRICT OF NORTH CAROLINA

The Clerk called the next bill, H. R. 7092, to provide for the transfer of Scotland County to the middle judicial district of North Carolina.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 98 of the Judicial Code, as amended (U. S. C., 1934 ed., Supp. II, title 28, sec. 179), is amended by striking out "Scotland," in the second paragraph thereof and by inserting "Scotland", immediately after the comma following the word "Rowan" in the fourth paragraph.

With the following committee amendment:

Page 1, line 4, at the end of the line, strike out the word "by"; strike out all of lines 5, 6, and 7, and insert in lieu thereof the following:

"The State of North Carolina is divided into three districts to be known as the eastern, the middle, and the western districts of North Carolina.

"The eastern district shall include the territory embraced on the 1st day of January 1926, in the counties of Beaufort, Bertie, Bladen, Brunswick, Camden, Carteret, Chowan, Columbus, Craven, Cumberland, Currituck, Dare, Duplin, Edgecombe, Franklin, Gates, Granville, Greene, Halifax, Harnett, Hertford, Hyde, Johnston, Jones, Lenoir, Martin, Nash, New Hanover, Northampton, Onslow,

Pamlico, Pasquotank, Pender, Perquimans, Pitt, Robeson, Sampson, Tyrrell, Vance, Wake, Washington, Warren, Wayne, and Wilson.

"The terms of the District Court for the Eastern District of North Carolina shall be held at Raleigh, a 1-week civil term, on the second Mondays in September and March; and at the following places on each succeeding Mondays thereafter: Fayetteville, Elizabeth City, Washington, New Bern, Wilson, Wilmington, and Raleigh, the term at Raleigh being a criminal term only. The clerk of the court for the eastern district shall maintain an office in charge of himself or deputy at Raleigh, at Wilmington, at New Bern, at Elizabeth City, at Washington, at Fayetteville, and at Wilson which shall be kept open at all times for the transaction of the business of the court.

"The middle district shall include the territory embraced on the first day of January 1926, in the counties of Alamance, Alleghany, Ashe, Cabarrus, Caswell, Chatham, Davidson, Davie, Durham, Forsyth, Guilford, Lee, Hoke, Montgomery, Moore, Orange, Person, Randolph, Richmond, Rockingham, Rowan, Scotland, Stanly, Stokes, Surry, Watauga, Wilkes, and Yadkin.

"The terms of the district court for the middle district shall be held at Rockingham on the first Mondays in March and September; at Salisbury on the third Mondays in April and October; at Winston-Salem on the first Mondays in May and November; at Greensboro on the first Mondays in June and December; at Wilkesboro on the third Mondays in May and November; and at Durham on the first Monday in February and the fourth Monday in September: *Provided*, That the cities of Winston-Salem, Rockingham, and Durham shall each provide and furnish at its own expense a suitable and convenient place for holding the district court until Federal buildings containing quarters for the court are erected at such places.

"The western district shall include the territory embraced on the 1st day of January 1926, in the counties of Alexander, Anson, Avery, Buncombe, Burke, Caldwell, Catawba, Cherokee, Clay, Cleveland, Gaston, Graham, Haywood, Henderson, Iredell, Jackson, Lincoln, Madison, Macon, McDowell, Mecklenburg, Mitchell, Polk, Rutherford, Swain, Transylvania, Union, and Yancey.

"Terms of the district court for the western district shall be held in Charlotte on the first Mondays in April and October, at Shelby on the fourth Monday in September and the third Monday in March, at Statesville on the fourth Mondays in April and October, at Asheville on the second Mondays in May and November, and at Bryson City on the fourth Mondays in May and November: *Provided*, That the cities of Shelby and Bryson City shall each provide and furnish at their own expense suitable and convenient places for holding the court at Shelby and Bryson City. The clerk of the court for the western district shall maintain an office, in charge of himself or a deputy, at Charlotte, at Asheville, at Statesville, at Shelby, and at Bryson City, which shall be kept open at all times for the transaction of the business of the court.

"There shall be a judge appointed for the said middle district in the manner now provided by law who shall receive the salary provided by law for the judges of the eastern and western districts, and a district attorney, marshal, clerk, and other officers in the manner and at the salary now provided by law.

"All causes in the said middle district in equity, bankruptcy, or admiralty, in which orders and decrees have already been made and which are now in process of trial, shall continue and remain subject to the jurisdiction of the judge of that district by whom the same shall have been made and before whom the same shall have been partially tried and determined."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS ST. LAWRENCE RIVER, OGDENSBURG, N. Y.

The Clerk called the next bill, H. R. 7514, to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., authorized to be built by the St. Lawrence Bridge Commission and its successors and assigns, by an act of Congress approved June 14, 1933, and heretofore extended by acts of Congress approved June 8, 1934, May 28, 1935, and April 11, 1936, are hereby extended 1 and 3 years, respectively, from the date of approval of this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAINE-NEW HAMPSHIRE INTERSTATE BRIDGE AUTHORITY

The Clerk called the next bill, H. R. 7542, granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2661, be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to an interstate compact for the creation of the Maine-New Hampshire Interstate Bridge Authority, executed on the 14th day of April 1937 by the representatives of the States of Maine and New Hampshire, which compact has been deposited in the Department of State of the United States and reads as follows:

"INTERSTATE BRIDGE AUTHORITY FOR THE PORTSMOUTH-KITTERY BRIDGE AND APPROACHES THERETO

"COMPACT BETWEEN THE STATE OF MAINE AND THE STATE OF NEW HAMPSHIRE

"Whereas the single highway bridge serving as the sole facility for vehicular traffic over and across the Piscataqua River between the State of New Hampshire and the State of Maine is wholly inadequate to care for and accommodate such traffic over said river between the said two States and therefore causes such traffic congestion in and upon the streets and highways of the city of Portsmouth, N. H., and the town of Kittery, Maine, that the lives and property of the citizens of said communities and the travelers on said streets and highways are constantly endangered; and

"Whereas the antiquated and obsolete wooden pile bridge serving as the sole facility for railroad traffic over and across the Piscataqua River between the State of New Hampshire and State of Maine is wholly inadequate to care for and accommodate the railroad traffic between the said two States; and

"Whereas the narrow drawspan of said wooden pile railroad bridge, the sole facility permitting passage of water traffic up and down said river, is wholly inadequate to permit the passage of steamers and vessels of broad beam from the sea inland to serve the large industrial plants now situate on the banks of said river and therefore constitutes an obstacle to further enlargement of these industries and the development of numerous other industrial sites located so that passage through said bridge is absolutely necessary; and

"Whereas the only remedy for the conditions now existing is the construction of a bridge across said river which by coordinating the facilities required by vehicular and railroad traffic will remove the obstacle to water traffic; and

"Whereas the solution of this problem will result in great economy and benefit not only to the States of Maine and New Hampshire but to the Nation and will require the cordial cooperation of the States of New Hampshire and Maine in the encouragement of the investment of capital as well as the formulation and execution of the necessary plans and such result can best be accomplished through the joining of the two States of Maine and New Hampshire by and through a common agency.

"Now, therefore, the said States of New Hampshire and Maine do hereby agree and pledge each to the other as follows:

"ARTICLE I

"Said States agree to and pledge, each to the other, faithful cooperation in the planning, execution, and construction of a suitable vehicular and railroad bridge with suitable highway approaches thereto and drawspan therein; holding the same in high trust for the benefit of the Nation and of the said two States.

"ARTICLE II

"There is hereby created 'The Maine-New Hampshire Interstate Bridge Authority', which shall be a body corporate and politic having the powers and jurisdiction hereinafter enumerated and such other and additional powers as shall be conferred upon it by the legislature of either State, concurred in by the legislature of the other State, or by act or acts of Congress as hereinafter provided.

"ARTICLE III

"The Authority shall consist of six members, three residents of the State of New Hampshire and three residents of the State of Maine. The New Hampshire members to be chosen by the State of New Hampshire and the Maine members to be chosen by the State of Maine in the manner and for the term fixed and determined from time to time by the legislatures of either State, respectively. Any member may be removed or suspended from office as provided by the law of the State from which he shall be appointed.

"ARTICLE IV

"The members of the Authority shall, for the purpose of doing business, constitute a board and may adopt suitable rules and regulations for its management.

"ARTICLE V

"The Authority shall constitute a body both corporate and politic with full power and authority (1) to sue and be sued; (2) to have a seal and alter the same at pleasure; (3) to adopt from time to time and amend bylaws covering its procedure, rules and regulations governing use of the bridge, and any of the other services

made available in connection with said bridge, to publish the same, if such publication is necessary or advisable, and to cause records of its proceedings to be kept; (4) to construct, maintain, reconstruct, and operate an interstate toll bridge over the Piscataqua River between the city of Portsmouth in New Hampshire and the town of Kittery in Maine and for this purpose; (5) to acquire, hold, and dispose of personal property for its purposes; (6) to acquire in the name of the Authority by purchase, condemnation, lease, or otherwise, any real property and rights or easements therein deemed by it necessary or desirable for its purposes, and to use such property; (7) to acquire any such real property by the exercise of the power of condemnation in the manner provided by laws and statutes of the said two States, or otherwise; (8) to charge and collect fees, fares, and tolls for the use of said bridge and other services made available in connection with the said bridge; (9) to make contracts with the United States, the State of New Hampshire, the State of Maine, public corporations, or bodies existing therein, and private corporations and individuals; (10) to accept grants and the cooperation of the United States or any agency thereof in the construction, maintenance, reconstruction, operation, and financing of the bridge and its highway approaches and to do any and all things necessary in order to avail itself of such aid and cooperation; (11) to employ such assistants, agents, and servants as it shall deem necessary or desirable for its purposes; (12) to exercise any of its powers in the public domain of the United States unless the exercise of such powers is not permitted by the laws of the United States; (13) to borrow money, make and issue negotiable notes, bonds, and other evidences of indebtedness or obligations of the Authority and to secure the payment of such obligations, or any part thereof, by pledge of any part of the revenue of the bridge; and (14) to do all other lawful things necessary and incidental to the foregoing powers. All property of the Authority and all property held in the name of either State pursuant to the provisions hereof shall be exempt from levy and sale by virtue of any execution and no execution or other judicial process shall issue against the same. No judgment against the Authority shall be lien upon its property held in the name of either State pursuant to the provisions hereof. No property now or hereafter vested in or held by either State by any county, city, town, village, district, township, or other municipality thereof shall be taken by the Authority without the authority and consent of the State, county, town, village, district, or township, or other municipality in which it is located; nor shall anything impair or invalidate any bond, indebtedness of either State, any county, city, town, village, district, or township, or other municipality, nor impair the provisions of law to regulate the payment into sinking funds of revenue derived from municipal property or dedicate the revenues derived from any municipal property to a specific purpose.

"ARTICLE VI

"The Authority shall have such additional powers and duties as may hereafter be delegated to and imposed upon it from time to time by the action of the legislature of either State concurred in by the legislature of the other. Unless and until otherwise provided, it shall make a biennial report to the legislatures of both States, setting forth in detail the operations and transactions conducted by it pursuant to this agreement and any legislation thereunder. The Authority shall not pledge the credit of either State except by and with the expressed authority of the legislature thereof.

"ARTICLE VII

"Nothing in this agreement or compact is intended or shall be construed to affect the laws now existing which vest jurisdiction over or control of railroads in the public service commission of the State of New Hampshire, or the public utilities commission of the State of Maine, or the Interstate Commerce Commission of the United States or any agency of either State or the United States.

"ARTICLE VIII

"The Authority shall elect from its members a chairman, vice chairman, clerk, and treasurer, and may appoint such officers and employees as it may require for the performance of its duties and shall fix and determine by resolution their qualifications and duties.

"ARTICLE IX

"Expenses incurred by the Authority in the interim between execution of this agreement or compact and the date money received from grants, bonds, or revenues shall be available shall be borne by the said two States in equal shares and shall be raised as each State shall determine.

"ARTICLE X

"Unless and until otherwise determined by the action of the legislatures of the two States, no action of the Authority shall be binding unless taken at a meeting at which at least two members from each State are present and unless four votes are cast therefor, two from each State. Each State reserves the right hereafter to provide by law for the exercise of a veto power by the governor thereof over any action of any commissioner appointed therefrom.

"ARTICLE XI

"Unless and until otherwise determined by the legislatures of the two States, the Bridge Authority shall not incur any obligations for salaries, office or other administrative expenses, within the provisions of article IX, prior to the making of appropriations adequate to meet the same.

"ARTICLE XII

"The Bridge Authority is hereby authorized to make suitable rules and regulations not inconsistent with the Constitution of the United States or of either State, which shall be binding and effective on all persons and corporations affected thereby.

"ARTICLE XIII

"The two States shall provide penalties for violations of any order, rule, or regulation of the Bridge Authority, and for the manner of enforcing same.

"ARTICLE XIV

"Definitions: 'Transportation facility' shall include railroads, steam or electric, motor truck or other street or highway vehicles, bridges, highways, and every kind of transportation facility now in use or hereafter designed for use for the transportation or carriage of persons or property. 'Facility' shall include all works, buildings, structures, stations, appliances, and appurtenances necessary and convenient for the proper construction, equipment, maintenance and operation of such facility or facilities or any one or more of them. 'Real property' shall include land under water, as well as uplands, and all property either now commonly or legally defined as real property or which may hereafter be so defined. 'Personal property' shall include choses in action and all other property now commonly or legally defined as personal property or which may hereafter be so defined. 'To lease' shall include to rent or to hire. 'Rule or regulation' shall include charges, rates, rentals, or tolls fixed or established by the Bridge Authority. Wherever action by the legislature of either State is herein referred to, it shall mean an act of the legislature duly adopted in accordance with the provisions of the constitution of the State. Plural or singular. The singular wherever used herein shall include the plural. Consent, approval, or recommendation of municipality, how given. Wherever herein the consent, approval, or recommendation of a 'municipality' is required, the word 'municipality' shall be taken to include any city, town, or village district. Such consent, approval or recommendation whenever required in the case of the city of Portsmouth shall be deemed to have been given whenever the city council of the city of Portsmouth or any body hereafter succeeding to its duties shall by majority vote pass a resolution expressing such consent, approval, or recommendation; and in the case of the town deemed to have been given whenever at a regular town meeting, or special meeting called for that purpose shall by majority of votes of persons present and voting therefor; and in all other cases whenever the body authorized to grant consent to the use of the streets or highways of such municipality shall by a majority vote pass such a resolution.

"In witness whereof we have hereunto set our hands and seals under chapter 18 of the Private and Special Laws of 1937 of the State of Maine and chapter 4 of the Laws of the Special Session of 1936 of the State of New Hampshire this 14th day of April 1937.

"In the presence of:

"Helen D. Ayers [Seal] PAUL C. THURSTON,
"Lucius D. Barrows [Seal] HOLLIS B. COLE,
"Helen D. Ayers [Seal] WILLIAM H. HINMAN,
"Commissioners for Maine.
"Sanford L. Fogg [Seal] FRANZ U. BURKETT,
"Attorney General of Maine.
"Daniel H. Dickinson [Seal] FREDERIC E. EVERETT,
"Daniel H. Dickinson [Seal] JAMES J. POWERS,
"Daniel H. Dickinson [Seal] FRANK E. BROOKS,
"Commissioners for New Hampshire.
"Harry E. Trapp [Seal] THOMAS P. CHENEY,
"Attorney General of New Hampshire."

SEC. 2. The right to alter, amend, or repeal the provisions of the first section of this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 7542) were laid on the table.

BRIDGE ACROSS THE PISCATAQUA RIVER, PORTSMOUTH, N. H.

The Clerk called the next bill, H. R. 7543, authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 2662, be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the Maine-New Hampshire Interstate Bridge Authority (hereinafter referred to as the authority) is hereby authorized to construct, maintain, and operate a bridge and approaches thereto across the Piscataqua River, from a point at or near Portsmouth, State of New Hampshire, to a point at or near Kittery, State of Maine, suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23,

1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the authority all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for pulbic purposes in such State.

SEC. 3. The authority is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 45 years from the completion thereof. After a sinking fund sufficient for such amortization and for the maintenance of said bridge and the approaches thereto shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 7543) were laid on the table.

TRANSFER OF LAND IN BRECKINRIDGE COUNTY, KY., TO THE COMMONWEALTH OF KENTUCKY

The Clerk called the next bill, H. R. 4705, to authorize the transfer of a certain piece of land in Breckinridge County, Ky., to the Commonwealth of Kentucky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is authorized to convey to the Commonwealth of Kentucky for State road purposes, without expense to the United States, all the right, title, and interest of the United States in and to a certain piece of land in Breckinridge County, Ky., described as follows:

Beginning at a stone, in the southeast corner of the United States reservation at Lock and Dam No. 45, Ohio River, which point is north 23°8′ W. 37 feet from a point formerly marked by a stone in Minor's line (now line between L. D. Addison heirs and Burks heirs) at south edge of right-of-way of old road; thence running along the north side of the Stephensport-Cloverport Road south 82°37′ W. 255.1 feet to a stone; thence north 89°42′ W. 54.85 feet to a stake at the intersection of United States property line and the northern limits of right-of-way of proposed Stephensport-Cloverport highway; thence running 30 feet from and parallel with the center line of proposed right-of-way on 1°15′ curve 313.96 feet to a stake in the property line between the United States reservation and Pearl Burks; thence running with the said property line south 11°18′ W. 13.56 feet to a stone, the point of beginning, containing approximately 0.08 acre.

Such conveyance shall contain the express condition that if the Commonwealth of Kentucky shall at any time cease to use said land for road or highway purposes, or shall alienate or attempt to alienate such land, title thereto shall revert to the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IMPORTATION OF ARTICLES FOR EXHIBITION AT THE NEW YORK WORLD'S FAIR, 1939

The Clerk called the next business, House Joint Resolution 288, to permit articles imported from foreign countries for the purpose of exhibition at the New York World's Fair, 1939, New York City, N. Y., to be admitted without payment of tariff, and for other purposes.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That all articles which shall be imported from foreign countries for the purpose of exhibition at the international exposition to be held at New York City, N. Y., beginning in April 1939 by the New York World's Fair 1939, Inc., or for use in constructing, installing, or maintaining foreign buildings or exhibits at the said exposition, upon which articles there shall be a tariff or customs duty shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during and/or within 3 months after the close of the said exposition, to sell within the area of the exposition any articles provided for herein, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles, which shall have suffered diminution or deterioration from incidental handling, or exposure, the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That at any time during or within 3 months after the close of the exposition, any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles, which have been admitted without payment of duty for exhibition under any tariff law and which have remained in continuous customs custody or under a customs exhibition bond, and imported articles in bonded warehouses under the general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That the New York World's Fair 1939, Inc., shall be deemed, for customs purposes only to be the sole consignee of all merchandise imported under the provisions of this act.

With the following committee amendment:

Page 3, after line 15, insert: "and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officer and employees in connection with the supervision, custody of, and accounting for articles imported under the provisions of this act, shall be reimbursed by the New York World's Fair 1939, Inc., to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIOLATIONS OF NARCOTIC LAWS

Mr. HARLAN. Mr. Speaker, I ask unanimous consent to return to the bill H. R. 6283, No. 337 on the Consent Calendar. I was confused with another bill similar to this and objected to its consideration in the belief it was the other bill. I therefore ask unanimous consent to return to the consideration of H. R. 6283 in order that the bill may be presented to the House again for consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a person who, after having been convicted of selling, importing, or exporting, or conspiring to sell, import, or export, opium, coca leaves, cocaine, or any salt, derivative, or preparation of opium, coca leaves, or cocaine, again sells, imports, or exports, or conspires to sell, import, or export, any of the said narcotic drugs, in violation of the laws of the United States, shall, upon conviction of such second offense, be fined not more than $5,000 or imprisoned in a Federal penitentiary for not more than 10 years, or both, in the discretion of the court.

SEC. 2. A person who, after having been two times convicted of selling, importing, or exporting, or conspiring to sell, import, or export, opium, coca leaves, cocaine, or any salt, derivative, or preparation of opium, coca leaves, or cocaine, again sells, imports, or exports, or conspires to sell, import, or export, any of the said narcotic drugs, in violation of the laws of the United States, shall, upon conviction of such third or subsequent offense, be fined not

more than $10,000 or imprisoned in a Federal penitentiary for not more than 20 years, or both, in the discretion of the court.

SEC. 3. Whenever it shall appear, after conviction and before or after sentence, that a person convicted of unlawfully selling, importing, or exporting, or conspiring unlawfully to sell, import, or export, any of the narcotic drugs enumerated in this act, has previously been convicted of unlawfully selling, importing, or exporting, or conspiring unlawfully to sell, import, or export, any of said narcotic drugs, in violation of the laws of the United States, it shall be the duty of the United States district attorney for the district in which such subsequent conviction was had to file an information alleging that the defendant has previously been so convicted, and further alleging the number of such previous convictions. The court in which the defendant was convicted shall cause the said defendant, whether confined in prison or otherwise, to appear before it and shall apprise him of the allegations of the information and of his right to a trial by jury as to the truth thereof. The court shall require the defendant to state definitely whether he is the person who it is alleged has previously been convicted. If the defendant claims he is not such person, or if he refuses to answer or remains silent, his plea, or, if none, the statement that no plea was made, shall be made a matter of record, and a jury shall be empaneled to determine whether the defendant is the person alleged in the information to have previously been convicted and the number of such previous convictions. If after a trial on the sole issue of the truth of such allegations the jury determines that the defendant is in fact the person previously convicted as charged in the information, or if he acknowledges in open court, after being duly cautioned as to his rights, that he is such person, he shall be punished as prescribed in sections 1 or 2 of this act, as the case may be, and the previous sentence of this court, if any, shall be vacated, and there shall be deducted from the new sentence the amount of time actually served under the sentence so vacated.

With the following committee amendment:

Page 2, line 1, after the word "court", insert "whenever the fact of such previous conviction is established in the manner prescribed in section 3 of this act."

Page 2, line 11, strike out "or subsequent" and after the word "offense", insert "or any offense subsequent thereto."

Page 2, line 14, after the word "court", insert "whenever the fact of such previous convictions is established in the manner prescribed in section 3 of this act."

Page 3, line 9, strike out "require" and insert "inquire"; and after the word "defendant" strike out the remainder of the line.

Page 3, line 10, strike out "it is alleged."

Page 3, line 11, after the word "convicted", strike out the remainder of line 11, all of lines 12 and 13 and 14 and insert "if the defendant states he is not such person or if he refuses to answer or remains silent, a plea of not guilty shall be entered by the court."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF TWO DORMITORIES BELONGING TO THE CHICKASAW NATION OR TRIBE OF INDIANS

Mr. BOREN. Mr. Speaker, I ask unanimous consent to return to the bill (H. R. 7409) providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to substitute a similar bill, S. 2587, for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall take possession of, and appraise and sell, under such rules and regulations as may be prescribed by him, the two dormitories, together with the lands upon which they are located and the furniture, therein, belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla., which lands were acquired and which dormitories were erected and equipped, under the acts of Congress of March 2, 1917 (39 Stat. L. 983), and May 25, 1918 (40 Stat. L. 584), and he shall deposit the proceeds in the Treasury of the United States to the credit of the Chickasaw Nation, less expenses incident to the appraisement and sale of such properties, including reasonable compensation to special attorneys for services rendered in connection with such sale acting under the direction of the Governor of the Chickasaw Nation, such compensation to be fixed and paid by the Secretary of the Interior; and immediately after such sale, patents conveying such properties shall be made and delivered in the same manner as now provided by law for the conveyance of other tribal properties: *Provided*, That preference right shall be given the State of Oklahoma to purchase said dormitory properties at a price to be agreed upon between the Secretary of the Interior and the board of regents of the Murray State School of Agriculture, in accordance with the senate concurrent resolution passed by the Sixteenth Legislature of the State of Oklahoma.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERECTION OF THE "SHENANDOAH" MEMORIAL IN OR NEAR AVA, OHIO

The Clerk called the next bill, H. R. 7564, to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CARTER. Mr. Speaker, reserving the right to object, what is the cost of this memorial?

Mr. SECREST. Mr. Speaker, the bill authorizing the memorial has already been passed. This is merely an amendment to the original bill determining the exact spot where the memorial is to be located.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section of the act entitled "An act authorizing the erection of a memorial to those who met their death in the wreck of the dirigible *Shenandoah*", approved May 22, 1936, is hereby amended to read as follows: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to erect in or near Ava, Ohio, a suitable tablet or marker to commemorate the heroic services rendered by Commander Landsdowne and other members of the crew who died when the Navy dirigible *Shenandoah* was destroyed."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSEMENT OF CERTAIN CIVILIAN EMPLOYEES OF THE NAVY

The Clerk called the next bill, H. R. 4676, to provide for the reimbursement of certain civilian employees of the Navy for the value of personal effects destroyed in a fire at the Naval Air Station, Hampton Roads, Va., May 15, 1936.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,101.20, or such portion as may be necessary, to pay claims of civilian employees of the United States Navy for the value of personal effects destroyed as the result of a fire at the Naval Air Station, Hampton Roads, Va., May 15, 1936: *Provided*, That the Secretary of the Navy shall determine the amount to be paid hereunder to each claimant: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ASSIGNMENT OF OFFICERS OF THE NAVY FOR DUTY UNDER THE DEPARTMENT OF COMMERCE

The Clerk called the next bill, H. R. 7216, to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein.

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, S. 670, authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

Mr. COCHRAN. Mr. Speaker, I object.

COAST GUARD STATION, FORT MYERS, FLA.

The Clerk called the next bill, H. R. 6048, to provide for the establishment of a Coast Guard station in the vicinity of Fort Myers, Fla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to establish a Coast Guard station in the vicinity of Fort Myers, Fla., at such point as the Commandant of the Coast Guard may recommend.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COAST GUARD STATION, DAUPHIN ISLAND, ALA.,

The Clerk called the next bill, H. R. 6976, to provide for the establishment of a Coast Guard station on the coast of Alabama at or near Dauphin Island, Ala.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to establish a Coast Guard station on the coast of Alabama, at or near Dauphin Island, Ala.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COAST GUARD OFFICERS ON THE RETIRED LIST

The Clerk called the next bill, H. R. 7611, to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1, as amended, of the act of June 21, 1930 (46 Stat. 793, ch. 563), any officer of the Coast Guard who has been retired since September 3, 1921, but prior to March 4, 1925, by reason of physical disability which originated in line of duty at any time between April 6, 1917, and March 3, 1921, inclusive, while holding higher temporary rank in the Coast Guard, shall receive from the date of the approval of this act the pay of the rank he holds on the retired list.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEN. WILLIAM HENRY HARRISON BEADLE

The Clerk called the next business, S. Con. Res. 10, accepting the statue of Gen. William Henry Harrison Beadle, to be placed in Statuary Hall.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the statue of Gen. William Henry Harrison Beadle, presented by the State of South Dakota, to be placed in Statuary Hall, is accepted in the name of the United States, and that the thanks of the Congress be tendered said State for the contribution of the statue of one of its most eminent citizens, illustrious for his valor as a soldier and his distinguished service as an educator; and be it further

Resolved, That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of South Dakota.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GRANT LANDS IN OREGON

The Clerk called the next bill, H. R. 7618, relating to the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands situated in the State of Oregon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provisions in the acts of June 9, 1916 (39 Stat. 218), and February 26, 1919 (40 Stat. 1179), as amended, such portions of the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands as are or may hereafter come under the jurisdiction of the Department of the Interior, which have heretofore or may hereafter be classified as timberlands, and power-site lands valuable for timber, shall be managed, except as provided in section 3 hereof, for permanent forest production, and the timber thereon shall be sold, cut, and removed in conformity with the principle of sustained yield for the purpose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities: *Provided*, That nothing herein shall be construed to interfere with the use and development of power sites as may be authorized by law.

The annual productive capacity for such lands shall be determined and declared as promptly as possible after the passage of this act, but until such determination and declaration are made the average annual cut therefrom shall not exceed one-half billion feet board measure: *Provided*, That timber from said lands in an amount not less than one-half billion feet board measure, or not less than the annual sustained yield capacity when the same has been determined and declared, shall be sold annually, or so much thereof as can be sold at reasonable prices on a normal market.

If the Secretary of the Interior determines that such action will facilitate sustained-yield management, he may subdivide such revested lands into sustained-yield forest units, the boundary lines of which shall be so established that a forest unit will provide, insofar as practicable, a permanent source of raw materials for the support of dependent communities and local industries of the region; but until such subdivision is made the land shall be treated as a single unit in applying the principle of sustained yield: *Provided*, That before the boundary lines of such forest units are established, the Department, after published notice thereof, shall hold a hearing thereon in the vicinity of such lands open to the attendance of State and local officers, representatives of dependent industries, residents, and other persons interested in the use of such lands. Due consideration shall be given to established lumbering operations in subdividing such lands when necessary to protect the economic stability of dependent communities. Timber sales from a forest unit shall be limited to the productive capacity of such unit and the Secretary is authorized, in his discretion, to reject any bids which may interfere with the sustained-yield management plan of any unit.

SEC. 2. The Secretary of the Interior is authorized, in his discretion, to make cooperative agreements with other Federal or State forest administrative agencies or with private forest owners or operators for the coordinated administration, with respect to time, rate, method of cutting, and sustained yield, of forest units comprising parts of revested or reconveyed lands, together with lands in private ownership or under the administration of other public agencies, when by such agreements he may be aided in accomplishing the purposes hereinbefore mentioned.

SEC. 3. The Secretary of the Interior is authorized to classify, either on application or otherwise, and restore to homestead entry, or purchase under the provisions of section 14 of the act of June 28, 1934 (48 Stat. 1269), any of such revested or reconveyed land which, in his judgment, is more suitable for agricultural use than for afforestation, reforestation, stream-flow protection, recreation, or other public purposes.

Any of said lands heretofore classified as agricultural may be reclassified as timberlands, if found, upon examination, to be more suitable for the production of trees than agricultural use, such reclassified timberlands to be managed for permanent forest production as herein provided.

SEC. 4. The Secretary of the Interior is authorized, in his discretion, to lease for grazing any of said revested or reconveyed lands which may be so used without interfering with the production of timber or other purposes of this act as stated in section 1: *Provided*, That all the moneys received on account of grazing leases shall be covered either into the "Oregon & California land-grant fund" or the "Coos Bay Wagon Road grant fund" in the Treasury as the location of the leased lands shall determine, and be subject to distribution as other moneys in such funds: *Provided further*, That the Secretary is also authorized to formulate rules and regulations for the use, protection, improvement, and rehabilitation of such grazing lands.

SEC. 5. The Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect. The Secretary of the Interior is further authorized, in formulating forest-practice rules and regulations, to consult with the Oregon State Board of Forestry, representatives of timber owners and operators on or contiguous to said revested and reconveyed lands, and other persons or agencies interested in the use of such lands.

In formulating regulations for the protection of such timberlands against fire, the Secretary is authorized, in his discretion, to consult and advise with Federal, State, and county agencies engaged in forest-fire-protection work, and to make agreements with such agencies for the cooperative administration of fire regulations therein: *Provided*, That rules and regulations for the protection of the revested lands from fire shall conform with the requirements and practices of the State of Oregon insofar as the same are consistent with the interests of the United States.

TITLE II

That on and after March 1, 1938, all moneys deposited in the Treasury of the United States in the special fund designated the "Oregon & California land-grant fund" shall be distributed annually as follows:

(a) Fifty percent to the counties in which the lands revested under the act of June 9, 1916 (39 Stat. 218), are situated, to be payable on or after June 30, 1938, and each year thereafter to each of said counties in the proportion that the total assessed value of the Oregon & California grant lands in each of said counties for the year 1915 bears to the total assessed value of all of said lands in the State of Oregon for said year, such moneys to be used as other county funds.

(b) Twenty-five percent to said counties as money in lieu of taxes accrued or which shall accrue to them prior to March 1, 1938, under the provisions of the act of July 13, 1926 (44 Stat. 915), and which taxes are unpaid on said date, such moneys to be paid to said counties severally by the Secretary of the Treasury of the United States, upon certification by the Secretary of the Interior, until such tax indebtedness as shall have accrued prior to March 1, 1938, is extinguished.

From and after payment of the above accrued taxes said 25 percent shall be accredited annually to the general fund in the Treasury of the United States until all reimbursable charges against the Oregon & California land-grant fund owing to the general fund in the Treasury have been paid: *Provided*, That if for any year after the extinguishment of the tax indebtedness accruing to the counties prior to March 1, 1938, under the provisions of Forty-fourth Statutes, page 915, the total amount payable under subsection (a) of this title is less than 78 percent of the aggregate amount of tax claims which accrued to said counties under said act for the year 1934, there shall be additionally payable for such year such portion of said 25 percent (but not in excess of three-fifths of said 25 percent), as may be necessary to make up the deficiency. When the general fund in the Treasury has been fully reimbursed for the expenditures which were made charges against the Oregon & California land-grant fund said 25 percent shall be paid annually, on or after June 30, to the several counties in the manner provided in subsection (a) hereof.

(c) Twenty-five percent to be available for the administration of this act, in such annual amounts as the Congress shall from time to time determine. Any part of such percent not used for administrative purposes shall be covered into the general fund of the Treasury of the United States: *Provided*, That moneys covered into the Treasury in such manner shall be used to satisfy the reimbursable charges against the Oregon & California land-grant fund mentioned in subsection (b) so long as any such charges shall exist.

All acts or parts of acts in conflict with this act are hereby repealed to the extent necessary to give full force and effect to this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COCHRAN. Mr. Speaker, the House has just passed a bill entitled "A bill relating to the revested Oregon & California Railroad and reconveyed Coos Bay wagon road grant lands situated in the State of Oregon."

Of course, the title means very little to a Member unless he has read the bill and report very carefully. A few weeks ago when the bill providing for the purchase of additional land, known as the Sugar Pine Forests, which adjoins the Yosemite National Park, was pending, I objected to an amendment which would have provided that the Government would have been required to pay taxes to the counties where the land is located. I told the House at the time that this was a most unusual procedure and that we should not embark upon the general policy of the Government paying taxes to States and subdivisions of States on Government-owned land. I am pleased to say that the House defeated that amendment, and the bill as it became a law did not contain that provision.

During the debate on that bill I called attention to the fact that there was one case where the Government was paying nearly $300,000 a year to counties in Oregon in connection with some lands which were originally granted to the Oregon & California R. R. Co. and the Coos Bay Wagon Road Co., title to the lands being revested to the United States in 1916 and 1919 because the grantees violated the covenants contained in the granting acts. My statement might not have been entirely correct at the time when I said it was costing the Government that amount in taxes because some will claim that this money in part was paid out of the Federal Treasury as cost of administration. The real fact is that the taxes have been taken out of the receipts from the sale of lumber and it matters not whether or not the Government's share went directly for taxes or administration, because the receipts did not equal the necessary costs of administration and taxes. Nevertheless, it has been costing the Government that amount.

The bill that the House just passed corrects this situation, and further than that, it provides that $8,500,000 which was advanced to the Oregon and California land-grant fund, and which never has been repaid to the Treasury, will be repaid under this legislation, and still further, the cost of administration, taxes, and so forth, is to come out of the receipts from the sale of timber and not out of the Treasury of the United States.

If the Senate passes this bill and it is signed by the President in its present form, the taxpayers are going to be saved not only the amount that is being taken annually out of the Treasury at the present time, but further than that, the Treasury will be reimbursed for the $8,500,000 which was advanced under the terms of the act of June 9, 1916.

This is a meritorious piece of legislation and I am pleased to see the House take favorable action thereon.

I want to compliment the gentleman from Louisiana [Mr. DEROUEN], chairman of the Committee on the Public Lands, and his associates on the committee, for bringing in this bill. The gentleman from New Mexico [Mr. DEMPSEY] presented the report and it was so complete and so easily understood that not one single objection was advanced. Mr. DEMPSEY deserves the thanks of the taxpayers for his work in this respect. I hope the Senate will pass the bill without delay.

CHEMICAL WARFARE SERVICE

The Clerk called the next bill, S. 1284, to change the name of the Chemical Warfare Service.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Chemical Warfare Service, created by the act of June 4, 1920 (41 Stat. 768), shall hereafter be known as the Chemical Service.

With the following committee amendment:

Page 1, line 5, strike out the word "service" and insert the word "corps."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF THE AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

The Clerk called the next bill, S. 2147, to amend provisions of the Agricultural Marketing Agreement Act of 1937.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will some member of the committee explain this bill? If not, Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SAN CARLOS APACHE INDIANS

The Clerk called the next bill, S. 1231, authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

TRANSFER OF CANCELED CHECK TO THE GOVERNOR OF ALASKA

The Clerk called the next bill, H. R. 5809, authorizing the transfer of canceled check to the Governor of Alaska.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTABLISHMENT OF A ONE-HOUSE LEGISLATURE IN ALASKA

The Clerk called the next bill, H. R. 6651, to provide for a referendum in the Territory of Alaska as to the establishment of a one-house legislature, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That at the general election held in the Territory of Alaska, in the year 1938, for the election of a Delegate to Congress from Alaska, members of the Alaska Territorial Legislature, and such other officials of the Territory as may be by law then elective, each of the qualified electors of the Territory shall be afforded an opportunity to vote upon the question as to whether a one-house legislature shall be provided for the Territory of Alaska, such vote to be taken by furnishing to each of such electors a ballot, separate and apart from the ballot which embraces the names of the candidates for office to be voted upon at said election, having printed thereon the following:

"SPECIAL REFERENDUM BALLOT

"(Place an (X) in square before your preference)

"(Vote for one only)

"☐ I favor a one-house legislature for Alaska.

"☐ I do not favor a one-house legislature for Alaska."

SEC. 2. Such ballots shall be prepared, printed, numbered, and distributed, so far as may be practicable, in the same form and manner as the ballots containing the names of candidates for office to be voted upon at said election; and the special referendum ballots so cast at said election shall be counted, tallied, canvassed, and returns thereon made in substantially the same manner as in the case of ballots containing the names of candidates.

SEC. 3. The expense of preparing, printing, distributing, counting, tallying, and canvassing such special referendum ballots, and all other additional expenses incurred in said election by reason thereof, shall be paid in the same manner as the other costs and expenses of said election.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EVERGLADES NATIONAL PARK IN FLORIDA

The Clerk called the next bill, H. R. 2014, to amend an act entitled "An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes", approved May 30, 1934.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ADMISSION OF CITIZENSHIP OF CERTAIN ALIENS

Mr. LANZETTA. Mr. Speaker, I ask unanimous consent to return to Calendar No. 286, the bill (H. R. 6785) for the admission to citizenship of aliens who came into this country prior to February 5, 1917.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, I shall have no objection if the gentleman will agree to an amendment which I shall propose.

Mr. LANZETTA. I shall agree to the amendment, Mr. Speaker.

Mr. CARTER. I object, Mr. Speaker.

ABRAHAM LINCOLN NATIONAL PARK, KY.

The Clerk called the next bill, H. R. 4070, to change the designations of the Abraham Lincoln National Park, in the State of Kentucky, and the Fort McHenry National Park, in the State of Maryland.

Mr. CREAL. Mr. Speaker, I object.

ACCEPTANCE OF CERTAIN STATE-OWNED LAND IN UTAH

The Clerk called the next bill, H. R. 4186, to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

EXTENSION OF HOMESTEAD LAWS

The Clerk called the next bill, H. R. 5592, to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898 (30 Stat. 409, 414).

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

NATIONAL MONUMENT AT CAMP MERRITT, N. J.

The Clerk called the next bill, H. R. 71, to provide for the establishment of a national monument on the site of Camp Merritt, N. J.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MAMMOTH CAVE NATIONAL PARK, KY.

The Clerk called the next bill, H. R. 5594, to make available for national-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all lands purchased from funds heretofore allocated and made available by Executive order, or otherwise, or which hereafter may be allocated and made available for the acquisition of lands for conservation or forestation purposes within the maximum boundaries of the Mammoth Cave National Park as authorized by the act of May 25, 1926 (44 Stat. 635), be, and the same are hereby, made a part of the said park as fully as if originally acquired for that purpose and the proviso at the end of section 1 of said act of May 25, 1926, shall not be construed so as to prohibit the acquisition of lands in said area under funds made available as aforesaid.

SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion, to exclude the Great Onyx Cave and the Crystal Cave, or either of them, from the maximum boundaries of the said park, and the area required for general development of the said park by section 1 of the act of May 14, 1934 (48 Stat. 775), is hereby modified accordingly.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROGUE RIVER NATIONAL FOREST, OREG.

The Clerk called the next bill, H. R. 199, to add certain lands to the Rogue River National Forest in the State of Oregon.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 1762) may be considered in lieu of the House bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of forest management, watershed protection, and recreational use the north half northwest quarter section 3, the south half northwest quarter section 23, and the west half northeast quarter northeast quarter and the east half northwest quarter northeast quarter section 27, township 37 south, range 3 east, Willamette meridian, of revested Oregon & California land-grant lands are hereby added to and made a part of the Rogue River National Forest in the State of Oregon, subject to all laws and regulations governing national forests: *Provided*, That the Secretaries of the Interior and Agriculture shall jointly appraise and agree on the value of said Oregon & California land-grant lands and shall certify the same to the Secretary of the Treasury. That the Secretary of the Treasury be, and he is hereby, authorized, upon notice of the appraisal by the Secretaries of the Interior and Agriculture, to transfer an equal amount of money from the national-forest receipts and credit the same to the Oregon & California land-grant funds, subject to all laws and regulations governing the disposal of money received from the Oregon & California land-grant lands.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 199) was laid on the table.

LEAVE OF ABSENCE TO SETTLERS OF HOMESTEAD LANDS

The Clerk called the next bill, H. R. 2888, granting a leave of absence to settlers of homestead lands during the year 1937.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, it seems to me we should stop this somewhere. We have been extending this privilege from year to year throughout the depression. I do not think it is fair to those who

want to take up legitimate claims to continue this privilege year after year without some showing that the economic condition is such that it is necessitated, and for this reason I ask unanimous consent that the bill may be passed over without prejudice.

Mr. MOTT. I object, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. I object, Mr. Speaker.

FORT DONELSON NATIONAL MILITARY PARK

The Clerk called the bill (H. R. 5593) to provide for the addition or additions of certain lands to the Fort Donelson National Military Park in the State of Tennessee, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following-described tracts or parcels of land, lying and being within the Seventh Civil District of Stewart County, Tenn., be, and are hereby, transferred from the jurisdiction of the Secretary of War to the jurisdiction of the Secretary of the Interior as additions to the Fort Donelson National Military Park, and shall hereafter be subject to all laws and rules and regulations applicable to said park:

Tract no. 1, a right-of-way, 50 feet wide, lying 25 feet on each side of a center line, beginning at a point in the southerly boundary line of lock D reservation, 734.8 feet from the southwest corner of this reservation; thence south 31°5′ W. 77.1 feet; thence south 86°21′ W. 479.9 feet; thence south 63°53′ W. 262.3 feet; thence south 39°36′ W. 186.7 feet; thence south 0°40′ E. 194 feet; thence south 30°58′ E. 314.5 feet; thence south 28°15′ E. 85 feet; thence south 28°37′ E. 250.5 feet; thence south 4°6′ E. 261.7 feet; thence south 36°27′ E. 282.3 feet; thence south 23°45′ E. 178.3 feet, to center line of county road; reserving, however, to the War Department the right to the continued use of the road over this tract as a means of access to lock D.

Tract no. 2, beginning at a point in the southern boundary line of lock D reservation, 753.5 feet from the southwest corner of this reservation; thence north 74°28′ E. 191.98 feet; thence south 85°12′ E. 52.9 feet; thence south 51°36′ E. 32.9 feet; thence south 9°33′ E. 117.02 feet; thence south 31°3′ W. 69.82 feet; thence north 58°57′ W. 288.08 feet to beginning.

Tract no. 3, beginning at a point in the southern boundary line of lock D reservation, 590 feet from the southwest corner of this reservation, this point being marked by an iron fence post; thence north 58°57′ W. 590 feet along the southern boundary line of lock D reservation; thence north 31°3′ E. 488 feet along the western boundary line of lock D reservation to low-water mark on bank of Cumberland River; thence along low-water line of Cumberland River in a southeasterly direction 335 feet; thence south 34°5′ W. 123 feet to an iron pin; thence south 55°55′ E. 307.5 feet to an iron pin; thence south 40°5′ west 310.5 feet to beginning.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to accept donations of land, interests in land or buildings, structures, and other property within a distance of 1 mile from the boundaries of said Fort Donelson National Military Park, as hereby extended, and donations of funds for the purchase or maintenance thereof, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided*, That he may acquire on behalf of the United States out of any donated funds, by purchase at prices deemed by him reasonable, or by condemnation under the provisions of the act of August 1, 1888, such tracts of land within a distance of but 1 mile from the boundaries of the said national military park as may be necessary for the completion thereof. Upon the acquisition of such land, the same shall become a part of the Fort Donelson National Military Park and shall be subject to the laws and rules and regulations applicable to said park.

SEC. 3. The administration, protection, and development of the lands hereby authorized to be added to the Fort Donelson National Military Park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535), entitled "An act to establish a National Park Service, and for other purposes", as amended.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ANGELES NATIONAL FOREST

The Clerk called the bill (H. R. 5685) to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest, in the State of California.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Angeles National Forest in the State of California which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands from the entire receipts from the sale of natural resources or occupancy of publicly owned lands within the said national forest, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired.

With the following committee amendment:

Page 2, line 3, after the word "resources", insert "other than mineral."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SAN JUAN NATIONAL MONUMENT, P. R.

The Clerk called the bill (H. R. 7487) to establish the San Juan National Monument, P. R., and for other purposes.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection.

There was no objection.

ASSIGNMENT OF OFFICERS OF THE LINE, MARINE CORPS, TO STAFF DUTY

The Clerk called the bill (S. 2521) to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That officers of the line of the Marine Corps of the grades of major, lieutenant colonel, and colonel may, upon application, and with the approval of the Secretary of the Navy, be assigned to staff duty only as assistant quartermasters and assistant paymasters: *Provided*, That when so assigned they shall retain the lineal position and precedence which they now hold or may later attain and shall be promoted, retired, and discharged in like manner and with the same relative conditions in all respects as are now or may hereafter be provided for officers of the line of the Marine Corps, except as herein otherwise provided: *Provided further*, That the recommendation of selection boards in the cases of officers assigned to staff duty only shall be based upon their comparative fitness to perform the duties prescribed for them: *Provided further*, That officers of the grades of major and lieutenant colonel assigned to staff duty only in accordance with this act shall, on promotion up to and including the grade of colonel, be carried as additional numbers in grade: *And provided further*, That the number of officers assigned to staff duty only in accordance with this act in any 1 year shall be in accordance with the requirements of the service as determined by the Secretary of the Navy.

With the following committee amendments:

Page 1, line 6, after the word "to", strike out "staff duty only as assistant quartermasters and assistant paymasters" and insert "assistant quartermaster and assistant paymaster duty only."

Page 2, line 3, after the word "for", insert the word "other."

Page 2, line 6, strike out "staff duty only" and insert "such duty."

Page 2, line 10, strike out the word "staff" and insert "assistant quartermaster and assistant paymaster."

Page 2, line 14, strike out "assigned to staff duty only" and insert "so assigned."

The committee amendments were agreed to; and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended to read: "A bill to authorize the assignment of officers of the line of the Marine Corps to assistant quartermaster and assistant paymaster duty only, and for other purposes."

AMENDING PHILIPPINE INDEPENDENCE ACT OF 1934

The Clerk called the bill (H. R. 7561) to amend the act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", approved March 24, 1934.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. Contrary to what the bill might appear to be, I understand that it is a further limitation on immigration

and I wish the gentleman from Hawaii would explain briefly what the bill is about.

Mr. KING. Mr. Speaker, the gentleman is correct. When the Philippine Independence Act was passed it permitted, under certain conditions, the immigration of Philippine labor into the Territory of Hawaii. This repeals that condition and makes it impossible for any further immigration of that sort. I may say to the gentleman that the provision of the Independence Act was never invoked, and this repeal makes it no longer possible to invoke it in the future.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the last sentence of section 8 (a) (1) of said act which reads as follows: "This paragraph shall not apply to a person coming or seeking to come to the Territory of Hawaii who does not apply for and secure an immigration or passport visa, but such immigration shall be determined by the Department of the Interior on the basis of the needs of industries in the Territory of Hawaii", is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

AMENDING LIQUOR ENFORCEMENT ACT OF 1936

The Clerk called the bill (H. R. 7508) to amend the Liquor Enforcement Act of 1936.

The SPEAKER. Is there objection?

Mr. COCHRAN. Mr. Speaker, I reserve the right to object. This bill apparently indicates that it is of minor importance, but as I read the bill I am very confident that from the standpoint of enforcement the Government of the United States is going back to the old prohibition days, provided the law is actually enforced. If this bill becomes a law, and it is enforced, there is absolutely no doubt but that it is going to require an army of enforcement agents to carry out its purposes. This bill indicates by its wording it would merely require the Federal Government to protect States which permit the manufacture of only beer and wine, regardless of the alcoholic content, from the importation of distilled spirits. The bill in effect would require the Government to protect all States, whether wet or dry, against the importation of distilled spirits in violation of their laws.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. TARVER. Mr. Speaker, the bill is in the exact language of the second section of the twenty-first amendment. If the Congress meant what it said, specifically and impliedly, when it submitted the twenty-first amendment, then the importation or transportation of intoxicating liquors into States for sale or use in violation of their laws should not only be prohibited, but some penalty should be provided for the violation of that provision of the twenty-first amendment.

The creation of a new enforcement agency is not contemplated by this bill. This act, if passed, would be exactly like many other Federal statutes, subject to enforcement by the Department of Justice, just as many other Federal statutes are enforced. There is no ground for the gentleman's apprehension that any great body of enforcement officials will be created. There is no purpose that any such body should be created. This is merely an act of good conscience. This is merely saying that the thing prohibited by the second section of the twenty-first amendment shall be made criminal and a means provided for enforcement of that provision of the Constitution by providing that its violation shall be punished as for a misdemeanor. I cannot conceive of any reason why any Member should object to such a provision. Without it we have the constitutional prohibition against the importation of intoxicating liquors into States for use or sale in violation of their laws without any penalty for its violation.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. MICHENER. This bill carries out the promises that the gentleman from Missouri and all others made——

Mr. COCHRAN. I did not yield for a speech. What does the bill do, in the gentleman's opinion?

Mr. MICHENER. I am telling the gentleman. This carries out the promise that the gentleman from Missouri, and all others who favored resubmission of the eighteenth amendment, made in Congress, made on the floor, at the time of the submission. I was one of those who voted to resubmit the eighteenth amendment. I did it, as the gentleman did, on the promise and with the understanding that dry States, States desiring to be dry, would be protected against importation from wet States. Every Member of Congress understood that. That was a specific promise.

Mr. COCHRAN. Why not amend the bill, then, to include only the dry States?

Mr. MICHENER. The Committee on the Judiciary, regardless of how they feel today on the wet and dry question, have reported this bill unanimously for the purpose of carrying out the terms of the twenty-first amendment to the Constitution, and for the express purpose of keeping the word of those who believed in resubmitting the eighteenth amendment. I hope the gentleman, because of lack of information, will not object to this bill.

Mr. COCHRAN. I will say to the gentleman that I do not have any lack of information. I made an inquiry about this bill. I am just looking at it from the standpoint of common sense. We do not want another army of prohibition agents. If you want to protect the dry States, why not amend your bill so as to limit it to the dry States? Why do you say any State?

Mr. TARVER. Will the gentleman yield at that point?

Mr. COCHRAN. Not right now, as I have asked the gentleman from Michigan a question. Why do you say any State?

Mr. MICHENER. If the gentleman will read the bill——

Mr. COCHRAN. I have the bill in front of me. I asked the gentleman the question, Why do you say any State, when you want to protect only the dry States? As far as protecting the dry States is concerned, I am with the gentleman. Where is there any report from the Attorney General? Where is there any report from the Federal Alcohol Administration? Where is there any report from the Treasury Department on this bill?

Mr. MICHENER. Where is there any report from a country constable? You might go on down the line.

Mr. WHITE of Idaho. Mr. Speaker, the regular order.

Mr. MICHENER. If you are going to require reports from everybody, why not go all the way?

Mr. WHITE of Idaho. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded.

Mr. COCHRAN. Mr. Speaker, I ask that the bill go over without prejudice.

Mr. TARVER. Mr. Speaker, reserving the right to object, I can see nothing that can be accomplished by the bill going over without prejudice. If the gentleman is opposed to the bill, let him object. I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I object to the bill today. They can call it up on the next Consent Calendar date, and in the meantime perhaps I can get a report.

PENSION BENEFITS TO PEACETIME VETERANS

The Clerk called the next bill, H. R. 7531, to afford protection of pension benefits to peacetime veterans placed on the pension rolls after March 19, 1933, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I may say I am not going to object, but I am merely asking for information. Why is it necessary for the Congress of the United States to repeal an Executive order? Under the authority which we gave to the President to issue Executive orders, at the time the economy bill was enacted, one of which this seeks to abrogate or repeal, did we not give him authority to countermand his own Executive orders? Is there not anybody on the majority side who can explain why it takes an act of Congress to repeal an Execu-

tive order, and whether this is the usual thing or whether this is the exception to the general rule?

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. Yes; I yield.

Mr. BOILEAU. I do not claim to have any special knowledge about the matter, but my recollection is that when the Economy Act was passed we provided that any regulations or Executive orders that were in effect 2 years after date would become law. That is my impression. Some member of the committee may have a different recollection.

Mr. WOLCOTT. I think, as a matter of precedent, we should decide whether it is necessary for the Congress to repeal Executive orders, and whether we retain to ourselves authority to amend Executive orders in the same authorization.

Is not somebody here from the Committee on Pensions who can explain why this bill is necessary, and why another Executive order repealing Executive Order 6098 is not all that is required?

Mr. BOILEAU. Mr. Speaker, will the gentleman yield further?

Mr. WOLCOTT. I yield.

Mr. BOILEAU. Does not the gentleman recall that that provision was in the act? I am not positive, but that is my recollection.

Mr. WOLCOTT. I do not recall whether it was in the act or not. That might be the reason for it, but surely somebody should know whether it is the reason for it or not. Apparently I am not going to get the information, but I have no objection to the bill, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph X of Executive Order No. 6098, dated March 31, 1933 (Veterans' Regulation No. 10 (38 U. S. C., ch. 12, appendix)), as amended by paragraph 1, Executive Order No. 6568, dated January 19, 1934 (Veterans' Regulation No. 10 (c). is hereby canceled as of the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIAN WAR PENSIONS

The Clerk called the next bill, H. R. 5787, granting pensions and increases of pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That from and after the first day of the next month after the approval of this act, the rate of pension to surviving soldiers of the various Indian wars and campaigns who are now on the pension rolls or who may hereafter be placed thereon under the provisions of the acts of July 27, 1892; June 27, 1902, and May 30, 1908, as amended by the act of February 1, 1913; or under the act of March 4, 1917, or the act of March 3, 1927, shall be $65 per month: *Provided*, That any such survivor who is now or hereafter may become, on account of age or physical or mental disability, helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person, shall be paid the rate of $72 per month: *Provided, however*, That nothing in this act shall be so construed as to reduce any pension under any law, public or private, and that hereafter pensions granted under this act or acts referred to in this section shall commence from the date of filing of application therefor in the Veterans' Administration.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That from and after the first day of the next month after the enactment of this act, all surviving soldiers of the various Indian wars and campaigns who are now on the pension rolls or who may hereafter be placed thereon under the provisions of the acts of July 27, 1892, June 27, 1902, and May 30, 1908, as amended by the act of February 19, 1913, or under the act of March 4, 1917, or the act of March 3, 1927, shall be entitled to receive a pension not exceeding $55 per month and not less than $20 per month, proportioned to the degree of inability to earn a support as determined by the Administrator of Veterans' Affairs, and in determining such inability each and every infirmity shall be duly considered, and the aggregate of the disabilities shown be rated: *Provided*, That any such person who has reached the age of 62 years shall be entitled to receive a pension of $25 a month; in case such person has reached the age of 68 years, $35 a month; in case such person has reached the age of 72 years, $45 a month; and in case such person has reached the age of 75 years, $55 a month: *Provided further*, That any such person who is now or hereafter may become, on account of age or physical or mental disabilities, helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person, shall be paid the rate of $72 a month: *And provided further*, That no one while an inmate of the United States Soldiers' Home or of any National or State soldiers' home shall be paid more than $50 per month under this act.

"SEC. 2. That the increased rates of pension herein provided shall be effective from and after the first day of the month following the enactment of this act as to those then in receipt of Indian war service pension, and as to those with claims then pending who are shown to be entitled to pension under one of the acts enumerated herein, and as to all other cases where entitlement under this act is shown, such pension shall commence from the date of filing application therefor in the Veterans' Administration on and after the enactment of this act, and in such form as may be prescribed by the Administrator of Veterans' Affairs: *Provided*, That pension of $72 per month granted under this act on the basis of requiring the regular aid and attendance of another person shall commence from the date of receipt in the Veterans' Administration of the evidence showing the requisite condition or the date of filing application therefor on and after the enactment of this act, whichever is the later date, but such pension of $72 per month shall not be awarded to any person for any period during which he is maintained in an institution by the United States Government or a political subdivision thereof and is being furnished with nursing or attendant service: *Provided further*, That in no event shall the rates of pension provided in this act be effective prior to the first day of the month following the enactment thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OIL WORLD EXPOSITION, HOUSTON, TEX.

The Clerk called the next business, House Joint Resolution 385, authorizing the President to invite the States of the Union and foreign countries to participate in the Oil World Exposition at Houston, Tex., to be held October 11 to 16, 1937, inclusive.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I notice there are two resolutions providing for oil expositions. Will not some Member on the majority side explain this resolution?

Mr. THOMAS of Texas. I shall be pleased to explain it. In the first place, this bill will not cost the Government 5 cents expense. The expense will be borne by the city of Houston and the State authorities.

Mr. MARTIN of Massachusetts. There will be no expense to the Federal Government?

Mr. THOMAS of Texas. None whatever.

Mr. MARTIN of Massachusetts. And there is no intention on the part of the sponsors to come back at any future time to try to secure a Federal contribution?

Mr. THOMAS of Texas. Absolutely none.

Mr. MARTIN of Massachusetts. Mr. Speaker, under the circumstances I have no objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the President of the United States is authorized to invite by proclamation, or in such other manner as he may deem proper, the States of the Union and all foreign countries to participate in the proposed Oil World Exposition, to be held at Houston, Tex., from October 11 to 16, 1937, inclusive, for the purpose of exhibiting samples of fabricated and raw products of all countries produced by the petroleum industry; and the exhibiting of the tools and equipment used by the industry; and bringing together buyers and sellers for promotion of trade and commerce in such products.

SEC. 2. All articles that shall be imported from foreign countries for the sole purpose of exhibition at the Oil World Exposition upon which there shall be a tariff or customs duty shall be admitted free of the payment of duty, customs, fees, or charges, under such regulations as the Secretary of the Treasury shall

prescribe; but it shall be lawful at any time during the exhibition to sell any goods or property imported for and actually on exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury may prescribe: *Provided*, That all such articles when sold or withdrawn for consumption or use in the United States shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of withdrawal; and on such articles which shall have suffered diminution or deterioration from incidental handling and necessary exposure, the duty, if paid, shall be assessed according to the appraised value at the time of withdrawal for consumption or use, and the penalties prescribed by law shall be enforced against any person guilty of any illegal sale, use, or withdrawal.

SEC. 3. That the Government of the United States is not by this resolution obligated to any expense in connection with the holding of such exposition.

With the following committee amendment:

Strike out section 2 and insert the following:

"SEC. 2. That all articles which shall be imported from foreign countries for the purpose of exhibition at the Oil World Exposition to be held at Houston, Tex., from October 11 to 16, 1937, inclusive, by the Oil World Exposition, or for use in constructing, installing, or maintaining foreign buildings or exhibits at the said exposition, upon which articles there shall be a tariff or customs duty, shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during or within 3 months after the close of the said exposition to sell within the area of the expcsition any articles provided for herein, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles which shall have suffered diminution or deterioration from incidental handling or exposure, the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That at any time during or within 3 months after the close of the exposition any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles which have been admitted without payment of duty for exhibition under any tariff law and which have remained in continuous customs custody or under a customs exhibition bond and imported articles in bonded warehouse under the general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That the Oil World Exposition shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for articles imported under the provisions of this act, shall be reimbursed by the Oil World Exposition to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid in the manner provided for in section 524 of the Tariff Act of 1930."

The committee amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL PETROLEUM EXPOSITION, TULSA, OKLA.

The Clerk called the next bill, H. R. 7127, authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I would like to ask the same questions concerning this exposition.

Mr. DISNEY. Mr. Speaker, the same replies fit this situation as those given by the gentleman from Texas to the last situation. No money is being asked of the Federal Government. The only thing sought from the Federal Government by this bill is the usual provision regarding the handling of property brought in, so far as the draw-back of customs duties is concerned. If the property is sold here, they pay duty, of course.

Mr. MARTIN of Massachusetts. The sponsors of this project will not come back later to ask for any money from the Federal Government?

Mr. DISNEY. Oh, no.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States is authorized to invite by proclamation, or in such other manner as he may deem proper, the States of the Union and all foreign countries to participate in the proposed International Petroleum Exposition, to be held at Tulsa, Okla., from May 14, 1938, to May 21, 1938, inclusive, for the purpose of exhibiting samples of fabricated and raw products of all countries used in the petroleum industry and bringing together buyers and sellers for promotion of trade and commerce in such products.

SEC. 2. All articles that shall be imported from foreign countries for the sole purpose of exhibition at the International Petroleum Exposition upon which there shall be a tariff or customs duty shall be admitted free of the payment of duty, customs, fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during the exhibition to sell any goods or property imported for and actually on exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury may prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles, which shall have suffered diminution or deterioration from incidental handling or exposure, the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That at any time during or within 3 months after the close of the exposition, any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles which have been admitted without payment of duty for exhibition under any tariff law, and which have remained in continuous customs custody or under a customs exhibition bond, and imported articles in bonded warehouses under the general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That the International Petroleum Exposition shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for, articles imported under the provisions of this act, shall be reimbursed by the International Petroleum Exposition to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930.

SEC. 3. That the Government of the United States is not by this act obligated to any expense in connection with the holding of such exposition and is not hereafter to be obligated other than for suitable representation thereat.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION AND REHABILITATION AT MILITARY POSTS

The Clerk called the next bill, H. R. 7645, to authorize appropriations for construction and rehabilitation at military posts, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $21,460,688, to be expended for the construction, rehabilitation, and installation at military posts of such buildings and utilities and appurtenances thereto as may be necessary, as follows:

Station	Description of construction	Amount
Army and Navy General Hospital, Hot Springs, Ark.	Quarters	$34,000
	Telephone	1,000
Total		35,000
Air Corps Technical School, Denver, Colo.	Barracks	935,000
	Hospital headquarters and administration building.	200,000
	School building	540,000
	Runways	300,000
	Grading and improving landing field	300,000
Total		2,275,000
Fort Barrancas, Fla.	Quarters (noncommissioned officers, 10)	85,000
	Telephone construction	2,000
Total		87,000
Fort Benning, Ga.	Water system, improvements to pumping and filtration plants; reservoir storage.	180,000
Fort Bliss, Tex.	Barracks	275,000
	Quarters (warrant officers and noncommissioned officers, 20).	170,000
	Radio station, including towers (Biggs Field).	17,000
	Telephone construction	1,000
Total		463,000
Fort Bragg, N. C.	Barracks	412,500
	Telephone construction	1,000
Total		413,500
Carlisle Barracks, Pa.	Quarters	238,000
	Telephone construction	3,000
	Quarters	348,000
	Sterilizing plant, etc.	35,000
	Barracks (125 men)	137,500
Total		761,500
Chanute Field, Ill.	Barracks, including mess facilities	1,035,000
	Quarters, noncommissioned officers	505,000
	Hospital	300,000
	Central heating plant, beginning	500,000
	School building	540,000
Total		2,880,000
Fort Crook, Nebr.	Barracks (additon to)	55,000
	Barracks	137,500
	Telephone construction	500
Total		193,000
Fort Douglas, Utah	Medical detachment barracks	42,000
Fort Du Pont, Del.	Barracks	412,500
	Telephone construction	1,000
Total		413,500
Fort Ethan Allen, Vt.	Quarters (30 noncommissioned officers)	255,000
	Telephone	2,500
Total		257,500
Fitzsimons General Hospital, Colo.	Hospital	1,750,000
	Telephone construction	20,000
Total		1,770,000
Frankford Arsenal, Philadelphia, Pa.	Office building	225,000
	Extension building no. 127, acoustic laboratory.	23,000
	Extension of annealing room building no. 215	7,000
Total		255,000
Fort Sam Houston, Tex.	Hospital (addition)	235,000
	Basement in transmitter building	4,000
	Barracks	550,000
	Telephone construction	4,000
Total		793,000
Fort Humphreys, D. C.	Reproduction plant	74,880
	Telephone construction	3,500
Total		78,380
Jefferson Barracks, Mo.	Barracks (medical and other detachment)	$82,500
	Mess and kitchen addition to barracks	60,000
	Nurses quarters	63,000
Total		205,500
Fort Knox, Ky.	Hospital	200,000
Fort Leavenworth, Kans.	Auditorium and production plant	600,000
Madison Barracks, N. Y.	Barracks	137,500
	Quarters, noncommissioned officers	136,000
	Telephone construction	1,000
	Water supply	85,000
Total		359,500
Fort McArthur, Calif.	Barracks and utilities	137,500
	Telephone construction	1,000
Total		138,500
Fort McPherson, Ga.	Radio station	23,000
	Dental clinic	85,000
Total		108,000
Fort Monmouth, N. J.	Barracks	137,500
	Signal Corps laboratory	220,000
	Telephone construction	20,000
Total		377,500
Fort Monroe, Va.	Barracks, quartermaster detachment	110,000
	Barracks (addition to)	225,000
	Enlisted specialists' school	69,500
	Telephone construction	12,000
Total		416,500
Fort Myer, Va.	Hospital addition	9,000
	Barracks building no. 104	55,000
	Barracks (addition to)	220,000
	Telephone construction	500
Total		284,500
Presidio of San Francisco, Calif.	Barracks	137,500
	Quarters (noncommissioned officers), telephone construction and utilities.	38,870
Total		176,370
Fort Riley, Kans.	Academic building	400,000
	Telephone construction	5,000
Total		405,000
Fort D. A. Russell, Tex.	Motor shop, truck, and gun shed	77,818
Fort Sill, Okla.	Barracks	330,000
	Telephone construction	1,000
Total		331,000
Fort Thomas, Ky.	Barracks	412,500
	Telephone construction	2,500
Total		415,000
Fort Washington, Md.	Quarters (officers' double)	30,000
Fort Wayne, Mich.	Quarters (8 noncommissioned officers)	68,000
Total for the United States.		15,090,588
HAWAII		
Schofield Barracks	Barracks, Eleventh Field Artillery	1,256,200
	Barracks, detachments	498,300
	Telephone construction	11,000
	Barracks, detachments	283,800
Total		2,049,300
Fort Shafter	Barracks	825,000
	Telephone construction	2,500
Total		827,500
Department headquarters, Fort Shafter.	Quarters	246,500
Tripler General Hospital	Barracks, medical detachment	176,000
	Telephone construction	3,000
Total		179,000
Total, Hawaii		3,302,300
PANAMA		
Fort Clayton	Barracks	825,000
	Telephone	3,000
	Barracks	687,500
	Telephone construction	2,000
Total		1,517,500

Station	Description of construction	Amount
PANAMA—continued		
Corozal general depot	Barracks	$454,300
	Telephone construction	5,000
Total		459,300
Fort Davis	Barracks	550,000
	Telephone construction	3,000
Total		553,000
Fort de Lesseps	Barracks	120,000
Fort Kobbe	do	55,000
	Warehouse and shops	20,000
	Special project	7,000
	Water tank	8,000
Total		90,000
Panama Canal Zone	Rehabilitation	328,000
Total, Panama		3,067,800
Grand total		21,460,688

SEC. 2. The Secretary of War is hereby authorized to establish in or near Denver, Colo., an extension to the Air Corps Technical School and to accept on behalf of the United States, free from encumbrance or conditions and without cost to the United States, for use as a site for the extension to such school, the title in fee simple to 960 acres of land, more or less, within and without the city limits of the city of Denver, Colo., including the property known as the "Agnes (Phipps) Memorial Sanitarium", together with existing buildings and equipment located thereon; and, also, a tract of land, within the State of Colorado, suitable for use as an aerial gunnery and bombing range by the Army Air Corps: *Provided*, That in the event a donor is unable to perfect title to any land tendered as a donation, condemnation of such land is authorized in the name of the United States, and payment of any and all awards for title to such land as is condemned, together with the cost of suit, shall be made by the donor.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL MEXICAN CLAIMS COMMISSION

The Clerk called the next business, House Joint Resolution 437, to amend an act entitled "An act to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934", approved April 10, 1935, and to redefine the jurisdiction of the Special Mexican Claims Commission in certain particulars.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the act entitled "An act to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934", approved April 10, 1935 (49 Stat. 149), provides for the establishment of the Special Mexican Claims Commission and confers upon that Commission jurisdiction to hear and determine all claims against the Republic of Mexico, notices of which were filed with the Special Claims Commission, United States and Mexico, established by a convention of September 10, 1923, in which the said Commission failed to award compensation, except such claims as may be found by the committee provided for in the Special Claims Convention of April 24, 1934, to be general claims and recognized as such by the General Claims Commission; and

Whereas the said Special Claims Convention of April 24, 1934, provides that the jurisdiction in and validity of the claims found by the said committee to be general claims shall be determined in each case when examined and adjudicated by the commissioners or umpire in accordance with the provisions of the General Claims Convention of September 8, 1923, and the protocol of April 24, 1934, or the Special Claims Convention of September 10, 1923, and the protocol of June 18, 1932, in the event it shall be found by the commissioners or umpire to have been improperly eliminated from the special claims settlement; and

Whereas certain claims filed with the said Special Claims Commission, United States and Mexico, established by the said convention of September 10, 1923, were found by the said committee to be general claims, but have not yet been the subject of any determination by the said General Claims Commission; and

Whereas the said Special Mexican Claims Commission, established in pursuance of the said act approved April 10, 1935, expires by the terms of the said act on August 31, 1937; and

Whereas, by the terms of the protocol of April 24, 1934, between the United States of America and the United Mexican States, the said General Claims Commission expires on October 24, 1937, and the two Governments have undertaken, upon the basis of the joint report of the members of the said Commission, to conclude a convention for the final disposition of the claims pending before the said Commission, the said convention to take either the form of an agreement for an en-bloc settlement of the said claims or the form of an agreement for the disposition of the claims upon their individual merits by reference to an umpire; and

Whereas the committee provided for in the Special Claims Convention of April 24, 1934, found that the amount to be paid by the Government of Mexico in settlement of the special claims comprehended in that convention was $5,448,020.14, it being understood that the sum thus determined was susceptible of increase after express decision of the General Claims Commission in case the said Commission might decide to be within the jurisdiction of the Special Commission any one or more of the claims which the said committee found to be general claims; and

Whereas the said Special Mexican Claims Commission, in the event that the total amount of the awards made by it upon all claims is greater than the amount which the Government of Mexico has agreed to pay to the Government of the United States in satisfaction of the claims, is required by the said act approved April 10, 1935, to reduce the awards on a percentage basis to such amount; and

Whereas in the circumstances set forth, it is not now possible to ascertain which, if any, of the claims found by the said committee to be general claims will be found by the said General Claims Commission to be special claims, nor what will be the amount of the total en-bloc settlement provided for in the said Special Claims Convention of April 24, 1934; and

Whereas payments on awards of the said Special Mexican Claims Commission from funds paid to the Government of the United States by the Government of Mexico under the Special Claims Convention of April 24, 1934, should not, in justice to the beneficiaries, be deferred until the question of the jurisdiction of the claims now pending before the General Claims Commission, by virtue of the classification of such claims as general claims by the joint committee, shall have been finally determined in the manner provided for in the said convention of April 24, 1934, or in the said protocol of the same date: Therefore be it

Resolved, etc., That the jurisdiction of the Special Mexican Claims Commission established in pursuance of the act approved April 10, 1935 (49 Stat. 149), shall not be deemed to include any of the claims found by the committee provided for in the Special Claims Convention of April 24, 1934, to be general claims.

SEC. 2. That for the purposes of the reduction of awards on a percentage basis as provided for in section 4 of the act approved April 10, 1935 (49 Stat. 149), the amount which the Government of Mexico has agreed to pay to the Government of the United States in satisfaction of the claims shall, subject to the provision in section 3 hereof, be deemed to be the sum of $5,448,020.14, set forth in the report of the said committee provided for in the said convention of April 24, 1934.

SEC. 3. That in the event of the reclassification as special claims of any of the claims found by the said committee to be general claims, the claims so reclassified shall be passed upon by a commission to be established in conformity with the said act of April 10, 1935, and the total amount payable by the Government of Mexico to the Government of the United States on account of the claims so reclassified, together with interest on all deferred payments under the Special Claims Convention of April 24, 1934, shall be added to the sum of $5,448,020.14 set forth in the report of the said committee. The total amount awarded by the commission so established upon the claims so reclassified shall be added to the total amount of the original awards made by the Special Mexican Claims Commission, and any necessary readjustment of the awards of the Special Mexican Claims Commission and those that may be made by the commission to be established pursuant to this section shall be made by the Secretary of the Treasury on the basis prescribed by section 4 of the act approved April 10, 1935.

SEC. 4. Upon the certification to the Secretary of the Treasury of the awards of the Special Mexican Claims Commission, he shall proceed to make payments as provided for in section 9 of the act approved April 10, 1935; and upon the certification to the Secretary of the Treasury of awards upon any claims reclassified as special claims he shall after making the readjustments provided for in section 3 of this resolution, accord priority of payment on such awards until the beneficiaries thereof shall have been placed upon an equal percentage basis as to payments with the beneficiaries of awards of the Special Mexican Claims Commission.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended to read: "Joint resolution relative to determination and payment of certain claims against the Government of Mexico."

CANADIAN PASSENGER VESSELS ON LAKE ONTARIO AND ST. LAWRENCE RIVER

The Clerk called the next business, House Joint Resolution 413, to permit the transportation of passengers by Canadian passenger vessels between ports or places in the United States on Lake Ontario and the St. Lawrence River.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, until such time as passenger service shall be established by vessels of the United States between ports or places in the United States on Lake Ontario and the St. Lawrence River, Canadian passenger vessels shall be permitted to transport passengers between any such ports or places; such Canadian vessels not to be subject to the provisions of section 8 of the act of June 19, 1886, as amended by section 2 of the act of February 17, 1898 (46 U. S. C., sec. 289).

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That for the months of July, August, and September 1937 Canadian passenger vessels operating in former years between the port of Rochester, N. Y., and the port of Alexandria Bay, N. Y., shall be permitted to transport passengers between these ports; such Canadian vessels are not to be subject to the provisions of section 8 of the act of June 19, 1886, as amended by section 2 of the act of February 17, 1898 (46 U. S. C., sec. 289)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IMPROVEMENT OF THE EFFICIENCY OF THE LIGHTHOUSE SERVICE

The Clerk called the next bill, H. R. 7402, to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4676 of the Revised Statutes, as amended, is hereby amended to read as follows:

"SEC. 4676. Whenever the owner of any sunken vessel, boat, watercraft, raft, or other similar obstruction existing on any river, lake, harbor, sound, bay, or canal, or other navigable waters of the United States has failed to mark, or in the judgment of the Commissioner of Lighthouses has failed suitably to mark, the same in accordance with the provisions of section 15 of the act of March 3, 1899 (ch. 425, 30 Stat. 1152), the Commissioner of Lighthouses is authorized to suitably mark the same for the protection of navigation. Until such time as abandonment of any such obstruction has been established in accordance with the provisions of section 19 of the act of March 3, 1899 (ch. 425, 30 Stat. 1154), the owner thereof shall pay to the Commissioner of Lighthouses the cost of such marking. As soon as abandonment of any such obstruction has been so established, it shall be the duty of the Secretary of War to keep the same so marked pending removal thereof in accordance with the provisions of section 19 of the act of March 3, 1899 (ch. 425, 30 Stat. 1154), but the Commissioner of Lighthouses may at the request of the Department of War continue the suitable marking of any such obstruction for and on behalf of that Department. The cost of continuing any such marking shall be borne by the Department of War. All moneys received by the Commissioner of Lighthouses from the owners of obstructions, in accordance with the provisions of this section, shall be covered into the Treasury of the United States as miscellaneous receipts. No provision of this section shall be construed so as to relieve the owner of any such obstruction from the duty and responsibility suitably to mark the same in accordance with the provisions of section 15 of the act of March 3, 1899 (ch. 425, 30 Stat. 1152)."

SEC. 2. The Lighthouse Service is authorized, whenever an aid to navigation or other property belonging to that Service is damaged or destroyed by a private person, and such private person or his agent shall pay to the satisfaction of the proper official of the Lighthouse Service for the cost of repair or replacement of such property, to accept and deposit such payments, through proper officers of the Division of Disbursement, Treasury Department, in special deposit accounts in the Treasury, for payment therefrom to the person or persons repairing or replacing the damaged property and refundment of amounts collected in excess of the cost of the repairs or replacements concerned.

SEC. 3. The Commissioner of Lighthouses, subject to the approval of the Secretary of Commerce, is authorized in his discretion hereafter to establish and maintain aids to navigation to mark rivers, waterways, or channels, connected by navigable waters with the sea or the Great Lakes, which have been improved for navigation by the United States under proper authority, and appropriations made for the support of the Lighthouse Service are made available for the expenses of establishing and maintaining such aids to navigation.

SEC. 4. Section 4 of the act of Congress approved June 17, 1910 (ch. 301, 36 Stat. 537; U. S. C., title 33, secs. 711, 721), is hereby amended to read as follows:

"SEC. 4. There shall be in the Department of Commerce a Bureau of Lighthouses and a Commissioner of Lighthouses, who shall be the head of said Bureau, to be appointed by the President. There shall also be in the Bureau a Deputy Commissioner, to be appointed by the President, and a Chief Clerk, who shall perform the duties of Chief Clerk and such other duties as may be assigned to him by the Secretary of Commerce or by the Commissioner. There shall also be in the Bureau such inspectors, clerical assistants, and other employees as may from time to time be authorized by Congress. The Commissioner of Lighthouses shall make an annual report to the Secretary of Commerce, who shall transmit the same to Congress at the beginning of each regular session thereof. The Commissioner of Lighthouses, subject to the approval of the Secretary of Commerce, is authorized to consider, ascertain, adjust, and determine all claims for damages, where the amount of the claim does not exceed the sum of $500, occasioned by collisions, for which collisions vessels of the Lighthouse Service shall be found to be responsible, and report the amounts so ascertained and determined to be due to the claimants to Congress at each session thereof through the Treasury Department for payment as legal claims out of appropriations that may be made by Congress therefor."

SEC. 5. That so much of section 20 of the act approved May 28, 1935 (Public, No. 81, 74th Cong.), entitled "An act to authorize the Secretary of Commerce to dispose of certain lighthouse reservations, and for other purposes", as reads "to convey to the town of Southold, State of New York" is hereby amended to read "to convey to the Southold Park District in the town of Southold, State of New York."

SEC. 6. The Secretary of Commerce is authorized to convey to the State of Florida for public-roadway purposes an additional portion of the Crooked River Range Lighthouse Reservation, Fla., 34 feet in width and approximately 500 feet in length adjoining the strip of land conveyed pursuant to section 4 of the act approved May 28, 1935 (Public, No. 81, 74th Cong.), to provide for a roadway 100 feet in width across the reservation. The deed of conveyance shall describe by metes and bounds the portion of the reservation transferred and the conditions imposed by section 36 of the act of May 28, 1935 (Public, No. 81, 74th Cong.).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCEPTION OF YACHTS, TUGS, TOWBOATS, AND UNRIGGED VESSELS FROM CERTAIN PROVISIONS OF THE ACT OF JUNE 25, 1936

The Clerk called the next bill, H. R. 7158, to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT OF LAWS RELATING TO ENLISTMENTS IN THE COAST GUARD

The Clerk called the next bill, H. R. 6916, to amend the laws relating to enlistments in the Coast Guard, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of May 26, 1906, as amended (34 Stat. 200; U. S. C., 1934 ed., title 14, sec. 35), is hereby further amended to read as follows:

"(a) That all persons composing the enlisted force of the Coast Guard shall be enlisted for a term not to exceed 3 years, in the discretion of the Secretary of the Treasury, who shall prepare regulations governing such enlistments and for the general government of the service: *Provided*, That an enlistment in the Coast Guard shall not be regarded as complete until the enlisted man concerned shall have served any time, in excess of 1 day, lost on account of unauthorized absence from duty, or injury, sickness, or disease, resulting from his own intemperate use of drugs or alcoholic liquors, or other misconduct, or while in confinement under sentence, or while awaiting trial and disposition of his case if the trial results in conviction.

"(b) The term of enlistment of any enlisted man in the Coast Guard may, by his voluntary written agreement, under such regulations as may be prescribed by the Secretary of the Treasury, be extended for a period of 1, 2, or 3 full years from the date of expiration of the then-existing term of enlistment, and subsequent to said date an enlisted man who extends his term of enlistment as herein authorized shall be entitled to and shall receive the same pay and allowances in all respects as though regularly discharged and reenlisted immediately upon expiration of his term of enlistment. No such extension shall operate to deprive the enlisted man concerned, upon discharge at the termination thereof, of any right, privilege, or benefit to which he would have been entitled if his term of enlistment had not been so extended.

"(c) The commanding officer of any vessel of the Coast Guard is authorized, in his discretion, to detain an enlisted man beyond the term of his enlistment until the first arrival of the vessel at its permanent station, or at a port in a State of the United States or in the District of Columbia, unless, in his opinion, the detention of such person for a further period is essential to the public interest, in which case he may detain him for a further period, not exceeding 30 days, after arrival at such station or port. Any person so detained shall be subject in all respects to the laws and

regulations for the government of the Coast Guard until his discharge therefrom."

SEC. 2. The act entitled "An act extending the benefits of the marine hospitals to the keepers and crews of life-saving stations", approved August 4, 1894, as amended (28 Stat. 229; U. S. C., 1934 ed., title 24, sec. 8), is hereby further amended to read as follows:

"(a) Under such regulations as may be prescribed by the President, upon the recommendation of the Surgeon General with the approval of the Secretary of the Treasury, all commissioned officers, chief warrant officers, warrant officers, cadets, and enlisted men of the Coast Guard, including those on shore duty and those on detached duty, whether on active duty or retired, shall be entitled to medical, surgical, and dental treatment and hospitalization by the Public Health Service; and the dependent members of families of officers and enlisted men of the Coast Guard shall be furnished medical advice and out-patient treatment by the Public Health Service at its first-, second-, and third-class relief stations, and such dependent members of families shall be furnished hospitalization at marine hospitals, if suitable accommodations are available, at a per-diem cost to the officer or enlisted man concerned equivalent to the uniform per-diem reimbursement rate for Government hospitals as approved by the President for each fiscal year. Collections of the Public Health Service for the hospitalization of such dependent members of families shall be credited to the applicable appropriation for the operation of marine hospitals and relief stations.

"(b) The act entitled 'An act to extend medical and hospital relief to retired officers and retired enlisted men of the United States Coast Guard', approved May 18, 1928 (45 Stat. 603; U. S. C., 1934 ed., title 14, sec. 179), is hereby repealed."

SEC. 3. Subdivision "Seventh" of section 4 of the act entitled "An act to establish a Bureau of Immigration and Naturalization, and to provide for a uniform rule for the naturalization of aliens throughout the United States", approved June 29, 1906, as amended (34 Stat. 598; U. S. C., 1934 ed., title 8, sec. 388), is hereby further amended by inserting in line 4 thereof, after the words "Naval Auxiliary Service", the words "or the Coast Guard."

SEC. 4. Section 12 of the act entitled "An act to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States, and for other purposes", approved July 2, 1926 (44 Stat. 789; U. S. C., 1934 ed., title 10, sec. 1429), is hereby amended by inserting in line 8 thereof, after the words "United States Navy", the words "or with the United States Coast Guard."

SEC. 5. Section 2 of the act of June 23, 1906, as amended (34 Stat. 452; U. S. C., 1934 ed., title 14, sec. 15), is hereby further amended by inserting the following sentence at the end thereof: "A cadet, upon admission to the Coast Guard Academy, shall be credited with the sum of $250 to cover the cost of his initial clothing and equipment issued, to be deducted subsequently from his pay in accordance with regulations prescribed by the Secretary of the Treasury."

SEC. 6. Section 2 of the Legislative, Executive, and Judicial Appropriation Act, approved July 31, 1894, as amended (28 Stat. 205; U. S. C., 1934 ed., title 5, sec. 62), is hereby further amended by inserting in line 12 thereof, following the word "Navy", the words "or the Coast Guard."

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EXCHANGE OF LIGHTHOUSE SITES, PUERTO RICO

The Clerk called the next bill, H. R. 7823, to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is hereby authorized to convey to the people of Puerto Rico the parcel of land and certain improvements comprising the Guanica Lighthouse Reservation in exchange by deeds of conveyance of two adjacent plots of land required for establishing the Guanica Light at a higher elevation to provide greater visibility, and to provide for necessary roadway and wharf facilities. The deeds of conveyance shall describe by metes and bounds the lands involved in the exchange, and acceptable titles free of all encumbrances are required to be furnished the United States.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ADMISSION TO CITIZENSHIP OF CERTAIN ALIENS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to return to the consideration of bill H. R. 6785, for the admission to citizenship of aliens who came into this country prior to February 5, 1917, No. 286 on the Consent Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, I shall object unless the gentleman agrees to an amendment to which we agreed a while ago.

Mr. KRAMER. I agree to the amendment the gentleman proposes to offer.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a new subdivision is hereby added to section 4 of the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended, to read as follows:

"Fifteenth. Any alien eligible for citizenship who is 50 years of age or more, who prior to the enactment of this act has made a declaration of intention or filed a petition for naturalization, and who was lawfully admitted to the United States for permanent residence prior to February 5, 1917, may be naturalized upon full and complete compliance with all requirements of the naturalization laws, with the following exceptions: Petition for naturalization may be filed without regard for the 7-year limitation on the declaration of intention, and the applicant shall not be required to sign his petition in his own handwriting or to speak the English language and he shall be exempt from all educational requirements. Nothing herein shall be held to waive or in anywise relax the requirement for good moral character."

Mr. JENKINS of Ohio. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: Page 1, line 11, after "1917", add the following: "and has ever since said lawful entry maintained a bona-fide residence in the United States."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE TO SETTLERS OF HOMESTEAD LANDS DURING YEAR 1937

Mr. MOTT. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill H. R. 2888, granting a leave of absence to homestead settlers during the year 1937, No. 371 on the Consent Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I ask the gentleman if this differs in any way from another bill which we considered earlier in the session concerning these rights and, second, may I ask him, what is the economic necessity for continuing from year to year the prohibition against these people exercising their rights under the homestead laws in order to acquire title?

Mr. MOTT. In answer to the first question, I may say that the bill presently under consideration differs from the former one in that it does not contain the Indian provision. As to the second question, the economic reason, there are a great many homesteaders throughout the United States who during the past 2 or 3 years have found it impossible to stay upon their land and to comply with the laws and the regulations and at the same time make a living. This bill simply permits them to go off of the land temporarily, after they have made a showing that they are not able to make a living by staying on the land and after that showing has been supported by the affidavits of two disinterested parties.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I would like to know what the bill purports to accomplish?

Mr. MOTT. The bill provides that a homestead entryman having taken up a homestead and who finds it impossible on account of economic conditions during the present year

to stay on his land and make a living, and who is required to go off his land during that period in order to make a living, may be permitted to go off the land during the present year if he makes a sufficient showing and if that showing is supported by the affidavits of two disinterested parties who are familiar with the situation. The bill further provides an entryman receiving permission to go off his land will not have that time included within the time under which he is required to take up his homestead.

However, his time will be extended during the period he is off the land. It is a very interesting bill and affects homesteaders in all the Western States.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield for a question?

Mr. MOTT. Certainly.

Mr. COSTELLO. I notice in the committee report a letter from the Department of the Interior in which the suggestion is made that two amendments be added to the bill. The one on page 2 would insert, in line 20, the words "or purchaser of", so that the line would read "any entryman or purchaser of ceded Indian lands", which would include the purchaser along with the entryman. However, I notice the committee did not add that amendment.

Mr. MOTT. My recollection is that the committee had no objection to the amendment. I have no objection.

Mr. COSTELLO. There is another amendment at quite some length which the Department recommended in its report, and this amendment is known as section 5.

Mr. MOTT. I have no objection to that amendment.

Mr. COSTELLO. Is the gentleman planning to offer section 5 as an amendment to the bill?

Mr. MOTT. I was not planning to, but I would have no objection to such an amendment being offered.

The SPEAKER. Is there objection to the request of the gentleman from Oregon for the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any homestead settler or entryman who, during the calendar year 1937 should find it necessary, because of economic conditions, to leave his homestead to seek employment in order to obtain the necessaries of life for himself or family or to provide for the education of his children, may, upon filing with the register of the district his affidavit, supported by corroborating affidavits of two disinterested persons, showing the necessity of such absence, be excused from compliance with the requirements of the homestead laws as to residence, cultivation, improvement, expenditures, or payment of purchase money, as the case may be, during all or any part of the calendar year 1937, and said entries shall not be open to contest or protest because of failure to comply with such requirements during such absence; except that the time of such absence shall not be deducted from the actual residence required by law, but a period equal to such absence shall be added to the statutory life of the entry: *Provided*, That any entrymen holding an unperfected entry on ceded Indian lands may be excused from the requirements of residence upon the conditions provided herein, but shall not be entitled to extension of time for the payment of any installment of the purchase price of the land except upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of relief granted hereunder.

SEC. 2. Any homestead settler or entryman, including any entryman on ceded Indian lands, who is unable to make the payments due on the purchase price of his land on account of economic conditions, shall be excused from making any such payment during the calendar year 1937 upon payment of interest, in advance, at the rate of 4 percent per annum on the principal of any unpaid purchase price from the date when such payment or payments became due to and inclusive of the date of the expiration of the period of relief granted hereunder.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, line 20, after the word "entryman", strike out the word "on" and insert in lieu thereof the following: "or purchaser of."

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer a further amendment, to add a new section to the bill at the end, to be known as section 3.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: After line 3, on page 3, insert a new section, as follows:

"SEC. 3. Any homestead entryman or purchaser of ceded Indian land who is delinquent in the payment of the purchase money or interest, or both, due on the land embraced in his entry, entries, purchase, or purchases, and who is unable to make payment thereof in accordance with existing laws, shall be accorded the privilege of relinquishing any subdivision, or subdivisions, as shown on the approved plat, of his entry, entries, purchase, or purchases, so that the purchase money paid on the whole of such entry, entries, purchase, or purchases, will be sufficient to complete payment on the lands retained, which retained lands shall be in reasonably compact form. Relinquishments heretofore made may be accepted under the provisions of this section."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF THE LIQUOR ENFORCEMENT ACT OF 1936

Mr. COCHRAN. Mr. Speaker, a moment ago I objected to the consideration of the bill (H. R. 7508) to amend the Liquor Enforcement Act of 1936.

I now ask unanimous consent to return to that bill and consider it. I realize the bill can be passed by suspension, so I do not want to take up the time of the House, although I feel my objection was sound.

The SPEAKER. The gentleman from Missouri asks unanimous consent to return to the consideration of the bill H. R. 7508. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 (a) of an act approved June 25, 1936, known as the Liquor Enforcement Act of 1936 (U. S. Stat. L., vol. 49, ch. 815, p. 1928), be, and the same is, amended to read as follows:

"SEC. 3. (a) Whosoever shall import, bring, or transport any intoxicating liquor into any State, Territory, or possession of the United States for delivery or use therein in violation of the laws of said State, Territory, or possession of the United States, shall be guilty of a misdemeanor and shall be fined not more than $1,000 or imprisoned not more than 1 year, or both."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAN CARLOS APACHE INDIANS

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill (S. 1231) authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I believe I shall ask that this bill be passed over without prejudice for the purpose of securing a report on it. I think the bill should be considered on the next day the Consent Calendar is called. I had a memorandum in reference to this bill which warranted me in taking the action I did. I, therefore, object, Mr. Speaker.

CONSTRUCTION OF CERTAIN AUXILIARY VESSELS FOR THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy, with House amendments, insist on the amendments of the House, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. VINSON of Georgia, Mr. DREWRY of Virginia, and Mr. MILLARD.

CONSENT CALENDAR

TRANSFER OF CANCELED CHECK TO THE GOVERNOR OF ALASKA

Mr. GREEN. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill (H. R. 5809) authorizing the transfer of canceled check to the Governor of Alaska. This bill was passed over without prejudice.

The Clerk read the title of the bill.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, at the time this bill was first called I asked unanimous consent that it be passed over without prejudice, with

the thought that it might be better to have this check preserved in the Nation's Capital as an object of interest to the many visitors who come to the Capital from all over the country. However, I have been informed by the Delegate from Alaska [Mr. DIMOND] that the check is not on display in the Capital but is simply stored in a vault, and that the check might become an object of public interest if it were transferred to Alaska and made available there for sightseers to observe. For this reason I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida to return to the consideration of the bill?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to deliver to the Governor of the Territory of Alaska for transfer into the custody and retention by the Territorial Historical Library and Museum of said Territory at Juneau, Alaska, the original check and warrant issued for the purchase of Alaska from Russia by the United States, for the sum of $7,200,000, pursuant to the Treaty of Cession of March 30, 1867

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEVEES, FLOOD WALLS, AND DRAINAGE STRUCTURES IN OHIO RIVER BASIN

Mr. WHITTINGTON. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7646) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control and for other purposes", approved June 22, 1936, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, is hereby amended by adding a third paragraph reading as follows under the heading "Ohio River Basin" in section 5:

"Levees, floodwalls, and drainage structures: Construction of levees, floodwalls, and drainage structures for the protection of cities and towns in the Ohio River Basin, the projects to be selected by the Chief of Engineers with the approval of the Secretary of War, in accordance with the report of the Chief of Engineers in House Committee on Flood Control Document No. 1, Seventy-fifth Congress, first session, at a cost not to exceed $24,877,000 for construction which is hereby authorized to be appropriated for this purpose: *Provided*, That the protection for Pittsburgh, Pa., is to be interpreted as applying to the metropolitan district of Pittsburgh: *Provided further*, That the local cooperation required by section 3 is complied with: *Provided further*, That any funds appropriated for the fiscal year 1938 to carry out the provisions of the Flood Control Act of June 22, 1936, may be used for plant, material, supervisory, and skilled services necessary in the execution of the projects authorized herein, with relief labor furnished under the provisions of the Emergency Relief Appropriation Act of 1937.

SEC. 2. That the Secretary of War is hereby authorized to approve the expenditure of not to exceed $300,000 per year, from any appropriations heretofore or hereafter made for flood control, in removing accumulated snags and other debris and clearing of channels in navigable streams and tributaries thereof when in the opinion of the Chief of Engineers such work is advisable in the interest of flood control: *Provided*, That not more than $25,000 shall be expended for this purpose on any single stream in any one year.

SEC. 3. That, in order to further the declaration of policy and principles declared in sections 1 and 2 of the Flood Control Act approved June 22, 1936, and to supplement the preliminary examinations and surveys which the Secretary of War has heretofore been authorized and directed to make of waterways with a view to the control of their floods, the Secretary of Agriculture be, and he is hereby, authorized and directed to cause preliminary examinations and surveys to be made for run-off and water-flow retardation and soil-erosion prevention on the watersheds of said waterways, the costs thereof to be paid from appropriations heretofore or hereafter made for such purposes.

SEC. 4. That section 3 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, is hereby amended by adding the following subsection (d):

"As a condition to the extending of any benefits, in prosecuting measures for run-off and water-flow retardation and soil-erosion prevention authorized by act of Congress pursuant to the policy declared in this act, to any lands not owned or controlled by the United States or any of its agencies, the Secretary of Agriculture may, insofar as he may deem necessary for the purposes of such acts, require—

"(1) The enactment and reasonable safeguards for the enforcement of State and local laws imposing suitable permanent restrictions on the use of such lands and otherwise providing for run-off and water-flow retardation and soil-erosion prevention;

"(2) Agreements or covenants as to the permanent use of such lands; and

"(3) Contributions in money, services, materials, or otherwise to any operations conferring such benefits."

SEC. 5. That section 6 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, is hereby amended by adding to the list of localities at which preliminary examinations and surveys are authorized to be made the following names:

"Santa Ana River and tributaries, California.
"South Fabius River in northeast Missouri.
"Willow Creek, Oreg.
"Cherry Creek and its tributaries, Colorado.
"Zumbro River and the Whitewater River in southeastern Minnesota.
"Saline River, Ark.
"Alameda and San Lorenzo Creeks and their tributaries, California.
"Arkansas River in Sequoyah and Haskell Counties, Okla.
"Chariton River in Schuyler County, Mo.
"Galena River (Fever River) in Illinois and Wisconsin.
"San Jacinto River, and its tributaries, in Montgomery, Walker, San Jacinto, Grimes, Waller, Liberty, and Harris Counties, Tex.
"Kissimmee River Valley and its tributaries, Florida.
"Pejaro River, Calif.
"Dugdemonia Bayou, La.
"Mississippi River and tributaries in vicinity of Memphis and Shelby County, Tenn.
" 'The Narrows' on Fourche La Fave River in Scott County, Ark.
"Cumberland River and its tributaries in the vicinity of Nashville, Tenn.
"Cumberland River and its tributaries in the vicinity of Clarksville, Tenn.
"Floyd River, Iowa.
"Little Sioux River, Iowa.
"Tygart River and tributaries in the vicinity of Elkins, W. Va.
"North Branch of Potomac River and its tributaries in the vicinity of Keyser, W. Va.
"Santa Ana River and Banning Canyon in counties of San Bernardino and Riverside, Calif.
"Mojave River, in the county of San Bernardino, Calif.
"Lytle Creek, Waterman Canyon, in the county of San Bernardino, Calif.
"San Jacinto River and Bautiste Creek in the county of Riverside, Calif.
"Boeuf River, Catahoula, Franklin, Caldwell, Richland, West Carroll, and Morehouse Parishes, La.
"Bayou Macon, Franklin, Madison, Richland, East Carroll, and West Carroll Parishes, La.
"Ouachita River and tributaries, Louisiana.
"Russian River, Calif.
"Buckhannon River and Middle Fork River and their tributaries in the vicinity of Buckhannon, W. Va.
"Bureau Creek and tributaries, Illinois.
"Kiskiminitas River, Pa.
"Illinois River and the Fox River at Ottawa, Ill.
"Santa Clara River, Calif.
"Clinton River, Mich.
"Sans Bois Creek in Haskell and Latimer Counties, Okla.
"Salinas River, Calif.
"Walnut Bayou in Little River County, Ark.
"Cucamongo Creek, Deer Creek, San Antonio Creek, and Chino Creek, Calif.
"Cedar River, Iowa.
"Arroyo Grande Creek in the county of San Luis Obispo, Calif.
"Chariton River, Iowa.
"Bill Williams River, Ariz.
"Big Sandy River, in Arizona, from the junction of Trout Creek and Knight Creek on the north to the Bill Williams River on the south.
"Quiver River, Miss.
"Sunflower River, Miss.
"Iowa River, Iowa.
"Kiskiminitas and Conemaugh Rivers and their tributaries, Pennsylvania.
"Whitewater River, Calif.
"Girtys Run, in Allegheny County, Pa.
"Neosho River and its tributaries, in Kansas, Oklahoma, Missouri, and Arkansas.
"Nishnabotna River, Iowa.
"Turkey River, Iowa.
"Boyer River, Iowa."

The SPEAKER. Is a second demanded?

Mr. ENGLEBRIGHT. Mr. Speaker, I demand a second.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, please remind me when I have spoken 9 minutes.

Mr. Speaker, this is an important bill. It is generally conceded that the Ohio River flood of 1937 was one of the major disasters of the Nation. It would take a good many years to construct works to prevent a recurrence of the damage and destruction of that flood. It is universally recognized that it is necessary to provide, however, at the earliest practicable date, for emergency and priority projects to protect the most populous areas in the lower Ohio River Basin.

Mankind has always been harassed by floods. When the first white man ever saw the Mississippi he saw the Father of Waters at its worst. There have been great floods in this country from the time of Indian legends. It is a part of the religion and tradition of every people that in the long ago there was a great flood.

It has been erroneously thought that floods have increased in number and frequency recently. There is no evidence that floods have increased in number in the United States. We had probably the largest flood that ever occurred on the Mississippi River in 1844. One of the largest floods that ever occurred on the Ohio River occurred in 1763, before the trees were cut and before the lands were plowed; but because of the increase in our population and because of the improvements in our country floods are becoming more destructive. It is conservatively estimated that 800,000 people were driven from their homes in the Ohio Valley in January and February of 1937, and that the damages to American citizens in that greatest of all industrial areas in this or any other country aggregated direct losses of $400,000,000, and that the indirect losses were around $400,000,000.

Congress was appealed to and we have not been derelict in our duty. We have appropriated, and the Chief of Engineers has spent in the past 9 years $12,000,000 in making plans for flood control and river improvements along more than 200 of the rivers of the United States. The Chief of Engineers submitted a comprehensive report on the Ohio and Mississippi Rivers. The President of the United States transmitted that report to the committee and he asked that the consideration of the full report be passed over until the next session of the Congress because of studies he had requested by other departments of the Government. The committee insisted, and the President agreed, that there should be priority projects for the populous centers of the Ohio River Basin, during the present session.

This bill authorizes appropriations of $24,877,000 for the construction of priority and emergency projects in the Ohio River Basin, consisting of river walls, levees, and drainage structures.

It is not assumed there will be any additional appropriation requested at this session of the Congress. The President of the United States states that he is going to allocate, under the terms of this bill, around $12,000,000 for the works out of the Emergency Act of 1937, during the next fiscal year.

While the authorized projects along the Ohio River during the next fiscal year are to be financed out of relief funds, under the Emergency Appropriation Act of 1937, it is imperative that Congress authorize the construction of the works. Under the terms of the Emergency Appropriation Act of 1937 no projects can be undertaken unless funds for completion are allocated. However, under section 10 of that act if the projects are approved by Congress the said limitation does not apply. It is imperative, therefore, that Congress authorize the flood-control works even if they are to to be paid for out of the relief funds, as such works are seldom completed in 1 year.

The committee amended the bill so as to authorize the use of about three or four million dollars out of the regularly appropriated flood funds to provide for plant and material, so as to authorize the Chief Executive to use relief funds for the flood-control works authorized. There are 155 projects along the Ohio River, and every project may be considered. The bill is but a partial solution of the large flood problem. It would take from 1 to 2 years to do the work in the pending bill. Under the comprehensive plan reported by the Chief of Engineers, it would probably have taken 15 years to complete the works recommended by him. Under the terms of this bill the projects are to be selected and approved by the Chief of Engineers and the Secretary of War. We have the assurance of the Director of the Budget that in the event any of the regularly appropriated money for national flood control is utilized in the purchase of plant and material, then the Director of the Budget will send in a supplemental recommendation to replace all funds so used in the first deficiency bill of the next session. I speak of section 1 of the bill. We conducted the hearings exhaustively, and in the hearings Members will find a list of 155 communities, with their population and damages in each community. They will find what it will cost to construct the works, also the local contribution required, because this bill is an amendment of the act of 1936, and the principle of local contribution obtains and is brought forward. The same principle obtains in the pending act as obtains in all other flood-control legislation heretofore passed by the Congress of the United States for flood-control works.

Under section 2 of the act there is authorized to be expended on any river where an appropriation has been made not to exceed $25,000,000 to clear the debris and straighten the river, because it was thought this would bring not only as good results but probably better than building the levees higher in some cases.

Section 3 of the act is but an enlargement and expansion of the policy adopted in 1936. Under the terms of that policy of flood control surveys by the Chief of Engineers are now supplemented by surveys for water retardation and soil erosion by the Secretary of Agriculture. Section 3 of the act makes surveys and examinations applicable to the streams that were reported or authorized prior to the passage of the act of 1936, and hence not named in said act.

Section 4 of the act is to provide for soil conservation and it is the exact language of the act of April 27, 1935, so as to provide for local cooperation.

Some 55 or 60 bills for preliminary examinations and surveys were introduced, referred to the committee, and by the committee to the Department of War and the Department of Agriculture, and favorable reports were submitted. All of them have been embraced in an omnibus section, in section 5 of the act. The bill under consideration is a partial response of the Congress of the United States to the great disaster that visited the Ohio Valley in 1936, and this legislation is imperatively necessary if flood-control works are to be constructed. It is a source of satisfaction for me to say at this time that the present administration has approved and passed more flood-control legislation than was ever passed before in all the preceding history of the United States, and that the present session of the Congress of the United States, in addition to providing for flood-control works in relief and emergency acts has appropriated more money for flood control than any other previous session of the Congress of the United States.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. Yes.

Mr. McCORMACK. I want to find out if local communities and the States benefited have to make contributions of land.

Mr. WHITTINGTON. I made it clear, and so stated, that this act provides that the principle of local contribution which obtained in the acts passed in 1936 for the Mississippi and all other rivers, is brought forward in this act. The principle of local contribution obtains, as the pending bill is an amendment to the omnibus Flood Control Act of June 22, 1936.

I reserve the remainder of my time.

Under leave to revise and extend my remarks I am including a more detailed analysis of the bill, and facts that will be of benefit to those interested in projects along the Ohio River Basin.

I invite attention to the report of the Flood Control Committee on the pending bill. It contains facts and data showing that while the bill under consideration is only a partial plan, nevertheless, reference is made to the necessity for further flood-control legislation. The report shows that under the appropriations of Congress the Chief of Engineers has made careful plans and studies. It is no longer a question of plans, it is now a question of authorization and construction. Congress has adequate plans. The big question remaining for Congress is to adopt those plans.

Permit me to say further that floods have harassed mankind in all ages and in all countries. Mythical and historical writings in all countries are filled with references to great floods. The story of a flood that overwhelmed the entire world is one of the oldest in the traditions and records of man. The most widely known story of hungry waters in all literature is the flood of Noah's time. Flood legends in Europe, Asia, and Africa abound. They are found from Tierra del Fuego, in the south, to Alaska, and in both North and South America from east to west. The flood legend goes away back into the Indian lore of this country. Perhaps the earliest story of floods, according to the historian Bancroft, is told by the Papago Indians of Arizona. Montezuma was the hero of the legend. Many of the Indian legends parallel the story of Noah's Ark. Mankind has always been marked by the dread of floods.

There are records of historic floods in Europe and Asia in modern times. Holland and Hungary in Europe, China and India in Asia have suffered devastating floods.

The first civilized man to ever behold the Mississippi River saw the greatest of rivers at its worst. There was no civilization then; there were no farms to be devastated or cities to be destroyed. Hernando De Soto was thrilled at the magnificent beauty of the Father of Waters, but he was not afraid.

The flood of 1543 is the oldest of recorded floods along the Mississippi River. The next great flood of record was in 1718. Every 5 or 6 years there has been a destructive flood along the Ohio and Mississippi Rivers. Two of the greatest of these occurred in 1785 and 1844. The record flood in the lower Mississippi was in 1927, and in 1937 occurred the greatest flood that ever swept down the lower Ohio River.

Floods have not increased in frequency, but, because of the progress and advancement of man, the destruction is much greater. In 1785 there were 3,000,000 people in the United States; in 1937 the population had increased to 130,000,000. The industrial development along the Ohio River and its tributaries surpassed that of any other river in this or any other country.

AN OLD PROBLEM

The problem is old, but the remedies are new and recent. Prior to 1936 the Federal Government had contributed to flood control along the Mississippi and Sacramento Rivers. Prior to 1917 flood-control works along the Mississippi River were incidental; they were in aid of navigation. In the act of 1928 flood control along the lower Mississippi was declared to be a national problem. The substantial Federal expenditures for flood control in the lower Mississippi Valley have been made since the great flood of 1927.

PLAN

In 1927 and in 1928 Congress recognized the national aspects of flood control, and during the past 9 years more than 200 streams in the United States have been studied and investigated by the Corps of Engineers and reports covering flood control on the principal navigable rivers and their tributaries have been submitted to the Congress of the United States by the Corps of Engineers of the United States Army.

Under the law the reports cover navigation, flood control, hydroelectric power, and irrigation. These reports are thorough and exhaustive. All plans for flood control and flood prevention have been explored and investigated by the most competent engineers in the country.

FLOODS OF 1935 AND 1936

There were destructive floods in New England, and especially in New York and Pennsylvania, in 1935. The greatest flood in the history of Pittsburgh occurred in 1936. The losses were enormous. It is estimated the annual flood losses in the United States that can be prevented aggregate more than $300,000,000.

FLOOD-CONTROL PROGRAM AND POLICY

On June 22, 1936, Congress adopted for the first time a national flood-control program and a national flood-control policy. The policy declared that the Federal Government should improve, or participate in the improvement of, navigable waters and their tributaries, including the watersheds thereof, where the benefits exceeded the estimated costs if the lives and social security of the people are otherwise adversely affected. Some 270 projects in 30 States were approved; $300,000,000 was authorized to be appropriated. The works were to be constructed by the Chief of Engineers under the direction of the Secretary of War.

We have heard much of dust storms and soil erosion. It is said there is nothing new under the sun. Civilizations have perished because lands were abused. It is said that the Sahara Desert in the long ago was inhabited and cultivated, but the misuse and abuse of the land converted that broad expanse into a desert of sands. We hear much of soil erosion. The lower Mississippi Valley was formed by the erosion of soils. The Gulf of Mexico in prehistoric times extended far inland to the city of Cairo at the mouth of the Ohio River. As a result of erosions the lower Mississippi Valley was being formed and the mouths of the Mississippi River are still being extended out into the Gulf of Mexico at the rate of about 1 mile in every 21 years. But our lands are being needlessly eroded and our forests being ruthlessly destroyed. They have contributed to increased flood heights.

The policy of flood control adopted in 1936 provided for watershed control and soil-erosion prevention. Numerous examinations and surveys were provided for in the act of 1936. The surveys for flood-control works are under the Department of War. The surveys for water retardation, soil-erosion prevention, and reforestation are under the Department of Agriculture. The work of the two departments integrate; there is no conflict; there is coordination. Downstream protective works are supplemented and reinforced by upstream preventive measures.

On June 15, 1936, authorizations were made for the completion and expansion of flood-control works in the lower Mississippi River; adequate provision was made for navigation. The tonnage on the lower Mississippi River today exceeds by many times the tonnage of the Father of Waters in the halcyon days of steamboats. Passenger traffic has disappeared, but barges carrying many times the tonnage of freight transported along the Ohio and Mississippi Rivers at the time of the advent of railroads in the lower Mississippi Valley some 60 years ago, ply the streams.

ROOSEVELT ADMINISTRATION HAS PROMOTED FLOOD CONTROL

Not only has the present administration provided, for the first time in history, for a national flood-control policy, not only did the Congress of the United States in 1936 authorize the expenditure of more money for flood control than in all the previous history of the United States, but the Seventy-fifth Congress, first session, has appropriated during any session more money for flood control than has ever been appropriated in the history of the Republic.

It should be a source of satisfaction to the flood sufferers of 1935, 1936, and 1937 that the Government of the United States has made more generous provisions for rescue and rehabilitation than ever made in behalf of flood sufferers.

The Works Progress Administration has expended millions of dollars for maintenance and rehabilitation. The War Department expended some $5,000,000 in the flood fight of 1937. The people of the United States, through the

American Red Cross, generously contributed $21,000,000 in the great Ohio-Mississippi flood of 1937. Ultimately flood losses must be absorbed by the Nation. The problem of flood control has gripped the attention of the American people in the year 1937.

Following the rush of the hungry waters of the Ohio, the most prolific flood-breeding river in the United States, in January and February 1937, a tidal wave of public opinion swept the Nation. There was a universal opinion that the appalling loss of life and property—a repetition of the 1937 calamity—must be prevented. Congress was appealed to.

OHIO RIVER

The population of the Ohio Valley suffered an unparalleled disaster. All previous flood heights were exceeded. The gages at Portsmouth, Cincinnati, Louisville, and Paducah exceeded previous recorded heights by some 10 feet.

DAMAGES

Nobody knows the amount of damages in the Ohio Valley. When the floodwaters receded Louisville estimated a loss of $71,000,000; Paducah's estimate was $25,000,000. The loss on thousands of farms and in hundreds of smaller towns and villages will never be known. It is believed that the direct damage along the Ohio River amounted to more than $400,000,000. This is not the whole story; families were made bankrupt, there was a cessation of business, citizens lost the savings of a lifetime. There were enormous direct losses. There were many deaths, but it is difficult to estimate the loss of life through accident, through disease and sickness, through undernourishment and lack of clothing and other necessaries of life because of the destruction of the means of livelihood. The floods came at night; they occurred during bitter cold weather. The discouragement to Americans who lost their all through no fault of their own will drag through the years. Some day we may be able to estimate in dollars and cents the direct losses, but it will be difficult, if not impossible, to measure the intangible and indirect losses. It is safe to estimate that in the great Ohio flood of 1937 the direct and indirect losses aggregated the staggering total of $800,000,000.

SOLUTION

The Flood Control Committee, as provided by law, on February 10, 1937, promptly passed a resolution calling up the Chief of Engineers to submit a comprehensive report in the light of the 1937 floods along the Ohio and Mississippi Rivers and their tributaries. The report was submitted to the President on April 6, 1937, and on April 28, 1937, this report was transmitted by the President to the Flood Control Committee of the House of Representatives. The report and letter of transmittal are published as Flood Control Committee Document No. 1, Seventy-fifth Congress, first session. The President advised that the consideration of the report be delayed until the next session of Congress, after stating he had requested a further and complete study of all the agencies of the Government involved.

The Chief of Engineers recommended the construction of a system of 45 flood reservoirs on the tributaries of the Ohio River in addition to those already authorized; the construction of levees and flood walls for cities and towns on the Ohio River; the construction of 24 flood-control reservoirs on the tributaries of the Mississippi River, including the tributaries of the Missouri, Arkansas, and White, and including a reservoir on the Red River; and certain modifications of the Mississippi River Flood Control Act of June 15, 1936, at an estimated cost of some $800,000,000, over a period of from 10 to 20 years, to the Government and to the local interests.

PARTIAL PLAN

Subsequently the President of the United States verbally recommended to the committee an amendment to the Flood Control Act of June 22, 1936, for an authorization of $24,877,000 for levees, flood walls, and drainage structures for the Ohio River Basin in accordance with the said report of the Chief of Engineers, the projects to be selected and substantially one-half the costs of construction for the fiscal year 1938 to be allocated from funds appropriated in the Emergency Relief Appropriation Act of 1937.

HEARINGS

Thereupon a bill was introduced to carry out the recommendations of the President and hearings were conducted. The committee decided to limit hearings to the priority and emergency projects in the Ohio River Basin, with the understanding that hearings would be conducted on the comprehensive plan along the Ohio and Mississippi Rivers at the next session of the Congress.

SOIL CONSERVATION

On April 27, 1935, the Soil Conservation Act was adopted and provisions were made for local cooperation on lands not owned or controlled by the United States.

The act of June 22, 1936, authorized preliminary examinations and surveys on the streams mentioned in section 6 of that act. As stated, the War Department had already submitted many reports on other streams. The flood-control work along the streams and flood-prevention work along the tributaries coordinate.

PRELIMINARY EXAMINATIONS AND SURVEYS

Many bills for preliminary examinations and surveys by the War Department and by the Department of Agriculture, as provided by law, have been introduced and referred to the Committee on Flood Control. The committee adopted the policy of including all such bills, where favorable reports had been submitted by the two departments, in one bill.

POLICY

The bill under consideration, H. R. 7646, is an amendment to the National Flood Control Act of June 22, 1936, and enlarges and properly expands the policy of the act.

SECTION 1

Section 1 authorizes levees, flood walls, and drainage structures in the Ohio River Basin, as recommended, and in accordance with the report of the Chief of Engineers in House Committee on Flood Control Document No. 1, Seventy-fifth Congress, first session, projects to be selected by the Chief of Engineers, with the approval of the Secretary of War, at a cost not to exceed $24,877,000. It is understood that the President will make available out of the Emergency Relief Appropriation Act of 1937 approximately $12,000,000 for such construction. Section 1 contains the provision that regularly appropriated funds may be used for plant, material, supervisory and skilled services necessary in the execution of the projects authorized. It is believed that there will be no diminution in the funds regularly appropriated for flood control, as such funds will be supplemented from relief funds by a much greater amount than any amounts that may be used for plants and materials.

SECTION 2

Section 2 authorizes the Secretary of War, in approved projects where authorizations have been made and where appropriations have been made, to utilize not exceeding $300,000 per year and not exceeding $25,000 on any single stream, in removing debris and accumulated snags and in clearing the channels of navigable streams and their tributaries when, in the opinion of the Chief of Engineers, such work is advisable in the interest of flood control.

In the two Flood Control Acts of 1936 the cost of construction is borne by the United States. It is believed that in many cases flood control can be aided by clearing the channels to supplement levees and, in some cases, levees may be eliminated by clearing the channels. No additional authorization or appropriation is required by section 2.

SECTION 3

Section 3 authorizes the Secretary of Agriculture, under the policy of the act of 1936, to make preliminary examinations and surveys on projects on which the Secretary of War had been authorized and directed to survey and examine prior to the passage of the act of 1936. No additional authorization or appropriation is necessary or provided.

SECTION 4

Section 4 amends section 3 of the act of June 22, 1936, by including as already stated, the language of the Soil Conservation Act of April 27, 1935.

SECTION 5

Section 5 amends section 6 of the act of June 22, 1936, to authorize the Department of War and the Department of Agriculture to make preliminary examinations and surveys on the streams mentioned in said amendment to said act. These include the bills for preliminary examinations and surveys on which the War Department and the Department of Agriculture had submitted favorable reports, that would, ordinarily, be included in a single or omnibus bill.

PRIORITY AND EMERGENCY PROJECTS

The bill under consideration makes provision for the priority and emergency projects to be constructed in the lower Ohio River basin in the next 2 years. The principle of local contributions obtains; the same yardstick that was used in the Mississippi River Flood Control Act of June 15, 1936, and in the National or Omnibus Flood Control Act of June 22, 1936, obtains in the bill under consideration. The local interests are required to provide for rights-of-way and lands for levees and river walls.

There is no dispute among engineers that levees and river walls for the protection of populous centers in the lower Ohio River Basin must come first. They are to be followed by reservoirs and soil-conservation work later.

VALUABLE DATA AND INFORMATION

The hearings contain valuable data. Exhaustive statements were submitted by the Chief of Engineers, the division engineer, and the district engineers. Flood damages in the Ohio River Basin in 1936 and 1937 were reported. They appear on page 27 of the hearings. Under leave to revise and extend my remarks, I include the following statement of flood damages as submitted by the Chief of Engineers, to wit:

Flood damages in Ohio River Basin for 1937 and 1936

	1937	1936
PITTSBURGH DISTRICT		
Pittsburgh, Pa	$3,100,000	$53,000,000
McKees Rocks, Pa	425,000	5,500,000
Neville Island, Pa	14,000	142,000
Coraopolis, Pa	37,000	1,240,000
Leetsdale, Pa	4,000	100,000
Rochester, Pa	2,000	110,000
West Bridgewater, Pa	14,000	1,260,000
Industry, Pa	5,000	41,000
Smiths Ferry, Pa	6,000	61,000
Wellsville, Ohio	5,000	800,000
Strattonville, Ohio	12,000	104,000
Empire, Ohio	20,000	200,000
New Cumberland, W. Va	36,000	236,000
Follansbee, W. Va	29,000	585,000
Mingo Junction, Ohio	63,000	190,000
Wellsburg, W. Va	110,000	1,640,000
Brilliant, Ohio	12,000	180,000
Warwood, W. Va	15,000	114,000
Martins Ferry, Ohio	9,000	1,960,000
Wheeling, W. Va	900,000	3,900,000
Benwood, W. Va	224,000	1,000,000
Bellaire, Ohio	153,000	2,580,000
Moundsville, W. Va	23,000	187,000
Cambria County, Pa		60,000,000
Damages on tributaries, and to public utilities, highways, railways, and farms, etc., outside of towns	1,582,000	63,800,000
Total	6,800,000	199,000,000
ZANESVILLE DISTRICT		
Muskingum River Basin	3,300,000	
HUNTINGTON DISTRICT		
Powhatan Point, Ohio	42,000	75,000
Woodlands, W. Va	3,000	
Clarington, Ohio	26,000	50,000
Proctor, W. Va	3,000	8,000
New Martinsville, W. Va	340,000	433,000
Brooklyn, W. Va	32,000	54,000
Sardis, Ohio	2,000	5,000
Sistersville, W. Va	12,000	26,000
Friendly, W. Va	7,000	12,000
New Matamoras, Ohio	7,000	9,000
St. Marys, W. Va	43,000	67,000
Newport, Ohio	$3,000	$6,000
Waverley, W. Va	11,000	13,000
Marietta and West Marietta, Ohio	1,300,000	236,000
Williamstown, W. Va	42,000	8,000
Riverview, W. Va	16,000	
Belpre, Ohio	80,000	6,000
Parkersburg, W. Va	1,400,000	289,000
Hockingport, Ohio	6,000	
Portland, Ohio	3,000	2,000
Ravenswood, W. Va	15,000	
Millwood, W. Va	3,000	
Letart, W. Va	2,000	1,000
Letart Falls, Ohio	6,000	1,000
Racine, Ohio	60,000	11,000
Syracuse, Ohio	42,000	2,000
Hartford, W. Va	24,000	
Mason City, W. Va	60,000	6,000
Pomeroy, Ohio	315,000	71,000
Clifton, W. Va	6,000	2,000
Middleport, Ohio	515,000	37,000
Cheshire, Ohio	95,000	
Point Pleasant, W. Va	550,000	150,000
Henderson, W. Va	100,000	30,000
Mapleshade, Ohio	37,000	
Gallipolis, Ohio	165,000	19,000
Chambersburg, Ohio	3,000	
Miller, Ohio	21,000	1,000
Athalia, Ohio	22,000	1,000
Proctorville, Ohio	240,000	7,000
Huntington and Guyandot, W. Va	14,000,000	612,000
Chesapeake, Ohio	4,000	
Burlington, Ohio	7,000	
Ceredo and Kenova, W. Va	2,700,000	25,000
South Point, Ohio	32,000	
Catlettsburg, Ky	2,000,000	39,000
Damages to public utilities, highways, railways, farms, etc., outside of cities and towns	1,500,000	186,000
Total	26,500,000	2,500,000
CINCINNATI DISTRICT		
Normal, Ky	130,000	None
Ashland, Ky	3,200,000	None
Coalgrove, Ohio	175,000	None
Russell, Ky	350,000	None
Ironton and Hanging Rock, Ohio	7,600,000	None
Greenup, Ky	510,000	None
Sciotoville, Ohio	117,000	None
New Boston, Ohio	5,600,000	None
Portsmouth, Ohio	15,300,000	None
Fullerton, Ky	250,000	None
South Portsmouth, Ky	85,000	None
Buena Vista, Ohio	130,000	None
Vanceburg, Ky	1,120,000	None
Manchester, Ohio	680,000	None
Maysville, Ky	1,370,000	None
Aberdeen, Ohio	130,000	None
Ripley, Ohio	650,000	None
Dover, Ky	70,000	None
Higginsport, Ohio	190,000	None
Augusta, Ky	580,000	None
Chile, Ohio	140,000	None
Moscow, Ohio	560,000	None
New Richmond, Ohio	920,000	None
California, Ohio	500,000	None
Cincinnati, Ohio	35,000,000	None
Dayton, Ky	1,320,000	None
Bellevieu, Ky	270,000	None
Newport, Ky	3,900,000	None
Covington, Ky	5,300,000	None
Ludlow, Ky	435,000	None
Bromley, Ky	133,000	None
Lawrenceburg, Ind	3,900,000	None
Aurora, Ind	1,980,000	None
Rising Sun, Ind	85,000	None
Patriot, Ind	240,000	None
Vevay, Ind	200,000	None
Carrollton, Ky	550,000	None
Prestonville, Ky	130,000	None
Damages to public utilities, highways, railways, farms, etc., outside city and town areas	25,200,000	None
Total	119,000,000	None
LOUISVILLE DISTRICT		
Milton, Ky	141,000	None
Madison, Ind	496,000	None
Westport, Ky	11,000	None
Utica, Ind	208,000	None
Jeffersonville, and Clarksville, Ind	10,000,000	None
Louisville, Ky	94,500,000	None
New Albany, Ind	5,000,000	None
West Point, Ky	710,000	None
Mauckport, Ind	118,000	None
New Amsterdam, Ind	212,000	None
Leavenworth, Ind	272,000	None
Alton, Ind	17,000	None
Concordia, Ky	11,000	None
Derby, Ind	22,000	None
Rome, Ind	11,000	None
Cloverport, Ky	60,000	None

Flood damages in Ohio River Basin for 1937 and 1936—Continued

	1937	1936
LOUISVILLE DISTRICT—continued		
Hawesville, Ky.	$90,000	None
Cannelton, Ind.	270,000	None
Tell City, Ind.	1,800,000	None
Troy, Ind.	53,000	None
Lewisport, Ky.	130,000	None
Grandview, Ind.	254,000	None
Rockport, Ind.	63,000	None
Owensboro, Ky., and Evansville, Ind.	114,000	None
Howell, Ind.	12,100,000	None
Uniontown, Ky.	386,000	None
Shawneetown, Ill.	1,100,000	None
Caseyville, Ky.	23,000	None
Cave-in-Rock, Ill.	8,000	None
Tolu, Ky.	9,000	None
Elizabethtown, Ill.	20,000	None
Rosiclare, Ill.	100,000	None
Golconda, Ill.	40,000	None
Smithland, Ky.	114,000	None
Paducah, Ky.	25,500,000	None
Brookport, Ill.	400,000	None
Metropolis, Ill.	472,000	None
Harrisburg, Ill.	4,000,000	None
Belknap, Ill.	16,000	None
Karnak, Ill.	60,000	None
Ullin, Ill.	18,000	None
Damages to public utilities, highways, railways, farms, etc., outside city and towns	89,071,000	None
Total	248,000,000	None
NASHVILLE DISTRICT		
Cumberland River Basin	5,000,000	None

Flood damages in Ohio River Basin for 1937 and 1936—Continued

	1937	1936
MEMPHIS DISTRICT		
Cairo, Ill.	$110,000	None
Mound City, Ill.	1,690,000	None
Mounds, Ill.	800,000	None
Total	2,600,000	None
SUMMARY		
Pittsburgh district	$6,800,000	$199,000,000
Zanesville district	3,300,000	
Huntington district	26,500,000	2,500,000
Cincinnati district	119,000,000	
Louisville district	248,000,000	
Nashville district	5,000,000	
Total	408,600,000	201,500,000
Memphis district	2,600,000	
Grand total	411,200,000	201,500,000

The Chief of Engineers submitted a break-down of the costs of the local priority and protective works for the lower Ohio Basin, and they may be found on pages 45, 46, and 47 of the hearings. Under leave to revise and extend my remarks, I include herewith the names of the cities or towns, the plan of protective type to be constructed, the cost to the Government, the cost of rights-of-way, the total cost and the estimated value of property to be protected by each of the projects:

Ohio River Basin—Local protection plans

Name of city or town and State	Miles below Pittsburgh	Population (1930)	Maximum flood height	Plan of protection type	Estimated cost with 3 feet freeboard above maximum high water			Estimated value of property protected
					Construction	Rights-of-way	Total	
Pittsburgh, Pa.	0	669,817	740.2					
Unit No. 1 (Golden Triangle)				Concrete wall	$3,150,000	$1,650,000	$4,800,000	$321,048,000
Unit No. 2 (north side)				do	8,450,000	1,620,000	10,070,000	156,200,000
Unit No. 3 (The Strip)				do	3,765,000	590,000	4,355,000	210,400,000
McKees Rocks, Pa.	3	18,115	736.0	Earth levees and concrete walls	650,000	135,000	785,000	36,200,000
Neville Island, Pa.	7	1,532	730.0	do	1,400,000	380,000	1,780,000	4,579,000
Coraopolis, Pa.	10	10,724	727.4	do	900,000	165,000	1,065,000	17,000,000
Leetsdale, Pa.	14	2,774		Earth levee	450,000	48,000	498,000	998,000
Rochester, Pa.	25	7,726	712.2	Concrete wall	1,260,000	145,000	1,405,000	3,330,000
West Bridgewater, Pa.	25	1,792	712.2	Earth levees and concrete walls	885,000	126,000	1,011,000	3,200,000
Industry, Pa.	33	500	704.8	do	550,000	48,000	598,000	1,020,000
Smiths Ferry, Pa.	39	271	698.4	Concrete wall	800,000	29,000	829,000	1,130,000
Wellsville, Ohio	48	7,956	690.4	do	325,000	38,000	363,000	10,020,000
Strattonville, Ohio	55	791	686.7	do	1,500,000	60,000	1,560,000	1,060,000
Empire, Ohio	56	703	685.5	do	1,110,000	43,000	1,153,000	1,710,000
New Cumberland, W. Va.	57	2,300	684.4	Earth levees and concrete wall	1,065,000	60,000	1,125,000	3,020,000
Follansbee, W. Va.	70	4,841	675.7	Concrete wall	970,000	55,000	1,025,000	6,150,000
Mingo Junction, Ohio	71	5,030	675.1	do	740,000	48,000	788,000	2,276,000
Wellsburg, W. Va.	74	6,308	673.3	Earth levees and concrete walls	2,405,000	225,000	2,630,000	25,420,000
Brilliant, Ohio	74	1,682	673.3	Concrete wall	1,205,000	38,000	1,243,000	2,320,000
Warwood, W. Va.	87	(1)	666.1	do	680,000	67,000	747,000	5,602,000
Martins Ferry, Ohio	88	14,524	666.0	do	1,840,000	220,000	2,060,000	7,305,000
Wheeling, W. Va.	90	61,659	664.3					
Unit No. 1 (north of Wheeling, Cr.)				Concrete wall	7,015,000	740,000	7,755,000	35,960,000
Unit No. 2 (south of Wheeling, Cr.)				do	4,435,000	500,000	4,935,000	52,410,000
Unit No. 3 (Wheeling Island)				Earth levees and concrete wall	5,055,000	525,000	5,580,000	40,630,000
Benwood, W. Va.	94	3,950	662.5	do	1,300,000	160,000	1,460,000	3,655,000
Bellaire, Ohio	95	13,327	661.4	do	3,000,000	370,000	3,370,000	16,460,000
Moundsville, W. Va.	102	14,411	656.8	do	1,210,000	90,000	1,300,000	2,462,000
Powhatan Point, Ohio	110	2,329	651.0	Levee and concrete wall	1,759,000	135,000	1,894,000	1,038,000
Woodlands, W. Va.	114	35	648.6	Levees	77,000	10,000	87,000	52,000
Clarington, Ohio	118	506	646.6	Levees and concrete wall	1,012,000	84,000	1,096,000	425,000
Proctor, W. Va.	122	127	644.0	Levees	125,000	41,000	166,000	110,000
New Martinsville, W. Va.	128	2,814	641.2	Levees and concrete wall	1,707,000	230,000	1,937,000	6,750,000
Brooklyn, W. Va.	128	779	640.8	do	1,941,000	81,000	2,022,000	750,000
Sardis, Ohio	132	375	639.7	Levees	106,000	20,000	126,000	34,000
Sistersville, W. Va.	138	3,072	637.6	Levees and concrete wall	661,000	96,000	757,000	510,000
Friendly, W. Va.	142	170	635.9	do	245,000	22,000	267,000	234,000
New Matamoras, Ohio	142	781	636.0	do	779,000	98,000	877,000	419,000
St. Marys, W. Va.	155	2,182	631.5	Levees and concrete wall	560,000	51,000	611,000	2,090,000
Newport, Ohio	156	500	631.1	Levees	119,000	28,000	147,000	45,000
Waverly, W. Va.	165	285	628.8	Levees and concrete wall	1,298,000	88,000	1,386,000	193,000
Marietta, Ohio	172	14,285	626.9	do	5,202,000	280,000	5,482,000	19,216,000
West Marietta, Ohio		(2)						
Williamstown, W. Va.	172	1,657	626.9	do	961,000	49,000	1,010,000	497,000
Riverview, W. Va.	182	211	622.0	Levees	327,000	41,000	368,000	1,504,000
Belpre, Ohio	184	1,724	621.2	Levees and concrete wall	1,323,000	158,000	1,481,000	1,578,000
Parkersburg, W. Va.	185	29,623	620.9	do	5,199,000	406,000	5,605,000	36,512,000
Hockingport, Ohio	199	230	612.0	Levees	212,000	80,000	292,000	39,000
Portland, Ohio	216	150	603.6	Levees and concrete wall	386,000	35,000	421,000	90,000
Ravenswood, W. Va.	221	1,189	601.0	do	548,000	38,000	586,000	262,000
Millwood, W. Va.	231	100	595.8	do	315,000	46,000	361,000	88,000
Letart, W. Va.	236	100	593.3	do	350,000	42,000	392,000	45,000
Letart Falls, Ohio	236	375	593.3	do	370,000	42,000	412,000	211,000
Racine, Ohio	242	513	590.0	do	365,000	41,000	406,000	678,000

[1] Included in Wheeling population.

[2] Included in Marietta population.

Ohio River Basin—Local protection plans—Continued

Name of city or town and State	Miles below Pittsburgh	Population (1930)	Maximum flood height	Plan of protection type	Estimated cost with 3 feet freeboard above maximum high water			Estimated value of property protected
					Construction	Rights-of-way	Total	
Syracuse, Ohio	245	678	588.4	Levees and concrete wall	$604,000	$58,000	$662,000	$455,000
Hartford, W. Va	247	423	587.0	do	1,072,000	77,000	1,149,000	107,000
Mason City, W. Va	250	691	584.2	do	383,000	86,000	469,000	679,000
Pomeroy, Ohio	250	3,563	584.2	do	6,088,000	120,000	6,208,000	4,357,000
Clifton, W. Va	252	300	582.7	Levees	86,000	39,000	125,000	54,000
Middleport, Ohio	252	3,505	582.6	Levees and concrete wall	2,107,000	150,000	2,257,000	3,571,000
Cheshire, Ohio	258	320	580.1	Levees	159,000	49,000	208,000	259,000
Point Pleasant, W. Va	265	3,301	576.8	Levees and concrete wall	1,434,000	145,000	1,579,000	5,196,000
Henderson, W. Va	266	330	576.8	Levees	166,000	65,000	231,000	290,000
Mapleshade, Ohio	268	550	576.3	Levees and raising existing railroad embankment.	496,000	100,000	596,000	600,000
Gallipolis, Ohio	270	7,106	575.7	Levees, concrete wall, and raising existing railroad embankment.	997,000	285,000	1,282,000	6,990,000
Chambersburg, Ohio	280	250	572.2	Levees and concrete wall	595,000	18,000	613,000	33,000
Miller, Ohio	295	355	565.5	Levees	194,000	58,000	252,000	83,000
Athalia, Ohio	297	205	564.5	do	235,000	63,000	298,000	165,000
Proctorville, Ohio	305	675	561.8	Levees and concrete wall	1,000,000	75,000	1,075,000	703,000
Guyandot, W. Va	305	(3)		do	8,700,000	2,000,000	10,700,000	122,580,000
Huntington, W. Va	309	75,572	560.6					
Chesapeake, Ohio	309	1,094	560.6	Levees	123,000	47,000	170,000	68,000
Burlington, Ohio	313	309	559.2	do	55,000	40,000	95,000	98,000
Ceredo and Kenova, W. Va	315	4,844	558.7	Levees and concrete wall	2,985,000	300,000	3,285,000	13,172,000
South Point, Ohio	317	499	557.8	do	370,000	40,000	410,000	200,000
Catlettsburg, Ky	317	5,025	557.7	do	2,414,000	180,000	2,594,000	4,688,000
Normal, Ky	319	320	557.2	Levees and raising railroad embankment	1,225,000	650,000	1,875,000	273,600
Ashland, Ky	323	29,074	555.5	Walls, levees, and raising railroad embankment.	2,441,000	640,000	3,081,000	5,205,000
Coalgrove, Ohio	324	2,181	555.4	Walls and levees	650,000	352,000	1,002,000	1,311,000
Russell, Ky	327	2,084	554.3	do	337,000	106,000	443,000	717,000
Ironton, Ohio	327	16,621	554.3	do	3,283,000	1,150,000	4,433,000	15,693,000
Hanging Rock, Ohio	330	550						
Greenup, Ky	336	1,125	551.0	do	1,020,000	530,000	1,550,000	873,600
Sciotoville, Ohio	349	(4)	547.2	Walls	539,000	131,000	670,000	427,200
New Boston, Ohio	352	5,931	546.0	do	2,144,000	360,000	2,504,000	12,044,000
Portsmouth, Ohio	354	42,560	545.5	Walls and levees	3,996,000	24,000	4,020,000	35,150,000
Fullerton, Ky	355	1,237	545.3	do	143,000	120,000	263,000	491,500
South Portsmouth, Ky	356	420	545.3	Levees	192,000	150,000	342,000	192,700
Buena Vista, Ohio	374	335	539.1	do	186,000	150,000	336,000	188,000
Vanceburg, Ky	378	1,388	537.7	Walls and levees	632,000	375,000	1,007,000	727,000
Manchester, Ohio	397	2,009	530.7	do	348,000	352,000	700,000	1,110,000
Maysville, Ky	409	6,559	526.9	do	1,247,000	345,000	1,592,000	2,332,000
Aberdeen, Ohio	409	452	526.9	do	489,000	180,000	669,000	513,800
Ripley, Ohio	417	1,556	524.2	Walls and levees	728,000	345,000	1,073,000	790,000
Dover, Ky	420	418	523.5	Levees	226,000	200,000	426,000	251,100
Higginsport, Ohio	425	374	522.0	Walls and levees	537,000	220,000	757,000	105,100
Augusta, Ky	427	1,675	521.5	do	458,000	180,000	638,000	780,000
Chilo, Ohio	435	265	519.0	Levees	259,000	230,000	489,000	118,900
Moscow, Ohio	443	293	517.0	do	410,000	370,000	780,000	174,700
New Richmond, Ohio	450	1,830	515.0	Walls and levees	844,000	390,000	1,234,000	996,500
California, Ohio	462	(5)	512.5	Levees	434,000	390,000	824,000	1,060,000
Cincinnati, Ohio	470	451,160		Levees, walls and raising existing	4,486,000	1,260,000	5,746,000	1,561,000
Unit No. 2 (Lunken Airport)	463		512.2	Levees	2,842,000	1,323,000	5,165,000	45,000,000
Unit No. 4 (main section Ohio River front and railroad terminal district).	471		509.0	Walls and levees				
Unit No. 5 (upper Mill Creek, east side)				Levees	588,000	720,000	1,308,000	19,200,000
Unit No. 6 (lower Mill Creek, west side)				do	441,000	550,000	991,000	7,550,000
Unit No. 7 (South Fairmount, Mill Creek)				Wall	620,000	170,000	790,000	7,075,000
Unit No. 7A (Fairmount, Ohio)				do	80,000	32,000	112,000	220,000
Unit No. 9 (Cumminsville, Mill Creek)				Walls and levees	1,775,000	1,377,000	3,152,000	11,375,000
Dayton, Ky	468	9,071	510.1	Levees	564,000	412,000	976,000	2,360,000
Bellevue, Ky	469	8,497	509.8	do	408,000	330,000	738,000	715,000
Newport, Ky	470	29,744	509.4	Walls and levees	1,411,000	545,000	1,956,000	3,550,000
Covington, Ky	471	65,252	509.0	do	1,673,000	568,000	2,241,000	3,368,000
Ludlow, Ky	473	6,485	508.1	do	954,000	240,000	1,194,000	748,000
Bromley, Ky	474	1,017	507.7	Levees	468,000	300,000	768,000	249,500
Lawrenceburg, Ind	493	4,072	501.7	Raising existing levees	1,450,000	238,000	1,688,000	3,894,000
Aurora, Ind	497	4,386	500.6	Walls and levees	1,630,000	600,000	2,230,000	3,135,000
Rising Sun, Ind	506	1,379	497.6	do	500,000	52,000	552,000	188,200
Patriot, Ind	519	288	490.4	do	283,000	126,000	409,000	126,000
Vevay, Ind	538	1,183	481.6	do	748,000	220,000	968,000	178,000
Carrollton, Ky	546	2,409	479.0	Levees	773,000	480,000	1,253,000	431,000
Prestonville, Ky	547	163	478.7	Walls and levees	478,000	200,000	678,000	102,000
Milton, Ky	557	347	475.8	Concrete wall	932,000	13,000	945,000	96,400
Madison, Ind	558	6,530	475.3	do	2,160,000	115,000	2,275,000	802,000
Westport, Ky	580	317	468.3	do	602,000	12,000	614,000	12,600
Utica, Ind	596	426	463.4	Levees	587,000	42,000	629,000	131,000
Jeffersonville, Ind	604	11,946	460.9	Earth levee and concrete wall	3,000,000	1,210,000	4,210,000	21,000,000
Clarksville, Ind	605	2,243	460.5					
Louisville, Ky	604	307,745	460.9	do	4,500,000	2,610,000	7,110,000	231,000,000
New Albany, Ind	609	25,819	459.1	do	2,350,000	470,000	2,820,000	27,000,000
West Point, Ky	630	697	453.5	Levee	556,000	85,000	641,000	468,000
Mauckport, Ind	648	203	447.0	Levees	422,000	75,000	497,000	114,000
New Amsterdam, Ind	656	101	444.5	do	179,000	3,000	182,000	30,500
Leavenworth, Ind	664	418	441.0	Levees and concrete walls	400,000	90,000	490,000	163,000
Alton, Ind	679	109	432.5	Levees	95,000	14,000	110,000	42,200
Concordia, Ky	686	163	428.5	do	222,000	16,000	238,000	36,000
Derby, Ind	692	200	425.2	Levee and concrete wall	208,000	21,000	229,000	12,000
Rome, Ind	701	175	420.0	Levees	135,000	24,000	159,000	24,000
Cloverport, Ky	711	1,324	415.1	Levee and concrete wall	258,000	55,000	313,000	213,000
Hawesville, Ky	724	790	409.2	do	685,000	31,000	716,000	240,000
Cannelton, Ind	724	2,265	409.7	do	1,040,000	95,000	1,135,000	1,110,000
Tell City, Ind	727	4,873	408.3	do	1,195,000	95,000	1,290,000	3,000,000
Troy, Ind	731	562	406.7	Levee and concrete wall	189,000	45,000	234,000	115,000
Lewisport, Ky	738	574	403.0	Levee	137,000	64,000	201,000	210,000
Grandview, Ind	742	588	401.6	Levee	203,000	43,000	246,000	230,000
Rockport, Ind	747	2,306	399.4	Levee and concrete wall	145,000	43,000	188,000	200,000
Owensboro, Ky	756	22,765	394.1	do	250,000	55,000	305,000	480,000
Evansville, Ind	793	108,000	382.4	do	1,970,000	300,000	2,270,000	36,000,000
Howell, Ind								
Uniontown, Ky	842	1,235	377.1	Levee	260,000	78,000	338,000	1,084,000

[3] Included in Huntington population.

[4] Included in Portsmouth population.

[5] Included in Cincinnati population.

Ohio River Basin—Local protection plans—Continued

Name of city or town and State	Miles below Pittsburgh	Population (1930)	Maximum flood height	Plan of protection type	Estimated cost with 3 feet freeboard above maximum high water			Estimated value of property protected
					Construction	Rights-of-way	Total	
Shawneetown, Ill.	858	1,440	373.4	Levee	$375,000	$120,000	$495,000	$622,000
Caseyville, Ky.	871	224	371.0	do	149,000	9,000	158,000	11,000
Cave-in-rock, Ill.	881	430	367.1	do	248,000	40,000	288,000	75,000
Tolu, Ky.	886	50	365.0	do	114,000	10,000	124,000	10,000
Elizabethtown, Ill.	889	488	363.6	do	210,000	48,000	258,000	48,700
Rosiclare, Ill.	892	1,794	362.9	Levee and concrete wall	571,000	60,000	631,000	235,000
Golconda, Ill.	902	1,184	357.5	do	380,000	26,000	460,000	368,500
Smithland, Ky.	921	519	351.6	do	325,000	120,000	445,000	159,000
Paducah, Ky.	933	33,541	347.1	Levee, concrete wall and raising railroad embankment.	5,327,000	2,152,000	7,479,000	66,140,000
Brookport, Ill.	938	1,336	346.3	Levees and concrete wall	340,000	130,000	470,000	714,000
Metropolis, Ill.	944	5,573	344.2	Levee	543,000	142,000	685,000	827,000
Harrisburg, Ill. (Saline River)		7,125	375.9	Levees	900,000	140,000	1,040,000	10,600,000
Belknap, Ill. (Cache River)		275	346.3	do	90,000	10,000	100,000	60,000
Karnak, Ill. (Cache River)		771	341.5	Levees and raising railroad embankment	190,000	100,000	290,000	291,000
Ullin, Ill. (Cache River)		800	340.0	do	45,000	10,000	55,000	275,000
Total					190,753,000	40,916,000	231,669,000	1,906,723,300

I call attention to the fact that there is a break-down of the costs of the reservoirs recommended along the tributaries of the Ohio River and along the tributaries of the Mississippi River. Under leave to revise and extend my remarks, I give the said break-down, as follows:

Cost of proposed reservoirs

OHIO RIVER BASIN

Reservoir	To be borne by United States—Construction	To be borne by local interests				Total cost to local interests (exclusive of construction)
		Lands	Highways	Railroads	Utilities and other damages	
Beaver River Basin:						
Mahoning	$1,100,000	$1,450,000	$550,000	$285,000	$15,000	$2,300,000
Shenango	1,000,000	1,350,000	250,000	1,675,000	25,000	3,300,000
Little Kanawha River Basin:						
Burnsville	2,300,000	114,000	325,000		9,000	448,000
Leading Creek	2,100,000	211,000	361,000		164,000	736,000
Steer Creek	2,400,000	214,000	150,000		386,000	750,000
West Fork	1,900,000	376,000	662,000		82,000	1,120,000
Hocking River Basin: Athens County	3,200,000	1,720,000	530,000	2,740,000	210,000	5,200,000
Big Sandy River Basin:						
Yatesville	400,000	2,079,000	1,135,000			3,214,000
Dewey	1,550,000	1,450,000	940,000			2,390,000
Fishtrap	4,300,000	741,000	842,000		7,000	1,590,000
Scioto River Basin:						
Bellepoint	1,320,000	1,241,000	1,441,000	196,000	57,000	2,935,000
Delaware	2,550,000	825,000	802,000		13,000	1,640,000
Paint Creek	2,365,000	507,000	900,000	60,000	3,000	1,470,000
Deer Creek	1,920,000	375,000	321,000		14,000	710,000
Rocky Fork	1,035,000	277,000	396,000		12,000	685,000
Little Miami River Basin:						
Caesar Creek	2,720,000	450,000	414,000		11,000	875,000
East Fork	3,935,000	463,000	42,000		10,000	515,000
Licking River Basin: Myers	2,850,553	1,400,000	103,000		13,120	1,516,120
Miami River Basin:						
Metamora	7,600,000	2,709,000	570,000	1,030,000	16,000	4,325,000
Brookville	5,535,000	1,010,000	618,000		23,000	1,650,000
Kentucky River Basin:						
Laurel Branch	1,260,000	296,000	56,000	80,000	3,000	435,000
Buckhorn	2,080,000	320,000	163,000		7,000	490,000
Booneville	3,240,000	620,000	35,000		10,000	665,000
Salt River Basin: Rolling Fork	2,260,000	154,000	35,000	98,000	13,000	300,000
Green River Basin:						
No. 1 Barren River	3,692,000	608,000	155,000		57,000	820,000
No. 2 Barren River	4,565,000	604,000	423,000		43,000	1,070,000
Drakes Creek	4,112,000	334,000	137,000		22,000	493,000
No. 1 Green River	3,572,000	260,000	334,000		26,000	620,000
No. 2 Green River	1,966,000	265,000	27,000	248,000	60,000	600,000
Nolin River	4,983,000	587,000	478,000		32,000	1,097,000
Rough River	4,125,000	229,000	503,000		18,000	750,000
Wabash River Basin:						
Delphi	2,418,000	1,420,000	1,772,000		60,000	3,252,000
Hog Point	1,825,000	385,000	220,000	70,000	20,000	695,000
High Bridge	2,222,000	315,000	325,000	300,000	48,000	988,000
Danville	944,000	2,050,000	426,000	990,000	90,000	3,556,000
Wolf Creek	1,270,000	960,000	245,000	160,000	20,000	1,385,000
Spencer	1,445,000	3,520,000	706,000	2,700,000	80,000	7,000,000
Mansfield	1,370,000	235,000	225,000		65,000	525,000
Cagles Mill	1,023,000	378,000	52,000		25,000	455,000
Cumberland River Basin:						
Wolf Creek	17,600,000	4,340,000	5,850,000	1,305,000	5,000	11,500,000
Dale Hollow	4,100,000	2,100,000	900,000			3,000,000
Center Hill	14,800,000	2,750,000	1,300,000		250,000	4,300,000
Stewarts Ferry	4,500,000	5,525,000	875,000			6,400,000
Rossview	4,300,000	1,700,000	2,100,000			3,800,000
Three Islands	6,100,000	1,725,000	775,000			2,500,000
Total	151,853,000	50,642,000	29,463,000	11,937,000	2,023,000	94,065,000

Cost of proposed reservoirs—Continued

MISSOURI RIVER BASIN

Reservoir	To be borne by United States—Construction	To be borne by local interests				Total cost to local interests (exclusive of construction)
		Lands	Highways	Railroads	Utilities and other damages	
Kansas River:						
Tuttle Creek	$16,574,000	$1,422,000	$3,451,000	$5,119,000	$82,000	$10,812,000
Milford	17,408,000	1,710,000	632,000	3,385,000	1,258,000	6,985,000
Grand River: Chillicothe	12,486,000	6,700,000	4,493,000	12,222,000	None	23,415,000
Gasconade River: Arlington	3,535,000	575,000	378,000	None	None	953,000
Osage River:						
Osceola	3,967,000	11,165,000	3,765,000	5,740,000	492,000	21,162,000
South Grand	4,358,000	2,300,000	1,113,000	2,452,000	None	5,955,000
Pomme de Terre	3,605,000	510,000	903,000	None	None	1,413,000
Total	61,923,000	24,472,000	14,735,000	28,918,000	2,570,000	70,695,000
MIDDLE MISSISSIPPI RIVER BASIN						
Meramec River:						
Meramec (mile 63.4)	$4,384,000	$1,682,000	$800,000	$1,900,000	$145,000	$4,527,000
Big River	2,457,000	932,000	660,000	None	73,000	1,665,000
Kaskaskia River: Carlyle	3,913,000	2,525,000	225,000	840,000	263,000	3,853,000
Total	10,754,000	5,139,000	1,685,000	2,740,000	481,000	10,045,000
WHITE RIVER BASIN						
White River and tributaries:						
Clearwater	$4,500,000	$1,000,000	$60,000	None	None	$1,060,000
Greers Ferry	2,100,000	500,000	50,000	$190,000	None	740,000
Water Valley	4,850,000	1,075,000	30,000	None	None	1,105,000
Bell Foley	2,320,000	350,000	60,000	None	None	410,000
Lone Rock	10,800,000	975,000	60,000	None	None	1,035,000
North Fork	7,300,000	570,000	100,000	None	None	670,000
Total	31,870,000	4,470,000	360,000	190,000	None	5,020,000
ARKANSAS RIVER BASIN						
Arkansas River and tributaries:						
Tenkiller Ferry	$10,300,000	$650,000	$30,000	$5,000	None	$685,000
Nimrod	1,390,000	1,100,000	25,000	None	None	1,125,000
Pensacola	8,000,000	5,000,000	660,000	540,000	None	6,200,000
Blue Mountain	875,000	240,000	45,000	80,000	None	365,000
Wister	2,200,000	1,600,000	390,000	560,000	None	2,550,000
Oologah	2,360,000	3,120,000	180,000	None	None	3,300,000
Mannford	2,500,000	2,500,000	100,000	230,000	None	2,830,000
Total	27,625,000	14,210,000	1,430,000	1,415,000	None	17,055,000
RED RIVER BASIN						
Denison Reservoir [1]	$25,000,000	$6,700,000	----------	$4,200,000	----------	$10,900,000

[1] Corrected Denison Reservoir costs—typographical error in report, Committee Doc. No. 1, 75th Cong., 1st sess.

There is also in the hearings a statement of the costs of construction in the various districts along the Ohio River. The Weather Bureau, the Forestry Service, the Soil Conservation Service, and other bureaus of the Department of Agriculture submitted valuable information, all of which may be found in the hearings. The report of the Chief of Engineers and letter of transmittal of the President of the United States are also published in the hearings.

ERRONEOUS IDEAS ABOUT FLOODS

There are many erroneous ideas, and there is much misinformation respecting floods and the solution of the flood problem. Probably the most erroneous statement that I ever heard came from a lawyer in the lower Mississippi Valley whose law office was located on the landside slope of a Mississippi River levee. He had lived in the same little river town for 50 years. His theories were finespun and his notions were most weird; his remedies for flood control were utterly unsound.

There are many fallacious ideas widely held by people of intelligence. I mention but a few of the popular erroneous beliefs:

First. It is said that floods are largely the work of man; he is charged with being the despoiler of the lands and the destroyer of the forests. Run-off has been increased, but the fact remains that in mythical, as well as historical, times many major floods occurred before the forests were cleared or the grasses plowed.

Second. Again it has been stated that floods are much worse than they were when America was young. The greatest flood in the Mississippi Valley occurred in 1844. Probably the greatest flood in the Ohio Valley occurred in 1763. There is nothing wrong with the statement that floods are worse today than previously except that the statement is not borne out by the facts.

Third. It is said that the large rivers carry much more silt than they formerly did. This is especially alleged respecting the Mississippi River. Millions of years ago the Gulf of Mexico covered the region we now call the Mississippi Valley, and the Mississippi River emptied into the sea somewhere in the vicinity of Cairo, Ill. Erosion occurred then as now. The Mississippi River dumped an enormous burden of earth in the ocean. Slowly as the ages came and went the coast line was pushed to the south.

Fourth. It is stated that the bed of the Mississippi River is rising at an enormous rate on account of deposits of silt. It is thus alleged that the building of levees higher and higher is necessary. It is also alleged that the bottom of the Mississippi River at New Orleans is higher than the streets of the city. The fact is that the river is constantly cleaning out. Man is not responsible for all of the moods of the Mississippi River. The greatest erosion results from the

wear and tear on the banks of the stream itself. The statement that the bed of the Mississippi River is rising is found to be utterly unfounded. Occasionally the river bed has risen a little in some locality, but just as often it is scoured deeper in another. All well-informed engineers agree that there is no general or continued trend either up or down.

The levees have been built higher and higher because the people have demanded better protection. Instead of the bottom of the river being above the streets of the city of New Orleans, the fact is that the approximate mean depth of the river at New Orleans is 105 feet below low water. There is no evidence that the river bed at New Orleans, or in the lower Mississippi Valley generally, has ever risen.

Fifth. Again, it is asserted that the way to prevent floods is to keep the waters out of the streams by forests and soil erosion. I do not underestimate conservation. I have already pointed out that some of the ancient floods were the most destructive.

Sixth. Probably the most common of all the erroneous theories is that floods can be completely controlled by reservoirs, and that reservoirs can be paid for by generating power at the dams.

In 1937 there were 2,000,000 cubic feet per second flowing past Cairo. The water which the Ohio River dumped into the Mississippi River during January and February would fill 100 reservoirs the size of the District of Columbia to a depth of 20 feet. The District has an area of 70 square miles. The water would have filled the Boulder Dam reservoir three times over and left an excess that would have covered the District of Columbia 156 feet deep.

I am not arguing against reservoirs. I am saying that dams alone will not do the job. It is wise to protect the valleys of the tributaries themselves by reservoirs when the cost is not too great. But local protective works are imperatively necessary. Including those already adopted and those recommended, there are some 80 reservoirs along the tributaries of the Ohio River. If all those 80 reservoirs had been in operation during the flood this year, only one-half of them would have been effective. There were no major floods in the upper stretches of the Ohio River, and the reservoirs there would not have prevented the floods in the lower river. Again, reservoirs on the tributaries of the Ohio River could not have solved the problem in 1937—too much of the heavy rainfall was concentrated right along the Ohio River itself. Tributary reservoirs would be of assistance in lowering flood crests, but they cannot prevent floods. Ohio floods must be kept out of the cities and towns by walls and by embankments. The Dayton reservoirs protected the Dayton area, but the Miami watershed is only a small fraction of the total Ohio watershed. The water which is kept out by the Dayton reservoirs has little effect on the flood stage of the river itself.

Thirteen earthen dams and one concrete dam are now being constructed on the tributaries of the Muskingum River. The Muskingum drainage area is only about 8,000 square miles. The Ohio watershed includes 204,000 square miles. None of the five Dayton reservoirs and none of the Muskingum reservoirs provides for the development of power. There is a reason. To be effective for flood control a reservoir must be empty, or relatively so at the beginning of the flood season. A dam with no head of water cannot generate electricity. Not one of the 19 dams in the Miami and Muskingum Valleys was designed for the production of electricity. The reason is the engineers were undertaking to control floods. Flood control in the main, and especially east of the Mississippi River, cannot finance itself.

The advocates of the development of power in reservoirs in the eastern United States that are constructed for flood control will be disappointed. Power and flood control in the same reservoir are incompatible. There is but one river east of the Mississippi River comparable to the West and Southwest where power and flood control are possible and practicable in the same reservoirs. That river is the Tennessee River. There is no other Tennessee River in the eastern section of the United States. Flood control and power are provided for at Boulder Dam. Provision can be made for flood control and for the development of power along the Red River, notably at Denison, Tex., and along the White River, but generally, as I have stated, east of the Mississippi River power and flood control in the same river are incompatible.

MISSISSIPPI RIVER CONQUERED

The flood of 1937 from Cairo to Helena was the highest in the history of that stretch of the Mississippi River. For the first time a major flood was carried in safety between the levees to the Gulf of Mexico. The engineers of the Army were entrusted with the flood control of the lower Mississippi River for the first time under the act of 1928. The theory that levees only would control the floods in the Mississippi River was exploded. A floodway to protect Cairo was provided. A floodway to protect the city of New Orleans was constructed. An outlet through the Atchafalaya has been opened up. A diversion to supplement the levees was provided. The levees were raised about 3 feet, but two additional important steps were taken—cut-offs have been constructed and diversions have been provided for. When the protective works have been completed the lower Mississippi River will be controlled.

OHIO RIVER THE NEXT BIG JOB

The next big task for flood control in the United States is the Ohio River. Levees comparable to those along the lower Mississippi River will not work along the Ohio River; it is a different kind of a stream. Continuous levee lines would not be practicable, for nearly everywhere ancient hills slope sharply down to the stream, constricting the flood plain to narrow bottoms. These same hills would prevent cut-offs and auxiliary floodways. The solution of the problem in the Ohio is levees and river walls to protect the cities and populous communities, and reservoirs along the tributaries to supplement the local protective works.

LIBERALIZATION OR FEDERAL CONTRIBUTION

It is evident that many of the reservoirs provided in the Omnibus Flood Control Act of 1936 will never be constructed. The local interests cannot provide for the lands and flowage rights. There are some notable exceptions. A populous area like Pittsburgh and a great State like Pennsylvania may provide for lands and flowage rights for reservoirs for the protection of the Pittsburgh area. The New England States, by proper compacts, may provide for the lands and flowage rights to protect the large centers of population in those States. Lands and flowage rights may be furnished for the rather small reservoirs in southern New York.

In the Southwest a similar situation obtains, but it is evident that along the White River, and other tributaries of the Mississippi River, as well as along the tributaries of the Ohio River, the local interests will be unable to provide the lands and flowage rights for reservoirs. State compacts will not avail. It is impossible to estimate the benefits to the different localities and to the different States.

In the comprehensive flood control bill that the country expects next session, I believe that there must be a liberalization of the Federal contribution toward the construction of reservoirs for flood control.

WHAT IS THE UNITED STATES GOING TO DO ABOUT THE PROBLEM OF FLOOD CONTROL?

If there are to be public expenditures for unemployment I know of no better way to disburse these funds than a flood-control program that would give priority to emergency work and prevent a recurrence of the 1937 flood in the lower Ohio and Mississippi Valleys. Great floods, like the sword of Damocles, hang over thousands and thousands of men, women, and children in the United States. I trust that the Committee on Flood Control will report, and that the Congress of the United States, at its next session, will adopt a comprehensive plan of national flood control for all of the rivers in all parts of our common country.

I like to think of America not so much as a land of banks and factories, not so much as a country of great cities and magnificent highways, but as the homes of the greatest and best people in all the world. The first duty of the Government is to protect the lives and property of its citizens.

I believe in internal improvements. Public works obtain in all progressive countries. I sympathize with the problem of unemployment in the great cities and populous communities. If the problem is to be solved, many workmen must leave their present places of abode. The Panama Canal was not constructed by those who lived in the vicinity of that monumental improvement. Laborers were transported for the work. The transcontinental railways in the United States were not built by those who lived on the plains and in the mountains. Here again labor was transported. Unemployment in the congested centers was relieved. Permanent public works will provide for unemployment; the funds will not be wasted or dissipated; permanent improvements will result.

The people of the United States are determined not to perish in great floods, but to be protected from great floods.

Mr. ENGLEBRIGHT. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, I shall use a few moments to pay tribute to the chairman of the Flood Control Committee, the gentleman from Mississippi [Mr. WHITTINGTON].

This legislation we have here today is the result of a resolution that was submitted to General Markham, Chief of Engineers, from the Flood Control Committee under date of February 10, requesting a complete report on the Ohio River and its tributaries, the Mississippi and the Missouri and their tributaries. The Members of the House well remember the severe flood which we had at that time on the Ohio River, which was highly dramatized by the newspapers and the radio. We were all concerned about it. Today we come in with a bill authorizing an appropriation of $25,000,000 to aid in the flood protection of this stream. The chairman of our committee has stated that the loss due to this flood was estimated at $400,000,000, possibly twice that when you consider the economic loss in that section. Therefore, while I am happy over the amount this bill contains, I think it is regrettable that we did not bring a larger amount for flood control, not only for this river, but for other rivers in the United States.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. CARLSON. Yes.

Mr. WHITTINGTON. It is fair to say that the committee delayed the consideration of the comprehensive plan reluctantly, and the committee intends to bring in a comprehensive bill not only for the Ohio River and its tributaries, but for other rivers, at the next session of the Congress.

Mr. CARLSON. I thank the gentleman.

Mr. WHITTINGTON. It is also true that this bill was reported unanimously by the committee and has the approval of the Budget, the Department of Agriculture, and the War Department.

Mr. CARLSON. If the chairman will permit, I was just coming to that point. This bill has the approval of the committee and it comes with the assurance that next year we expect to go into this matter further and report to this House legislation that will deal with all of these streams with which we are vitally concerned. The Ohio River has a flood one year, your river in your community has a flood next year. In fact, we cannot tell where the flood will be. Therefore I am sincerely hoping that next year we will be able to bring in a comprehensive flood-control bill.

I want to discuss for a few moments one phase of this bill, and that is section 3. The War Department has complete charge of flood-control projects on major streams. The Department of Agriculture in the act of 1936 was given watershed control. This act enlarges that control. That is what I want to speak of. I think most of us feel the time has arrived in the United States when we must begin to have water control at its source. Therefore we used the words in this legislation "water run-off" and "water retardation." I think we should begin immediately to control water at its source. Personally I feel we have been great wasters as a nation. We have destroyed and wasted some of our great natural resources, especially land and water. We are destroying them rapidly. We have destroyed 100,000,000 acres of land by erosion. Dr. Hugh Bennett says we are losing every year 200,000 acres of our most fertile soil. Therefore I am very much interested in this particular phase of the legislation that deals with water run-off.

I am especially interested in that because in the Midwest we have seven or eight States that are vitally concerned in water conservation and water run-off. Personally I am convinced that the future of a large section of seven or eight States, including the Dakotas, Minnesota, Colorado, Kansas, Nebraska, Texas, Oklahoma, and New Mexico is going to be determined by the amount of water we can conserve and use. This legislation is a step in that direction.

I want to speak for the construction of ponds, or anything that we may build out in that section that will hold the water after it falls. As far as the State of Kansas is concerned, I am proud of our pond-building record. Since 1934 we have a program of 50,000 ponds in the State of Kansas. We have constructed now over 3,000 ponds, with a minimum capacity of 15 acre-feet of water. This has been done through the cooperation of the Works Progress Administration and the Governors of our State. I am very happy over the results we have achieved. The State of Kansas is assisting in this and it may be of interest to other States as to the aid we give. Our State gives a reduction in taxable value of $40 for every acre-foot of water that can be conserved in these ponds. It has done a great deal to aid in the construction of the ponds.

Mr. FERGUSON. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. ENGLEBRIGHT. Mr. Speaker, I yield the gentleman from Kansas 2 additional minutes.

Mr. CARLSON. I yield to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. In regard to the ponds in Kansas, I just had the privilege of flying over the State of Kansas right after a big rain, and from the air it looked like that area had turned into the lake region of Minnesota. You have done a very effective job, and a lot of water that ordinarily would have been wasted is now stored in the Kansas plains.

Mr. CARLSON. I thank the gentleman for that contribution, because so many people feel we do not have any water run-off. I would like to discuss the flood on the Republican River in May and June 1935, and only wish I had more time.

This stream has its source in Colorado and, after flowing half way across the State of Nebraska, turns down into Kansas and is a tributary of the Kansas River. Few realize the enormity of this flood.

The loss of life was greatest in the upper parts of the valley in Colorado and Nebraska, where the flood occurred at night. A total of 110 lives were lost. The loss of livestock was 20,593. More than 275,000 acres of farm land were damaged, most of which contained growing crops or hay. Several hundred miles of highways and railroads were destroyed or damaged, also 515 highway bridges and many railroad bridges. The number of homes destroyed or damaged was very large, especially in the upper part of the valley, where the water rose to unprecedented heights. In Kansas 1,485 homes and 1,552 buildings other than homes were flooded.

We are much concerned about legislation that will assist us in controlling these flood waters at their source.

Mr. WHITTINGTON. Will the gentlemean yield for me to make a short statement, in view of the limited time?

Mr. CARLSON. I yield to the chairman.

Mr. WHITTINGTON. The hearings on this legislation are valuable. They contain an exhaustive report by the Chief of Engineers covering flood control and reservoirs for power and flood control. They contain probably the most exhaustive statements ever made by the Soil Conservation Service, by the Forestry Service, and by the Weather Bureau with respect to floods. There are many other statements that would be valuable to those interested in floods, as well

as a letter from the President of the United States transmitting the report of the Chief of Engineers to the Committee on Flood Control.

The SPEAKER pro tempore. The time of the gentleman from Kansas has again expired.

Mr. WHITTINGTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Speaker, I realize that the time is very limited for debate on the pending bill, and there is really not much necessity for further debate, because the distinguished chairman of the committee has fully covered the bill in his splendid remarks, and there appears to be very little, if any, opposition to the measure.

I have very actively supported and worked for the passage of flood-control legislation during the entire time I have been privileged to serve as a Member of Congress, and am glad to have an opportunity to raise my voice in support of this bill. While this measure does not go as far as I would like, yet we realize that under the program of the President it is all that we can hope to get at this time.

I have been especially active in my efforts to secure proper consideration and the passage of further legislation for the benefit of that area in Tennessee along the Mississippi River in the district which I have the honor to represent. This is the largest unprotected area along the Mississippi River, embracing some half a million acres of the finest land to be found anywhere. I have been assured by the Government engineers that sufficient provisions have been made both in legislative authority and appropriation of funds to provide for the extension of the levee from Tiptonville, Tenn., to the mouth of the Obion River, and that this work will be under way just as promptly as possible. I am hoping that in the legislation which is contemplated for the next session of Congress that proper provisions will be made for flowage rights for the unprotected part of this area, and I shall certainly continue my efforts to accomplish this result.

I have also been especially active in endeavoring to secure proper and very badly needed assistance for dredging and channel improvement of the Obion, South Fork, Forked Deer, and Hatchie Rivers in Tennessee. A most serious drainage and flood problem has existed on these rivers for some time, and I am especially gratified that provision is included in this bill whereby this much-needed improvement can be made on these rivers. I have conferred repeatedly with the engineers and have been assured that this work will be done as promptly as possible.

The pending bill should be passed by all means, and the investigations of the Army engineers carried forward as now contemplated and a report made, and further flood-control legislation extending even greater benefits should be passed early in the next session of Congress.

Mr. WHITTINGTON. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. BUCK].

Mr. BUCK. Mr. Speaker, would time permit, I had intended to discuss the bill more thoroughly. I ask unanimous consent to revise and extend my remarks on the bill at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BUCK. Mr. Speaker, had the pending bill come up under different circumstances; that is, under the ordinary rules of the House, or a special rule which permitted amendment, I had intended to offer an amendment for the serious consideration of the House.

A comprehensive flood-control system for the Sacramento River in California was authorized in the Flood Control Act of March 1, 1937, and modified and extended by the Flood Control Act of May 15, 1928. Not going into unnecessary detail, I should like to call attention to the fact that the total cost of this entire flood-control system was estimated at $51,000,000, and that the Federal appropriation authorized for the execution of the parts of the project undertaken at Federal cost was $17,600,000. This authorization, with the passage of the present non-Military Establishment bill, will be entirely exhausted. The amount of money appropriated in that bill for the continuation of the Sacramento River flood-control work is not sufficient to complete the necessary work of wave-wash protection, levee set-back, or bank revetment.

In response to a resolution adopted by the Committee on Commerce of the United States Senate, December 13, 1935, the Board of Army Engineers has proceeded to review the previous reports with a view to determining whether any modification in the existing project with respect to the maintenance of these project works is advisable at the present time. Under date of June 24, 1937, Maj. Gen. E. M. Markham transmitted the report of the Board, together with his own recommendations, to the Senate committee. Of course, this document was not available to the House Committee on Flood Control, whose chairman, Mr. WHITTINGTON, had already the day before introduced the pending bill in the House; and it would have been impossible for the committee to have included these recommendations in its report.

However, the recommendations provide for a further expenditure by the Federal Government for the maintenance of the enlarged channel of the river below Cache Slough, including the protection of its shores and the maintenance and operation of gages on navigable streams and channels. The State of California is to assume the maintenance of the weirs at the head of the bypasses, except for the construction of such protection of the river bank as may be necessary to insure their permanence. State or local contributions of one-third of the cost of bank-protection works and levee set-backs are recommended. With this contribution, the estimated further cost to the Federal Government will amount to a total of $2,500,000. This work will be undertaken over a period of 5 years, beyond which period the Board of Army Engineers does not make any recommendations at this time. It is obvious that by the end of that period, further consideration of construction and protection will have to be given, particularly in view of the fact that during this same period of 5 years, construction on the Kennett Dam under the Central Valley water project will be proceeding. Toward this dam there has already been authorized a Federal appropriation of $12,000,000. It is obvious that its completion will have a beneficial effect on both navigation and flood control, but it will not completely solve the situation, for not all of the water in the lower Sacramento will come through Kennett Dam. The work recommended by the Board of Army Engineers to the extent of $2,500,000 will, however, accomplish what is immediately and urgently needed in the execution of bank-protection works recommended by the California Debris Commission.

It had been my purpose to offer an amendment adding a new section to the bill providing that the project for the control of floods in the Sacramento River, Calif., should be modified in accordance with the report of the Chief of Engineers, dated June 24, 1937, to which I have referred, and subject to the conditions set forth in said report. Amendments not being in order under suspension of the rules, it will be necessary for me to ask one of the California Senators to urge the inclusion of a similar provision in the bill when it is before the Senate; and when the bill comes back to conference, if such amendment is adopted, I sincerely hope that it will have the approval of the conferees.

I have taken the time of the House to explain this matter somewhat in detail so that when such a conference report does come back the Members may be informed. This is not a new work—it is a continuation of an existing work on which over $50,000,000 have been spent, and is vitally necessary to the protection of the Federal interest in both navigation and flood control.

Mr. WHITTINGTON. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. Mr. Speaker, I hope that Pittsburgh and other places endangered by floods will, in the near future, obtain sufficient appropriations for the prevention of floods.

If we were to spend a billion dollars for the prevention of floods, it would not be one cent too much. In 2 years hundreds of millions of dollars' damage was brought about because of these disasters. The construction of reservoirs, dams, ponds, canals, and other projects would undoubtedly not only prevent disastrous floods but forest fires, dust storms, and droughts. No place in the United States or its possessions would ever need to be without water if such projects were constructed.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Ohio [Mr. DIXON] 1 minute.

Mr. DIXON. Mr. Speaker, it would be presumptuous for me to attempt to deal with the technical engineering features for the elimination of future floods. General Markham has already very ably explained the survey made by the Army engineers to this committee. I come before you, however, to remind this committee of its obligation to the citizens of the Ohio Valley.

There is little need of my delving deeply into the millions of dollars in property damage, as well as the loss of hundreds of lives. However, I should like to mention that it was estimated that the flood drove 103,000 from their homes; 24 counties of the State of Ohio were affected by the flood and there was extreme damage in 8 of those counties. The Red Cross alone cared for and fed 84,000 persons in Ohio, and Cincinnati alone suffered a loss in property damage of approximately $27,000,000.

But the figures tell only part of the tragic story. Mothers, fathers, brothers, sisters, and friends separated and dependent upon charity, crowded together in every conceivable kind of shelter, thousands upon thousands homeless—sickness, suffering, and disease tells a powerful story that cannot be calculated in terms of the dollar mark.

Fifty-five disastrous floods have occurred in the Ohio Valley during the last 60 years. General Markham in a recent statement asserted the entire program would not cost as much as the damage done by the recent flood. The damage of the January flood alone equaled $440,000,000. No record seems to have been kept of the total damage of floods, but if $440,000,000 is a modest estimate for damage caused by the past flood, it would be more conservative to place the grand total in excess of a billion dollars for the past 60 years. If we have lost a billion dollars in past floods, we certainly could expect to lose no less in the future, so the investment of $310,000,000 or thereabouts would bring a dividend of $690,000,000, truly a handsome saving to our Government.

I should like to quote to the gentlemen of the committee a few striking points brought out in a splendid article appearing in the Washington Herald January 27, 1937:

> Comprehensive plans for the restraint of floodwaters were worked out in detail by competent engineers and have been available for years, proving that flood control is possible. Responsibility, therefore, for inaction rests largely upon the Federal Government, and the problem exists today mainly because the methods of solution have not been used. There has always been a great deal of talk about flood control, but little action. For at least one decade specific recommendations have been in the Government files. Some of the recommendations have been waiting so long resurveys were necessary.
>
> Congress last year approved a program of flood control that according to Army engineers would eliminate all danger of floods in the Ohio Valley, but the Budget Bureau failed to approve the spending of the money that would have taken that program off the blueprints and put it in action. The program would build great reservoirs on the headwaters of the Ohio River, impounding surplus waters in flood seasons and releasing them in dry seasons. That program would have entailed the expenditure of $310,000,000; certainly an insignificant sum beside other New Deal expenditures.

The time is here; there should be no further delay; the entire Nation is anxious for the Federal Government to begin this work under the direction of Army engineers. The great Queen City of the West, Cincinnati, with its wonderful diversified business, its truly American citizens, who when misfortune visited Chicago, Johnstown, San Francisco, and all other places and serious trouble resulted, were always listed as the first to recognize suffering and disaster with a fine feeling for an American duty and contributed to the fullest extent with money, doctors, nurses, and supplies. Because of this the entire United States is anxious and willing that some worth-while plan be immediately adopted so that preparations for the elimination of future disasters, such as the flood of 1937, may be undertaken. [Applause.]

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Indiana [Mr. CROWE] such time as he may desire.

Mr. CROWE. Mr. Speaker, in supporting H. R. 7646, by Hon. WILLIAM M. WHITTINGTON, chairman of the Flood Control Committee, I support legislation of unusual merit. Floods in any river and tributaries such as the Ohio become a National Federal problem. Cities are unable to cope with the overflow of many miles above them.

There are various estimates of the losses in the Ohio Valley and its tributaries during the 1937 floods. The War Department placed the losses at something over $400,000,000. Others estimated at figures greatly in excess of this amount. Losses always in the finality from all sources amount to more than can be seen on the surface at the time of the loss.

In my representation in Congress of the Ninth Indiana District there is approximately 150 miles of water front on the Ohio River, starting at just above Lawrenceburg, Ind., and extending to just below the cities of Jeffersonville and Clarksville, Ind. Those two cities were almost entirely submerged by the recent floods. Their losses reach into millions of dollars, as well as tremendous losses at other cities between those two, and in addition to that great losses by farmers on farm lands and buildings, crops, stock, and so forth. This legislation, however, is the forerunner to more permanent legislation and will take care of levees and water walls to cities where the losses were the greatest. It is imperative that this be done and done as speedily as possible before we are menaced with recurring floods next year.

Over the long-haul program of flood control means will be interwoven into it of reforestation and the elimination of soil erosion. Ground covering and conserving the water where it falls is imperative to save the soil, to raise the water level, to reproduce our timberlands, and to allow our river channels to ultimately clean themselves from silt and cause a more uniform flow of water throughout the year in the streams. Temporarily, however, in advance of that must come levees and water walls to protect cities from the return of devastating floods such as those had in the Ohio and its tributaries in the years 1936 and 1937. The chairman of the Flood Control Committee [Mr. WHITTINGTON] is entitled to a lot of thanks by every Member of the House whose district is affected by the floods.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Iowa [Mr. WEARIN] such time as he may desire.

Mr. WEARIN. Mr. Speaker and Members of the House, I want to express my appreciation for the fact that the chairman of the Committee on Flood Control, Mr. WHITTINGTON, permitted us to include in the pending legislation a provision for preliminary surveys of the Nishnabotna and Boyer Rivers in our congressional district and I hope to be able to add the Nodaway in the very near future. It has always been my contention that control of floodwaters should begin on the smaller tributaries of the larger streams. Such action will serve the dual purpose, namely, of preventing vast damage in the lowlands of the Mississippi and Ohio and at the same time conserve moisture in Iowa, Nebraska, Kansas, and other like regions where it is needed.

The conservation of water at its origin will in a larger sense contribute to the preservation of soil fertility. It is impossible to estimate how many hundreds of acres of rich soil is carried away in every one of our major floods to be spread on the Delta at the mouth of the Mississippi where it is lost to our farmers.

The measure that Chairman WHITTINGTON has brought to the House is directing the energy of the Federal Government in the direction outlined above and for that reason is most commendable. I am sure that the citizens of our congressional district will appreciate the consideration, and there is no doubt but what posterity will benefit from the procedure.

Mr. ENGLEBRIGHT. Mr. Speaker, I yield to the gentleman from Ohio [Mr. JENKINS] 8 minutes.

Mr. JENKINS of Ohio. Mr. Speaker, I am glad for all the indications which point unerringly, I hope, to the passage of this bill this afternoon; and, as one Congressman who comes from a district that has been sorely stricken in the recent floods of 1937, I take this opportunity to thank everybody who has had anything to do with the preparation of this bill and those who will vote for its passage, because it is a very meritorious bill. I am sorry only that it provides for only $24,877,000. It should provide for at least twice this amount. My own individual district has lost nearly $24,000,000 in the recent 1937 flood. This amount will, however, be a start in the right direction. This is not a free grant by any means. But we are going to have to match that $24,000,000 in order to get it. In this connection I want to discuss, just for a minute, how this bill comes up for consideration at this time, especially for those of our friends who are always with us on these flood-control propositions. And I want you to know that the passage of this bill does not answer every call for flood relief. This bill is only the first step in what I hope will develop into a Nation-wide plan. This bill goes only in one direction. It provides primarily for the erection and construction of municipal flood defenses.

The bill authorizes $24,877,000 to be used in just about that one way. And it provides that, in order for any municipality to get one single dollar of this money for flood defenses, that municipality must provide all the rights-of-way necessary for the construction, and must arrange to pay all damages resulting from the removal of roads or railroads, and similar changes that may be necessary. The municipality, will in effect, say to the Government: "Here is the land, here is a place; now come along and build for us a flood wall or levees. There is many a town—in fact, practically all the towns along the Ohio River—that will not be able to meet the requirements of this bill. Cincinnati probably can do it, Louisville maybe can do it, Huntington, W. Va., thinks it can do it, but I doubt very much if my own home city of Ironton, Ohio, 95 percent of which was under water, will be able to meet the requirements of this bill. Let me give you some figures which I received from the Army engineers this morning with reference to what will be required of us. The Army engineers estimate that in order to keep out the floods that are classed as the regular floods that come nearly annually, our city will have to spend at least $1,000,000. This proposed protection will not protect against the 1913 or the 1927 floods. It will only hold back the backwater which comes in from a small stream in the lower end of our city. Of this one million the city of Ironton will have to come forward with more than $300,000, which is the estimated value of the rights-of-way and damages.

I am afraid that we cannot do this. I am afraid that the legal debt limitations have already been reached in our city. I expect to have the proper officials investigate to determine whether we can avail ourselves of the benefits of this law. Something will have to be done to enable the municipalities which suffered so badly to secure relief. For a law which only carries relief to the strong, and which denies it to the weak, will not be well received in the long run. If it opens the door to more satisfactory opportunities later it will have served its purpose. I now yield to the chairman of the committee.

Mr. WHITTINGTON. The gentleman should bear in mind that when we change the yardstick of basing contributions it will apply or should apply not only to this bill now under consideration but to the act passed in 1936 and to all other flood-control acts. The yardstick should be uniform throughout.

Mr. JENKINS of Ohio. While I expected to develop this further, I am glad the chairman brought that point out at this time because as things now stand it will be humanly impossible for most of the local communities on the Ohio River to come forward with their portion. I believe that the communities should participate to a certain extent, for otherwise the whole thing could be used as a football of politics, and a lot of small communities would want to have construction out of proportion to their appraised value; but I hope that the time will soon come when the percentage for participation will be lowered, when we will not have to put up an equal share, because then every little city, every little town, will strive to avail itself of the worth-while help tendered by this act, and walls will be built around many of these little towns.

We cannot provide enough money this year to make all the improvements necessary. In fact, it would be impossible to carry on all this work in 1 year or even in 5 years, and I shall encourage the municipalities in my section to make an effort to meet the requirements of this bill and shall continue to do what I can to bring the most practical relief possible to all the small cities.

That brings me to this point: This is not the only flood-relief bill from which relief will come in this session of Congress. My understanding is that we will have about sixty million in addition to this twenty-four million. Most of this sixty million has already been allocated or at least it has tentatively been allocated and much of it will go to the construction of dams and reservoirs in the Pittsburgh territory. These dams will hold back great reservoirs of water. Whenever that is done that will help every community lower down the river. These dams and reservoirs above Pittsburgh will call for the expenditure of several millions of dollars by the State of Pennsylvania or the municipalities that are located near the improvements. The people must provide all rights-of-way, and so forth. Of course, that section being the largest manufacturing section in the world, may be able to furnish these funds. I hope they can. We will all benefit from it.

This brings me to the further point that there is one dam in particular that is very important. In fact, I think it is the most important unit in the whole flood-control program. We must do something about seeing to it that this project is carried on at once. I refer to the Bluestone Dam located on the headwaters of New River. This is the one dam that will do more to help all the people along the Ohio River than any other one project that the Army engineers have passed upon. That is located, as I have said, on the headwaters of the New River, probably 60 miles from its confluence with the Gauley River, which join about 30 miles above Charleston to form the Kanawha River. And the Kanawha empties into the Ohio at Point Pleasant, W. Va.

When that dam is finished, it will have cost approximately $10,000,000. It is estimated it will hold back enough water so that 3 feet on the average will be taken off the crest of floods at all points from where it flows into the Ohio River at Point Pleasant for about 150 miles as it flows down toward Cincinnati. Of course, I mean floods which are caused primarily by unusual precipitation of rain or snow in that vast mountain region which drains into the Ohio. The Bluestone will be a wonderful project. It will be located in the mountain section close to the line between the southeastern part of West Virginia and the southwestern corner of old Virginia.

But what is holding that up? The law at this time provides that the people living in the vicinity of that project or some political subdivision of the State must come forward and provide the rights-of-way necessary for this improvement. This would require the purchase of the dam site, and also many thousands of acres of land, for this reservoir will cover many thousands of acres. The total cost of land and damages would be about two million. The population is sparse in that section and the value of land per acre is very low. The people in the immediate section would receive little or no benefit from the construction of that reservoir, and they could not furnish the funds with which to purchase the rights-of-way. This dam does not mean much to them, and this reservoir will impound a large amount of water and thus keep it out of the main stream in floodtime. It will also have that great storage of water

which can be released in the summer to maintain a steady flow of water when needed.

A dam, similar to the one proposed at Bluestone, has been constructed over at Grafton, W. Va. This is a gigantic structure. It is as large as the Norris Dam. This dam is known as the Tygart Dam. It is almost completed. I visited it a few days ago, and it has been paid for altogether by the Government. The rights-of-way were purchased by the Government, the dam was constructed by the Government, and everything done by the Government, as it should be done. The benefits are Nation-wide. The Government should do the same thing with the Bluestone Dam. The benefits there will be Nation-wide. The Government should provide the right-of-way in all this mountainous country, because Cincinnati, Huntington, and all of the many cities along the Ohio River will benefit by reason of this improvement.

May I say to the Members of the House that a delegation is expected to go down and see the President in a day or two to find out whether or not he will provide some relief money or some other kind of money with which to buy that land so that the Army engineers can go ahead with that project. I understand that the plans are all prepared, and if the Government would buy the land the work could start just as soon as the bids could be received and the contract awarded legally.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I may say I am in sympathy with the gentleman's statement with respect to the Bluestone Reservoir. As a member of the committee of conference it was intended by section 3 of the omnibus act to include that reservoir and have it provided for under the terms of that act, just as the Conchez proposition in New Mexico was provided for.

Mr. JENKINS of Ohio. I thank the gentleman and we will appreciate his help. The plans have been furnished and the Army engineers say that in 2 weeks they could proceed with the necessary preliminary arrangements if they had the money.

Mr. RANKIN. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Mississippi.

Mr. RANKIN. How much power will be generated at that dam when completed?

Mr. JENKINS of Ohio. What dam does the gentleman mean?

Mr. RANKIN. The Bluestone Dam.

Mr. JENKINS of Ohio. I do not know anything about that. In fact I hope it will be held as a flood-control project and not a power project. I hope there will not be any power generated, as far as I am concerned, for the reason that if we have to provide for a power dam it will cost so much we will not get any flood relief. I have heard many prominent engineers testify as to whether it is wise to combine power and flood control into the same projects. They all disapprove of that plan. They claim that for power purposes there must be kept a full head of water against the dam, while for flood control the reservoir should be emptied before the flood and filled up with floodwaters.

Mr. MAY. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Kentucky.

Mr. MAY. I was wondering if, as a matter of fact, under the relief bill, which allows large sums of money for the Public Works Administration, it would not be possible to get some money out of those funds?

Mr. JENKINS of Ohio. My understanding is that Mr. Hopkins has agreed that in the general allocation of relief work he will be able to assign enough relief work to amount to about $48,000,000. It is not always safe to rely on a general statement, for the amount of labor available in one of these mountain sections is very uncertain, and again we find that relief labor is not adaptable to flood-control projects. The building of huge steel and concrete structures is dangerous and skilled men are usually required. The average relief workers have had no experience and are not qualified to do it, although I am glad to say that upon the occasion of my recent visit to the Grafton Dam a good deal of work was being done by relief. The constructing engineer told me much of it was satisfactory. I saw many men doing carpenter and similar work. I hope that Mr. Roosevelt and Mr. Hopkins will see to it that we get a very good contribution in this respect. While this bill may not be of much benefit to my section I am supporting it loyally. I hope that Congress will continue to look with favor on a comprehensive flood-control program so that we will within the next 5 or 10 years have provided ourselves so that we can compel Old Man River to stay away from our doors. [Applause.]

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, I would like to ask the chairman of the Committee on Flood Control a question. I am wholeheartedly supporting this legislation, but I am particularly interested in a survey of the Kickapoo River.

Mr. WHITTINGTON. My recollection is the Flood Control Committee reported that bill, the House passed it, and it is now pending in the other body. I may say it is the purpose of the other body, and I am so advised, to include all preliminary examination and survey bills that have been introduced in that body, and passed by this body, and not passed by the other body by way of amendment, and I think that course should be pursued with respect to the river mentioned by the gentleman.

Mr. WITHROW. In case the Senate bill and House bill go to conference, it will be the policy of the conferees to include the Kickapoo survey?

Mr. WHITTINGTON. All survey bills have been passed by either body, and not by the other, will be included.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Speaker, I yield the remainder of the time on this side to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, first, I desire to congratulate the chairman of the Flood Committee, Mr. WHITTINGTON, and the members of the Flood Committee for the noteworthy work that they have done in reporting a bill with much merit. Their work has been most difficult, actuated by the many floods that have occurred in the United States the past few years, leaving behind nothing but ruin. Unquestionably, it is true that the committee has not been able to include in this general bill all the bills introduced with the purpose of remedying flood conditions, but it evidences a determined intention on the part of the committee to continue from year to year such a bill which when executed will eventually eliminate the greater part of flood destruction throughout the entire United States.

It is true that work necessary in the reducing of flood hazards is costly. The building of dams and locks, the building of reservoirs and retaining walls, the clearing of channels is expensive. But with the completion of the work we will have the knowledge that many lives will be saved; we will have the knowledge that hundreds of millions of dollars of homes and other private property will be saved; we will have the knowledge that thousands of men out of work will receive employment. Their work will be something worth while, something of a permanent nature, something that will be of benefit to millions of people. The great majority of the people are not adverse to the Government engaging the services of the unemployed on worth-while projects. They appreciate that those who are unable to find work must be provided for. The only criticism that I have found is that the Government has too often employed these men on unworthy projects. Too often the unemployables have been assigned to work that accomplished little or no good. The delegation of men on work of this nature would receive the hearty endorsement of every taxpayer. The people of the

United States are united behind us in the expenditure of money for the control of floods. They know that for every dollar we spent in this work, thousands of dollars will be saved in property in the various flood areas.

In the main, this bill provides for the expenditure of $24,877,000 for the construction of levees, flood walls, and drainage structures for the protection of cities and towns in the Ohio River Basin, the projects to be selected by the Chief of Engineers, with the approval of the Secretary of War. It provides that any funds appropriated may be used for plant, material, supervisory, and skilled services necessary with relief labor furnished under the provisions of the Emergency Relief Appropriation Act of 1937. You are all familiar with the January flood of the Ohio River, which resulted in the loss of many lives and the destruction of hundreds of millions of dollars in property.

The entire population of several cities had to leave their homes and the necessity arose for the sending in of Federal troops. The President of the United States, the War Department, the Flood Committee, every Governor of those affected States, the various chambers of commerce and business organizations urge a prompt remedy. They are waiting for us to come to their assistance, and I am sure that we will not disappoint them.

In addition to the Ohio River phase this bill provides for an authorization for preliminary surveys and examination in a list of localities under section 5. There is a total list of 51, reaching from the Atlantic to the Pacific, embracing practically every State. It makes us realize that flood disasters play no favorites. The history of floods brings us to a realization that quiet rivers of the present day may in a generation overflow their banks, bringing ruin to its inhabitants. I speak from experience.

The Flood Committee has most kindly included in this bill an authorization for a preliminary examination and survey of the Galena River in Illinois and Wisconsin. The Chief of Engineers and the War Department has requested it. Living in Galena, Ill., and being vitally interested in a remedy for flood conditions there, I have gone extensively into the history of the Galena River. I have found that floods have been reported in the Galena River Valley long before the first white settlement. The Galena River flows into the Mississippi River. The earliest floods in the Galena River Valley were the result of abnormally high water in the Mississippi River, backing up the valley. Gradually street and building grades in the city of Galena were raised to a level that protected them from this danger. Since 1870 came a group of floods that resulted from unusually heavy rains over the watershed of the Galena River. Fifty years ago the largest Mississippi boats came up the Galena River to Galena. Many times there were as many as 10 of the largest Mississippi boats docked at Galena. At the present time the river is not navigable for even canoes or rowboats. The water under ordinary conditions is from 12 to 24 inches deep. It is generally agreed that the cutting of timber on the hills above Galena has permitted the filling of the Galena River by soil washed from the hills. This soil has washed down below the city, filling up more and more, until now when a heavy rain comes to the valley the small channel of the river, plus the piled-up soil below the city, does not permit the water to flow freely to the Mississippi.

There have been 18 recorded floods in the Galena River Valley, which have resulted in the loss of several lives, as well as the destruction of millions of dollars' worth of property. The worst flood occurred on February 21, 1937, which resulted in the loss of three lives and an estimated loss of over a million and a half dollars in property. Hundreds suffered from severe colds and influenza. To you Members who are free from flood areas I would have you visualize a city of 5,000 people in northern Illinois, in the cold month of February, under approximately 7 feet of water. It means that in February, with all the furnaces and other modes of heat under water, the people were without heat for several days. After many hours the water receded and the people went back to their homes, and their business in ruin, without heat.

Sufficient plumbers could not be obtained. People were without heat in zero weather for days. They went back to work, though, cheerfully. Painters, plumbers, paperhangers were engaged, and within a week Galena was back to normal, with the exception of the three lives that were lost, with the exception of several businessmen who were forced out of business by their losses, and with the exception of the loss of over a million dollars' worth of property. They were back to normal for only a few days, because, on March 4, 1937, only 10 days afterward, there came a second flow, nearly as severe. Again merchants and businessmen were compelled to remove their stock and vacate their business. Again many people were forced to leave their homes. Again there was damage and a destruction of property.

This account of increasingly disastrous floods at Galena shows that this historic town, nationally famous because it contains so many exceptionally well preserved examples of early architecture, is in peril of being completely destroyed by floods.

The record indicates that much of the damage at Galena can be prevented because it appears that the original valley was adequate to care for the seasonal precipitation over its watershed, and that extensive damage has only occurred since the stream bed has become narrowed and filled by silting. Probably the damming of floodwaters above the town and the widening of the stream bed below Galena to the mouth of the river but a short distance would reduce flood damage to a negligible quantity.

There is a district engineer's office of the War Department but a few miles south of Galena, at Rock Island, Ill. The cost of a preliminary examination and survey would be very small. I feel certain that this House will pass this bill overwhelmingly. By so doing, you will be doing something worth while; you will be doing something that has the unanimous backing of the public; you will be doing something comforting to the millions of people located in the disastrous flood areas, not of one locality but in every State of the Union. [Applause.]

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentlewoman from Indiana [Mrs. JENCKES] so much time as she may desire.

Mrs. JENCKES of Indiana. Mr. Speaker, as a Member of Congress representing a congressional district which has, through a lack of Federal flood control, suffered a loss of $2,000,000 annually for the past 10 years, I rise to support House Resolution 7646 and to thank the chairman and his committee for their splendid work in preparation of this bill. For 10 years prior to becoming a Member of the Seventy-third Congress, I have been appealing to the Federal Government to provide flood-control protection to the citizens in the Wabash and White River drainage area.

The Wabash-White River drainage area covers 22,000 square miles of the richest and most productive country in America. The center of population of the United States is in this area. A great volume of the Federal taxes which are paid to the Federal Treasury comes from the Wabash-White River drainage area.

I appeal to my colleagues from congressional districts not affected by flood waters to support this measure. I hope this measure passes, and when it does pass, I hope that the United States Army engineers will proceed immediately to correct certain dangerous areas along the Wabash and White Rivers which deflect the flood waters into our cities and over our rich and fertile farms. This will be an investment which will return to the Federal Government, in the shape of income taxes, a sum of money many times the original investment on the part of the Federal Government.

I thank you. [Applause.]

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Indiana [Mr. GRAY] so much time as he may desire.

Mr. GRAY of Indiana. Mr. Speaker, little did the pioneers realize when they were clearing the land and preparing the ground for cultivation that they were undermining the soil fertility, that they were breaking up the fountains of water, and because of this great loss and waste their children and grandchildren would desert their inheritance.

Little did the pioneers comprehend that in cutting down and removing the forests and leaving the land barren of vegetable growth they were lifting the floodgates holding back the water in the reservoir of the earth, to gather in mad rushing torrents carrying away soil fertility and deluging the valleys and the lands below.

Little did the pioneers apprehend that the soil only a few inches deep was held and maintained in moisture and fertility under Nature's blanket of vegetation and when left barren and exposed the underground water level would fall or recede and the flowing springs would give way to drought and floods.

And from this careless indifference or oversight and their criminal disregard for nature's way of conserving the soil fertility and the water supply, we are reaping the reward of our folly in the blight of withering droughts, and the ravages of devastating floods, attended with appalling loss of property and life.

TOOK 10,000 YEARS TO CREATE 7 INCHES OF SOIL

Natural scientists tell us that by the slow processes of Nature 10,000 long, tedious years were required to create or accumulate the shallow 7 inches, the average depth of the soil fertility of the land, and without which America would have been a barren, lifeless desert of clay and sand.

LOSING 100,000,000 ACRES OF SOIL FERTILITY A YEAR

And conservation experts tell us now that by clearing the land for cultivation and leaving it barren of vegetation and exposed to the action of water we have already lost 50,000,000 acres of soil fertility, and we are losing 100,000,000 acres a year, and this is in progress even more rapid than before.

MORE THAN $200,000,000 LOST TO FARMERS A YEAR

It is estimated that soil waste from action from the waters running from the land removes from the cultivated and pasture fields not less than 126,000,000,000 pounds of plant food material every year, or more than 21 times the amount required and taken from the land by growing crops.

The estimated financial loss annually to the farmers is more than $200,000,000, and the annual ultimate damage to the land is many times the immediate loss, as the fertility of the land is gone beyond the hope of a recovery, or even a part, in a lifetime or one generation.

Land left bare of all vegetation has been losing from 50 to 100 tons an acre of soil fertility per year. Land planted continually in corn has been losing 59 tons an acre per year, and from such land left barren of all vegetation the loss has been as high as 112 tons an acre per year.

ALL LAND LOSING SOIL FERTILITY

While the steeper the land slopes the greater will be the loss of topsoil, yet all fields are suffering a loss according to the slope of the ground, and the fertility of the soil is passing from all cleared or cultivated fields wherever colored or muddy water is running from the land.

At this rate of soil loss and waste this average 7 inches of soil, if left wholly barren, may be taken from land in less than 10 years' time, from continuous corn land in 16 years, while from properly rotated crop fields 99 years would be required to take away all the soil fertility.

HOW WATER IS HELD IN THE EARTH

In nature the ground is kept open and porous by roots and the action of insects and worms. Into these pores and soil openings the rain held by vegetation passes into the earth until the ground is made a greater water reservoir, excepting only the oceans and the seas.

From this great underground storage the water slowly filters out through the constant running of springs and seepage from the porous, spongy earth in gradual release to maintain the streams, and in an even stage throughout the year, with clear, filtered running water.

ONCE STREAMS RAN WITH CLEAR WATER

In the early days of America the rivulets, creeks, and streams ran with clear and transparent water, even in time of rainfall and floods. The vegetation and the porous earth filtered the water as it came in rains without sediment to fill the streams' channels.

And the waste from excess rainfall thus absorbed and held back by infiltration was released from springs and the porous ground gradually throughout long seasons, not only safeguarding against floodwaters but maintaining the streams at even water stages for more reliable and dependent uses.

CUTTING OFF THE TIMBER AND VEGETATION

Cutting off the timber and removing the vegetation and plowing and cultivating the top soil breaks and closes these pores and earth openings against the infiltration of water into the earth and leaves the ground surface upon which the raindrops fall like a glazed watertight roof.

As a result, with no vegetation to hold the water and no pores or openings to take in the water, the water rushes off the glazed ground and down into the stream channels like the rain water from the roofs flushing down the downspouts to carry away the soil and make the floods.

After water has left the roof slopes of the earth, commonly called the watersheds, and is gathered in torrents in the river channels, it is beyond the control of man. And all they can do in the emergency is to warn the people of the valleys to flee their property and homes until the crest of the mad waters has passed.

THE UNDERGROUND WATER RESERVOIRS

The water level and the underground reservoir is falling lower and lower from year to year. The once constant-flowing streams are dried up. The one time never-failing wells are going dry. The myriad little rivulets, brooklets, and streams are empty again as soon as the rain is over, and their beds are left to dry and crack in the sun.

MANY PROBLEMS IN ONE

The problem of flood control, the problem of irrigated lands, the problem of inland water navigation, the problem of water pollution, the problem of soil conservation and the underground water level, and the problem of hydroelectric power are all one problem—the problem of the raindrops.

And the problem of the raindrops is first back on the farms, in the fields, pastures, and woodlands. The problem is here to receive and hold the rain for infiltration into the ground reservoir for gradual release through the pores of the earth and the even flow of the springs and seepage.

MUST GO BACK TO THE SOURCE

Men cannot safeguard against floodwaters, nor control the even stage of the water level for dependable, reliable, and even water flow, for irrigation and inland water navigation; nor safeguard against the polluted waters, nor for an even flow of water power, nor for any control of river channels' currents until they have gone back to the source, to the slopes of the fields and pasture land, gone back to where the raindrops fall and there restore vegetation to hold the waters, and there reopen the pores of the ground to drink in the waters falling from the clouds to be held back in Nature's great reservoir, the earth.

THE LOWER ENGINEERS MUST WAIT

The lower river channel engineers, planning the levees and the dikes, the dams, and artificial reservoirs, must wait on the upstream engineer, working with his force of men back upon the fields and sloping pastures to hold or delay the raindrops falling.

The lower river channel engineers must wait until the ground pores are open, and to fill the lower and great, capacious reservoir, the reservoir of the ground or earth, before he can plant the heights of levees, banks, and dikes, or the capacity of artificial reservoirs for storage to hold the river within its banks.

After spending billions to control floodwaters; after building hundreds of miles of dikes and levees; after playing with the continent for over 50 years, using the Army, the Navy, and the Marine Corps, and finally the C. C. C., Red Cross,

and relief service, the floods are coming greater and more destructive than before.

MUST GO BACK TO FIRST PRINCIPLES

We find that we must go back to first principles and nature to conserve both the fertility of the soil and control destructive floodwaters to save the soil of America from being carried to fill up the river channels and sifted over the bottom of the seas.

We find that we must go back where the raindrops fall on the hills and slopes and upper valleys and there prepare them a resting place in the sod and soil of the earth to hold and detain the waters there for gradual release from the streams and rivulets.

WATER MUST BE HELD IN THE GROUND

Conservation of the soil and water supply and the control and direction of floodwaters must begin back upon the fields and farms, back with the streams and rivulets. The water must be held in the ground and controlled before leaving where it falls.

The gentle raindrops falling must be received and made welcome to the friendly bosom of mother earth before, for want of a resting place, they join in mad onrushing currents, tearing away the soil and fertility of the land, and wreaking destruction and havoc in the valley below.

Not only the control of water for soil conservation and reclamation, but the control of the flow of waters for irrigation and inland water navigation, for water purification in towns and cities, for the conversion of falling waters into power, and the control of destructive floodwaters must begin back at the source.

THE FIRST STEPS MUST BE TAKEN IN THE FIELDS

For all these purposes and uses the first step taken for their accomplishment must be taken back in the fields, back in the forests and pasture lands, there to hold the water for gradual release, from springs and pores of the soil and from a stored underground water level.

We must go back where the raindrops fall to hold the fertile soil of the land from leaving the fields and sloping pastures and from being carried in the currents of waters to fill and clog the channels of the streams, causing them to overflow their banks and to seek other channels for their current.

We must go back to the source where the gentle raindrops fall to gather and hold the waters in the soil and underground reservoirs for gradual release and flow to maintain an even water stage for all the many uses of the streams of the land.

And this is equally true for the control of floodwaters by extending the time for their passage to accommodate the natural river channels and to provide for the use of falling waters for water power in the generation of electricity, gradually over the year for their regular, continued, and prolonged use.

CESSPOOLS OF FILTH SWEPT INTO THE STREAMS

It is the mad surface water in their immediate precipitous run-off after rains and melting snows which scour the recesses of filth and without infiltration through the earth's soil throw their contents into the streams to pollute and poison the water supply.

Without beginning back at the source to hold the waters in the soil and replenish the underground water level for gradual release and flow, the banks of the river streams cannot be raised high enough nor made strong enough to carry the water leaving the land as it falls.

And the river channels will be overflown, inundating low-level and farm lands beyond the banks of the streams, wreaking havoc and destruction, and then will be followed by the falling of the water stage below the level and the volume required for regular and dependable water uses.

LARGE DAMS AND RESERVOIRS WILL NOT HOLD THE WATER

Large down-river reservoirs have their proper use at the proper time in the economy of flood control and the many uses served by water. But all of the dams which can be built and all the reservoirs which can be provided will not hold the water falling if allowed to run off immediately from in the rains.

To preserve and reclaim the fertility of the soil, we must go back to first principles. We must begin at the source to remedy the cause. We must begin back where the raindrops fall. We must begin before the water currents form. We must begin, not to hold the water on the ground, but to receive and hold the water in the ground.

The devastating, destructive floodwaters, starting on their mad and angered course of inundation, death, and destruction, down the valleys and over the lowlands, first from the barren fields and slopes, frowning upon and resisting the raindrops and control, must be held back from where the water first comes.

THE RIVER CHANNELS FILLING UP

The sediment filling up the river channels, reducing the current capacity of the streams, and causing their banks to overflow and sweeping the fertile land and populous valleys, comes first from the surface soil, from the denuded fields and pastured slopes, and the water must be held before it starts.

The mad, onrushing, wasting waters; the sudden fall of the water stage; the exhausting ebb and diminished flow for reliable, dependable, and useful services; the poisons of a contaminated, polluted water supply, all have their origin and source back in the land repelling the raindrops.

FROM WHERE THE WATER CAN BE CONTROLLED

And back in the fields and denuded pastures is from where all river waters can be held, is from where all floods can be controlled, is from where all water pollution can be safeguarded, is from where all precautions can be taken to maintain the even flow and stage of water for constant, dependable water uses.

THE GREAT RESERVOIR OF THE EARTH

But before we build the reservoirs below we must go back to the source and water storage, the far greater reservoir of the earth, by opening the intake of the pores in the ground and holding the water to replenish the million springs for the gradual release of treasures of water.

WE MUST FIRST BUILD THE LITTLE DAMS AND RESERVOIRS

Before we can build the big dams below to hold the waters to lessen the volume in the streams, we must go back to the farms and the fields and build the little dams and the ponds to hold the water for gradual seepage and release throughout the whole season of the year.

We must go back to the source and welcome the raindrops as they come to the great bosom of Mother Earth and there to repose in leisure and contentment before they reach the swollen streams in mad, turbulent, seething currents.

In other words, we must do first the many little, myriad things. We must take care of the fundamentals. We must go back to first principles. We must begin at the foundation to build for soil and water conservation and to lay the basis for flood control.

Before we can build the big dams below we must hold the water in the lesser streams above, we must go back to the fields and farms to build the little dams and ponds and hold the water there for gradual seepage throughout the whole season of the year.

THE WASTE OF EROSION

Erosion is the washes making gullies from which the ground held in solution and the top fertile soil is carried away by the water run-off and is filling up the river beds and is silting or filling to the top level the dams and reservoirs constructed to hold back the water.

The damage and destruction to dams and reservoirs can only be estimated when it is known that the cost of cleaning out this mud and silt to restore the capacity of the dams and reservoirs is found to be an impractical undertaking or more than equal to building new dams and reservoirs of the same or equal capacity to hold water.

THE 1937 FLOOD

The last great 1937 flood carried over 300,000,000 tons of soil from the farms, fields, and pasture lands and deposited

this with sediment in the channels of the Ohio and Mississippi Rivers, reducing still further the capacities of these river channels to carry the waters.

The small dams and reservoirs back at the source of the springs and rivulets are not only the key to soil conservation, but they are the only remedy and relief for the protection of the larger dams and reservoirs from filling with silt and soil wastage and the control of the floodwaters below.

WHAT THE FARMERS CAN DO

The farmers themselves can do very little. The force of an army of laborers, working under a comprehensive construction program, must be put in operation on the land, back upon the fields and pasture slopes to conserve the water in the reservoir of the ground before beginning construction of artificial reservoirs to hold and release the waters gradually to reach the river channels.

The payments to farmers now being made should be made under a program of soil conservation carefully planned, and the farmers should be given full information and instructions to be observed in their farm operations to carry out most effectively soil conservation.

The farmers should be paid for their work and expenses, except that part bringing in immediate profit, and made to conserve both immediate farm fertility and general watershed improvements, looking to solve the immediate farm problem both to serve the individual farmer and to carry out a national conservation program.

A STATE, NATIONAL, AND COOPERATIVE PROBLEM

Conserving the fertility of the soil and its counterpart, the water supply, is more than an individual farm problem. It is a State and national problem. It is a problem calling for the cooperation of the State and Federal Governments with the farmers to save the disappearing soil and the water level.

Soil conservation and flood control is first an individual and local problem, then a State and national problem. And it is both an individual and cooperative problem in which all must do their part, individuals, the State, and the Nation.

At one time, in the early stages of soil erosion and wasting soil fertility, the progress of land disintegration could have been arrested and controlled by the individual farmer and landowner alone taking precaution in the cultivation of the soil and the proper use and management of the land.

But this opportune time has passed and gone for the individual to cope with conditions. Much of the fertile soil is in the stream beds. The erosion has already eaten its ugly way far into the fertile fields and to deface with frowns and scars a once smiling and radiant nature.

The avalanche of crumbling, wasting earth, and the moving wall of mad floodwaters resenting the violation of Nature's plan calls for the cooperation of State and Nation to stay the tide of rising destruction, stop the rolling, crumbling masses of earth, and calm the seething, troubled waters.

FARMERS ARE ABANDONING THE LAND

As many farmers, growing poorer with their soil-impoverished farms, have been compelled to abandon their farms, so it will be with the Nation, with the American continent. It will be at least in part abandoned unless the Nation acts to stop the waste and reclaim the loss.

It is evident the farmers and landowners cannot meet or pay this tremendous cost of soil reclamation and water conservation at this advanced progress or stage of the loss and waste of these two vital resources. The problem is more than stopping or arresting the further progress of the damage. It is a problem of reclaiming and recovering back.

The farmers, carrying the burden of crop production and taxes, interest, and repair obligations, cannot contribute to this work in money but they can make their contribution of the work with teams in part hauling and in constructing the small upstream dams and reservoirs.

The farmers and landowners of the country cannot and should not bear the cost of the work more than other people of the country. It involves a National and State problem of flood control, irrigation, and navigation, safeguarding against polluted water supplies, and is for the benefit of all the people.

Improvements for soil and water conservation must be assumed by the joint operations of State and Nation as a public obligation and responsibility, and should be carried on and directed under a well-planned waterway system and a survey of the land and watersheds looking to serving all these uses and purposes.

THE STAGGERING COST

And then again the staggering costs of such a mammoth interstate program cannot be entered upon or paid and taxes assessed from the people; and yet we are brought face to face with a problem that must be solved promptly to save the country from the shadow of the desert.

Fortunately there is a way open, not only to pay the costs without burden by with profit and advantage to the people. The water forces with which we are to deal and which have brought this great economic disaster upon us may be harnessed as hydroelectric power to produce a revenue equal to the cost of the works.

While this great loss and waste has been in progress carrying away the soil, new inventions, discoveries, and developments have been made to enable man to harness the forces of water and made to do his will and bidding to lift and carry his burdens and to bring him profit and income.

WATER POWER CONVERTIBLE INTO CASH

Today, under these new inventions and discoveries, every pound of falling, wasting water flowing in all the streams and watercourses can be converted into electricity so as to bring in cash returns, and this conversion into electric power can be reproduced over and over again from the source to the mouth of every river.

And what is even more fortunate and a most remarkable coincidence is that the same works and improvements which are required for flood control, irrigation, navigation, and safeguarding against water pollution will develop and harness the power of water to generate electricity and bring the revenue to pay the costs.

The falling waters of all the streams and watercourses of America, if harnessed for power and generation of electricity, electric current could be developed sufficient to light every highway and streets intersection, light and furnish power to every home and fireside, and turn the wheels and pulleys of every mill, factory, and workshop.

Such volume of electric current sold at a low and reasonable charge would construct all these works and improvements, conserving soil and underground water supply, safeguarding against floodwaters, conserving their future use and service for irrigation, navigation, and a pure water supply.

This program will recover and reclaim the wasting fertile soil and the underground water levels, bring the inland watercourses to serve these many useful purposes, and at the same time will electrify America from coast to coast and from the Lakes to the Gulf of Mexico.

THE ONE OBSTACLE TO OVERCOME

There is only one obstacle standing in the way from the completion of such a conservation program without cost and taxes levied from the people, and that is the obstruction and opposition of the private electric holding companies, who are conspiring to take possession and tie up the waters of the streams and water courses and monopolize their power for private profits and gain.

THERE WILL NOT BE AN OVERSUPPLY OF LABOR

As we approach this great problem and realize the magnitude of the undertaking and the labor required for its completion, we see the folly of the theoretical claim that there is not enough work for all and that active and competent men must be retired to afford all an opportunity for others to labor to live.

The work of man on earth has not been performed, completed, or contemplated. The ground has scarcely been scratched. There is more work waiting to be done than

all the men and automatic machines working full time and overtime can do in a lifetime or generation.

When the Nation calls for recruits for the labor to meet the emergency immediately pressing, the employment lists will disappear and the large relief rolls will fade away, and the exhausting drain of wasting taxes will be relaxed from the earnings of the people, and America will become a veritable beehive with the works restoring the living currents of water.

MANY MILLIONS HAVE BEEN SPENT IN VAIN

Many millions of dollars have been expended in raising the banks of the rivers and streams to hold the increasing floodwaters. But all this has been futile and in vain. The earth washed from the eroding soil has raised the river beds higher and higher, leaving the channels shallower and with less capacity to carry the ever-increasing currents.

Millions have been expended yearly to build great dikes along the Mississippi to hold the ever-encroaching waters from inundating the fertile bottom lands, but as the dikes are built still higher the river bed has been raised and lifted, leaving the channel to carry still less water.

FLOODING THE LAND TO SAVE THE CITIES

With the return of ever-increasing floods the watergates are thrown open wider to relieve the strain upon the channel banks, flooding thousands of acres of land, compelling the lowland population to flee their property, farms, and homes at a loss of millions annually.

And now still opening the floodgates to relieve the ever-filling river channels and the floodwaters rising still higher, almost another million acres are to be flooded in Louisiana at a cost of $103,000,000, forcing thousands of farmers to move and find their homes elsewhere.

DAMS AND RESERVOIRS FILLING UP

Millions have been expended by the Nation in building dams and flood reservoirs to hold a portion of the floodwaters back from gradual release as the floods recede, but the millions of tons of fertile soil from far-distant fields and farm lands have been carried into these dams and reservoirs and then to fall from the resting waters until the dams and reservoirs are filled to a level with silt and sediment, leaving no water capacity.

Many millions of dollars have been spent to maintain an even river-channel stage of water for irrigation and inland navigation and to safeguard against water pollution. But, with the flood tides too high and the subsiding waters too low, the expenditure has been worthless and lost.

Millions have been expended in river and stream improvements to safeguard city water supplies, but the waters from the fields and lands have swept the cesspools of corruption into the rivers sought to be safeguarded, and in the end the same water pollution continues on.

All these gigantic expenditures of money, all these great herculean works and improvements, all these ingenious plans and systems to make the river carry the floodwaters, have been fruitless and in vain, all because we have failed to begin at the source from where the evils of floodwaters come.

MUST GO BACK TO WHERE THE RAINDROPS FALL

We must go back to where the rains fall, back to the fields and pasture lands, and there prepare a resting place for the gentle raindrops to pause and linger in the holds of vegetation and the pores of the soil, and then, after infiltration in the earth, to be released through gradual flowing springs.

The restoration and reclamation of the soil and the underground water level must begin or be entered upon not only to prevent further loss from the soil but to save the towns and cities along the streams from the floods which are rising higher and higher as the land pores are closed more against the rains.

The gullies, giving up the earth in solution to be carried away in the rising waters, must first be planted in trees which are of quick growth in clay soil, and then the slopes in grass and vegetation, and the smaller dams and reservoirs must be built wherever water can be collected and held back.

MUST BEGIN ON A LONG-TIME WORK

It would be a failure of comprehension to say all this loss and waste can be restored back to the land or even all the damage in progress stopped in a few short years of time, or even all this work could be done in one generation or in the time the soil has been leaving the land and wasting.

THE FIRST PROGRAM MUST BE FOR INFORMATION

There should be some regular program outlined to give proper information to the farmers and the landowners of the country and a uniform plan formulated for farmers to cooperate and act with the Government in making soil-conservation improvements, and the amount of contribution the farmers can make must be fixed well within their ability to pay or perform.

First. An economic and social survey should be made of the area to be reclaimed and the population to be affected.

Second. A temporary program should be entered upon until a permanent one can be planned and put into operation.

Third. A program of education to give the inhabitants of the territory information of the character of the improvements to be made.

Fourth. A plan formulated for the readjustment of land conservation to meet the needs and requirements of the owners and their operations to make a living on their farms.

Fifth. The land to be removed from cultivation and from use even as pasture land should be definitely ascertained and set aside.

Sixth. The character of the forest trees and vegetation required to arrest erosion and wasting soil and best suitable and adapted to the climate and soil condition should be decided upon.

Seventh. The operations and practical cultivation of the land to be kept and continued in use should be determined.

Eighth. All this should be under a system to coordinate the improvements made in a uniform manner to embrace the area included, with the operations extending continuously beyond property lines.

ALL RIVER CHANNEL IMPROVEMENTS MUST BE UNDER ONE SYSTEM OF WORKS AND OPERATIONS

In my remarks in presenting H. R. 3872, a bill introduced by me to create an executive department, in the House of Representatives, January 29, 1937, to coordinate all the inland waterworks and improvements under one plan of system or operation, I have already shown the great savings and economy to be effected under a comprehensive program of improvements to accomplish all these uses and purposes under one coordinated system.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Iowa [Mr. HARRINGTON] so much time as he may desire.

Mr. HARRINGTON. Mr. Speaker, I welcome this opportunity to say a few words in support of the flood-control bill, not only because I am a member of the committee which drafted the bill but also for the reason that three of the streams recommended for survey originate in my district. And so as not to seem to be speaking selfishly, I hasten to add that even if my district were as barren of rivers and flood danger as the great American desert, I would still be for this bill, because I am a firm believer in flood control, water conservation, and the prevention of soil erosion.

The provisions of the bill having to do with the survey of these three streams and scores of others throughout the country contemplate safeguarding of our natural resources on a broader front than heretofore attempted in such legislation. In previous surveys the primary objective has been flood prevention. Now, we approach the problem with a view to not only averting the floods but conserving the water for use in season of need, and lastly to prevent damage and erosion to our most priceless heritage of all, the farm soil which is the source of our sustenance.

There is nothing intricate or complicated about this program. On the contrary, it is a most simple and fundamental thing. Those of us who as small boys lived anywhere

near a creek or swimming hole are familiar with the simple engineering possibilities of a small stream of running water. Most of us have built dams and run-off ditches and canals, and even miniature bridges, and as we gave play to our boyish engineering imagination have pretended that we were harnessing the Mississippi or the Amazon or the Nile. We have watched the creek in springtime run suddenly full and yellow and furious with the melting of the snow and ice, and then slink back in summer to a tiny trickle and oftentimes run altogether dry. Perhaps some of us have had the experience of conquering the problem in a small, local way by removing obstructions in the creek, straightening the channel, digging a diversion ditch here and a dam there until in that small, local way we had the problem licked as far as our farm was concerned. And that is fundamentally the procedure proposed in this bill for approaching our flood, famine, and erosion problem on a Nation-wide scale.

I believe that it is the consensus of engineering experts that in the correction of floods and their attendant evils we must start with the sources and headwaters rather than proceed by patchwork where the greatest damage is felt. That is why in this bill you will find so many small and little-known streams included for survey. Stop, divert, and control the water up yonder by the old swimming hole, and the folks down at Cincinnati, Louisville, Portsmouth, and Cairo will not have to worry about floods.

In my district in northwestern Iowa, three streams have been recommended for inclusion in the Nation-wide program, the Floyd, Little Sioux, and the Boyer, all of which flow into the Missouri River and later help to swell the volume of the mighty Mississippi.

The Floyd and Little Sioux Rivers drain an area of 5,285 square miles, 925 square miles being included in the Floyd area and 4,360 square miles in the Little Sioux area. The upland soil involved here is the Marshall silt loam. The counties of Sioux, O'Brien, Clay, Dickinson, Plymouth, Cherokee, Buena Vista, Woodbury, Ida, Monona, and Harrison are included in these watersheds. There is a very serious flood problem in the case of both streams, much valuable farm land being injured by erosion and flooding and the flood problem at Sioux City is extremely important. The erosion in this area ranges from moderate with occasional gullies to severe with frequent gullies.

Probably the most serious erosion occurring anywhere in the State is found along the Boyer River which rises in Sac County in my district and flows through Sac, Crawford, and Harrison Counties down to the Missouri. The area of the watershed is 1,136 square miles. The area is characterized by severe sheet erosion and frequent gullies, and there is a real flood problem, especially noted at Council Bluffs.

In conclusion, may I say that although interested chiefly from the standpoint of a proper and scientific program of water and soil conservation, I feel further that the measure we are discussing contains much that is vital and essential to the people of the great Ohio and Mississippi Valleys. The flood of last January indicated that only through efficient coordinated and well-planned programs can hundreds of thousands of inhabitants of these valleys be made reasonably safe from the devastation of floods. This is by no means a sectional problem, it strikes into the very geographical and population centers of the United States and this bill provides some of the steps so necessary to accomplish the results which we are so anxious to obtain, namely, a sound, workable, and safe flood-control policy. [Applause.]

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. DEMUTH], so much time as he may desire.

Mr. DEMUTH. Mr. Speaker, there are three methods of flood control—namely, reservoirs, local protective works such as flood walls and levees, and watershed retardation as practiced by the Department of Agriculture by such methods as reforestation, strip cropping, and similar practices.

On the lower Mississippi dikes or levees and diversion channels are principally used, and have been most successfully utilized by the United States Army engineers in meeting the particular problem encountered there.

In the Ohio River Basin the two principal methods recommended by the Army engineers is the use of reservoirs on the tributaries and headwaters of the Ohio River. Local protective works such as flood walls to protect such cities and towns as Pittsburgh, Louisville, Wheeling, Cincinnati, and other cities and towns in the Ohio River Basin, where such expenditures are economically justifiable are recommended to supplement the reservoirs.

H. R. 7646 is a bill to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936. This amendment authorizes the appropriation of $24,877,000 for construction of flood walls as recommended by the Chief of Engineers with the approval of the Secretary of War.

The passage of this act is most necessary to the peace of mind, safety, and preservation of the homes and property of the citizens of those cities and towns of the Ohio River and the metropolitan district of Pittsburgh, that suffer such heavy losses, and which recur at such rapid frequencies. For example, the town of Sharpsburg, with a population of 8,500 people, was under 18 feet of water in the year 1936, and was under an average of 4 to 6 feet of water three times already in the year of 1937. The patience, the resources, and the sturdiness of these people have been taxed most severely and their future welfare is most precarious.

Under my amendment, which reads as follows:

Provided, That the protection for Pittsburgh, Pa., is to be interpreted as applying to the metropolitan district of Pittsburgh—

the citizens of the towns contiguous to, but outside the corporate limits of the city of Pittsburgh will receive the same treatment as their neighbors, the citizens of the city of Pittsburgh. It should be remembered that Sharpsburg is the lowest lying town in the Pittsburgh metropolitan area, and that 90 percent of the town was inundated by the 1936 flood. It suffered more heavily in proportion to its size than any other town or city in this district.

I want to thank Chairman WHITTINGTON for his sense of fairness, and each and every member of the Flood Control Committee, both Democratic and Republican, for their unanimous approval of this clause which means so much for the metropolitan district of Pittsburgh. I also extend the thanks of the citizens of these towns to my fellow committeemen and Chairman WHITTINGTON for the insertion of this clause.

In our district they have talked flood control for more than 50 years but only due to the tireless work of Chairman WHITTINGTON and his committee, under the direction of President Franklin D. Roosevelt, was a comprehensive program of flood control for the entire Nation adopted. Under the direction of President Roosevelt and this committee, so ably led by Chairman WHITTINGTON, the first appropriation in the history of the country was made this year.

You gentlemen by your vote in favor of the passage of this act will be making the second major step in flood control, and I feel sure your action will meet with the approval of every American citizen.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a telegram from the president and council of the town of Sharpsburg, also from the flood control committee of the town of Sharpsburg.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The telegram referred to is as follows:

PITTSBURGH, PA., *July 18, 1937.*

Congressman PETER J. DEMUTH,
Washington, D. C.

HONORABLE SIR: We understand that the flood-control bill is being debated. Please do something for Sharpsburg—a major flood last year, three floods this year, many before, since 1810; immense losses. The future of the town is at stake. A letter explaining in detail follows.

Gratefully,

THE CITIZENS OF SHARPSBURG,
Per J. F. ZEHLER,
M. MICHAELOWSKI,
Chairmen.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. MITCHELL] so much time as he may desire.

Mr. MITCHELL of Tennessee. Mr. Speaker, I am glad to give my whole-hearted support to this bill, known as H. R. 7646, introduced by my colleague [Mr. WHITTINGTON] from Mississippi. The bill is known as a bill to amend an act entitled "An act authorizing construction of certain public works on rivers and harbors for flood control, and for other purposes, approved June 22, 1936." The measure provides that the projects are to be selected by the Chief of Engineers, with the approval of the Secretary of War, in accordance with the report of the Chief of Engineers in House Committee on Flood Control, Document No. 1, Seventy-fifth Congress, first session, at a cost not to exceed $24,877,000 for construction, and which is authorized to be appropriated for the purpose of flood control, and so forth.

I am glad to say that the report of the Chief of Engineers includes a recommendation for six reservoirs on the Cumberland River in my State, five of which will be located in Tennessee, and three of these five reservoirs will be within my congressional district. These three are the Dale Hollow Reservoir, formed by a dam on the Obey River 7.3 miles above its mouth; the Center Hill Reservoir, to be formed by a dam on the Caney Fork River 26.6 miles above its mouth; and the Stewart's Ferry Reservoir, to be formed by a dam located on Stones River 6.8 miles above its mouth. The estimated cost, as submitted to me by the Acting Chief of Engineers of the War Department, for construction of these dams is $4,100,000 for the Dale Hollow Reservoir, $14,800,000 for the Center Hill Reservoir, and $4,500,000 for the Stewart's Ferry Reservoir.

I appreciate the work being done by the Flood Control Committee of the House, of which Mr. WHITTINGTON is chairman, and am likewise most grateful for the fine cooperation given by Brig. Gen. G. B. Pillsbury, Acting Chief of Engineers, in connection with the pending bill. I am familiar, in a general way, with the location of the proposed dams, and especially those in my district, and am glad to know that relief is in sight for our people from the destruction and waste which has existed in the past because of high waters and floods in the Cumberland River Valley in middle Tennessee as well as that in west Tennessee. Perhaps the western area, along the Mississippi, has suffered more because of floods than has the middle section of our State, but it has been bad enough in middle Tennessee and along the Cumberland River and its tributaries for years. The bill is a step in the right direction. I am pleased to note that there is no serious opposition to the proposed measure and that it has practically united support of the Members of the House.

The people of Tennessee and of my congressional district will feel relieved to know that this progressive legislation is meeting with such favor in the Congress. It has long been needed. It will eliminate and do away with the disasters incident to the floods and to soil erosion that has obtained for years along the rivers of my State. Many millions of dollars in property values have been washed away and a great loss of life has occurred from time to time, as well as untold hardships visited upon my people because of floods and high waters in the rainy seasons. This is now, and soon will be, largely behind us because of this and kindred legislation. Much good has been accomplished by the building of dams from relief moneys in some sections, but the proposed bill is on a Nation-wide scale and means real relief from further flood disasters in many sections of our common country, and especially in my congressional district.

I am happy in the realization that the bill is to pass and that the long-felt need of my people will be realized. I am grateful to each and every member of the committee who have helped to write the present bill and am grateful to the Army engineers and all those who have contributed so much in time and effort to make this legislation possible. Money expended in flood-control work as provided in this measure will result in savings throughout the years and a great protection to all of our people. I do not know of a bill that has been proposed to the Congress that is entitled to more wholehearted support or is receiving more wholehearted support than has this measure. It should have had the attention of Congress long before this.

The land along the Cumberland and Caney Fork Rivers in my district, and especially the bottom land, is the most fertile soil we have. It is vitally important to those living in the area affected, as well as elsewhere, that future floods be avoided so as to conserve the property of the people living along these rivers and streams which have been so seriously affected in the past.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from California [Mr. VOORHIS] so much time as he may desire.

Mr. VOORHIS. Mr. Speaker, I thank the gentleman. This bill should be passed by the House without dissent. It represents a minimum priority project program for the immediate protection of the cities along the Ohio River. It certainly is the very least we should do to meet this pressing need.

Many of us are beginning to realize that flood control can never be effected merely by constructing levees or building dams. We are realizing that the destruction of soil fertility has caused the decay and death of more than one great civilization. We are beginning, I hope and believe, to see our national problem as a whole instead of attempting to continue forever to look at it as a piecemeal task.

Sections 3 and 4 of this bill, indeed, are recognition of the necessary function of the Department of Agriculture in connection with flood control. These sections give the Secretary necessary duties and powers to provide for proper land use in future on lands whose drainage affects our flooded areas. This is as it should be. It is well for us to remember that too close and long-lasting an adherence to the principles of extreme individualism led to the destruction of China's forests, the wasting away of her topsoil, her present-day terrible floods, and the decline of her agriculture.

America, let us hope, has awakened soon enough. Flood control is the most dramatic phase of a great single challenge to us to preserve and properly develop all the natural gifts of God in America for the sake of future generations.

Reforestation, soil conservation, flood control, drought prevention, and public power development at low cost—all these are necessary part and parcel of one another. The forces of nature in their impact on human life in America are no respecters of the lines that separate the jurisdiction of committees of the Congress.

It is my earnest hope that the time will speedily come when all these matters can be dealt with in a coordinated manner. I believe this requires that these be central planning authorities for the various sections of the Nation. I do not believe such authorities should be turned loose to do as they please. I think Congress should require, receive, and study their reports and appropriate their funds from year to year. But I believe every dollar that is appropriated should be made to serve as many useful purposes as possible and without coordinated consideration of the whole natural resource problem I do not believe this is possible.

What I am really saying, of course, is that I hope we may speedily pass the legislation already introduced in this as well as the other body which will provide natural-resource planning and conservation authorities for the entire Nation. Future generations will thank us if we do.

In the meantime the least we can do is to provide necessary protection for the areas most threatened with flood. I agree with the chairman. I wish this bill were more extensive than it is. But I believe we are going about the thing in the right way—doing what is most essential now, and preparing for a truly sound attack on the entire problem as soon as full consideration can be given to appropriate legislation to accomplish this.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Arizona [Mr. MURDOCK] so much time as he may desire.

Mr. MURDOCK of Arizona. Mr. Speaker and Members of the House, this bill, H. R. 7646, impresses me favorably in at

least two respects. First, although it is aimed principally to take care of the flood condition in the great central valleys of the country, such as the Ohio, the upper Mississippi, and the Missouri Valley, where the recent floods have been most disastrous, yet it contemplates some provision for the distant fringes of the country, as in the far West, as well. Again, I am favorably impressed with the nature of this bill in this respect, that while it is curative or remedial in its intention, it is also designed to be preventative. The old saying "that an ounce of prevention is worth a pound of cure" certainly applies to the management of our rivers. If America had begun two or three generations ago to practice a little prevention in this respect, we would have less of remedial work to do now.

A remark made by our late colleague from Texas, Congressman Buchanan, impressed me as a sage observation. He thought that in the management of our lawless rivers we would not only need to practice one plan but a varied program involving several different kinds of tactics, perhaps the building of levees or retaining walls, perhaps the dredging of river beds, and perhaps the erection of storage dams. However, even these, in his judgment, would not be enough, for something must be done to retard the flow on the upper reaches of the watershed. Therefore, combined with great engineering works must be a treatment of the "little waters", the twig-end rivulets, and the watershed itself. The far-seeing statesman no doubt felt that soil conservation through reforestation and revegetation would be as much a part of total river-control and flood-prevention program as would dams, basins, dikes, levees, and the like. I agree with that view and am pleased with this measure, for I see exactly this sort of treatment contemplated in section 3 of the bill.

The gentleman from Ohio calls our attention to one feature that is not so good—the aspect of local contribution on cost. I take it that that refers to all engineering treatments involving expenditures for materials and labor. If it is extremely doubtful whether many small towns along the banks of a river, like the Ohio, cannot afford to pay their share of the total expense, then this program will break down. But it is even more to the point that relatively expensive engineering works on a stream through a mountain country, or a sparsely settled community, cannot be treated at all under this legislation calling for local contribution. Obviously, in such a case, there would be little or no contribution that could be made. Of course, I understand that the surveys authorized in the last section of the bill are to be paid for out of moneys appropriated, and in such cases no local contribution will be called for.

In my far western State of Arizona there are several streams that need to be surveyed and carefully investigated with a view of flood-control treatment. I might mention the San Pedro, in the southern part of the State; the Little Colorado, in the northern part; the Bill Williams, in the western portion; and the Big Sandy, a tributary of the Bill Williams. The last two named are included on page 7 of the bill in the list of rivers to be surveyed. Of course, I might have mentioned the Gila River in general, but, according to my understanding, a great deal of study has already been given to the scientific treatment of the Gila watershed. Much work has already been done on it. In my judgment, the greatest possibilities of combined scientific erosion control, flood prevention, and silt disposal that could be found in this country is in the vast project of that nature on the Gila watershed in two Southwestern States.

Some weeks ago the Governor of Arizona acquainted me with the fact that the Big Sandy in Mohave County, Ariz., was seriously in need of scientific treatment or several hundred farming families would be unable to subsist longer in its narrow valley. I believe the inclusion of the Big Sandy in this list of rivers for investigation will be the first step toward furnishing them relief. I am happy to say that the Bill Williams River also is included here and would like to point out, especially to my California colleagues, that the Bill Williams flows into the Colorado River just above the Parker Dam. It is frequently a wild and turbulent river and now capable of doing southern California much harm.

Twenty miles or so up the Bill Williams from its junction with the Colorado is an ideal dam site in a box canyon. When I say it is an ideal site, I imply that there is a splendid reservoir site upstream from the canyon. This Bill Williams River has an enormous watershed with an area about equal to that of Mohave County itself. Let me remind you that the counties in Arizona are larger than certain New England States. I have a feeling that an investigation of the Bill Williams River will reveal the need of a dam at this site, both for flood control and for irrigation. But such a dam would also protect the Parker Reservoir from being continually filled with muddy water and eventually filled with silt. It should be remembered that the Parker Reservoir is the one from which the city of Los Angeles and the metropolitan area around and about will obtain a water supply from the Colorado River. Therefore, Mr. Speaker, with these local interests in view, as well as the larger need of flood control in the Middle West, I hope for favorable action on this bill and fruitful future efforts later under its provisions.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. SPENCE] so much time as he may desire.

Mr. SPENCE. Mr. Speaker, there is no subject that should be and is of greater interest to the people of the Ohio and Mississippi Valleys than flood prevention.

The Committee on Flood Control by its intensive study of this problem and by its comprehensive hearings has rendered a great service, and I commend the chairman and the committee for the fine work they have done. I am heartily in favor of this bill because its object is meritorious and because it is the best bill that could be passed at this time.

No one who has not seen the devastation wrought by the flood in the Ohio Valley can have any idea of the awful destruction it wrought and the resultant suffering of the people. The actual damage will never be known. It was a major national disaster. We have had floods before that have wrought damage, and the loss sustained by reason of the highest previous flood was looked upon by the people as the extent of damage that could be inflicted by the waters of the Ohio River, but the last flood in the Ohio Valley was entirely unanticipated and unprecedented.

It has caused the Army engineers to revise their plans for flood prevention. They have come to the conclusion that impounding reservoirs must be supplemented by flood walls and levees, and it seems obvious that no adequate protection could otherwise be furnished to the cities. It has been the opinion of the President, which he has publicly expressed, and others connected with the administration that States and local subdivisions should furnish the lands, easements, and rights-of-way for the impounding reservoirs and for the flood walls and levees.

I am not disposed to argue that it would not be just for the States to make some contribution for the protection that flood-prevention measures would afford. It might be possible through comprehensive compacts of all the States benefited that contributions could be made by the States, not in regard to the number of works and prevention measures that will be constructed in each of the States but based upon the benefits that would accrue to each of them. If such compacts could be made and promptly carried out I would not be opposed to them.

But there is a condition demanding immediate action and not a theory that confronts us. I doubt seriously that some of the States would be able to comply with the conditions that would necessarily have to be made in these compacts. However, the requirement in the Flood Control Act of 1936 that the States and local subdivisions shall furnish the lands, easements, and rights-of-way is impossible of compliance, and as long as it is in the law there can be no substantial progress made in the construction of flood-prevention works.

The local subdivisions are not benefited by the proposed impounding reservoirs, but the benefits accrue to great valleys and to many States and far-distant territories.

I represent a district that has suffered greatly from the floods in the Ohio Valley. Eight of the nine counties in the

Fifth District of Kentucky are bounded by the Ohio River. Each one of the eight has been a victim of these recurring disasters which were climaxed by the terrible flood of this year.

I speak of conditions in my district and in the State of Kentucky because I am familiar with them, but I have no doubt that the same conditions exist in all the other States and cities similarly situated.

Of the 45 impounding reservoirs which have been planned for the Ohio Valley by the Army engineers, 18 are in the State of Kentucky. The area submerged as computed by the Army engineers for the 18 reservoirs is 137,700 acres. Much of this land includes settlements, roads, bridges, and so forth, and a great part of it has considerable value. When the land is acquired for flood-prevention works it will be taken from the tax lists of the State to its constant annual loss. The cost of the land to be used in Kentucky in construction of these impounding reservoirs is computed by the Army engineers at $30,949,000, and I have no doubt it will actually go very much higher than that. There is a proposed reservoir authorized by the Flood Control Act of June 22, 1936, at Falmouth, Ky., in the district I represent, which, I am informed, the Army engineers would like to commence the construction of, but the area to be submerged for that reservoir is computed at 9,250 acres, much of which is good farming land and well settled, and the estimated cost of same is $1,822,000.

The mere statement of the facts, it seems to me, demonstrates this proposed impounding reservoir can never be constructed under the present law.

It is also evident that the other reservoirs proposed cannot be constructed under existing law. The reservoirs are planned at headwaters of the Big Sandy, the Licking, the Kentucky, the Salt, the Green, and the Cumberland Rivers and afford no protection to their immediate vicinities, for these localities have never been subject to floods.

The reservoirs will have no recreational value and will be of absolutely no benefit to the localities where constructed. The difficulties that obtain with reference to the States and local subdivisions acquiring the lands, easements, and rights-of-way for reservoirs also obtain in having the municipalities acquire the lands and easements for the levees and flood walls for their protection. Estimates, by the Army engineers, of the cost of lands and consequent damages for flood walls and levees for three cities in my district, where I am familiar with conditions, have been made. The cost of lands and damages which will have to be borne by Dayton, Ky., will be $412,000; Newport, $545,000; and Covington, $568,000.

Under the constitution of Kentucky there is a limitation on the tax rate of municipalities and also a constitutional limitation on municipal indebtedness, and all of these cities have practically reached that limit. It will be impossible for any of them to comply with the existing law.

These remarks have not been made in the spirit of criticism but to call attention to the obstacles placed in the law which will make the carrying out of the comprehensive flood-control plan impossible. They are made with the devout hope that some amendments may soon be passed to the present law that will obviate its present requirements and that the people of the Ohio Valley as they see these great works progress may be justified in the renewed assurance that there may be no recurring disaster such as has recently visited them.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. FRED M. VINSON] so much time as he may desire.

Mr. FRED M. VINSON. Mr. Speaker, I want to express my attitude toward the bill under discussion, H. R. 7646. I favor it as the initial start toward a program of flood control in the Ohio River Valley. However, I would not be frank with the House or myself if I did not say that this initial amount of approximately $25,000,000 is a very limited sum with which to start such a vast program; but, as I say, it is a start in the right direction, and I favor it as such.

Further, it is with regret that we find that the bill is presented under a suspension of the rules, which does not permit an amendment to it. So far as the Kentucky side of the Ohio River is concerned, we are and will be quite hampered in the flood-control program unless the present law is amended that will permit Federal contributions for the purchase of lands, rights-of-way, and the payment of damages due to the flood-control work, as in Kentucky we are limited by constitutional prohibition against the creation of debts which evidence money to provide these projects.

We know of no governmental unit in Kentucky, whether it is State, county, or city, that can, under our constitution, sell bonds which will take care of the expense of flood-control projects. The State of Kentucky has a constitutional provision limiting the indebtedness which it can incur to $500,000. There are similar constitutional provisions limiting the obligations which a county may incur. As I recall it, this limitation is 2 percent of the assessed value of the property in the county. There is a further constitutional provision that prohibits a city from incurring indebtedness in excess of 10 percent of the assessed values of the properties within the corporate limits if it is a city of the first, second, or third class, population over 15,000; if it is a city of the third class, with a population less than 15,000, or a city of the fourth class, 5 percent; if it is a city of the fifth or sixth class, 3 percent. With the present indebtedness of those governmental units, the State, the counties, and the cities, it is folly to consider that expenditures to construct flood walls can be made at local expense. I do not know a single city or county in my district that borders on the Ohio River that can make any contributions, as a matter of law, toward doing this job. It is not because they do not want to, but it is because of a constitutional provision that bars the way. I feel certain that this is typical of the other counties in Kentucky. The theory of local contributions may be argued, but how can this constitutional barrier in Kentucky be overcome?

Of course, it will be my purpose and the purpose of those of us who are interested in this flood-control work to do our dead level best to bring about an amendment to the law which will permit Federal contributions for the purchase of lands, rights-of-way, and payment of damages following the flood-control work.

Further, Mr. Speaker, the relation of the initial authorization, $25,000,000 to the sum total necessary to do this job is not commensurate with the needs of the situation, but, under the suspension of rules, there will be no chance to amend the bill to increase this sum on the floor of the House and we will have to continue the fight to secure further moneys so that this great valley will be protected from the huge flood losses it has suffered in the years gone by.

To me this job is truly a national problem. Frankly, it appears to me that it is high time for action rather than a continuation of theorizing about how this job will be or ought to be done. All of the finespun theories of the past in regard to the local communities doing this job has resulted, insofar as the Ohio River Valley is concerned, in the sum total of nothing in the way of flood prevention or flood control. It is a pretty thought to divide up costs among the various localities, but, in my opinion, the practical situation is such that unless it is considered to be a national problem very little or nothing is going to come out of such course.

I realize that such a tremendous undertaking is a long-haul proposition and that the whole job cannot be done overnight. It is a most difficult matter for Congress to determine the points at which local flood-prevention projects will be built. Starting at the point where the Ohio River touches my district, we have the cities of Catlettsburg, Ashland, Russell, Worthington, Wurtland, Raceland, Greenup, Fullerton, South Portsmouth, Vanceburg, Maysville, Dover, and Augusta, being the larger cities, which were covered up in this recent flood. There are many smaller communities where the damage was likewise great. This same situation is typical in the other districts. I do not see how Congress or the War Department is going to fairly choose the places where flood walls will be constructed. It, of course, will

be argued that in the more thickly populated centers, greater damage in dollars was suffered, but it is a rather difficult problem to overlook the damage in dollars per capita. When a "feller" with small means has lost all he has or suffered material property damage, it means the same to him and his family whether he lives in a small community or in a metropolitan center. My thought is that this problem must be visualized as a unit of work with a comprehensive plan to do this job over a period of years that would see the whole job done as best it can be done.

Every Representative in Congress wants his district protected first. I know I feel that way about mine and rightfully so—every other Member in the flood area feels the same way about his district—and rightfully so, but I am inclined to think that if the job is viewed as a whole, with the shortest number of years that can be taken in which the money can be obtained to do this job that these splendid people in the Ohio Valley will appreciate that the job cannot be done in a day. I feel that the Federal Government should obligate itself to do this job and if such is the result of this intial movement I feel that it will be a job well done.

I want to express my appreciation and the appreciation of my people for the initiation of this work. I know that no Congress has ever listened with a more sympathetic ear or a more sincere feeling to the needs of the people. Throughout my experience in Congress I have never seen a more determined exhibition of the desires of Members of Congress to serve their constituency than was demonstrated during the flood of 1937. As you know, I was honored with the chairmanship of the group of Congressmen representing the flood areas in the Ohio Valley during this flood. The serious and effective work done by them is a monument to their work here as the representatives of a great people.

Again I want to express my appreciation for the manner in which Congress has responded to this bill. I believe that this is the best that can be done under the circumstances. It is a real start toward doing a real job. It is only natural for those of us representing districts which suffered during the recent flood to feel that the amount that is authorized under this bill is inadequate with the needs as reported to us by the Chief of Army Engineers as necessary to meet the problem; but, as I say, it is a start toward doing the job, and I feel that we must favor it and continue to fight with all our efforts in succeeding Congresses to have the job continue until it is fully and well done.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. FERGUSON] so much time as he may desire.

Mr. FERGUSON. I want to contrast for a minute the response the House is giving this bill (H. R. 7646) providing for flood-control works in the Ohio Valley, with the response given H. R. 8455, passed in the Seventy-fourth Congress. The Flood Control Act of 1936 passed the House by a bare majority amid cries of "pork."

If I may mention to the House, the Flood Control Act of 1936 was the first step toward the great national problem of flood control. It set out, in short, the policy that the Federal Government should improve, or participate in the improvement, of navigable waters including watersheds, for flood-control purposes if the benefits to whomsoever they may accrue are in excess of the estimated costs and if the lives and social security of people are otherwise adversely affected.

In addition to this it called upon the Secretary of Agriculture for further investigation of watershed and measures for run-off and water-flow retardation and soil-erosion prevention. This great national policy is the basis of the act of 1936.

In addition, this act authorized the construction of $300,000,000 of projects with localities paying a portion of the cost. This bill insures the desirability of the projects because local interests must contribute and in contributing thus guarantee the desirability of the projects' construction.

In the hearings on the Ohio Valley bill we are considering today, which I recommend for the consideration of every Member, it was developed by the Department of Agriculture, Soil Conservation Service, the Weather Bureau, and the Game Commission that every effort is being made to conserve natural resources and to investigate every possibility for the betterment and conservation of natural resources in the construction of flood-control works.

I take a great deal of pleasure in being a member of the committee which drafted the original flood-control bill that started the Nation on a great program of flood control.

Looking into the possibility of flood control from every angle, even including power, the act of 1936 provided for the installation of penstocks in all projects, where there seems to be a possibility of the development of power. So I may say to the Congress today that in passing this bill extending the flood-control measures to the recent damaged Ohio Valley this is one more step in an all-embracing national flood-control program started in the Seventy-fourth Congress by the Flood Control Committee.

I sincerely urge the Members of the House to investigate and study this program, because next year the Flood Control Committee plans to bring before the Congress a comprehensive national flood-control bill based on surveys already in the hands of the Secretary of War and the Secretary of Agriculture. These surveys shall include the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and utilization of water resources through the building of power dams or a combination of power, reclamation, conservation, and flood-control dams, and all works necessary for an effective soil and water conservation for all such rivers and their watersheds.

And so the Committee on Flood Control, having pioneered the start of this work, may be looked to, under the able leadership of its chairman, Mr. WHITTINGTON, to bring before the next session of this Congress a utilized plan that will insure greater returns on the expenditure of public money for the ever-present problem of work relief than under any other form for which money can be expended.

Now, to come to one technical provision of the bill, I want to point out to the Members of this House that the War Department appropriation bill, now in the hands of the President, makes available $30,000,000 of regular funds for carrying out provisions of the Flood Control Act of 1936, and this is also the bill that will make necessary funds available for carrying out the provisions of this act we are passing on today. So we may say that the start of the flood-control work in the Ohio Valley hangs entirely upon the President signing the War Department appropriation bill now on his desk.

In addition, I want to point out that since this bill may use funds from the $30,000,000 regularly appropriated, the Flood Control Committee, represented by Chairman WHITTINGTON, Mr. SECREST, and myself, were assured by the Director of the Budget, Mr. Bell, that any funds taken out of the regular $30,000,000—which was appropriated to carry out projects previously authorized in the 1936 act—will be replaced by request of the Budget for deficiency appropriations to be asked for at the beginning of the second session of the Seventy-fifth Congress next January. It is understood that relief funds will be used to carry out flood-control projects exceeding $30,000,000 earmarked by the Senate. So we may say that this administration and this body has started a great national system of flood control by enacting the authorization act of 1936 and now amending it by including the Ohio Valley today, and providing funds for execution of these authorizations in the appropriation bill now before the President.

We have started a great work. I say again, I am proud to be a member of the committee that instituted this program, and I sincerely hope that the Congress will read and study the hearings developed under this bill and will not retard this great program so well started by adopting other legislation which would require that the whole subject of flood-control legislation, and appropriation carrying out the legislation be started all over.

Mr. WHITTINGTON. Mr. Speaker, I yield to the gentleman from West Virginia [Mr. KEE] so much time as he may desire.

Mr. KEE. Mr. Speaker, that the construction of an adequate flood-control system for the rivers of the United States constitutes one of our gravest national problems has been a recognized fact from an early date in our history. Floods in our great river valleys have been practically of annual occurrence for many years, with the resultant loss of millions of dollars in property damage and the frequent loss of lives. It is estimated that, in less than 50 years, the loss by floods in property damage has reached an excess of $1,000,000,000, and that the loss in lives has been from 1,000 to 1,500. Annually thousands of people have been driven from their homes in these river valleys, and literally thousands of homes have been swept away—a total loss to the home owners and a loss to the local and National Governments in taxable values.

These disastrous and terrifying floods, coming with increasing frequency to cause havoc and despair to the peaceful and happy people dwelling in the river valleys, originate from causes beyond the control of those living in the pathway of danger and beyond the help of local communities. It has long been recognized that, if there is any remedy for this condition, that remedy must be found in effective efforts by the National Government. It is well known by those acquainted with the facts that the engineers of our War Department have for many years had this problem before them for study. Tirelessly, these engineers, splendidly equipped by training and experience, have been engaged in the formulation of comprehensive plans for effective flood control. While it seems that the rest of the world has only progressed to the point of engaging in long discussions as to what steps might be taken to control this deadly menace to the residents of our river valleys, the Army engineers have steadily gone forward, not only in an exhaustive study of this situation, but also in the formation of plans for real and effective protection. These engineers have been ready for years and are ready today to go forward in the construction of a comprehensive and adequate flood-control program. Their efforts, however, along these lines have either been slowed up, handicapped, or even entirely prevented by lack of authorization or by failure in the appropriation upon the part of the Federal Government of sufficient funds to commence, continue, and complete the necessary constructive work.

It is a well-known fact that we have had frequent authorizations of this work passed by the Congress of the United States with great enthusiasm. In these cases the effort has usually ended with authorization only and with no provision whatever for appropriations to carry the work to completion. In these cases all that could be done was for the engineers to pigeonhole their carefully prepared plans and await possible future action on the part of the Congress. In the meanwhile the disastrous floods continue to occur annually, causing in every case a greater yearly loss than would have been necessary to have been appropriated for the purpose of preventing them.

It would require too much time and space for a full discussion of the flood situation within our entire national domain. For my present purpose I wish to discuss the flood situation in a part of the Ohio River Basin, including the Great Kanawha River and that section situate between the mouth of the Great Kanawha and the city of Cincinnati. I wish also to dwell particularly upon one project, to wit, what is known as the Bluestone Dam and Reservoir, the construction of which was authorized by the Flood Control Act known as Public, No. 738, of the Seventy-fourth Congress.

It is an admitted fact that flood control of the larger rivers can only be effected by the control of the flow of their tributaries. It is this fact, no doubt, which controlled the Army engineers in their preparation of the plans for the control of the floods in the Ohio River Basin. As is well known, the Ohio River is formed by a junction, at Pittsburgh, Pa., of the Allegheny River flowing from the north and the Monongahela flowing from the south. Therefore, and naturally, the first problem was to control the floods in these two rivers and thus protect the city of Pittsburgh and contiguous territory from the annual recurring inundations to which this section is subjected. This protection would extend also to points on the Ohio River far below Pittsburgh. With this end in view plans have long since been formulated by the War Department for the control of the two streams which, flowing together, form the Ohio. Therefore we find in the general plan for control of the Ohio River Basin proposals for the construction of flood-control reservoirs in both streams. As a matter of fact, the great Tygart River Dam across a tributary of the Monongahela and located near Grafton, W. Va., is now practically completed at a cost of something in excess of $16,000,000. This dam will naturally be supplemented by other reservoirs across the Allegheny and Monongahela Rivers or their tributaries, both in Pennsylvania and West Virginia. The plans of the War Department engineers also provide for many other reservoirs of like character across other tributaries of the Ohio between Pittsburgh and Cairo. These plans have been approved but no money has yet been provided for the construction of the works.

The chief tributary of the Ohio River between the two points last named is the Great Kanawha River, which meets the Ohio at the town of Point Pleasant in West Virginia. The Great Kanawha is formed at Gauley Bridge, Kanawha County, W. Va., by a junction of the Gauley River with the New River. The Gauley River, flowing from the north, is a stream of considerably less importance than the New River. The New River has its source in the mountains of North Carolina and flows practically in every direction of the compass until it meets with the Gauley to form the Great Kanawha. In North Carolina, the New River flows for a considerable distance southward; it then turns to the east and seems to wander around along the foothills of the Blue Ridge and Allegheny Mountains, finally turning northward to flow through a considerable section of Virginia. Turning to the east at, or near, Radford, Va., it flows into West Virginia at a point located in the extreme southeastern portion of the State, and then cutting its way through the hills, it meets the Gauley at a point about 32 miles from where it crosses the Virginia-West Virginia line. The Great Kanawha River is, because of the large drainage area taken care of by the New River, a full-grown river at its source. It has been, since the early history of the country, one of the navigable tributaries of the Ohio. Many years ago it was improved for navigation by the United States Government and is much used today by river steamers. Within the past 2 years, the Government has undertaken further to improve this river for navigation, and in doing so there has been eliminated 12 of the old locks and dams, and these have been taken care of by the construction of three superdams, built solely for the purpose of improving the navigability of the stream. It is my understanding that at the present time the Government has leased the use of these three superdams to a power company for the generation of hydroelectric power. My further understanding is that the Government is paid for the production of the power at the dams and the distribution of this power is made by the power company through its own facilities. Therefore, the present dams are intended solely for the purposes of navigation and power and not for flood control.

That the Great Kanawha River is subjected to severe and disastrous floods goes without saying. Its main tributary, the New River, is uncertain in its conduct. The territory drained by this last named stream is frequently subjected to extremely heavy rainfalls. Piercing as it does the higher mountain regions of three States wherein the forests have, to a considerable extent, been cut away and where many of the mountain chains are practically barren, the rainfalls increase in quantity from year to year and the flow-off is increasing, also, in rapidity as the years go by. As a matter of fact, there is not a year that passes wherein the residents of the Great Kanawha Valley, from Gauley Bridge to Point Pleasant, have not good reason to expect either one or more heavy floods. As this is one of the richest valleys in the State of West Virginia, not alone in agriculture, but in manufacturing interests, these floods grow

more costly each year. The capital of the State, to wit: Charleston, W. Va., is located in this valley on the banks of the Great Kanawha. Around Charleston, and from that city up the river to Gauley Bridge, we find located the greatest chemical producing plants in the United States. The hills upon both sides of the valley carry large seams of workable bituminous coal. By drilling a short distance down into the earth, there may be found streams of salt water which have been utilized since pioneer days in the manufacture of pure salt and all its byproduct chemicals. Oil wells are also drilled in this valley as well as natural gas wells, the products from which are used either for fuel or for local consumption, or piped to other markets. In other words, this valley is a rich, thriving, enterprising, and up-to-date section of the Nation. Yet it is constantly subjected to the dangers and the excessive costs of devastating floods. In addition to this, the results of these floods are more far reaching than merely the Kanawha Valley, for the vast flood waters that are turned into the Ohio by the Great Kanawha at Point Pleasant add to the burdens carried by the Ohio and increase the damage of Ohio floods in every Ohio River city from Point Pleasant to Cincinnati and beyond.

As has been stated, for over 10 years the engineers of the War Department have had ready a comprehensive plan for the effective control of the floodwaters of the Ohio River Basin, including the floods of the Great Kanawha, and yet nothing has been done about it. With reference to the plans for the Kanawha Valley, to which I am particularly addressing myself at present, it need only be said that these plans comprehend the construction of four reservoirs, to wit: One on the Elk River above the city of Charleston and at or near the town of Gassaway, one on the Gauley River just above the point where this river enters the Great Kanawha, one at what is known as Big Bend on the Greenbrier River, and one across the New River just below the point where this river is joined by the Bluestone River and just above the town of Hinton, W. Va. These four proposed dams are contemplated, in the first instance, for flood control only, and together they will completely take care of the flood situation in the Kanawha Valley. Among these proposed dams and reservoirs the chief one is the one across New River, which is known as the Bluestone Reservoir, near Hinton. The construction of this dam was authorized by the Seventy-fourth Congress in Public, No. 728, at a cost of approximately $13,000,000. However, it must be remembered that this authorization was not the first movement to be put on foot for the construction of this Bluestone project. The construction of this dam and reservoir had long been recognized by the engineers of the War Department as a very important project in their general plans for flood control of the Ohio Valley Basin. I have, in fact, been advised that the plans for this dam were among the first to be completed by these engineers.

For a number of years, I have been personally interested in the need for flood control. I have had a special interest in efforts made in this direction for the benefit of the Great Kanawha and the Ohio Valley Basin. Since becoming a Member of Congress from the most southern district of West Virginia, this interest has materially increased and I have exercised every effort consistent with my ability to secure not only the authorization for the construction of all of the dams included in the plan of the War Department engineers, but particularly of those affecting my immediate constituents whose interest I am representing. It has been my idea that, purely as a flood-control proposition, the plans of the War Department engineers should be carried out and that if we could secure the construction of the Bluestone Dam, we would have but little trouble in securing a sufficient appropriation to complete the plans for the other dams proposed for the protection of the Great Kanawha, and which may be constructed at considerably less cost than the Bluestone.

After the passage of the Federal Emergency Relief Act, I made every effort to secure from the proper authority an authorization and an appropriation from this fund to inaugurate the work of construction of the Bluestone Dam. With this idea in view, I had interviews with many agencies in reference to the matter. Practically all of these agencies refused to recommend the allocation of funds for the construction of this project out of the emergency-relief funds, basing their refusal upon the statement that the labor required for this work was disproportionate to the cost of materials and all other necessary expenditures in connection therewith. I had an interview with General Markham, Chief of Engineers of the War Department, and, while he placed his stamp of approval upon the project, he refused to recommend its construction out of relief funds for the same reason as that assigned by the other agencies.

However, on September 12, 1935, President Roosevelt, recognizing the importance of this Bluestone Dam as a flood-control project, issued an Executive order in which he stated that this project had been recommended by the United States Army engineers, was approved by the Mississippi River Commission and by the Board of Engineers for Rivers and Harbors and by the Secretary of War. He stated, also, that upon investigation he had found that the construction of the Bluestone Dam and Reservoir project would "aid in flood control and in the prevention of soil erosion and stream pollution, and will promote navigation, agriculture, sanitation, and power production." Whereupon the President ordered and directed the Secretary of War, through the Chief of Engineers, United States Army, to proceed with the construction of said Bluestone Dam and Reservoir in accordance with the report to the Chief of Engineers and the plans and specifications submitted therewith. And the President, in this order, allocated the sum of $1,000,000 for beginning the construction of this project, which amount was to be made available out of the moneys appropriated by the Emergency Relief Appropriation Act of 1935. This Executive order stated, also, that, out of this sum of money, so allocated, the sum of $800,000 should be made available "for the acquisition by purchase, condemnation, or otherwise of lands necessary for the said project, and the Secretary of War is hereby directed to acquire and clear, or cause to be acquired, or cleared, such lands in anticipation of their use for such project."

Immediately after the President had issued this Executive order, the Army engineers established headquarters at Hinton, W. Va., and commenced the preliminary work leading to the construction of the dam and reservoir. The final plans and specifications were checked and completed; the actual location of the dam was determined; the necessary soundings and borings were done to the end that the dam be located upon a proper foundation. In addition to this, two or more Civilian Conservation Corps camps were located in the valley above the site of the proposed dam and, with the consent of the landowners, the area to be covered by the impounded waters was partially cleared away. In other words, all the preliminary steps were taken up to the actual acquisition of a large portion of the right-of-way which was owned by the West Virginia Power Co. and which had been acquired by this company for the purpose of building a power dam under private ownership. This company would not agree upon a price for their holdings, and thereupon proceedings were brought against the power company on behalf of the Federal Government to condemn the holdings of the power company, which were necessary for proceeding with the work of construction. These proceedings were instituted in the United States District Court for the Southern District of West Virginia, of which the Honorable George W. McClintic, of Charleston, W. Va., is judge. After the filing of the petition of the Government praying for the condemnation of the property of the power company and the appointment of commissioners to assess the value thereof, the power company, through its attorneys, appeared before the court and filed its demurrer to the Government's petition. I have not had an opportunity to examine the papers in this case, but it is my understanding that this demurrer was based upon the point that there is no specific act of Congress authorizing either the purchase or condemnation of the land and that Congress could not delegate to the Presi-

dent the authority upon which the President relied for his Executive order under which the construction of the dam and reservoir was directed.

I do not know just when this demurrer was filed, but I do know that on July 2, 1936, Judge McClintic heard argument on the demurrer, and on November 2 of the same year advised counsel that the demurrer had been sustained by him, and that he would enter an order dismissing the Government's petition, which I presume was done. I am advised that no oral or written opinion was delivered by the judge in the matter. Therefore, I am, unfortunately, unable to state the exact grounds upon which the judge based his order sustaining the demurrer and dismissing the petition of the Government. I do know this, however, and this fact should not be lost in the consideration of this matter, the demurrer of the power company to the Government's petition was not argued until July 2, 1936, and the order sustaining the demurrer was not entered until November 2, 1936. And this is a recorded fact, before this argument was made and before this order was entered, the Congress of the United States passed an act authorizing the construction of public works on rivers and harbors for flood control, and for other purposes, being Public, No. 738, of the Seventy-fourth Congress, and which act was approved by the President of the United States on June 22, 1936. This act, duly passed by the Congress and signed and approved by the President, fully authorized and approved the building and completion of the Bluestone Reservoir, using the following language: "Construction of reservoirs including the completion of the Bluestone Reservoir now under way." This approval by Congress of the construction of this project certainly ratifies the act of the President in directing such construction by his Executive order issued September 12, 1935.

If it does not ratify the President's Executive order, then it certainly must be considered as an independent authorization to the War Department to construct this dam and reservoir and clothes the War Department with the power to do all things necessary for this construction, including the right of condemnation or necessary rights-of-way. And it authorized an appropriation to meet the cost. If it requires no specific act of either a legislature or of Congress in any particular case to vest a railway company or power company or any other public-service corporation with the right of eminent domain, then why can it be held that in each instance where this right is necessary to the welfare of the United States Government and to its public works, a special act of authorization must be passed by Congress to enable the United States Government to condemn land upon which to build an authorized public service project for the welfare of the people of the country? The construction of the Bluestone Dam and Reservoir was fully authorized by an act of Congress signed by the President on the 22d day of June 1936, and yet, on the 2d day of November 1936, a Federal judge refuses the right of condemnation to an authorized agency of the Government on the claim that at some time in the past the President had ordered this same work to be done without having authority to make such order.

In discussing the matter of the Bluestone Dam project with our Flood Control Committee, and as well with the subcommittee on nonmilitary activities of the War Department, I have found it difficult to get it understood that further work upon this project has not been stopped by an "injunction." As I understand it, there has never been an injunction issued by any court restraining or inhibiting the Government, or any agency thereof, from proceeding with this construction. Further work on the dam was stopped merely because of the order heretofore mentioned denying to the Government the right of eminent domain in the matter of acquiring the rights-of-way owned by the West Virginia Power Co. And, as stated above, this order, according to my understanding, was purportedly based upon the determination that the President of the United States exceeded his authority in the issuance of his Executive order. In my opinion, it would serve no good purpose now to argue whether the President exceeded his authority in issuing this order or whether he did not. Congress has, since the issuance of the order, approved the work, authorized its continued construction, and, to all intents and purposes, legally and otherwise, has ratified the acts of the President. Therefore, upon what grounds doth this court order stand?

Not only the people of West Virginia who reside in the great Kanawha Valley, in the capital, Charleston, in the historical city of Point Pleasant, in the large and growing city of Huntington and in the border town of Kenova, but all of the residents of the Ohio Valley, including those who live in Gallipolis, Ironton, Portsmouth, and Cincinnati, Ohio, and those who dwell on the Kentucky shores and in the cities of Catlettsburg, Ashland, Maysville, Newport, and Covington, Ky., are deeply interested in the construction of the Bluestone Dam and Reservoir. It is claimed upon good authority that the control of the floodwaters in the great Kanawha River will lower the floodwaters at Cincinnati in the Ohio to the extent of approximately 7 feet. The Bluestone Dam will impound practically 918,000 acre-feet of floodwater and will take care of the waters from a drainage area of 4,860 square miles. It is estimated that this dam and reservoir can now be completed with an expenditure of approximately $13,000,000. After the allocation by the President of $1,000,000 toward this construction, the War Department expended in engineering, labor, and final plans, approximately $300,000.

Some days ago, I asked from the Department information with reference to the distribution of the $700,000 which remained after the expenditure of the $300,000 mentioned. I was advised that the $700,000 remaining after the War Department expenditure of $300,000 had been turned back into the Federal emergency-relief fund. In other words, I take it that this means that this amount has been recovered back into the Treasury of the United States. I am not advised as to what or whose orders the War Department acted under in returning this money back into the Treasury. When Judge McClintic dismissed the Government's petition in its condemnation proceedings, this order of the judge was certainly subject to an appeal to the United States Circuit Court of Appeals for the Fourth Judicial Circuit and, in my opinion, such an appeal should have been taken at once.

An adverse decision in the United States circuit court of appeals would certainly be subject to review by the United States Supreme Court, and, in my opinion, an order of the court based upon as grave a matter as an alleged action of the President which exceeded his authority should be a matter demanding review. However, I have not been advised of any further steps in the proceedings. In the meanwhile nothing further is being done toward the construction of the Bluestone Dam.

I am honestly of the opinion that the determination of the United States district court was erroneous, but that is merely an opinion entitled, perhaps, to no greater weight than the opinion of any other individual. What we need now is action which will lead to the final construction of this important link in the chain of projects necessary for the control of floods in the Ohio River Basin.

I view with favor the bill brought before the House by the very competent chairman of the Committee on Flood Control [Mr. WHITTINGTON], and I wish to pledge to him my future cooperation in his worthy efforts. The only objection that I have to the bill known as H. R. 7646 is that it does not carry with it sufficient authorization to meet the present emergency. It should also have carried authority for the appropriation of at least $2,000,000 for continuance of the work upon the Bluestone project, provided the authorization already made is not deemed sufficient. It may be true that we have a wave of economy sweeping over us at the present time which drowns out our efforts in behalf of controlling what is perhaps the most deadly menace with which we are yearly confronted. I do not believe in this kind of economy. It seems to me that there is no economy in withholding flood-control appropriations which will correct for a comparatively small amount a situation under which our people

annually lose anywhere from twice to four times the amount of the required appropriation. Would it not be the better judgment for us to appropriate today, or as soon as we can possibly do it, a sufficient amount of money to enable our Army engineers to correct and control the threatening flood conditions in our river valleys than for us to plead economy and thus permit the people of this country to be subject to losses which every year amount to many times the sum of money it would require for us to entirely correct the situation? The matter of flood control must of necessity be met by us at some time, and therefore why not meet it promptly and finally and thus insure our people from this deadly menace?

Another question which has erroneously been raised for the purpose of hindering and delaying the construction of the Bluestone Reservoir is based upon the requirement contained in the Flood Control Act of 1936, that the various States, political subdivisions thereof, or other responsible local agencies, shall give assurances that the lands, easements, and rights-of-way necessary for the construction of the various flood-control projects will be provided without cost to the United States. It is frequently, and with a complete disregard of the facts, stated that this requirement applies to the Bluestone Reservoir project and that, therefore, the work thereon cannot be continued by the Government until the State of West Virginia, or local agencies therein, provide these rights-of-way. This statement is entirely without foundation.

As heretofore fully set out, the construction of the Bluestone Reservoir was started by an Executive order issued by the President on the 12th day of September 1935. Immediately after the issuance of this order, work was commenced upon the construction of the project. This work was continuously prosecuted, under the direction of the War Department and with the aid of the Civilian Conservation Corps until further work was stopped because of the order entered by Federal Judge McClintic on November 2, 1936. Therefore, the work of construction of the Bluestone Reservoir was "under way" at the time of the passage of the Flood Control Act of 1936, in which it was provided that States or local agencies furnish free rights-of-way to the Government.

The Flood Control Act of 1936 recognized this fact, and, including in its act an authorization for the completion of the Bluestone Reservoir, specifically describes this project as being "now under way", and by the terms of that act exempts all such projects from the provision in reference to the contribution of rights-of-way by States or local agencies. At the time of the passage of this Flood Control Act there were other flood-control projects which were under way, notably the Tygart River Dam, near Grafton, W. Va., work upon which is still being prosecuted, and where no requirement was enforced as to contribution of rights-of-way either by the State or other local agency. I distinctly recall that at the time of the passage of the Flood Control Act in 1936 the situation with reference to the effect of the act upon the further construction of the Bluestone Reservoir was discussed upon the floor of the House, and the act was passed with the understanding that the Bluestone Reservoir would be exempt from the right-of-way provision of the bill.

After taking everything into consideration, we are now confronted with this proposition, to wit: A flood-control project of the very gravest importance and which has the approval of practically every agency of the Government, which was placed under construction by order of the President, which was authorized and approved by the Congress of the United States, which was partially completed in that all of the preliminary work has been finished, is now lying idle, useless, and neglected simply because of an order of a district court which no interested agency of the Government has seemed to either have the wish or will or nerve to even question. How long are we going to permit this condition to remain? Thousands of our people dwelling in the Great Kanawha Valley and in the basin of the Ohio River are vitally interested in the matter. While we delay action, the elements are not stayed. Floods will continue their ravages in these valleys. Homes will continue to be swept away. Vast damages will continue to accrue. Is the declaration of policy as set out by Congress in its Flood Control Act of 1936 a true expression of the sense of the legislative branch of our Government, or is it merely an assemblage of meaningless words?

In closing, I wish to make it clear that my deep interest in this matter is from a flood-control standpoint only. To my mind, the effect of the project herein described upon navigation is a secondary consideration, as is also all other schemes or plans which are frequently sought to be tied in with this project and made the basis for objections thereto.

Mr. WHITTINGTON. Mr. Speaker, I yield the remainder of the time allotted to me to the gentleman from Ohio [Mr. SECREST].

Mr. SECREST. Mr. Speaker, in 1936 we passed a comprehensive flood-control bill for the entire United States. The Ohio flood of 1937 was so great the plans we had made in the 1936 bill were deemed to be insufficient for our protection. Consequently we asked the Chief of Engineers of the Army for a further report. He reported an enlarged plan for the Ohio River, contemplating approximately 70 great reservoirs, including some already constructed, and the building of levees for the protection of 155 towns along the Ohio River on both sides, some in Kentucky, some in West Virginia, some in Ohio, and some in Pennsylvania.

This bill provides for carrying out the recommendation for the building of levees. Any town which can furnish the money for rights-of-way and the necessary pumps to carry the water back over the levees after it has seeped through can take advantage of the provisions of this bill.

This measure goes a step further and provides that any river in the United States upon which the Chief of Engineers has completed a survey shall be given a survey by the Department of Agriculture. This means the Miami, Little Miami, Muskingum, Scioto, and Sandusky Rivers in Ohio, in fact all the rivers where the Army engineers have made surveys, in every State in the Union, can now be given a survey by the Department of Agriculture to determine water retardation, water run-off, and soil conservation. This bill should pass. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein from page 27 of the hearings a statement furnished the committee by the Chief of Engineers, giving the amount of the flood damages for each of the communities in the Ohio River Basin in 1936 and in 1937, aggregating for the 2 years some $600,000,000.

Mr. LAMBERTSON. Mr. Speaker, reserving the right to object, and I do not think I shall object, I wonder if the chairman could tell us with respect to the estimates for the regular permanent bill for next year whether they have gone far enough into their plans to give us some idea of the probable cost.

Mr. WHITTINGTON. The probable cost of what?

Mr. LAMBERTSON. The cost under the bill for next year.

Mr. WHITTINGTON. The bill for next year has not been passed on by the Congress and has not been reported.

Mr. LAMBERTSON. But the gentleman has been working on that and I would like to have his estimate.

Mr. WHITTINGTON. I may say for the benefit of the gentleman from Kansas and for the other Members of the House that the Chief of Army Engineers has recommended certain works, including reservoirs, along the tributaries of the Ohio, tributaries of the Missouri, and the tributaries of the Mississippi, the aggregate cost of which will be around $600,000,000, such works to cover a period of from 10 to 20 years.

Mr. LAMBERTSON. That is about what I had in mind and I will ask the gentleman the further question, if that were all accomplished, would there be any assurance that you have got the floods controlled, and is there not a real question as to whether it is worth the money, since we have

too much land anyway, and should we not let these rivers kind of take their course?

Mr. WHITTINGTON. I would say that this is not a question of reclamation, but of protecting the best valleys we have, as well as important cities, and important industrial areas.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, and I shall not object, of course, but I should like to ask the gentleman a question which I did not have time to ask him before. The $300,000 in section 2 does not come out of the $24,000,000?

Mr. WHITTINGTON. Oh, no; not at all.

Mr. JENKINS of Ohio. And the same thing is true with respect to the surveys, in that they are not to come out of that amount?

Mr. WHITTINGTON. Oh, no.

The SPEAKER pro tempore [Mr. LANHAM]. Is there objection to the request of the gentleman from Mississippi to extend his remarks in the RECORD in the manner indicated?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent in the extension of my remarks to include a statement with respect to the protective works along the Ohio River, the character of the work reported on and recommended by the Chief of Engineers, the cost of construction, the total cost of all works, and the cost of the rights-of-way.

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, I do this because of the question asked by the gentleman from Kansas as to a comprehensive flood-control program which the Chief of Army Engineers has recommended. It is a fact, is it not, that despite this recommendation of the Chief of Army Engineers, it is the desire of the President that you not go into that next year and additional funds will not be appropriated next year?

Mr. WHITTINGTON. I stated in my opening comprehensive remarks that the President had requested that the comprehensive plan be continued until the next session of the Congress.

Mr. GRISWOLD. And all that is to be expended next year is the money you are now authorizing to be appropriated?

Mr. WHITTINGTON. And the moneys heretofore appropriated by the Congress.

Mr. WHITE of Ohio. Mr. Speaker, reserving the right to object, I cannot imagine anyone from Ohio, where we have had disastrous flood conditions in recent months, doing anything but giving his enthusiastic support to this bill. Up in the northern part of the State we now have the Sandusky-Scioto Conservancy District and in recent weeks, and as a matter of fact, right at the present moment, flood conditions exist in that area. On top of that we have had a flood for 3 weeks in the town of Bellevue, Ohio, with water reaching as high as half way up the telephone poles, not derived from any river, but due to the fact that the community is built upon subterranean passageways.

The cities in the Sandusky River district are Fremont and Tiffin. There has been high water in and around these points, with great destruction to crops in the surrounding countryside. However, there is no river at Bellevue. Yet the flood has been worse there.

In order to meet the flood ravages we have sought to enlist the assistance of every governmental agency that is available under these conditions. First of all, the Army engineers, the best flood experts in the world, sent one of their representatives to give guidance in getting rid of the water at Bellevue. Constantly recurring downpours have greatly complicated this problem. The water, blanketing several parts of the community so long, has created a serious health menace.

The presence of the Army engineer has been extremely helpful. In addition to dealing with the immediate problem, his report will undoubtedly provide a formula for dealing with this problem in the future. He has also checked up on the conditions in the Tiffin-Fremont area so that this newest flood data can be included in the program of activity for the Sandusky-Scioto Conservancy District.

A flood without a river is more rare than the proverbial case of a "man bites dog"; maybe this is the first case of the kind in this country; at least, it is extremely unusual. The Army engineer who went to Bellevue remarked that ordinarily, in dealing with a flooded community, they go to the nearby river and there it is; but in Bellevue it is a case of "Where is it?"

Underneath this town is a series of passageways, of underground streams, and in some places, elaborate caves. Think of a flood arising from this condition. An Ohio expert who is familiar with the territory contends that sinkholes which mark the area around Bellevue lead to underground channels which carry off water from the lowlands of the vicinity. When rainfall becomes excessive, he says, the water which has entered the rock crevices at a higher level to the south, creates such a pressure at the openings in Bellevue and farther north, that it gushes up and floods the lands there. He believes Bellevue is on a direct line of the underground drainage which begins many miles south of Bellevue and ends at Castalia, where the world-famous Blue Hole is located, near the Sandusky Bay. The subterranean water, according to this man, has been at work for thousands of years, dissolving the limestone and carrying the dissolved material to lower levels. There are fields where the rock over many acres has subsided several feet, presumably brought about by the washing away of the rock layers underneath.

These peculiar conditions have brought about a flood of unbelievable proportions. As previously mentioned, the water has been more than halfway up telephone poles, both in and out of town. It is still a very serious problem to get rid of the water, get it out of the homes, off ruined streets and fields where crops have been ruined. The water moved with such force that it swept away railroad embankments and tracks; it piled dirt around garages in one area within a couple of feet of the roofs. While not so extensive, the rehabilitation problem is the same here as in the Ohio River region around Cincinnati.

My colleague from Ohio [Mr. JENKINS] has been an outstanding leader in flood-control work here in Congress. We all know that is true, and we appreciate that he knows this sort of problem from A to Z. I doubly appreciate the cooperation of the Army engineers, because he tells me that this is the first time to his knowledge that they have ever dispatched a representative to a flood scene under circumstances like these. In this case the request was made one day and the engineer was there the next day.

In similar manner the assistance of the Federal Housing Administration has been enlisted for restoration, rebuilding, and replacement of improvements on real property in line with their policy in guaranteeing flood-relief loans in this classification.

The Disaster Loan Corporation has authorized its agents at Detroit and Cleveland to make a survey of the need for their services in the Fremont, Tiffin, Bellevue region. If they find the survey indicates the need of assistance on the basis of character loans, including farming areas, on first and second mortgages and to fixed property losses like barns or fences that have been destroyed, they have agreed to send their representatives to the local field to give help to the R. F. C. set-up. Similar cooperation has been sought from the Resettlement Administration in relation to stock losses, the production-credit banks, the Farm Credit Administration, and Resettlement Administration dealing with crop losses, seed advances, and activities in this category.

Only today the Army engineers also expressed the belief that they may be able to provide a badly needed home rehabilitation survey, which under their expert methods has been extremely valuable to other communities stricken by flood.

Now, then, all of these things give the picture of the conditions and outline the action taken to meet the situation. But an ounce of prevention is worth a pound of cure, and the bill before us now deals with flood control or flood prevention. I am heartily in favor of the bill. However, I

regret that today's bill deals only with levees and flood walls in the areas announced. I wish it included the area and type of work indicated by the situation I have tried to describe, and the work for additional upstream communities. Do I understand, Mr. Chairman, that it does make provision to carry out some limited activities in other regions, like the Sandusky River area, where a survey has already been made?

Mr. WHITTINGTON. Oh, no; not where a survey has been made, but only where the projects have been approved by the Congress of the United States, and it is necessary before any relief funds can be expended that such projects be approved by the Congress of the United States. However, the doors of the Committee on Flood Control will be open to the gentleman at all times, and we will give him a sympathetic hearing on any such proposition.

Mr. WHITE of Ohio. But with respect to other conservancy districts, this bill does put them in a position to deal better with these problems?

Mr. WHITTINGTON. Like the gentleman, I have a great many more matters that I would like to have included, but this measure deals primarily with the Ohio River Basin.

Mr. WHITE of Ohio. I withdraw my reservation.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, at the risk of a moment's delay, I submit a further unanimous-consent request.

Mr. Speaker, I ask unanimous consent that in the revision of my remarks I may include therein the names of the reservoirs included in the Chief of Engineer's comprehensive report, to which we have referred, the estimated cost of construction, the estimated cost of highways, of railroads, and of other items that the local interests are expected to pay, together with the total costs as they appear in the report of the Chief of Engineers.

The SPEAKER pro tempore. The gentleman from Mississippi asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days within which to extend their remarks in the RECORD on this bill.

The SPEAKER pro tempore. Is there objection?

Mr. BIERMANN. Mr. Speaker, I reserve the right to object. I was interested in what the gentleman from Kansas [Mr. LAMBERTSON] said regarding the expenditure of these large amounts of money on flood control. There is this to be said about flood control. It is a rational undertaking to accomplish some good for the community and for the country. There is one way in which we expend money on our rivers that is not modern or rational. I refer to the lavish expenditure of money to restore the river transportation of 75 years ago. We have an example of it for about 100 miles along my district in the upper Mississippi River, where the War Department is expending a trainload of money, not on something modern but in a futile effort to restore obsolete river transportation. I refer to the 9-foot channel in the upper Mississippi River, which will cost the Treasury something like $170,000,000 before it is completed, and which the Army engineers estimate will cost one million and three-quarter dollars each year for upkeep after its completion, and which, as can be demonstrated mathematically, cannot possibly be justified in an economic way. On top of that, in this 9-foot channel that is costing this large sum of money, something like 25 or 26 dams are to be put in, which will be an aggravation of floods. After the dams have been built all of the natural reservoirs for flood waters that go down the Mississippi will be occupied when the floods start. I suggest to the gentleman that he is exactly correct in again and again advocating the conservation of public moneys. We can afford to expend the money necessary to do every necessary good thing that we ought to do in this country, but we unbalance the Budget and waste the taxpayers' money when we expend money on things absolutely worthless. I here and now prophesy that the upper Mississippi 9-foot channel not only will prove to be economically unjustifiable but that it will be a positive damage to the people along that river, and that it will be an aggravation of their floods.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. Yes.

Mr. JENKINS of Ohio. Every dollar that we have spent and will spend on flood control for 10 years to come will not be nearly as much as we suffered in loss last year and in the 1937 flood in Ohio.

Mr. BIERMANN. I am in favor of rational flood control.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Mississippi to suspend the rules and pass the bill.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill (H. R. 7618) relating to the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands situated in the State of Oregon, at a point in the RECORD immediately following the passage of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER resumed the chair.

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent that after the disposition of the special orders today I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech of the Assistant Secretary of Agriculture, Hon. Harry Brown, delivered in the Fourth Congressional District of Louisiana recently, on soil conservation.

The SPEAKER. Is there objection?

There was no objection.

ADVANCEMENT OF FUNDS FOR DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7835) to provide authorization for the advancement of funds for the District of Columbia, which I send to the desk.

The SPEAKER. Is there objection?

Mr. BIGELOW. Mr. Speaker, I reserve the right to object in order to propound a parliamentary inquiry. If this consent is granted, will there be an opportunity under the 5-minute rule for discussion of the bill?

The SPEAKER. The bill will be considered in the House as in Committee of the Whole. The bill will be under the 5-minute rule and all germane amendments would be permissible.

Is there objection?

Mr. THOMPSON of Illinois. Mr. Speaker, further reserving the right to object, as I understand, this bill was covered by one title in H. R. 7142?

Mr. PALMISANO. That is true.

Mr. THOMPSON of Illinois. I think the objections that ran against the title at that time still prevail. I think we at least ought to have ample time to discuss it.

Mr. PALMISANO. Will the gentleman reserve his objection and let me make a statement?

Mr. THOMPSON of Illinois. Yes.

Mr. PALMISANO. Mr. Speaker, the purpose of calling this resolution up under unanimous consent is because of the fact that unless the District government is able to borrow some money from the Treasury, and, of course, under the resolution they will have to pay interest to the Treasury, within the next few days it will be unable to pay the employees, such as police officers, members of the fire department, and everyone working for the District government. As I understand, the tax bill, which is on the other side of this Capitol, may not come back here until some time in August. The Senate has rewritten the entire bill, and it will require a great deal of time in conference. So I am asking this privilege at this time, in order to permit the employees of the District government to be paid.

In the last Congress we permitted the District government to borrow money to erect some municipal buildings that the Federal Government wanted. It seems to me that at this time we should not permit the employees of the District to go without being paid. Of course, it is not our fault, it is true.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. They will not be able to obtain any revenue for a month or two, even after the tax bill is passed.

I now yield to the gentleman from Texas.

Mr. McFARLANE. Why can we not pass the tax bill that has been pending before the Senate for some time, instead of passing some kind of an alibi which will perhaps put us in a defensive position?

Mr. PALMISANO. Unfortunately, due to the Court bill being considered in the Senate, I understand the Senate will not consider any debatable bill. As I understand, under the rules of the Senate, if this bill is passed by unanimous consent, they may be able to pass it before they go back on the Court bill.

Mr. McFARLANE. Will the gentleman yield further?

Mr. PALMISANO. Yes; I yield.

Mr. McFARLANE. If they can pass this resolution that will permit the borrowing of money, why can they not take a little time and pass the tax bill and get the job done?

Mr. PALMISANO. Because the tax bill in itself is more questionable and more debatable than this resolution.

Mr. McFARLANE. If they do not try, how de we know that?

Mr. PALMISANO. I am sorry, but I cannot tell the gentleman the procedure, and I cannot tell the Senate what to do. I wish they would pass it.

Mr. McFARLANE. They are trying to tell us what to do. What is the difference?

Mr. PALMISANO. I am willing to stay here until 12 o'clock at night any night in order to thrash out in conference the disagreements between the House and the Senate. I have spoken to the minority leader, and he knows the condition, and he said he thought by all means we should not stop payment to the employees.

Mr. THOMPSON of Illinois. Mr. Speaker, will the gentleman yield further?

Mr. PALMISANO. I yield.

Mr. THOMPSON of Illinois. The House has considered this matter. I do not want to be placed entirely in the light of cutting the employees of the District of Columbia out of receiving their pay, but it seems to me that as the District has its regular day a week from today, because of the importance of this matter, I think it should go over until that time.

Mr. MAPES. Mr. Speaker, reserving the right to object, as I understand it, it is not a question of the employees of the District of Columbia getting their pay. It is a question of whether the District shall raise the money necessary to meet the District's end of the District appropriation under the existing tax law, or whether it shall do so in accordance with new laws, such as have been proposed in the bill now pending in the Senate. My understanding is that the District Commissioners have a right to fix a tax rate, under existing law, on real estate and personal property, sufficient to raise the amount necessary to meet the expenses of the District government. The trouble is, as I understand it, that the District Commissioners do not want to exercise the authority with which they are now clothed to raise the necessary funds under existing law. Am I not right?

Mr. PALMISANO. That is true.

Mr. MAPES. So that it is sort of a camouflage to say that the District employees are not going to get their pay under the existing set-up.

Mr. PALMISANO. At the present time, due to the fact that there is pending a bill to raise sufficient money, seven or eight million dollars, which is a deficit, the Commissioners are inclined to wait to see what the Congress will do.

Mr. MAPES. Further reserving the right to object, Mr. Speaker, the objection I see to the gentleman's resolution is that the Federal Government will lend this money to the District, this tax legislation may not be passed and then the Federal Government, sooner or later, will have to cancel the loan.

Mr. PALMISANO. Oh, no, no; I would not agree to that. The gentleman will recall that sometime ago the District Government borrowed some $20,000,000.

Mr. THOMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. THOMPSON of Illinois. May I ask the gentleman from Maryland whether there are any limitations that forbid the Treasury from advancing the Federal contribution to the District Commissioners in a lump sum at the beginning of the fiscal year or at any one time?

Mr. PALMISANO. I understand that the Federal contribution will be depleted in the first week or so of August.

Mr. THOMPSON of Illinois. I may say to the gentleman that the whole cost of operating the District of Columbia is only $46,000,000 or $47,000,000 per annum. If they spend money at that rate, they will be entirely out of funds long before the year expires.

Mr. PALMISANO. I may say to the gentleman from Illinois, speaking of the matter coming up in the regular course, that the reason for passing this legislation is that they may possibly be able to bring it up in the Senate tomorrow morning before they enter into a further discussion of the Court bill. I understand that once they resume consideration of the Court bill they will not let anything interrupt it.

Mr. THOMPSON of Illinois. I would remind the distinguished chairman of the Committee on the District of Columbia that the House has passed upon this issue.

Mr. PALMISANO. I realize that it has.

Mr. THOMPSON of Illinois. The House struck out title I of the bill H. R. 7422, that would have permitted the Treasury to advance funds to the Government of the District of Columbia to allow the District to anticipate funds out of the Federal Treasury. The only difference between that and the pending bill is that the pending bill carries a provision that if they borrow from the Federal Government they shall not pay more than 3-percent interest. Mr. Speaker, I feel that we should have some time in which to discuss this important question, and therefore I am compelled to object.

Mr. PALMISANO. Mr. Speaker, in order to comply with the demand of the gentleman from Illinois for time in which to discuss the matter, I move to suspend the rules and pass the bill (H. R. 7835) to provide authorization for the advancement of funds for the District of Columbia, as amended.

The SPEAKER. The gentleman from Maryland moves to suspend the rules and pass the bill (H. R. 7835) to provide authorization for the advancement of funds for the District of Columbia, as amended. The Clerk will report the bill as amended.

The Clerk read as follows:

Be it enacted, etc., That until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be

necessary, from time to time, during said fiscal year to meet the general expenses of said District, as authorized by Congress, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of the taxes and revenue collected for the support of the government of the said District of Columbia, with interest at a rate to be fixed by the Secretary of the Treasury, but not to exceed 3 percent per annum.

The SPEAKER. The Chair thinks it proper to make a statement, although the Chair does not think it necessary for the Chair ever to have to explain what the Chair decides to do.

It was represented to the Chair that this was a matter of some emergency with reference to the fiscal affairs of the District of Columbia. For that reason the Chair agreed to recognize the gentleman from Maryland to suspend the rules. In the last analysis, of course, it is a matter for the determination of the House.

Is a second demanded?

Mr. THOMPSON of Illinois. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Maryland is recognized for 20 minutes and the gentleman from Illinois [Mr. THOMPSON] is recognized for 20 minutes.

Mr. PALMISANO. Mr. Speaker, as I stated before, the purpose of bringing this bill up at this time is because the tax bill has been tied up in the Senate. It is absolutely necessary that something be done to provide the District government with revenue to pay its employees. It is my understanding that if consideration of the Court bill is continued in the Senate we shall not be able to take up the tax bill for 2 or 3 weeks, or perhaps longer. It is my further understanding from my colleague who spoke to Senator KING that Senator KING is under the impression that he may be able to have this resolution passed on Tuesday, tomorrow, before the Senate resumes consideration of the Court bill. Once the Court bill is brought up on the floor no interruption of any kind will be permitted.

The District government cannot, as can the governments of other municipalities of the States, borrow money from the banks or in the open market. Unless this resolution is passed the District will have no funds whatever to pay its employees.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. REES of Kansas. Do I understand the gentleman to say that if this tax bill that is pending in the Senate committe passes the Senate that the pending bill would be unnecessary?

Mr. PALMISANO. If the tax bill should pass in time, but I understand that they will not be able to bring up the tax bill in the Senate because of the controversial items in the bill, and they will not permit any interruption of any kind in the consideration of the Court bill except perhaps for a noncontroversial resolution of this kind which might be passed by unanimous consent.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield for a further question?

Mr. PALMISANO. I yield.

Mr. REES of Kansas. Do I understand that the tax bill now pending in the Senate will provide sufficient funds, if passed, to take care of the expenses of operating the District government, or will they have to borrow operating funds?

Mr. PALMISANO. No. The pending bill is for the sole purpose of lending money to the District government, to be repaid as the revenue comes in. As I understand, several new methods of taxation are being considered by the Senate committee; for instance, they are considering the single-tax idea. Should such a provision be included in the bill the whole tax system of the District government would have to be revised, and it would take some time before they could get it into operation.

Mr. REES of Kansas. Did I understand the gentleman to say if the bill the House passed should pass the Senate there would be sufficient funds?

Mr. PALMISANO. I understand so.

Mr. REES of Kansas. But there is some controversy about it in the Senate?

Mr. PALMISANO. The bill that was passed by the House carried sufficient funds to pay the 1937 expenses of the District government. The members of the Senate committee have stricken out a considerable number of items that were passed by the House, and I feel that we will have to have a lengthy conference in order to get the bill straightened out. I hope we will receive enough revenue to pay the expenses of the District government for the current year.

Mr. KNUTSON. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Has the gentleman suggested to the President that he withdraw his court-packing bill long enough to permit the Senate to act on this tax bill?

Mr. PALMISANO. I may say to the gentleman I have not the right to ask the President or anyone else to withdraw a bill that is pending in the Senate.

Mr. BATES. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Massachusetts.

Mr. BATES. Is there any provision of law whereby the District may borrow money in anticipation of taxes?

Mr. PALMISANO. No. I understand they have no authority whatever to borrow money.

Mr. BATES. In anticipation of taxes?

Mr. PALMISANO. No.

Mr. BATES. The gentleman realizes that practically every city in the United States has that authority?

Mr. PALMISANO. I stated before that every municipality in the country was able to borrow money, except the District government.

Mr. BATES. What harm is there in permitting the District to borrow money in anticipation of taxes until this bill is passed?

Mr. PALMISANO. That would suit me. Whether they borrow it from the Federal Government or the banks would make no difference to me.

Mr. MAPES. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Michigan.

Mr. MAPES. As I understand the gentleman, if the Senate should pass the tax bill which the House passed, this resolution would not be necessary?

Mr. PALMISANO. I understand they would not be able to collect enough taxes to meet the current expenses even if this resolution passed today. The revenue would not come in fast enough to meet the running expenses of the District government.

Mr. MAPES. Has the gentleman submitted this proposition to the Committee on Appropriations which handles the District appropriation bill?

Mr. PALMISANO. No; I have not.

Mr. MAPES. This in effect overrides and supersedes the provision in the appropriation law which states that the Federal Government shall contribute $5,000,000 to the expenses of the District government?

Mr. PALMISANO. Yes; but I would not say this overrides the Appropriations Committee. This does not ask the Federal Government to appropriate anything. It simply permits the District Commissioners to borrow money from the Federal Government. May I say to the Members of the House if they want to authorize the District government to borrow from the banks in anticipation of tax receipts, I would be satisfied. I do not want any contribution to be made by the Federal Government. The only thing I am trying to do is to permit the District government to borrow sufficient money to continue its functions.

Mr. MAPES. If the tax bill now pending in the Senate does not pass, how is the District going to raise revenue to repay the loan which the Federal Government advances?

Mr. PALMISANO. I hope the Senate will never tie up the tax bill in that way. If an occasion of that kind should arise, then I say the Congress should pass some law giving

to the District government the absolute control of its affairs so that they will never be tied up in that way again.

Mr. MAPES. I know the gentleman hopes that condition will not be brought about, but suppose it is brought about?

Mr. PALMISANO. I cannot say, of course. I do not feel that the Senate or the Congress will permit a condition of that kind to exist.

Mr. MAPES. Does it not mean that the Federal Government must then contribute more than $5,000,000?

Mr. PALMISANO. No. If the gentleman feels that way, he may offer an amendment to this resolution permitting the District government to borrow from banks.

Mrs. JENCKES of Indiana. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentlewoman from Indiana.

Mrs. JENCKES of Indiana. Should the Congress fail to pass the present tax bill and we do not pass this resolution in time to give the District government the right to borrow from the Federal Government, how are the firemen and policemen going to be paid during the fiscal year 1937?

Mr. PALMISANO. I may say if the tax bill had been passed in the usual course, the District government would have been collecting taxes beginning with the 1st of July. They would have received some money through the payment of taxes, but up to date they have received nothing and will receive nothing until the tax bill is passed. It is for this reason that the necessity arises for the passage of this resolution.

Mr. BOILEAU. Will the gentleman yield?

Mr. PALMISANO. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. In other years we have not had similar legislation. The District has not found it necessary to borrow from the Federal Government?

Mr. PALMISANO. That is right.

Mr. BOILEAU. Will the gentleman state briefly how the situation has changed so that it now becomes necessary to do that this year? That is a very important matter, in my opinion.

Mr. PALMISANO. Due to the fact there was a deficit in the District government to the extent of some seven or eight million dollars, in order to meet that deficit the Congress considered certain taxes, which has tied up the tax system of the District. This being so, it also tied the hands of the District Commissioners, who were unable to proceed with the collection of taxes. That is the only reason.

Mr. BOILEAU. Was there a deficit last year, or did that deficit of seven or eight million dollars occur only in the present fiscal year?

Mr. PALMISANO. Last year.

Mr. BOILEAU. If there was a deficit last year, it became the duty of the Commissioners to increase the real-estate tax rate, did it not?

Mr. PALMISANO. Well, that was an item considered by the District Appropriation Committee, and nothing was done.

Mr. BOILEAU. Is not the gentleman going to explain the situation further?

Mr. PALMISANO. I really do not know anything further about it.

[Here the gavel fell.]

Mr. THOMPSON of Illinois. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the provisions of this bill were included as title I in the bill (H. R. 7422) to raise additional revenue for the District of Columbia, and for other purposes, which was considered in the House several weeks ago. The House in Committee of the Whole House, by a vote, struck out title I of that measure and it went over to the other body without that title included.

Mr. Speaker, I believe the reasons which impelled the House at that time to strike out the provisions authorizing the Federal Treasury to advance money to the Commissioners of the District of Columbia prevail at this time just as forcibly as ever. For myself, I fail to see why the Federal Treasury should be a clearing house for the District of Columbia. I do not know why the Federal Treasury should advance money to operate the government of the District of Columbia any more than it should advance money to operate the city of Chicago, the city of Pittsburgh, or any other city in the United States. It seems to me the District of Columbia should stand on its own feet.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of Illinois. I yield to the gentleman from Massachusetts.

Mr. BATES. Is it not true that many cities throughout the country have special authority under the law to borrow money in anticipation of taxes? This privilege is given by the legislatures of the various States. The reason the District Commissioners do not borrow is that the Congress ties their hands. Is not that the truth of the matter?

Mr. THOMPSON of Illinois. Probably; but let me point out to the gentleman that there is not a city in the United States which is in financial difficulties where such difficulties cannot be traced back to the fact that some time in the years gone by it was permitted to anticipate its taxes and get away from a cash or a pay-as-you-go basis. If the legislatures of the gentleman's State and my State and every other State in the Union had denied municipalities the right to anticipate taxes, these cities would not have had the financial trouble they have had during the last 5 or 6 years. I believe it is a bad policy to start here in the Federal city.

Mr. BATES. As the gentleman knows, I am a member of the committee, and I believe I know something about this problem. The gentleman knows and I know that these revenue notes are the first notes paid off when the receipts come in. Therefore there is no obligation on the part of the Government, for the first receipts are taken to pay off these revenue notes.

Mr. THOMPSON of Illinois. I do not subscribe to that.

Mr. BATES. Well, I subscribe to it, because it is the truth.

Mr. THOMPSON of Illinois. Because this bill is about as broad as anything that has ever been considered by the House. Just let me read to the House that portion following the enacting clause:

> That until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance—

And so forth. This has absolutely no limitations.

Mr. BATES. It also says, does it not, that such amounts shall be reimbursed by the Commissioners to the Treasury out of the taxes and revenue collected by the District as soon as such taxes and revenues come in?

Mr. THOMPSON of Illinois. The Commissioners can embark upon and continue to grow in a policy of borrowing and tax anticipation, which, in my opinion, is fundamentally wrong and should not be permitted to prevail in connection with the government of the city under the control of the Congress.

Mr. BATES. Every city in the entire United States has this power today.

Mr. THOMPSON of Illinois. This city is entirely different. This is a Federal city, operated fundamentally for the United States Government.

Mr. BATES. You are tying the hands of the District so it cannot operate.

Mr. THOMPSON of Illinois. I read the local newspapers here, and I have as much consideration and sympathy for the people in the District of Columbia as anybody, but it does seem to me they do not do everything they can to help themselves. In the 5 years I have been in Washington I have noticed that the Congress of the United States is blamed for almost everything that happens to local business downtown here. I have read stories in the local papers to the effect that the Commissioners and other officials of the District of Columbia are either condemning or worrying about what Congress will do. I think this is highly improper. I do not deny, Mr. Speaker, the right of citizens, groups of citizens, and organizations in the District of Columbia to condemn Congress for anything it does. I do

not believe we should be "thin-skinned." We should be able to "take it." However, I do say it is entirely wrong, and I think it borders on insubordination, when the Commissioners of the District—and there is nothing personal in this as far as I am concerned, for I have not had the pleasure of meeting any of these gentlemen—continuously condemn or criticize and worry about what Congress is going to do about matters affecting the District of Columbia.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield for a question?

Mr. THOMPSON of Illinois. Yes.

Mr. McFARLANE. Does not the gentleman believe the District Commissioners ought to put in a little more time and show a little spine in administering the laws down there and in raising the tax rates, rather than ache and come back to Congress, wanting Congress to do these things, when they already have all the authority they need to raise ample funds to take care of the District government?

Mr. THOMPSON of Illinois. I regret I cannot answer the question of the gentleman with reference to how much time the District Commissioners put in. I do not know whether they put in any time, but assume they make an effort to do their duty.

Mr. BATES. If the gentleman will permit, do the District Commissioners at this time have authority to borrow money to pay the bills, the wages, and the salaries they must pay?

Mr. McFARLANE. The District Commissioners have ample authority to raise the tax rate, in order to raise all the money necessary to take care of all the expenses for running the District government.

Mr. BATES. At this moment?

Mr. McFARLANE. Yes; they have that authority at this moment.

Mr. BATES. The chairman of the Commission says not.

Mr. McFARLANE. They do not need authority to borrow money. What they need is spine enough to raise the tax rates in order to raise the money necessary.

Mr. BATES. But they cannot raise the money unless they have authority, and they cannot pay bills unless they can borrow in anticipation of taxes.

Mr. McFARLANE. They have authority under the law now to raise taxes on both real and personal property, and they have not had the spine to do it.

Mr. BATES. But until those taxes come in, they must pay the bills.

Mr. THOMPSON of Illinois. Mr. Speaker, I must decline to yield any further for the moment.

I would like to call the attention of the House to the looseness or lack of limitations in the measure we now have under consideration. It was only a week or so ago that this body was compelled to pass over the veto of the Executive, a measure which would permit the farmers of the United States to borrow money at 3½ percent per annum. This bill, with the committee amendment written into it, provides that the Secretary of the Treasury shall fix the interest rate on the funds advanced to the District of Columbia at not to exceed 3 percent per annum.

Mr. Speaker, I hold that if anybody is going to fix the rate or if we are going to embark upon the policy of lending Federal funds out of the Federal Treasury for the operation of the District of Columbia, the Congress itself should fix the rate and not turn that authority over to the Secretary of the Treasury. Of course, under the parliamentary procedure by which we are considering this bill it is impossible to offer an amendment, so the only thing that those of us who are opposed to this proposed policy of the Capital City of the greatest Nation in the world becoming involved in the old system of tax anticipation can do is to vote down the bill.

Mr. Speaker, I reserve the balance of my time and yield 5 minutes to the gentleman from Ohio [Mr. BIGELOW.]

Mr. MAPES. Mr. Speaker, I think in considering a matter of this kind we should have the benefit of the advice of the District Appropriations Committee, and I therefore make the point of order there is not a quorum present.

The SPEAKER pro tempore (Mr. WOODRUM). Evidently there is not a quorum present.

Mr. PALMISANO. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 111]

Amlie	Eaton	Johnson, Minn.	Robinson, Utah
Anderson, Mo.	Eberharter	Keller	Robsion, Ky.
Andrews	Edmiston	Kelly, N. Y.	Rogers, Okla.
Bacon	Ellenbogen	Kirwan	Ryan
Boehne	Faddis	Kitchens	Schuetz
Boylan, N. Y.	Farley	Kloeb	Seger
Brewster	Fernandez	Kopplemann	Short
Buck	Fitzpatrick	Lambeth	Sirovich
Buckley, N. Y.	Fleger	Lemke	Smith, Va.
Caldwell	Forand	Lewis, Md.	Smith, Wash.
Cannon, Wis.	Frey, Pa.	McClellan	Smith, W. Va.
Cartwright	Fries, Ill.	McGroarty	Snyder, Pa.
Casey, Mass.	Fuller	McMillan	Somers, N. Y.
Celler	Fulmer	Mahon, Tex.	Stack
Chandler	Garrett	Mansfield	Starnes
Cluett	Gasque	Miller	Sumners, Tex.
Cole, N. Y.	Gifford	Mouton	Sweeney
Collins	Gilchrist	O'Connell, Mont.	Taber
Cooley	Goldsborough	O'Connell, R. I.	Taylor, Colo.
Cravens	Greenwood	O'Malley	Taylor, Tenn.
Creal	Greever	O'Neal, Ky.	Teigan
Crosby	Hancock, N. Y.	Parsons	Terry
Crosser	Hancock, N. C.	Patrick	Thom
Crowther	Harter	Peyser	Thomas, N. J.
Culkin	Hartley	Phillips	Thomason, Tex.
Cummings	Healey	Plumley	Tolan
Daly	Hildebrandt	Ramspeck	Treadway
Dingell	Hill, Ala.	Rayburn	Wadsworth
Dirksen	Hill, Okla.	Reed, N. Y.	Wene
Drew, Pa.	Hunter	Reilly	Wigglesworth
Driver	Jacobsen	Rich	Withrow
Duncan	Jenks, N. H.	Robertson	Zimmerman

The SPEAKER pro tempore. Three hundred and twelve Members have answered to their names, a quorum.

On motion of Mr. PALMISANO, further proceedings under the call were dispensed with.

Mr. THOMPSON of Illinois. I yield 5 minutes to the gentleman from Ohio [Mr. BIGELOW].

Mr. BIGELOW. Mr. Speaker, we are now about to vote on the question of whether we shall consent to allow the District Commissioners to borrow from the Federal Treasury. This is a proposal that we voted out of the District tax bill when it passed the House.

It has been represented here as though if we do not pass this resolution, firemen and policemen and other employees of the District will be without their salaries. This is a mistake. If the present pending District tax bill were now passed, there is no contention that there would not be money to pay these bills.

Mr. Speaker, I want to make this point. The power now exists, without one line of law, to provide a tax measure that will pay all of these bills. Under a law that was passed in 1922, and which is still in force, the District Commissioners have the power to fix any tax rate upon real estate necessary to meet the bills that are authorized. The tax rate in the District is 15 mills. The deficit is $8,000,000, or probably $7,000,000, but we will call it $8,000,000, and they can meet this deficit by raising the tax rate on real estate in the District 7 mills, making the total tax rate 22 mills. If the District Commissioners would exercise the power they have under the law to fix the tax rate on real estate at 22 mills, all the money could be raised and there would be no need of bothering with any tax law in this Congress.

Mr. Speaker, if the District Commissioners exercised the power they now have under the law, instead of coming in here and asking for a new law, they would fix a rate at 22 mills, and that rate on real estate in the District would be lower than the rate paid by any large city in the United States today.

I have here the Jacobs report for which this Government paid $50,000. This report sets forth that there are 35 larger cities of the United States, comparable in size with the District, all of which are paying a higher tax rate than would be paid by real estate in the District if the District Commissioners exercised the power they have under the law, and which they should exercise, to raise these rates.

The Congress is being whipsawed by the real-estate interests of this District. This is a paradise of landlords, and I beg of the House not to give this power today, but to make the District Commissioners exercise the power they have of raising the rate, and even so the rate will not be as high as my city pays. Why is it that with a reasonably low rate on real estate all the revenue needed can be met in the District? The reason is that my city and your city and all the other cities are paying nearly one-half of their tax levies for debt charges, while this community has no debt charge. Therefore the 22-mills rate on real estate in this District will raise all the revenue the District needs.

Mr. SHAFER of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BIGELOW. Yes.

Mr. SHAFER of Michigan. Will the gentleman tell me what the District is going to do for money in the meantime? If the gentleman's argument holds in this case, how are we going to pay the 10,000 employees of the District between now and next October, which is the length of time that will be required to raise the real-estate tax?

Mr. BIGELOW. The gentleman evidently missed my point in the beginning. We have a tax bill now pending in the Senate.

If this tax bill were passed within the next few days, the tax issue would be fully met. There would then be no pretense that it was necessary to borrow money for the District to carry on. Now my contention is that while, if the tax bill pending in the Senate is not passed within the next few days, the tax issue cannot be settled in that way, it nevertheless can be settled just as speedily by the action of the Commissioners in raising the tax rate on real estate.

The reason for my action in opposing this resolution is that I want to see the District Commissioners forced to exercise the power which the law gives them to raise taxes on real estate. This is not because I think it is desirable to raise the tax rate on the houses in which people live or upon other improvements on land. But it is desirable to raise the taxes upon the land values. As long as buildings and land values are lumped together, we cannot raise taxes on land values without raising taxes on buildings. A distinction should be made between these two subjects of taxation. A committee of the Senate has made this distinction. The District tax bill, as awaiting action in the Senate, proposes a tax of 1½ percent on buildings and a tax of 2½ percent on land values. That is sound economics. It is the first light that has dawned on this dark subject of taxation since many years ago the Pennsylvania Legislature permitted the two cities of Pennsylvania, Pittsburgh and Scranton, to levy a higher rate of taxation upon land values than upon buildings. I am grateful for this evidence of progress in the philosophy of taxation that now, for the first time in the history of the Nation, it should be proposed by a committee of at least one body of this Congress to shift at least some of the burden of taxation from improvements on land to land values in the Capital City. This beginning of tax intelligence, if retained, should be a wholesome object lesson to the Nation.

There is, of course, no opportunity under the restricted rules by which this unanimous-consent resolution is being considered to really get into the essence of this discussion. The 1-percent tax rate which the Senate committee is proposing to place upon land values, in addition to the 1½ percent on both land and buildings, does raise a question of fundamental and very great importance, which has been almost universally ignored in tax theory and practice in the United States. I am hoping that if the extra tax levy on land values which the Senate committee proposes is retained in the Senate bill and the bill is returned to the House with this amendment included, there will be a better opportunity than is now presented for a further discussion of this proposal for which I contend, that when the city taxes land values it is merely living on its own earned income, but when the city taxes buildings or any other form of wealth it is making a tax raid upon private property. I contend that it is not sound economics and it is not sound public morals for a community to deprive individuals of private property that they have earned in order to allow the land values produced by the community to go into the pockets of individuals who have not earned them.

In this city of Washington there is one half billion dollars of pure land values. Not $1 of this was ever the individual creation of a single soul living or dead. These values have come in response to an economic law of gravitation, just as cream comes to the top of a pan of milk. Not one penny of tax should be put on any building that men build, until this value that individuals do not make but that the community makes, is adequately taxed. There is where the weight of taxation should go, on community values, on the advantages of location, on monopoly privileges, and not on individual labor values.

As the years pass these rising land values of the Capital City are pouring little streams of gold into the laps of the old families and the rich estates who here, as everywhere, own the most of such holdings.

These ground rents are the pension rolls of the rich. The Bourbon or Stuart kings never granted to court favorites any more unadulterated privileges than our cities bestow on those who are lucky enough to own the sites on which these cities grow.

Here in Washington we let the holders of these privileges off with a tax of 1½ percent and we soak the builders and the workers for the rest.

In my city of Cincinnati if you wanted to clear slums for rehousing, down in the most blighted section of the city, where the shacks are literally rotting and festering with disease and crime, you would have to pay $50,000 an acre for the ground. Why do we put tax penalties on building when we should know that these building taxes, shifted to those land values, would both cheapen the land and encourage building? It is because we have not appreciated the essential difference between land values and house values which are earned.

For the land for one of the Federal housing projects in New York City the New Deal paid Mr. Vincent Astor $189,281.31 worth of 65-year 3½-percent bonds in addition to amortization in equal annual installments over the period. The New Deal also gave Mr. Baruch $36,000 for a little strip of his ground. Yes, this is brilliant economics. We drive people out of slums into worse rat holes, to build houses that these poor can never live in, because they cannot afford to pay this ground rent along with the taxes that are added to the houses. People for whom they were not intended will be the ones to live in these houses and their wages will go down because, with subsidized rents they can afford to underbid their brothers. But these two things will happen. A few millionaires will unload some land on the Government, as in the case of Messrs. Astor and Baruch, and the buildings will increase the land values in the surrounding neighborhood. You cannot beat these economic laws, not if you have ostrich economics and stick your head in the sands and refuse to see.

Land values are social values. The lighter the tax upon these values the greater the unearned wealth that goes to owners. House values are labor values. The higher the tax on houses the more they have to cost. The higher the tax on land values the less the land costs. Until we learn this much economics, rehousing projects will do nothing but benefit landlords and burden taxpayers.

There is, of course, no opportunity under the restricted rules by which this unanimous-consent resolution is being considered, to really get into the essence of this discussion. The 1-percent tax rate which the Senate committee is proposing to place upon land values, in addition to the 1½ percent on both land and buildings, does raise a question of fundamental and very great importance, which has been almost universally ignored in tax theory and practice in the United States. I am hoping that, if the extra tax levy on land values which the Senate committee proposes is retained in the Senate bill and the bill is returned to the House with

this amendment included, there will be a better opportunity than is now presented for a further discussion of this proposal for which I contend—that, when the city taxes land values, it is merely living on its own earned income, but, when the city taxes buildings or any other form of wealth, it is making a tax raid upon private property. I contend that it is not sound economics and it is not sound public morals for a community to deprive individuals of private property that they have earned, in order to allow the land values produced by the community to go into the pockets of individuals who have not earned them.

Mr. PALMISANO. Mr. Speaker, I yield 2 minutes to the gentlewoman from Indiana [Mrs. JENCKES].

Mrs. JENCKES of Indiana. Mr. Speaker, I have been a member of the District Committee ever since I came to Washington. We have had many arguments on the floor at different times, and I have heard the District people themselves arguing the question of their part in self-government. Today, to my mind, is conclusive argument that the people of the District should have the right to run their own affairs and not have all of these small questions brought to Congress. I know that my home community has the right to go to the bank and borrow money. I know that the District should have the right to anticipate its collections. The bill which is now pending in the Senate, which we sent over there, even if it had been enacted into law, would not take care of the present situation, and if we do not now give the authority to the District Commissioners to provide themselves with a running capital, it will not be the Commissioners, it will not be you and I who will suffer, nor will it be the Treasury of the United States, but it will be those people who are giving their lives and service to the District, and also to you and me, because when we live in the District we are protected by the policemen and the firemen and by those citizens who are serving the District. So I appeal to you, my colleagues, to think of that, and to think of this as if it were your home community, and what an embarrassment it would be to have it sent out over the Nation that you had failed to meet your pay roll, and I ask you to give to the Commissioners the right to get this money from the Nation's Treasury in anticipation of their collecting it from the people of the District. [Applause.]

Mr. THOMPSON of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. THURSTON].

Mr. THURSTON. Mr. Speaker, it seems to me that it was exceedingly unfortunate that a composite tax bill was brought in here that touched so many different avenues of revenue that obviously there was a considerable amount of opposition to it. It seems to me that inasmuch as we have inheritance taxes and income taxes in various States, likewise a higher gasoline or automobile tax, it would be exceedingly easy for the Committee on the District of Columbia to bring in a series of bills and have these taxes fixed on about an average gasoline tax within the States, or an inheritance tax or an income tax on the same basis. I venture to suggest that such bills would pass this House by unanimous consent, but if they continue to bring in these omnibus bills and touch so many controversial phases, it is doubtful if we will have any legislation on this subject during this session. If the committee would bring in these separate bills as they do in the general assemblies of the respective States, fixing their taxes bill by bill, there will be no doubt of their passage, and then the District would have ample tax legislation.

Mr. LANHAM. Mr. Speaker, I call the attention of the gentleman to the fact that there is absolutely no limit to the repayment of this money, or out of the receipts of what year it is to be paid. It could run on until Gabriel blows his horn so far as limitations in this bill are concerned.

Mr. THURSTON. The gentleman's suggestion is sound and gives an additional reason why the bill should not be passed.

Mr. THOMPSON of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I do not believe that the Members of this House have paid very much attention to the measure pending before us. In the first place I think you will agree with me that you are writing a blank check. There is no limit to the amount that you are going to loan to the District of Columbia under this bill. We are told that you will loan this money at a rate of not more than 3 percent, and yet we quarreled the other day because we are loaning money to the farmer at 3½ percent.

I appreciate what the gentlewoman from Indiana [Mrs. JENCKES] said a moment ago about these folks who will not get their money. Everybody wants these employees to get their money. They are entitled to be paid now. Something has been said about representation, and not having the right to levy their own taxes. I do not blame anyone for wanting to be represented. I do not believe that the people who live in the District would expect to have such low taxes if they were represented on the floor themselves, and if they ran their own government. They would not expect to have an automobile license tax of $1, the lowest rate in the United States, when as a matter of fact the average rate is six or seven dollars in the States. They would not expect to go without inheritance taxes or estate taxes as they do here. We have no income tax here; no inheritance tax, no sales tax. So I say, if they could levy their own taxes they certainly would not expect the low taxes they are getting. The gentleman from Ohio [Mr. BIGELOW] has told us that if you raise this real-estate tax to half the rate in other cities of comparable size, even then they could raise enough money. We are writing a blank check except that it says in this bill the money is to be repaid in 1 year. It seems to me that there should be a limit of the amount to be borrowed and some provision for its definite repayment.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. PALMISANO. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. SHAFER].

Mr. SHAFER of Michigan. Mr. Speaker, I have requested this time to answer a question asked several times during the debate. The question is, When will this money be paid back to the Treasury?

The organic law of the District of Columbia compels the Commissioners to pay back every cent obtained under this loan by the 30th of June next year. The law forbids the Commissioners to remain in debt and they must discharge this obligation by June 30, 1938. And this law has teeth. It provides that the Commissioners may be sentenced to terms in jail if they fail to raise the money to discharge the obligation. That is how strong it is. The Federal Treasury cannot possibly lose if this bill is passed today. The District Commissioners must raise the money by some means so that obligation will be dicharged next June. That is the law.

Mr. DONDERO. Mr. Speaker, will the gentleman yield for a question?

Mr. SHAFER of Michigan. I yield.

Mr. DONDERO. How much money will be involved in the passage of this bill?

Mr. SHAFER of Michigan. It costs $4,000,000 a month to run the District of Columbia.

Mr. DONDERO. The bill says "such sums as may be necessary." There is no limitation.

Mr. SHAFER of Michigan. That makes no difference. The District of Columbia must have money on which to operate, and the District must pay back to the Treasury of the United States every cent that it borrows under this bill. What will the 10,000 employees of the District do if Congress fails to authorize this loan? It will be impossible to raise money through an advance in real estate taxes, as has been suggested, before October. What are the employees of the District going to do in the meantime? How will they live? Issuance of scrip will be the only solution, and I am sure no Member of this Congress would have that on his conscience. If this bill fails to pass that is just what will happen. The District will be forced to issue scrip. Many Members have talked about this bill here this afternoon who ordinarily pay no attention whatever to District affairs. Many of them do not know what they are talking about. Time and again they have been unable to

answer vital questions concerning the bill under debate. It seems that every bill brought into this Chamber by the District of Columbia Committee has two strikes on it before the debate gets under way. They talk about increasing the District's real-estate tax. Pass this bill and Congress will take a sure step toward creating higher real-estate taxes, and I believe these taxes should be increased. The fact that the organic law of the District makes it mandatory that the Commissioners pay back this loan next year will cause the Commissioners to find ways and means of raising the money. They are empowered by law to raise the real-estate tax rate if necessary, and they have no other way of raising the money that will be required.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. PALMISANO. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the gentleman from Ohio talked about increasing the tax rate on real estate. Of course, I appreciate his views. He believes that real estate should pay all of the expenses.

In the tax bill that is over on the other side we have tried to put the District government on a par with other municipalities of the country. They have had no inheritance tax. We created an inheritance tax. They had no estate tax. We put on an estate tax. They had an automobile tax of $1, regardless of the size of the machine, whether it was a 10-ton truck or whether it was a little Ford. We placed a weight tax on, in order to put the District on a sound financial basis. We increased the real-estate tax. The gentleman from Texas [Mr. DIES] said they cut out the so-called chain-store tax and they inserted a sales tax. I want to say to the gentleman from Texas and the Members of this House that I, for one, as a member of the conference committee, will never agree to a sales tax on that bill.

Now, we are endeavoring to do something to put the District on a comparative basis with other city governments. Let us say we will increase the tax and put it all on real estate, or whatever you will, they will not be able to collect it until after a lapse of 2 or 3 months. What is the District government going to do during that period? Where is it going to obtain the money in order to pay employees?

Mr. BATES. Mr. Speaker, will the gentleman yield at that point?

Mr. PALMISANO. I yield.

Mr. BATES. I just discussed this with the Auditor of the District, and he told me that unless this bill passes within the next few days the employees of this District will be unpaid and the police of the District will be unpaid. They have no authority, under present law, to borrow money in anticipation of those taxes.

So, Mr. Speaker, it becomes imperative, if we are interested in keeping this community going, to pass this authorization this afternoon.

[Here the gavel fell.]

Mr. PALMISANO. Mr. Speaker, I yield myself 2 additional minutes.

Mr. Speaker, I want to say to the Members of the House that I talked with the gentleman from Missouri [Mr. CANNON], of the Appropriations Subcommittee, in the absence of the gentleman from Mississippi [Mr. COLLINS], chairman of the subcommittee, and he told me that there would be no objection so far as the Appropriations Committee was concerned, that they should hold down the District government. If there is any fear that the District government will not repay whatever it borrows in this emergency, I, for one, will go before the Appropriations Committee next year and take from the District government so much of the Federal contribution as may be necessary to repay what the District government receives on account of this resolution.

This is an emergency, Mr. Speaker, and I appeal to the Members to give to the District this power to borrow money during this limited time, a power enjoyed by every other municipality in the country. Every legislature in every State permits the municipalities to borrow money for operating expenses. I appeal to the Members to give the District the right to borrow during this emergency.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. LEAVY. It has been the experience of many municipalities in the borrowing of money that they frequently incurred a greater indebtedness than they should have; that they spent more money than they should have. If this resolution passes, will the authorities here in Washington spend more money than they should if they were not permitted to borrow?

Mr. PALMISANO. The Treasury will take care of that; the District has certain appropriations they may not exceed.

The SPEAKER pro tempore (Mr. WOODRUM). The time of the gentleman from Maryland has expired; all time has expired.

The question is, Shall the rules be suspended and the bill pass?

The question was taken; and on a division (demanded by Mr. PALMISANO)—there were—ayes 65, noes 90.

So (two-thirds not having voted in the affirmative) the rules were not suspended, and the bill was not passed.

EXTENSION OF REMARKS

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a copy of a speech delivered by Mr. Ray Murphy, past commander of the American Legion, at the banquet of insurance commissioners in convention at Philadelphia on June 23, 1937.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

(Mr. FORD of California and Mr. IMHOFF asked and were given permission to revise and extend their own remarks in the RECORD.)

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a memorial tribute to our late lamented colleague from California, Hon. Henry E. Stubbs, by the distinguished gentleman from California [Mr. KRAMER].

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SOUTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address delivered by the Honorable Karl A. Crowley, Solicitor of the Post Office Department, at Brady, Tex., on July 6.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that on tomorrow, following the speech of the gentleman from South Dakota [Mr. CASE], I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on tomorrow, Tuesday, following the special orders already entered, that the gentleman from New Jersey [Mr. MCLEAN], may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that on Thursday next after the reading of the Journal, the disposition of matters on the Speaker's table, of the legislative program for the day and special orders heretofore agreed to, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Wednesday next after other business has been

disposed of I may be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. Under the order of the House heretofore made the gentleman from Minnesota [Mr. KNUTSON], is recognized for 30 minutes.

Mr. KNUTSON. Mr. Speaker, a few short weeks ago our colleague from Michigan [Mr. ENGEL] told you how 7,000 railroad cars of free mail had cost the taxpayers of the Nation in excess of $217,000,000 in 4 years. Today it will be my endeavor to tell the Members of the Congress and expose to the people of America how and where more than $206,000,000 more of the taxpayers' money has been or will be spent in travel expense alone for the fiscal years of 1936, 1937, and 1938.

Two hundred and six million dollars is a tremendous sum of money and will buy a whole lot of traveling. In fact, this sum exceeds by far the cost of sending the American Expeditionary Forces to France during the World War.

It exceeds by $89,000,000 the travel expense for the fiscal years of 1931, 1932, and 1933 combined. And when we get through paying the probable deficiencies for travel expense next year, the amount spent will undoubtedly be more than twice the sum spent for travel in any comparable 3-year period in the Nation's history.

TRAVEL IN THE ANCIENT DAYS

With the advancement of early civilization the necessity for travel increased. The crude trails through the forests and over the mountains eventually became well-defined roads. Along these ancient highways, thieves and robbers plied their trade. But from the necessity of things, travel constantly increased and in the course of time crude signs came to be erected along the principal highways to direct the traveler in safety from place to place and to keep the stranger from wandering from the beaten path. Mr. Speaker, as in the ancient days, common sense and social usage have erected guide posts to chart the course of both business and government. These are the very foundations of governments themselves.

Mr. Speaker, the only necessity which today calls for these extravagant expenditures for travel is political necessity. In the mad scramble to extend the frontiers of social justice the New Dealers have chosen to ignore all reasonable direction and have sought out new and undiscovered pathways to travel. They now find themselves and the Nation in the dismal swamp of debt, surrounded on all sides by signs which point to danger. They have traveled and traveled and will keep on traveling. They know not which way to turn, but must wallow in the mire of their misery until rescue or relief comes. The galloping hounds of waste, who led the mad chase to overtake prosperity for the forgotten man, now hear the baying of the Communist wolf pack closing in as they scent their prey. Mr. Speaker, the thieves and robbers of old no longer ply their arts along the ancient highways, but an examination of the expenditures which have been made in the first 3 years under the guise of travel expense leads me to believe that a new order has developed which is more artful and more efficient in wringing money from the people for travel purposes.

Mr. HOFFMAN. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Has the gentleman forgotten that the W. P. A. spent $500,000,000 constructing swimming pools along those highways?

Mr. KNUTSON. If they did, they did not use the swimming pools for themselves.

Mr. Speaker, as we inspect the handiwork of the intellectual giants who conceived all these bureaus and agencies of waste, I wonder if there is a single Member of this House who would be so naive as to inquire why we should longer continue this travel waste? Think of it—$206,000,000 for travel expense alone, not counting the untold millions spent for the purchase and the upkeep of thousands of automobiles, not counting the additional millions spent for the transportation of things. No wonder the railroad companies and the steamship lines are enjoying a period of prosperity. It is quite understandable now.

WHO SPENT THE MONEY?

Who spent all this money, you ask? Was it spent by clerks and stenographers? Was it spent by charwomen and janitors? Was it spent by watchmen and laborers? Was it spent for useful purposes in governmental service or was a large part of the money wasted? The possibilities in these questions are intriguing. At this time, Mr. Speaker, I insert in the RECORD a consolidated table which has been prepared for me showing the total expenditures of all departments and agencies of the Government for travel alone for the fiscal year 1936 was $76,669,506. For 1937 they were $77,101,006, and the Budget estimates for this fiscal year, 1938, are $52,445,003, making a total of $206,215,515.

TABLE 1.—*Condensed statement yearly traveling expenses for 1936, 1937, and 1938, compiled from the Budget for 1938, and listed by departments*

	Estimated, 1938	Estimated, 1937	Actual, 1936
Legislative establishment, Members of Congress, etc	$225,750	$226,150	$224,983
Executive Office and independent establishments	4,249,980	24,391,496	28,158,332
Independent offices	3,831,305	4,914,404	5,418,766
Veterans' Administration	1,582,500	1,535,431	1,540,067
General public-works program	1,329,571	860,856	507,775
Department of Agriculture	6,767,934	7,701,702	7,702,141
Farm Credit Administration	1,532,921	2,070,841	1,653,619
Department of Commerce	808,900	824,960	1,142,148
Department of the Interior	1,711,308	2,021,270	1,714,011
Department of Justice	4,646,632	4,396,070	4,100,122
Department of Labor	1,279,130	2,186,223	1,718,414
Navy Department	6,606,800	5,639,033	4,821,408
Department of State	623,112	618,663	399,803
Treasury Department	5,217,642	7,053,869	5,751,178
War Department	6,546,909	7,264,109	6,742,768
Post Office Department	5,514,600	5,385,929	4,983,661
Totals, all departments	52,445,003	77,101,006	76,669,506
Grand total, 3 years, spent and to be spent, $206,215,515.			

This amount, Mr. Speaker, will not cover the total expenditures for travel, because many departments have not segregated their travel estimates for the 1938 Budget, and they will in all probability have to be taken care of in the deficiency appropriations in the next session of this Congress.

The table which I have just introduced for the record, shows the travel expense of the legislative establishment and all the Members of the Congress amounts to $224,983 for 1936, $226,150 for 1937, and for the current fiscal year the Budget estimate is for $225,750. Less than three-quarters of a million dollars in all for 3 years.

CONTRASTS

By contrast the travel expense of the executive offices and the independent agencies and establishments was $28,158,332 in 1936, $24,391,496 in 1937, and the request for 1938 is $4,249,980. Here alone is a total of more than $56,000,000, and rest assured there will be deficiency requests for at least $20,000,000 more before we get through paying these travel expenses next year.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Iowa.

Mr. THURSTON. The gentleman's picturesque language referring to the galloping hounds of waste is interesting. Did these persons confine their expeditions and explorations to the continent upon which we reside or did they travel all over the world?

Mr. KNUTSON. Oh, they have been all over the world. I have a book here called "Soil Conservation" which is really a very interesting document. It is a sort of a travelogue. We sent a man named Laudermilk over to China to study the sand rivers of China. I do not know how many he took with him. Then there is a subject called "Maintaining English Soils in Good Heart." I do not know what relation good heart has to soil fertility. There is another chapter, "Fifty Years' Experience With Soil Conservation in Japan."

Mr. THURSTON. Did they measure the waterfall of the Indo regions?

Mr. KNUTSON. There is an article here on the Punjab Plains. There is also an article showing the rainfall in Java and Sumatra. Over there they have a rainfall of some 270 inches a year.

Mr. ANDRESEN of Minnesota. Will the gentleman yield?

Mr. KNUTSON. I yield to my friend from Minnesota.

Mr. ANDRESEN of Minnesota. Can the gentleman give us any reason why they should measure the rainfall in the countries to which he has referred, and how that relates to the United States?

Mr. KNUTSON. I do not know. You know, once upon a time the earth slipped a cog or two on its axis. Alaska used to be tropical. If prehistoric man had made a survey of the Polar region at the time Alaska was a tropical country, he might have issued bulletins on how to put up and preserve ice. How beneficial that would have been to those who came after the glacial period, I cannot say. It may be they can look into the future and that they know that the dust bowl will some day become a dense jungle. They will want to know at that time how to handle the enormous rainfall that they now believe will be drifting over the Dust Bowl.

Mr. FISH. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from New York.

Mr. FISH. The gentleman is rendering a service to the country by putting in these expenditures for travel. Could the gentleman likewise put in the RECORD the expenditures covered in the propaganda that has been disseminated for New Deal measures by the present administration?

Mr. KNUTSON. The gentleman from Michigan [Mr. ENGEL] did that. He showed that 7,000 carloads of franked mail have been sent out by the New Dealers since they inflicted themselves upon the American people.

Mr. FISH. The other day I asked the gentleman from Virginia [Mr. WOODRUM] if any of the money appropriated for the dedication of the cemeteries abroad during the coming August would be used for broadcasting in this country. The gentleman replied there would not be any money used for that purpose, but I see by the papers that the President will speak on an international hook-up. Does the gentleman know whether that will be paid for by the Government?

Mr. KNUTSON. They have a way of jimmying free talks out of the broadcasting companies. I do not think we will pay for it.

STARTLING EXPENDITURES

Among the most startling expenditures of these independent agencies, offices, and establishments, I refer briefly to two items of travel expense in connection with Emergency Conservation Work. These items are expenditures for travel expense of $14,557,911 in 1936 and $13,958,000 in 1937. This is a large sum to spend traveling around in search of emergency conservation work. Since there are no Budget estimates in this bracket for 1938, we are, I presume, to suppose that there is no longer this emergency which calls for travel, that everyone has found work after spending more than twenty-eight millions in travel expense. So, my friends, if any of you have constituents who are out of work, you might suggest that they travel for relief.

RESETTLEMENT BY TRAVEL

As a close runner-up in the spending of money for travel expense, the Resettlement Administration is next in line for mention. In the fiscal year 1936 the Resettlement Administration spent $6,241,868, and in 1937 they spent $4,407,219 more of the taxpayers' money for travel expenses. This money, like most of the other expenditures of the more than 200 experiments being conducted by the Resettlement Administration, is gone with the wind and can only be repaid in part by the taxes of the unwary individuals who will vote to continue this waste in the future.

OTHER HEAVY SPENDERS FOR TRAVEL

Among the other heavy spenders for travel expense, the Federal Emergency Administration of Public Works used up $1,908,747 for this purpose in 1936, $1,505,729 in 1937, and are asking for an additional $600,000 of the taxpayers' money in 1938 for more travel expense.

The Home Owners' Loan Corporation spent for travel expense in 1936 $1,762,358, in 1937 $1,750,000 even, and in 1938 they are asking the Congress to appropriate as much as $1,900,000. Where will they stop?

STRANGE FACTS BOB UP

Mr. Speaker as we delve into these travel expenses, many strange facts bob up. For example the Farm Credit Administration has spent so much in travel that it ought to be called a travel bureau. In 1936 their travel expense was $1,653,619. In 1937 they spent $2,070,841 in travel expense. Consider these facts well. Although their new mortgage loans in 1936 were 58.1 percent lower than in 1935 and 85.5 percent lower than in 1934 their travel expense is getting larger each year. More than one-half their total congressional appropriation was spent last year for travel expense. The $2,070,841 is quite a large sum when one considers that last year they made only 65,281 mortgage loans to 44,942 individuals. This represents an expenditure for travel of more than $46 for each loan made to an individual. When we consider this huge expenditure on the part of the Farm Credit Administration, and think of the many offices they have in various parts of the country, no Member of this House need look further to justify his vote in overriding the Presidential veto last Tuesday. If we are making a present to the farmers of America, by making low-interest rates available to them, we have been making a hundred times greater present to these travelers of the Farm Credit Administration. If they would cut down this travel expense, here would be an excellent place to commence the economies the President has asked for.

FEDERAL SURPLUS COMMODITIES CORPORATION

Next among the agencies I wish to mention as voracious travelers, is the Federal Surplus Commodities Corporation. This is a nonprofit agency set up to buy and distribute surplus commodities to those persons in need of relief. Behind this central objective, there is also the maintenance of prices by the removal of surpluses which possibly might lower the return in the domestic markets. Now, we ought not to be alarmed about our surplus commodities as long as we are importing millions of dollars of foodstuffs from other countries. However, I am somewhat worried and also more than puzzled about some of the strange facts I find by comparing the Budget estimates for 1938 with the balance sheet of the Corporation as published in the annual report for the calendar year of 1936.

Mr. BIERMANN. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Iowa.

Mr. BIERMANN. Has the gentleman ever considered that before these loans are made the property has to be appraised and that after the loans have been made and during the entire term of the loan they have to be serviced and that cannot be done except by trained men from these banks?

Mr. KNUTSON. The gentleman must bear in mind that the figures I gave do not include servicing. That is another item altogether, with which I am not concerned today. I am talking only about traveling expenses.

Mr. BIERMANN. The men that service these loans certainly have some traveling expenses.

Mr. KNUTSON. That goes into another column under another item.

Mr. BIERMANN. I think the gentleman better investigate that.

Mr. KNUTSON. I am merely concerned with what is paid out for railroad transportation.

Mr. WOODRUFF. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan.

Mr. WOODRUFF. The gentleman knows, of course, that appraisals of property upon which the home-loan banks propose to extend loans are made largely by local appraisers appointed by that organization?

Mr. KNUTSON. Yes. The original appraisal is made by the local association, which is being rapidly wiped out under the New Deal. That is, the local association is being wiped out.

Mr. MICHENER. Will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan.

Mr. MICHENER. We are all very much interested in what the gentleman is saying. However, may I call his attention to the fact that the other day we passed a farm tenancy bill which provides for about ten times as much travel. The bill even included the purchase of airplanes so that the agents of this new agency may get about more rapidly.

Mr. KNUTSON. If they are going in for airplanes, I hope they will all embark on a trip around the world at the equator.

According to the Budget, the Federal Surplus Commodities Corporation spent $19,853 in travel expense in 1936. They spent $40,305 in 1937, but there are no estimates scheduled for 1938. So, turning to page 6 of the annual report, made to whom I do not know, but signed by Mr. J. W. Tapp, president, we find among the listed liabilities of this Corporation the following:

Current accounts payable: Transportation vouchers	$526,928.67
Accrued liabilities: Transportation charges for which vouchers have not been received	161,653.93

Here we have two items of transportation amounting to $681,581.60.

How much of this unpaid liability is travel expense?

This Corporation is spending nearly half a million dollars a year for personal services, and surely some of their many employees could have itemized these transportation liabilities for the record.

This is but a simple example of how the taxpayers' money is being spent, with no possible means for a check-up by the Members of Congress, who are charged with the responsibility of safeguarding the public purse.

Mr. Speaker, at this time I wish to introduce for the RECORD a table showing the expenditures of the Department of Agriculture, segregated by bureaus and agencies, for travel expense for the 3-year period under consideration.

TABLE 2.—*Showing expenditures for travel of the Department of Agriculture distributed by offices and bureaus*

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
Secretary's office and departmental	$298,022	$341,999	$375,711
Weather Bureau	59,690	48,715	26,138
Bureau of Animal Industry	370,810	381,410	2,223,564
Bureau of Dairy Industry	12,700	9,800	10,094
Bureau of Plant Industry	188,615	179,755	108,150
Forest Service	814,847	1,009,088	951,489
Bureau of Chemistry and Soils	93,982	101,748	85,255
Bureau of Entomology, etc	236,418	576,356	664,393
Bureau of Biological Survey	245,065	323,906	297,387
Bureau of Public Roads	170,000	255,000	330,944
Bureau of Agricultural Engineering	27,630	35,554	29,502
Bureau of Agricultural Economics	566,883	631,214	388,702
Bureau of Home Economics	1,900	6,900	2,531
Enforcement of Commodity Exchange Act	18,200	4,000	4,659
Food and Drug Administration	127,077	126,877	115,314
Soil Conservation Service	890,934	1,153,869	911,103
Miscellaneous expenditures	2,645,161	2,515,511	1,097,185
Total by years, Department of Agriculture	6,767,934	7,701,702	7,702,141

As we go over this table we find the expenditures of Mr. Secretary Wallace's department tops the travel expenditures of the War Department, the Navy Department, and the Post Office Department. The travel expense in 1936 was $7,702,141. In 1937 it was $7,701,702.

Probably the President has told them they would have to cut down a little on the Budget request for 1938.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman mentioned the item of travel expense for these fellows. The question now is, do we have to get them back? Is this a return ticket or just one way?

Mr. KNUTSON. I hope they have just a one-way ticket.

Mr. HOFFMAN. The gentleman does not think that would be fair, does he?

Mr. KNUTSON. It would be better for the taxpayers.

Mr. THOMPSON of Illinois. Mr. Speaker, will the gentleman yield.

Mr. KNUTSON. I yield to the gentleman from Illinois.

Mr. THOMPSON of Illinois. I do not think the gentleman means that, or means that those who are doing the traveling for this agency should fly airplanes by the Equator route, because the gentleman knows that most of the employees of this particular agency belong to the gentleman's own party.

Mr. KNUTSON. Oh, I am not approaching this from a political angle, and I hope the gentleman will not try to inject any politics into it.

The Budget request for 1938 is $6,767,934. There must be a lot of traveling going on in the Department of Agriculture, or else some great group is touring the world at the taxpayers' expense. From the contents of the latest gem of literature they have put out on soil conservation, I see they have been scouring the hinterlands of China, the Punjab plains of India, the veldt of South Africa, the islands of Java and Sumatra, and several other remote places to find out how they do things there. They have made studies where the rainfall is as much as 270 inches a year, and undoubtedly they will use these studies to determine just what ought to be done to rectify conditions in the Dust Bowl area of our own Great Plains. While these gems of literature are being prepared, the Soil Conservation Service had run up a travel expense for 1936 of $911,105. By 1937 they were able to increase the travel expense to $1,153,869. For 1938 they ask another $890,934 of the taxpayers' money for more travel expense.

BUREAU OF ANIMAL INDUSTRY

Another interesting item in this never-ending travel expense in the Department of Agriculture was incurred by the Bureau of Animal Industry, for the purpose of eliminating diseased livestock. In 1936 the travel expense for this particular purpose amounted to $1,894,766. Now, someone must have raised Cain about this waste, for in 1937 we find the same travel expense included in the miscellaneous items of expense and amounting to only $1,380,610. However, along with this expenditure we find a further expenditure for the same purpose made in 1936 amounting to $207,934. So in 1936 the actual travel expense in the elimination of diseased cattle was not $1,894,766 but actually $2,192,700. What the expense will be in 1938 no one can estimate, but it is safe to predict that the $1,565,410 requested will not suffice unless we get wholeheartedly behind the President's suggestion of a week or so ago that there be immediate economies in these travel and printing expenses.

The slogan of the Department of Agriculture must be "See America and See the World."

We ought to serve notice on Mr. Wallace that his traveling crew and their expenses will be subjected to the severest scrutiny the next time he comes before the Appropriations Committee asking for funds. Now is the time to put an end to these world ramblings and vacation journeys. These galloping hounds of spending must be brought to bay or we will be bankrupt.

EXPENSES OF COMMERCE AND STATE DEPARTMENTS MODERATE

Mr. Speaker, when we consider the entire travel expense of the Department of State is far less than some of the New Deal agencies, and when we compare these travel expenses with those of the Department of Commerce, for example, we wonder just how all this money could have been spent, and there would still have been anybody around to do the actual administrative work connected with these agencies.

Personally, I believe the Departments of Commerce and State are to be highly commended for the great restraint and the economies they have practiced in the face of the horrible example which has been set before them.

Now, we are getting down to "Honest Harold's" department, the Department of the Interior. The Department of the Interior has also run up some new travel-expense records in the last 3 years.

TABLE 3.—*Showing travel expenses for Department of the Interior distributed by offices, commissions, and bureaus*

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
Office of Secretary	$211,780	$219,019	$218,905
Commission of Fine Arts	2,400	2,400	1,916
Petroleum Administration		20,000	48,856
National Bituminous Coal Commission		3,900	4,510
General Land Office	103,000	207,000	109,523
Bureau of Indian Affairs	714,990	624,560	548,257
Bureau of Reclamation	44,275	130,280	64,481
Geological Survey	349,323	433,809	371,978
Bureau of Mines	121,060	116,310	109,771
National Park Service	50,096	56,851	58,491
Office of Education	63,360	98,247	89,505
Government in the Territories	31,372	106,244	77,856
St. Elizabeths Hospital	1,000	1,500	276
Columbia Institute for Deaf	100	100	84
Howard University	15,500	11,000	9,584
Freedmens Hospital	50	50	15
Totals by years, Department of the Interior	1,711,308	2,021,270	1,714,011

In 1936 the travel expense was $1,718,414. In 1937 it ran up to $2,186,270. Next year they are asking for $1,711,308. These odd figures must be arrived at in some mystic manner. Perhaps an analysis of the expenditures for travel by the Bureau of Indian Affairs will throw some light on this grave travel matter.

BUREAU OF INDIAN AFFAIRS

In 1936 the travel expense of the Bureau of Indian Affairs of the Department of the Interior was $548,257. In 1937 the expense had grown to $624,560. Next year the Budget estimates are for $714,000. Part of this travel expense was incurred in organizing Indian corporations. The theme song of the Interior Department, as well as the rest of the New Deal, is "Organize." Well, they tried to organize the Indians into corporations. So far they have organized the Makah Indian Tribe of the Makah Indian Reservation in the State of Washington, the Apache Tribe of the Mescalero Reservation in New Mexico, the North Cheyenne Tribe of the Tongue River Reservation in Montana, the Manchester Band of Pomo Indians in California, the Pyramid Lake Paiute Tribe of the Pyramid Lake Reservation in Nevada, and the Fort McDermitt Paiute and Shoshone Tribes of the Fort McDermitt Indian Reservation in the same State.

Besides this work they have written constitutions and bylaws for the following tribes:

The Kickapoo Tribe of Kansas.

The Walker River Paiute Tribe of Nevada.

The Yavapai-Apache Indian Community of Arizona.

The Ute Indian Tribe of Utah.

The Quechan Tribe of Fort Yuma Reservation, Calif.

They may have some other organization work under way.

Now, this whole work of organizing and writing constitutions and bylaws for the Indians took a great amount of traveling. In fact, it required $57,465 for travel expense in 1936, $59,420 in 1937, and the Budget estimate for 1938 is $59,520.

Now and then we see a few Indians around Washington, come to see the Great White Father and get the justice which is due them. But this item of travel expense seems absurd when we consider that there are fewer than 350,000 Indians in the United States and Alaska, including the 150,000 members of the Five Civilized Tribes, who no longer need be herded around like sheep. This obvious waste for travel expense may be justified by some of the Members of Congress, but before justification is attempted let me refer the Members to page 394 of the Budget for 1938, and there they will find listed among the items of expense for 1937 the sum of $460,000 for the maintenance of automobiles for the Bureau of Indian Affairs and an additional item of $190,000 for the purchase of new automobiles.

The President wonders where he can turn to cut down some of the expenses of this Government. Why do not some of you folks go down and tell him?

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. KNUTSON. I yield to the gentleman from New York?

Mr. SNELL. Before the gentleman leaves the subject of the Department of the Interior, can the gentleman tell me whether or not it is a fact that "Honest Harold" has living quarters in the large new Interior Building, with a sumptuous state dining room and everything that goes with it?

Mr. KNUTSON. I understand he has living quarters down there that are so magnificent that photographers are not permitted to come in and take pictures; I presume because it would not have a very good effect on the voters in 1938.

Mr. SNELL. Who has authorized that expenditure?

Mr. KNUTSON. I presume he took it out of P. W. A. I do not recall that in any appropriation bill we authorized the installation of electric stoves, steam kitchens, elaborate chinaware and silverware, linen, and I do not know what all. I understand it is furnished like a Turkish harem.

Mr. SNELL. If that is so, it is certainly more elaborate than anything which has ever been done in any department building in Washington up to this time, and I think the people of this country ought to know it.

Mr. KNUTSON. I think if Members of Congress were not so indifferent to their sworn duties they would look into this; but they have not seen fit to do so. The Committee on Appropriations should look into this.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield for a question?

Mr. KNUTSON. I yield to the gentleman from Texas.

Mr. McFARLANE. I wonder if the gentleman has looked into any of the many loopholes the Committee on Ways and Means has put into our tax laws, through which about as much revenue is escaping as we are collecting through taxation?

Mr. KNUTSON. I may say to the gentleman that the present tax law was passed by the gentleman's own party. He shoud refer his inquiry to the chairman and the Democratic members of the Committee on Ways and Means.

Mr. McFARLANE. I am not referring to the last tax bill in particular, but am referring to the revenue bills since the Wilson administration. Most of the revenue bills that have been passed since the Wilson administration, as the gentleman knows, through the three administrations of Harding, Coolidge, and Hoover——

Mr. KNUTSON. I am not going to permit any politics to come into this discussion.

Mr. McFARLANE. The gentleman is not talking anything but politics.

Mr. WOODRUFF. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Michigan.

Mr. WOODRUFF. May I call the attention of the gentleman from Texas to the fact that the members of the Committee on Ways and Means have no greater facilities for discovering loopholes in tax laws than has the gentleman from Texas. The members of the Committee on Ways and Means do not see the income-tax returns, which are submitted to the Treasury Department. The only people who see these returns are the administrative officials in the Bureau of Internal Revenue. If the members of the Committee on Ways and Means do not have the information for which the gentleman asks, it is because the officials in the Bureau of Internal Revenue, in the gentleman's own party, have failed so to inform the Committee on Ways and Means.

Mr. McFARLANE. I would be pleased to answer the gentleman if I had the time.

Mr. KNUTSON. In closing, Mr. Speaker, may I add that in going over all the thousands of items of travel expense for the last 3 years I also find that we have been very generous in our travel expense for attendance at fairs and expositions. Almost every department and bureau has sent representatives to the Texas centennial, the Great Lakes celebration, the California Pacific International Exposition, and other places. These are only small junkets, but they act as a stimuli to other and wider travel adventures.

Mr. Speaker, for the benefit of this Congress I now insert in the record a complete detailed list of travel expense of all the agencies and departments of the Federal Government for 1936, 1937, and 1938. I trust they will be preserved and

used as a guide to guard against this momentous waste which is going on on every side. I trust that next year we will all get together and cut down the spending, balance the Budget, and dig out as rapidly as we can from beneath the mountain of debt which threatens to overwhelm us.

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
LEGISLATIVE ESTABLISHMENT			
Mileage, President of Senate and Senators	$51,000	$51,000	$51,000
Representatives	171,000	171,000	171,000
Architect of Capitol	100	100	
Botanic Garden	625	625	118
Library of Congress	1,100	1,100	1,100
Contingent expenses	500	500	190
Care and maintenance	25	25	23
Government Printing Office	1,200	1,600	1,361
Superintendent of Documents:			
Texas Centennial Exposition			137
Office of Superintendent	200	200	54
Total, legislative establishment	225,750	226,150	224,963
EXECUTIVE OFFICE AND INDEPENDENT ESTABLISHMENTS			
Travel and official entertainment expenses of President	25,000	25,000	25,000
Advisory Committee allotments			154
American Battle Monuments Commission	8,500	8,500	8,698
Payments to United States Foreign Service officers and employees due to appreciation of foreign currencies (loss on travel expense)	1,208	1,571	2,192
Board of Tax Appeals	9,000	10,000	8,917
California Pacific International Exposition		4,177	4,549
Central Statistical Board	2,400	2,300	1,080
Transferred from Public Works Administration			330
Civil Service Commission	73,160	71,860	48,013
Coordinator for Industrial Cooperation		4,800	1,215
Emergency Conservation Work		13,958,000	14,557,911
Texas Centennial Exposition (transferred to Emergency Conservation Work)		300	864
Employees' Compensation Commission	20,000	20,000	21,213
Employees' compensation fund:			
Civil Works	1,500	3,500	778
Emergency Conservation Work	1,500	1,500	212
Emergency Relief Employees Compensation Commission	15,000	15,000	242
Federal Alcohol Control Administration			532
Federal Communications Commission	40,000	34,008	53,011
Special investigations		8,000	56,369
Federal Coordinator of Transportation			20,186
Federal Deposit Insurance Corporation	439,466	437,766	475,606
Federal Emergency Relief Administration		4,603	227,581
Federal Power Commission	80,000	100,000	25,006
National Recovery Administration			4,833
Electric-rate survey			306
Federal Trade Commission	178,050	148,237	162,404
General Accounting Office (contingent expenses)	115,000	115,000	83,519
George Washington Bicentennial Commission		2,000	2,553
Great Lakes Exposition		10,000	
Interstate Commerce Commission	93,000	93,000	91,593
Regulating accounts	159,164	159,164	158,339
Safety of employees	135,465	135,980	129,170
Signal safety system	7,060	6,765	6,717
Locomotive inspection	108,713	109,772	114,103
Valuation carriers property	30,000	60,000	98,192
Air mail	22,450	19,536	
Motor-transport regulation	225,000	100,000	38,085
National Advisory Committee for Aeronautics	17,000	17,000	16,085
National Archives	5,000	2,000	1,638
National Capital Park and Planning Commission	1,000	1,000	161
National Emergency Council		35,430	68,970
National Labor Relations Board	75,000	84,000	68,141
National Mediation Board	28,538	28,538	23,011
Arbitration Boards	3,500	3,500	100
Emergency Boards, Railway Labor Act	7,500	7,500	625
National Railroad Adjustment Board	7,000	8,500	3,163
National Recovery Administration			138,041
National Resources Committee		100,000	84,370
Northwest Territories Celebration Commission		5,612	
Prison Industries Reorganization Administration		12,000	6,939
Protection Oil Interests, Naval Reserves	3,000	3,000	1,758
Railroad Administration		60	113
Railroad Retirement Board	95,000	35,291	2,630
Resettlement Administration (administrative) 4		4,407,219	6,241,668
Projects		190,585	106,986
Texas Centennial Exposition			180
Great Lakes Exposition			520
Rural Electrification Administration	170,000	70,000	
Emergency relief		38,364	28,173
Great Lakes Exposition		875	125
Securities and Exchange Commission	235,000	225,000	135,703
Smithsonian Institution	40	40	8
American Ethnology, field work	100	100	677

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
EXECUTIVE OFFICE AND INDEPENDENT ESTABLISHMENTS—continued			
Astrophysical Observatory	$1,030	$1,030	$848
National Museum (preservation of collections)	1,500	1,500	1,700
National Art Gallery	200	200	208
Texas Centennial Exposition	2,063	2,063	335
Great Lakes Exposition		60	
Social Security Board	1,890,110	516,600	44,892
Same (wage records)		539,393	
Tariff Commission	25,000	50,000	37,546
U. S. Constitution Sesquicentennial Commission	7,000	7,000	
U. S. Harvard University Tercentennial Commission		600	
U. S. Maritime Commission	100,000	44,000	
U. S. Texas Centennial Commission		12,500	4,955
Works Progress Administration		2,271,070	4,728,010
Total, Executive Office and independent establishments	4,249,980	24,391,496	28,158,332
Independent offices:			
Federal Home Loan Bank Board	210,000	210,000	82,640
Savings and loan promotion			71,903
Home Owners' Loan Corporation	1,900,000	1,750,000	1,762,358
Federal Housing Administration	781,905	978,320	1,135,962
Great Lakes Exposition		100	189
Texas Centennial Exposition		400	254
Federal Surplus Commodity Corporation		40,305	19,853
Export-Import Bank of Washington		1,550	1,065
Reconstruction Finance Corporation	320,400	388,000	412,801
Electric Farm and Home Authority		14,000	14,125
Commodity Credit Corporation		10,000	16,078
Federal Emergency Administration of Public Works	600,000	1,505,729	1,908,747
Federal Savings and Loan Insurance Corporation	10,000	10,000	2,791
Total, independent offices	3,831,305	4,914,404	5,418,766
VETERANS' ADMINISTRATION			
Travel expenses	1,552,500	1,518,000	1,535,673
Emergency relief (Veterans' Administration)		1,200	1,204
Administrative expenses, Adjusted Compensation Act		15,016	2,416
Texas Centennial Exposition		1,225	774
Total, Veterans' Administration	1,552,500	1,535,431	1,540,067
GENERAL PUBLIC-WORKS PROGRAM			
Tennessee Valley Authority fund	188,378	143,968	152,887
Tennessee Valley Authority Texas Centennial Exposition		102	949
Tennessee Valley Authority Great Lakes Exposition		618	46
Federal aid highway system (Department of Agriculture, Bureau of Roads)	90,000	90,000	58,500
Department of Interior:			
Reclamation fund	40,000	27,250	
Central Valley project	40,000	26,500	
Boulder Canyon project	2,650	6,950	15,954
All-American Canal	3,000	3,000	
Bureau of Indian Affairs:			
Construction, etc	6,435	4,431	
Roads, Indian reservations	12,000	11,000	10,918
Rehabilitation of buildings	15,000		
Department of State:			
Rio Grande rectification	2,800	2,800	
Lower Rio Grande flood control	2,400	2,400	26
Rio Grande canalization	640	450	
War Department:			
Improvement, existing river and harbor works	300,000	300,000	100,000
Flood control, administrative	245,667		
Flood control, Mississippi and tributaries	380,601	241,387	258,495
Total, general public-works program	1,329,571	860,856	597,775
DEPARTMENT OF AGRICULTURE			
Miscellaneous expenses, travel	24,000	23,000	10,499
Agricultural Adjustment Administration:			
Office of Secretary			4,430
Conservation and use, land resources	25,000	25,000	
Payments Division, office of Secretary		6,600	7,272
Office of Solicitor, conservation and use of lands	7,500	7,500	
Payments for Agricultural Adjustment Administration Department		2,500	
N. I. R. A., wildlife refuges		10,800	6,541
Agricultural Adjustment Administration, office of Solicitor	10,000	10,000	14,529
Emergency Relief, Agricultural Adjustment Administration		14,830	27,763
Office of information	625	625	1,040
Library, Department of Agriculture	100	100	18
Office of Experiment Stations:			
Administration grants to States	7,000	7,000	6,316
Experiment stations:			
Hawaii	100	300	532
Puerto Rico	1,850	1,500	119

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF AGRICULTURE—continued			
Office of Experiment Stations—Continued.			
Agricultural Adjustment Administration, liver fluke eradication, Hawaii		$1,000	$862
For rat abatement, Hawaii	$330	3,300	1,355
Investigation division of above 2 adventures		500	255
Payments for Agricultural Adjustment Administration adjustments		4,560	1,475
Development livestock feed, Hawaii	10	100	5
Development tropical fruits, Hawaii		6,000	581
Promotion poultry industry, Hawaii	100	500	77
Breeding tropical plants, Puerto Rico	50	500	2,621
Special research fund: Personal service, administrative	71,240	40,736	13,459
Extension Service, administrative	3,000	3,500	4,480
Farmers' cooperative demonstrations	68,916	54,000	60,035
Technical assistants, Washington office	2,000	2,000	2,000
Technical advice, etc., to State extension forces			78,316
Special assistants to State extension forces, Cotton Act, 1934			33,001
Special assistants, cattle purchase			3,000
Completion, commodity programs		7,000	22,041
Special assistants, administering cotton price-adjustment plan			15,000
Payment of obligations incurred by State extension forces			26,055
Special assistants, conservation and land-use program	72,200	87,600	25,000
Motion pictures	1,100	1,250	474
Agricultural exhibits at fairs	1,500	1,680	3,101
California Pacific International Exposition		2,000	870
Texas Centennial Exposition		6,000	1,166
Great Lakes Exposition		2,985	
Division of Exhibits, Sixth World Poultry Congress		4,435	
Cooperative farm forestry	1,498	1,698	1,432
Subtotal, Secretary's office, etc	298,022	341,999	375,711
Weather Bureau:			
Administrative	1,000	500	762
General Weather Service	36,090	27,715	13,247
Aerology	22,600	20,000	12,129
Emergency relief long range forecasts		500	
Subtotal	59,690	48,715	26,138
Bureau of Animal Industry:			
Administrative	1,125	1,125	1,379
Animal husbandry	22,500	22,500	21,202
Diseases of animals	13,750	13,750	12,688
Eradicating tuberculosis	108,450	109,800	103,263
Eradicating cattle ticks	53,600	52,750	54,198
Eradicating dourine	11,840	11,840	10,274
Inspection and quarantine	37,600	39,100	40,561
Meat inspection	40,750	40,750	40,145
Virus-Serum-Toxin Act	6,200	6,200	4,732
Marketing agreements respecting hog cholera virus and serum	8,480	8,480	
Packers and Stockyards Act	67,115	67,115	40,211
Elimination, diseased livestock, etc			1,894,766
Sixth World's Poultry Congress		8,000	
Emergency Relief eradication liver flukes			173
Subtotal	370,810	381,410	2,223,564
Bureau of Dairy Industry:			
Administrative	800	800	568
Dairy investigations	11,900	9,000	9,526
Subtotal	12,700	9,800	10,094
Bureau of Plant Industry:			
Administrative	1,200	1,200	1,092
Arlington Farm	4	4	4
Botany investigations	5,980	4,980	5,290
Cereal crops and diseases	26,000	25,500	31,000
Cotton and fiber crop diseases	20,000	20,000	20,062
Drug and related plants	2,250	2,250	1,035
Dry land agriculture	3,360	4,260	5,151
Forage crops and diseases	7,045	7,045	14,411
Forest pathology	34,754	30,819	31,697
Fruit and vegetable diseases	27,500	25,500	31,800
Genetics and biophysics	1,200	1,200	660
Mycology and disease survey	2,200	2,200	1,690
Nematology	1,875	1,350	1,284
Plant exploration and introduction	20,000	20,000	14,187
Plant nutrition	15	15	15
Rubber and other tropical plants	1,088	1,088	724
Seed investigations	4,800	3,000	1,799
Soil fertility investigations	9,200	9,200	9,211
Soil microbiology investigations	500	500	216
Sugar plant investigations	13,418	13,418	16,418
Tobacco investigations	3,066	3,066	6,740
Western irrigation agriculture	2,200	2,200	2,329
Smelter fume injury investigation	900	900	1,009
Spray residue investigations			326
Subtotal	168,615	179,775	198,150

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF AGRICULTURE—continued			
Forest Service:			
Administrative	$22,801	$21,129	$12,914
National Forest Administration	519,775	492,675	365,938
Aerial fire control			10
Sanitation and fire prevention			97
Planting on national forests			697
Reconnaisance national forests			920
Improvements national forests			160
Fighting forest fires	1,400	1,400	18,761
Forest research	33,250	29,657	26,449
Range investigations	15,896	14,355	12,080
Forest Products Laboratory	18,000	17,763	14,252
Forest survey	14,000	9,683	21,613
For financing expenditures			2,620
Forest economics	6,500	4,558	5,234
Forest influences:			
Shelterbelt		3,500	
Investigations	9,000	7,512	
Soil-erosion investigations			7,462
Financing expenditures of same			324
Forest fire cooperation	18,000	17,750	10,534
Acquisition lands national forests	55,095	55,095	
Cooperative acquisition, State forests	16,000		
Cooperative work, Forest Service	40,000	40,000	31,341
Control tree-destroying insects			1,124
Emergency Conservation Work			113
Miscellaneous administrative expenses		3,551	26,300
Miscellaneous improvement national forests		26,000	291,644
Administrative expenditures, Emergency Relief Act 1938		5,750	
Development camping grounds		28,200	
Conservation forest resources		148,000	
Surveys, examinations and investigations		19,000	
Range conservation program	40,130	45,130	
Working fund, War, flood control Mississippi River and tributaries		18,380	902
Subtotal	814,847	1,009,088	951,489
Bureau of Chemistry and Soils:			
Administrative, departmental	2,400	2,400	2,261
Agriculture, chemical investigations	15,500	15,500	15,618
Smelter fumes investigations (State of Washington)	500	500	490
Industrial utilization farm products	7,000	4,000	2,296
Agricultural, fire explosive dusts	2,500	2,000	1,878
Naval stores investigation	2,500	2,500	2,715
Soil survey	59,782	59,782	48,059
Puerto Rico		366	6,709
Hawaii		7,300	1,693
Working fund, Mississippi River and tributary soil classification		3,600	
Soil, chemistry, and physical investigations	2,600	2,600	2,314
Fertilizer investigations	1,200	1,200	1,232
Subtotal	93,982	101,748	85,265
Bureau of Entomology and Plant Quarantine:			
General administrative	2,040	2,540	2,939
Emergency relief		6,000	5,577
Fruits, insects	22,625	19,682	15,382
Japanese beetle control	20,400	20,100	20,059
Mexican fruit-fly control	5,420	4,400	4,317
Citrus canker eradication	600	600	524
Eradication and control, insects, etc		13,588	11,503
Phony peach, etc., eradication	12,125	7,623	4,292
Eradication injurious insects		28,350	97,050
Peach mosaic control		12,585	4,819
Date-scale control			968
Forest insects	19,910	7,860	9,919
Gypsy and brown-tail moth control	12,495	12,495	12,642
Gypsy moth control		6,000	8,590
Brown-tail moth control		1,500	1,000
Blister-rust control	15,800	8,400	8,993
White-pine blister-rust control			3,085
Eradication, control, etc., injurious insects (blister rust control)		106,000	105,000
Dutch-elm disease eradication	3,500	3,500	3,487
Eradication, control, etc., injurious insects (Dutch elm control)		15,700	22,300
Truck crop, garden insects	19,525	17,825	16,987
Cereal and forage insects	29,550	29,550	29,380
European corn borer control	2,150	2,150	2,188
Survey			15,509
Barberry eradication	15,300	15,300	15,236
Black stem rust control			8,485
Barberry eradication (control pests, etc.)		80,620	66,000
Cotton insects	5,334	5,334	5,400
Pink boll-worm control	14,146	12,500	12,383
Wild cotton eradication		444	1,500
Thurberia weevil control	9	9	9
Bee culture	4,775	4,775	3,619
Insects affecting man and animals	4,500	3,500	3,215
Insect pest survey	440	40	116
Foreign parasites	715	500	500
Control investigations	2,300	1,500	1,522
Insecticide and fungicide investigations	3,200	3,200	3,175
Transit inspections	2,245	1,825	1,624
Foreign plant quarantines	13,700	10,000	10,841
Certification of exports	3,434	3,434	1,684

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF AGRICULTURE—continued			
Bureau of Entomology and Plant Quarantine—Continued.			
Chinch bug control			$1,146
Screwworm control		$94,900	99,779
West India fruitfly and blackfly			329
Grasshopper control		780	890
Fruitfly control (Hawaii)		9,246	15,834
Insect pest survey (Puerto Rico)		2,000	4,591
Subtotal	$236,418	576,356	664,393
Bureau of Biological Survey:			
Administrative	4,175	4,175	2,806
Food habits, birds and animals	6,910	6,019	6,138
Production fur-bearing animals	2,588	2,668	2,399
Biological investigations	10,664	10,094	10,032
Control predatory animals, rodents	75,100	75,100	75,123
Protection migratory birds	67,000	63,862	54,583
Enforcement Alaska game law	17,648	17,648	10,384
Maintenance reservations	10,000	8,000	7,097
Upper Mississippi Refuge		1,143	627
Migratory bird conservation refuges	8,000	8,000	6,319
Migratory bird conservation fund	28,000	35,043	36,078
National Industrial Recovery Act wildlife refuges	15,000	74,000	54,679
Flood control wildlife refuges		6,000	
Emergency Relief allotments		8,863	27,035
Developing water-fowl refuges, North Dakota		500	4,087
Flood control Mississippi River and tributaries		2,800	
Subtotal	245,065	323,906	297,387
Bureau of Public Roads:			
Construction of highways	30,000	80,000	166,026
Emergency construction			283
Supervision miscellaneous road projects		15,000	7,051
Elimination grade crossings	140,000	160,000	147,584
Subtotal	170,000	255,000	320,944
Bureau of Agricultural Engineering:			
Administrative	27,550	23,800	23,814
Waterways treaty investigations	80	80	99
Land appraisal work		324	2,694
Mississippi River and tributaries		10,000	
River and harbor works		350	
Rio Grande joint investigations		1,000	2,895
Subtotal	27,630	35,554	29,502
Bureau of Agricultural Economics:			
Administrative	1,650	1,650	1,434
Farm management and practice	23,475	23,475	20,585
Arbitration, smelter fumes controversy	343	343	343
Valuations, flood-control area		4,100	
Marketing and distribution, farm products	27,414	25,418	24,164
Crop and livestock estimates	31,890	31,890	31,529
Foreign competition studies	26,550	26,550	30,381
Market inspection, farm products	36,492	27,991	31,834
Hay inspection, etc	250	250	337
Tobacco Inspection Act	20,000	20,000	
Market-news service	19,672	18,755	19,091
Perishable agricultural commodities	14,750	14,750	10,524
Standard Container Act	2,550	2,550	2,568
Peanut stocks and standards	300		
Tobacco stocks and standards	1,000	1,000	1,403
Grade and staple statutes (cotton)	16,640	16,640	15,146
U. S. Cotton Futures Act	37,786	35,886	30,858
U. S. Grain Standards Act	12,640	10,240	8,720
U. S. Warehouse Act	71,235	71,080	65,398
Establishing wool standards	1,500	1,500	1,905
Statistical work for Agricultural Adjustment Administration	7,966	9,366	31,034
Statistical work, adjustment program	212,780	212,780	12,794
Statistical work for Agricultural Adjustment Administration			22,595
Purchasing and distribution			1,615
Agricultural Adjustment Administration programs			24,444
Survey farm mortgages, etc		75,000	
Subtotal	566,883	631,214	388,702
Bureau of Home Economics:			
Administrative	1,000	1,000	810
Investigations	900	900	868
Study of dry-milk uses			853
Consumer purchases, study		5,000	
Subtotal	1,900	6,900	2,531
Enforcement of Commodity Exchange Act	18,200	4,000	4,659
Food and Drug Administration:			
Administration	607	607	633
Field representatives	113,200	103,000	102,211
Enforcement of Tea Import Act	945	945	945
Naval Stores Act	3,100	3,100	3,087
Insecticide Act enforcement	6,900	6,900	6,933

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF AGRICULTURE—continued			
Food and Drug Administration—Con.			
Milk Importation Act enforcement	$425	$425	$175
Enforcement of Caustic Poison Act	1,200	1,200	1,330
Filled Milk Act enforcement	700	700	
Subtotal	127,077	126,877	115,314
Soil Conservation Service:			
Administrative	30,000	19,562	
Soil and moisture conservation	135,107	127,618	3,216
Erosion investigations			7,874
Demonstrations and information	725,827	736,786	116,134
Plant reserve stations			41,009
Erosion survey, Puerto Rico		19,170	1,006
Erosion control demonstrations		833	11,652
Emergency work from Public Works Administration		18,671	77,007
Erosion control nurseries		1,873	1,368
More administrative expense		54,332	200,505
National program from Federal Emergency Relief Administration		51,895	451,332
Flood control from relief		123,139	
Subtotal	890,934	1,153,869	911,103
Miscellaneous:			
Elimination of diseased cattle	1,565,410	1,380,610	207,934
Agriculture Adjustment Administration:			
Export and domestic consumption of domestic foods	110,575		16,242
Cotton price adjustment		19,200	3,061
Conservation and use of land resources	768,284	768,284	202,580
Payment for adjustments		62,800	122,659
Payments under the tobacco, cotton, potato acts		1,500	8,037
Purchase and sale of seed		900	2,059
Salaries and expenses	187,792	272,317	258,600
Tobacco compacts	13,100	9,900	
Advances to			213,308
General expenses			17,668
Advances to Department under Tobacco Act			14,227
Administration of Cotton Act			23,795
Administration expense in connection with histories of codes			6,995
Subtotal	2,645,161	2,515,511	1,097,165
Total, Department of Agriculture	6,767,934	7,701,702	7,702,141
FARM CREDIT ADMINISTRATION			
(Appropriations 1937, $4,065,480; this looks like a travel bureau)			
Farm Credit Administration:			
Administrative	1,482,921	1,970,841	1,623,267
Field	50,000	100,000	30,062
Texas Centennial Exposition			290
Total	1,532,921	2,070,841	1,653,619
DEPARTMENT OF COMMERCE			
(Appropriations, 1937, $35,524,670)			
Secretary's office:			
Contingent and miscellaneous fund	2,813	2,658	5,270
Accident prevention conference		5,000	
Bureau of Air Commerce:			
Maintenance of facilities	176,300	163,700	196,310
Aircraft in commerce	120,000	108,564	71,775
N. I. R. A., Bureau of Air Commerce		1,000	25,036
Public Works Administration, Bureau of Air Commerce		1,000	49,175
Working fund, Air Corps			5,566
Federal Emergency Relief Act, Bureau of Air Commerce		59,155	59,863
Bureau of Foreign and Domestic Commerce:			
Promoting commerce in—			
Europe, etc	18,370	18,370	20,172
Latin America	8,720	8,720	9,440
Far East	7,530	7,530	6,852
Africa	1,985	1,985	3,391
District and cooperative office service	13,225	13,225	10,750
Enforcement China Trade Act	50	50	26
Export industries	6,500	6,500	11,381
Domestic Commerce	6,700	6,700	6,229
Compiling foreign trade statistics	1,160	1,160	1,221
Lists of foreign buyers	500	500	547
Investigation foreign trade restrictions	600	600	549
Transportation of families of officers and employees of bureau	19,000	19,000	18,191
Operation foreign trade zones	1,180	1,180	4,277
Industrial economics	17,300		
Emergency Relief clerical projects		286	266
Payments to employees abroad due to appreciation of foreign moneys	3,550	3,685	3,370
Bureau of the Census:			
Administrative personnel	109,770	39,560	29,907
Census of agriculture		459	841
Social Security Act			88
Emergency Relief assistance, white collar		74,276	279,124
Working fund, Federal Emergency Relief Administration		41,815	59,200
Special statistical work			31

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF COMMERCE—continued			
Bureau of Marine Inspection and Navigation:			
Field service	$145,103	$99,963	$99,963
National Bureau of Standards:			
Administrative	1,000	1,000	954
Testing service, field	13,500	13,500	12,607
Research development	4,500	4,500	5,507
Commercial standards	3,000	3,000	3,056
Investigation building materials	2,000		
Miscellaneous researches	3,000	3,000	3,678
Federal Emergency Relief Administration, white-collar projects		800	691
Coast and Geodetic Survey:			
Personal services, field	5,000	5,000	4,847
N. I. R. A., same			42
Pacific coastal surveys	5,000	5,000	8,842
N. I. R. A., field services		20	119
Field party expenses	650	650	645
Compilation of Coast Pilot	750	750	199
Magnetic and seismological work	1,500	1,566	1,929
N. I. R. A., coast survey		550	72
Federal boundary, State surveys	800	800	4,957
N. I. R. A., field work		30	3,204
Miscellaneous objects	275	1,700	73
Repairs of vessels	200	200	
General expenses	415	415	373
Aeronautical charts	2,500	500	
Public Works Administration, field service aerial			1,138
Working fund:			
Soil Conservation Service		3,100	720
Public Works Administration emergency relief		900	
Topographic survey			35
Bureau of Fisheries:			
Personal services, field (including fish cars)	39,480	34,480	34,480
Maintenance of vessels	628	628	628
Inquiry respecting food fish	19,810	12,160	13,200
N. I. R. A. respecting above item		850	935
Working fund			357
Statistics on fishing industries	16,465	10,970	12,490
Protecting seal, salmon fisheries (Alaska)	23,125	23,125	23,125
Enforcement black bass law	1,350	1,535	1,535
Upper Mississippi River Fish Refuge	110	110	110
Cooperative Marketing Act	1,145	1,145	778
Shell fish investigation		2,700	6,191
Administering whaling treaties	1,350		
Patent Office: Miscellaneous travel expense	1,000	1,000	592
U. S. Shipping Board Bureau:			
Administrative		446	2,938
Texas Centennial Exposition		127	10,233
Great Lakes Exposition		2,062	
N. I. R. A., personal services			2,347
Total, Department of Commerce	808,909	824,960	1,142,438
DEPARTMENT OF THE INTERIOR (Total appropriations 1937, $79,054,501—from Budget, 1938)			
Office of the Secretary:			
Division of Investigation	76,780	74,560	73,359
Division of Grazing	125,000	100,000	110,064
Contingent expenses	10,000	10,000	9,535
Emergency relief, administrative		28,499	19,248
Texas Centennial Exposition		3,500	2,582
Great Lakes Exposition		1,600	
California-Pacific International Exposition		860	4,117
Subtotal	211,780	219,019	218,905
Commission of Fine Arts: Administrative	2,400	2,400	1,916
Petroleum Administration:			
Administration		20,000	35,556
Public Works Administration allotment—Labor Policy Board			13,290
Subtotal		20,000	48,856
National Bituminous Coal Commission:			
Administrative		3,600	3,202
Emergency relief			846
Consumers' Counsel		300	462
Subtotal		3,900	4,510
General Land Office:			
General expenses	4,000	4,000	3,165
Surveying public lands	96,500	85,000	105,527
N. I. R. A. allotment		116,000	
Contingent expenses, land offices	2,500	2,000	834
Subtotal	103,000	207,000	109,526
Bureau of Indian Affairs:			
Administrative, Indian Service	31,600	25,600	23,506
Purchase and transport supplies	2,000	2,000	1,842
Maintaining law and order on reservations	15,000	15,100	14,475
Agency buildings, rentals, repairs	2,500	800	205

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF THE INTERIOR—continued			
Bureau of Indian Affairs—Continued.			
N. I. R. A. Indian allotments		$15,000	$8,500
Organizing Indian corporations	$59,520	59,420	57,465
Acquisition of lands for Indians	20,050	15,000	7,900
Administration, Indian forests	13,500	13,000	11,830
Sale of timber	1,000	1,000	602
Suppressing forest fires	250	500	
Obtaining employment for Indians	6,500	7,125	5,061
Agriculture and stock raising	30,000	25,000	24,747
Industry among Indians			380
Industrial assistance (tribal funds)	1,000	1,000	47
Revolving fund for loans	25,000	15,500	4,939
Development arts and crafts	13,000	11,500	
Purchase of horses (Apaches)			240
Development water supply	1,500	1,500	923
Irrigation and drainage	5,380	5,000	5,083
N. I. R. A. allotment, Indians (San Carlos project)	1,000	800	736
Colorado River Reservation	150	100	107
Fort Hall irrigation system	140	140	163
Fort Belknap Reservation	150	150	19
Fort Peck Reservation	50	50	23
Flathead Reservation	200	200	78
Crow Reservation	100	50	10
Hog Back project	50	50	25
Fruitland irrigation project			161
Irrigation Uintah Reservation	500	250	441
Wapato irrigation system	100	100	
Wind River irrigation system	50	50	
Support Indian schools	110,000	100,000	75,245
Tribal funds	1,000	2,000	1,822
Improvement, lease school buildings	6,000	1,800	1,447
Indian boarding schools:			
Phoenix, Ariz	600	750	736
Riverside, Calif	3,000	3,000	2,965
Haskell Institute	6,000	6,000	5,407
Pipestone, Minn	1,000	800	331
Indian boarding schools:			
Carson City, Nev	2,000	2,000	1,604
Albuquerque, N. Mex	2,500	2,500	3,153
Santa Fe, N. Mex	2,000	2,000	1,966
Bismarck, N. Dak		700	465
Wahpeton, N. Dak	750	750	726
Chilocco, Okla	1,500	1,200	1,179
Sequoyah Orphan School	600	600	578
Carter Seminary	200	200	206
Euchee, Okla	100	100	122
Eufaula, Okla	150	150	138
Jones Academy, Oklahoma	300	300	256
Wheelock Academy, Oklahoma	100	100	82
Chemawa, Oreg	5,000	4,000	3,994
Flandreau, S. Dak	2,000	2,000	2,178
Pierre, S. Dak	650	650	611
Administrative travel			1,967
Indian schools, Five Civilized Tribes	4,500	4,500	4,088
Education of natives, Alaska	22,500	19,500	19,250
Conservation of health	83,250	78,000	80,277
Specific hospitals	13,850	12,175	9,300
Support hospitals, Chippewas (tribal)		100	2,117
Medical relief of natives (Alaska)	34,850	22,650	21,048
Administration, Indian property	90,000	75,000	74,997
(Tribal funds) Colorado River			192
Fort Apache Indians	400	400	378
San Carlos	200	425	418
Mission Indians			308
Fort Hall Indians		25	14
Red Lake Indians		1,000	971
Consolidated Chippewas			324
Flat Heads		700	
Cherokees	200	200	28
Klamaths	4,500	4,000	
Cheyenne River		1,000	1,064
Puyallup Indians		100	77
Keshena	500	500	308
Chippewas, Minnesota		1,900	1,924
Expenses, tribal officers, Five Civilized Tribes	4,000	4,000	2,575
Support, Osage Agency	1,500	1,500	1,570
Expenses, tribal councils	71,000	41,300	42,997
Trust accounts	5,000	5,000	4,908
Proceeds of labor	3,000	3,000	2,438
Total, Bureau of Indian Affairs [1]	714,990	624,560	548,257
Bureau of Reclamation:			
Special fund, administrative	43,025	23,200	12,020
Colorado River-front work, etc	200	200	
National Industrial Recovery Administration, reclamation		27,930	23,339
Parker-Gila project		4,750	1,273
Boulder Canyon project			4,489
All-American Canal project			1,387
Public Works Administration, allotment, All-American Canal			193

[1] According to Census statistics there are approximately 325,000 Indians in the continental United States, including 105,000 of the Five Civilized Tribes and there are about 25,000 additional Indians in Alaska. See p. 394 Budget for $460,000 expended for auto maintenance, plus $190,000 cost of new automobiles.

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF THE INTERIOR—continued			
Bureau of Reclamation—Continued.			
United States-Mexico International Boundary Commission:			
National Industrial Recovery Administration		$500	$265
Public Works Administration		200	
Working fund	$50	100	23
Federal Emergency Relief Administration:			
Reclamation, irrigation, etc		86,900	15,627
All-American Canal		500	719
Reclamation, grants to States		5,000	3,456
Working fund interior (Tennessee Valley Authority fund)			907
Contributed fund:			
Colorado River project			512
Parker Dam	1,000	1,000	271
Subtotal	44,275	120,280	64,481
Geological Survey:			
Administrative	82,910	80,750	60,911
Topographic survey, Puerto Rico			359
Topographic surveys, United States and Alaska		80,200	75,082
Geologic surveys, United States	53,300	54,000	43,630
Mineral resource surveys, etc			769
Mineral resources of Alaska	6,000	5,960	11,072
Gaging streams	168,690	175,440	139,130
Rehabilitation measurement stations			88
Underground water surveys		50	101
Measurement stations, Colorado and Mississippi Rivers			752
Stream flow measurement stations, etc			15
Measurement stations, Rio Grande, etc		300	644
Flood survey river stages		11,000	3,039
N. I. R. A., National Resources Committee		1,612	2,640
Classification of lands	6,000	5,900	5,580
Preparation of illustrations	3	3	3
Geologic and topographic maps	200	160	365
Mineral leasing enforcement	32,220	37,934	24,917
Safeguarding mine openings, etc			1,192
Controlling outcrop fires			210
Plugging abandoned oil gas wells		1,500	1,479
Subtotal	349,323	433,809	371,978
Bureau of Mines:			
Administative, field service	58,550	52,550	52,153
Testing fuel, field service	6,600	5,600	3,980
Mineral mining investigations	22,230	20,730	26,618
Oil and gas investigations	16,800	20,800	14,310
Expenses mining experiment stations	6,980	6,980	5,653
Economics of Mineral Industries	9,050	8,450	6,443
Helium production	800	800	353
Payments to employees abroad	350	400	261
Subtotal	121,060	116,310	109,711
National Park Service:			
Administrative	15,000	15,000	9,891
Acadia National Park	900	900	565
Bryce Canyon National Park	200	200	132
Carlsbad Caverns National Park	500	500	161
Crater Lake National Park	590	590	855
General Grant National Park	200	200	131
Glacier National Park	1,319	1,144	952
Grand Canyon National Park	1,445	1,445	1,322
Grant Teton National Park	900	800	136
Great Smoky Mountain National Park	1,170	970	1,540
Hawaii National Park	730	690	855
Hot Springs National Park	300	300	620
Lasson Volcanic National Park	457	457	957
Mesa Verde National Park	940	400	1,066
Mount McKinley National Park	650	650	233
Mount Ranier National Park	1,385	1,385	1,692
Platte National Park	200	200	
Rocky Mountain National Park	650	600	1,332
Sequoia National Park	1,100	1,060	2,123
Shenandoah National Park	500	500	62
Wind Cave National Park	200	50	62
Yellowstone National Park	2,000	1,800	1,686
Yosemite National Park	1,250	1,200	1,572
Zion National Park	350	350	521
National monuments, administrative	3,905	3,855	2,628
National historical parks, etc	250	250	459
National military parks, etc	2,400	2,300	1,725
Boulder Canyon project	300	100	
Emergency reconstruction, etc			68
Forest protection—fire prevention	2,000	2,000	1,877
Historic sites and buildings	3,500	3,460	
Investigation, water rights, etc	2,000	2,000	
Salaries, District of Columbia	200	200	101
Salaries outside District of Columbia	1,595	1,595	1,621
National capital parks	200	200	238
N. I. R. A.:			
Roads and trails projects		6,000	6,281
Physical improvements		1,000	15,027
Federal Emergency Relief Administration, Jefferson Expansion Memorial		2,500	
Subtotal	50,096	56,851	58,491

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF THE INTERIOR—continued			
Office of Education:			
Administrative	$13,300	$17,300	$11,231
Surveys of libraries	800	2,000	
Federal Emergency Relief Administration:			
Grants for white collar projects		11,405	17,501
Research in universities		3,305	3,870
Vocational education, Negroes		5,944	7,627
Educational radio programs		3,073	1,927
Civic education through forums		9,600	3,082
Vocational education	35,220	35,220	33,197
Vocational rehabilitation	13,640	10,000	10,822
Cooperative vocational rehabilitation	400	400	248
Subtotal	63,360	98,247	89,505
Government in the Territories:			
Administrative	1,000	1,000	521
Legislative expenses, Alaska		9,600	
Reindeer service, Alaska	7,000	10,800	5,654
Care of insane, Alaska	1,650	1,650	1,321
Roads, bridges, trails, Alaska	5,000	3,000	5,017
Wagon roads, Alaska	2,000	2,000	2,299
Federal Emergency Relief Administration, Alaska Road Commission		100	4,162
Trust accounts	800	800	799
Contingent expenses, Hawaii	950	1,250	775
Legislative expenses, Hawaii		2,000	
Temporary government, Virgin Islands	2,000	2,000	3,474
Vocational school, Virgin Islands	400	400	868
Auditing local deficits in St. Thomas and St. John	2,000	2,000	2,214
Municipality St. Croix	2,000	2,000	2,311
N. I. R. A.:			
Grants, Virgin Islands			4
Grants			10
Federal Emergency Relief Administration:			
Grants to States, Virgin Islands			3
Virgin Islands Co		2,000	
Puerto Rico hurricane relief	5,572	3,622	1,949
Puerto Rico Reconstruction, Federal Emergency Relief Administration		54,155	46,475
Federal Emergency Relief Administration, Puerto Rico, reconstruction		5,525	
Equatorial and South Sea Islands	1,000	2,342	
Subtotal	31,372	106,244	77,856
St. Elizabeths Hospital, administrative	1,000	1,500	276
Columbia Institution for the Deaf	100	100	84
Howard University, administrative and general	15,500	11,000	9,584
Freedmen's Hospital, general expenses	50	50	15
Total, Department of Interior	1,711,308	2,021,270	1,714,011
DEPARTMENT OF JUSTICE			
(Appropriation, 1937, $39,753,933)			
Office of Attorney General:			
Contingent expenses	48,300	48,300	44,123
Federal Bureau of Investigation	916,550	903,140	600,500
Miscellaneous objects	8,000	8,000	6,000
Defending suits against United States	14,000	14,000	11,756
Taxes and Penalties Unit	16,990	16,990	16,790
Enforcement-antitrust law, etc	27,100	25,000	18,187
Examination judicial offices	35,300	29,000	
Bureau of Prisons	41,320	38,080	31,913
Veterans' insurance litigation	45,000	41,000	43,858
Expense, Northern Pacific Ry., etc		12,438	239
Federal Emergency Relief Administration: Justice, administrative expense		46,870	38,880
Agricultural Adjustment Administration—Salaries and expenses			5,714
Preparation of rules			1,845
Great Lakes Exposition			32
Supreme Court, expenses, miscellaneous	750	750	570
Do		3,000	4,733
Expenses, circuit and district judges, etc	93,000	85,000	85,462
Contingent expenses:			
Court of Customs and Patent Appeals	125	125	112
United States Customs Court	9,000	9,000	7,500
Court of Claims	112	112	112
Salaries and expenses, Commissioners, Court of Claims	5,360	4,200	4,021
United States Court for China	3,225	3,225	3,716
Salaries and fees, marshals	1,152,600	971,540	1,100,757
Salaries and expenses, district attorneys	185,000	185,000	149,507
Special assistant attorneys	45,000	45,000	39,718
Special clerks of United States courts	63,000	50,500	50,632
Fees and expenses, conciliation commissioners	5,000	5,000	7,850
Jurors and witnesses	1,510,000	1,450,000	1,405,082
Miscellaneous travel expenses	40,000	40,000	45,313
Penal and correctional institutions:			
Leavenworth Penitentiary	25,000	25,000	22,499
Leavenworth annex	16,000	16,000	14,807
Atlanta Penitentiary	25,000	25,000	23,734
McNeil Island Penitentiary	7,800	7,800	7,607
Northeastern Penitentiary	23,000	22,000	22,367

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF JUSTICE—continued			
Penal and correctional institutions—Contd.			
Alcatraz Island Penitentiary	$4,500	$4,500	$4,087
Alderson, W. Va.	9,000	9,000	8,652
Reformatory, Chillicothe, Ohio	21,000	21,000	20,663
Southwestern Reformatory	12,000	12,000	10,174
Hospital for Defective Delinquents	10,000	10,000	8,992
Federal jails	17,100	17,100	16,056
Prison camps	29,000	28,000	22,773
Federal reformatory camp, Virginia	7,000	7,000	6,832
Training School for Boys, District of Columbia	400	400	218
Probation system, United States courts	173,100	145,000	115,280
Support of United States prisoners	2,000	2,000	1,467
Total, Department of Justice	4,646,632	4,396,070	4,100,122
DEPARTMENT OF LABOR			
(Appropriations, 1937, $21,844,700; travel expense, 1937, $2,186,223)			
Office of the Secretary:			
Promotion of health, safety, employment	35,480	16,720	14,076
Contingent fund, car tokens	400	400	200
Commissioners of conciliation	112,090	112,090	99,228
International labor, Geneva, Switzerland	1,400	2,850	686
Division Public Contracts	34,180		
Federal Emergency Relief Administration:			
Administrative expenses		3,700	5,204
Field expenses			5,082
White-collar projects		8,500	1,868
Bureau of Labor statistics:			
Administrative	95,900	95,900	105,671
Investigation of living costs			23,109
Federal Emergency Relief Administration, white-collar projects		40,000	
Working fund from Employment Service			42
Immigration and Naturalization Service:			
Administrative	680,955	680,955	553,766
Border patrols	24,150	24,150	30,354
Transporting Filipinos home		79,018	19,084
Children's Bureau:			
Administrative	36,500	36,500	38,799
Maternal and child welfare	93,400	65,000	28,595
Women's Bureau: Administrative	16,645	16,645	18,088
U. S. Employment Service:			
Administrative	148,030	136,750	138,737
Federal Emergency Relief Administration:			
White-collar projects		200	2,897
Employment service		864,000	613,737
U. S. Housing Corporation:			
Administrative		300	295
Bituminous Coal Labor Board			421
Textile Labor Relations Board			16,485
National Steel Labor Relations Board			235
Camden Board of Arbitration			65
California-Pacific International Exposition		800	585
Great Lakes Exposition		606	244
Texas Centennial Exposition		1,139	861
Total, Department of Labor	1,279,130	2,186,223	1,718,414
NAVY DEPARTMENT			
(Appropriation, 1937, $529,819,632)			
Office of Secretary:			
Miscellaneous expenses	107,200	104,700	109,382
Contingent fund	3,500	3,500	435
Bureau of Navigation:			
Reserve Officers' Training Corps	6,912	6,912	6,301
Organizing Naval Reserves	401,069	222,783	148,669
Bureau of Supplies and Accounts:			
Pay, subsistence, transportation	5,467,726	4,785,395	4,080,542
Trust accounts, from fines	16,500	15,000	9,225
Marine Corps:			
Pay of Marine Corps	173,707	159,599	173,313
General expenses	20,532	20,532	18,159
Transport of troops and applicants for enlistment	350,500	280,500	230,865
Marine Corps Reserve	59,004	39,962	26,679
Marine Band travel expenses:			
Arkansas Centennial			10,936
Confederate Reunion			6,752
Contingent expenses, Navy Department:			
Streetcar fares	150	150	150
Total, Navy Department	6,606,800	5,639,033	4,821,408
DEPARTMENT OF STATE			
(Appropriation, 1937, $15,163,550)			
Office of the Secretary:			
Contingent expenses	6,075	6,075	1,055
Passport agencies	500	500	422
Editing territorial papers	325		
Promotion of foreign trade		2,000	

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
DEPARTMENT OF STATE—continued			
Office of the Secretary—Continued.			
Transportation, Foreign Service officers	$339,000	$303,700	$217,349
Contingent expenses, Foreign Service mission	155,663	155,633	101,538
Contributions, etc., for travel	31,366	31,366	17,604
Radio Consulting Commission (Rumania)		10,266	
International Boundary Commission (United States-Mexico)	3,500	3,500	3,191
Rio Grande survey			204
Federal Emergency Relief Administration:			
Boundary Commission			2,103
Flood control, Rio Grande			974
Investigations to Federal zone		1,080	
Flood control, Nogales, Ariz.		52	128
Canadian boundary disputes	3,180	3,180	3,035
All other miscellaneous expenditures for travel expense, bulked	83,503	101,311	52,200
Total, State Department	623,112	618,663	399,803
TREASURY DEPARTMENT			
Office of the Secretary:			
Administrative, Gold, Silver Purchase Acts	8,300	8,450	5,188
	1,200	2,000	1,069
Division of Research	1,000	350	228
Comptroller's Office			189
Internal Revenue Bureau	5,850	5,850	1,600
Secret Service Division			1,836
Bureau of Mint	250	250	266
Adjusted Compensation Payment Act		3,600	1,709
Division of Disbursements		500	1,709
Secret Service Division		3,100	
Agricultural Adjustment Administration:			
Salaries and expenses transferred		1,500	88,019
Division of Disbursement		1,500	2,108
Office of the Treasurer of United States			
Agricultural Adjustment Administration:			
Bureau of Internal Revenue			85,911
Bureau of Customs		2,115	3,332
Federal Emergency Relief Administration, administrative expenses		1,173,351	840,282
Office of Chief Clerk and Superintendent:			
Miscellaneous and contingent expenses	10,500	10,500	3,925
Office of Commissioner of Accounts:			
Disbursement Division	7,500	7,500	3,877
Advances to Agricultural Adjustment Administration			2,204
Working fund disbursements			28
Department of Agriculture, disbursed for		400	450
Contingent expenses, public moneys	315	276	319
Public Debt Service:			
Administrative	150	150	132
Distinctive paper research	250	450	45
Office of Chief Clerk	27,500	15,500	6,529
Bureau of Customs: Collecting revenues	355,800	335,000	335,000
Bureau of the Budget: Administrative	4,500	4,500	403
Bureau of Internal Revenue:			
Collecting of revenue	3,657,355	3,341,280	2,978,881
Administrative expense, Revenue Act of 1936		916,000	
Advances to Agricultural Adjustment Administration			186,950
Cotton Act of 1934, expenses			67,998
Tobacco Act, June 1934			14,500
Agricultural Adjustment Administration advances, 1936			375
Federal Emergency Relief Administration employees in Department		108,367	147,451
Enforcement title III prohibition	1,000	1,000	
Federal Alcohol Administration: Administrative	70,000	62,624	13,957
Bureau of Narcotics: Field expenses	114,381	105,500	110,788
Coast Guard: Administrative and field	320,000	320,000	244,631
Bureau of Engraving and Printing: Administrative	350	350	385
Secret Service Division:			
Field services	77,425	77,425	69,477
Civil Works Program			28,917
Public Health Service:			
Special expenses	21,270	21,000	21,318
Maintenance of hospitals	59,325	59,325	60,825
Service to penal institutions	3,375	3,375	3,883
Quarantine service	9,996	9,996	12,839
Preventing spread of epidemics	24,251	24,251	24,165
Interstate quarantine service	14,980	14,880	12,875
Control biological products	2,720	1,800	3,000
Venereal disease control	2,835	2,940	3,723
Mental Hygiene Division	25,000	25,000	14,398
Narcotic farms	250	250	58
Investigations	164,870	150,070	50,335
Studies, rural sanitation			133
Assistance to white-collar workers		25,000	52,628
Federal Emergency Relief Administration, rural sanitation work			18,417
Bureau of the Mint	3,300	3,300	1,631
Procurement Division:			
Administrative, field staff	220,000	220,000	217,585

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
TREASURY DEPARTMENT—continued			
Procurement Division—Continued.			
Federal Emergency Relief Administration, relief staff		$1,600	$1,137
Supply Division	$1,500	1,500	1,350
General supply fund (operating)	294	294	210
Total, Treasury Department	5,217,642	7,063,800	5,751,178
WAR DEPARTMENT			
Office of the Secretary of War: Contingent expense	750	750	600
Military activities: Contingencies of the Army	2,500	2,500	2,500
General Staff Corps: Special field exercises (National Guard)	3,529	10,539	96,300
Finance Department: Travel of the Army	2,445,850	2,758,027	2,584,250
Quartermaster Corps: Emergency Relief, administrative		2,500	8,885
Air Corps:			
Administrative, field	150,376	102,166	87,209
N. I. R. A.			5,212
Medical Department: From Veterans' Administration	500	500	231
Corps of Engineers: Administrative		300	
Ordnance Department: Service and supplies	70,000		
Seacoast defenses:			
N. I. R. A.:			
Fort Monroe, Va			1
Hawaii			207
National Guard:			
Expenses:			
Camps, etc	610,000	650,000	678,117
General expense	4,000	4,000	4,500
Travel warrant officers, etc	248,500	248,500	222,048
N. I. R. A., for National Guard			1,314
Organized Reserves:			
Administrative	744,621	699,094	579,144
Citizens' military training:			
General	300,340	350,340	357,311
Auxiliary expenses	602,840	590,370	566,657
National Board for Rifle Practice: Administrative	230,730	230,730	168,537
U. S. High Commissioner, Philippines:			
General	4,000	4,000	8,000
N. I. R. A.:			
Insular affairs			50
Territories, etc			415
Corps of Engineers, Rivers and Harbors:			
Administrative	816,455	733,734	645,072
Emergency construction			12
N. I. R. A., travel expense			83,647
Public Works Administration, travel expense			56,320
Federal Emergency Relief Administration, flood control		53,302	282,193
N. I. R. A. Corps of Engineers			378
Federal Emergency Relief Administration, administrative		1,400	23,553
Federal Power Commission	3,500	4,000	7,712
Federal Emergency Relief Administration:			
Flood control, etc		35,000	
Flood control (non-Federal)		15,000	
White-collar projects		487,500	
N. I. R. A., flood control			36,594
Act July 21, 1932, construction		385	490
Emergency fund, Mississippi River	25,709	9,687	10,562
Flood control:			
Sacramento River	15,685	20,820	13,651
Lowell Creek, Alaska	120	400	280
Corps of Engineers, Rivers and Harbors:			
Flood control:			
Salmon River, Alaska	120	120	
Missouri River		1,420	
Protective, Lake of Woods, Minn		605	1,060
Interoceanic Canal	300	300	192
Public Works Administration, reclamation, Virgin Islands			880
Trust accounts:			
Contributed			397
Mississippi River	2,337	1,140	481
United States Soldiers' Home:			
Texas Centennial		283	5,748
Great Lakes Exposition		620	781
The Panama Canal:			
Operations, etc	156,160	193,110	182,508
Offices in United States	27,057	27,057	27,120
Sanitation, Canal Zone	14,845	14,845	14,712
Civil government, Canal Zone	5,850	5,850	5,795
Postal fund, Canal Zone	235	215	143
Total, War Department	6,546,909	7,204,109	6,742,768

TRAVELING EXPENSES OF GOVERNMENTAL AGENCIES—Continued

TABLE 4.—*Detailed yearly traveling expenses for 1936, 1937, and 1938 of the various departments, independent offices, and agencies of the Federal Government as taken from the Budget of the United States Government for the fiscal year ending June 30, 1938*—Con.

Distribution	Estimated, 1938	Estimated, 1937	Actual, 1936
POST OFFICE DEPARTMENT			
(Gross excess of appropriations over revenue, 1937, $65,584,589)			
Office of Postmaster General:			
Contingent expenses	$1,500	$1,500	$1,499
Field service	3,000	3,000	2,817
Texas Centennial Exposition			2,275
California Pacific International Exposition		353	298
Office of Chief Inspector: Traveling and miscellaneous	601,500	521,000	465,207
Office, First Assistant Postmaster General:			
Miscellaneous items	13,000	12,500	12,298
Carfare and bicycle allowance	1,325,000	1,250,000	1,177,658
Working funds for Social Security Board		25,000	
Office Second Assistant Postmaster General:			
Railroad transportation and mail messenger service (cost ascertainment)	2,200	2,000	1,729
Space Basis Act	3,500	3,500	
Summary	5,700	5,700	1,729
Railway postal clerks, travel	3,450,000	3,450,000	3,238,679
Railway Mail Service, traveling expenses	60,000	60,000	43,664
Foreign mail transportation	3,500	10,000	1,866
Merchant Marine Act		5,800	6,133
Contract Air Mail Service	7,200	5,000	4,335
Special audit expense for above	6,000		
Office Fourth Assistant Postmaster General:			
Administrative	23,000	20,700	15,605
Vehicle service	6,000	4,316	5,393
Public buildings	500	500	76
Operating and supplies	2,000	2,000	1,700
Furniture for public buildings	1,000	1,000	700
Total, Post Office Department	5,514,600	5,385,929	4,983,661

EXTENSION OF REMARKS

Mr. THOMPSON of Illinois and Mr. SHAFER of Michigan asked and were given permission to revise and extend their own remarks in the RECORD.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Virginia [Mr. FLANNAGAN] is recognized for 25 minutes.

THE PRESENT AGRICULTURAL SITUATION

Mr. FLANNAGAN. Mr. Speaker, I have asked for this time for the purpose of discussing in a general way the agricultural situation in our country today. I am fearful that very few of us realize the seriousness of the situation.

About the only agricultural program we have today is under what is known as the Soil Conservation Act. I am not opposing the Soil Conservation Act. I think it has accomplished and will accomplish great things for the farmers of America, but I do not believe that the Soil Conservation Act will solve the farm problem in this country. We passed that act, assuming that if we would subsidize the farmers to take out of production soil-depleting crops and plant that acreage to soil-conserving or soil-rebuilding crops, we would, in a measure, be able to regulate production and to keep production and consumption more or less in line. The theory is all right, but how is it working?

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield for a question?

Mr. FLANNAGAN. Not right now.

Mr. ANDRESEN of Minnesota. It is just along the line of what the gentleman is going to explain.

Mr. FLANNAGAN. I yield.

Mr. ANDRESEN of Minnesota. Under the Triple A program, 40,000,000 acres of cotton, wheat, and corn lands were taken out of cultivation.

Mr. FLANNAGAN. Yes.

Mr. ANDRESEN of Minnesota. That act was declared unconstitutional by the Supreme Court and the Soil Conservation Act was passed as a stop gap or to take the place of the former act. Under the Soil Conservation Act, as the gentleman knows, the authority is in the Department and so they took out of production 30,000,000 acres of cotton, wheat, and corn lands. Now, we are going to have an increased crop this year of the various commodities. How did these cotton and tobacco farmers use their land that was taken out of the program or where does the extra crop come from?

Mr. FLANNAGAN. I do not know that I can accurately answer that question, but probably I can shed some light upon it. I know what has happened. I know that in spite of the fact we paid the cotton farmers last year, under the Soil Conservation Act, something over $86,000,000 to reduce the cotton acreage and to plant that acreage in soil-conserving and soil-rebuilding crops, today we find that in 1937 we have over 3,000,000 additional acres in cotton and we are going to produce between two and three additional million bales of cotton. In other words, the estimate of the Department is that the cotton crop this year in acreage is some 3,000,000 acres more than 1936, in baleage between two and three million bales more than 1936, and that it will be the largest crop we have produced in America since 1931–32, when the cotton price level was 5.7 cents a pound.

Now, what is going to happen if we remain inactive and fail to enact legislation at this session that will keep production and consumption in line? You know what is going to happen, I know what is going to happen, and the farmers of America are going to be asking us this question, if we go home without passing legislation that will give the Secretary the right to declare quotas and curtail production when necessary—what we have been doing up here for 8 or 9 months knowing that the lightning was going to strike. Why did we not put up a lightning rod?

Mr. KLEBERG. Mr. Speaker, will the gentleman yield there?

Mr. FLANNAGAN. Let me finish this statement and then I will be pleased to yield.

Take wheat, and in spite of the fact we paid the wheat farmers $63,000,000 in 1936 to reduce the wheat acreage and to plant that acreage to soil-conserving and soil-rebuilding crops, what are the facts?

Mr. SNELL. Mr. Speaker, would the gentleman care to yield for a question?

Mr. FLANNAGAN. Just for a brief question.

Mr. SNELL. Did I understand the gentleman correctly to say that they were paid about $86,000,000 to take land out of cotton production and notwithstanding that fact there were two or three million more bales of cotton raised this year than heretofore?

Mr. FLANNAGAN. Yes; they spent $89,000,000 last year to reduce the cotton acreage.

Mr. SNELL. Is there any way of explaining that?

Mr. FLANNAGAN. I will come to that a little later on, if the gentleman will let me continue my statement.

Mr. KLEBERG. Mr. Speaker, I hope the gentleman will permit me to correct a statement he has made. I am sure the gentleman does not want to tell the House that acreage has been increased, but that production has been increased.

Mr. FLANNAGAN. I mean to say that there has been planted to cotton, according to the report, over 2,000,000 additional acres, and I have had these figures checked by the Department of Agriculture.

Now, with respect to wheat, we paid, as I have said, the wheat farmers $63,000,000 in 1936 under the Soil Conservation Act to reduce the wheat acreage, in order to bring the production in line with consumption plus our exports, and what has happened? The 1937 wheat acreage has gone up over the 1936 acreage, how many acres? It has gone up from 74,000,000 to 80,000,000 acres, or 6,000,000 additional acres in wheat.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. Wait until I get through with my statement.

Mr. ANDRESEN of Minnesota. I just want to correct the gentleman's figures.

Mr. FLANNAGAN. These figures are correct or the Department is wrong, one or the other.

Mr. ANDRESEN of Minnesota. The actual figures are that last year the acreage was about 46,000,000 and this year 57,000,000.

Mr. FLANNAGAN. No; in 1936 the wheat acreage was 74,000,000 acres. This year the wheat acreage is 80,000,000 acres, an increase of 6,000,000 acres.

Mr. ANDRESEN of Minnesota. Ten million.

Mr. FLANNAGAN. Six million is what the Department says, and in bushels there will be an increase this year over the production last year amounting to 256,000,000 bushels of wheat, and we are going to produce, according to the estimates this year, the largest wheat crop we have ever produced in America since 1931–32, when the price level of wheat was 39.1 cents per bushel. What is going to happen to the wheat farmer unless we set up machinery to hold production in line with consumption? That is not all. Take corn. What is happening to the corn growers? In spite of the fact that we paid the corn growers of America under the Soil Conservation Act $77,000,000 last year to reduce their corn acreage and plant that acreage in soil-conserving and soil-rebuilding crops, we find that the acreage of corn has gone up this year around 3,000,000 additional acres, and our corn yield in bushels is going up from about 1,529,000,000 to something over 2,572,000,000 bushels. This is the largest corn crop we have produced since 1932–33, when corn only averaged 31.9 cents per bushel.

Let us take tobacco. What is happening to tobacco? We paid the tobacco growers $15,000,000 last year under the Soil Conservation Act to reduce the tobacco acreage and to plant same to soil-conserving and rebuilding crops, and what has happened? We find that the tobacco acreage has gone up around 250,000 to 300,000 acres, and in poundage the estimate is that we will produce this year some 268,000,000 more pounds of tobacco than we did in 1936. The estimate for the 1937 tobacco crop shows that we will produce the largest crop produced since 1931–32, when the average price per pound was 8.2 cents.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. Yes.

Mr. BOILEAU. The gentleman has compared the 1937 acreage with 1936. Will the gentleman give us the figures comparing 1937 with 1932 before the reduction program was put in effect?

Mr. FLANNAGAN. I think I can give the gentleman those figures. As to tobacco, we are now producing the largest crop of tobacco that we have produced in America since 1932–33.

Mr. BOILEAU. In acreage or yield?

Mr. FLANNAGAN. In yield, and in acreage, at which time the level of tobacco went down to 8.2 cents a pound.

Mr. KLEBERG. Will the gentleman state to the House whether he thinks the acreage by his statement today is greater than in 1932 with reference to cotton and wheat, before this program went into effect? Take corn, cotton, tobacco, and wheat. I am talking about the acreage.

Mr. FLANNAGAN. All right. I am talking about acreage. In 1932 the cotton acreage was 36,000,000 and it is around that today, but in 1932 you had 5-cent cotton, and that is just what you are going to have again in 1938 if you do not set up the necessary machinery to hold the production

of cotton in line with your domestic consumption plus export. We may as well face the facts.

While I am on the soil-conservation program, let me remind you of the fact that I am in favor of it, but I think some changes should be made in it. I think I represent one of the best agricultural districts in America. I do not believe you will find better land in this country than the bluegrass soil in my district. We have conserved our land down there for years and years, and yet because we have conserved our land and taken care of it under the Soil Conservation Act we are being penalized, and the farmer who has wasted his land year in and year out is being paid an enormous subsidy to do the very thing that we are being penalized for having done over the years. I had the Department take my district, a tobacco district, a grazing district—we raise some corn and wheat and other crops—and with respect to benefits received, compare it with cotton, wheat, and corn districts of similar size and population. What I wanted to find out is how my district fared when compared with other districts. Here is what I found:

My district last year received $313,000 in benefit payments. The farmers in a similar wheat district were paid $1,075,000 in benefit payments, the farmers in a similar corn district $2,900,000 in benefit payments, and the farmers in a similar cotton district $3,159,000 in benefit payments. It is not exactly right to penalize the farmer who has been conserving his soil throughout the years and give the man who has been wearing out his soil an undue advantage.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. Yes.

Mr. SNELL. What does the gentleman say about the dairy farmer in the northeastern part of the United States, who has not received a single dollar along that line and has to pay an increased amount for the corn that they have bought from the districts that have received the benefit payments?

Mr. FLANNAGAN. I think we should work out some way to equalize these payments as near as possible among the different types of farmers.

Mr. SNELL. That is what I think should be done.

Mr. FLANNAGAN. Another thing, I think that under the Soil Conservation Act the large landowner is getting the advantage over the small landowner. I believe we should have graduated payments under the Soil Conservation Act. I think that should be written into the law.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. BOILEAU. Relative to the statement made by the distinguished gentleman from New York [Mr. SNELL], I do not know what has been done in his section; but there have been some payments under the Soil Conservation Act to the dairy farmers. As a matter of fact, the Soil Conservation Act is the only one of these various acts that has given any assistance to the dairy farmer.

Mr. SNELL. Oh, there have been a few, but they are so small that you would not even put them down on paper.

Mr. FLANNAGAN. You have been getting some payments on the grassland; probably 25 cents an acre.

Mr. SNELL. Very small.

Mr. FLANNAGAN. And you have been getting perhaps a few other small payments.

Now, another thing, under the Soil Conservation Act, I had the Department take a 500-acre farm in my district, an average farm down there, and figure up how much in benefit payments my farmer would receive; then go down South and take a 500-acre cotton farm. I wanted to know.

Well, I have the answer. If it is wrong, I have been wrongly advised by the Department of Agriculture. My farmer gets $190 and the cotton farmer gets $1,520. But that is not all. My farmer's overhead expenses have not been decreased one penny, but if the cotton farmer cuts his cotton acreage 30 or 35 percent, as the Department has been asking him to do, he reduces his farm expense at least one-quarter, if his cotton crop is cut one-third, which would be two or three hundred dollars, to say the least. As a practical proposition he is getting about $2,000 and my farmer is getting $190.

Mr. SOUTH. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield for just a short question.

Mr. SOUTH. I do not know what part of the South these figures would cover. I come from a cotton State and a cotton district, and I will say to the gentleman that certainly the benefits received by the farmers in my section do not equal $300 for 100 acres, as the figures which the gentleman has given seem to show.

Mr. FLANNAGAN. Oh, if you reduce your cotton crop there is no question about what you get. You get $9 an acre. You get 5 cents a pound, based on an average yield of 180 pounds per acre.

Mr. SOUTH. But the gentleman is not assuming that every farmer gets the same?

Mr. FLANNAGAN. That is the general average, 180 pounds per acre, and at 5 cents a pound that gives you an average of $9 per acre. That is the way it figures out. Now, we know these facts. We know what is ahead of us. What are we going to do? What can the Secretary of Agriculture do under the present law to stabilize farm prices and to bring consumption and production into line? Not a thing in the world, because under the Soil Conservation Act, while we presumed that these benefit payments would, in a measure, regulate production we find that they do not do it. In spite of the fact that last year we turned over to the farmers under the Soil Conservation Act $395,000,000, we are going to produce an enormous surplus in all major farm crops—in wheat, in corn, in cotton, in rice, and in tobacco. And what is going to happen when that day comes? How are we going to handle those surpluses that will pile up? You know and I know that the surplus, when thrown upon the market, sets the price that the American farmer will get for his entire crop.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. MASSINGALE. The gentleman has been making a most interesting talk, I think, at least from my standpoint, and I think he has hit right at the trouble. Now as a substitute for this program of production control under which we have been operating, just in general, what is the gentleman's idea of the kind of legislation this Congress ought to pass?

Mr. FLANNAGAN. I will tell the gentleman. I am not wedded to any particular bill. I introduced a bill (H. R. 7577) which was worked out by the farm group. That bill embodies the essential principles recommended by the committee that worked on it for quite a while, and it is signed by representatives of all the leading farm organizations in America, including the Farmers Union, including the Grange, and including the Farm Bureau Federation, and many of the leading farmers of America. The bill provides for an ever-normal granary in order to provide against the day of scarcity and take care of the consumer, and I think any farm bill should contain an ever-normal-granary provision. It attempts, as far as possible, to give the farmer a parity price. He is entitled to that. It gives the Secretary of Agriculture the right to declare marketing quotas when he finds there is going to be a surplus, over a certain percent, dumped upon the market. I think any farm bill, while I say I am not wedded to any particular bill, should contain those essential things.

I know that production control and marketing control is repulsive to many of us; we hate to think of them; but I want to know how you are going to regulate the farming industry in America without vesting in the Secretary of Agriculture some kind of control that will bring production in line with our domestic consumption plus exports?

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia may proceed for 1 additional minute.

Mr. HOFFMAN. Make it 10 minutes; we want to ask the gentleman some questions.

The SPEAKER pro tempore (Mr. LEWIS of Colorado). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MASSINGALE. I wanted to ask the gentleman a question. I think he was erroneously informed when he stated that the Farmers' Union was one of the sponsors of this bureau bill. I believe the gentleman is in error in that respect; in fact, I am quite sure of it.

Mr. FLANNAGAN. I think I can clear that up. No; I do not have a copy of the report, but I think that the gentleman will find that the original report filed by the committee appointed by the President contains the name of the Farmers' Union representative.

Mr. MASSINGALE. I am quite sure it does not.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended for 10 additional minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KLEBERG. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. For a short question.

Mr. KLEBERG. I would remind the gentleman that his time was extended to permit some of us to interrogate him. I would like to go a little more deeply into this thing, for I am very much interested in it, as the gentleman knows from our association together on the committee.

Will the gentleman tell the House, with reference to this particular bill, of the bookkeeping functions which the farmers will be called upon to undertake and the penalties they will face for failure to comply with the bookkeeping requirements? Will the gentleman give us some idea with reference to corn, wheat, and other major commodities as to the administrative costs of this bill and, inasmuch as the gentleman has suggested that cotton gets more out of the bill than the district which he represents, in the main, will he not tell us the proportion that corn would get nationally out of this bill by comparison with the other major commodities?

Mr. FLANNAGAN. I may say to the gentleman from Texas that I am not wedded to any bill. What I am trying to get over to the House is the thought that we are faced with a real problem and that it is up to this Congress, before it adjourns, to enact a general farm program that will protect the farmers of this country. [Applause.]

Mr. KLEBERG. One more question. The gentleman knows of my interest inasmuch as we have worked together harmoniously on the committee. Does the gentleman feel any alarm based on the actual facts with reference to cotton prices; for instance, does he believe that the figures that he has given the House with reference to increased production, figures of the Department of Agriculture, take into consideration the peculiar things that accompany every one of these crop prognostications, the conditions of the weather, the time incident to the realization of the enormous increase that the gentleman has mentioned? I see no terrible alarm right now.

Mr. FLANNAGAN. I may say this to the gentleman with reference to cotton, that the figures I have given are not only the Department's figures but they are the figures of the trade, the trade estimates.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. HOFFMAN. Was the gentleman on the committee when the so-called soil-erosion law was enacted?

Mr. FLANNAGAN. I was.

Mr. HOFFMAN. Was not the purpose of that act to restrict production of the crops named?

Mr. FLANNAGAN. We thought that by paying the farmer a subsidy to reduce his acreage of soil-depleting crops, such as corn, cotton, wheat, and tobacco, replacing them with soil-conserving or soil-rebuilding crops, that we would in a measure develop control of production and get it in line with consumption plus exports.

Mr. HOFFMAN. By control the gentleman means reduction.

Mr. FLANNAGAN. Reduction; yes.

Mr. HOFFMAN. Did it work that way or not?

Mr. FLANNAGAN. It does not seem to work that way.

Mr. HOFFMAN. How does it work, the other way?

Mr. FLANNAGAN. I have told the committee the facts.

Mr. HOFFMAN. That is what I thought, but I wanted to be sure.

Mr. FLANNAGAN. We are going to have surpluses in all the major farm crops, wheat, corn, cotton, tobacco, and rice.

Mr. HOFFMAN. Then, in spite of all the thought we put on it, it just does not work when it comes to trying it out.

Mr. FLANNAGAN. I think it has accomplished a great deal of good, and I think that our crops this year would be a great deal larger than they are estimated to be if we had not had the soil-conservation program in force. I think it has held a check line, but it is not a sufficient check to keep production and consumption in line. If we do not get production and consumption in line, the farmer is gone, and the tenant bill that we passed the other day to rehabilitate the so-called tenant farmer is not worth the paper it is written on. What is the use of trying to help the tenant farmer when we permit overproduction to run wild and hammer the price of farm products down below the cost of production? Under such a policy you know he cannot pay his way out. We must enact legislation that will give the farmer something above the cost of production. He is entitled to parity, I think, but if we do not give him something above cost of production we will have more instead of less tenants in America. That is the situation.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. BOILEAU. I would like to point out that the gentleman referred to conditions in 1932 for purposes of comparison; but that is not exactly correct, for since 1932 we have had an increase in population to some extent, and this would require larger crops. In addition to that, the purchasing power of the American people is considerably higher today, so that they are able to buy more of a particular commodity. Even though we have the same quantity, it would not necessarily mean we have the same surplus.

Mr. FLANNAGAN. That is true. The gentleman is correct in that statement; but, based upon the Department's estimate of domestic consumption, plus our exports, we are going to have an enormous surplus in all major farm crops.

Mr. BOILEAU. But will the surplus be as large?

Mr. FLANNAGAN. The question is, What will happen to the American farmer? Are we going to stand idly by, knowing this evil day is coming, without taking action at this session of Congress to vest in the Secretary of Agriculture some way of maintaining farm prices? We know what happened under the old Farm Board. We made loans on cotton, wheat, and corn without any control over the production of those products. That was the fallacy of the old Farm Board legislation. We agreed to lend the farmers so much on wheat, corn, and so forth, but we had no control over production.

What happened? When prices, due to overproduction, fell below the loan levels the farmer converted his loan into a sale. The plan failed because there was no control over production.

Mr. Speaker, the Government cannot keep on buying surplus crops and taking them off the market. No government can afford to make loans on farm crops unless machinery is set up to control production and hold it in line with consumption, plus our exports.

Mr. HOFFMAN. What is the remedy?

Mr. FLANNAGAN. I think we ought to have some kind of control program. As I said before, as much as some of us hate to think we have to go to that, and as distasteful as it is to many of us, I do not see any hope for agriculture in this country unless there is vested in the Secretary of Agriculture some form of control over production or over marketing in order to keep production and consumption in line. We will have to come to production control sooner or later.

Mr. VOORHIS. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from California.

Mr. VOORHIS. I am in hearty agreement with the gentleman's position that we need some farm legislation and I am glad to hear him say he is not particularly wedded to any one piece of legislation. I would like to know what the gentleman's opinion is as to the importance of the control which the middleman and the speculator exercises over the prices of staple farm commodities and whether the gentleman does not believe that is one of the most serious elements in the situation and one that needs most to be dealt with?

Mr. FLANNAGAN. Of course, the speculators have always lived off the farmers. There is no question about that in my mind. In lots of instances where the price of farm products has gone up, the sad part of the story is the farmers did not get the benefit of the increase in price, but, on the contrary, some speculator reaped the reward.

Mr. KELLER. Why do we not stop that?

Mr. FLANNAGAN. In time it will be stopped.

Mr. VOORHIS. The major problem being that farm prices are high when the farmer does not have a crop to sell and they are beaten down when he does have a crop to sell?

Mr. FLANNAGAN. And when the price goes up he has not anything to sell.

Mr. MICHENER. Will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Michigan.

Mr. MICHENER. The argument suggested by the gentleman from California, of course, has been here for years and years. It was here when we had the Farm Board question up for consideration. It was here when we had the equalization fee up for consideration and when we had the debenture plan up. Nothing new has been suggested that has not been before the Congress for years and years and yet we have not been able to work anything out. Does not the gentleman believe before we get through we will have to get back somewhere near the principle involved in the old equalization fee matter or the export debenture plan?

Mr. FLANNAGAN. We have to work out something. Now, the gentleman states we have not gotten anywhere.

Mr. MICHENER. We have just been talking.

Mr. FLANNAGAN. All right. I know this, and the gentleman cannot wipe it out, the farmer's income back in 1933 was something over $3,000,000,000. That is all he got for the products of the soil. I know that under the Roosevelt administration they are expecting to get something over $9,000,000,000 this year.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. The gentleman referred to the Roosevelt administration and the income of the farmers at the present time.

Mr. FLANNAGAN. I did that because the gentleman said nothing had been accomplished. In my opinion, the old A. A. A., constitutional or unconstitutional, did more for the American farmers than any piece of legislation ever enacted.

Mr. MICHENER. If we are to continue to pay subsidies, and I am not objecting, yes; but if we take away the subsidies paid by the Government and if we take away the additional purchasing power, the farmer is worse off today than he was in 1933. Every farm organization will tell you that. If it is just a question of paying subsidies, if we are going to take money out of the consumer's pocket and put it in the pocket of the farmer and call that prosperity for the farmer, that is one thing. I am not objecting. I am just saying that by reason of that we do not want to consider the thing as anywhere near solved.

Mr. FLANNAGAN. I am willing to vote today to take every subsidy away that we pay the farmer if you will take away the tariff laws that protect industry. I will do that. Put them on the same equality. But as long as you are subsidizing industry in this country you have to subsidize the farmer to put him on an equality with industry.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Iowa.

Mr. BIERMANN. The utmost a subsidy can amount to this year is a half billion dollars, and the farmers' income, as the gentleman states, is about $6,000,000,000 more than it was the last year, I hope the final year, of Republican control.

Mr. FLANNAGAN. The gentleman is correct.

Mr. MICHENER. It does not compare with the increase in labor.

Mr. KERR. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia may proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KERR. In answer to the gentleman from Michigan, does the gentleman know that the only legislation which has ever been passed that was beneficial to the farmer was passed by this administration? The gentleman will further agree with me that such legislation raised the price of tobacco from 9 cents a pound to 27 cents a pound, the price of corn from 26 cents a bushel to $1.15 a bushel, and the price of wheat from 45 cents a bushel to $1.20 a bushel.

Mr. FLANNAGAN. That is all true. And may I say to the gentleman from North Carolina that my farmers are still grateful to him for the Kerr bill, which saved the tobacco growers in my district. [Applause.]

[Here the gavel fell.]

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Texas [Mr. McFARLANE] is recognized for 30 minutes.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include various excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DICTATORSHIP IN AMERICA?

Mr. McFARLANE. Mr. Speaker, because of the lateness of the hour I ask the indulgence of the Members in order that I may try to hurry through my remarks. If I may be permitted to proceed without interruption, at the completion of my remarks I shall be pleased to yield for any questions.

Radio news commentators, editorial writers employed on the large metropolitan daily newspapers, and others who control the molding of public opinion in our country have lately been alleging that we have a dictator in control of our Government.

By subtle insinuation they have, I regret to say, tried to turn public opinion against the one President of the United States, Franklin D. Roosevelt, who, since his election in 1932, has consistently and persistently, openly and honestly, sought to better the living conditions of the one-third of our people, the workers and farmers, who, prior to the inauguration of President Roosevelt, did not know what it was to have a friend in the White House.

THE REAL DICTATORSHIP

Speaking of dictators, it is my purpose to demonstrate that today in America it is not the elected President of the United States who can be looked upon as a dictator. We have dictatorships, but the dictators do not reside in the White House, nor were the dictators ever elected to any office by the American people.

We have dictatorships in America, when 300 or less persons have an absolute monopoly in the molding of public opinion through undisputed control of radio stations, newspapers, and motion pictures, as will be shown in these remarks.

DANGERS THROUGH MONOPOLY CONTROL OF PROPAGANDA INSTRUMENTS: RADIO, MOTION PICTURES, TELEVISION, NEWSPAPERS

The power of the radio monopolists is well set forth in the report of the National Resources Committee recently issued by President Roosevelt, from which I quote:

How great is the power in the control of mass communications, especially when helped by modern inventions, has been made clear recently in countries that have had social revolutions and which have promptly, in a very short period, brought extraordinary changes in the expressed beliefs and actions of vast populations. These have been led to accept whole ideologies contrary to their former beliefs, and to accept as the new gospel what many outsiders would think ridiculous.

The three chains comprising the radio monopolies which are dependent for their continued operation on patent licenses which are controlled by the American Telephone & Telegraph monopoly and the Radio Corporation of America, also extend their monopoly in the moulding of public opinion through their connections with motion-picture companies and through their domination of some 200 or more large newspapers in America who own radio broadcasting stations.

Up to June 1, 1937, some 200 of the largest licensed radio broadcasting stations were controlled by newspapers, and, in some 135 cases, the radio station alone controlled, in their respective communities, both the radio stations and the newspapers. Is that monopoly? Is that dictatorship?

With rare exceptions, all of these newspaper-owned radio stations are programmed by one or the other of the three chains comprising the radio monopolies, which, in substance, means that the radio monopolists control what goes in the newspapers and over these newspaper-owned radio stations as well as that which goes over the other radio stations which they themselves own or control.

INGRATITUDE ON PART OF VESTED WEALTH

When President Roosevelt took office, most of the industrialists, most of the banks, the railroads, and the other vested interests were near bankruptcy. They had all admitted their inability to provide employment for the workers, safety for money deposited in their banks, and a decent market for the product of American farms.

President Roosevelt and the Congress went to their aid realizing that saving of the invested wealth was in the public interest and helpful to all of our people. However, instead of receiving any gratitude from those we kept out of the bankruptcy courts, by his rare courage and high statesmanship, as well as the confidence which he inspired from the common people, those we helped now seek to bite the hands that literally fed them.

Having considerable knowledge of the monopoly which exists in radio broadcasting, the looseness, to be charitable, which prevails in the Communications Commission and, having worked with our late lamented colleague, "Billy" Connery, I have waited patiently for the Rules Committee to report out the radio-investigation resolution presented to the House by "Billy" Connery, last January. It now appears that in addition to the control which the radio monopolists have in the molding of public opinion among the American people they seemingly are not without influence right here in the Congress of the United States.

CONSPIRACY TO LOOT THE INVESTING PUBLIC

During the Hoover Administration the Radio Corporation of America stock, which had never paid a dividend, was manipulated from $5 a share to $520 a share resulting in the looting of millions of innocent investors. "Never again" moaned the public and "never again" echoed the Government.

We created the Securities and Exchange Commission to protect the public against stock frauds and rackets.

Lo and behold, a few days ago I came across what has all the appearance of a gigantic conspiracy on the part of officials of the Columbia Broadcasting System and the officials of the New York Stock Exchange, with the apparent acquiescence of the Securities and Exchange Commission, to loot the American investing public to the extent of some fifty or more millions of dollars.

The stockholders of the Columbia Broadcasting System, as near as I can ascertain from the consolidated balance sheets, filed with the Securities and Exchange Commission and the New York Stock Exchange, show an actual cash investment of less than $1,600,000. They further show that Columbia Broadcasting System has total assets of some $12,000,000, which includes a claim of some two and one-quarter millions of dollars for good will, whatever that means, when we must also realize that the licenses on which they are dependent for operation are issued for periods of only 6 months. Against these total assets they have outstanding obligations of almost $5,000,000 which leaves a net value of some five and one-half millions of dollars.

Since December 26, 1931, this company has paid in cash dividends $7,864,998, on this cash investment of less than $1,600,000. Yet this system now seeks from the Securities and Exchange Commission a certificate which will authorize the listing of some 1,192,970 shares of stock on the New York Stock Exchange and the sale to the public of a substantial portion of this stock at prices which are far in excess of their values.

At the present time, according to the daily press, the stock of this radio monopoly is traded in—whether wash sales or not I do not know—on the over-the-counter list at New York on a total valuation of some $58,000,000.

Undoubtedly, the public will be permitted to invest possibly $30,000,000 or more for a minority interest in this enterprise, which has a total cash investment of less than $1,600,000. If this is not stock racketeering, what is it?

All the afternoon papers carry headlines that Governor Lehman is fighting the President's court plan. Lehman Bros. are reputed to be the bankers for the Columbia Broadcasting System, molders of public opinion in this country. Governor Lehman and this set-up are asking Senator WAGNER to change his position and vote against the President's court proposal.

Mr. SOUTH. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield for a question.

Mr. SOUTH. If the Governor had come out for the plan, does not the gentleman believe the papers would have carried it in the headlines just the same?

Mr. McFARLANE. Probably over in the want-ad section, where they usually carry a thing when it suits their interests better to do so.

Mr. SOUTH. Does the gentleman mean that for a serious answer?

Mr. McFARLANE. I mean that for a serious answer, because I have seen it happen time and again that the special interests usually carry in the want-ad sections the things they do not want generally publicized. The things they are driving to put over they put on the front page in headlines. I have seen it happen for 20 years.

Mr. SOUTH. The gentleman knows the papers have carried both sides of this controversy, and that men who have come out for the plan have been given wide publicity if they were of such public standing as to merit it. The gentleman cannot be sincere when he states that if Governor Lehman had come out for the President's court plan the newspapers would not have headlined it.

Mr. McFARLANE. May I say in answer to the gentleman that I have noticed daily, as I am sure the gentleman has, to show the policy of the press, both here and elsewhere, that today 85 percent of the same plutocratic crowd which fought this administration in the last campaign is fighting them now and trying to sabotage their program. Almost daily they come out editorially bushwhacking the President on his court plan. I know, and the gentleman knows, they hope to run out from under all the rest of the President's legislative program, and are using the court fight as a smoke screen. Frank Gannett, one of the leaders in the court fight, let the cat out of the bag in such a statement recently.

Mr. SOUTH. A lot of other prominent people are doing it, and a lot of people who are against the court plan are not plutocrats.

Mr. McFARLANE. There are lots of good, honest Members of Congress and others who just cannot see the light, I grant that.

Last week I addressed an inquiry to the officials of the Securities and Exchange Commission as to whether or not such apparent fraudulent activities were within the law and up to the present time I have not received any answer. It is possible that through some loophole in the law the American people are not securing that protection from stock racketeering which the Congress intended, and assumed it

had provided when the Securities and Exchange Commission was enacted.

TAX EVASION—LOOPHOLES

The Tax Avoidance Committee now looking into loopholes they largely placed in our tax laws have listed the president of Columbia Broadcasting System as one of the tax dodgers. In the light of the financial pyramid just illustrated, I here now request the Tax Avoidance Committee to ascertain from the Treasury Department the taxes paid by the radio monopolists such as Sarnoff, Paley, Crosley, and those associated with them.

RADIO STOCK SELLING RACKET

Is the selling of stock in a radio station, which is dependent for its very life on a 6 months' license from a governmental authority and without which license the station has nothing but junk value a racket?

No less an authority than the Chairman of the Federal Communications Commission has so stated, openly, to the members of the House Appropriations Committee, that stock selling in radio stations was a racket.

Testifying before the House Appropriations Committee, Chairman Prall said:

> Another thing that is quite serious is the possibility of a racket following this thing in the way of stock issues. They are beginning to get wise now to the fact that they might, by a stock issue, still retain control of their stations and sell enough stock to not only pay the cost of the station but some profit in addition to that.
>
> We are conducting now through the legal department sort of an investigation of that subject because there are some stations that are issuing stock at this time. Now, just how much they can issue before they get into the value of the license given them by the Government, for which they pay nothing, is a question.

INSULT TO BILLY CONNERY

And yet these radio pirates, through one of their paid apologists, in an issue of Broadcasting July 15, have the audacity to impugn the good name of our late colleague, Billy Connery, when they said:

> The Connery resolution, which from the start had all the earmarks of a headline-hunting, sensation-seeking fishing expedition by a select committee.

ARE UNSUSPECTING INVESTORS DEPENDENT UPON THE CONGRESS FOR PROTECTION?

Mr. Speaker, I believe that it is well within the bounds of reason to say that unless this body accepts the unchallenged statements of the Chairman of the Communications Commission and enacts legislation, if such is needed, which will, in reality, protect the American people from stock-selling rackets and the radio monopoly, then every Member of this House, as well as this administration, is equally guilty if we later find that an unsuspecting public has been defrauded and looted by these stock racketeers through our negligence or through the willingness of some to listen to the soft voice of those who represent these monopolists and racketeers.

FRAUDULENT PRACTICES OF F. C. C.

However guilty as we may find ourselves to be, let me direct the attention of the House to the imposition and fraud practiced upon the Congress by the Communications Commission.

In order to promote science and to encourage inventors, we authorized the Federal Communications Commission to issue experimental licenses to radio stations. Several of these licenses have been issued, and I dare say that none of the holders of any of these licenses can show wherein any experiments worthy of the name have been carried on. There are several citations of such frauds which might be called to the attention of the House, but I will be content with directing your attention to what is naturally the most outstanding.

A manufacturer in Cincinnati, Crosley by name, having a better knowledge of how to secure concessions apparently than some of his competitors, or because he was not directly tied to one of the two dominant radio monopolies, was permitted to obtain from the Federal Communications Commission an experimental license to use a total of some 500,000 watts power, the largest station in America. Nine-tenths of this power was experimental, so, therefore, I understand, he immediately raised the price of his radio advertising time some 50 percent and has continued to collect handsome commercial profits on the basis of experimentation for these 39 months.

I wonder sometimes whether men secure such unusual concessions because of their innate ability or because they are good-looking or because they have ways of getting things done. Just why, I think it fair to ask, has this unusual concession been handed out and continued in the hands of one of the some 700 radio licenses?

TRAFFICKING IN RADIO LICENSES

In addition there is another racket now flourishing in the broadcasting field. This concerns itself with the trafficking in radio stations. A license for a radio frequency is just that, and does not signify ownership, but only permission to use such frequency for 6 months. Despite this the trafficking in radio stations whose real value is the frequency for which it has a license, for which they pay the Government nothing and which is subject to renewal every 6 months, has reached what are apparently absurd proportions the import of which it is the duty of Congress to determine. Although the list of cases is legion a few will suffice to bring home the point.

The Western Broadcasting Co., which owned station KNX in Los Angeles, the recipient of a broadcasting license from the F. C. C., sold this frequency to the Columbia Broadcasting System. The facts in this sale are amazing. The station having a claimed value of stock transferred, including physical and intangible values amounting to $236,520, was purchased by Columbia for $1,250,000.

In his testimony before the Appropriations Committee, Commissioner Prall stated:

> I know of a case where within 6 months a corporation able to pay offered $3,000,000 for one station.

Can it be that the broadcasting interests have been assured that the F. C. C. will renew these licenses indefinitely? It is the duty of Congress to determine the facts underlying this brokerage in Government radio licenses for which they pay the Government nothing.

TEAPOT DOME OR RAPING THE NATIONAL DEFENSE

But the buccaneering practice by these monopolists against the public does not stop there. Permit me to read from a recent article published in The Nation, by Paul Ward. I quote the following:

> Only recently certain members of the F. C. C. moved to take away from the Navy two out of five short-wave frequencies allotted this Government by international agreement and turned them over to Columbia for private exploitation, just as the naval oil reserves were turned over to Fall, Doheny, and the rest in the Teapot Dome case, a cry of "Teapot Dome again" within the Commission itself broke up the play for the time being.

MONOPOLY CONDITIONS HANDED DOWN FROM HOOVER REGIME

This monopoly is by no means a reflection upon the present administration. A congressional investigation will in no way cast any reflection upon it. Instead, these monopolies were inherited from the Hoover administration.

WAS FEDERAL COURT DEBAUCHED TO INSURE CONTINUED RADIO MONOPOLY?

A reopening of the Government's case against the radio monopoly, either on the part of the Attorney General's Department or on the part of the Congress, through a proper investigation as well as an inquiry as to how these economic royalists, R. C. A., N. B. C., Columbia, and Mutual secured monopolistic control of radio stations. These monopolies now control all 40 clear channels, all radio stations of over 1,000 watts operating at night, and 93 percent of the power used for the transmission of radio broadcasting and does, from my studies, show a colossal fraud perpetrated upon the American people, and I would be surprised if we did not find that this monopoly was created and still exists through bribery practiced in circles supposedly above reproach.

Why was the brother of the clerk of the United States Federal court at Wilmington retained by the radio monopoly just before the consent decree was agreed to?

Why did the Government counsel in charge of this case and in charge of antitrust prosecutions so suddenly resign after this consent decree was entered into?

While I believe the American people can justly criticize the Congress for allowing the continuation of this radio

monopoly which has been severely flayed on the floor of both Houses of the Congress during the present year without any action on the part of Congress, let me direct your attention to the influence of this monopoly while the Hoover administration was in power.

After great hullabaloo and the spending of vast sums of the taxpayers' moneys the Hoover administration brought an action in the Federal Court in Delaware to break up the then apparent radio monopoly.

The Government showed how this monopoly, fostered by General Electric and the American Telephone & Telegraph Co., purchased the American Marconi Co. and how, whenever necessary, they shared their monopoly with others, provided that such others were strong potential competitors. They took in the British, the French, the Germans, and such Americans as were necessary, all of the time securing for the Radio Corporation of America the absolute monopoly in the United States of radio reception from all over the world as well as radio transmission in the United States and from the United States to all other parts of the world. A monopoly, incidentally, which the Federal Communications Commission has perpetuated in a recent decision preventing a competitor of R. C. A. from establishing service to Oslo, Norway.

COMMUNICATIONS MONOPOLY—AL CAPONE AND BIG BUSINESS

This brings us to the supposed dissolution of the Radio Trust as agreed to in the consent decree in 1932. The Government in its antitrust action against R. C. A., General Electric, A. T. & T. Co., Westinghouse, et al., contended that these parties had divided up the electrical industries into exclusive fields and agreed not to compete with each other. The evidence was overwhelming, although it was actually unnecessary to go very much further than the cross-licensing agreement entered into by the defendants. The radio-set manufacture field was reserved to R. C. A., the transoceanic radiotelephone field and the monopoly for their broadcasting was given exclusively to the A. T. & T. This agreement provided that they would not compete with each other, but instead would act in concert to loot the public. One is driven to the odious comparison with Al Capone, who divided up Chicago, and who once remarked that his activities were really "big business without a top hat."

WAS R. C. A. CONSENT DECREE A SELL-OUT?

The Hoover administration, however, sold out the American people when it permitted the guilty parties to enter into a consent decree the mysteriousness of which has never lifted. The only difference, it appears, exists largely in the consent decree, but not in fact. R. C. A. still has a monopoly on the rights to radio set manufacture and A. T. & T. still has a monopoly of the wires for chain broadcasting, R. C. A. still has exclusive agreements with various foreign communication monopolies, and A. T. & T. still has a monopoly of transoceanic radio telephony. The recent F. C. C. special telephone investigation has this to say in substance about the conditions after this consent decree:

F. C. C. DECLARES MONOPOLY STILL IN FORCE BUT TAKES NO ACTION

The chief criticism has been that these agreements have fostered monopolies in a number of fields foreign to the primary field of the telephone company by effectuating a pooling of the thousands of patents owned by the parties by dividing between the parties the many fields in which patents have application and by throwing into the path of others desiring to engage in these fields the obstacles presented by the combined patent and financial resources of the telephone company, the Western Electric Co., the General Electric Co., the Radio Corporation, and the Westinghouse Co.

As counsel to the House special committee investigating the cross-licensing and pooling of patents, I found the violations to be even more flagrant.

The effect of this so-called dissolution consent decree was to insure the continued looting of the American people and the continued monopoly of the molding of public opinion by these monopolists with the sanction of the Hoover administration.

NO HONOR AMONG RADIO PIRATES

However, even among these pirates there is no honor. It appears that subsequent to the consent decree the A. T. & T. monopoly was extending itself to such an extent that it even poached upon the monopolistic position of R. C. A., its erstwhile partner in plunder.

The sound motion-picture industries was a case in point. A. T. & T. negotiated an exclusive license with seven of the eight largest motion-picture producers. R. C. A. was able to negotiate only one.

R. C. A., furious of violation of their agreement to divide up the field, filed a bill of complaint, charging antitrust violation by A. T. & T. The complaint, however, was never filed in any court but was used as a blackjack against the A. T. & T. As a result of this threat by R. C. A. to invoke the law against the telephone company, the latter capitulated to R. C. A. and agreed to give the "swag" more even division among the two monopolies. But the public had an interest in this antitrust violation. Who was to protect their interests? As far as I can ascertain, since the consent decree of November 21, 1932, no action has been taken by the Government against these monopolies, despite the fact that the Government has a direct interest in all antitrust litigation. These facts have been clearly presented by the recent special telephone investigation.

Mr. Speaker, in opening my remarks I emphasized the existence in America of dictatorship, not on the part of elected officials, the President, or the Congress, but on the part of those who control the molding of public opinion and those who control our cross-licensing and patent-pooling agreements, which in substance are controlled by about a dozen people in New York City.

[Here the gavel fell.]

Mr. SOUTH. Mr. Speaker, I ask unanimous consent that the gentleman from Texas may proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McFARLANE. These cross-license and patent-pooling agreements are monopolized by the American Telegraph & Telephone Co. and Radio Corporation of America, which, in turn, control radio broadcasting, motion pictures, and, to a great extent, the public press.

PRESIDENT ROOSEVELT'S NATIONAL RESOURCES COMMITTEE FIND MONOPOLY CONTROL OF TELEVISION A NATIONAL MENACE

In the newspapers of July 18 the report of the National Resources Committee was made public by President Roosevelt. I call your attention to page 21 of the New York Times, the headings of which are self-explanatory:

"Calls television propaganda peril", "Report warns of power to widen avenues for spread of insidious ideas"; and on the next column is the heading "Predicts papers printed in homes; Resources Committee says new inventions presage vast communications changes."

With the control of the molding of public opinion amply demonstrated to be in the hands of vested wealth, it is my belief the Congress can well be accused of cowardice, if we do not meet the challenge laid down to us.

WILL CONGRESS ACT?

The Congress has pending before us in the House and the Senate resolutions seeking an investigation of this radio monopoly to indicate how widespread is the demand for this investigation. I quote one of many editorials written insisting that Congress investigate this radio monopoly:

CONGRESSIONAL INVESTIGATIONS HELPFUL—SCRIPPS-HOWARD EDITORIAL

No other money which the Government spends, we believe, yields greater returns, dollar for dollar, than does the money expended for congressional investigations.

True, some of these inquiries are turned into witch hunts to punish political enemies and used unconscionably to invade the privacy of law-abiding individuals. But, on the whole, investigations such as the one which saved the Teapot Dome, the Pecora inquiry that pointed the way to wiser banking and securities laws, and the La Follette hearing which is publicizing and putting a curb on civil liberties violations are definitely worth while.

Charges have been made that the F. C. C. is awarding broadcasting franchises on a political basis; that a broadcasting monopoly is being developed; that a vested right is being created in the frenquencies allotted; that certain parts of the country are being favored over other sections; that censorship has restricted freedom of the air, and that too much time on radio programs is

given over to advertising and too little to educational and cultural features. All these charges have been made, and more.

They should be proved or disproved. The policy-making branch of our Government should search out the truth and correct whatever abuses are found.

In closing, let me direct the attention of the House to the insulting attitude of the kept magazine of the radio monopoly toward the House and our late Colleague, Billy Connery. This magazine Broadcasting, in its issue of July 15, page 44, in its editorial entitled "The White Resolution", first insults the honesty and good faith of our late colleague, Billy Connery, when they accuse him of headline hunting, sensation seeking, and a fishing expedition by a select House committee. This odious and insulting, at least to House Members, editorial closes with this advice to the Congress:

SHALL RADIO MONOPOLY PICK ITS INVESTING COMMITTEE?—INSULT TO HOUSE

Let there be an investigation along the lines proposed in the White resolution. We are confident that the result will quiet for another decade the tongue wagging of the radio baiters.

Mr. Speaker, will the Members of this House and will this administration continue to stand idly by while the American people are in danger of being looted of millions of dollars by this radio practice by continued exploitation in the way of exorbitant prices for what should be a necessity of life and continue to permit this small group of exploiters to mold public opinion amongst our people to suit their own selfish interests?

The public is somewhat conversant with the apparent scandalous happenings existing in the radio and communications fields. The Nation, Variety, the Washington News, the syndicated column Washington Merry-Go-Round, Billboard, among other publications, have all somewhat ventilated the smelly conditions existent.

The dictators, which I mentioned earlier in my speech, are now trying to get Congress to adjourn so that legislation on judicial reform, wages and hours, farm aid, and departmental reorganization, which they so violently oppose in their press and radio, may be sidetracked. These men are the unelected, unofficial dictators of America. [Applause.]

[Here the gavel fell.]

Mr. KELLER. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ENGLEBRIGHT. Mr. Speaker, will the gentleman yield for a question as a matter of information?

Mr. McFARLANE. I yield to the gentleman from California.

Mr. ENGLEBRIGHT. I can see the gentleman must have devoted a great deal of time and study to this subject and have performed a great deal of research work. The gentleman mentioned a station at Los Angeles. What was the name of that station?

Mr. McFARLANE. KNX, I believe.

Mr. ENGLEBRIGHT. Is the gentleman sure about his statement? I do not recall that the gentleman gave the name of the station.

Mr. McFARLANE. Yes; I gave the name of the station. It is in the RECORD. I took the figures from the records, so I know the figures are accurate, as well as the other statements I have made.

Mr. Speaker, in conclusion I just want to say this. We have this appalling situation before us: Resolutions to investigate this great communications field have been pending before this House since early in the session, and no action has been taken by the Rules Committee. I can think of nothing that is of more importance pending before the Congress than such an investigation to clear up the entire communications field, to the end that we see what it is that is so all-powerful that it is continuing to control and mold public opinion in this country to suit their own selfish interests, and I hope we will soon have some action by the Rules Committee to give this House an opportunity to vote upon this important question.

Mr. BOLAND of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BOLAND of Pennsylvania. Do I understand from the gentleman's remarks that Congress was advised by the Chairman of the Federal Communications Commission of the situation he is referring to as now existing?

Mr. McFARLANE. I quoted from Chairman Prall's remarks, and I will say to the gentleman, and, perhaps, the gentleman did not exactly hear the quotation, but my statements in that regard were taken from Chairman Prall's own statement to the House Committee on Appropriations.

Mr. BOLAND of Pennsylvania. I heard the quotation, and while I may be wrong, I took it that the quotation advised the Congress of the situation that the gentleman is talking about and referring to as a serious one. Am I right in that respect?

Mr. McFARLANE. Yes, sir. The situation that Chairman Prall was talking about was a stock-selling racket that is rapidly developing in the radio field, and he feels it is a racket and something that should be stopped. Incidentally other members of the Communications Commission have asked for an investigation by Congress.

Mr. BOLAND of Pennsylvania. Which is one of the grounds of the gentleman's argument.

Mr. McFARLANE. Correct.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. MICHENER. Earlier in the gentleman's well-prepared remarks he told us that public opinion or public sentiment in the country had turned against the President, and the gentleman severely castegated the press and the radio commentators for this change in public sentiment. I was very careful to listen to the words, because they were written and the statement was well worded and could not be misunderstood. In that connection, does the gentleman have in mind that the President of the United States gets a national hook-up without charge on all radios if and when he asks for it, and that he has assumed to accept that proposition and in fireside chats and otherwise has done more to propagandize his theories and his administration policies by this method than was ever attempted by any President or any American citizen in all time?

Mr. McFARLANE. In answer to the gentleman I will say that the President has used the national hook-up in radio far less than the vested interests. The fact he has been more effective is because he has carried home to the great masses of our people fundamental facts and truths that are unanswerable, and, of course, this is a little bit hard on those of the opposition; but it is well known that the opposition has used much more radio time than has the President.

Mr. MICHENER. But right there, if that be true, it is not because of the fact that others have been given time, because they have to pay for it. The President has had such time and does now have such time as he wants without charge and can go to the country at any time.

Mr. McFARLANE. In answer to the gentleman's statement in that regard, I may say I do not know what the facts are, but I do know the number of speeches placed in the RECORD, for instance, on the Court proposition by those in opposition to the Court proposal are far greater and the speeches far more voluminous than those that have been made over the radio in favor of it.

Mr. MICHENER. Why is the gentleman, then, condemning the radio and the press—that is, the CONGRESSIONAL RECORD.

Mr. McFARLANE. I am talking about radio speeches placed in the RECORD.

Mr. MICHENER. I think the gentleman should give this matter consideration.

Mr. McFARLANE. I am talking about things being spread by the plutocratic press and radio commentators of the country at this time, and I think that is being turned out by that group. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 171. Joint resolution relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission; to the Committee on the Library.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CHANDLER, for 4 legislative days, on account of important business.

To Mrs. NORTON, for the remainder of the week, on account of death in family.

To Mr. FORAND, for 3 days, on account of important business.

To Mr. FLEGER, indefinitely, on account of illness.

ADJOURNMENT

Mr. BOLAND of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 20, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, July 20, 1937, at 10:30 a. m. to continue hearings on H. R. 7365.

A hearing will be conducted by Subcommittee No. I, Tuesday, July 20, 1937, at 10 a. m., on bills relating to custodial employees.

COMMITTEE ON NAVAL AFFAIRS

The Committee on Naval Affairs will hold full committee meeting Tuesday, July 20, 1937, at 10:30 a. m., on H. R. 7560, to authorize alterations and repairs on certain naval vessels, and for other purposes. Very important.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, July 22, 1937. Business to be considered: Hearings on H. R. 1536, H. R. 5531, H. R. 7001, and H. R. 7643, research bills.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

725. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 14, 1937, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Lake Charles Deep Water Channel, La., and Lake Charles Ship Channel, La., from Lake Charles to the Gulf of Mexico east of mouth of Calcasieu River, authorized by the River and Harbor Act approved August 30, 1935, and review of reports on Calcasieu River and Pass, La., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted May 6, 1935 (H. Doc. No. 299); to the Committee on Rivers and Harbors and ordered to be printed, with four illustrations.

726. A letter from the Acting Secretary of the Treasury, transmitting a proposed draft of a bill to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States; to the Committee on Coinage, Weights, and Measures.

727. A letter from the Acting Secretary of the Interior, transmitting a copy of legislation passed by the Municipal Council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

728. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of the Interior for the fiscal year 1938 amounting to $194,538, and a deficiency estimate for the fiscal year 1935 amounting to $12,570, in all $207,108, together with drafts of proposed provisions pertaining to existing appropriations (H. Doc. No. 300); to the Committee on Appropriations and ordered to be printed.

729. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1938, for the Department of Agriculture for carrying out the provisions of the Cooperative Farm Forestry Act, approved May 18, 1937, amounting to $1,000,000 (H. Doc. No. 301); to the Committee on Appropriations and ordered to be printed.

730. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the Navy Department for the fiscal year ending June 30, 1938, aggregating $812,000, of which $535,000 is required to provide facilities for construction of battleships at the New York and Philadelphia Navy Yards, $275,000 for replacement of a paint and oil storage building destroyed by fire on May 25, 1937, at the Mare Island Navy Yard, and $2,000 to erect a memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion (H. Doc. No. 302); to the Committee on Appropriations and ordered to be printed.

731. A communication from the President of the United States, transmitting the draft of a proposed provision pertaining to an existing appropriation for the Tennessee Valley Authority for the fiscal year 1938 (H. Doc. No. 303); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PETTENGILL: Committee on Interstate and Foreign Commerce. H. R. 7711. A bill to amend the act approved June 19, 1934, entitled the "Communications Act of 1934"; without amendment (Rept. No. 1258). Referred to the Committee of the Whole House on the state of the Union.

Mr. MEAD: Committee on the Post Office and Post Roads. H. R. 3149. A bill for the relief of the postal employees; without amendment (Rept. No. 1259). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILDEBRANDT: Committee on the Post Office and Post Roads. H. R. 6167. A bill to provide a surcharge on certain air mail carried in Alaska; with amendment (Rept. No. 1260). Referred to the Committee of the Whole House on the state of the Union.

Mr. SACKS: Committee on Insular Affairs. H. R. 1485. A bill to amend section 40 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; without amendment (Rept. No. 1261). Referred to the Committee of the Whole House on the state of the Union.

Mr. MILLS: Committee on Insular Affairs. H. R. 1486. A bill to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; with amendment (Rept. No. 1262). Referred to the House Calendar.

Mr. GREEVER: Committee on the Public Lands. S. 1047. An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes; with amendment (Rept. No. 1263). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. S. 1129. An act to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes; without amendment (Rept. No. 1264). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of Montana: Committee on the Public Lands. S. 1216. An act authorizing the Secretary of the Interior to convey certain land to the State of Montana to be used for the purposes of a public park and recreational

site; without amendment (Rept. No. 1265). Referred to the Committee of the Whole House on the state of the Union.

Mr. GREEVER: Committee on the Public Lands. S. 1266. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island; to make charges in connection therewith; and for other purposes; with amendment (Rept. No. 1266). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Washington: Committee on the Public Lands. S. 1696. An act to authorize the revision of the boundaries of the Snoqualmie National Forest, in the State of Washington; without amendment (Rept. No. 1267). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. S. 2026. An act to provide for the addition of certain lands to the Fort Donelson National Military Park in the State of Tennessee, and for other purposes; without amendment (Rept. No. 1268). Referred to the Committee of the Whole House on the state of the Union.

Mr. BURCH: Committee on the Post Office and Post Roads. H. R. 7879. A bill to provide additional compensation to star-route carriers for necessary increased mileage, and for other purposes; without amendment (Rept. No. 1269). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 7022. A bill to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes; with amendment (Rept. No. 1271). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILDEBRANDT: Committee on the Post Office and Post Roads. H. R. 7873. A bill providing for the transportation of the mails on certain commercially operated aircraft, and for other purposes; without amendment (Rept. No. 1272). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 7896. A bill granting pensions to certain soldiers of the Civil War; without amendment (Rept. No. 1254). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 7897. A bill granting increase of pensions to certain widows and former widows of soldiers and sailors of the Civil War; without amendment (Rept. No. 1255). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 7898. A bill granting pensions to certain widows and former widows of soldiers, sailors, and marines of the Civil War; with amendment (Rept. No. 1256). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 7899. A bill granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War; without amendment (Rept. No. 1257). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 7905. A bill granting pensions and increase of pensions to certain widows, former widows, and dependent children of soldiers of the Civil War; without amendment (Rept. No. 1270). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALESHIRE: A bill (H. R. 7900) to authorize a preliminary examination and survey of the Little Miami River and the watershed thereof, in the State of Ohio, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. GWYNNE: A bill (H. R. 7901) to amend section 81 of the Judicial Code to provide for a Waterloo division of the northern district of Iowa, and to provide for the establishment of an office of the clerk of the court at Waterloo, Iowa; to the Committee on the Judiciary.

By Mrs. NORTON (by request): A bill (H. R. 7902), to regulate proceedings in adoption in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LUDLOW (by request): A bill (H. R. 7903) to provide retirement annuities for certain former employees; to the Committee on the Civil Service.

By Mr. PALMISANO (by request): A bill (H. R. 7904) relative to salaries of librarians in the public schools of the District of Columbia; to the Committee on the District of Columbia.

By Mr. SHEPPARD: A bill (H. R. 7906) to amend title IV of the Revenue Act of 1932 to impose an excise tax upon the importation of menthol; to the Committee on Ways and Means.

By Mr. CLARK of North Carolina: A bill (H. R. 7907) to grant recognition to distinguished military service; to the Committee on Military Affairs.

By Mr. IGLESIAS: A bill (H. R. 7908) to extend the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico; to the Committee on Agriculture.

By Mr. JONES: A bill (H. R. 7909) to amend the Federal Farm Loan Act, to amend the Emergency Farm Mortgage Act of 1933, to amend the Farm Credit Act of 1933, to amend the Federal Farm Mortgage Corporation Act, to amend the Agricultural Marketing Act, and for other purposes; to the Committee on Agriculture.

By Mr. McGROARTY (by request): A bill (H. R. 7910) to enable the Secretary of War to pay the amount awarded to the Malabo fire claimants by the joint commission under article 6 of the treaty of November 18, 1903, between the United States and Panama; to the Committee on Appropriations.

By Mr. POWERS: A bill (H. R. 7911) to provide adequate compensation for dependents of agents and inspectors of the Federal Bureau of Investigation of the Department of Justice; to the Committee on the Judiciary.

By Mr. ELLENBOGEN: A bill (H. R. 7912) to reduce the contributions of States and local communities for the construction of flood-control projects, to amend the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", and for other purposes; to the Committee on Flood Control.

By Mr. CHAPMAN: A bill (H. R. 7913) to amend the Food and Drug Act of June 30, 1906, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. VOORHIS: Joint resolution (H. J. Res. 448) to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYER: A bill (H. R. 7914) to authorize the presentation to John A. Leventis of a Distinguished Service Medal; to the Committee on Military Affairs.

By Mr. BUCKLER of Minnesota: A bill (H. R. 7915) for the relief of Mrs. C. G. Eidnes; to the Committee on Claims.

By Mr. DEMPSEY: A bill (H. R. 7916) for the relief of L. S. Myers; to the Committee on Claims.

By Mr. DISNEY: A bill (H. R. 7917) for the relief of Tom Kelly; to the Committee on Claims.

By Mr. GRAY of Indiana: A bill (H. R. 7918) for the relief of James A. Harris; to the Committee on Naval Affairs.

By Mr. GWYNNE: A bill (H. R. 7919) granting an increase of pension to Mary E. Rector; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 7920) for the relief of Christine Yerges Conaway; to the Committee on Claims.

By Mr. LUCKEY of Nebraska: A bill (H. R. 7921) granting an increase of pension to Louisa Wachter; to the Committee on Invalid Pensions.

By Mr. MILLARD: A bill (H. R. 7922) for the relief of Gordon George Blass; to the Committee on Naval Affairs.

By Mr. O'LEARY: A bill (H. R. 7923) for the relief of Josef Tominovich; to the Committee on Immigration and Naturalization.

By Mr. RIGNEY: A bill (H. R. 7924) for the relief of George J. Turney; to the Committee on the Civil Service.

By Mr. SECREST: A bill (H. R. 7925) granting a pension to Georgia Hupp Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7926) granting an increase of pension to Blanche S. Keyes; to the Committee on Invalid Pensions.

By Mr. SPARKMAN: A bill (H. R. 7927) for the relief of Bertha Thompson Williams; to the Committee on Claims.

By Mr. THOMAS of Texas (by request): A bill (H. R. 7928) for the relief of the firm of Cotonificio Bustese, S. A.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2952. By Mr. CURLEY: Petition of the American Forestry Association in regard to conservation legislation; to the Committee on Agriculture.

2953. Also, petition of the Seattle Community Fund, endorsing Senate Joint Resolution No. 85 for an appropriation to study the social and economic needs of laborers migrating across the State lines; to the Committee on Labor.

2954. Also, petition of the National Federation of Federal Employees, United States Army Supply Base, Brooklyn, N. Y., urging legislation be enacted giving all employees a minimum salary of $1,500 in the laboring class and $1,700 minimum in the clerical class with an automatic increase of $100 per year for 4 years; to the Committee on the Civil Service.

2955. Also, petition of the Independent Steel and Iron Producers, endorsing the Schwellenbach-Koppleman bill, which provides means of controlling scrap export; to the Committee on Military Affairs.

2956. Also, petition of the Interstate Airways Committee, of Washington, D. C., urging adoption of the McCarran-Lea bill to place the air transport industry under Federal regulation by the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

2957. By Mr. KRAMER: Resolutions of the California Baby Chick Association, relative to special poultry bureau, excise tax, national animal theft, etc.; to the Committee on Ways and Means.

2958. By Mr. QUINN: Resolution of the International Federation of Technical Engineers, Architects, and Draftsmen's Union, of Pittsburgh, Pa., urging passage of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

2959. Also, resolution of the Department of Pennsylvania, Veterans of Foreign Wars of the United States, urging passage of House bill 2904, Philippine travel pay bill, also resolution urging favorable action on House bill 6384; to the Committee on World War Veterans' Legislation.

2960. By Mr. SANDERS: Resolution of the Texas Bar Association, protesting the enactment of any legislation limiting or restricting the rights of husband and wife with reference to community property; to the Committee on Ways and Means.

2961. By the SPEAKER: Petition of the New Orleans Association of Commerce, New Orleans, concerning protection of rights of employers and employees; to the Committee on Labor.

2962. Also, petition of the Kerrs Legal Research Bureau, Los Angeles, Calif., with reference to the judiciary; to the Committee on the Judiciary.

2963. Also, petition of the East Bay Union of Machinists, Local 1304, with reference to carrying out the present Works Progress Administration program without any cuts in personnel; to the Committee on Appropriations.

SENATE

TUESDAY, JULY 20, 1937

The Senate met at 12 o'clock meridian, being called to order by the Vice President.

Rev. Richard A. Cartmell, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O Lord, the high and mighty Ruler of the universe, who art ever more ready to hear than we to pray: We would seek this day to stand in the light of Thy pure and unsearchable wisdom. Thou hast promised that Thou wilt send Thy Holy Spirit among us to lead us into all truth and that where two or three are gathered together in Thy name Thou wilt grant their request. Mindful of this, Thy gracious promise, O Father, in these times, fraught with such deep perplexity, we beseech Thee for Thy special guidance to save us from all false choices, and that in Thy light we may see light and in Thy straight path we may not stumble. Through Him who lighteth every man that cometh into the world, Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 15, and Friday, July 16, 1937, was dispensed with, and the Journal was approved.

SERMON BY REV. H. BASCOM WATTS AT THE FUNERAL OF SENATOR ROBINSON

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the RECORD the very beautiful tribute paid to our late departed colleague and leader, Senator ROBINSON, by the Reverend H. Bascom Watts, delivered at the funeral services at Little Rock, Ark., on last Sunday afternoon.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

SENATOR JOSEPH TAYLOR ROBINSON

Here we pay our tribute of respect to a great representative American—JOSEPH TAYLOR ROBINSON. I shall not speak comprehensively of his work as a public official. That has been adequately reviewed in the national press and by his admiring colleagues in official life; and what word of eulogy could I speak that would be sufficient? It is proper only that I should seek to be the medium for expressing the deep affection and high esteem in which he was held by the people of the State of Arkansas.

Half a dozen years short of the threescore and ten of the Psalmist, yet few others in the history of our Nation's life have lived so tremendously and with such a varied career as this eminent statesman. We are a little too close to him now to do justice to him. Some of us admired him so enthusiastically that our praise may sound a bit strident and may thus lose its force. Time will properly adjust his fame. I think that adjustment will assign him a very high place in American history.

In the decades from about 1810 to 1850 there were three dominating personalities in American legislative life—Webster, Clay, and Calhoun. Possibly it may be too early to put Senator ROBINSON in a category with them, and I am sure he would have been the last to have claimed any such distinction. But when a history of the Congress and the crucial issues before it in the last three decades is scientifically presented by careful students of the period, it cannot omit him from rank with the foremost.

However, I am not thinking of him so much as a statesman, or even a great man, but as a personality. When you saw Senator ROBINSON you saw a remarkable personality. The test of personality is the human interest in the daily incidents, reactions, and manners of the man. How did he smile; why did he frown; what were his tricks of gesture and speech; in what spirit did he meet the troubles and trials of everyday life? Some men are aloof and austere—only their doctrines interest us. They are mere doctrinaires. Human contact with them detracts from their influence. No mere "glad-hander" was Senator ROBINSON, but neither was he aloof nor austere. His life, political, domestic, personal, was singularly open and so vitally human that he inspired in men associated with him genuine affection and unfeigned confidence.

Among tall mountains it is hard to measure peaks. There is too much of ROBINSON, too many vividly related phases of his unusual personality, to discuss at length his great career as legislator, advocate, Congressman, Governor, United States Senator, leader of his party, representative of his Government at distinguished international tribunals, citizen, friend, husband. Certain

things are outstanding in his life, however, as the memory of it hurries past the rush of our thoughts this afternoon. Let me point them in rapid succession.

Ever lover of his country, through good and evil report; born and reared in the South, he was idolized all over the country, greeted everywhere he went by sympathetic crowds of the plain people who recognized that whatever his errors of judgments, whatever the impetuosity of his speech, here was at heart a man who was a true democrat in a great Republic, his mind open to their aspirations, his hand outstretched to their aid, his voice outspoken for their rights.

He was sometimes a caustic critic of more cautious men and measures. He was a man of great force. And folks like force. He walked with a firm tread. Whatever his faults, the one offense which could never be laid to his charge was the crime of evasion or inactivity, of which Browning said in The Statue and the Bust:

"The sin I impute to each frustrate ghost,
Is—the unlit lamp and the ungirt loin."

His lamp was ever alight with the oil of activity and his loins girt for the battles of justice.

Two things were predominant in JOSEPH T. ROBINSON—militancy and sincerity. He was a fighter, but no one ever denied his courage or questioned the undoubted sincerity of conviction with which he entered the fight. "What is right?" "What ought to be done?" That was enough. Pain or possible defeat did not deter him. He was a politician. Surely. That was his profession. He was a vote getter. True. But I question if he ever compromised a conviction for a vote. He was not a demagogue. He denounced wrong and injustice to its face. He was a man with whom no one could agree in all things. He outstrode ordinary thinking men. Yet perhaps no man in our generation has been more nearly a representative American.

Most prominent of the expressions that his death called forth here in the city where he was so well known was the repeated statement, "He was my friend." In the faces of these hundreds who pay their last tribute of respect and of the thousands who could not get inside these walls, there is written as clearly as my words, "He was my friend." His was a genius for friendship composed of a warm interest in his fellow men. His interest was not assumed but was inherent and genuine.

When a man is in public life the searchlight of publicity shows only his dominant traits; these are often overemphasized and out of proportion to other qualities. It remains for family and neighbors and friends here in Arkansas to give the more intimate knowledge that reveals a well-rounded estimate of his character. All who knew him well recognized Senator ROBINSON'S deep religious faith. Not a faith that he wore on his sleeve, but one that was in touch with hidden sources in his heart. He kept undimmed the simplicity and fervor of his youthful religious convictions. This Sunday-school teacher in his youth, this lay preacher of righteousness in his young manhood, this battler for social justice to the end of the way, who "did justly, loved mercy, and walked humbly with his God", went unafraid to meet the Great Judge of us all. Alone in the darkness of a midnight this "Greatheart" passed on. But a new light was about to shine for him from the throne of God. He had entered on the great adventure.

To paraphrase the words of another, he may not have been the master of his fate—few men are that—but he was at all times and under all circumstances the captain of his soul. Today our State bows its head and half-masts its flags while these simple obsequies are accorded our great departed leader. No eulogy, no flowers can adequately express the devotion we bore him and the admiration in which we held him. Arkansas' most representative American, known in every part of the earth, goes to his grave as a quiet Christian gentleman, greatly beloved by his neighbors. You and I may well remember him today. We shall not soon see his like again. Thank God for the memory and heritage of JOSEPH TAYLOR ROBINSON.

We join with the Nation in laying our wreath of tribute by his last resting place. He will sleep among the trees that he so greatly loved, in the soil of his beloved native State from which he went out to a place of eminence in world affairs. We, his neighbors and friends, tearfully turn from the silence of this scene to the busy marts of men, knowing that Robert Louis Stevenson's requiem would have expressed his wish:

"Under the wide and starry sky
Dig the grave and let me lie,
Glad did I live and gladly die,
And I lay me down with a will.

"This be the verse you grave for me:
'Here he lies where he longed to be;
Home is the sailor, home from the sea,
And the hunter home from the hill.'"

TRIBUTE BY SENATOR LEWIS

Mr. HARRISON. Mr. President, I ask unanimous consent that a radio address delivered on the 15th instant by the able Senator from Illinois [Mr. LEWIS], being a eulogy to the late Senator ROBINSON, may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EULOGY ON SENATOR JOSEPH TAYLOR ROBINSON, OF ARKANSAS, DELIVERED OVER THE RADIO BY THE SENATE MAJORITY WHIP, JAMES HAMILTON LEWIS, SENATOR FROM ILLINOIS

I speak as one of the voices of the United States Senate—as the parliamentary aide designated as whip of the Senate. The whip is an officer of the organization to whom is committed discretion to direct, request, and sometimes command the Members to their places in the anxiety of holding what we call "quorum"—a certain number necessary to make legislation legal in the number of votes cast.

Oftentimes the question is asked by the newly arrived Member of the whip, "What is our vote?"—and when it is an administration measure they take their direction from the whip, unless the matter is one of personal judgment calling for action of the Senator separate from party or administration organization. It is as such whip I am permitted today to express the testimonial arranged for to be conveyed this hour by radio. I thank those who have committed to me the duty and the honor.

I wish that the public would understand that they have been misled in their judgment as to the Senate. There are many Members who would appear to the spectators as not fitted to the work of the floor, such as debate or oratory. But let it be known that these men have special qualities which fit business and agriculture to such high degree that they are sent here because of their excellence in that specialty.

I beseech you to also contemplate that the position of United States Senator is the highest honor that can be conferred by any State to any man, and oftentimes is an honor which in the hands of capable men becomes greater and more powerful than that of the Presidency of the United States. You will readily see from that that no State would let a useless, worthless, and incompetent man achieve such place. There are too many rivals, too many seeking the honor. This fact is to indicate to you that any man of any politics who is a Member of this body has a special quality of fitness and superiority which you need but investigate to discover—and then to be assured, that he serves the place with compensation to his public and with honor to himself.

Senator JOSEPH TAYLOR ROBINSON was one of these. He came from a State that had since its foundation attached great importance to the manner of man and character that is granted the honor of United States Senator. Apart from that era when—following the Civil War, certain States were unhappily afflicted by situations that produced officials that no body of human beings of noble standards and Christian emotions could justify—there was no exception to the standard adopted by Arkansas in the nature of men she sent to this very high honor.

I first knew Senator ROBINSON when we were Members of the House of Representatives. I then rejoined him in the United States Senate when I came for the first time to the Senate through the national election of 1912 and he came from the Governorship of Arkansas. A personal relation sprung forth and has remained, despite many differences of abstract politics. Let it be remembered that in Congress I represented first the State of Washington in the far Northwest of the Pacific coast as Congressman at Large. In its interests naturally there was often opposition to the interest demanded by the Midwest and Southern States. Later, coming, as I did, as Senator from the State of Illinois, I found myself equally at variance with opinions of my honorable colleague of Arkansas, and the neighboring States. These differences brought us from time to time in contact, but such only revealed the personal character of friendship, tolerance, and patience—then of forgiveness that necessarily attends successful, at least honorable, statesmanship.

In the controversies in the United States Senate there is always necessary an organization that shall settle on two things. First, what shall be the program of procedure under the general parliamentary law of assembly and debate. The second is some representative distinctively speaking for the measures of the administration in power. It is assumed that the President, elected by the votes of the people, has a right to present what he understands are the issues upon which the people chose him. He, for this privilege, has the right to command of his Congress—as they were elected on the same issues and on the same platform principles—that they ally and cooperate with him in carrying out these principles and the measures that execute them. Thus it is we speak of "administration measures."

I pause a second to recall to the countrymen that now and then the whimsical expression of "rubber stamp" of those who be the President's followers is indulged in some spirit of jest or general condemnation, but let it be remembered that the "rubber stamp" is not in compliance with the President, but in compliance with the people who elected the Congressmen, the Senators, and the President. If this were not true, one could see that it would not matter how much an election reverses the policy of a previous administration; it would be of no value to the public if the representative would, as to legislation, continue defeating the President in his legislation. Then soon would follow the revolt, and we would have in our own country the repetition of what brought on the revolution of England between the leadership of Cromwell on behalf of the people and that of the King, Charles I, and his Parliament; and then in the second era, the controversy between Parliament and Cromwell. This could be constantly repeated. Our people saw that it was repeated as against President Wilson, the Democrat, in his second administration, and against Hoover, the Republican, in his administration. Therefore, to guide the measures, someone is chosen who speaks what the com-

mittee on management has decided some hours before should be the program. This particular director is called the "leader." As he is supposed to lead the measure to its consideration, aided by those who are his chosen assistants, and who, being chosen by the whole body in caucus, become equally the voice of the administration on the measure as is their leader. "Statesmanship," says Joubert, "is the art of leading the masses, or the majority." "Its glory", says he, "is to lead them, not where they want to go, but where they ought to go."

It was such a leader we have in Senator ROBINSON, of whom we now speak. It is as to him we may say—a great tree has fallen; the forest echoes the wail from its branches.

This United States Senate of the phalanx designated by the term "the democracy" was captained by the command of the American citizen from Arkansas—JOSEPH TAYLOR ROBINSON. His command was inheritance of his character as one approved in honor, and as a citizen established in deeds of service. This manifested to his own beloved at his side and to his national countrymen. As a lawyer, he was learned in the rights of man. As legislator, he was devoted to the prescriptions of the State that ordained equality and righteousness to men.

As Senator, he was the fixed and constant student of the endurances of nature and the experiences of statesmen. From the test of Senator to leadership of parliamentary tactics was the true growth and fruit of his merit. Ever forceful, constantly aggressive, truly devoted, he never compromised the principles to which he directed his efforts. Here let it be remembered that in the opposition, whether it be called Republican, or as now, in some friction or fracture in one's own party, the very best brains expressed in debate the most exalted talents in encounter—the noble intellect that comes from the State, the Senators speaking the best thought of their home people. This is the combination that must be met by the leader and his aides. It was a leader in statesmanship that Mr. ROBINSON was—gentle in friendship, serving in the call of the need, and successful in the combat for achievement of sublime purposes. He was from time to time chosen by Presidents of the United States of each party to attend the uses of parliamentary and economic sittings in the lands of Europe and Asia. In these distinctions he earned for himself the approval of that circle of officials represented in the distant lands. From that city of the assembly he bestowed to his country praise for service and renown for statesmanship. Hospitable in manner, generous in opposition, charitable in judgment, he won the tender sentiment of women and the secure friendship of men.

Chosen term after term by his own people of his historic State as Senator, he became illustrious as first citizen of Arkansas and the pride of southern statesmen. As official he led the Senate to the high purposes of constitutional government, and like Buckingham, of the English regime, "a statesman first to his country" and "a gentleman to his peers." As nominee for Vice President of the United States on the Democratic ticket he gave to the Nation on his speaking tour the signal oratory that labeled him of the old school—of Clay, of Kentucky; the Calhoun, of South Carolina; and the John W. Daniel, of Virginia. As such, orators and statesmen, the West and North received him to their welcome as one who gave generous measure to their rights and reward to their virtues. As such now the worthy leader statesman became the confidant of Presidents, the counselor of the Cabinets, and the guide of the Senate. In all, he preserved the true basis of public honor and private duty. To all he gave the salute of a friend, and to State and Nation ever he presented the symbol of statesmanship in its highest level. He ever kept before him that his guide for performance and standard of life personally and politically was God and country.

To JOSEPH TAYLOR ROBINSON, who today slipped against the obstruction of death and fell into the arms of eternity, we salute in the greeting of Horatio to Hamlet: "Good night, sweet prince, and flights of angels sing thee to thy rest."

ENROLLED BILLS AND JOINT RESOLUTION SIGNED DURING ADJOURNMENT

The VICE PRESIDENT announced that, under authority of the orders of the Senate of the 15th instant, the President pro tempore, during the adjournment of the Senate, signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

H. R. 7493. An act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes;

H. R. 7562. An act to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes;

H. R. 7865. An act making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937; and

H. J. Res. 431. Joint resolution making an appropriation for the control of outbreaks of insect pests.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, communicated to the Senate the following resolutions (H. Res. 279) adopted by the House:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
July 15, 1937.

Resolved, That the House of Representatives accepts the invitation of the Senate to attend the funeral services of the late Hon. JOSEPH T. ROBINSON to be held in the Senate Chamber, Friday, July 16, 1937, at 12 o'clock meridian, and that the committee appointed by the Speaker of the House to attend the funeral shall act in conjunction with the committee of the Senate to make the necessary arrangements.

Resolved, That upon the return of the House to its Chamber following the services in the Senate Chamber the Speaker shall, as a further mark of respect to the memory of the deceased Senator, declare the House adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

The message announced that the House had passed without amendment the following bills of the Senate:

S. 1762. An act to add certain lands to the Rogue River National Forest, in the State of Oregon;

S. 1806. An act to extend the boundaries of the Papago Indian Reservation in Arizona;

S. 1972. An act to authorize the Secretary of War to sell, loan, or give samples of supplies and equipment to prospective manufacturers;

S. 2295. An act to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes;

S. 2587. An act providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.;

S. 2661. An act granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority; and

S. 2662. An act authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1284. An act to change the name of the Chemical Warfare Service; and

S. 2188. An act to amend section 3 of the act of June 18, 1934 (48 Stat. 984–988), relating to Indian lands in Arizona.

The message further announced that the House had passed the bill (S. 2521) to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House insisted upon its amendments to the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON of Georgia, Mr. DREWRY, and Mr. MILLARD were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 10), as follows:

Resolved by the Senate (the House of Representatives concurring), That the statue of Gen. William Henry Harrison Beadle, presented by the State of South Dakota, to be placed in Statuary Hall, is accepted in the name of the United States, and that the thanks of the Congress be tendered said State for the contribution of the statue of one of its most eminent citizens, illustrious for his valor as a soldier and his distinguished service as an educator; and be it further

Resolved, That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of South Dakota.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 2888. An act granting a leave of absence to settlers of homestead lands during the year 1937;

H. R. 3058. An act for the relief of former employees of the Federal Subsistence Homesteads Corporations;

H. R. 3423. An act to provide for the preferred employment of American citizens by the Government of the United States;

H. R. 3866. An act to add certain lands to the Columbia National Forest in the State of Washington;

H. R. 4291. An act to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes;

H. R. 4605. An act relating to the accommodations for holding court at Shawnee, Okla.;

H. R. 4642. An act to provide for the conveyance by the United States to the county of Beaufort, S. C., of the Hunting Island Lighthouse Reservation;

H. R. 4676. An act to provide for the reimbursement of certain civilian employees of the Navy for the value of personal effects destroyed in a fire at the naval air station, Hampton Roads, Va., May 15, 1936;

H. R. 4705. An act to authorize the transfer of a certain piece of land in Breckinridge County, Ky., to the Commonwealth of Kentucky;

H. R. 5472. An act to authorize the exchange of certain lands within the Great Smoky Mountains National Park for lands within the Cherokee Indian Reservation, N. C., and for other purposes;

H. R. 5593. An act to provide for the addition or additions of certain lands to the Fort Donelson National Military Park in the State of Tennessee, and for other purposes;

H. R. 5594. An act to make available for naticnal-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky.;

H. R. 5685. An act to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California;

H. R. 5787. An act granting pensions and increases of pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes;

H. R. 5809. An act authorizing the transfer of canceled check to the Governor of Alaska;

H. R. 6045. An act authorizing and directing the Secretary of Commerce to transfer to the government of Puerto Rico a portion of land within the Catano Range Rear Lighthouse Reservation, P. R., and for other purposes;

H. R. 6048. An act to provide for the establishment of a Coast Guard station in the vicinity of Fort Myers, Fla.;

H. R. 6283. An act to increase the punishment of second, third, and subsequent offenders against the narcotic laws;

H. R. 6651. An act to provide for a referendum in the Territory of Alaska as to the establishment of a one-house legislature, and for other purposes;

H. R. 6785. An act for the admission to citizenship of aliens who came into this country prior to February 5, 1917;

H. R. 6914. An act to authorize the acquisition by the United States of certain tribally owned lands of the Indians of the Shoshone or Wind River Indian Reservation, Wyo., for the Wind River irrigation project;

H. R. 6916. An act to amend the laws relating to enlistments in the Coast Guard, and for other purposes;

H. R. 6976. An act to provide for the establishment of a Coast Guard station on the coast of Alabama at or near Dauphin Island, Ala.;

H. R. 7092. An act to provide for the transfer of Scotland County to the middle judicial district of North Carolina;

H. R. 7127. An act authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938;

H. R. 7402. An act to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes;

H. R. 7508. An act to amend the Liquor Enforcement Act of 1936;

H. R. 7512. An act to amend the act approved March 26, 1934;

H. R. 7514. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.;

H. R. 7531. An act to afford protection of pension benefits to peacetime veterans placed on the pension rolls after March 19, 1933, and for other purposes;

H. R. 7561. An act to amend the act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", approved March 24, 1934;

H. R. 7564. An act to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio;

H. R. 7611. An act to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war;

H. R. 7614. An act to amend the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911;

H. R. 7618. An act relating to the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands situated in the State of Oregon;

H. R. 7645. An act to authorize appropriations for construction and rehabilitation at military posts, and for other purposes;

H. R. 7646. An act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936;

H. R. 7823. An act to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes;

H. J. Res. 288. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the New York World's Fair 1939, New York City, N. Y., to be admitted without payment of tariff, and for other purposes;

H. J. Res. 385. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the Oil World Exposition at Houston, Tex., to be held October 11 to 16, 1937, inclusive;

H. J. Res. 413. Joint resolution to permit the transportation of passengers by Canadian passenger vessels between ports or places in the United States on Lake Ontario and the St. Lawrence River; and

H. J. Res. 437. Joint resolution relative to determination and payment of certain claims against the Government of Mexico.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 3058. An act for the relief of former employees of the Federal Subsistence Homesteads Corporations; to the Committee on Claims.

H. R. 3423. An act to provide for the preferred employment of American citizens by the Government of the United States; to the Committee on Education and Labor.

H. R. 6914. An act to authorize the acquisition by the United States of certain tribally owned lands of the Indians of the Shoshone or Wind River Indian Reservation, Wyo., for the Wind River irrigation project; to the Committee on Indian Affairs.

H. R. 7564. An act to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio; to the Committee on the Library.

H. R. 4676. An act to provide for the reimbursement of certain civilian employees of the Navy for the value of personal effects destroyed in a fire at the naval air station, Hampton Roads, Va., May 15, 1936; to the Committee on Naval Affairs.

H. R. 4291. An act to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes; and

H. R. 6785. An act for the admission to citizenship of aliens who came into this country prior to February 5, 1917; to the Committee on Immigration.

H. R. 4705. An act to authorize the transfer of a certain piece of land in Breckinridge County, Ky., to the Commonwealth of Kentucky; and

H. R. 5593. An act to provide for the addition or additions of certain lands to the Fort Donelson National Military Park in the State of Tennessee, and for other purposes; to the Committee on Military Affairs.

H. R. 5787. An act granting pensions and increases of pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes; and

H. R. 7531. An act to afford protection of pension benefits to peacetime veterans placed on the pension rolls after March 19, 1933, and for other purposes; to the Committee on Pensions.

H. R. 4605. An act relating to the accommodations for holding court at Shawnee, Okla.;

H. R. 7092. An act to provide for the transfer of Scotland County to the middle judicial district of North Carolina; and

H. R. 7508. An act to amend the Liquor Enforcement Act of 1936; to the Committee on the Judiciary.

H. R. 6283. An act to increase the punishment of second, third, and subsequent offenders against the narcotic laws;

H. R. 6916. An act to amend the laws relating to enlistments in the Coast Guard, and for other purposes;

H. R. 7402. An act to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes; and

H. R. 7611. An act to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war; to the calendar.

H. R. 2888. An act granting a leave of absence to settlers of homestead lands during the year 1937;

H. R. 3866. An act to add certain lands to the Columbia National Forest in the State of Washington;

H. R. 5472. An act to authorize the exchange of certain lands within the Great Smoky Mountains National Park for lands within the Cherokee Indian Reservation, N. C., and for other purposes;

H. R. 5594. An act to make available for national-park purposes certain lands within the area of the proposed Mammoth Cave National Park, Ky.;

H. R. 5685. An act to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest in the State of California; and

H. R. 7618. An act relating to the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands situated in the State of Oregon; to the Committee on Public Lands and Surveys.

H. R. 5809. An act authorizing the transfer of canceled check to the Governor of Alaska;

H. R. 6651. An act to provide for a referendum in the Territory of Alaska as to the establishment of a one-house legislature, and for other purposes; and

H. R. 7561. An act to amend the act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", approved March 24, 1934; to the Committee on Territories and Insular Affairs.

H. R. 4642. An act to provide for the conveyance by the United States to the county of Beaufort, S. C., of the Hunting Island Lighthouse Reservation;

H. R. 6045. An act authorizing and directing the Secretary of Commerce to transfer to the government of Puerto Rico a portion of land within the Catano Range Rear Lighthouse Reservation, P. R., and for other purposes;

H. R. 6048. An act to provide for the establishment of a Coast Guard station in the vicinity of Fort Myers, Fla.;

H. R. 6976. An act to provide for the establishment of a Coast Guard station on the coast of Alabama at or near Dauphin Island, Ala.;

H. R. 7514. An act to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.;

H. R. 7614. An act to amend the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911;

H. R. 7646. An act to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936;

H. R. 7823. An act to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes; and

H. J. Res. 413. Joint resolution to permit the transportation of passengers by Canadian passenger vessels between ports or places in the United States on Lake Ontario and the St. Lawrence River; to the Committee on Commerce.

H. R. 7127. An act authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938;

H. R. 7512. An act to amend the act approved March 26, 1934;

H. J. Res. 385. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the Oil World Exposition at Houston, Tex., to be held October 11 to 16, 1937, inclusive; and

H. J. Res. 437. Joint resolution relative to determination and payment of certain claims against the Government of Mexico; to the Committee on Foreign Relations.

H. J. Res. 288. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the New York World's Fair, 1939, New York City, N. Y., to be admitted without payment of tariff, and for other purposes; to the Committee on Finance.

ORDER OF BUSINESS

Mr. BARKLEY. Mr. President, I wish to make a brief statement. It is generally agreed that we will attempt to transact no business today; that the Senate will adjourn until noon on Thursday, and that then, after the morning hour, the veto message of the President on the farm interest rate will be taken up and disposed of. Beyond that, I am not prepared to make any announcement.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Oregon?

Mr. BARKLEY. I yield to the Senator.

Mr. McNARY. I have no objection to the proposal made by the Senator from Kentucky. However, is it the purpose on Thursday to go forward with the Court measure or to proceed with the consideration of unobjected bills on the calendar?

Mr. BARKLEY. I think it is likely that after disposition of the veto message the Senate will proceed to the consideration of bills on the calendar. I am not prepared at this time to say definitely, but that is very likely to happen.

Mr. McNARY. The Senator means unobjected bills on the calendar?

Mr. BARKLEY. Yes.

Mr. McNARY. May I submit a parliamentary inquiry?

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. Does the Senator from New York [Mr. COPELAND] have the floor under the order which was made?

The VICE PRESIDENT. He would not have it until 2 o'clock, the Chair is advised by the Parliamentarian.

Mr. McNARY. Very well.

Mr. BARKLEY. I am willing to yield if any Senator desires to introduce a bill, or for business of that sort.

The VICE PRESIDENT. Does the Senator want to have the regular morning business proceeded with?

ADJOURNMENT TO THURSDAY

Mr. BARKLEY. I think we had better not do that; and that we had better abide by our understanding. Therefore I move that the Senate adjourn until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 12 o'clock and 4 minutes p. m.) the Senate adjourned until Thursday, July 22, 1937, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 20, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Unto Thee, O God, do we give thanks; yea, unto Thee do we give thanks; righteous art Thou and true is Thy judgment. Teach us the way of Thy statutes and give us understanding, and may our delight be in Thy commandments. As servants and representatives of a great people, may we draw near to Thee for wisdom and fresh inspiration. Humble and grateful we are, yet wondering, we pray, that we may be very sure of our faith in Thee and in ourselves. Today give us the accent of valor, faith, and independence in our deliberations. Persuade us, our Father, of Thy divine tenderness and goodness. When problems press, when labor seems hard, help us to be calm and confident and not forget that Thou art ever near. Through Christ, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

ADDITIONAL COMPENSATION FOR CERTAIN EMPLOYEES OF THE HOUSE

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts (H. Res. 172) and ask for its immediate consideration.

The SPEAKER. Can the gentleman state to the Chair whether there is any opposition to the resolution?

Mr. WARREN. It is my understanding there is no controversy about this resolution, Mr. Speaker. I have talked with the minority leader and it is a unanimous report from the committee.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 172

Resolved, That there shall be an additional assistant to the superintendent of the House press gallery to be designated as provided by the rules of the House, to be appointed by the Doorkeeper of the House, and to receive compensation at the rate of $2,400 per annum, payable from the contingent fund of the House until otherwise provided by law: *Provided*, That upon the appointment of such additional assistant the position of press gallery page at the rate of $1,920 per annum shall be vacated and no appointment shall be made to such position.

With the following committee amendments:

At the end of the resolution insert the following:

"SEC. 2. That until otherwise provided by law, the Clerk of the House be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, additional compensation per annum, payable monthly, to certain employees of the House as follows:

"To the disbursing clerk in the Clerk's office the sum of $1,040, so long as the position is held by the present incumbent.

"To the assistant disbursing clerk in the Clerk's office the sum of $780, so long as the position is held by the present incumbent.

"To the assistant enrolling clerk in the Clerk's office the sum of $720, so long as the position is held by the present incumbent.

"To the stenographer to the Clerk in the Clerk's office the sum of $520.

"SEC. 3. This resolution shall be effective as of August 1, 1937."

The SPEAKER. The question is on the amendments to the resolution.

The amendments were agreed to.

The SPEAKER. The question is on the resolution as amended.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House for 25 minutes on tomorrow after the disposition of business on the Speaker's table, after the disposition of Calendar Wednesday business, and following the remarks of the gentleman from Michigan [Mr. HOFFMAN], who, I understand, has 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent that on Friday next, after all legislative business is concluded, I may address the House for a period of 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REORGANIZATION OF THE JUDICIARY

Mr. DUNN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DUNN. Mr. Speaker and Members of the House, I have placed on the Speaker's desk a petition—No. 9—to discharge the Judiciary Committee from further consideration of H. R. 4417, a bill to regulate the Supreme and other Federal courts. I would like for the Members who favor the President's Court plan to please sign the petition. It is my opinion that if the said measure would be enacted into law the common people of our country would be greatly benefited.

[Here the gavel fell.]

RECEIPTS AND EXPENDITURES OF THE GOVERNMENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I would like to call the attention of the House to the Treasury statement of July 14, showing that the receipts for the 14 days of this year to this time are $208,722,786 and the expenditures $402,878,666, or a deficit of $194,155,880. The principal thing I want to call to the attention of the Members is this fact: That we have now gone in the red this year over that of last year in the amount of $94,321,107. You are talking economy, and if you watch the Treasury statements daily you can see where we are putting any economy into Government, then there is something wrong between the thought you have in mind and what the Treasury statements disclose. I ask you to pay attention to them. Your increased daily expenditures this year so far has increased $6,737,000 a day over the expenditures of a year ago. You talk of a balanced Budget; you state you are for economy. You can see what you are doing. According to the Treasury statement, you are doing just the opposite. You are fooling the American people, or at least trying to do so. Why continue this policy until you wreck this Nation financially? I claim this administration is not financially sound, it never was, and I question if it ever will be. I hope, however, that you will see what it means to our Nation, that you will stop your ruthless expenditures, that you will cut out useless bureaus, consolidate departments, as you have promised the American people you would do. Our national debt is over $36,597,525,791. It cannot go much higher without serious results to our Nation.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. O'BRIEN of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is the day set apart for the consideration of private omnibus claims bills. The Chair will state that the first bill on the calendar is the omnibus immigration bill.

Mr. DICKSTEIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DICKSTEIN. Mr. Speaker, I think I propounded a parliamentary inquiry on the last Tuesday when the private omnibus bills were on the calendar, and I want to repeat it for the assurance of Members who have items in the omnibus bills on this calendar. I think the Chair ruled that if I let the Claims Committee come in with other bills I would not lose my rights on the immigration bills.

The SPEAKER. The Chair ruled upon the gentleman's parliamentary inquiry that he lost no rights on the calendar on last Tuesday. Does the gentleman now waive the right to call up the omnibus immigration bill?

Mr. DICKSTEIN. I waive the right for today to call up that bill.

The SPEAKER. Without objection, the bill will be passed over.

Mr. COSTELLO. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. KENNEDY of Maryland. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 112]

Amlie	Edmiston	Hill, Ala.	Phillips
Anderson, Mo.	Eicher	Hoffman	Plumley
Bernard	Ellenbogen	Imhoff	Reed, N. Y.
Binderup	Englebright	Jacobsen	Rogers, Okla.
Boren	Fernandez	Jenkins, Ohio	Schuetz
Brewster	Fish	Johnson, Luther A.	Scrugham
Buckley, N. Y.	Fitzpatrick	Keller	Simpson
Caldwell	Fleger	Kelly, N. Y.	Strovich
Cannon, Wis.	Forand	Kirwan	Smith, W. Va.
Casey, Mass.	Ford, Calif.	Kitchens	Starnes
Chandler	Fries, Ill.	Kloeb	Sullivan
Chapman	Fulmer	Kopplemann	Sweeney
Clark, Idaho	Gasque	Lambeth	Taylor, Colo.
Cole, N. Y.	Gifford	Lamneck	Taylor, Tenn.
Cox	Gilchrist	Lemke	Telgan
Cravens	Gray, Ind.	McGranery	Terry
Crosby	Greenwood	McGroarty	Thomas, N. J.
Crosser	Gregory	McMillan	Tinkham
Culkin	Hancock, N. C.	Magnuson	Voorhis
Daly	Harlan	Miller	Withrow
Driver	Harrington	Mouton	Wood
Duncan	Hartley	O'Neal, Ky.	Zimmerman
Eaton	Hendricks	Peyser	

The SPEAKER. On this roll call 339 Members have answered to their names, a quorum.

On motion of Mr. KENNEDY of Maryland, further proceedings under the call were dispensed with.

COMMITTEE ON RIVERS AND HARBORS

Mr. BEITER. Mr. Speaker, by direction of the chairman of the Committee on Rivers and Harbors, I ask unanimous consent that that committee may be permitted to hold hearings the rest of the week during sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first omnibus bill on the Private Calendar.

The Clerk called the first omnibus bill of the Private Calendar, H. R. 6336, for the relief of sundry claimants, and for other purposes.

GUIDEO BISCARO, ET AL.

The Clerk read as follows:

Be it enacted, etc.—

Title I—(H. R. 886. For the relief of Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin.) By Mr. BEITER

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin the sum of $3,500, being the amount of the bond deposited with the United States Immigration Service guaranteeing the presence in court of Virginia Nasato, Melchiore Miotto, Silvio Polin, Augustino Del Bianco, Daniel Biscaro, Augustin Taveron, and Emilio Miotto, and later forfeited because of failure of the bondsmen to produce the aliens in court for deportation proceedings.

With the following committee amendments:

Page 1, line 11, strike out the word "being" and insert in lieu thereof the following: "in full settlement of all claims against the United States for the refund of."

Page 2, line 8, after the word "proceedings", add the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: Page 1, line 3, strike out all of title I.

Mr. HANCOCK of New York. Mr. Speaker, title I of this bill is an attempt to reimburse seven individuals for losses they sustained when bail bonds were forfeited in the deportation cases of seven aliens 12 years ago.

These losses came about, I am satisfied from reading the report, through the misconduct, negligence, or ignorance of the attorney employed by these individuals. The facts are these: In 1924 seven aliens of Italian ancestry entered this country illegally through Canada. They paid no head tax, they submitted themselves to no inspection, they had no visas, and they were not charged against the quota of their nationality. They were apprehended about a year later and released under bond of $500 each. These bonds were supplied by an attorney named Corti. With each bond he deposited $500 of Liberty bonds as collateral. Hearings were held and the men were ordered deported. The bondsman was ordered to deliver the aliens at a certain time and place for deportation. He failed to do so. In fact, he failed to do anything; he made no effort to obtain an extension of time, and I doubt whether he even notified the aliens to appear at the time and place designated. The bonds were forfeited, the collateral was forwarded to Washington, and the proceeds covered into the Treasury. Subsequently the aliens were apprehended by immigration officers and deported.

It now appears that each of the seven claimants in this bill supplied $500 of Liberty bonds to their attorney for deposit as collateral when the bail bonds were given, but the Government was no party to those transactions, and the Government had no knowledge that the bonds belonged to anyone except the bondsman who deposited them. The Federal Government never had any dealings of any kind with the claimants in the pending bill.

The sole question here is whether we should reimburse these individuals for their lost collateral. You cannot say anything more in their behalf than that their losses were sustained through the incompetence, the neglect, or the malpractice of the attorney selected by them and employed by them. The claimants apparently have a grievance against their own attorney, but none against the Federal agents. As far as the Government is concerned, its agents have proceeded exactly in accordance with the law. There was no misconduct on the part of the immigration authorities. They performed their duty as we expect them to do it, and they are entitled to our support.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. I yield.

Mr. DONDERO. Were there any extenuating circumstances on the part of the seven aliens to show that they were in no way to blame for the nonappearance of these aliens they bonded?

Mr. HANCOCK of New York. That does not appear definitely in the report, but it is indicated that the attorney who was also the bondsman failed to notify them. If there was any misconduct any place it was on the part of the bondsman. The question now is whether we are to reimburse these claimants because of his neglect. The immigration authorities complied with the law. The procedure took its regular course.

Mr. DONDERO. Were these seven men innocent of any wrongdoing on their own part outside of coming into the country illegally?

Mr. HANCOCK of New York. So far as I know, they were.

Mr. CRAWFORD. Will the gentleman yield?

Mr. HANCOCK of New York. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Is it not a fact that these seven aliens came into this country illegally in the first place?

Mr. HANCOCK of New York. That is undisputed.

Mr. CRAWFORD. They put up a bond through Mr. Corti?

Mr. HANCOCK of New York. That is right.

Mr. CRAWFORD. When the question of their deportation came up they failed to show up?

Mr. HANCOCK of New York. That is right.

Mr. CRAWFORD. And the $3,500 was forfeited to the Department of Labor in accordance with the law?

Mr. HANCOCK of New York. Yes.

Mr. CRAWFORD. Is it not also true if we go ahead and permit the refund of $3,500 to these people we invite aliens to come into this country illegally and invite them to come in any way they can?

Mr. HANCOCK of New York. If we pass bills of this character there is very little reason for ever demanding security when an alien held on deportation charges is released. Just go ahead and release him and let the immigration authorities find him again if they can.

[Here the gavel fell.]

Mr. BEITER. Mr. Speaker, I rise in opposition to the amendment.

The purpose of the bill is to direct the Secretary of the Treasury to pay to the beneficiaries named in the bill the sum of $3,500, which represents the amount of the bonds posted by the beneficiaries guaranteeing the presence in court of Virginia Nasato, Melchiore Miotto, Silvio Polin, Augustino Del Bianco, Daniel Biscaro, Augustin Taveron, and Emilio Miotto.

The aliens were taken into custody at Akron, N. Y., in the month of August 1925. The amount of a bond required for each alien was $500. The beneficiaries in the bill posted Liberty bonds valued at $500 each, which are described in the receipts of the district director of the Immigration and Naturalization Service, dated August 29, 1925, the receipts having been made on Form 553A–1 of the Immigration and Naturalization Service. The receipts show that the bonds were received from Frank A. Corti, attorney for the beneficiaries of the bill, but on the reverse side of each Corti certified that the bonds were received from the individuals named as beneficiaries in the bill.

The bonds were to be returned to those who posted them by the Immigration and Naturalization Service upon the appearance of the aliens at the immigration office for deportation. All the aliens, with the exception of one, was deported, the excepted one having been in the country illegally and having since proceeded toward citizenship. However, the bond posted for the latter is also forthcoming. The attorney engaged by the bondsmen to represent them failed to notify them of the appearance of the aliens, and therefore they failed to call at the immigration office on the appointed date. The following day they were taken into custody by authorities of the Immigration and Naturalization Service from Black Rock.

Payment of the bonds has been withheld for approximately 12 years, and it has inflicted great hardships on the bondsmen, some of whom were obliged to seek aid from the welfare authorities.

Proof that the aliens and bondsmen were not notified by their legal counsel to appear at the immigration office at the appointed time is on file with the committee in the form of sworn statements from the employers of the aliens to the effect that they were at work at the time they should have appeared at the immigration office. These statements were made by members of the Beaver Products Co. and the Universal Gypsum & Lime Co., of Buffalo, in which firms the aliens were employed.

Mr. HANCOCK of New York. Will the gentleman yield?

Mr. BEITER. I yield to the gentleman from New York.

Mr. HANCOCK of New York. That particular endorsement was a memorandum put on there by the attorney himself. There is no evidence to the effect that that was brought to the attention of the immigration officials.

Mr. BEITER. The evidence has been subsequently submitted to the committee in affidavit form.

Mr. HANCOCK of New York. The immigration officials had no knowledge of these bonds belonging to anyone other than the men who deposited them. The attorney for the Labor Department suggests that the Labor Department had no knowledge that these belonged to anyone except the people themselves.

Mr. BEITER. The bonds were endorsed by the attorney.

Mr. HANCOCK of New York. That is true; but not by these claimants.

Mr. BEITER. The bonds were to be returned to those who posted them.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Are these seven aliens in the country today?

Mr. BEITER. No. Six of the aliens have been deported, and one has become a citizen. The injustice of the whole matter is that the men who posted the bonds are the innocent sufferers, because the attorney failed to notify them. We have affidavits to the effect that on the following day deportation agents went to the plant where the aliens were employed and apprehended them. The authorities took these aliens into custody and deported them.

Mr. ROBSION of Kentucky. Were they immediately deported?

Mr. BEITER. You may say the only redress is through the attorney, but the attorney in this town has done nothing and will do nothing in the matter. They cannot get anything from him. It does not cost the Federal Government one penny to return these bonds. In many cases the men who posted the bonds are now on the relief rolls and could be immediately taken from the relief rolls and would be able to use this money. There would be a saving to the Federal Government. As I stated, it does not cost the Federal Government one single penny. I am only asking the return of this money to the rightful owners.

Mr. HANCOCK of New York. The gentleman states it does not cost the Federal Government a penny.

Mr. BEITER. Yes.

Mr. HANCOCK of New York. The proceeds of these bonds were covered into the Treasury 12 years ago and we are now asked to appropriate $3,500.

Mr. BEITER. The money belonged to these bondsmen. What right has the Government to spend this money?

Mr. HANCOCK of New York. Why, the bonds were properly forfeited. There was nothing irregular in the Immigration Department. They simply pursued the regular course.

Mr. BEITER. I grant that, but understand that on the following day they came to the plant and arrested these men.

Mr. HANCOCK of New York. It was necessary for the immigration officials to go out and apprehend them.

Mr. BEITER. That is true. The bondsmen did not produce the aliens, but the reason the bondsmen did not produce the aliens was because the attorney failed to notify them that the Government had commanded their appearance in court. Had they any intention of trying to evade deportation proceedings or skip out of the country they certainly would not have been working there at the plant where they were apprehended.

Mr. HANCOCK of New York. These claimants have their remedy against the attorney.

Mr. BEITER. I grant that, if the attorney had anything to seize, but the attorney has no assets.

Mr. DONDERO. Will the gentleman yield?

Mr. BEITER. I yield to the gentleman from Michigan.

Mr. DONDERO. What can the gentleman say to the House as to the illegal entry of these seven men into the United States?

Mr. BEITER. It is true the men entered illegally without proper visas and without paying the proper head tax. I am not arguing that. I am arguing for the men who posted the bonds for the appearance of these aliens, who are the real sufferers. Six of the aliens have been deported and the other one has become a citizen.

Mr. KERR. Will the gentleman yield?

Mr. BEITER. I yield to the gentleman from North Carolina.

Mr. KERR. There was no fraud on the part of these aliens in not answering the mandate of the court?

Mr. BEITER. No.

Mr. KERR. It was simply a mistake on their part.

Mr. BEITER. That is true, although it could not exactly be described as a mistake; rather it was a case of ignorance, since they knew nothing of the deportation order.

[Here the gavel fell.]

Mr. BEITER. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute in order to answer a question.

The SPEAKER. Under the rule covering the consideration of these bills, 5 minutes on each side is the limit for debate.

Mr. CRAWFORD. Mr. Speaker, I move to strike out the last word.

The SPEAKER. Under the rule the Chair cannot entertain that motion.

The question is on the amendment of the gentleman from New York [Mr. HANCOCK].

The question was taken; and on a division (demanded by Mr. HANCOCK of New York) there were—ayes 48, noes 77.

Mr. CARTER. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-nine Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 141, nays 159, answered "present" 1, not voting 130, as follows:

[Roll No. 113]

YEAS—141

Allen, Ill.	Cooley	Hancock, N. Y.	McGrath
Allen, La.	Cooper	Hoffman	McLaughlin
Andresen, Minn.	Costello	Holmes	McLean
Andrews	Cravens	Hope	McReynolds
Arends	Crawford	Hunter	Maas
Bacon	Creal	Jarrett	Mahon, S. C.
Barden	Crowe	Jenks, N. H.	Mahon, Tex.
Bates	Crowther	Johnson, Luther A.	Mapes
Biermann	Culkin	Johnson, W. Va.	Martin, Mass.
Boehne	Dirksen	Kinzer	Massingale
Boren	Ditter	Kniffin	May
Buck	Douglas	Knutson	Michener
Buckler, Minn.	Dowell	Kocialkowski	Millard
Bulwinkle	Doxey	Lambertson	Mitchell, Ill.
Burdick	Elliott	Lanham	Mitchell, Tenn.
Carter	Engel	Larrabee	Moser, Pa.
Case, S. Dak.	Flannery	Lewis, Colo.	Mott
Chapman	Fletcher	Long	Nelson
Church	Ford, Miss.	Lord	O'Brien, Mich.
Clason	Gearhart	Lucas	Oliver
Cluett	Green	Luce	Owen
Cochran	Gregory	Luckey, Nebr.	Palmisano
Collins	Gwynne	Luecke, Mich.	Patterson
Colmer	Halleck	McFarlane	Pearson
Pettengill	Sauthoff	Taber	Welch
Polk	Schaefer, Ill.	Taylor, S. C.	Whelchel
Rankin	Scott	Thomas, Tex.	White, Ohio
Reece, Tenn.	Seger	Thompson, Ill.	Wigglesworth
Reed, Ill.	Sheppard	Thurston	Williams
Rich	Smith, Maine	Tobey	Wolcott
Richards	Snell	Treadway	Wolfenden
Robsion, Ky.	Snyder, Pa.	Turner	Wolverton
Rogers, Mass.	South	Umstead	Woodruff
Romjue	Spence	Vinson, Fred M.	
Rutherford	Stefan	Warren	
Sanders	Swope	Wearin	

NAYS—159

Aleshire	Doughton	Kennedy, N. Y.	Poage
Allen, Del.	Drew, Pa.	Kenney	Powers
Allen, Pa.	Drewry, Va.	Keogh	Rabaut
Ashbrook	Dunn	Kerr	Ramsay
Atkinson	Eberharter	Kleberg	Ramspeck
Barry	Eckert	Kramer	Rees, Kans.
Beiter	Evans	Kvale	Rigney
Bell	Farley	Lamneck	Robertson
Bigelow	Ferguson	Lanzetta	Robinson, Utah
Bland	Fitzgerald	Leavy	Sabath
Bloom	Ford, Calif.	Lesinski	Sacks
Boileau	Frey, Pa.	Lewis, Md.	Sadowski
Boland, Pa.	Gambrill	Ludlow	Schneider, Wis.
Boyer	Garrett	McAndrews	Schulte
Bradley	Gehrmann	McCormack	Secrest
Brown	Gildea	McGehee	Shanley
Carlson	Gingery	Mansfield	Shannon
Cartwright	Goldsborough	Martin, Colo.	Smith, Va.
Celler	Greever	Mason	Smith, Wash.
Citron	Guyer	Maverick	Sparkman
Clark, N. C.	Hamilton	Mead	Stack
Claypool	Harrington	Meeks	Steagall
Coffee, Nebr.	Hart	Merritt	Sumners, Tex.
Coffee, Wash.	Havenner	Mills	Sutphin
Colden	Healey	Murdock, Ariz.	Tarver
Cullen	Hildebrandt	Murdock, Utah	Thom
Cummings	Hill, Wash.	O'Brien, Ill.	Thomason, Tex.
Deen	Hobbs	O'Connell, R. I.	Tolan
Delaney	Honeyman	O'Connor, Mont.	Towey
Dempsey	Hook	O'Connor, N. Y.	Transue
DeMuth	Houston	O'Day	Vinson, Ga.
DeRouen	Hull	O'Leary	Wallgren
Dickstein	Izac	O'Neill, N. J.	Walter
Dies	Jarman	O'Toole	Wene
Dingell	Jenckes, Ind.	Pace	West
Disney	Johnson, Okla.	Patman	Whittington
Dixon	Jones	Patton	Wilcox
Dockweiler	Kee	Peterson, Fla.	Wood
Dondero	Kelly, N. Y.	Peterson, Ga.	Woodrum
Dorsey	Kennedy, Md.	Pierce	

ANSWERED "PRESENT"—1

Fish

NOT VOTING—130

Amlie	Englebright	Johnson, Minn.	Randolph
Anderson, Mo.	Faddis	Keller	Rayburn
Arnold	Fernandez	Kelly, Ill.	Reed, N. Y.
Beam	Fitzpatrick	Kirwan	Reilly
Bernard	Flannagan	Kitchens	Rogers, Okla.
Binderup	Fleger	Kloeb	Ryan
Boykin	Forand	Kopplemann	Schuetz
Boylan, N. Y.	Fries, Ill.	Lambeth	Scrugham
Brewster	Fuller	Lea	Shafer, Mich.
Brooks	Fulmer	Lemke	Short
Buckley, N. Y.	Gasque	McClellan	Simpson
Burch	Gavagan	McGranery	Sirovich
Byrne	Gifford	McGroarty	Smith, Conn.
Caldwell	Gilchrist	McKeough	Smith, W. Va.
Cannon, Mo.	Gray, Ind.	McMillan	Somers, N. Y.
Cannon, Wis.	Gray, Pa.	McSweeney	Starnes
Casey, Mass.	Greenwood	Magnuson	Sullivan
Champion	Griffith	Maloney	Sweeney
Chandler	Griswold	Miller	Taylor, Colo.
Clark, Idaho	Haines	Mosier, Ohio	Taylor, Tenn.
Cole, Md.	Hancock, N. C.	Mouton	Telgan
Cole, N. Y.	Harlan	Nichols	Terry
Cox	Harter	Norton	Thomas, N. J.
Crosby	Hartley	O'Connell, Mont.	Tinkham
Crosser	Hendricks	O'Malley	Vincent, B. M.
Curley	Hennings	O'Neal, Ky.	Voorhis
Daly	Higgins	Parsons	Wadsworth
Driver	Hill, Ala.	Patrick	Weaver
Duncan	Hill, Okla.	Peyser	White, Idaho
Eaton	Imhoff	Pfeifer	Withrow
Edmiston	Jacobsen	Phillips	Zimmerman
Eicher	Jenkins, Ohio	Plumley	
Ellenbogen	Johnson, Lyndon	Quinn	

So the amendment was rejected.

Mr. BOLAND, Mr. MEAD, Mr. HILDEBRANDT, Mr. HOUSTON, Mr. HAMILTON, and Mr. BEITER changed their votes from "yea" to "nay."

Mr. REES of Kansas and Mr. RANKIN changed their votes from "nay" to "yea."

The Clerk announced the following pairs:

On this vote:

Mr. Thomas of New Jersey (for) with Mr. Sullivan (against).
Mr. Eaton (for) with Mr. Buckley of New York (against).
Mr. Short (for) with Mr. Daly (against).

Mr. Gifford (for) with Mr. Byrne (against).
Mr. Jenkins of Ohio (for) with Mr. Gavagan (against).
Mr. Cole of New York (for) with Mr. Bernard (against).
Mr. Reed of New York (for) with Mr. Curley (against).
Mr. Plumley (for) with Mr. Withrow (against).
Mr. Hartley (for) with Mr. Fitzpatrick (against).
Mr. Taylor of Tennessee (for) with Mr. Teigan (against).
Mr. Wadsworth (for) with Mr. Kelly of Illinois (against).
Mr. Tinkham (for) with Mr. Johnson of Minnesota (against).
Mr. Simpson (for) with Mr. Kopplemann (against).
Mr. Englebright (for) with Mr. Pfeifer (against).

General pairs:

Mr. Cox with Mr. Gilchrist.
Mr. Fuller with Mr. Brewster.
Mr. Cannon of Missouri with Mr. Shafer of Michigan.
Mr. Hancock of North Carolina with Mr. Lemke.
Mr. Burch with Mr. Amlie.
Mr. Hennings with Mr. Casey of Massachusetts.
Mr. Cole of Maryland with Mr. Beam.
Mr. Parsons with Mr. Greenwood.
Mr. McSweeney with Mr. Bell.
Mr. Crosser with Mr. Reilly.

The result of the vote was announced as above recorded.

The Clerk read as follows:

Title II—(H. R. 1025. To confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claims of the Italian Star Line, Inc., against the United States.) By Mr. DELANEY

That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon, notwithstanding the lapse of time or any provision of law to the contrary, the claims of the Italian Star Line, Inc., (1) for damages arising from breach of a charter sales agreement for the purchase of a steamship (*Liberty Land*) entered into on April 26, 1920, between said corporation and the United States (acting through the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation), and (2) as if the United States were sueable in tort, for damages for abuse of process, malicious prosecution, and unlawful appointment of a receiver (based on the prosecution of receivership proceedings against the Italian Star Line, Inc., begun in the United States District Court, Southern District of New York, in December 1920, and a criminal prosecution of said corporation for conspiracy to defraud the United States, begun in the said district court in February 1921). The Court of Claims shall not have jurisdiction under this act unless the said corporation files a petition setting forth their claims for such damages in such court within after the date of exactment of this act. The Court of Claims shall hear, determine, and render judgment on such claims without prejudice by reason of the failure of the claimant to receive redress in respect of such claims in court actions heretofore instituted by such claimant. The Court of Claims shall, if it render judgment for the claimant, allow interest on the amount of damages found, at the rate prescribed by law at the time of such allowance in cases of judgment against the United States from the time such damages were sustained until the judgment is paid. Review of such judgment may be had by either party in the same manner as is provided by law in other causes in such court.

SEC. 2. There is authorized to be appropriated such sum as may be necessary to pay the amount of any judgment rendered and interest allowed pursuant to this act. The amount of such judgment and the interest allowed shall be paid by the Secretary of the Treasury upon presentation of a duly authenticated copy of the judgment of the Court of Claims.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments: Page 3, line 2, beginning with the "(1)" strike out the rest of line 2 and all down to and including line 15 and insert the following: "for loss or damage to said Italian Star Line, Inc., arising out of the negotiations, transactions, and litigation, both criminal and civil, had with the United States, the United States Shipping Board, and the United States Shipping Board Emergency Fleet Corporation, concerning the steamship *Liberty Land*, including amounts paid to the United States, the United States Shipping Board, and the United States Shipping Board Emergency Fleet Corporation for the steamship *Liberty Land*, and other assets including goodwill: *Provided, however*, That the Court of Claims shall not consider prospective profits and losses in proceedings or actions had under this act."

Page 4, line 6, after the word "within", insert "1 year."

Page 4, line 11, after the word "claimant", strike out the remainder of the bill.

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, beginning in line 17, strike out all of title II.

Mr. COSTELLO. Mr. Speaker, the amendment which I have offered would strike from this omnibus bill all of title II.

This bill is for the benefit of the Italian Star Line, Inc., which is a shipping company organized in 1919 to engage in the merchant shipping business. The company entered into a contract with the United States Shipping Board on April 26, 1920, to purchase the ship *Liberty Land*, a vessel of 7,800 deadweight tons. The purchase price was approximately $1,500,000, to be paid on a 10-year deferred-payment basis. The contract was the standard contract used in all such cases.

The vessel was delivered on April 28, 1920, and the first monthly charter-hire payment was made, amounting to $39,125. In addition, a down payment of $41,920 was made, as were also the two payments for May and June of $39,125.

The company was not financially successful. It met with difficulties from the start and every operation was unprofitable. The company entered into negotiations with the Shipping Board to try to reduce the terms of its contract, which the Shipping Board failed to do, insisting upon the payment of the full price. As a result of three voyages, the total loss on operations to the company was $129,781.93. Of this amount, the company owed the Shipping Board $114,863.76. The company had $60,000 cash on hand, but refused to pay any of this money to the Shipping Board. However, the directors then did declare a dividend to their stockholders.

At that time the stockholders brought a suit to appoint a receiver. One of the stockholders attached $30,000 of the company's funds. On December 6 the Shipping Board came in and brought suit to have a receiver appointed. With the consent of the attorney for the company, a receiver was appointed.

This bill would authorize the company to go to the Court of Claims and sue for damages. I call the attention of the House to the fact that in 1930 at least two, if not three, suits were brought in the Court of Claims against the Government. In one case a judgment of $104,000 was won, but on a motion to dismiss that action, because the jury finding was not in keeping with the facts, the court did dismiss the action. In each case the shipping company has had the action dismissed on motion. Now, you are asked to allow them to go back to the Court of Claims, first, to sue for damages arising from a breach of the contract to purchase, a breach, mind you, alleged to be by the Shipping Board, when it was clearly shown by the books of the company that the company itself was financially unable to carry out the terms of its original contract, due to bad shipping conditions in the country; and, secondly, to seek to collect damages for abuse of process, malicious prosecution, and the unlawful appointment of a receiver.

I call to your attention the fact that 3 days before the Shipping Board sued, the stockholders had brought an action for the appointment of a receiver; one stockholder had attached the funds of the company. It was not until 3 days later that the Shipping Board, to protect its own rights, came in and demanded the appointment of a receiver. At the time the receiver was asked for, the company was actually indebted to the United States Shipping Board in the sum of $114,000. There is a statement in the committee report, on page 8, which would indicate that the company had some very large assets on hand. However, if you will notice, one of these assets consists of cargo contracts unexecuted, for which a value of $120,000 is shown, and another asset is goodwill, $153,000. This was a company organized solely for the purchase of a Government ship, and the operations of the company had all been at a loss. How they could compute goodwill at $153,000, I do not know.

Mr. Speaker, I ask that the Members vote "yea" on this amendment to strike out the title.

[Here the gavel fell.]

Mr. DELANEY. Mr. Speaker, I rise in opposition to the amendment of the gentleman from California.

As the gentleman from California has stated, this line was incorporated in 1919 for the purpose of encouraging the merchant marine. The company was formed under the laws of Delaware. At that time there were about 4,000 stockholders, all of whom were poor Italians, who each subscribed in good faith to a certain amount of the stock of this company.

This matter goes back to the time when the Shipping Board was more or less controlled by a combination, because, as the report clearly shows, after the investigation of charges

against the admiralty counsel his brother-in-law was removed as attorney for the receivers in all of the steamship company cases and the admiralty counsel was removed from his office. Furthermore, the trial of this matter lasted for 9 days. The jury deliberated for a few hours, giving a verdict in favor of the plaintiff for $105,000. On the 31st day of March Judge Cox set the jury's verdict aside and dismissed the complaint.

This is simply a matter of permitting these people in good faith to go into the court and have their case adjudicated by the Court of Claims. This is not an appropriation nor an authorization, but simply permission to go into court and present their case and have the court decide what the equities are and have the matter finally decided.

The bill has been amended by the Claims Committee and apparently has met with the approval of the Claims Committee, because they voted it out unanimously. I believe the gentleman from California [Mr. COSTELLO] again appeared before the committee and presented his side of the case and also his objection to allowing them to go to the Court of Claims. I am informed that after hearing his objections the Claims Committee again decided to report the bill unanimously.

It seems to me, Mr. Speaker, in view of the fact that all these people want is simple justice in being allowed to go into court and present their case, the motion should be voted down.

As the chairman of the Claims Committee has indicated in his report, this is purely a jurisdictional matter. It is a matter of giving them an opportunity to be heard and giving them what we believe is only justice. As I have said, the objections of the gentleman from California [Mr. COSTELLO] were again overruled by the Claims Committee, and a vote of "yes" on this motion will mean you are denying these people the right to go into court and have these claims adjusted or adjudicated, while a vote of "no" means that we are willing to give these people an opportunity to go into court and have their case heard, and we will rest upon their decision.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield for a question?

Mr. DELANEY. I yield.

Mr. REES of Kansas. If a judgment is rendered in their favor, however, who will pay the judgment?

Mr. DELANEY. Who will pay the judgment?

Mr. REES of Kansas. Yes; if the court decides that a judgment should be allowed?

Mr. DELANEY. This money has already been paid into the United States Government, and because of the fact that there was so much dispute about the matter at the time—in other words, a sort of combination in the Shipping Board of people associated with the Board who allowed their brothers-in-law or their relatives to become involved in the matter and be appointed receivers through influence exerted at that time—this simply involves money paid to the United States Government, and the Court of Claims is going to decide whether or not the United States Government is justified in returning this money or not.

Mr. REES of Kansas. Will it not take further legislation, then, to turn the money over to them?

Mr. DELANEY. I do not believe the gentleman would want to have the Government owe anybody a just amount of money without paying it. The Court of Claims will decide on the merits of the case; and if they find for the plaintiffs, the Treasury will be ordered to pay the amount decided upon.

[Here the gavel fell.]

The SPEAKER. The question is on the amendment offered by the gentleman from California [Mr. COSTELLO] to strike out the title.

The question was taken; and on a division (demanded by Mr. COSTELLO) there were—ayes 56, noes 57.

Mr. COSTELLO. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 120, nays 186, not voting 125, as follows:

[Roll No. 114]

YEAS—120

Aleshire	Dowell	Lamneck	Reed, Ill.
Allen, Ill.	Eckert	Larrabee	Rees, Kans.
Allen, La.	Elliott	Lewis, Colo.	Rich
Andresen, Minn.	Engel	Lewis, Md.	Robsion, Ky.
Arends	Englebright	Lord	Rogers, Mass.
Bacon	Faddis	Luce	Rutherford
Barden	Fish	Luckey, Nebr.	Sauthoff
Bates	Fletcher	McLean	Seger
Bigelow	Ford, Miss.	McReynolds	Sheppard
Binderup	Garrett	McSweeney	Smith, Maine
Boehne	Gearhart	Mahon, Tex.	Snell
Buck	Gildea	Mapes	Stefan
Buckler, Minn.	Green	Martin, Colo.	Taber
Cannon, Mo.	Gwynne	Martin, Mass.	Taylor, S. C.
Carter	Halleck	May	Thurston
Case, S. Dak.	Hancock, N. Y.	Michener	Tobey
Church	Havenner	Millard	Transue
Cluett	Hendricks	Mills	Treadway
Cochran	Hobbs	Mitchell, Ill.	Turner
Coffee, Nebr.	Hope	Moser, Pa.	Umstead
Colden	Hull	Mott	Vinson, Fred M.
Colmer	Jarrett	Nelson	Voorhis
Cooley	Jenks, N. H.	Nichols	Warren
Cooper	Johnson, Okla.	Patterson	White, Ohio
Costello	Johnson, Luther A.	Pearson	Whittington
Crawford	Jones	Pettengill	Wigglesworth
Dirksen	Kinzer	Pierce	Wolcott
Ditter	Kniffin	Polk	Wolfenden
Dondero	Knutson	Powers	Wood
Douglas	Kocialkowski	Rankin	Woodruff

NAYS—186

Allen, Del.	Evans	Lea	Richards
Allen, Pa.	Farley	Leavy	Rigney
Andrews	Ferguson	Lesinski	Robertson
Arnold	Fitzgerald	Long	Robinson, Utah
Ashbrook	Ford, Calif.	Ludlow	Romjue
Barry	Frey, Pa.	Luecke, Mich.	Sabath
Beam	Gambrill	McAndrews	Sacks
Beiter	Gavagan	McCormack	Sadowski
Bell	Gehrmann	McFarlane	Sanders
Biermann	Goldsborough	McGehee	Schaefer, Ill.
Bland	Gray, Pa.	McGrath	Schneider, Wis.
Bloom	Greever	McKeough	Schulte
Boileau	Gregory	McLaughlin	Scott
Boland, Pa.	Griffith	Maas	Secrest
Boyer	Griswold	Mahon, S. C.	Shafer, Mich.
Boykin	Hamilton	Maloney	Shanley
Bradley	Harlan	Maverick	Shannon
Brooks	Harrington	Mead	Smith, Conn.
Brown	Hart	Meeks	Smith, Wash.
Bulwinkle	Harter	Merritt	South
Burdick	Healey	Murdock, Ariz.	Sparkman
Byrne	Hennings	Murdock, Utah	Spence
Celler	Higgins	O'Brien, Ill.	Stack
Chapman	Hildebrandt	O'Connell, R. I.	Steagall
Citron	Hill, Wash.	O'Connor, Mont.	Sutphin
Claypool	Holmes	O'Connor, N. Y.	Swope
Coffee, Wash.	Honeyman	O'Day	Tarver
Cole, Md.	Hook	O'Leary	Thom
Collins	Houston	O'Neill, N. J.	Thomas, Tex.
Cox	Hunter	O'Toole	Thomason, Tex.
Cravens	Izac	Oliver	Tolan
Crowe	Jarman	Owen	Towey
Cullen	Jenckes, Ind.	Pace	Wallgren
Cummings	Johnson, Minn.	Palmisano	Walter
Delaney	Johnson, W. Va.	Patman	Wearin
Dempsey	Kee	Patrick	Weaver
DeMuth	Kelly, Ill.	Patton	Welch
Dickstein	Kennedy, Md.	Peterson, Fla.	Wene
Dies	Kennedy, N. Y.	Peterson, Ga.	West
Dingell	Kenney	Pfeifer	Whelchel
Dockweiler	Keogh	Poage	White, Idaho
Dorsey	Kerr	Rabaut	Wilcox
Doughton	Kleberg	Ramsay	Williams
Drew, Pa.	Kramer	Ramspeck	Wolverton
Drewry, Va.	Kvale	Randolph	Woodrum
Dunn	Lanham	Reece, Tenn.	
Eberharter	Lanzetta	Reilly	

NOT VOTING—125

Amlie	Chandler	Dixon	Fuller
Anderson, Mo.	Clark, Idaho	Doxey	Fulmer
Atkinson	Clark, N. C.	Driver	Gasque
Bernard	Clason	Duncan	Gifford
Boren	Cole, N. Y.	Eaton	Gilchrist
Boylan, N. Y.	Creal	Edmiston	Gingery
Brewster	Crosby	Eicher	Gray, Ind.
Buckley, N. Y.	Crosser	Ellenbogen	Greenwood
Burch	Crowther	Fernandez	Guyer
Caldwell	Culkin	Fitzpatrick	Haines
Cannon, Wis.	Curley	Flannagan	Hancock, N. C.
Carlson	Daly	Flannery	Hartley
Cartwright	Deen	Fleger	Hill, Ala.
Casey, Mass.	DeRouen	Forand	Hill, Okla.
Champion	Disney	Fries, Ill.	Hoffman

Imhoff	McMillan	Plumley	Sumners, Tex.
Jacobsen	Magnuson	Quinn	Sweeney
Jenkins, Ohio	Mansfield	Rayburn	Taylor, Colo.
Johnson, Lyndon	Mason	Reed, N. Y.	Taylor, Tenn.
Keller	Massingale	Rogers, Okla.	Teigan
Kelly, N. Y.	Miller	Ryan	Terry
Kirwan	Mitchell, Tenn.	Schuetz	Thomas, N. J.
Kitchens	Mosier, Ohio	Scrugham	Thompson, Ill.
Kloeb	Mouton	Short	Tinkham
Kopplemann	Norton	Simpson	Vincent, B. M.
Lambertson	O'Brien, Mich.	Sirovich	Vinson, Ga.
Lambeth	O'Connell, Mont.	Smith, Va.	Wadsworth
Lemke	O'Malley	Smith, W. Va.	Withrow
Lucas	O'Neal, Ky.	Snyder, Pa.	Zimmerman
McClellan	Parsons	Somers, N. Y.	
McGranery	Peyser	Starnes	
McGroarty	Phillips	Sullivan	

So the amendment was rejected.

The Clerk announced the following additional pairs:

Mr. Sullivan with Mr. Thomas of New Jersey.
Mr. Driver with Mr. Eaton.
Mr. Fuller with Mr. Reed of New York.
Mr. Crosser with Mr. Short.
Mr. Greenwood with Mr. Wadsworth.
Mr. Boylan of New York with Mr. Guyer.
Mr. Hancock of North Carolina with Mr. Crowther.
Mr. Flannagan with Mr. Carlson.
Mr. McMillan with Mr. Plumley.
Mr. Burch with Mr. Gilchrist.
Mr. Parsons with Mr. Cole of New York.
Mr. Hill of Alabama with Mr. Simpson.
Mr. Fitzpatrick with Mr. Hoffman.
Mr. Starnes with Mr. Lambertson.
Mr. Taylor of Colorado with Mr. Tinkham.
Mr. Woodrum with Mr. Hartley.
Mr. Miller with Mr. Jenkins of Ohio.
Mr. Clark of North Carolina with Mr. Brewster.
Mr. Mansfield with Mr. Gifford.
Mr. Rayburn with Mr. Taylor of Tennessee.
Mr. Smith of Virginia with Mr. Clason.
Mr. Vinson of Georgia with Mr. Mason.
Mr. Sumners of Texas with Mr. Culkin.
Mr. McClellan with Mr. Lemke.
Mr. Ellenbogen with Mr. Withrow.
Mr. Fulmer with Mr. Teigan.
Mr. Gasque with Mr. Bernard.
Mr. Sirovich with Mr. Amlie.

The result of the vote was announced as above recorded.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, beginning in line 24, after the word "time", strike out "or any provision of law to the contrary."

Mr. KENNEDY of Maryland. Mr. Speaker, that amendment is agreeable to the committee.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 3, line 18, strike out the words "litigation, both criminal and civil" and insert "civil litigation."

Mr. DELANEY. Mr. Speaker, that amendment is agreeable to the committee.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 4, line 3, strike out the word "act" and insert "act: *Provided further*, That the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation may be entitled to file any or all counterclaims which the Government may have: *And provided further*, That the Government in presenting testimony is hereby authorized to introduce the testimony given in the New York trial of those witnesses now deceased."

The SPEAKER. The question is on agreeing to the amendment.

Mr. DELANEY. Mr. Speaker, the amendment is agreeable to the committee.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next title to the bill.

The Clerk read as follows:

Title III—(H. R. 1252. For the relief of Ellen Kline.) By Mr. THOMASON of Texas

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ellen Kline, widow of Lewis R. Kline, the sum of $10,000 as remuneration for the death of said Lewis R. Kline, which it is claimed was occasioned by the negligence of the Reclamation Service.

With the following committee amendment:

Page 5, line 5, strike out "to Ellen Kline, widow of Lewis R. Kline, the sum of $10,000 as remuneration for the death of said Lewis R. Kline, which it is claimed was occasioned by the negligence of the Reclamation Service" and insert in lieu thereof the following: "to Ellen Kline, of El Paso, Tex., the sum of $5,000 in full satisfaction of her claim against the United States for the death of her husband, Lewis R. Kline, on July 1, 1918, by the explosion of an unemptied acetylene gas tank owned by the Bureau of Reclamation, Interior Department, and delivered to him as an empty tank for refilling along with other empty tanks: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER pro tempore (Mr. O'CONNOR of New York). The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 5, strike out all of title III.

Mr. COSTELLO. Mr. Speaker, this bill would authorize the payment of $5,000 to Ellen Kline because of the death of her husband Lewis R. Kline, who was killed, as alleged here in the bill, through the negligence of the Reclamation Service. The Reclamation Service in El Paso, Tex., purchased from the El Paso Headlight Co. acetylene gas in these small acetylene tanks. When the tanks were empty, Mr. Kline, who was the owner of the El Paso Headlight Co., would call at the office of the Reclamation Service and collect the tanks and take them back to his company for refilling. On July 1, 1918, Mr. Kline and his son called to pick up empty tanks. As I recall, two tanks were taken on this occasion and placed on the truck and returned to the company. It appeared to be a rather hot day.

There is some doubt as to the testimony in this one particular. It is not clear whether the empty tanks when stored at the Reclamation Service were stored in the sun or were transported in the truck in the sun or whether on their arrival at El Paso Headlight Co.'s plant, were left out in the sun. At any rate, the tanks became quite heated, which caused an expansion of the gas, and on the opening of one tank for the purpose of draining off what little gas there might be remaining, the tank exploded, and that explosion caused the death of Mr. Kline. The question is raised whether the tank was full or empty. Claimants contend this tank was full at the time it was taken away from the Reclamation Service. However, there is testimony that shows that the tanks were tested by Mr. Kline before they were placed on the truck, and there was only a small quantity of gas in each of these two tanks.

That is one of the items of dispute. The Department of the Interior takes the position that there is no responsibility on their part, alleging that Mr. Kline should have used due caution and care in handling the tanks, and that in view of the fact they were tested at the Reclamation office before they were taken away, he was, therefore, put upon his guard as to any subsequent handling of those tanks. It is my personal opinion that the tanks were not full at the time, that if they were full it would have been indicated at the test when it was made at the Reclamation office.

One other point I wish to bring out in this connection is that this accident took place in July 1918. Nothing was done about this until 1927. In that year a bill was presented to Congress and then for the first time an affidavit was prepared supporting this claim, but nothing was done upon it during the 9 years previous.

Mr. MARTIN of Colorado. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. MARTIN of Colorado. What bearing would it have on the issue whether the tanks were full or partially full or empty?

Mr. COSTELLO. The amount of gas in the tank would determine to some extent the amount of pressure. The more gas the greater the pressure.

When this tank did expand there was a terrific explosion and the tank itself hit the ceiling of the storeroom in which it was placed.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. REES of Kansas. I understand this accident occurred in 1918.

Mr. COSTELLO. That is correct.

Mr. REES of Kansas. And nothing was done until 1927?

Mr. COSTELLO. That is correct.

Mr. REES of Kansas. At that time did the matter come before the Claims Committee, or what was done at that time?

Mr. COSTELLO. The matter was presented by a bill in the Seventieth Congress for the first time.

Mr. REES of Kansas. And that committee turned it down; is that true?

Mr. COSTELLO. I do not know the legislative history of it from the Seventieth Congress on, but it has been before Congress subsequent to that time.

Mr. REES of Kansas. And now, 10 years later, it comes up for further consideration; is that correct?

Mr. COSTELLO. That is correct. It has been before the Congress, I believe, during that time.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. CASE of South Dakota. Is the gentleman aware of the fact that the reason given here for the nonpresentation was that the claimants were told they could not sue the Government and they did not know there was such a right?

Mr. COSTELLO. But nothing was done to present it to the Congress for a 10-year period.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. COSTELLO] has expired.

Mr. THOMASON of Texas. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, it is my candid opinion that there has been no more meritorious bill from the Claims Committee, certainly for a long time at least, than this one. I may be a little biased, because I knew Mr. Kline and I know this widow and her fine son. If the gentleman from California [Mr. COSTELLO] has no better argument against this bill than the fact that this claimant with her little boy, who was then 12 or 14 years old, did not know they had a valid claim against the Government and therefore did not present it until my predecessor, Mr. Hudspeth, presented it 10 years ago, then I think you will have no trouble in voting down his amendment.

I happen to know something about the facts in this case. Mr. Kline was the owner and operator of the El Paso Headlight Co., which manufactured this acetylene gas and placed it in these tanks that are described in the report. The United States Reclamation Service was one of its largest customers. The custom for a long time had been that Mr. Kline would deliver the filled tanks to the warehouse of the Reclamation Service, and when a tank was used that tank was placed at the west end of the warehouse, exposed to the sun, and then Mr. Kline would be notified when the tanks were to be refilled, and he and his son, whose testimony is in the report, would go there on their truck and get the empties.

Acetylene gas, as the testimony shows by the statement of the Bureau of Mines, is a very dangerous and explosive gas. This happened on the 1st day of July. When those tanks were full they would put wet sacks and things of that sort on the tanks and keep them in the shade in order to prevent any possible explosion. Then when the tanks were used they would be placed near the west end of this shed, exposed to the sun. So on this particular day Mr. Kline and this boy went there to the place where they were accustomed to go to get empties. They put the empties, or what they thought were empties, on the truck, and took them back to their plant to have them refilled. The testimony will show conclusively, if you will read this report, that either by mistake or negligence—and that is the unanimous report of this committee, "either by mistake or negligence"—the servants and agents of the Reclamation Service got a filled tank over there among the empties. That is the tank that he took back to his plant. When he got back there he started to test that tank, and I can best explain what happened by this:

> After unloading all of the drums, they were taken into the building which housed the factory, and my father began opening all drums to allow the remaining gas to escape. During this process, he came to the one that was to explode a few seconds later. On opening the valve, he found a terrific outflow of gas, so he closed the valve immediately, which was only a natural course for anyone to follow when finding a full drum. In closing the valve the terrific flow of gas was stemmed. Now, according to a verbal statement given my mother by a representative of the Bureau of Standards, who made a special trip to El Paso to investigate the accident, the explosion took place in the following manner—

which he described, and to which I invite your attention, but which I do not have the time to read. Nevertheless, it wrecked the building and literally blew Mr. Kline to pieces, and that tank landed down in the next block.

So that widow went to work. She did not know she had a claim against the Government. This bill has been reported out frequently by this committee, and I think every time it has been reported out by a unanimous report.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. THOMASON of Texas. I yield.

Mr. MAY. As a matter of fact, that tank is what is known in the law as a dangerous instrumentality?

Mr. THOMASON of Texas. Of course it was; and nobody knew it as well as the representatives of the Reclamation Service, where they kept these tanks stored. Both law and equity are on the side of this good woman. She ought to have been paid years ago. She is no longer a young woman, and she needs the money. I do not ask for charity, but I plead for justice. Her son is one of the fine young men of my city. Both are my good friends. I have an abiding faith that the Members of the House will do the right thing and pass this bill.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. PIERCE. Mr. Speaker, I move to strike out the last word.

The SPEAKER pro tempore. The Chair cannot recognize the gentleman to make that motion. Under the rule for the consideration of omnibus bills on the Private Calendar, the only amendments in order are "to strike out or reduce amounts of money stated or to provide limitations." A proforma amendment is therefore not in order.

The question is on the motion of the gentleman from California to strike out the title.

The motion was rejected.

Mr. DIRKSEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

On page 5, line 9, strike out "$5,000" and insert in lieu thereof "$4,999.99."

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state the point of order.

Mr. RANKIN. Mr. Speaker, the law does not care for small things. I do not think Congress ought to take up time legislating on one penny. I submit that this is too small a matter to be considered by the House at this time.

The SPEAKER pro tempore. The Chair must hold that under the spirit of the rule for the consideration of omnibus private bills, such an amendment, which is in effect a proforma amendment, is not in order, and in addition thereto, the amendment offered is an amendment to an amendment already adopted, and therefore not in order.

Mr. DIRKSEN. Mr. Speaker, may I be heard on the point of order?

The SPEAKER pro tempore. The Chair will hear the gentleman on the point of order.

Mr. DIRKSEN. Under the rule that has been enunciated with respect to omnibus bills, the only way a Member can get recognition is to move either to strike out the title or reduce the amount. I think the amendment, therefore, follows the spirit of the rule.

As for the amount, 1 cent, the amendment was offered for the purpose of gaining recognition, because the Chair will not recognize anybody under a pro-forma amendment.

The SPEAKER pro tempore. The Chair might state that the spirit of the rule is to dispense with anything which resembles a pro-forma amendment. Furthermore, the gentleman offers an amendment to an amendment already adopted.

The Chair sustains the point of order.

Mr. DIRKSEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DIRKSEN. Would the Chair care to rule whether an amendment reducing the amount by $1 would be within the spirit of the rule?

The SPEAKER pro tempore. That question is not involved in the gentleman's amendment. The gentleman practically disclosed that his amendment was offered purely as a pro-forma amendment, which amendment is not within the rule for the consideration of omnibus private claims bills.

The Clerk will read the next title.

BRUCE BROS. GRAIN CO.

The Clerk read as follows:

Title IV—(H. R. 1758. For the relief of Bruce Bros. Grain Co.)
By Mr. DUNCAN

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $279.90 to the Bruce Bros. Grain Co. in full settlement of all claims against the Government of the United States to cover loss sustained by said company on a car of wheat, car no. 96110, Chicago, Burlington & Quincy, shipped from St. Joseph, Mo., July 15, 1921, to Minneapolis, Minn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: On page 6, strike out all of title IV.

Mr. HANCOCK of New York. Mr. Speaker, it must be apparent by this time that we are considering a series of very ancient claims which have been revived under the omnibus bill practice. The first claim that was allowed today was to reimburse a bondsman for loss occasioned on forfeited bonds in 1925. The second case was to allow a group of speculators in Brooklyn to go into court after they had already been there five or six times, and been defeated every time, on a claim that arose in 1920. We just passed a claim which arose in 1918 where a man was killed working on his own equipment in his own back yard.

This fourth title, I think, is even more grotesque. In 1921 a concern in Missouri sold a carload of wheat to a buyer in Minneapolis. The contract provided for the delivery of hard winter wheat. The inspector in Missouri found that the sample submitted was hard winter wheat; but the seller, in order to protect himself further, had the Government inspector also examine this wheat. He, too, found it was hard winter wheat. The Government inspector was a very cautious man and wished to keep his own skirts clean, so he asked the Government board of review in Chicago to examine the same specimen. They found that it was hard yellow wheat. The board of review in Chicago notified the buyer that it was hard yellow and also notified the seller. In the meantime the wheat was shipped to Minneapolis. The purchaser declined to accept it because what he wanted was hard winter wheat. Now, the company which sold the wheat comes here asking us to pay the difference between the price of hard yellow wheat and hard winter. The shipment was sold in the open market at the current prices of hard yellow in Minneapolis. The claimant wants us to pay for a grade of wheat which he did not have to deliver. He does not ask the purchaser to pay it; he asks the taxpayers of the United States to pay it. It is not now claimed that the findings of the board of review were incorrect or that the wheat in question was anything other than hard yellow wheat. The claimant was disappointed by that finding, and we are asked to compensate him. If there is any merit in the claim, I would like to have someone explain it.

Mr. COFFEE of Washington. Mr. Speaker, I rise in opposition to the motion.

Mr. Speaker, the Claims Committee considered this bill and has considered it in previous sessions. During each of those sessions it was reported out by the Claims Committee. It was passed in an omnibus claims bill in the Seventy-fourth Congress, too late, however, to go through the Senate. This bill has been pending before the Claims Committee continuously and it is not due to any lack of diligence on the part of Bruce Bros. Co. that the bill has not finally become a law.

This is a meritorious case, in the opinion of the Claims Committee. I am speaking in its behalf because of the absence of the author of the bill, the gentleman from Missouri [Mr. DUNCAN], who is, unfortunately, detained in St. Joseph, Mo., at this time.

It seems that Bruce Bros. Grain Co., of St. Joseph, Mo., made a contract to sell a carload of wheat to a purchaser in Minneapolis, Minn., and the contract provided that it was to be no. 2 hard winter wheat. It was inspected by the State grain inspector, it was inspected by the Federal supervisor, both of whom found that it was no. 2 hard winter wheat.

Now, without any application on the part of the shipper whatever, the board of review in Chicago inspecting a small sample of the grain found it was no. 2 yellow hard winter wheat; consequently, when this carload of wheat reached the shipper in Minneapolis, the shipper refused to accept it on the ground that it was not as represented. The original claimant, the Bruce Bros. Grain Co., made this contract only after the grain had been found to be no. 2 hard winter wheat.

The Department of Agriculture, speaking through its Secretary, Henry Wallace, said:

It is the duty of the board of review to issue appeal grade certificates in the event interested party calls a board appeal from inspections performed by licensed inspectors and district supervisors, but in the present case no such board appeal was called.

This is the only time this has occurred, and this new finding by the Chicago board of appeal was requested by the shipper; consequently the contract could not be carried out, but such contract failure was through no fault of the shipper whatsoever.

Mr. Wallace also said:

It would seem that the second appeal grade certificate was issued without regard to the regulations, and under the circumstances should not have been issued at the late date of July 23. This was the first case of this kind which arose in the administration of the act, and as soon as the matter was brought to our attention steps were immediately taken to prevent a recurrence of the situation.

The shipper was compelled to sell this wheat at the current market price at point of arrival, which was Minneapolis, and sustained a loss of $279.90, for which recovery is sought through the medium of this bill. This damage was done by an agency of the Government. It was contrary to law and contrary to regulations, and, in the opinion of the Claims Committee, it seems the Government should respond in this amount of damage, which was the actual amount of damage sustained, without interest.

The reason for the 15-year delay apparently is that the claim has been hanging around this Congress and the Claims Committee. It has been reported repeatedly by the Claims

Committee, but the gentleman knows that in previous Congresses we have been unable to get consideration of a great many meritorious bills.

Mr. HANCOCK of New York. Will the gentleman yield?

Mr. COFFEE of Washington. I yield to the gentleman from New York.

Mr. HANCOCK of New York. Does the gentleman contend this examination by the board of review in Chicago was contrary to law? It was made at the request of the Government inspector in Missouri. It was a new service which the Government was giving. The inspector was a cautious man and he wished to be sure he was right. He found he was wrong. Is there any contention this wheat was hard winter wheat?

Mr. COFFEE of Washington. No.

Mr. HANCOCK of New York. The claimant is asking then for something he did not have. He was paid for hard winter wheat and the fact is that hard yellow wheat was shipped. He got all that the goods were worth.

Mr. COFFEE of Washington. The contract was made only after the State supervisor and the Federal supervisor said it was no. 2 hard winter wheat and on that basis he made his contract.

Mr. HANCOCK of New York. He had a contract to ship hard winter wheat, but he had his samples examined after he made the contract. That is true.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. HANCOCK] to strike out the title.

The amendment was agreed to.

The Clerk read as follows:

Title V—(H. R. 1858. For the relief of Charles E. Names.) By Mr. MCANDREWS

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles E. Names the sum of $225, in full settlement of all claims against the United States for the loss of an article of mail registered at the Osceola (Iowa) post office on April 29, 1920, which contained certain abstracts of title to lands owned by the said Charles E. Names. The postmaster at such post office was held responsible for the full amount of the loss, but the amount of the judgment recovered against him was inadvertently covered into the general fund of the Treasury as "Fines, penalties, and forfeitures", and the said Charles E. Names has never been reimbursed for the cost of new abstracts of title: *Provided*, That the Comptroller General of the United States is hereby authorized and directed to cancel post office settlement warrant no. 10581 in favor of Banta & Banta (E. G. Banta, successor), Osceola, Iowa, in the sum of $50: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Title VI—(H. R. 2093. For the relief of Marion Shober Phillips.) By Mr. LAMBETH

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marion Shober Phillips the sum of $5,000, the payment of such sum being in full satisfaction of all claims against the United States by reason of injuries sustained by the said Phillips on May 27, 1934, while assisting Government officers, under their orders, in seizing and destroying an illicit liquor distillery: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 8, at the end of line 14, strike out "$5,000" and insert in lieu thereof "$2,500."

The committee amendment was agreed to.

The Clerk read as follows:

Title VII—(H. R. 3276. For the relief of the Delaware Bay Shipbuilding Co.) By Mr. WENE

That the claim of the Delaware Bay Shipbuilding Co., of Leesburg, N. J., against the United States for damages alleged to have been caused to its marine railway by the United States Coast Guard boat *CG 227*, on the morning of November 6, 1931, may be determined in a suit to be brought by said claimant against the United States in the District Court of the United States for the District of New Jersey: *Provided*, That notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and upon such notice it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That such suit shall be begun within 4 months of the date of the approval of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That jurisdiction is hereby conferred upon the United States District Court for the District of New Jersey to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of the Delaware Bay Shipbuilding Co., Inc., of Leesburg, N. J., for damages to its marine railway in the Maurice River, at Leesburg, N. J., allegedly by reason of being struck by United States Coast Guard patrol boat *CG–227*, on November 6, 1931: *Provided*, That the United States shall be permitted to file, and the said court shall hear and determine, any counterclaim or set-off as the result of alleged damage to United States Coast Guard patrol boat *CG–227* by reason of striking said marine railway of the Delaware Bay Shipbuilding Co., Inc.

"SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended."

The committee amendments were agreed to.

Amend the title so as to read: "A bill conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of the Delaware Bay Shipbuilding Co., Inc."

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 9, line 7, strike out all of title VII.

Mr. COSTELLO. Mr. Speaker, this bill would authorize the Delaware Bay Shipbuilding Co. to go to the United States District Court for the District of New Jersey and bring a suit there against the United States for damages to its marine railway in the Maurice River at Leesburg, N. J. The damage, it is alleged, was due to the marine railway being struck by a United States Coast Guard patrol boat.

This boat, the *CG–227*, on November 6, 1931, was patroling this river. Its officers were not particularly familiar with the navigation of the river. After the boat got to a point approximately opposite the plant of the Delaware Bay Shipbuilding Co. it prepared to turn around in the river, and in so turning the tide and current helped to wash it a little bit shoreward. The Coast Guard patrol boat ran aground against the marine railway.

The permit of the shipbuilding company to have this railway submerged required that the railway should be properly marked and indicated for the benefit of shipping and navigation in the river. Those markings were not provided, and as a result there was no means of notifying the officers in charge of the Coast Guard boat of the presence of that marine railway. Because of the failure of the Delaware Bay Shipbuilding Co. to have its railway properly marked so that the ship would know of the existence of the railway, I contend they are solely at fault and that the Coast Guard boat is in no way responsible for the damage that ensued to the railway. Had the railway been properly marked, unquestionably the Coast Guard boat would not have been turned around at that point and would not have come in contact with the railway.

The amount of damages sought amounted to $4,957.19. It appears to me that there is no actual negligence on the part of the Government in connection with the navigation of its ship in turning in the river. The only actual negligence that is shown from the facts in this case is negligence on the part of the Delaware Bay Shipbuilding Co. in having

failed to properly mark their own marine railway; and for this reason I believe the title should be stricken from this omnibus bill.

Mr. KENNEDY of Maryland. Mr. Speaker, I rise in opposition to the amendment.

I may say to the Members of the House that this particular bill is really a jurisdictional bill permitting these people to go into the United States district court and have their day in court. On page 41 of the report we admit that the question of damage is debatable. It seems to me that we should permit these people to go into court and have their day in court and there determine whether or not their claim is justified.

To show further this is a debatable claim, the report of the Department states it may be possible the Government has a claim against the Delaware Bay Shipbuilding Co. It seems to me we ought to permit the Delaware Bay Shipbuilding Co. to go into court and at the same time permit the Government to enter a counterclaim against the Delaware Bay Shipbuilding Co., and thus determine in the proper course whether there is any merit to the claim of the Delaware Bay Shipbuilding Co.

It seems to me, under these circumstances, we ought not to strike this title from the bill.

The SPEAKER pro tempore. The question is on the amendment of the gentleman from California [Mr. COSTELLO] to strike out title VII.

The amendment was rejected.

The SPEAKER pro tempore. The Clerk will report the next title.

The Clerk read as follows:

Title VIII—(H. R. 4169. To carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.) By Mr. McCORMACK

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Atlantic Works, of Boston, Mass., the sum of $22,170.30 in full settlement of all claims against the United States for the difference between the actual cost of the construction of the revenue cutter *Daniel Manning* and the amount paid under the contract entered into for the building of said vessel as found by the Court of Claims and reported in Senate Document No. 5, Sixty-eighth Congress, first session.

With the following committee amendment:

At the end of line 13 change the period to a colon and insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 11, strike out all of title VIII.

Mr. COSTELLO. Mr. Speaker, this bill proposes to pay the sum of $22,170.30 to the Atlantic Works, of Boston, Mass. The Atlantic Works is a shipbuilding concern. You have previously been told about the age of some of the titles which appear in this particular omnibus bill. This cause of action arose over a contract to build ships which was entered into on June 27, 1895. The ship that was to be constructed was of an experimental nature. The contracting company apparently was not experienced in building this particular type of ship, and as a result numerous extra expenses were added, the cost of the ship being greatly increased. The company itself was not adequately prepared to construct a ship of this character, a steel vessel.

The company has already presented this matter to the Court of Claims and has not been successful there. Now the company comes back and asks for a donation on the part of Congress. The Court of Claims in its findings made this statement:

Changes in the specifications, which were not carried out, and rigid tests and inspections, which were not promptly acted on, caused delays which resulted in an increase over the contract price of $22,170.30.

This is the amount they are seeking in the bill. However, the contract provided for a number of changes. It provided that further changes should be agreed to by the parties. It provided for a definite penalty in the event of delays. Actually the excess cost amounted to some $133,000.

The important part of the decision of the Court of Claims is this:

There is no liability on the United States under the terms of the contract to pay said claim, and the claim is neither a legal nor an equitable one. The claimant insists that the claim is one for "a grant, gift, or bounty" by the Government.

This is simply the situation that confronts you. They have been to the Court of Claims, and the Court of Claims has made the statement that if they were to be given this $22,000 it would be nothing more than a donation to the company, which has neither a legal nor an equitable claim to be paid this amount of money. For this reason, in view of the fact this is a bill which is over 30 years old, I sincerely urge the Members of the Congress to defeat it by adopting my amendment.

Mr. McCORMACK. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the gentleman from California states the Court of Claims has made a finding against this claim. The Court of Claims has made a finding that this amount is reasonably due. As a matter of fact, the Court of Claims makes a finding that the hull of the *Daniel Manning* was the first composite vessel of its class to be built by the Government. The building of this vessel was for experimental purposes. As a result this company received many instructions from the Navy Department to change the specifications, a natural thing to do, but the company had to stand the expense.

The Court of Claims has found that the difference between the contract price and the expense actually incurred in the building of this vessel by the company was $22,170.30. There is not a penny of profit included in that amount. It is the actual expense this company incurred.

This matter was referred to the Court of Claims, and the Court of Claims made a favorable finding. Of course, there is no legal responsibility in any of these matters, and this is why we refer them to the Court of Claims to ascertain the moral obligation of the Government. If this company could have sued the Government in the United States district court, we would not have had to come here and ask for the passage of a private bill authorizing the company to go to the Court of Claims. In this case we have already passed the bill referring the matter to the Court of Claims, and the Court of Claims has made a finding with reference to the amount in which the Government is morally obligated to this company, the sum of $22,170.

There are two or three payments which have been made in the past in connection with some other contracts. The Fore River Ship & Engine Co. case is one where a bill has gone through for payment in connection with a similar contract with respect to an experimental ship, where the contractor incurred additional expense in assisting the Government. Those people came to the Congress and Congress recognized the moral obligation involved. The George Lawley & Son Corporation bill we passed last year covered a similar situation.

The mere fact that thirty-odd years have gone by is no bar. Half a year was passed in securing the report of the Treasury Department board. Attempting to secure legislative enactment for the first $138,000 actually due under the contract took 4 years. Securing the findings of the Court of Claims took nearly 20 years. This company has been pursuing its remedy as diligently as it possibly could. It is no fault of the company that it took years for a bill to pass referring the matter to the Court of Claims. Now, the Court of Claims has made a finding in this sum, and this is a bill to carry out the finding the Court of Claims has made, that the Government has a moral obligation to pay the company this particular sum.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield for a question?

Mr. McCORMACK. I yield to the gentleman.

Mr. REES of Kansas. Do I understand the gentleman from Massachusetts to say that this expenditure of $22,000 was for the benefit of the Government?

Mr. McCORMACK. Exactly.

Mr. REES of Kansas. In what respect did the Government benefit thereby?

Mr. McCORMACK. The Government was building a new type of vessel and it was just the same as if the Government had made a contract with the gentleman. The Government gives you certain plans and specifications, and as the vessel is being constructed the Government changes its plans and specifications, and you, in cooperation with the Government, proceed in accordance with the changed plans and specifications. However, you are limited to your contract and you cannot get the money for the expenses you have incurred as a result of complying with the change in the specifications that the Navy Department has made, and this is a bill to obtain for this company expenses it incurred as a result of cooperating with the Federal Government in trying to meet the changes in specifications that the Navy Department made subsequent to the making of the contract.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California, striking out the title.

The question was taken; and on a division (demanded by Mr. COSTELLO) there were—ayes 34, noes 50.

Mr. COSTELLO. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER pro tempore. Evidently there is not a quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 94, nays 204, not voting 133, as follows:

[Roll No. 115]

YEAS—94

Aleshire	Costello	Kocialkowski	Rankin
Allen, La.	Crawford	Lambertson	Reed, Ill.
Andresen, Minn.	Dondero	Leavy	Rees, Kans.
Arends	Douglas	Lord	Rich
Ashbrook	Dowell	Luckey, Nebr.	Robsion, Ky.
Bacon	Eicher	McFarlane	Romjue
Barden	Elliott	Maas	Rutherford
Biermann	Engel	Mahon, S. C.	Scott
Bigelow	Englebright	Mahon, Tex.	Secrest
Binderup	Faddis	Mapes	Sheppard
Boren	Fish	Michener	Snell
Boyer	Flannery	Millard	Spence
Brown	Fletcher	Mills	Stefan
Buck	Ford, Miss.	Mitchell, Tenn.	Taber
Buckler, Minn.	Gingery	Moser, Pa.	Tarver
Byrne	Gray, Pa.	Mott	Taylor, S. C.
Cartwright	Halleck	O'Brien, Mich.	Turner
Church	Hancock, N. Y.	O'Day	Umstead
Clark, N. C.	Hill, Wash.	Owen	Vincent, B. M.
Claypool	Hobbs	Patterson	Whittington
Cluett	Hope	Pearson	Williams
Cochran	Jarrett	Pierce	Wolcott
Cooley	Johnson, Okla.	Polk	
Cooper	Kniffin	Ramsay	

NAYS—204

Allen, Ill.	Crosby	Ford, Calif.	Hill, Okla.
Andrews	Crowe	Frey, Pa.	Holmes
Arnold	Crowther	Gambrill	Hook
Atkinson	Cullen	Garrett	Houston
Barry	Curley	Gasque	Hull
Bates	Deen	Gearhart	Hunter
Beam	Delaney	Gehrmann	Izac
Bell	Dempsey	Gildea	Jarman
Bland	DeMuth	Goldsborough	Jenkins, Ohio
Boehne	Dingell	Green	Jenks, N. H.
Bolleau	Dirksen	Greever	Johnson, Luther A.
Boland, Pa.	Disney	Griffith	Johnson, Minn.
Bradley	Ditter	Griswold	Johnson, W. Va.
Brooks	Dockweiler	Guyer	Jones
Burdick	Dorsey	Gwynne	Keller
Cannon, Mo.	Doxey	Haines	Kelly, Ill.
Carlson	Drew, Pa.	Hamilton	Kelly, N. Y.
Case, S. Dak.	Drewry, Va.	Harlan	Kennedy, Md.
Champion	Dunn	Harrington	Kennedy, N. Y.
Clason	Eberharter	Hart	Kenney
Coffee, Wash.	Evans	Havenner	Keogh
Colden	Ferguson	Healey	Kerr
Colmer	Fitzgerald	Hendricks	Kinzer
Cox	Flannagan	Hildebrandt	Kleberg
Knutson	Mead	Reece, Tenn.	Thom
Kramer	Meeks	Reilly	Thomas, Tex.
Kvale	Merritt	Rigney	Thomason, Tex.
Lamneck	Mitchell, Ill.	Robertson	Thompson, Ill.
Lanham	Murdock, Ariz.	Robinson, Utah	Thurston
Lanzetta	Murdock, Utah	Rogers, Mass.	Tobey
Larrabee	Nelson	Sabath	Tolan
Lea	Nichols	Sacks	Towey
Lesinski	O'Brien, Ill.	Sadowski	Transue
Lewis, Colo.	O'Connell, R. I.	Sanders	Treadway
Long	O'Connor, N. Y.	Sauthoff	Vinson, Fred M.
Lucas	O'Leary	Schaefer, Ill.	Vinson, Ga.
Luce	Oliver	Schneider, Wis.	Wallgren
Ludlow	O'Neill, N. J.	Schulte	Walter
Luecke, Mich.	O'Toole	Scrugham	Warren
McAndrews	Patman	Seger	Wearin
McCormack	Patrick	Shanley	Weaver
McGehee	Patton	Shannon	Welch
McKeough	Peterson, Fla.	Smith, Conn.	West
McLaughlin	Peterson, Ga.	Smith, Maine	Whelchel
McLean	Pettengill	Snyder, Pa.	White, Ohio
McReynolds	Poage	South	Wigglesworth
McSweeney	Powers	Sparkman	Wolfenden
Martin, Colo.	Quinn	Stack	Wolverton
Martin, Mass.	Rabaut	Steagall	Wood
Massingale	Ramspeck	Sutphin	Woodruff
May	Randolph	Swope	Woodrum

NOT VOTING—133

Allen, Del.	Dies	Johnson, Lyndon	Rayburn
Allen, Pa.	Dixon	Kee	Reed, N. Y.
Amlie	Doughton	Kirwan	Richards
Anderson, Mo.	Driver	Kitchens	Rogers, Okla.
Beiter	Duncan	Kloeb	Ryan
Bernard	Eaton	Kopplemann	Schuetz
Bloom	Eckert	Lambeth	Shafer, Mich.
Boykin	Edmiston	Lemke	Short
Boylan, N. Y.	Ellenbogen	Lewis, Md.	Simpson
Brewster	Farley	McClellan	Sirovich
Buckley, N. Y.	Fernandez	McGranery	Smith, Va.
Bulwinkle	Fitzpatrick	McGrath	Smith, Wash.
Burch	Fleger	McGroarty	Smith, W. Va.
Caldwell	Forand	McMillan	Somers, N. Y.
Cannon, Wis.	Fries, Ill.	Magnuson	Starnes
Carter	Fuller	Maloney	Sullivan
Casey, Mass.	Fulmer	Mansfield	Sumners, Tex.
Celler	Gavagan	Mason	Sweeney
Chandler	Gifford	Maverick	Taylor, Colo.
Chapman	Gilchrist	Miller	Taylor, Tenn.
Citron	Gray, Ind.	Mosier, Ohio	Teigan
Clark, Idaho	Greenwood	Mouton	Terry
Coffee, Nebr.	Gregory	Norton	Thomas, N. J.
Cole, Md.	Hancock, N. C.	O'Connell, Mont.	Tinkham
Cole, N. Y.	Harter	O'Connor, Mont.	Voorhis
Collins	Hartley	O'Malley	Wadsworth
Cravens	Hennings	O'Neal, Ky.	Wene
Creal	Higgins	Pace	White, Idaho
Crosser	Hill, Ala.	Palmisano	Wilcox
Culkin	Hoffman	Parsons	Withrow
Cummings	Honeyman	Peyser	Zimmerman
Daly	Imhoff	Pfeifer	
DeRouen	Jacobsen	Phillips	
Dickstein	Jenckes, Ind.	Plumley	

Mr. GREEN and Mr. WOOD changed their votes from "aye" to "no."

So the amendment was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Doughton with Mr. Carter.
Mr. Smith of Virginia with Mr. Hartley.
Mr. Bulwinkle with Mr. Brewster.
Mr. Maverick with Mr. Bernard.
Mr. Crosser with Mr. Short.
Mr. Rayburn with Mr. Taylor of Tennessee.
Mr. Bloom with Mr. Pace.
Mr. Cole of Maryland with Mr. Wene.
Mr. Beiter with Mr. Coffee of Nebraska.
Mr. Dies with Mr. Zimmerman.
Mr. Hennings with Mr. Casey of Massachusetts.
Mr. Wilcox with Mr. Dickstein.
Mr. Collins with Mr. Dickstein.
Mr. Gavagan with Mr. Flannagan.

The result of the vote was announced as above recorded.

Mr. KENNEDY of Maryland. Mr. Speaker, I move the previous question on the passage of the bill (H. R. 6336) for the relief of sundry claimants, and for other purposes.

The previous question was ordered.

The bill was ordered to be engrossed, read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. COSTELLO) there were—ayes 131, noes 20.

So the bill was passed.

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER pro tempore. The Clerk will call the next omnibus bill on the calendar.

The Clerk read as follows:

H. R. 6337, a bill for the relief of sundry claimants, and for other purposes

Be it enacted, etc.—

Title I—(H. R. 738. For the relief of Asa C. Ketcham.) By Mr. GOLDSBOROUGH

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Asa C. Ketcham, of Fairmount, Md., the sum of $4,000 in full satisfaction for his claim against the United States Government for loss of his vessel *J. J. Underhill*, loaded with oyster shells, when it ran into a submerged pile while approaching a dock in Alexandria, Va., June 17, 1933, and sank.

With the following committee amendments:

Page 1, line 8, strike out "$4,000" and insert "$2,500."

In line 10, after the word *"Underhill"*, strike out the remainder of the bill and insert "which was negligently beached in August 1933, so as to render it unfit for further use, and the possession of which was refused said Asa C. Ketcham prior to such beaching, by employees of the Corps of Engineers, War Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, beginning in line 3, strike out all of title I.

Mr. COSTELLO. Mr. Speaker, this title provides for the payment of $2,500 for the loss of a boat, the *J. J. Underhill*, to be paid to the claimant, Asa C. Ketcham. This boat in coming up the Potomac River struck a submerged piling near Alexandria, Va. The boat was towed up the river, but finally sank near Hains Point. Being in the navigation channel of the river, it was a hindrance to shipping in the river. As a result, the War Department deemed it necessary to immediately remove the vessel from the channel. The claimant advised the district engineer that he was without funds with which to salvage his own vessel, and so he authorized the district engineer to remove the vessel. The vessel was, therefore, raised and towed to the mud flats adjacent to Gravelly Point, and there this boat was beached. The boat was advertised for sale with the requirement that a bond be furnished by the vendee of the boat against any possibility that it would sink before it could reach a marine railway. In other words, the Government demanded that whoever should purchase the boat should make certain that in removing it from Gravelly Point to a marine railway for repairs he should see to it that it would not sink on the way. The claimant was the only bidder, but as he could not furnish the necessary bond his proposal was rejected. Within a few days a storm came on, and being battered about, the vessel became so useless that its sale or removal was impracticable, and now the claimant is coming in trying to recover $2,500 in damages from the Government.

It is quite evident that the removal of the boat from Hains Point was a proper action upon the part of the Government in keeping open the navigation lanes of the Potomac River. Its beaching at Gravelly Point was quite within the power of the War Department.

The failure on the part of the owner to provide a good and sufficient bond for moving that boat from its point of beaching to a marine railway was sufficient reason in not allowing him to take the boat from that position. The fact that the storm came on and finished the destruction of the boat to such a degree that it was thereafter worthless was not the responsibility of the War Department or of the Government, and for that reason it is my contention that the claimant is not entitled to recover any sum of money whatsoever from the Government. I therefore urge upon the Members to adopt my amendment to strike the title from the bill.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. KELLER. What made the boat sink?

Mr. COSTELLO. It ran into a submerged piling off Alexandria, and due to the damage to the boat it leaked so badly that it finally sank off Hains Point.

Mr. MCFARLANE. And what is the theory upon which the Government is asked to pay this $2,500 to this claimant?

Mr. COSTELLO. The claim is that in beaching it at Gravelly Point and not having it properly moored and tied down when the storm came on, the boat was further rendered useless, and they blame that responsibility on the Government. To my mind, it was up to the owner to take care of the boat from the time it was removed from the channel and placed at Gravelly Point.

Mr. MCFARLANE. In other words, if a horse should stray out onto the highway and an automobile came along and killed it, and the highway department dragged the horse off the highway to keep the lane open for the public, the highway department ought to pay for the horse. Is that right?

Mr. COSTELLO. Not quite, but it is a somewhat similar situation.

Mr. MASSINGALE. What action did the Court of Claims take on the bill?

Mr. COSTELLO. This particular matter I do not believe has been brought to the Court of Claims. It is being presented to Congress as a first claim for a direct payment of money.

Mr. KENNEDY of Maryland. It cannot go before the Court of Claims unless Congress authorized it to be sent there, and the only redress is to come direct to the Congress.

The SPEAKER pro tempore. The time of the gentleman from Maryland [Mr. GOLDSBOROUGH] has expired.

The question is on the motion of the gentleman from California to strike out the title.

The question was taken; and on a division (demanded by Mr. GOLDSBOROUGH) there were ayes 37 and noes 42.

So the motion was rejected.

The Clerk read as follows:

Title II—(H. R. 1085. For the relief of John L. Alcock.) By Mr. KENNEDY of Maryland

That (1) the Court of Claims of the United States be, and is hereby, given jurisdiction to hear and determine the claim of the said John L. Alcock, and to award him compensation for losses and/or damages, if any, sustained by him by reason of the action of the officers of the Signal Corps and/or the Spruce Production Division of the War Department in promulgating the order refusing to permit any further shipments under his said contracts and foreign orders and directing the canceling of the said contracts of the said Alcock with the said American mills; and to enter a decree or judgment against the United States for such losses and/or damages, notwithstanding the executory character of such contracts and that there had been no delivery of title to him under his contracts with the American mills, such losses and/or damages to be measured by the difference between what he would have received from the foreign purchasers upon delivery of the lumber, free on board cars at mills, and the amount he had agreed to pay the American mills free on board cars at mill.

With the following committee amendment:

Beginning in line 16, on page 2, strike out all down to and including line 9, on page 3, and insert:

"That (1) jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment on the claim of John L. Alcock, of Baltimore, Md., for loss and/or damage, if any, sustained by him by reason of the action of officers of the Signal Corps and/or the Spruce Production Division of the War Department in promulgating the order refusing to permit further shipments under his contracts and foreign orders for the shipment and delivery from February to December 1918 of 6,000,000 feet of spruce and fir lumber for the use of the British Army in the prosecution of the World War, and by reason of their action in directing the canceling of his contracts with the American mills for the production and shipment of said 6,000,000 feet of lumber. The Court of Claims shall hear, determine, and render judgment on the claim, notwithstanding the executory character of such contracts and that there had been no delivery of title to claimant under his contracts with the American mills, and shall measure the losses and/or damages, if any, by the difference between what claimant would have received from the foreign purchasers on delivery of the lumber, free on board cars at the mills, and the amount he had agreed to pay the American mills free on board cars at mills."

The committee amendment was agreed to.

The Clerk read as follows:

(2) The Court of Claims in the adjudication of the said claim is authorized in its discretion to use, in addition to any evidence that may be offered in any suit which may be brought under this act, the pleadings and evidence in the case of *John L. Alcock & Co.* v. *The United States* (61 Ct. Cls. 312), and in the case of *John L. Alcock & Co.* v. *The United States* (No. J–567), decided April 4, 1932.

(3) Suit hereunder may be instituted at any time within 4 months after the approval of this act, notwithstanding lapse of time or any statute of limitations, and proceedings therein shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code as amended.

With the following committee amendment:

Amend the title so as to read: "A bill to confer jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment upon the claim of John L. Alcock."

The title was amended.

Mr. HANCOCK of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of New York: On page 2, strike out all of title II.

Mr. HANCOCK of New York. Mr. Speaker, title II is an attempt to recover profits which a man named Alcock, of Baltimore, Md., might have made if the United States had not entered the World War. The claim is not for any out-of-pocket expenses or any losses, but for prospective war profits. The matter has been in the Court of Claims twice and adjudicated twice, and now we are asked to send it back a third time, stripping the Government of every possible defense.

This bill, in effect, is a direction to the Court of Claims to assess damages in the amount of $195,000 with interest at 6 percent from 1918 down to date. That is the effect of the bill. The report is rather voluminous.

Mr. KENNEDY of Maryland. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. I yield.

Mr. KENNEDY of Maryland. The bill has been amended and there is no amount fixed here. This is simply another jurisdictional bill authorizing the Court of Claims to hear this claim.

Mr. HANCOCK of New York. We know what the claim is from reading the decision of the Court of Claims. You will find that what this man seeks is profits he might have made on a contract he had with a firm of brokers in Scotland for the delivery of several million feet of fir and spruce. He has made the same claim in the Court of Claims before. It was for $195,000 and it was rejected. The opinion of the Court of Claims has been taken as a guide in drawing this bill to insure a favorable decision on the next hearing. The grounds on which this claim was rejected by the court have been eliminated here, so that the Government has no defense whatever the next time the case reaches the court, if this bill is passed.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. I yield.

Mr. McFARLANE. How many lives do these supposed claims have? Do we not ever get through with them? Whenever they are adjudicated and passed on by some court against the claimant, that ought to end it sometime, some place, somewhere, somehow.

Mr. HANCOCK of New York. I agree with the gentleman, yet there is a bill before my committee for a claim arising in the War of 1812.

Mr. McFARLANE. Let us try to stop this one.

Mr. HANCOCK of New York. Let me briefly state the facts here. I want you to get the picture as I see it. The gentleman in Baltimore, the claimant in this title, did a very large business selling fir and spruce from our western forests to England, France, and Italy, where that lumber was greatly needed in the construction of airplanes.

The prices steadily advanced and he made substantial profits. When the United States got into the war, Secretary Baker realized that a great deal of war profiteering was going on in lumber and that it was impossible to allocate it between the Allies and for domestic uses without Government control, so the spruce division, very wisely, was formed. They took over control of production and distribution of lumber in this country and fixed prices. When the Government engaged in this activity, performing a very necessary governmental function in an emergency, the emergency of war, Mr. Alcock had two lots of lumber which he had contracted to sell. One was already in the seaports or on trains in transit to the seaports. He had purchased the lumber and had received payment for it. The Government seized that property and allocated it among the Allies and fixed the price, allowing Mr. Alcock a small profit. So, in that case he actually lost the profits he would have obtained on lumber which was his, if the Government had not intervened.

The Court of Claims allowed him those profits, every penny of it, $163,000 with interest at 6 percent, under the authority of a private bill passed for the benefit of this claimant in 1928.

There was another lot of lumber which he contracted to sell to a firm of brokers in Scotland. No money had been paid to him, he had paid nothing to the mills, not a cent of investment had been made, the lumber had not been cut, it was not in being. It was purely an executory contract, as the court found. In those circumstances he sustained no loss, except the possibility of an estimated profit, if the Government had not exercised a necessary governmental function in keeping down war profiteering and seeing to it that the lumber went to our allies, who needed it. He actually lost nothing. He received $163,000 profit from the lumber to which he had title. He now asks for $195,000 profit on lumber he never had.

Mr. McFARLANE. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. I yield.

Mr. McFARLANE. In other words, he is just like the Arkansas hog farmer who said that he lost $100,000 last year on hogs. When they asked him how that was he said, "Well, if I had had the hogs to eat up the acorns last year, I would have made $100,000." That is just about the situation regarding this claim.

Mr. HANCOCK of New York. That is about the situation.

[Here the gavel fell.]

Mr. HANCOCK of New York. I just want to point out, stealing a minute, that the Supreme Court has passed time after time on this class of cases, and has uniformly held in favor of the Government. Every time there is a war, a tariff law, or an embargo, many people lose prospective profits. This is another one of those cases.

[Here the gavel fell.]

Mr. KENNEDY of Maryland. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, my friend, the gentleman from New York, is somewhat mistaken with reference to this claim. As I understand it, it is true this party did go into the Court of Claims on a previous bill passed by Congress and obtained $163,000. At that time he also filed his claim for the amount of the anticipated profits under his contract, which had the approval of the War Department, but the Court of Claims then stated that it was not, in their opinion, the intention of Congress to cover this particular item of his claim. It was the intention of Congress originally to give Mr. Alcock an opportunity to be heard on the claim here involved, and this bill is to give him an opportunity to go into the Court of Claims and have them determine whether or not he is entitled to what he now claims.

The War Department applies this case to existing law as established by the Supreme Court in the case of Omnia Commercial Co., Inc., against United States, whereas your committee believes the claim is more applicable to the existing law as established by the Supreme Court in the case of the International Paper Co. against The United States, where the Supreme Court found that the Government had taken property which rightfully belonged to the International Paper Co. for its own use without reimbursement for same. It is my opinion, therefore, that the Court of Claims should be

allowed to determine which law this case is applicable to, and that is all this bill does.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield?

Mr. KENNEDY of Maryland. I yield.

Mr. HANCOCK of New York. The gentleman is aware, is he not, that under this bill the Government cannot set up as a defense the executory character of the contract, or that there had been no delivery of title to the claimant under the contract, which are the very grounds on which the Court of Claims threw this claim out the other time when he was there? This bill strips the United States of every defense.

Mr. KENNEDY of Maryland. I do not so understand it. It is my understanding that the bill as now worded does not do that.

All this man is asking is to go into the Court of Claims and have his case determined; in other words, he had the approval of the War Department when he entered into this contract and then at a subsequent date the Government came along and took away from him his rights under the contract which it previously had approved. All he is asking is to have his day in court and have this claim determined on its merits and to have it ascertained whether or not he is entitled to damages and the extent of the damages.

Mr. HANCOCK of New York. Mr. Speaker, will the gentleman yield further?

Mr. KENNEDY of Maryland. I yield.

Mr. HANCOCK of New York. The gentleman is familiar with the report of the War Department in which it is pointed out that if this bill should pass it offers a precedent for tens of thousands of other similar claims for loss of possible profits because of our entry into the war, or because of peace coming on. Either of these events broke up somebody's plans.

Mr. KENNEDY of Maryland. I appreciate that, but Congress always has control of the situation and can determine what cases should be heard. It is up to us to say whether we will allow tens of thousands of claims or one, but we should not hesitate to do justice because of the possible fear that other claimants might come in. This claim has been passed by the Claims Committee, and, in my judgment, when a claim gets past them it has plenty of merit to it.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HANCOCK of New York. I yield.

Mr. RICH. Many of these cases already have been to the Court of Claims, and the court found against them. In fact, they have taken some of these cases to the Court of Claims two or three times.

Then they bring it back to Congress and want us to authorize payment of claims that the court has ruled out. Does not the gentleman think that is an imposition on the membership of the House when they do not know more about these claims than they do?

Mr. KENNEDY of Maryland. That is not the case. In other words, we have a bill before the House to permit these people to go into court. We passed this bill during the last session of Congress and the gentleman from Pennsylvania and the gentleman from New York voted for it. It was considered in an omnibus bill on May 13 last year, which bill passed the House.

Mr. RICH. I will bet if the gentleman is referring to me, I did not vote for it.

Mr. HANCOCK of New York. I can assure the gentleman I did not, either.

Mr. KENNEDY of Maryland. I do not know whether there was a record vote or not, but that bill was passed. These people are entitled to go in and have their case heard in court. This bill merely gives the court jurisdiction to hear the case, and nothing more. I think when the committee passes on a claim, after having heard it and after having filed a complete report, the Congress ought to adopt it.

Mr. McFARLANE. Will the gentleman yield?

Mr. KENNEDY of Maryland. I yield to the gentleman from Texas.

Mr. McFARLANE. I understood the gentleman from New York to say that this claimant had its day in court.

Mr. KENNEDY of Maryland. Not on this particular item. There were two items involved. The court held that the original bill as passed, which gave them $163,000, did not intend that the court should hear this particular matter.

Mr. McFARLANE. Where has this claim been since the World War?

Mr. KENNEDY of Maryland. It has been here all the time, and the gentleman from Texas and others have been objecting to it.

Mr. McFARLANE. If it had any merit it would have been passed long ago, and the fact that we have been able to defeat it in the past shows me the more why there is little merit in giving it favorable consideration now.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. HANCOCK].

The question was taken; and on a division (demanded by Mr. KENNEDY of Maryland) there were—ayes 70, noes 16.

So the amendment was agreed to.

The Clerk read as follows:

Title III—(H. R. 1258. For the relief of E. G. Briseno.) By Mr. THOMASON of Texas.

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. G. Briseno, of El Paso, Tex., the sum of $5,000 for painful, severe, and permanent injury to his minor son, Hector Briseno, caused by the explosion of a shell picked up upon private property, which shell had been dropped and left there by troops of the United States Army engaged in target practice.

With the following committee amendments:

Page 5, line 6, after the word "of" strike out all of line 6 and all of lines 7, 8, 9, and 10 and insert in lieu thereof the following: "$5,225.35, in full settlement of all claims, against the United States for personal and permanent injury to his son, Hector Briseno, a minor child, from the explosion of a 37 mm shell, on November 7, 1932, which he picked up on private property, and which had previously been picked up and carried from a target range of the United States Army, where it was lying in the open, by George Pell, also a minor: *Provided*, That of the amount herein appropriated, the sum of $4,000 shall be held in trust by the said E. G. Briseno for use in maintenance of his son, Hector Briseno, and the sum of $1,225.35 shall be received by him as reimbursement for medical expenses incurred as the result of said injury to Hector Briseno: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Page 6, line 8, strike out all of section 2.

Amend the title so as to read: "A bill for the relief of E. G. Briseno and Hector Briseno, a minor."

The committee amendments were agreed to.

Mr. HALLECK. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HALLECK: Page 5, beginning in line 3, strike out all of title III.

Mr. HALLECK. Mr. Speaker, I objected to this bill when it came up for consideration on the Private Calendar because on investigation I did not find that a case of liability was stated against the Government. It is my purpose now to attempt to point out the facts in this case, as I understand them, to the end that the membership of the House may determine whether or not this claim should be paid.

The bill seeks to pay E. G. Briseno, of El Paso, Tex., the sum of $5,225.35. In January of 1932 the Briseno family and the Pell family were living side by side in El Paso, Tex. In that month one of the Pell children, George, 17 years of age, accompanied by his sister and two of the Briseno children, a brother and sister of the claimant in this action, went on a picnic to a target range belonging to the United States Government. While they were there George Pell, the 17-year-old boy, picked up an unexploded projectile fired from a 37-millimeter gun and carried it home with him. This was in January of 1932.

For something like 10 months the unexploded projectile was in and around the Pell and the Briseno homes. The

children of the two families played with it. The adult parents knew it was there and were familiar with the fact the children were playing with the projectile.

Subsequently the projectile was put in the garage of the Briseno home, and I think there was some evidence it was put up out of reach of the children. In November of 1932 this little fellow, Hector Briseno, got the projectile down from the shelf and began playing with it. He dropped it and the shell exploded, causing him very severe and permanent injuries.

Mr. Speaker, as I interpret the case, it proceeds on the theory that the Government is liable by reason of the fact that the projectile was allowed to remain there on the target range. There is no showing that the Government or any agent of the Government knew the projectile was there. I say, from the very nature of things, the Government could not know that fact.

The projectile was taken to the homes of these people. They knew it was there. If there was any negligence in allowing that projectile to be available as the plaything of these children, that negligence is chargeable to the parents themselves and not to the Government of the United States. If there was any original negligence on the part of the Government, there was subsequent intervening negligence on the part of the parents themselves, who, in my opinion, certainly should know enough to appreciate that the shell was a dangerous plaything for children.

There is much to be said on the sympathetic side in the consideration of this bill; and as far as my own sympathies are concerned, I would like to see the youngster taken care of. If this is to be treated as a matter of gratuity, then likely the amendment I have offered should fail; but if we are to consider this measure on its merits and as it might involve negligence or even moral responsibility of the Government, I say my amendment should be agreed to.

It probably is not altogether fair to say that the youngsters in the first instance were trespassers, although they did go upon the property of the United States Government, where, as a matter of fact, they had no particular right to be. In addition to that, the El Paso papers carried notices for a period of 9 years stating to the people that that was a firing range, and certainly that ought to set up in the minds of the people sufficient notice that it was a dangerous place.

Mr. SOUTH. Will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Texas.

Mr. SOUTH. Did this Mexican boy know that this projectile was dangerous or not?

Mr. HALLECK. It is asserted in some of the affidavits that they were people unacquainted with the nature of that sort of a thing and did not know it was dangerous. As I say, following on the heels of the World War, anyone living in the immediate vicinity of this sort of a target range certainly had some idea of the dangerous character of the projectile.

Mr. THOMASON of Texas. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, this is a sad, and, in my judgment, a very meritorious case. The gentleman from Indiana has not stated quite all the facts, because I have some personal knowledge of the situation.

At the outskirts of El Paso, Tex., is Fort Bliss, which is one of our large Army posts. Some few miles from Fort Bliss is the Casner target range, out in the desert where they fire up against the Franklin range of mountains. There is not a fence anywhere near. There is not a signboard of any kind. There is not the slightest bit of warning to anybody, adult or child, that that is a target range. When the time came in this particular year for target practice the Army went out there with their large projectiles and fired across the desert up against the mountain. When the springtime came and the Army had gone back to quarters the picnic season started, and the Briseno and the Pell families, or the children, at least, went out there for a picnic. These families are illiterate but highly respected people of Mexican descent. They are absolutely without any knowledge of firearms. It is true, as the gentleman from Indiana has stated, that there had been some kind of a notice in the advertising section of the local paper to the effect that at a certain time there would be some firing out on the target range, but it was after the target practice had finished that this incident occurred.

The children went out on the range for their happy picnic. The Pell boy picked up this unexploded shell. To leave it in such a place was negligence per se. There was no kind of a sign, there was no kind of a warning, there was no kind of a fence there to tell an adult that he was a trespasser upon anybody's land; because most of it is public land, state school land or university land, with no fence or protection or anything of that sort about it.

These little innocent Mexican children took that unexploded shell home with them, where, it is true, they played around with it and tossed it about. Perhaps their parents ought to have known better, but they did not. It is safe to say that no parent knowing the danger of that unexploded shell, which our great Army had left out there to be picked up by innocent children, would have left such a shell lying around. The children played with the shell, treating it as a kind of toy, because they are not the kind who have many toys. One of the children was little Hector, 5 years old. He found the shell and took it from the shelf in their humble home, when he dropped it, and it exploded.

Last summer when I was home, that honest, innocent, and illiterate old father brought the boy to my office. I do not know when I have seen a worse disfigured child or a much brighter one, with one arm gone, with a leg terribly lacerated, and with one eye nearly blind and which will probably have to be removed. To me it would be the most unjust thing in the world not to give this relief, because the Army went out there and fired all those shells and exercised no caution whatever for the public, but left unexploded shells out there where children might find them. You know the law of explosives in all the States—that due care and extra caution must be taken by those using that kind of instrumentalities to see to it that children and innocent, ignorant people do not suffer as the result of such use. Explosives are attractive and inviting to children. The law demands that extra caution be exercised.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. THOMASON of Texas. I yield.

Mr. HALLECK. Would the gentleman suggest there is any duty on the United States Government or its Army to comb the territory of that target range and pick up the unexploded shells that may be there?

Mr. THOMASON of Texas. With respect to the unexploded shells that showed signs of not having been exploded, I say it was their duty to do it. Furthermore, I say it was their duty to put a fence or warning sign of some sort around that place. I have heard there is a regulation that requires the Army to pick up or bury all shells.

Mr. IZAC. Was this a 37-millimeter unexploded shell?

Mr. THOMASON of Texas. I believe that is what the report states. I am not much more familiar with firearms than this little boy or his father.

Mr. IZAC. For the benefit of the Members, I believe it should be stated you cannot tell whether such a shell is armed or unarmed. The doughboys brought back from France and other places many of these shells, and you could not tell by looking at them whether they were armed or not.

Mr. McCORMACK. Furthermore, the Committee on Claims has passed on this bill, and that is a presumption in favor of it.

Mr. THOMASON of Texas. They passed on it three times by unanimous action, I understand. The bill has merit, and all doubts ought to be resolved in favor of this terribly mangled little boy.

[Here the gavel fell.]

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Indiana [Mr. HALLECK] to strike out the title.

The amendment was rejected.

The SPEAKER pro tempore. The Clerk will report the next title.

The Clerk read as follows:

Title IV—(H. R. 1690. For the relief of Ralph Riesler.) By Mr. BUCKLEY of New York

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ralph Riesler the sum of $5,000 for damages suffered by reason of his son, Ralph Riesler, being struck and killed by a Government automobile which was driven by an employee of the Post Office Department.

With the following committee amendments:

Beginning in line 14, on page 6, strike out all down to and including line 20 and insert the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ralph Reisler, of New York City, N. Y., the sum of $2,500 in full satisfaction of his claim against the United States for the death of his minor son, Ralph Reisler, Jr., who died from injuries sustained when he was struck by a United States mail truck in the Bronx, New York City, on January 21, 1925: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Amend the title so as to read: "A bill for the relief of Ralph Reisler."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Beginning on page 6, line 12, strike out all of title IV.

Mr. COSTELLO. Mr. Speaker, the present title provides for the payment of $2,500 to Ralph Reisler for the death of his minor son. This death was occasioned by the son's riding on a sleigh apparently out of a private driveway into a public street. The street was covered with snow. The collision occurred in New York City on January 21, 1925, when the child was run over by a mail truck. Apparently the children around there had been using this driveway as a sleighing ground, and would come down the hill out of the driveway and then curve into the street.

It appears the accident occurred at about 7:30 p. m. Some of the children were standing in the street. They apparently attempted to stop the mail-truck driver from driving by the driveway. The youngsters knew the boy was going to come down the hill on his sleigh. However, they were ineffective in stopping the truck driver, who apparently was not driving at a fast or excessive rate of speed, but who did not hear the call of warning by the children. Various details concerning the accident are very much in dispute, as the affidavits which are presented show.

However, the driver of the mail truck on February 3, 1925, was charged with manslaughter before the New York City court and that court found that the evidence was insufficient to show culpable negligence on the part of the mail-truck driver.

It would appear to me that in view of the fact that in the House this afternoon we have been led, apparently, to go upon the findings of the Court of Claims and even pass bills here where the Court of Claims has declared there was nothing more involved than a donation or grant, that where the court has found that the Government employee was not guilty of culpable negligence, we should follow the court in that respect and not attempt to attribute negligence to the Post Office Department in having occasioned accidents. For this reason it appears to me it is only proper that relief should be denied in this case if the driver of the mail truck was not in any way negligent or in any way directly responsible for causing the accident.

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I will be pleased to yield to the gentleman.

Mr. DOWELL. There is a wide difference between culpable negligence and negligence. It seems to me that this man might be acquitted of culpable negligence and at the same time might be liable for this damage. There is a wide difference between the terms, and conviction of a crime is entirely different from the collection of damages for negligence. I think the distinction is quite clear, and if that is the question involved, it seems to me this claim should be paid.

Mr. COSTELLO. My only contention is that the driver of the truck was not negligent. The real negligence was on the part of the children in allowing the sleigh to go out on the public streets, in front of oncoming cars, and more especially when the streets were covered with snow, with great probability of accidents of this sort taking place.

Mr. EBERHARTER. Mr. Speaker, I rise in opposition to the amendment.

The sponsor of the bill is out of the city and not able to be here this afternoon, and I shall endeavor to explain to the Members of the House as best I can the facts in this case.

There was a very heavy snow on this particular day, and it appears that a number of children were riding sleds in a private driveway. There were children out on the streets warning truck drivers and automobile drivers to stop their trucks or automobiles whenever one of the children was riding down this private driveway. This mail truck came along in a northerly direction, and at the same time an automobile was coming toward the point where the accident occurred in a southerly direction, and the children there warned the driver of the mail truck and also the driver of the automobile that was going in the other direction that there was a sleigh coming down this private driveway with these children on it. The mail-truck driver failed to stop, while the driver of the other automobile going in the other direction heeded the warning of the children and stopped. The mail truck collided, or the sleigh ran into the mail truck, and as a result this young child was injured and died the next day. He was only 12 years of age, and for this reason he is not presumed to have been negligent in this case.

The gentleman from California [Mr. COSTELLO] has stressed the fact that the court did not hold this mail-truck driver for manslaughter. That is altogether a different question. We do not claim that by passing favorably on this bill that the driver of the mail truck is to be considered as a criminal or as guilty of manslaughter, but we do claim he was negligent, and we also claim that whenever children are on the street, as is the custom in a busy city, warning the driver of an automobile or a truck that children are sleigh riding, the driver of an automobile or truck should stop.

These are the facts as presented to the committee, and the sum involved is only $2,500, and we believe the claim should be paid.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. May I suggest to the gentleman that a child 12 years of age, under the law, is only expected to exercise the degree of care which a child of that age is capable of exercising, and that is not the degree of care expected of an adult person. Furthermore, the gentleman is absolutely correct that in criminal proceedings they must prove a man guilty beyond a reasonable doubt, while for manslaughter willful and reckless disregard must be proven, and in civil proceedings all you have to prove is mere negligence, although negligence in itself is not a crime.

Mr. EBERHARTER. I thank the gentleman very much for his statement.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from California [Mr. COSTELLO] to strike out the title.

The amendment was rejected.

The Clerk read as follows:

Title V—(H. R. 2789. For the relief of Cohen, Goldman & Co., Inc.) By Mr. PEYSER

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Cohen, Goldman & Co., Inc., out of any money in the Treasury not otherwise appropriated, the sum of $19,030.20, in full settlement of all claims against the Government growing out of contracts nos. 1325, 1645, 2299, 3220, and 4519N, and contracts supplementary thereto, for the manufacture during 1917 and 1918 of overcoats and uniforms for the United States Army.

With the following committee amendment:

Page 8, line 2, after the word "Army", change the period to a colon and add the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 7, beginning in line 14, strike out all of title V.

Mr. COSTELLO. Mr. Speaker, the present bill seeks to pay to Cohen, Goldman & Co. $19,030 for claims growing out of contracts for the manufacture of overcoats and uniforms during the years 1917 and 1918. The testimony in the case is quite voluminous. There are numerous items contained therein, and there are quite a number of different contentions on the part of the claimant as well as on the part of the War Department. At one time the War Department brought suit against Cohen, Goldman & Co. for $136,000. As an offset to that the claimant herein brought a counter claim for $40,000. However, the War Department, after attempting to gather together the necessary testimony to proceed with its action, finally came to the conclusion that it was not able to prove its case. In other words, the books of the company and the facts and details of the action were in the possession of Cohen, Goldman & Co., and it was quite a difficult matter for the War Department to obtain the necessary facts to sustain their action. For that reason the War Department dismissed the case which it had against the claimant herein.

The contract called for the making of these uniforms for the Army. Bonuses were provided for the production of uniforms within a less period of time than originally specified in the contract, and penalties were provided for delay. In addition, if the company saved cloth they were to receive a bonus, and if they used an excessive amount of cloth then they had to pay an additional cost. It is a rather difficult thing to go into the details of this case, and I think gentlemen will find, if they read the report, that the claimants overused the expensive types of cloth, 16-ounce Melton costing $2.65 a yard, to the extent of some 1,300 yards, while in the less expensive types of cloth there was a certain saving.

It seems to me that in going over the facts the Government actually had a valid claim against these claimants, but because of technicalities was unable to prove the case. On the other hand, it does not seem reasonable to me that we should turn around now and pay to this company the sum of $19,000 when, apparently, if the Government were in a position to prove its case it would be able to collect some five or six times the amount of money the claimant is trying to recover.

Mr. KENNEDY of Maryland. Is it not true that the Government did enter a counterclaim and later withdrew it?

Mr. COSTELLO. The Government brought the original suit and the claimant entered a counterclaim, and the Government dismissed its suit because it did not have the facts necessary to prove its claim. The statement of the War Department is that they are unqualifiedly opposed to this particular legislation. They say they do not believe that the claimant has a valid claim on the Government, and for that reason I urge that the House strike this title from the bill.

Mr. DOWELL. Will the gentleman please explain on what foundation the Government brought suit against the company?

Mr. COSTELLO. On the usage of materials, and things of that kind. It was difficult for the Government to prove it, because of the fact that the books and the details were in the control of the company itself. It is not thus possible for the Government to prove that the amount of cloth allegedly used by the company was actually used.

Mr. PETTENGILL. What interpretation does the gentleman put upon the attorney-fee clause? It says that not more than 10 percent shall be paid to any agent or attorney. If there were five attorneys, they could each get 10 percent, or a total of 50 percent, could they not?

Mr. KENNEDY of Maryland. That is the usual 10-percent clause.

Mr. PETTENGILL. What does it mean?

Mr. COSTELLO. I do not think it has any meaning, no matter how it is worded. Possibly other language should be used to clearly show that only 10 percent should be paid regardless of the number of the attorneys.

Mr. EBERHARTER. Mr. Speaker, I rise in the absence of the sponsor of the bill to state that if the membership would take time to read the report I think it would come to a different idea of what this bill purports to do. This bill is to pay out of the Treasury of the United States $19,000 to this company, and here is what the report says and what is proven by the facts. The Court of Claims heard this particular case and found that this company was entitled to this sum of money, nineteen thousand dollars and odd. However, because the claim was brought more than 6 years after the contracts were executed, the Court of Claims was helpless to order the Government to pay the money. The gentleman from California [Mr. COSTELLO] before called upon the membership to follow the ruling of the Court of Claims in a previous case. Here is a particular case where the Court of Claims has found a meritorious claim, but could not order the Government to pay the same simply because the statute of limitations had expired, and I feel that the membership should support this particular title because I believe we are justified in following the facts as found by the Court of Claims. The Court of Claims found this amount to be due from the Government to this particular company.

The SPEAKER. The question is on the motion of the gentleman from California [Mr. COSTELLO] to strike out the title.

The question was taken; and on a division (demanded by Mr. KENNEDY of Maryland) there were ayes 77 and noes 30.

So the motion was agreed to.

The Clerk read as follows:

Title VI—(H. R. 3426. For the relief of Rose McGirr.) By Mr. BLOOM

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rose McGirr, of New York City, the sum of $2,500. Such sum shall be in full settlement of all claims against the United States on account of damages sustained by the said Rose McGirr, when she was struck and seriously injured by a motor vehicle of the Prohibition Bureau of the Treasury Department in New York City on May 16, 1929: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 8, line 19, after the word "and", strike out the word "seriously."

The committee amendment was agreed to.

The Clerk read as follows:

Title VII—(H. R. 4170. To carry out the findings of the Court of Claims in the case of the Union Iron Works.) By Mr. MCCORMACK

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to the Union Iron Works the sum of $165,284.53 in full settlement of all claims against the United States for the difference between the actual cost of the construction of three torpedo-boat destroyers and the amount paid under the contract entered into for the building of said boats, as found by the Court of Claims and reported in Senate Document No. 78, Seventy-third Congress, first session.

With the following committee amendment:

Page 9, line 22, add the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof

shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

Mr. COCHRAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: On page 9, in line 10, strike out all of title VII.

Mr. COCHRAN. Mr. Speaker, I ask the Members of the House to read the title of this bill. The title reads:

To carry out the findings of the Court of Claims in the case of the Union Iron Works.

What are the findings of the Court of Claims? Turn to page 65 of the report and read the conclusion of law, which is as follows:

Upon the foregoing special findings of fact, which are made part of the judgment herein, the court decides, as a conclusion of law, that plaintiff is not entitled to recover, and its petition is dismissed.

Judgment is rendered against the plaintiff for the cost of printing the record herein, the amount thereof to be ascertained by the clerk and collected by him according to law, which amount is found to be $2,159.82.

The bill provides to pay to the Union Iron Works $165,284.53. Who can say that represents the findings of the court?

This bill grows out of some construction work done for the Navy Department, for which the Government paid prior to the turn of the century—to be exact, way back in 1898. I have opposed this claim on this floor for years. I know all the facts concerning the case, and I say without fear of contradiction that if you carry out the findings of the Court of Claims, all you have to do is to collect the cost of printing from the plaintiff, the Union Works, if that has not been paid.

The contract called for the construction of three vessels. The findings of the court show the Navy Department fixed the maximum or upset price at which bids would be considered after it had estimated the cost, and such price was intended to provide and usually allowed a fair return to the contractor for his work. The findings further show that previous to submitting its proposal the company had realized a material profit on the construction of naval vessels in the prices set by the Navy Department. I read from the findings:

Officers of the Navy Department believed that the prices fixed in the advertisement for the torpedo boats and torpedo-boat destroyers were fair and reasonable and that a profit would accrue to the builders.

The president of the plaintiff company, before submitting the proposal for the construction of these vessels, made inquiries at the Navy Department and was there informed that the upset price of $295,000 fixed for each boat would cover the cost and there should be also a profit.

Before final payment was made by the Navy Department the Union Iron Works, pursuant to a clause in the contract, executed a release whereby the corporation, for itself and its successors and assigns and its legal representatives, released and forever discharged the United States from any liability growing out of the contract.

I have gone over the case with extreme care, and I can find absolutely no justification for the payment of this money. I therefore, Mr. Speaker, hope that the House will not place its stamp of approval on this bill, but will vote for my motion striking the title from the bill, which, if it prevails, will save the taxpayers of this country $165,284.53.

Mr. McCORMACK. Mr. Speaker, I rise in opposition to the amendment.

The gentleman from Missouri refers to the findings of law of the Court of Claims. The Court of Claims always makes such findings of law. They make a finding of law against all claims. It is not the finding of law that we search for; it is the findings of fact. Every case that goes to the Court of Claims is decided by the Court of Claims against the claimant, as a matter of law, because that finding of law simply says there is no legal obligation on the part of the Government for which the Government could be sued. So when the Court of Claims makes a finding of law, that is the finding it makes in all cases. You will not find any case referred to the Court of Claims but what, as a matter of law, they find against it, but in accordance with the mandate of Congress they ascertain the facts.

Now, what are the facts in this case? The facts are that this company incurred this loss, this additional expense, at the request of the United States Government. Every Secretary of the Navy has recommended payment of it. The report of the committee and the report of the Court of Claims shows that the changes in the plans and specifications were made by the Navy Department from time to time as the work progressed.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Not just now.

The report shows that each of these vessels, when completed, were 54 tons more than the original specifications called for, and that the Navy Department asked this company to make the changes. This company, cooperating with the Navy Department, spent its own money, and the Court of Claims has made a finding of fact that the extra money spent by this company was the money named in this bill.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. The facts are in favor of this company. Here is something further that has just been called to my attention in the opinion of the Court of Claims:

Whether plaintiff is to have relief from its loss, and the amount of relief, if any, is therefore solely within the wisdom and sound discretion of the Congress.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. Yes; I yield.

Mr. COCHRAN. Will the gentleman let me read the two sentences above that?

Mr. COCHRAN. Were the court to base its judgment on the merits, the petition would still have to be dismissed, since the facts show no breach of contract, and none is alleged. The plaintiff is not entitled to either legal or equitable relief. The claim is one for a gratuity.

Mr. McCORMACK. That is the finding of the Court of Claims in all cases. The Court of Claims in this case—and the gentleman cannot deny the fact that the Court of Claims has found that this company incurred extra expenses as a result of instructions of the Navy Department, changes of specifications. This is a case of legitimate business doing something for the Government at the Government's request.

Mr. COCHRAN. Why has not the court since 1898 found for the company, if it was legitimate?

[Here the gavel fell.]

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The question was taken; and the Chair being in doubt, the House divided; and there were—yeas 65, nays 41.

Mr. McCORMACK. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and make the point of order there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 172, nays 123, not voting 136, as follows:

[Roll No. 116]

YEAS—172

Aleshire	Carter	Ditter	Green
Allen, Del.	Cartwright	Dondero	Greever
Allen, Ill.	Chapman	Doughton	Griffith
Allen, La.	Church	Dowell	Griswold
Allen, Pa.	Clark, N. C.	Eicher	Gwynne
Arends	Claypool	Elliott	Halleck
Arnold	Cochran	Engel	Hancock, N. Y.
Bacon	Colden	Englebright	Harlan
Barden	Collins	Faddis	Harter
Beam	Cooley	Farley	Hildebrandt
Biermann	Cooper	Fish	Hill, Wash.
Binderup	Costello	Flannery	Hobbs
Boyer	Crawford	Fletcher	Honeyman
Brooks	Crowther	Ford, Miss.	Hope
Brown	DeMuth	Frey, Pa.	Jarrett
Buck	DeRouen	Gearhart	Jenkins, Ohio
Buckler, Minn.	Dies	Gehrmann	Johnson, Luther A.
Cannon, Mo.	Dirksen	Gray, Pa.	Johnson, Minn.

Johnson, Okla.	Maloney	Polk	Spence
Jones	Mapes	Ramsay	Steagall
Keller	Martin, Colo.	Rankin	Stefan
Kelly, Ill.	Massingale	Reed, Ill.	Taber
Kinzer	Meeks	Rees, Kans.	Tarver
Kleberg	Michener	Rich	Taylor, S. C.
Kniffin	Millard	Richards	Thom
Knutson	Mills	Rigney	Tobey
Kocialkowski	Mitchell, Tenn.	Robertson	Transue
Lambertson	Moser, Pa.	Robinson, Utah	Turner
Lamneck	Mott	Robsion, Ky.	Umstead
Lanham	Murdock, Ariz.	Romjue	Vincent, B. M.
Leavy	Murdock, Utah	Rutherford	Vinson, Fred M.
Lewis, Colo.	Nelson	Sauthoff	Wearin
Lord	O'Brien, Mich.	Schaefer, Ill.	West
Lucas	Pace	Schneider, Wis.	Whelchel
Luckey, Nebr.	Patman	Scott	White, Idaho
Ludlow	Patrick	Secrest	White, Ohio
Luecke, Mich.	Patterson	Seger	Whittington
McFarlane	Pearson	Shannon	Williams
McGehee	Peterson, Fla.	Smith, Conn.	Wolcott
McLaughlin	Peterson, Ga.	Smith, Maine	Wolfenden
McLean	Pettengill	Snell	Wolverton
McSweeney	Pierce	South	Wood
Mahon, Tex.	Poage	Sparkman	Woodruff

NAYS—123

Atkinson	Eberharter	Lanzetta	Reilly
Barry	Eckert	Larrabee	Rogers, Mass.
Bates	Evans	Lea	Sabath
Bell	Ferguson	Lesinski	Sacks
Bigelow	Fitzgerald	Long	Sadowski
Boehne	Flannagan	Luce	Sanders
Bolleau	Gambrill	McAndrews	Schulte
Boland, Pa.	Garrett	McCormack	Shafer, Mich.
Boren	Gildea	McKeough	Shanley
Boykin	Gingery	McReynolds	Sheppard
Bradley	Goldsborough	Maas	Smith, Wash.
Carlson	Guyer	Mahon, S. C.	Snyder, Pa.
Case, S. Dak.	Hamilton	Martin, Mass.	Stack
Celler	Hart	Maverick	Sutphin
Champion	Havenner	Mead	Swope
Citron	Healey	Merritt	Thomas, Tex.
Clason	Higgins	O'Brien, Ill.	Thomason, Tex.
Coffee, Wash.	Hill, Okla.	O'Connell, R. I.	Thompson, Ill.
Crowe	Houston	O'Connor, N. Y.	Tinkham
Cullen	Hull	O'Day	Tolan
Daly	Hunter	O'Leary	Towey
Delaney	Izac	Oliver	Treadway
Dempsey	Jarman	O'Neill, N. J.	Vinson, Ga.
Dickstein	Jenks, N. H.	O'Toole	Wallgren
Dingell	Kelly, N. Y.	Palmisano	Walter
Dixon	Kennedy, Md.	Patton	Welch
Dockweiler	Kennedy, N. Y.	Powers	Wene
Dorsey	Kenney	Rabaut	Wigglesworth
Drew, Pa.	Keogh	Ramspeck	Wilcox
Drewry, Va.	Kramer	Randolph	Woodrum
Dunn	Kvale	Reece, Tenn.	

NOT VOTING—136

Amlie	Deen	Imhoff	Parsons
Anderson, Mo.	Disney	Jacobsen	Peyser
Andresen, Minn.	Douglas	Jenckes, Ind.	Pfeifer
Andrews	Doxey	Johnson, Lyndon	Phillips
Ashbrook	Driver	Johnson, W. Va.	Plumley
Beiter	Duncan	Kee	Quinn
Bernard	Eaton	Kerr	Rayburn
Bland	Edmiston	Kirwan	Reed, N. Y.
Bloom	Ellenbogen	Kitchens	Rogers, Okla.
Boylan, N. Y.	Fernandez	Kloeb	Ryan
Brewster	Fitzpatrick	Kopplemann	Schuetz
Buckley, N. Y.	Fleger	Lambeth	Scrugham
Bulwinkle	Forand	Lemke	Short
Burch	Ford, Calif.	Lewis, Md.	Simpson
Burdick	Fries, Ill.	McClellan	Sirovich
Byrne	Fuller	McGranery	Smith, Va.
Caldwell	Fulmer	McGrath	Smith, W. Va.
Cannon, Wis.	Gasque	McGroarty	Somers, N. Y.
Casey, Mass.	Gavagan	McMillan	Starnes
Chandler	Gifford	Magnuson	Sullivan
Clark, Idaho	Gilchrist	Mansfield	Sumners, Tex.
Cluett	Gray, Ind.	Mason	Sweeney
Coffee, Nebr.	Greenwood	May	Taylor, Colo.
Cole, Md.	Gregory	Miller	Taylor, Tenn.
Cole, N. Y.	Haines	Mitchell, Ill.	Teigan
Colmer	Hancock, N. C.	Mosier, Ohio	Terry
Cox	Harrington	Mouton	Thomas, N. J.
Cravens	Hartley	Nichols	Thurston
Creal	Hendricks	Norton	Voorhis
Crosby	Hennings	O'Connell, Mont.	Wadsworth
Crosser	Hill, Ala.	O'Connor, Mont.	Warren
Culkin	Hoffman	O'Malley	Weaver
Cummings	Holmes	O'Neal, Ky.	Withrow
Curley	Hook	Owen	Zimmerman

So the motion was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Cox with Mr. Holmes.
Mr. Kerr with Mr. Andrews.
Mr. Warren with Mr. Cluett.
Mr. Bland with Mr. Andresen of Minnesota.
Mr. Sumners of Texas with Mr. Burdick.
Mr. Dean with Mr. Douglas.
Mr. Hennings with Mr. Casey of Massachusetts.
Mr. Rayburn with Mr. Taylor of Tennessee.
Mr. Crosser with Mr. Short.
Mr. Fleger with Mr. Fries of Illinois.
Mr. May with Mr. Bernard.
Mr. Ashbrook with Mr. Colmer.
Mr. Gavagan with Mr. Mitchell of Illinois.
Mr. Bloom with Mr. Crosby.
Mr. Fuller with Mr. Reed of New York.
Mr. Pfeifer with Mr. Owen.
Mr. Boylan of New York with Mr. Hook.
Mr. Cole of Maryland with Mrs. Jenckes of Indiana.

Mr. PETERSON of Georgia changed his vote from "nay" to "yea."

Mr. DUNN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The Clerk read as follows:

Title VIII—(H. R. 5112. For the relief of Frank Lee Borney.) By Mr. SUMNERS of Texas

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 to Frank Lee Borney, in full settlement of all claims for damages against the Government of the United States for injuries sustained by the said Frank Lee Borney by reason of the explosion of a dynamite cap negligently left by Civil Works Administration workers where they were building a road near Red Oak, Tex., on or about February 23, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Committee amendment:

Page 10, line 11, after the words "sum of", strike out "$2,000" and insert in lieu thereof "$500."

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

Mr. COSTELLO. Mr. Speaker, I move to dispense with further calling of the Omnibus Private Claims Calendar.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. SHAFER of Michigan asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. TABER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to insert therein a one-page article.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PURE FOOD AND DRUG LEGISLATION

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, for the past 3½ years food and drug legislation has been pending before Congress. The weaknesses of the present law, passed in 1906, and a compromise measure even then, are well known. President Roosevelt in a message to Congress on March 22, 1935, has said:

It is time to make practical improvements. A measure is needed which will extend the controls formerly applicable only to labels to advertising also; which will extend protection to the trade in cosmetics; which will provide for a cooperative system and method of setting standards and for a system of inspection and enforcement to reassure consumers grown hesitant and doubtful; and which will

provide for a necessary flexibility in administration as products and conditions change.

Ample evidence exists to show the need for a new law. Many dangerous drugs are commonly used in patent medicines. The presence of most of these drugs does not, according to the present law, even have to be stated on the label. The consumer has no way of knowing when he is subjecting himself to the perils inherent in their use.

DINITROPHENOL

The past few years have shown an ever-increasing list of persons killed by dinitrophenol. In many more persons its use has resulted in cataracts of the eye, often so severe that complete blindness ensued. A year ago the American Medical Association reported that there were 23 reducing preparations on the market which contain dinitrophenol. A high-school girl can in some areas buy a package of Redusols, a dinitrophenol preparation, at the corner drug store. She is then equipped to embark on a course of self-medication with a drug which, even when taken under expert medical supervision, has caused death (Facts and Frauds in Woman's Hygiene).

STRYCHNINE

Strychnine is another highly toxic drug the presence of which does not have to be declared under the present law. In one 5-year period 75 children, most of them under 5 years of age, died in New York State alone of strychnine poisoning (The Home Medicine Cabinet). Laxative and tonic pills containing strychnine were responsible for the majority of these deaths and are the foremost cause of fatal poisoning among young children. Parents assume such preparations to be innocuous. They have no way of knowing that the chocolate or sugar coating of these pills, so attractive to children, covers sufficient strychnine that six or eight tablets accidentally eaten may constitute a lethal dose of poison for a small child.

AMIDOPYRINE

Amidopyrine is present in many headache remedies and other pain killers. The drug causes in people who are sensitive to it a baffling disease, agranulocytosis, marked by a sharp reduction of the white blood cells. More than 1,500 persons in the United States died from agranulocytosis during the 3-year period ending with 1934 (Consumer Union Reports, April 1937). Yet multitudinous preparations containing amidopyrine are being sold over drug-store counters throughout the land. The present law requires neither that the presence of the drug be stated nor that any warning be given concerning its dangerous character.

ACETANILIDE

Acetanilide is another drug which has proved deadly to many people. Deaths from it were reported as long ago as 1909 in a pamphlet put out by the Public Health Service (Harmfulness of Headache Mixtures, by Kebler, Morgan, and Rupp, Government Printing Office, 1909.) The use of remedies containing it has not infrequently caused permanent heart injury, anemia, and loss of memory. The Government publication mentioned stated that "in not a few cases the patients were reduced to a condition of invalidism." Over 20 patent medicines sold for headache, insomnia, and colds have been found to contain acetanilide (Facts and Frauds in Woman's Hygiene). Unlike the other drugs named, the present law does require that its presence be stated on the label. It does not, however, require that the label bear a warning regarding the dangerous character of the drug. The labels of many acetanilide-bearing nostrums carry the statement "Contains no narcotics", thus giving the false impression that the preparations are absolutely safe. The Food and Drug Administration is powerless to prevent such labeling under the existing law.

MANY DANGEROUS PATENT MEDICINES ARE ON THE MARKET

The sale of patent medicines containing dangerous drugs is but one example of the inadequacy of existing legislation. Many nostrums, innocuous in themselves, are frequently the indirect cause of death, because the present law provides for no regulation of advertising. Worthless concoctions are advertised as being able to cure such diseases as diabetes, cancer, kidney disease, and tuberculosis. The gullible or unfortunate accept such dishonest claims at their face value, and lives which might be saved by medical treatment are lost.

DISHONEST ADVERTISING IS RAMPANT—CRAZY WATER CRYSTALS

Members of the House, the dishonest way in which many remedies are advertised at the best results in an economic waste. According to the book American Chamber of Horrors, written by the chief educational officer of the Food and Drug Administration, Crazy Water Crystals are essentially Glauber's salt, a horse physic. A package of Crazy Water Crystals retails for $1. The same amount of Glauber's salt can be purchased for approximately 25 cents. Crazy Water Crystals have been advertised for rheumatism, constipation, functional stomach diseases, liver disorders, cystitis, diabetes, and Bright's disease.

COSMETIC ADULTERATION

Cosmetics are entirely outside the scope of the present law. As long as they are unregulated we may expect repetitions of tragedies which have occurred in the past. Women have been blinded for life by eyelash preparations, poisoned by hair dyes containing lead or one of the dangerous aniline dyes, disfigured and disabled by cosmetics containing mercury, a powerful poison.

JAM

Mr. Speaker, though it is in the field of drugs and cosmetics that the consumer takes the worst beating, he also needs much better protection of the food he eats. The distinctive name proviso exempts countless proprietary foodstuffs from all provisions of the present law except the requirement that no poisonous ingredient be added. For example, jam, which is not called jam, but sold under a distinctive name, need meet no requirements regarding fruit content—it may even be made of moldy fruit, yet the Food and Drug Administration is powerless to touch it.

CONSUMER GROUPS WANT GRADE LABELING

Mr. Speaker, the failure of the present law to establish grades for canned goods means that thousands of housewives each day pay grade A prices for grade C or even substandard canned goods. The interest shown by consumer groups in the grade-labeling provision of S. 1944, the so-called Tugwell bill, shows how urgently such a provision is needed and wanted by the public. Rising food prices make it more imperative than ever before that the consumer be provided the criteria necessary if he is to purchase food intelligently.

ADVERTISING SHOULD BE MADE TRUTHFUL

An outstanding weakness of the present law is its failure to provide for supervision of advertising. The Federal Food and Drug Administration has done notable work in forcing false and fraudulent claims to be removed from the labels of patent medicines and packaged foodstuffs. In many cases, however, the objectionable claims have been merely transferred to advertising.

Indeed much modern advertising is more dishonest and misleading in character than even the old-time labels. Advertising has become such an important factor in determining the buying habits of the public that the need for honest advertising, as well as for honest labeling, is now almost universally recognized.

LET US HAVE STRONG LAWS TO DEAL WITH THE PROBLEM

The need for new food and drug legislation is well established. The question of paramount importance is whether we shall pass a law even weaker in some respects than the existing act, or one which adequately protects the interests of the consuming public. S. 5, as it has passed the Senate, is weaker than the present law in some aspects which vitally affect public welfare. The power to make multiple seizures has been one of the most effective weapons the Food and Drug Administration could use against violators. This power is seriously impaired in S. 5. As the New York Times has pointed out editorially:

Under the Copeland bill multiple seizures are still possible, but the accused may demand trial in his home jurisdiction, where, if he happens to be an important manufacturer and the principal economic prop of a small town, conviction by a jury of his neighbors will be almost impossible. Consumers are more likely to receive the kind of court action to which they are entitled in the

districts where they live and have been harmed than in that of a distant manufacturer who may have transgressed the law.

I BELIEVE MY BILL, H. R. 5286, ANSWERS THE REQUIREMENTS

Mr. Speaker, I have introduced a bill, H. R. 5286, which affords the protection so urgently needed by the public. The main features of this bill are:

First. The establishment of a consumers' bureau in the Public Health Service.

Second. The registration of proprietary products.

Third. Informative labeling.

Fourth. Prevention of false or misleading advertising.

Fifth. An adequate budget.

Sixth. Health education, publicity, and scientific research.

REGISTRATION OF PROPRIETARY PRODUCTS

The registration of proprietary products is a measure definitely in the interest of public welfare. The registration provision of H. R. 5286 requires every manufacturer of a proprietary product to register with the Consumers Bureau, the agency set up to administer the act, the formula of his product, a statement of all claims to be made for it, and the name of the licensed pharmacist or chemist under whose supervision the product is manufactured. This feature would greatly simplify the whole procedure of enforcement. A product deleterious to health would be prevented from ever reaching the market since a certificate of registration would be denied if the product contained harmful ingredients.

THE PREVENTIVE FEATURE

This preventive feature is the main virtue of the bill. It would benefit all concerned. Public welfare would be better protected; the work of the enforcement agency both simplified and expedited; money would be saved for Government and business alike, since many long-drawn-out and expensive court cases would be eliminated. The soundness of preventing offenses rather than punishing them after they have been perpetrated is so obvious as to be incontrovertible.

The necessity of registering the name of the licensed pharmacist, chemist, or other technician under whose supervision a product is manufactured is apparent. Ruth de Forest Lamb in her book, American Chamber of Horrors, has told of Claude Bell, who, with only a graduate and scales for equipment, puts up in his own home a preparation for hay fever and asthma. The principal ingredient of the nostrum is potassium iodide, a drug which converts latent tuberculosis into an active form of the disease. Claude Bell has no scientific training. He left school after the eighth grade.

Ladies and gentlemen of the House, the background of many other patent medicines is probably no more reputable. This picture of an ignoramus dispensing medicine to the public detriment but his private profit is an incongruous one in our country, where scientific training and skill are supposedly held in high esteem. It is a picture which would be eliminated were H. R. 5286 to become law.

REVENUE RAISING MADE EASY

Another advantageous feature of the licensing plan is that it would provide a steady source of revenue for the bureau enforcing the act. Yet the cost to the individual manufacturer, an initial fee of $25 and $10 per year for renewal, would be so light as to impose a burden on no one. The Food and Drug Administration is continually handicapped by lack of funds. Its appropriation for the enforcement of the Food and Drugs Act is approximately $1,600,000, a sum which represents little over a penny for every person in the Nation. The Chief of the Administration, in his 1936 report, has pointed out that much necessary work is either inadequately performed or never undertaken because of insufficient funds. The means provided by H. R. 5286 of insuring an adequate budget for enforcement is simple, fair, and reliable.

INGREDIENTS AND THEIR PROPORTIONS SHOULD BY PRINTED ON THE LABEL

Another feature of H. R. 5286 in the interest of public welfare is the requirement that labels of proprietary foods, drugs, and cosmetics shall tell what ingredients are present and in what proportion, only spices, flavoring and perfuming agents being excepted. Such informative labeling has been demanded by consumer groups for years. The need for it is obvious. If a consumer is to use medicines intelligently, he must know what is in them. If a consumer is to spend his food dollar wisely, he must know what he is purchasing.

Mr. Speaker, the provisions of S. 5 only partially meet this need. Although S. 5 requires that the label of preparations containing two or more drugs list the active ingredients, it does not require that the proportions in which they are present be named except in the case of a few drugs considered particularly dangerous.

ALKA-SELTZER

Of how much aid, for example, would this provision of S. 5 be to a consumer who wants to know what he is taking when he downs a dose of that widely touted remedy—Alka-Seltzer? He would read the label and discover that Alka-Seltzer consists essentially of a mixture of aspirin, baking soda, and citric acid. Since innumerable car cards have vaunted the "alkalizing" effect of Alka-Seltzer, he would probably decide that an Alka-Seltzer tablet consists mainly of a dose of baking soda with a little aspirin thrown in. Actually it is just the other way around. Every Alka-Seltzer tablet contains 5.5 grains of aspirin, more than the amount in the usual aspirin tablet (Drug and Cosmetic Control, by Department of Investigation and Accounts, New York City). But if S. 5 goes into effect, the consumer will still have no way of knowing that.

OVALTINE

Nor would the type of informative labeling provided by S. 5 be of much help to the housewife who wishes to do her food purchasing intelligently. The manufacturer of Ovaltine, for example, could truthfully label his product as containing dried egg. A mother having difficulty in getting her child to eat the number of eggs prescribed by the doctor might decide that feeding him Ovaltine would be a good way to increase his egg consumption. S. 5 would not require the manufacturer to label Ovaltine so that users may know that the amount of dried egg it contains is very small indeed.

CHOCOLATE MALTED MILK

That part of the chamber of horrors prepared by the Food and Drug Administration to show the need for informative labeling of foodstuffs had an exhibit giving the composition of various brands of chocolate malted milk, a product used mainly in feeding children. Many of these chocolate malted milks contained much more sugar and cocoa than they did malted milk. If S. 5 were to become law, a mother would still have no way of knowing when she purchases such a product, whether she is paying malted milk prices for sugar and cocoa. Furthermore, it is a problem which not only affects her pocketbook but the nutrition of her children, for sugar, cocoa, and malted milk have widely different values in meeting the food needs of children. The right of farmers to know what they are feeding their stock is so well recognized that most States have laws requiring real informative labeling of feed for animals. Is the proper feeding of children less important than that of livestock?

FALSE ADVERTISING SHOULD BE ELIMINATED

Mr. Speaker, effective control of advertising is another measure which is imperative if consumer interests are to be protected, for advertising has become such a potent force that to a large degree it determines the buying habits of the Nation. The advertising provisions of S. 5 are lamentably weak. The Government may only seek an injunction in the courts to restrain the false advertising—no other penalty is provided. Consumers Union has pointed out in its March 1937 reports that—

> The practical meaning of this would be that an advertiser could "try anything once", and continue to try it for a long period while a hopelessly cumbersome enforcement machinery was being brought into action. No matter how great his falsifications, the advertiser would have nothing to fear except an admonishment to go forth and sin no more.

ADVERTISING CONTROL SHOULD BE VESTED IN THE ENFORCEMENT AGENCY

Ineffective as is the advertising control provided by S. 5, there has been a move still further to weaken it by entrusting the enforcement of this section of the bill to the Federal

Trade Commission. Representative CAROLINE O'DAY has admirably set forth in the Appendix of the CONGRESSIONAL RECORD, the reasons why control of advertising by the Federal Trade Commission would be highly unwise. This is an issue of such vital importance to consumers that it can hardly be overemphasized.

Mr. Speaker, the reasons why the regulation of advertising should rest with the enforcement agency are obvious. Advertising, as Mrs. O'DAY has pointed out, is but an extension of the label. In is obviously in the interest of economy and efficiency that the same agency which passes on labeling should also pass on advertising. In the past it has been necessary for the Food and Drug Administration to supply the Federal Trade Commission with technical material when the Commission wished to take action against false or misleading advertising. The necessity of two agencies dealing with the same material inevitably results in wasteful duplication of effort. Of greater importance, it results in the Federal Trade Commission, a body of people untrained in the medical field, passing on technical information, a situation which often works to the detriment of public welfare.

EXPERTS ARE FALLIBLE

Medicine, as every other profession, has its charlatans, and they are willing, for a price, to testify in support of even the worst patent medicines. Such evidence may be convincing to a layman, though an expert technician can quickly detect its fallaciousness. Ignorance of medical matters on the part of the special board of investigation of the Federal Trade Commission is the kindest interpretation that can be placed on its sanction of the advertising done for certain death-dealing nostrums.

CEASE-AND-DESIST ORDERS OF THE FEDERAL TRADE COMMISSION ARE FREQUENTLY IGNORED

The inadequacy of the Federal Trade Commission in protecting the interests of consumers is not a matter of conjecture. It is a matter of record. The February 11, 1937, issue of Advertising and Selling, a trade magazine, presents a gallery of cease-and-desist orders issued by the Commission and reproduces recent advertisments made for the products against which they were issued. This gallery could easily be enlarged by many other exhibits. It is apparent that cease-and-desist orders are regarded by industry as mere scraps of paper. They have no effect in stopping false and fraudulent advertising.

DELAYS ARE COMMON

Even if cease-and-desist orders were effective, relegating supervision of advertising to the Commission would still be highly undesirable from the consumer point of view. Mr. CHAPMAN, Mr. MAPES, and Mr. MERRITT have ably pointed out in the additional views of the 1936 report accompanying S. 5 that the actions of the Federal Trade Commission involve the lapse of many months and sometimes years, a period during which an offending manufacturer is unhampered in his dissemination of false information and claims.

As has been mentioned, the chief virtue of H. R. 5286, known as the consumers' union bill, is that it is a preventive measure. This holds true for false advertising. At the time of application for certificate of registration, a manufacturer must submit a statement of all the therapeutic, palliative, or other beneficial effects claimed or to be claimed for his product. If such claims cannot be substantiated by satisfactory evidence or authority, the certificate of registration is not granted. The simplicity and practicality of such a measure are apparent. Advertising would be effectively controlled without resort to long and expensive court proceedings. Worthless or vicious products could not be panned off on the poor, the gullible, and the ignorant while a cumbersome enforcement machinery was brought slowly into action, often too late to save needless suffering or death in the case of nostrums which are definitely dangerous.

PENALTIES IN H. R. 5286 ARE ADEQUATELY STRINGENT

The penalties set by H. R. 5286 for violation of the advertising provisions, while imposing no hardship on honest manufacturers, are sufficiently stringent to protect public welfare. Violations of this provision, as well as other provisions of the act, call for a public warning for the first minor offense, suspension of the certificate of registration for 1 month for a first major offense, suspension for 1 year for a second offense, and revocation of the certificate for a third offense.

I urge Congress to enact H. R. 5286.

The record of Congress the past 4 years in regard to food and drug legislation is one of which none of us can be proud. It will be a betrayal of our constituents' interests if we fail to pass a new law in the near future. It will be no less a betrayal if the new law is one which is little, if any, better than existing legislation, and even weaker in some respects. For that reason, I urge support of my H. R. 5286.

The SPEAKER. Under the previous order of the House, the gentleman from South Dakota [Mr. CASE] is recognized for 20 minutes.

THE COURT QUESTION AND CONSTITUTIONAL DEMOCRACY

Mr. CASE of South Dakota. Mr. Speaker, one question stalks behind every major move on Capitol Hill these days. It is this: What is to be done with the President's proposal to change the Supreme Court? It blocks action on other legislation. It delays adjournment. The struggle has taken one life. It threatens the health of others.

We had the original bill. A committee of the Congress, after 4 months of hearings and study, said:

> It is needless, futile, and dangerous. * * * It is a measure which should be so emphatically rejected that its parallel will never again be presented to the free representatives of the free people of America.

Now we have a so-called substitute and rumors of others. Of the whole business, last week we heard the respected chairman of the Judiciary Committee of the House, with his background of service here since 1913, say:

> It is unnecessary legislation.

Still the search goes on for some face-saving substitute. In all sincerity I want to say today that the life of either major party in America today is more important than the political record of any one man; and, further, that the American idea of a constitutional democracy or a republic, whichever term you prefer, is more important than the life of any political party.

And both the life of a major party and the endurance of constitutional democracy are endangered by the insistence on this legislation.

TWO SMOKE SCREENS AND TWO EMERGENCY PLEAS

The case for this proposal has been before the country under two smoke screens: A claim of usurped power by the courts, and talk of 5-to-4 decisions. And neither the original bill nor the substitutes do a thing about either matter.

The insistence upon action now is being urged on two emergency grounds: A so-called mandate to follow the President in every detail and the claim that some vast program of social legislation is imperiled unless the courts are changed. And neither of those things has any foundation in fact.

The truth is that this fight itself is the greatest bar today to completing the proper legislative program of this Congress. The truth is that America has more to fear from the destruction of constitutional democracy than it has from court decisions. And to these subjects I shall address my brief remarks.

The first smoke screen is the repeated allusion to some supposed "usurped power of the courts to pass on acts of Congress." Some people repeat that in ignorance, and some people repeat it who ought to know better.

WHAT THE CONSTITUTION SAYS

Section 1 of Article III says:

> The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish.

Section 2 says:

> The judicial power shall extend to all cases, in law and equity, arising under this Constitution, the laws of the United States, and treaties made, or which shall be made under their authority.

And article VI, section 2, says:

This Constitution, and the laws of the United States which shall be made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land.

How can the English language be more explicit?

This Constitution and laws made in pursuance thereof shall be the supreme law of the land.

How can the courts be charged with more responsibility?

The judicial power shall extend to all cases in law arising under the Constitution and the laws of the United States.

During the debates of the Constitutional Convention it was once proposed to give the Supreme Court the right to share the right of original veto along with the Executive. But that idea was rejected on this argument by Mr. Gerry; as the Madison notes tell us:

Mr. Gerry doubts whether the judiciary ought to form a part of it as they will have a sufficient check against encroachment on their own department by their exposition of the laws, which involved a power of deciding on their constitutionality" (p. 147, Formation of the United States).

So the courts have never had an original veto. They never step out and say that a law is unconstitutional; but when someone feels substantially injured by a law and comes before the court, the judges lay the law down by the Constitution and merely say whether the law is in pursuance of the supreme law of the land or not.

In Marbury against Madison, Chief Justice Marshall said:

The Constitution is either a superior paramount law, unchangeable by ordinary means, or it is on a level with ordinary legislative acts, and like other acts, is alterable when the legislature shall please to alter it.

But the Constitution expressly reserved the right of amendment to the States and the people and provided a method for amendment. If the Constitution could be amended by legislative acts, this power of the people would mean nothing. In at least seven cases before the Constitution was framed, State courts had declared State laws to be contrary to State constitutions. The Federal Constitution was written with this background of accepted power in the courts.

The claim of a usurped power, moreover, overlooks the very necessity for the power. When laws conflict, what is the ruling law? When legislative acts conflict with the Constitution, which controls? When public officials harass citizens and violate their constitutional guaranties, who is to stop them if not the courts?

AND AS FOR 5-TO-4 DECISIONS

The second smoke screen is reference to 5-to-4 decisions and talk about the whim of one man deciding matters. Of course, it is not the whim of one man but the conclusions of five men in a close question. And whatever the situation, the proposals brought forward do nothing about changing that.

A court of 15 men can split 8 to 7, which is closer fractionally than 5 to 4. A court of 11 can split 6 to 5. And under the so-called substitute we will have Supreme Courts of 10, 12, and 14, so that they could split 5 to 5, 6 to 6, and 7 to 7. Then lower court judgments would stand by default; thus determination of constitutionality would be left finally to lower courts, where it does not properly rest.

Not only that, but New Deal legislation has been upheld by 5-to-4 decisions on more important matters than it has been let down. I refer to the Gold Clause cases.

Furthermore, the record shows that of 13 acts of Congress held unconstitutional in the period from 1934 to 1937, only 3 were by 5-to-4 decisions. In the same time 19 Federal acts were sustained—3 by 5-to-4 decisions, 2 had one adverse vote, and the others were sustained unanimously.

In the same time over 220 acts of Congress were set aside by Presidential veto, I might add, if we want really to see where one man sets aside the will of Congress.

During the same years 54 State acts were held unconstitutional, 36 of them unanimously and only 2 by 5-to-4 decisions. During the same time, of 87 State powers upheld, 78 were by unanimous decisions and only 6 by 5 to 4.

It is plain that the 5-to-4 question has been talked about out of all proportion to its importance and that the New Deal has won by 5 to 4 more than it has lost. Some questions are naturally close questions, and they will be, no matter how many judges you place on the bench.

The truth is that, despite the talk about usurped power and 5-to-4 decisions, the proposals before us do not change that situation one iota. The Supreme Court will still pass on the constitutionality of questions properly submitted to it, as it must, if we are to retain a constitutional democracy. This is not a usurped power but to take it away except by constitutional amendment would be usurpation.

The only way in which new judges can guarantee different decisions will be to agree to take orders on their decisions, an agreement which would violate their oath of office and disqualify them for service. If their decisions can be predicted by the one who appoints them, the President can get rid of 5-to-4 decisions, for one of the judges he aimed at has resigned.

So much for the smoke-screen excuses. The facts refute them and the proposals do nothing about them.

TURNING TO THE EMERGENCY PLEAS

But now we hear, "The 1936 election was a mandate. We have a responsibility."

No one can pretend that the 1936 election was any mandate whatsoever to attack the Supreme Court. The issue was raised in the campaign but was promptly and repeatedly denied by administration spokesmen from coast to coast. The people reelected the President, but not on any promise that he would convert the courts into echoes for the Executive voice.

This mandate argument is the last argument I ever expected to hear in America. It sounds like Hitler. But here it is being offered by men who call themselves Democrats.

If the American system of government means anything, it means that we have tried to establish a government in which the majority rules with a decent respect for the rights of minorities. That is why we have a Constitution, to insure that respect—and a Court to enforce it. Our system means that no party can ever get a mandate which will permit it to ride roughshod over the rights of minorities and individuals as guaranteed by the Constitution.

The history of free government is the story of man's struggle to free people from arbitrary power, whether that power rests on a personal army, an organized minority, or the mandate of a majority. Mob rule is not free government. As the inscription over the doorway at the Department of Justice Building says, "No free government can survive that is not based on the supremacy of law."

Personally, I care not whether you call our Government a republic or a constitutional democracy. Either term means a representative form of government, with the rights of the people protected in basic law. And there is all the difference in the world between that kind of government and a government that shifts with every changing wind. In the one you have order and safety and progress; in the other you have insecurity, reaction, and chaos.

We went to war to make the world "safe for democracy." A Member on this floor supporting these Court changes recently said, "I insist on the defense of democracy", meaning the election-mandate argument. The World War spawned, right and left, the kind of democracies he had in mind—democracies where today's vote surrenders blanket powers to popular leaders. Today those peoples have lost their courts, and their laws are the whims of one man. And those peoples are marching down that one-way road to war and revolution which every one-man government eventually travels. They have mistaken demagogy for democracy.

EVERY PRESIDENT WILL HAVE A MANDATE

Mr. Speaker, I do not approach this problem with any personal feeling against the author of the original proposals. I share with other people of this country an admiration for the courage with which he attacked the problems of the dismal day when he entered upon his duties. I share with them a gratitude for the help he has extended on many fronts of the depression. But I would be untrue to the people and I would confer no favor on him if I yielded my convictions on this subject.

I have not opposed what I thought was proper judicial reform. I voted for both the Sumners proposals to permit Supreme Court Judges to retire and to permit direct appeal in constitutional questions on motion of the Attorney General. But I cannot support any measure which proposes to make the courts mere ratifying echoes for the Executive voice. For, mark this, we cannot extend to one President the courtesy of a sympathetic, subjected Court and ever deny that courtesy to succeeding Presidents.

Every President hereafter will have his problems to solve. His champions will point to their mandate from the people. The machinery of justice will become but a camouflage for the Big Chief's club, and you will have one-man government—call it any name you will. It will only be demagogy, a mockery of democracy.

James Truslow Adams, one of America's outstanding students of history, in a letter under date of July 14, 1937, says:

> It is to my mind a travesty on democratic government to claim, because the President received 27,000,000 votes running on a platform which not only did not hint at this act but on the contrary disclaiming all intention of acting, except within both the letter and the spirit of the Constitution, that he received a mandate to do anything he liked. If that argument is sound, then any President who received a large majority would be entitled to become a dictator, revealing beforehand to neither the people nor party leaders what his intentions might be.

I beg of each one of you to look into the future 4, 8, 12, 16, or 20 years from now and ask yourself if you want to establish any such idea that the Executive is to command the courts.

WHAT LEGISLATION IS IN DANGER?

Finally, we are told that this program is needed or some vague program of social legislation will be imperiled.

Mr. Majority Leader, what are the social objectives that will be in danger? The people are alarmed by this argument. They have seen the Federal Government enter every activity of business and industrial life. They have seen Federal inspectors and investigators on farms and in factories. They have seen new employees swarm into county-seat towns until the average courthouse today has more persons holding commissions from Washington than are chosen by the local electors. What more is to come? What is the plan behind this plan? Is it so unconstitutional that the President must control the Court?

It is true that we live in a changing world. But constitutions, if they are for anything, are expressly for the safety of the people in times of confusion. When people cannot see the woods for the trees, they need the best guidance that has been evolved in the history of the race.

The editor of the New York Times, in Sunday's paper, says:

> The philosophies which seem to guide the fragments of civilization in their madly whirling courses are violent, or fatalistic, or confused. A madman's whim may drown a continent in blood. • • • But there is another emotion that may be growing, underground in the dictator-ruled countries, more openly in those that are still democratic—a resentment against regimentation, against the appeals to hate, against the hideous drumming-up of the instinct to kill.
>
> Surely the mass of mankind—or rather the multifarious, many millionfold individuals who make up that mass—want chiefly to be let alone to do their work, to love, have children, play, sleep easily at night. And surely this deep racial desire will not forever be frustrated. Surely there will be a turning of the bitter tide which has threatened to drown us; surely there will be an upsurge of a real humanity, and a resumption of that march toward the stars which began so long ago in the fens of northern Europe and on the plains of Egypt and Mesopotamia.

We all thrill to the cry of progress and new freedom. We all regret the lag between what we do and what we desire. But surely the experience of history is wiser than the excitement of today. When the nobles wrested the Magna Carta from King John they did not get all they wanted nor perhaps as much as they thought they got. But they broke into that old idea that the ruler was to be lawgiver, judge, and executioner. And people fighting for human freedom have pointed to the Magna Carta ever since. Today it is proposed that we shall reverse human progress and put the courts back into the hands of the Executive with such devices as will let him insure that their opinions will be satisfactory to him.

That is not the road to freedom; it is not the mark of progress; it is not true democracy. If the history of nations teaches anything, it teaches that rights of the people once yielded to rulers for good and gentle purposes are won back only by sacrifice and bloodshed. I do not question the motives of those who support these proposals, but I can plead with you that we shall not let this Congress be known as the Congress which put law, judgment, and execution back into the person of one man.

The tampering with words, the change of numbers, fail to destroy the menace of this measure. The substitution of the word "may" for the word "shall" in the substitute bill only increases the invitation to Executive domination of the Court. "Decide so-and-so, or else—." That is the effect of such a device. It means a club over the courts!

What possible piece of social legislation will be outlawed by the courts as now constituted that will compare in value with the cost of losing the independence of the judiciary? What step in social welfare can we not now take that is worth the surrender of our system of checks and balances?

THE PEOPLE SENSE THE DANGERS

Mr. Speaker, the people of America have recoiled from this proposal because they sense the inherent dangers in it. They may not be able to recite the page and the number, but they know that in the courts they have refuge against oppression by arbitrary power whether exercised by an organized minority or a temporary majority. They do not pretend to know the technicalities on which a Court may find one way in one case and apparently another way in a somewhat similar case, but they do know this: That where government merges the three branches of government—executive, legislative, and judicial—into one, that there liberty disappears!

In this day, elsewhere, they have seen courts become devices to wipe out those who disagree with the philosophy of those in power. Our people simply do not want to move in that direction.

The other day I received a letter from a man whom I know suffered from the depression. To get food for an invalid wife he resigned from a small position in party organization so that he could get on the relief rolls. He wrote me: "Do not let them take the courts. The people here are against it almost to a man—and every woman." I thrilled when I read those words, for I know the hardships those people have seen. "Almost to a man—and every woman." I read those words with some of the same surging pride I feel when I see gold-star mothers accept our poor praise on Memorial Day.

And then I got a post card from a woman one day. Just a 1-cent card, but on it she wrote, "As I understand it, he complains the Court won't cooperate." "But how", she asked, "how can a court cooperate with a litigant?"

There is a common sense in the common people, Mr. Speaker. I pray God that this body shall have as much in our deliberations on this matter. [Applause.]

The SPEAKER. Under a previous special order of the House, the gentleman from Missouri [Mr. SHANNON] is recognized for 20 minutes.

Mr. SHANNON. Mr. Speaker, I wish to read and comment upon a most enlightening telegram sent out on July 14, 1937, over the signature of one Frank E. Gannett. I am sure Mr. Gannett exercised care in selecting those to whom the telegram should be sent. Nevertheless he made a mistake when he sent one of the messages to that great man and eminent lawyer, Mr. Frank P. Walsh, who immediately made it public. The telegram reads:

NEW YORK, N. Y., *July 14, 1937.*

FRANK PATRICK WALSH,
70 Pine Street, New York:

Emergency appeal from Senators leading Court fight prompts this telegram. Immediate vote on Court packing bill would be dangerously close. Our committee is asked quickly to renew aggressive Nation-wide drive to assure defeat. Also requested to supply funds to distribute Senators' speeches to their constituents to offset reprisals by Farley machine.

If court battle is lost, next move will be to jam through pending bills setting up one-man rule over industry, agriculture, and labor. Our fight will build opposition to these other dictatorial measures.

Senator McCARRAN rose from sick bed, defied Farley's threat to end his political career, and appealed to Nation: "It is time for the people to rise in defense of their Government."

Will you respond to Senator's appeal with financial support? This committee has organization and material to reach immediately million key individuals.

Please mail check today to Sumner Gerard, treasurer, 205 East Forty-second Street, New York City. Senator ROBERT F. WAGNER now reported wavering; telegraph or write your protest to him.

FRANK E. GANNETT,
Chairman, National Committee to Uphold Constitutional Government.

He brazenly states that this telegram was sent in response to an emergency appeal from Senators opposing the administration.

Mr. Gannett and his committee have sent out tons of literature against the Court bill and other pending legislation. I hold in my hand several letters and bulletins issued by this superlobbyist. In one of the communications, dated April 20, 1937, Mr. Gannett said this:

Please watch your mail for addresses of Senators GLASS, BORAH, and WHEELER, and Congressman PETTENGILL coming to you under their frank. These or similar addresses are being mailed to 1,000,000 key individuals in cities and to 2,500,000 rural readers in pivotal States. They should go to all farmers. Thousands of workers in the city should receive them. The cost to print, address, and mail (under frank) is from one-half to nine-tenths of a cent each. We will send you 100 copies free.

He explained that the copies of these selected speeches would be sent in franked envelopes, and needed only be addressed and mailed, no postage required. Mr. Gannett is indeed very generous in his use of the franking privilege extended to Members of Congress.

Every phase of the Gannett vilifying campaign has been thought out to the minutest detail. Nothing is left to the imagination or intelligence of those receiving his propaganda. They are told what to read, they are told what to write, and they are told to whom to write it. But the crowning achievement of the Gannett brain is a printed letter, addressed to himself and attached to his communication of April 20, which he asks his readers to sign and mail to him. In this prepared reply Mr. Gannett has you say:

I agree with you that Louis J. Taber's speech is valuable reading for farmers and others.

He tells you to agree with him that Mr. Taber made a fine speech, whether you read it or not. He infers that he is working for the best interests of the farmers and for the best interests of labor. Yet in the telegram I have just read, which he sent to a select group, Mr. Gannett warns that the passage of the Court bill might be followed by the enactment of the pending agricultural and labor bills, adding that his fight would build opposition to these measures.

How can he be sincere in his claim that he is working for the farmers and for labor and at the same time appeal for funds to "build opposition" to the very measures designed to benefit these groups?

In his communication of April 20, as in all others sent out by him, Mr. Gannett closed with an urgent appeal for funds. He said:

To carry through effectively, this committee needs an additional $100,000. If you have already contributed what you can afford, please help enlist the support of friends and associates. Ask them to use the enclosed subscription blanks. Your personal help is needed. It will cost some sacrifice.

He wants you to sacrifice and to ask your friends and associates to sacrifice so that he may carry on his self-imposed task. And he enclosed several subscription blanks to simplify, as much as possible, the forwarding of contributions.

Another bulletin issued by the Gannett committee announced that speeches of the leaders opposing the Court bill had been electrically transcribed and were available to radio stations without charge. If the radio stations would just give the time, Gannett would furnish the "canned" music.

Let us examine briefly the history of this "kept" man of the barons of riches whose denunciations of all remedial legislation proposed by this administration are reverberating throughout the length and breadth of this land.

Frank E. Gannett is the man who, when he needed funds to finance four of the newspapers in his chain, obtained $2,000,000 from the International Paper Co. The International Paper Co. was a subsidiary of that immense trust, the International Paper & Power Co., and itself—the International Paper Co.—derived more than half of its income from utility holdings, as distinguished from its newsprint business. The funds so borrowed by Mr. Gannett were not repaid until after the exposure of the loans at public hearings in an investigation of the Federal Trade Commission. According to the Federal Trade Commission's report, made to Congress in 1934, the International Paper Co. held, in 1929, as security for the loan, $1,954,000 of notes and 400 shares of common stock of the Brooklyn Daily Eagle Corporation, as well as lesser amounts of securities or interests in other Gannett newspapers. The 400 shares of common stock of the Brooklyn Daily Eagle Corporation represented 40 percent of that corporation's outstanding common stock.

Hence it can be seen that Mr. Gannett is a product of the trusts. He is trust-made, trust-branded, trust-minded, and is in every sense a typical agent of the trusts. And yet he has the effrontery to list among the speeches he is sending out under frank one by Senator WILLIAM E. BORAH, a man who gained national prominence largely through his fight against trusts and monopolies. But perhaps we should not be too critical of Mr. Gannett's tactics, for, as the old proverb goes, even "the devil can cite Scripture for his purpose."

Gannett is a Republican in politics. He was a Vice-Presidential candidate at the Republican national convention in the last campaign, and was in the forefront in all activities leading up to the political obliteration of Alfred Landon.

I offer this verbal portrait of Gannett as a sort of bill of discovery, so that those who receive his printed matter may know the manner of man that he is. He and his organization are the legitimate offsprings of the Liberty League, operating under the misleading appellation "National Committee to Uphold Constitutional Government." And it is a political campaign that he is carrying on. Time after time in his letters he refers to the fact that he and his organization will carry forward into 1938 and 1940 the issues of today.

Let no one be led astray by the noisy pratings and intense activities of Mr. Gannett and his ilk. In all questions involving the welfare of mankind there is room enough for all citizens to participate; but it is not needed, it is not proper, that Citizen Gannett should sit at the head of the table. The MacGregor at the table should be the man who was overwhelmingly chosen by the people of this country to be their leader—Franklin D. Roosevelt. [Applause.]

Mr. KELLER. Will the gentleman yield for a question?

Mr. SHANNON. I yield to the gentleman from Illinois.

Mr. KELLER. Is this the same Gannett who is tax-dodging to the extent of $3,000,000 at the present time?

Mr. SHANNON. I am not familiar with that, so I could not answer the question.

Mr. KELLER. I understand that is the case.

Mr. SHANNON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from New Jersey [Mr. McLEAN] for 20 minutes.

SIX-YEAR TERM FOR THE PRESIDENT

Mr. McLEAN. Mr. Speaker, ladies and gentlemen of the House, there is pending in the House a resolution introduced by me the purpose of which is to submit to the people an amendment to the Constitution providing that the President of the United States should be elected for a term of 6 years and be ineligible to succeed himself. The suggestion is not new. It gave the delegates who formulated the Constitution considerable difficulty in the Constitutional Convention, and cannot be said to have been finally settled by the adoption of the Constitution. It has been frequently discussed since

Washington was President, with more or less emphasis, according to the circumstances which brought the discussion about. It was much discussed after the campaign of 1932. In the heat of that campaign, President Hoover had been drawn from the White House to tour the country for political purposes. The public reaction was that it was inevitable that this should result in the neglect of his official duties at a time when his presence was needed at the Capital. There was sharp criticism, with agitation for some method that would prevent a recurrence of such a situation, and the single but longer term was offered as a solution.

A consideration of the question must have its political aspects, but it portends a reform in our system of Government of such importance that it can be set aside from partisan politics. In fact, all major political parties from time to time have favored the change, and the benefits to be derived make it one of the questions upon which all Americans, irrespective of political affiliations, should be able to agree.

In the preparation of these observations I have been generously assisted by Dr. Clarence R. Williams, a member of the Legislative Reference Service staff of the Library of Congress, who has summarized the proposals for a 6-year term in a statement entitled "A 6-Year Term for the President", from which I take the following historical facts:

The present plan under which our Presidents are elected for a term of 4 years with no restrictions upon their eligibility for subsequent service, except the precedent established by Washington in refusing a third term, was the plan finally determined upon by the Constitutional Convention after much discussion and compromise and in the face of profound differences of opinion. These differences of opinion were primarily due to what have been called "the compromises of the Constitution." These were three in number. The first, which concerns this discussion, dealt with the fundamental conflict between those who desired a strong central authority and those who feared the extension of Executive power. This was compromised by investing the President of the Republic with great powers, but for a limited term only, and by a complicated system of "checks and balances", whereby the exercise of his power was at divers points and in various ways subjected to the control of Congress or of the Senate, and how long this power should be invested in a single individual was the difficulty presented.

The first recorded action in the Convention was the resolution of Randolph, presented as a part of the Virginia plan on May 29, 1787, wherein it was proposed that the National Executive—

> Be chosen by the National Legislature for the term of ——— years, * * * and to be ineligible a second time.

It is important to note that, in considering the length of the term of the President and the matter of whether or not he should be eligible for reelection, the opinion of the delegates depended upon the mode of election. If the National Legislature was to choose the President, a long term with no reelection was favored by most. If the choice was by some other method, a short term with possibility of reelection was generally favored. This fact is usually overlooked in debates today. Charles Warren in his book, The Making of the Constitution, published in 1928, says (p. 365):

> Votes of the Federal Convention are quoted as if they represented an absolute expression of opinion of views as to the proper term of the Presidential office, whereas, in fact, they should be considered as expressing the views of such a term only in its relation to the specific mode of election which was being concurrently voted.

On June 2, when the mode of election was to be by the National Legislature, it was actually voted, and it was decided also, that the President should serve for 7 years and be ineligible for reelection. On July 17, the ineligibility for a second term was struck out, but in spite of an effort to change the term from 7 years, this was not agreed to (Hunt and Scott, Madison's Debates, pp. 271 and 274). On July 19, Luther Martin would reinstate ineligibility, but was defeated, but the term was made 6 years when election was to be by electors. On July 24 the Convention which had been favoring election of the President by electors went back to election by the National Legislature, which necessitated reconsideration of length of term and eligibility for reelection. Terms of 8, 11, 15, and 20 years were suggested, but not voted on and the following day, July 25, there were other proposals offered. On July 26, having already returned to the plan of choice by National Legislature, the Convention returned to the original proposal of Randolph and voted for 7 years and no reelection. Rotation in office was favored by our statesmen of the Revolution, and the Articles of Confederation allowed no Member of Congress to serve more than 3 years in any 6 years.

The report of the Committee on Detail proposed that the President should be elected by ballot of the National Legislature, but it did not specify whether by separate or joint ballot. If by joint ballot the small States would have less influence. This seems to have turned the thoughts of some to favor election by electors chosen by the people, which had been defeated June 2, adopted July 19, and rejected July 24. On August 24 Gouverneur Morris made a strong speech on the dangers of choice by the National Legislature and favored choice by electors chosen by the people. Five States voted for and six against the proposal of Morris.

The report of a committee on postponed matters, made on September 4, finally solved the difficult question of the method of the election of the President in favor of electors; but if no person received a majority, the Senate was to elect. The term of the President was to be 4 years, with no restrictions as to the eligibility for reelection. On September 6 the Convention was ready to decide the length of the term. An attempt was made to fix the term at 7 years, which was defeated, as was the proposal to fix it at 6 years. The 4-year term was suggested by the committee and accepted. If electors failed to choose, election was to be by the Senate. But, on the proposal of Roger Sherman, of Connecticut, this was changed to election by the House, but in such a choice each State should have but one vote. This was carried, only Delaware dissenting.

The mode of choosing the President has been called "the most difficult of solution of any of the tasks before the Convention", and Madison later confessed in a letter to George Hay, August 23, 1823, that the final arrangement—

> Took place in the latter stage of the session, and it was not exempt from a degree of hurrying influence produced by fatigue and impatience in all such bodies, though the degree was much less than usually prevails in them.

Nevertheless, Hamilton, in the Federalist (no. 78) spoke of it as—

> Almost the only part of the system of any consequence which * * * escaped without severe censure.

Even Richard Henry Lee, an ardent opponent of the Constitution, confessed "the election of both Vice President and President seems to be properly secured." But it remained in operation less than 20 years before being altered by the twelfth amendment.

The twelfth amendment came about as a result of a tie vote for President between Thomas Jefferson and Aaron Burr, over which a very bitter controversy arose, to be finally compromised by an arrangement between Jefferson and Alexander Hamilton whereby Hamilton furnished enough votes in the House of Representatives to elect Jefferson President, resulting in the election of Aaron Burr as Vice President, in return for Jefferson giving Hamilton sufficient support to enact his monetary program.

During the first century under the Constitution over 125 amendments were submitted to change the term of the President and to fix the period of eligibility. More than 50 of them proposed to fix the term at 6 years. In 1826 such an amendment was proposed for the first time by Hemphill, of Pennsylvania. At different subsequent periods this change was advocated. That the President should be ineligible for reelection was stipulated in all but 14 of these proposals. Over 90 proposed amendments would restrict a President to a single term. In each of his annual messages Andrew Jackson recommended to Congress an amendment restricting the eligibility of any person to one term of 4 or 6 years, but, as Jackson himself took a second term, his consistency was called in question (Niles Register, vol. XL, pp.

387–389). During the period of reconstruction, amendments were frequently presented making the President ineligible for a second term. In 1875 the House Committee on the Judiciary proposed the term of the President be 6 years, and he be ineligible to reelection, which came to a vote, but failed to receive the necessary two-thirds. In the next Congress the majority report of the Committee on the Judiciary favored 4 years, the minority 6, but both agreed on a single term. The highest vote for any of the proposed amendments in the House was 145 to 108. Amendments limiting the President to one term of 6 years were favorite propositions during the period just before 1889.

During the second century under the Constitution—prior to 1928—some 85 proposals regarding the term of office of the President and his eligibility for reelection have been offered. These were especially numerous in 1892–93 after Cleveland was up for reelection, and in 1912–13 after Roosevelt sought another term. Of the 14 amendments submitted at the Cleveland peak, 7 provided for a 6-year term with no reeligibility. During the Rooseveltian peak 16 of the 22 amendments offered a 6-year period with ineligibility for a second term. It is evident that a 6-year term with no reelection has been the most favored plan of late, being introduced no less than 63 times—before 1928. This proposal once passed the Senate after a long debate from March 11, 1912, extending through the elections of 1912 until February 1, 1913, when the Senate passed Senate Joint Resolution 78 by a vote of 47 to 23. The House referred it to its Committee on Judiciary, and it was not reported out before the close of the session. Herman V. Ames, Proposed Amendments to the Constitution of the United States During the First Century of Its History (1897), and M. A. Musmanno, Proposed Amendments to the Constitution, Seventieth Congress, second session, House Document No. 551 (1929), are interesting studies in this connection.

Notwithstanding all of the efforts that have been made to effect this suggested reform, the statesman of today is better able to determine it because of the actual experiences we have had since the beginning of the Government, many of them in recent times, but it takes some great crisis to bring the American people to a realization of many of their problems. We have been on the verge of such a situation many times which should give us cause to very seriously consider this proposal.

The country is entitled to the most efficient service that its servants can give. The physical and mental strain attributable to the complexity of our civilization and the magnitude of our affairs place a burden upon the encumbent of the Presidential office which would seem to be entirely too great for any individual to bear. Also, there would be greater inducement to statesmanship if the present system, with its temptation to influence one's judgment through political considerations in anticipation of reelection, were eliminated. It has been suggested, too, that by conserving the health of our Presidents we would have available in their retirement for the public service a group of men possessing the confidence and esteem of the people of the country with training and experience in national and international affairs.

In our own time I have observed four Presidents in political campaigns and have had occasion to observe the toll which physical strain is apt to take of men who labor under the terrific responsibilities of the Presidential office, and how the interest of the country might be jeopardized as a result.

During the political campaign of 1912 President Taft visited New Jersey. He was forced into a political campaign and compelled to tour the country; and when he arrived in my county he was incapable of making a public address, to say nothing of discharging his official duties. It so happened, however, that his defeat, after a 4-year term in the White House, was a blessing. He was subsequently appointed Chief Justice of the Supreme Court of the United States and served with distinction.

About the middle of his second term President Wilson was stricken while touring the country in the hope of obtaining support of his program for the League of Nations, and it is questionable whether from that time on for a period of almost 2 years he was capable of discharging the duties of President.

The sudden death of Mr. Coolidge came as no surprise to those who were familiar with the real reason why he "did not choose to run" again for President, and physicians attribute his physical condition to his service as President. The Philadelphia Record, on January 10, 1933, editorially, under the caption "Help Save Our Presidents", stated:

> Calvin Coolidge's father, Col. John Coolidge, died at 80. The Coolidges are a long-lived family, but Calvin Coolidge died at 60. Under normal conditions he might have had two decades of public service before him. What cut short his life? Those who have seen pictures of the smooth-faced man who went into the Presidency in 1923 and Coolidge's lined and wrinkled face when he went out in 1929 show that the cares of his high office played a great part in bringing on his untimely end.

When Mr. Hoover retired, a United Press writer made the observation that "4 years in the White House left their deep mark upon Herbert Hoover."

These illustrations ought to be sufficient to show the effect, the anxiety, and strain of the Presidential office has on men capable of attaining this high office, much of which would be eliminated if so much of the physical strain and anxiety incident to a campaign for reelection and the temptation to think and act along political lines were eliminated by placing the President in a position of dignity and freedom of action, which is impossible when the frailties of humankind are tempered with self-interest. The national policy would be strengthened by eliminating the reelection requirement.

Hon. Frank O. Lowden, former Governor of Illinois, and sagacious elder statesman, has given considerable thought to this subject. His views are fully set forth in an interview published in the New York Sun on February 6, 1933. Up to that time, for a period of 30 years, he had urged a change in the tenure of the Presidential and gubernatorial offices. Starting in 1906 Mr. Lowden, while a Member of Congress, introduced a resolution in three successive Congresses providing for a 6-year term for the President, and, when chosen Governor of Illinois in 1916, he at once let it be known that he was putting into practice his principles and would not seek a second term. He says:

> The Executive now aspires to a second term as an endorsement of his first. Denial of reelection is considered a rebuke. As a result, regardless of how high-minded or patriotic the President may be, this feeling of concern over reelection causes him to be influenced unconsciously in both appointments and policies, with a view of renomination and reelection. Experience has shown that a person who goes into office for a definite period will meet the duties that are laid upon him with better results than if his judgment is influenced by a desire for a second term.

Rabbi Silberfeld, who has occupied the pulpit of Temple B'nai Abraham in Newark, N. J., since 1902, in an article in the Newark Sunday Call approved the proposal in the following:

> I consider the office of President of the United States so august, so dignified, so imposing that I think it almost a sacrilege when that office is besmirched by personal attacks upon its incumbent. We must not forget that that office is undoubtedly the highest honor that could be bestowed upon any mortal being, that in his person the President of the United States represents the greatest, the most powerful, and most advanced nation on God's footstool, that he speaks in the name of 125,000,000 of freemen; and for the holder of that exalted office to be exposed to personal attack and abuse is most degrading to the office of the Presidency, and should not be tolerated even under the guise of free speech.
>
> Of course, the excuse for such vulgarity is that a President who runs for reelection is not only the President but also a candidate for the Presidency, and in this latter capacity he has to expect political attacks, which often trespass beyond the lines of decency and respect. And that is exactly what should be avoided if the reputation of democracy is to be preserved without stain or blemish. There is only one way how this could be accomplished, and that is by a constitutional provision that a President should not be eligible for reelection, and owing to the fact that it takes almost 4 years to familiarize oneself with the arduous duties and complicated responsibilities of the Presidency, the term of the President should be extended to 6 years, with no possibility for reelection. This solution has been suggested in many quarters before, and at every Presidential election it gains in strength.

Frank Kent, the famed political commentator, in an article in the Baltimore Sun of December 16, 1936, after reviewing many reasons for the change, said:

> Altogether there has been no period when the single term suggestion appeared so timely and so desirable; nor one when it seemed more certain to have public sentiment behind it.

The objectors to a change contend that a person serving under the proposed plan would be more susceptible to paying political debts during a single term, being without any limitation or restraint.

The strongest opponent of any change was President Wilson, who is given credit for having defeated it in 1913. At that time, as we have seen, a resolution providing for the necessary constitutional amendment had passed the Senate and was pending in the House of Representatives. Mr. Wilson made known his objection in a letter to Hon. A. Mitchell Palmer, then a Member of Congress, in which he said:

> Four years is too long a term for a President who is not a true spokesman for the people, who is imposed upon, and does not lead. It is too short a time for a President who is doing or attempting a great work of reform and who has not had time to finish it. To change the term to 6 years would be to increase the likelihood of its being too long without any assurance that it would in happy cases be long enough.

It seems to me that Mr. Wilson overlooked the fact that in our system of government we look to more than one source for limitation and restraint upon our various departments of Government. The whole idea of our Constitution is one of checks and balances.

We have seen from time to time how a biennial election of Congress has its effect in molding policies and administrative action to public opinion. This was the intention of the framers of the Constitution when the term of Congressmen was fixed at 2 years. Also we are a Government of principles and not of individuals, and principles of reform when put in motion, if sound, will find their fruition of their own force and power. A change of administration never has, and never will, retard rightful progress. A single 6-year term filled by an Executive who knows that he will not seek reelection will be more productive than two 4-year terms which involve all of the bargaining and compromise frequently resorted to with the hope of reelection. With a single term the health of the President will be conserved, his judgment will be uninfluenced by political consideration of self-interest. There will be no possibility of neglect of duties, such as must necessarily result when a President is involved and actually engaged in a political campaign. The public welfare demands that everything possible be done to relieve the President of physical and mental strain, and place him in a position where none other than consideration of the general good will control his motives and influence his actions.

I first introduced this resolution in the first session of the Seventy-third Congress, but to have pressed it at that time in the first term of the President and under conditions then existing would have weakened the merits of the proposal by the criticism that it was made entirely for political purposes. Now seems the opportune time for its consideration. Sufficient time has elapsed since the last campaign and the next is so far ahead that we could be in no better position for academic discussion, free from personal interest or political bias. The Senator from Nebraska [Mr. BURKE] has declared himself in favor of the suggestion and has introduced in the Senate the necessary legislation to bring it about. I have hoped that his political affiliation with the party in power might have advanced it and caused it to be presented to the people at this session of Congress.

I am firmly convinced that in course of time the need for this change in our system of government will be taken seriously and be adopted. I trust it will not come as a result of some tragedy in our public life. It will be my effort to convince my colleagues of its wisdom and continually press for appropriate action to bring it about.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, is this going to be a speech about a man named Gannett?

Mr. FISH. I think the gentleman should give me the time to defend him, because certain statements were made that were not accurate or fair to him, and I cannot let the statements go unanswered.

Mr. O'CONNOR of New York. I think it would take 3 hours to defend him.

Mr. FISH. I will do my best in 3 minutes.

Mr. O'CONNOR of New York. Mr. Speaker, at this late hour, I object.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. JACOBSEN, for today, on account of official business.

To Mr. HARLAN, for 10 days, on account of official business.

To Mr. HAINES, for 3 days, on account of attending funeral.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on July 16, 1937, present to the President, for his approval, a bill of the House of the following title:

H. R. 7493. An act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes.

ADJOURNMENT

Mr. COSTELLO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p. m.) the House adjourned until tomorrow, Wednesday, July 21, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, July 21, 1937, for the public consideration of S. 2416, H. R. 6663, H. R. 7647, and H. R. 7718, at 10:30 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m. Wednesday, July 21, 1937, for the continuation of hearing on H. R. 6968, to amend the Securities Act of 1933.

There will be a meeting of the Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, July 22, 1937. Business to be considered: Hearings on H. R. 1536, H. R. 5531, H. R. 7001, and H. R. 7643, research bills.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Naval Affairs was discharged from the consideration of the bill (H. R. 7314) for the relief of Harvey J. Rowe, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOYER: A bill (H. R. 7929) to transfer custody of post-office building in District of Columbia from Interior Department to Post Office Department; to the Committee on Public Buildings and Grounds.

By Mr. CROWE: A bill (H. R. 7930) to provide for the refund or credit of tax and duty paid on spirits lost or rendered unmarketable by reason of the floods of 1936 and 1937 where such spirits were in the possession of the original taxpayer or rectifier for bottling or use in rectification under Government supervision as provided by law and regulations; to the Committee on Ways and Means.

By Mr. BULWINKLE: A bill (H. R. 7931) to provide for, foster, and aid in coordinating research relating to cancer, to establish the National Cancer Institute, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PALMISANO (by request): A bill (H. R. 7932) to provide for the transfer of United States property in the

District of Columbia to the government of the District of Columbia; to the Committee on the District of Columbia.

By Mr. SHEPPARD: A bill (H. R. 7933) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the San Bernardino and Cleveland National Forests in Riverside County, Calif.; to the Committee on Agriculture.

By Mr. SMITH of Washington: A bill (H. R. 7934) to amend section 601 (c) (6) of the Revenue Act of 1932, as amended, with respect to the tax on imported lumber; to the Committee on Ways and Means.

By Mr. DOUGHTON: A bill (H. R. 7935) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. ATKINSON: A bill (H. R. 7936) creating the Franklin D. Roosevelt Foundation and a school for youth of the Americas to create good will between peoples of the Western Hemisphere; to the Committee on Education.

By Mr. FERGUSON: A bill (H. R. 7937) to provide for studies and plans for the development of reclamation projects on the North Canadian River in Oklahoma; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 7938) to provide for studies and plans for the development of reclamation projects on the Washita River in Oklahoma; to the Committee on Irrigation and Reclamation.

By Mr. RANDOLPH: A bill (H. R. 7939) to provide for the promotion of the general welfare in relation to the economic effects flowing from scientific and technological developments; to the Committee on Interstate and Foreign Commerce.

By Mr. SECREST: Joint resolution (H. J. Res. 449) creating a commission for the erection of a memorial building to the memory of the veterans of the Civil War, to be known as the Ladies of the Grand Army of the Republic National Shrine Commission; to the Committee on the Library.

By Mr. BARRY: Concurrent resolution (H. Con. Res. 21) authorizing the printing of the report of the Subcommittee on Technology to the National Resources Committee entitled "Technological Trends and National Policy, Including the Social Implications of the New Inventions" as a document; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARLSON: A bill (H. R. 7940) for the relief of John C. Cadwell; to the Committee on Claims.

By Mr. ELLIOTT: A bill (H. R. 7941) granting a pension to Mrs. William M. Weatherford; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 7942) for the relief of John McCraw; to the Committee on Claims.

By Mr. HEALEY: A bill (H. R. 7943) for the relief of George J. Wood; to the Committee on Naval Affairs.

Also, a bill (H. R. 7944) for the relief of Philip J. Leary; to the Committee on Naval Affairs.

Also, a bill (H. R. 7945) for the relief of Charles James Russell; to the Committee on Naval Affairs.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7946) granting a pension to James R. Gibbs; to the Committee on Invalid Pensions.

By Mr. O'TOOLE: A bill (H. R. 7947) for the relief of James A. Ellsworth; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2964. By Mr. BEITER: Petition of the Niagara Frontier Planning Board, endorsing the proposal to improve the Erie Canal from Three Rivers to the Niagara River; to the Committee on Rivers and Harbors.

2965. Also, petition of the Niagara Frontier Planning Board, opposing the passage of House bills 7365 and 7392, being the Mansfield and Rankin bills, respectively; to the Committee on Rivers and Harbors.

2966. Also, petition of the Niagara Frontier Planning Board, endorsing the proposal to preserve and restore the beauty of Niagara Falls; to the Committee on Rivers and Harbors.

2967. Also, petition of the Niagara Frontier Planning Board, opposing the ratification by the United States Senate of the treaty for the construction of the St. Lawrence seaway; to the Committee on Foreign Affairs.

2968. By Mr. CLASON: Petition of George J. Gagnier and 133 others, favoring legislation to abolish the privately owned Federal Reserve System and to restore to Congress its constitutional right to coin and issue money, and regulate the value thereof; to the Committee on Coinage, Weights, and Measures.

2969. By Mr. CURLEY: Petition urging disapproval of House Joint Resolution 373, introduced by Congressman GRAY of Indiana, which seeks to amend the Constitution of the United States in relation to the term of a Justice of the Supreme Court; to the Committee on the Judiciary.

2970. Also, petition of the Kentucky Tuberculosis Association, Louisville, Ky., endorsing Senate Resolution 85, to accelerate the tuberculosis-control problem; to the Committee on Education.

2971. Also, petition of the Washington Real Estate Board, Inc., opposing House bill 7472, increasing real-estate taxes in the District of Columbia; to the Committee on the District of Columbia.

2972. Also, petition of the New York County Lawyers Association of New York City, recommending disapproval of House Joint Resolution 360, introduced by Mr. FERGUSON, to prevent the Supreme Court from declaring an act of Congress invalid except upon the concurrence of no less than seven of its members; to the Committee on the Judiciary.

2973. Also, petition of the Teachers Union, Local 453, American Federation of Teachers, endorsing the Allen-Schwellenbach bill; to the Committee on Labor.

2974. By Mr. FORD of California: Resolution of the Board of Supervisors of the County of Los Angeles, urging vigorous support of House bill 7186; to the Committee on Banking and Currency.

2975. By Mr. HILDEBRANDT: Petition of the Board of City Commissioners of Huron, S. Dak., urgently requesting that no decrease be made in the employment of clients on the Works Progress Administration rolls; to the Committee on Banking and Currency.

2976. By Mr. KEOGH: Petition of the Chamber of Commerce of the State of New York, New York City, regarding increasing personnel of the United States Supreme Court; to the Committee on the Judiciary.

2977. Also, petition of the Lily-Tulip Cup Corporation, New York City, concerning the McCarran bill (S. 2) and the Lea bill (H. R. 7273); to the Committee on Interstate and Foreign Commerce.

2978. Also, petition of the United States Junior Chamber of Commerce, concerning interstate air transportation; to the Committee on Interstate and Foreign Commerce.

2979. By Mr. MARTIN of Massachusetts: Petition of the Home Loan Defense Association, advocating passage of the Curley-Copeland bill; to the Committee on Banking and Currency.

2980. By Mr. O'NEILL of New Jersey: Petitions of the mayor of the city of Newark, N. J., Meyer C. Ellenstein; Lt. Richard Aldworth, of the State Aviation Commission of New Jersey; William Hildebrand, vice president, Thomas A. Edison Industries, West Orange, N. J.; the Interstate Airways Committee; Frederick Hoadley, Newark, N. J.; the American Insurance Co., Paul B. Sommers, president; Robert B. Colgate, Jersey City, N. J.; Christian Feigenspan Brewing Co., Edwin C. Feigenspan, vice president, petitioning Congress

for the passage of the McCarran-Lea bill regulating transportation by air carriers; to the Committee on Interstate and Foreign Commerce.

2981. By Mr. MERRITT: Resolution of the Queens-Nassau Home Builders League, Inc., recommending and advocating legislation which will empower the Federal Housing Administration to negotiate mortgages for a period of 30 years at 4-percent interest on a basis of 90 percent of the value of the property, thereby permitting contracts of purchase to be executed with cash down payments of 10 percent of the purchase price, annual amortization payments to be made over 30 instead of 20 years, and all monthly charges to be within the capacity of the budget of the average family; to the Committee on Banking and Currency.

2982. By Mr. PFEIFER: Petition of the Chamber of Commerce of the State of New York, New York City, concerning increase in personnel of the United States Supreme Court; to the Committee on the Judiciary.

2983. Also, petition of the Lily-Tulip Cup Corporation, New York City, concerning the McCarran bill (S. 2) and the Lea bill (H. R. 7273); to the Committee on Interstate and Foreign Commerce.

2984. By Mr. RICH: Petition of citizens of Williamsport and Jersey Shore, Pa., protesting against the erection of a monument to the memory of Robert Ingersoll in the Nation's Capital; to the Committee on the District of Columbia.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 21, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Gracious God, our Father in Heaven, incline our hearts to do Thy will. We thank Thee for sustaining faith and for the star of hope. We praise Thee for our Republic. Its genius assures every citizen the right to think his own thoughts, to enjoy the fruits of his own labors and to worship according to the dictates of his own conscience. We pray Thee that we may ever hold sacred these inalienable rights and guard them against all intrusions. We ask Thee, our Father, to help us cherish them in the teaching and in the spirit of our most holy faith. May we harmonize our thoughts with Thy thoughts, our ways with Thy ways, and submit our wills to Thine. Clothe us each day with the spirit of the golden rule: All things whatsoever ye would that men should do to you, do ye even so to them. In our Savior's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

SPECIAL CLERK TO THE MINORITY

Mr. SNELL. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 281

Resolved, That under authority of the act making appropriations for the legislative establishment for the fiscal year 1938, George P. Darrow is hereby named a special clerk to the minority of the House as successor to Joseph G. Rodgers, deceased, effective July 13, 1937.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a radio talk of mine over the Pan American radio station.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

BONNEVILLE DAM

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to address the House for 4 minutes and to read a telegram from the Jackson Club of Portland, Oreg.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PIERCE. Mr. Speaker, the telegram is dated Portland, Oreg., and reads as follows:

PORTLAND, OREG., *July 17, 1937.*

Hon. WALTER M. PIERCE,
House Office Building, Washington, D. C.:

Motion carried at regular monthly meeting, July 15, to send you the following, since you mention J. D. Ross, of Seattle, as Bonneville Dam administrator: Jackson Club of Oregon wishes to inquire which State you represent in Congress—Washington or Oregon?

CLAUDE KEMP, *President.*

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. RANKIN. Who sent that telegram?

Mr. PIERCE. It is from the president of the Jackson Club in Portland, Oreg.

Mr. RANKIN. I do not know how the gentleman from Oregon feels about it, but, in my opinion, J. D. Ross is doing more for the cause of public power in this country and for the consumers who pay the bills than almost any other man in America. He is doing more for the people of the State of Oregon and will do more for the State of Oregon than will any of those men who are criticizing him. I hope, if this bill goes through—and I believe it will—I hope the President will do the State of Oregon and the State of Washington the kindness of putting J. D. Ross in charge of it.

Let me say further that I also hope the bill for unified control goes through, in order that when Mr. Ross takes charge, or whatever administrator may be appointed takes charge, he can go ahead and operate that great plant for the benefit of the people in the far West.

Mr. PIERCE. I thank the gentleman for his statement, especially with respect to unified control at Bonneville.

Mr. Speaker, my reply to this telegram is as follows:

WASHINGTON, D. C., *July 20, 1937.*

Mr. CLAUDE KEMP,
President, Jackson Club, Portland, Oreg.

MY DEAR MR. KEMP: It certainly interests me to answer your amazing telegram of July 17, 1937, which you signed as president of the Jackson Club of Oregon. I do not know what called forth this telegram, unless it might have been a report in the press that when questioned I expressed confidence in Mr. J. D. Ross, who had been mentioned by the newspapers as the possible choice of the President for administrator at Bonneville.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. RANKIN. The gentleman states he does not know what brought forth that telegram. I think I know what brought it forth. There have been tools of the Power Trust lobbying against unified control ever since the Bonneville bill has been before the Committee on Rivers and Harbors. They are trying to get control of that power for a few interests in order to shut the door in the faces of the power consumers in the States of Oregon, Washington, Idaho, and the surrounding territory.

It is the old game of the Power Trust trying to get a monopoly of the power to be generated at one of these public projects. This is one time they are going to fail. We are going to save Bonneville for the people of that great western country.

Mr. PIERCE (reading):

I was a charter member of the Jackson Club of Oregon. Until I came to Congress I had missed only two annual meetings in a quarter of a century. I have a great affection for the club and its membership. I do not believe that a representative gathering of those members did make such an inquiry as that given in the telegram which I now quote. I am sending this letter to all the members of the Jackson Club, and want them to see the text of the telegram to which I am replying.

PORTLAND, OREG., *July 17, 1937.*

Motion carried at regular monthly meeting July 15 to send you the following, since you mention J. D. Ross, of Seattle, as Bonneville Dam administrator, Jackson Club of Oregon wishes to inquire which State you represent in Congress—Washington or Oregon.

CLAUDE KEMP, *President,*
1040 S. W. Washington.

Officially I do represent in Congress the Second District of Oregon. No one from that district has ever questioned my interest in the Bonneville matter. My interest in Bonneville legislation and administration extends far beyond the boundaries of my own district, and embraces not only the State but the welfare of the Northwest; and, above all, I desire a shining example in Bonneville for the whole country.

I am willing to trust, in the selection of administrator at Bonneville, the administration which gave us Bonneville. These criticisms and bitter expressions coming from Oregon by telegram and in the press are most unfortunate because they reflect upon the administration which is solely responsible for the project. Expressions are premature because the Bonneville bill has not yet passed Congress. It is certainly unfortunate to have the bill called for action on the coming Friday while pettiness, criticism over reported administrative choice, and contention over our great gift is the order of the day in Oregon. There should be no interstate strife over this great project. Bonneville does not belong solely to the people of Portland, nor even to Oregon and Washington. We owe it to the vision and courage of our President. To use his own words, "It is to be used as a yardstick so consumers may know the real cost of electric energy." It is national in its scope.

As far as Oregon is concerned, I am vastly more interested in the welfare of a million people than I am in a job for one.

I believe that my public life of nearly a half century in Oregon does not make it necessary for me to assure you nor the Jackson Club, nor anyone in Oregon, that I represent the people who earn their living there—laborers, the businessmen, and the farmers who keep the freight trains moving to Portland with the products of Oregon's ranches and farms. It is all Oregon and the Northwest, which builds up Portland and enables you to live and provides your profits.

I represent also those who are honest investors in private utilities, already established in Oregon, and do not wish to have them suffer further loss. The utilities are part of our business life, though they are, for the most part, sold out to holding companies now controlled in Wall Street. As their representative, I say to them in no unmistakable terms that they must quit taking advantage of people who do not have the opportunity to know what is being done in utility-ridden Portland.

You live in a city which pays excess tribute to Wall Street holding companies to the amount of $5,000,000 a year. The current used in Portland could be furnished by the municipal plant in Tacoma for $5,000,000 less than Portland users pay. I want to help to put that $5,000,000 back into Portland pockets.

This bill for electric current is really paid by the farmers and the laboring men, the ultimate consumers, who cannot pass the burden along to the next fellow. The extra toll taken by the utilities in Portland is paid by all Oregon and the rest of the Northwest. You live in a State which is paying seven and one-half million dollars each year more than it would pay if Tacoma electric rates prevailed. Does it interest you to change this condition?

Would you in Portland like to meet Tacoma on equal terms in the years to come, or do you intend to continue to pay tribute? In 8 years the Tacoma public plant will be entirely free of debt and can still further reduce rates. Tacoma's municipal plant contributes 10 percent of gross income for city and State taxes. What percentage are the utilities in Portland contributing to government? I have made a real study of this matter and have tried to set it forth for your benefit in a speech in Congress June 24, this year, The Tale of Two Cities. I take pleasure in enclosing copy for you and all other members of your club to whom I am sending this letter.

Are you aware that the people of the entire United States are paying annually over one thousand million dollars in excess electric rate charges over and above the Tacoma electric rates? If applied to the national debt, this excess toll, at 3-percent interest, would retire the entire debt in 21 years. These excess-charge figures have been presented to Congress and to a House committee by my esteemed colleague, Hon. JOHN RANKIN, of Mississippi. The figures were checked by the Federal Power Commission and have never been successfully challenged.

If Portland were using electric current as freely as it is used in Tacoma, it would take the entire present installed capacity of Bonneville in addition to what you are now getting. Of course, you cannot use electricity as freely as it is used in Tacoma, because it now costs too much in Portland. The quantity of electricity used is a question of price. In Portland there is an annual residential consumption of 1,110 kilowatt-hours a year; in Tacoma, 1,563; in Ottawa, Canada, 3,750; Winnipeg, 4,250; and Fort William, 5,240. If Portland were using electric current as freely as they are using it in Winnipeg, Canada, it would require the entire ultimate installation at Bonneville in addition to the present current used. Electric current ought to be as cheap as water. It is one of God's gifts to men. Why should your organization yield to the propaganda of Wall Street utilities?

Now, are you people in Portland who find yourselves in such a situation more interested in securing a job for one man who happens to have a residence there than you are in solving a great problem and making Portland a more satisfactory residence place? Are you more interested that a prospective administrator shall give lip service to a political party than you are to have a man with his heart with the people instead of with the utilities?

My friends of the Jackson Club, open your eyes. I am proud of that club, which has always taken such a liberal stand for the people and against the special interests which pillage them. This conforms to the principles of our great patron, Andrew Jackson. Is the Jackson Club changing its color? Does the Jackson Club care more for the welfare of the Aluminum Trust than it cares for the people of Oregon? If not, then why this effort to thwart the administration and this criticism before it has even announced that it is ready to select a candidate for the position of administrator of Bonneville?

If the proposed Bonneville legislation becomes a law, the appointment of that administrator will be in the hands of Secretary Ickes. I am convinced that political affiliations and geographical location will have nothing at all to do with the selection. I feel sure that the Secretary, understanding the President's deep interest in Bonneville, will consult with him over this appointment, which is as important as the appointment of a judge to the Supreme Bench. It will require a man of sufficient knowledge and ability and national reputation to sustain Bonneville project successfully before the Appropriations Committees of Congress.

Certainly I am deeply interested in the selection of the administrator. I have convictions on the matter. I believe he must be an absolutely honest man whom the "spoils of office will not buy." He must not be dazzled by the glitter of the King's gold. He must honestly believe in public ownership. He must be capable, with thorough knowledge of the electrical business and demonstrated administrative ability. He must have the interests of the people at heart and accept the principle of the "yardstick" to which Bonneville is dedicated. It is my wish and prayer that the Secretary may find a man who will rise to the occasion. If an Oregon man is chosen as the one best fitted for the place, that will be pleasing to me; but I desire, above all, the welfare of all the people of Oregon. If the right man develops Bonneville, in the light of its dedication to "the more abundant life", it may be the entering wedge that will give relief to people everywhere from the oppressive rates and methods of that small holding-company group, said to be less than 200 men, which today controls the private utilities of the United States and exacts an immense toll from the people.

Members of the Jackson Club, you have something to do besides eating good dinners and promoting the spirit of good fellowship. You in Portland are facing a crisis. There is an opportunity, this year, with the expiration of the franchise of the Northwestern Electric Co., to take over that property at a reasonable valuation and enter Portland in the list of progressive cities. Those who caution delay until cost of Bonneville current is determined are obviously speaking for the utilities. Every informed person now knows that the cost of current at Bonneville will not constitute 10 percent of the price for current in Portland. Generating costs are small compared to distributing charges. The Government plant is nearly ready to deliver current. Are you ready to use it most advantageously in Portland?

Study the matter of public ownership; investigate rates and consumption and the cost of generation and distribution of electricity. I have tried to help you here in Congress. I have given weeks of careful work and study to the preparation of speeches about Bonneville, and about public ownership, and very particularly about the unfortunate situation in Portland. I have been in this power fight ever since I have been in Washington, and long before. I know something of the methods and means of those who would sabotage the public power policies of this administration. I do not wish to see my Jackson Club friends lined up with the enemies of the administration. Work with the President on this matter of Bonneville. Make your city ready for the benefits of Bonneville. Do not waste your time sending such telegrams to Members of Congress. I beg of you to devote your thought and your energies to the success of Bonneville and the welfare of Oregon.

I am in the fight and I mean to stand by my principles as a public-ownership man. It will take more than your telegram to convince me that my friends of the Jackson Club and the forward-looking men and women of Oregon are not with the administration in this great undertaking.

Very sincerely yours,

WALTER M. PIERCE, M. C.

CALENDAR WEDNESDAY

SPANISH WAR PENSIONS

The SPEAKER. Today is Calendar Wednesday. The Clerk will call the committees.

Mr. GASQUE (when the Committee on Pensions was called). Mr. Speaker, I am directed by the Committee on Pensions to call up the bill (H. R. 5030) granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, and for other purposes, and I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I would like to ask the gentleman what time will be allowed for discussion of the bill under this arrangement?

The SPEAKER. The Chair will state to the gentleman from California that if consent is given, the bill will be considered in the House under the 5-minute rule.

Mr. COSTELLO. Under those circumstances, Mr. Speaker, and in view of the importance of the legislation and the amount of money involved, I shall be forced to object to the request of the gentleman from South Carolina.

The SPEAKER. Objection is heard.

This bill is on the Union Calendar, and, under the rule, the House automatically resolves itself into the Committee of the Whole House on the state of the Union for consideration of the bill.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5030 with Mr. WOODRUM in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. GASQUE. Mr. Chairman, I yield myself 5 minutes. This bill does only two things which are clear and specific. It provides that the Spanish War veterans who have reached the age of 65 years in effect shall be declared totally and permanently disabled. In other words, it gives them a pension of $60 a month. The large majority of the Spanish War veterans today are getting $50 per month on a 75-percent disability. It is hard to get over that gap between 75 and 100 percent and get the Veterans' Administration to give them permanent and total disability. This Congress has gone on record in declaring that 65 years of age is total and permanent disability in the Social Security Act. We are just placing this class of veterans, most of whom are already drawing $50 per month, in the position to draw $60 per month when they reach the age of 65.

Then it does one other thing, and that is all. The Spanish War veteran now who is totally and permanently disabled and is bedridden, or who needs care and attendance of a third person at all times, is now getting $72 per month. Under this bill we give him $100 per month. These are the rates that were given to the Civil War veterans at approximately the same age. These Spanish War veterans were long neglected. It was a long time before they were even recognized and given anything, and we are only trying to treat them as we have treated the Union Army veterans in years gone by.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. Yes.

Mr. JENKINS of Ohio. What is the average age of the Spanish War veteran now?

Mr. GASQUE. Sixty-two years.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. Yes.

Mr. DOWELL. I note that in order to receive the higher pension of $100 per month the veteran must be one who is shown to need the constant aid and attendance of another person.

Mr. GASQUE. That is correct.

Mr. DOWELL. May I suggest to the gentleman that in many cases that have come to my attention the Department appears to be not favorable to this provision, and wherever there is an excuse to hold that a veteran is not entitled to the aid of someone else it is denied.

Mr. GASQUE. That is correct.

Mr. DOWELL. Can the gentleman give us any information with reference to any way in which this can be prevented where one really needs attendance?

Mr. GASQUE. It would be impossible for me to do that, because I know personally of cases where they do need the aid and attendance of another person, but the Veterans' Administration cannot be convinced of it.

Mr. DOWELL. Under the construction that the Department gives the law the person must be absolutely helpless.

Mr. GASQUE. That is the construction; yes.

Mr. DOWELL. With that condition, it seems to me that that provision is not being carried out in the spirit of the legislation.

Mr. GASQUE. And it is the purpose of this legislation to see that it is carried out.

Mr. DOWELL. But the provision in this bill is identical with the language in the bill that is not being carried out; and I am wondering if we are going to improve that condition insofar as one who receives the higher pension is concerned.

Mr. GASQUE. I know that the Department is very sympathetic toward this legislation. While they do not recommend it, they are sympathetic to it, and I believe I can take it up with the Department and see that they do carry out the spirit of the legislation.

Mr. DOWELL. Will the gentleman, as chairman of this committee, intercede for these pensioners and ascertain if the Department will not be more lenient in granting an attendant, and not wait until the pensioner is on his deathbed before the attendant is provided?

Mr. GASQUE. I assure the gentleman that I will, and I have already done that with regard to other veterans and have had very good results.

Mr. DOWELL. I know there are a number of cases where I am sure the attendant ought to be provided and where the Department has turned it down. This bill should pass, and these veterans should receive the benefits provided in this legislation.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. Yes.

Mr. SNELL. Is this act intended to be an amendment to the present Spanish-American Pension Act, or is this act entirely new?

Mr. GASQUE. This is a new act entirely.

Mr. SNELL. How does this affect the present act on the statute books?

Mr. GASQUE. It does not affect it.

Mr. SNELL. If a man draws a pension under the old act, is there anything to prohibit him getting in under this act?

Mr. GASQUE. Nothing at all. He has a right to elect under which he will come.

Mr. SNELL. There is nothing in this which says he is withdrawn from under the old act?

Mr. GASQUE. Not a thing.

Mr. SNELL. It seems to me that this ought to be an amendment to the original act rather than a new act, and not repeal the old act.

Mr. GASQUE. This does not repeal the old act.

Mr. SNELL. The gentleman thinks there is no possibility of a man's coming in under both?

Mr. GASQUE. No; he could not do that.

Mr. JENKINS of Ohio. Section 5 provides that nothing contained in the provisions of this act shall be construed to diminish or reduce any pension heretofore granted.

Mr. SNELL. I can see that. Now, we are liberalizing the pension act for the Spanish-American War veterans, are we not?

Mr. GASQUE. Yes.

Mr. SNELL. It seems to me this should be an amendment to the original act, rather than an entirely new act, and then you would not have any complications.

Mr. GASQUE. I do not think any complications will be reached. However, I do not think there would be any objection to it being offered as an amendment.

Mr. SNELL. Certainly we have never done it this way before. I am for the act. However, I believe it should be an amendment to the original act, rather than an entirely new act granting new pensions.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. I yield.

Mr. JENKINS of Ohio. Has the gentleman the figures indicating how much the pensions were that we paid to the Civil War veterans when we raised them to $100 a month? What I want to point out is this: Is it not a fact that the amount which the Government paid to the Civil War veterans when they were raised to $100 a month was far greater than it will be to these Spanish-American War veterans, because they are fewer in number?

Mr. GASQUE. Absolutely, that is true. I do not have the figures with me, however.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. I yield.

Mr. BOILEAU. In section 4 of the act it is provided that no one while an inmate of a United States soldiers' home or any National or State soldiers' home shall be paid more than $50 a month under this act. I can see the justice of that provision when a veteran is in a national home, but I cannot see the justice of it when a man is in a State soldiers' home. If there should be any offset, that should go to the State and not to the National Government. If a man is entitled to $60 and he goes into a State institution, it seems to me if that $10 is taken from his compensation it ought to go to the State that maintains that home and not be credited to the Federal Government.

Mr. GASQUE. That language is the language of the present law.

Mr. BOILEAU. I know it is, but it seems to me that those States which have State homes are being discriminated against. I do not see why that should be in the law. It seems to me it is objectionable in the present law, and we should not perpetuate it here. If they are in a State home and this deduction is made, it seems to me it should go to the State.

Mr. GASQUE. That might complicate matters to do that, because there are other classes of veterans that this does not take in.

Mr. BOILEAU. The Federal Government does not make contributions to the State homes, so why should the Federal Government get the benefit of this $10?

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. GASQUE. I yield myself 5 additional minutes, Mr. Chairman.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. I yield.

Mr. GEARHART. As a former director of the California Veterans' Home, I know the Federal Government contributes $10 a month for every inmate that we have in our institutions. That, no doubt, accounts for the deduction of $10 for those who are occupying State homes, such as the California Veterans' Home.

Mr. GASQUE. I thank the gentleman for that information.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield further?

Mr. GASQUE. I yield.

Mr. BOILEAU. If what the gentleman from California says is true, then this is equitable. I was under the impression that was not the situation.

It seems to me we should have that clarified. That may have been the regulation at the time the gentleman from California refers to, but it is my understanding that it is not the regulation now.

Mr. GASQUE. I undoubtedly would think so because of the present law.

Mr. BOILEAU. Does the gentleman agree with me that if that is not the case, that provision should not apply to State homes?

Mr. GASQUE. I agree with the gentleman heartily.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. I yield.

Mr. PACE. Can the gentleman give us the figures on what this increase will cost; also, what it is now costing?

Mr. GASQUE. I do not have the figures right now as to the present cost, but I am going to read a brief explanation of the bill, which will give those figures.

The Veterans' Administration in their report submitted two reports. The first report was based on the age of 62 years instead of 65. They recommended four amendments to that bill. The second report was based on the age of 65. They suggested we make the age 65. This amendment was adopted by the committee.

The figures used in the second report from the Veterans' Administration were used in the committee report on the bill H. R. 5030, which was reported out of committee. This report shows that section 1 of the bill gave a pension of $60 per month to all veterans 65 years of age. Twenty-three thousand three hundred veterans would be affected, and the additional cost $4,876,000 for those now on the rolls.

I want you to follow this next paragraph.

The Administrator of Veterans' Affairs in his report states that he believes that a group of approximately 13,350 additional veterans who are not now receiving a pension would be entitled to the $60.

Should this group of 13,350 veterans file claims it would mean an additional cost of $4,800,000. Mr. Means, who is chairman of the legislative committee of the Spanish War Veterans, stated in the hearings that that is impossible, that many veterans never having applied for pensions since the Spanish War are either dead, forgotten, or do not care for a pension. We know that that many will not apply.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. GASQUE. I yield.

Mr. THURSTON. In addition to what the gentleman is saying, is it not true that the Spanish War veteran was not accorded hospitalization until 1928, or about 30 years after his separation from the service.

Mr. GASQUE. I was going to bring that out.

Mr. THURSTON. Whereas the World War veteran had those advantages and facilities immediately upon discharge.

Mr. GASQUE. Neither was he given the benefit of World War insurance.

Mr. THURSTON. Nor was any provision made for the care of his dependents.

Mr. GASQUE. None whatever. The report dealing with section 2 of the bill shows that there are 2,585 who will receive $100 a month pension. This will mean an additional cost of $873,000. The total cost of the bill is shown by the Administrator's report, leaving out that 13,350, to be $5,749,000. This amount was used in the committee report. The reason the other item was not used is as I have previously explained.

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I ask recognition in opposition to the bill.

The CHAIRMAN. Is the gentleman opposed to the bill?

Mr. SNELL. I am not opposed to the bill.

The CHAIRMAN. The Chair would like to inquire if any Member present is opposed to the bill?

Mr. COSTELLO. Mr. Chairman, I am opposed to the bill and desire to be recognized in opposition to the bill if nobody on the minority side is opposed to the bill.

The CHAIRMAN. The Chair recognizes the gentleman from California in opposition to the bill.

Mr. COSTELLO. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, I am not opposed in any way to the provisions of this bill. I am in favor of them, but I am very firm in my conviction that this is not the best way in which to accomplish what the committee desires. In the case of all other changes in pension laws they have been

made by way of amendment of the existing statute. While I do not think that any beneficiary will ever draw two pensions, one under each of these bills, I am very sure it would be much better legislative procedure either to repeal the old law or to offer this as an amendment to the original Spanish War pension law; and I ask the chairman of the committee to give that serious consideration before he passes this bill in its present form.

Mr. TABER. Mr. Chairman, will the gentleman from California yield to me for a question?

Mr. COSTELLO. I shall be pleased to.

Mr. TABER. I have in front of me the statute with reference to Spanish War pensions, and I would like to have the attention of the Chairman of the Committee as I go along on this, if I may. The statute under which pensions are paid at the present time is contained in Public, 299, of the Seventy-first Congress. It provides a certain sliding scale of pension rates. There is nothing in the pending bill and nothing in the original bill which would prevent a beneficiary being paid a pension under Public, No. 299, of the Seventy-first Congress and in addition a pension under the bill now before us.

Is the gentleman prepared to accept an amendment to section 4?

Mr. GASQUE. It is my understanding that the existing law prevents the drawing of two pensions.

Mr. TABER. Can the gentleman cite me to such a statute?

Mr. GASQUE. I cannot quote it right now.

Mr. TABER. I think that should be shown to the House, because I do not think we ought to pass this legislation under which two pensions might be drawn.

Mr. GASQUE. I know there is existing law providing that no person may draw two pensions.

Mr. TABER. What if he be entitled to it under two separate statutes? I would like to see the statute to which the gentleman refers.

Mr. GASQUE. I would remind the gentleman that the pending bill affects but one class of Spanish War veterans, those who have reached age 65. A man cannot become a beneficiary under this bill unless he is 65 years old or older.

Mr. TABER. At the same time a man 65 years of age or older could come under this and the other bill, too, the way the pending bill is drawn.

Mr. GASQUE. Oh, no.

Mr. TABER. This bill is not an amendment to the other statute.

Mr. GASQUE. This bill provides that he cannot do that.

Mr. TABER. Oh, no; it does not anywhere.

Mr. GASQUE. The interpretation of the existing law is implied in section 4 of this bill. I cite section 4715 of the Revised Statutes, United States Code 38, section 25.

Mr. TABER. There is not anything specifically there to say that.

Mr. GASQUE. There is nothing in this bill, but I will try to show the gentleman that we have existing law that provides that a man cannot draw two pensions. Under no condition may they draw two pensions.

Mr. TABER. Mr. Chairman, I want to call attention to the fact that this bill, instead of being an amendment to existing law and getting the whole pension legislation in reference to Spanish War veterans in one place, where the rulings of the Veterans' Bureau as already made would apply, sets up a new statute and a new pension law, which will require additional construction. It is so worded that duplicate pensions may be paid unless there is some provision that I have been unable to find to the contrary.

Mr. GASQUE. I may say to the gentleman if he is worrying about that, I shall be glad to accept an amendment to that effect.

Mr. TABER. I wonder if the gentleman from South Carolina would accept an amendment at page 3, line 21, of this act by adding to the bill a provision that any pension received by any person under the provisions of this act shall be in lieu of all other pensions?

Mr. GASQUE. I will be glad to accept it.

Mr. COSTELLO. Mr. Chairman, I yield myself 15 minutes.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I should like to ask the gentleman from New York [Mr. TABER] a question, and I should like also to have the attention of the gentleman from South Carolina [Mr. GASQUE]. It seems to me that the amendment to be offered by the gentleman from New York [Mr. TABER] is intended to mean exactly as he stated, but I am afraid it should be polished up somewhat, because it may cause the individual who has already filed his claim and whose papers are on file to make a new claim entirely. This language should be to the effect that this law automatically encompasses all pensions. That is, it takes them all in.

Mr. TABER. But it does not.

Mr. JENKINS of Ohio. It ought to be that way.

Mr. TABER. May I say to the gentleman this only applies to certain individual cases among Spanish War veterans. It does not apply to all of them, and if that provision is put in we would wipe out and repeal a large number of the pensions that have already been granted now under Public, No. 299, of the Seventy-first Congress.

Mr. JENKINS of Ohio. This bill applies to certain individuals.

I do not think we should pass an amendment or any kind of law which would provide that those individuals have to come in and make new claims. This law should say that an individual in this class will automatically be entitled to such-and-such a pension. If there is any controversy about a man drawing two pensions, of course, that is not what we want. This other amendment goes too far the other way, and I think the gentlemen should get together, because if they do not I am afraid we will not have a bill.

Mr. TABER. My criticism of this bill is that, instead of going down the line and amending the existing statute with reference to Spanish War veterans, it sets up a new law entirely and leaves the old law on the statute books. That is a very bad way to legislate. If we would amend the old statute by increasing the rate for those above 65, we would then permit the Veterans' Bureau to go on and operate with the claims that are already on file there, and they would have to only consider the amendment as to amount with reference to specific cases; but if we go to work and pass this bill the way it is written, they will have to request new applications. There is no way of getting out of that. That is the trouble with this legislation.

Mr. JENKINS of Ohio. That would be very unfortunate.

Mr. THURSTON. Will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from Iowa.

Mr. THURSTON. May I ask the Committee on Pensions what has been the position of the Veterans' Administration in reference to duplicate pensions?

Mr. GASQUE. The Veterans' Administration has gone over this bill carefully and has helped us to rewrite it so far as amendments are concerned and has helped us in perfecting the bill. This bill deals with only one class of Spanish-American War veterans. It does not touch all of them. It specifically states it does not apply to any except the man who has reached 65 years of age. Regardless of the amendment I agreed to awhile ago—and I expect to accept the amendment—I feel it is not necessary, because there is legislation already on the statute books which provides that nobody may receive two pensions. I cannot conceive of any Member of Congress who does not know that a man cannot draw two pensions at the same time.

Mr. COSTELLO. Mr. Chairman, it may seem just a little rash for an individual to rise on the floor in opposition to legislation dealing with veterans. However, in view of the position I have occupied in this House as one of the official objectors to bills on the Consent Calendar, may I say this legislation came before me in that official capacity and as a

result it was incumbent upon me to make a study of the legislation in order to determine its merit. If I considered the bill meritorious, then I would not interpose an objection when it was called up for consideration on the Consent Calendar. Since this bill requires large annual expenditures and establishes a dangerous age precedent, I opposed its passage by unanimous consent, believing that the membership should at least have an opportunity to learn what the bill proposes to do.

This bill involves a considerable amount of money. It sets up a definite standard of pensions to be paid to veterans, and I think the Members of the House are entitled to some information as to exactly what they are doing in regard to veterans' legislation, because what we do for one group of veterans we will undoubtedly be called upon to do the same thing for all other groups of veterans.

The very first section of this bill provides that—

All persons who served 90 days or more in the military or naval service of the United States during the War with Spain, the Philippine Insurrection, or the China Relief Expedition between the dates of April 21, 1898, and July 4, 1902, both dates inclusive, and who have been honorably discharged therefrom—

And so forth. That is the first group of people. In other words, the question of need and the question of disability does not enter into the picture at all. It is purely a question of age.

You have been told that the precedent upon which this proposed legislation is based is what we have done in the past for the veterans of the Civil War. May I call to your attention the fact that after the Civil War it was 55 years before we passed legislation of this character? In other words, it was 55 years after the end of that war before we passed a general pension law, and that law, mind you, provided pensions to all Civil War veterans regardless of age, because the average age of the Civil War veterans at that time was approximately 75 years. Now, with that as a precedent, you are being asked to pass, for the Spanish-American War veterans, legislation which will give such veterans a blanket pension of $60 a month, and this pension is based upon the age of the veteran. It was not until the Spanish-American War that the question of age was introduced as a basis on which pensions should be paid. In other words, any veteran who reaches the age of 65 years is entitled to receive a pension under this legislation, regardless of disability. This principle I believe to be wrong.

Moreover, it is not 55 years since the Spanish War. That war ended in 1902 officially. You are being asked to do this for the Spanish War veterans exactly 35 years after the termination of that war. You are being asked to do this 20 years sooner than it was done for the Civil War veterans in the precedent on which this committee is relying for the passage of the pending legislation.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from Minnesota.

Mr. MAAS. The gentleman certainly recognizes the fact that there is a vast difference between the period 55 years after the Civil War and this period, 35 years after the Spanish-American War, so far as economic opportunities are concerned. Men of 65 in those days could earn a living; but men of 65 today are incapacitated, whether physically disabled or not, for earning a living.

After all, we are pensioning these men so they may eat. Today an able-bodied man of 65 for all practical purposes is incapacitated for earning a living. Does the gentleman want these men to be dependent on charity? May I ask the gentleman what solution he offers?

Mr. COSTELLO. I simply suggest to the gentleman that in this particular bill the question of need of the individual is not brought in at all because it is purely a matter of age. The gentleman himself brings out the point that being 65 years old incapacitates a man. If this be true, then why not grant a $60 pension to all persons who are 65, in order that they all may eat, independent of charity? If this is the situation, then why not do the same thing for the World War veterans? Certainly the conditions under which the Spanish War veterans of 65 years of age are laboring today are absolutely no different from the conditions under which the World War veterans are forced to exist at the present time.

Mr. GASQUE. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from South Carolina.

Mr. GASQUE. The World War veterans have no better friend than I, and I am not against them; but the gentleman knows the World War veteran was given a pension from the time he got out of the Army. He was given a bonus; he was given hospitalization; and he was given almost everything else that could be done for him. We are not asking all this for the Spanish War veteran. We waited approximately 20 years before we did anything for him. It was not until just a few years ago that we even let the Spanish War veteran have hospitalization.

Mrs. ROGERS of Massachusetts. If the gentleman will permit, I think the gentleman did not realize that he stated the World War veterans were given a pension from the time they were discharged. They were not. Only the service-connected cases were given a pension, and only those men who are disabled now receive pensions.

Mr. GASQUE. I agree with that statement.

What I meant to say is that no precedent is being set by this bill, because this has been done before. We are not trying to set any precedent at all; we are following a precedent. We are trying to right a wrong that has been done the Spanish-American War veterans.

Mr. COSTELLO. The gentleman stated we are not setting a precedent, but I disagree on that very point. In the case of the Civil War veterans the matter of age was not introduced. Those veterans were all at least on the average 75 years of age. Now we are putting in a specific age proviso of 65 years.

May I show the House exactly what may be anticipated if this legislation is enacted into law? Regardless of what you may have done for the Civil War veterans, regardless of the comparative basis of benefits received by Spanish-American War veterans and World War veterans, the fact is that when you bestow a benefit upon any group the members of any similar group are going to think they are entitled to the same benefit. They are not going to say, "Well, I had something different, and therefore I am not entitled to this benefit. I have received mine." Quite the contrary; they are going to say, "If you did this for the Civil War veterans and did it for the Spanish War veterans, then do it for the World War veterans."

I asked the Veterans' Administration to prepare for me figures as to what this proposed legislation would cost in the event I were to offer an amendment to the bill, adding, on the first page, after the enumeration of the classes of service covered, the words "or the World War." It might astound the Members of the House to know that in 1937 there are 12,939 World War veterans who have already reached the age of 65 years. If this legislation were passed, giving them $60 a month, the increase in cost to the Government over what they may now be receiving, in order to pay these veterans $60 a month, would amount to more than $7,500,000 the first year. If you follow that increase on through, taking a complete chart, which I intend to insert in the RECORD, showing the ages of World War veterans, you will find it will be 1996 when the last World War veteran of the age of 65 is left in this Nation. The peak under such a proposal would be reached in the year 1963, at which time there will be 2,213,841 World War veterans aged 65. The cost in that one year alone of this type of legislation, over and above the cost of existing veterans' legislation, would be $1,299,596,000. This is exactly the precedent you are

establishing by this bill. The estimates to which I refer are as follows:

Estimated additional annual cost of paying a pension of $60 per month to World War veterans who have attained age 65 years, by years, from 1937 to 1996

Year	Estimated number living at beginning of year, age 65 and over	Estimated additional annual cost
1937	12,939	$7,591,404
1938	15,652	9,183,102
1939	18,538	10,876,098
1940	21,729	12,748,290
1941	25,688	15,070,811
1942	29,690	17,419,075
1943	35,538	20,849,867
1944	42,194	24,755,393
1945	49,879	29,263,698
1946	56,850	33,354,103
1947	65,542	38,453,486
1948	76,323	44,778,821
1949	88,825	52,113,467
1950	104,042	61,041,483
1951	128,491	75,385,817
1952	223,040	130,931,748
1953	339,119	199,073,853
1954	477,515	280,316,622
1955	630,432	370,084,216
1956	793,326	465,707,760
1957	987,007	579,404,977
1958	1,211,790	711,360,078
1959	1,467,265	861,332,018
1960	1,751,148	1,027,980,509
1961	2,059,036	1,208,720,922
1962	2,208,093	1,296,222,495
1963	2,213,841	1,299,596,787
1964	2,194,803	1,288,420,804
1965	2,119,875	1,244,435,324
1966	1,990,507	1,168,492,196
1967	1,842,197	1,081,429,250
1968	1,693,290	994,016,271
1969	1,545,434	907,220,113
1970	1,399,784	821,719,110
1971	1,257,455	738,184,243
1972	1,119,618	657,252,058
1973	987,196	579,515,971
1974	861,150	505,522,932
1975	742,333	435,773,750
1976	631,534	370,731,126
1977	529,457	310,808,277
1978	436,704	256,359,585
1979	369,885	217,134,822
1980	293,470	172,276,433
1981	227,443	133,516,710
1982	171,550	100,705,542
1983	125,356	73,587,844
1984	88,280	51,823,278
1985	59,567	34,967,532
1986	38,252	22,455,271
1987	23,185	13,610,167
1988	13,138	7,712,428
1989	6,890	4,044,603
1990	3,325	1,951,426
1991	1,455	853,853
1992	559	327,968
1993	179	104,976
1994	45	26,077
1995	8	4,680
1996	1	669

In general figures the total cost of such a proposal for the World War veterans would aggregate more than $20,000,000,000. The World War has already cost this Nation over $60,000,000,000, and by applying the terms of this legislation to World War veterans, we would add another twenty billion. The veterans' share of the cost of the World War amounts to $12,000,000,000. This is divided approximately as follows:

Payments for disabilities	$2,750,000,000
Payments for death benefits	500,000,000
For military and naval insurance	2,000,000,000
For the soldiers' bonus	3,500,000,000
For hospitalization	1,250,000,000
For vocational training	500,000,000

The World War veterans are going to be able to make not only as strong a case as do the Spanish War veterans, demanding such legislation, but a much stronger case, because they will say that you did it for the Civil War veterans, and you went further and did it for the Spanish War veterans. We, too, now are reaching the age of 65; why, then, should you not do the same thing for us of the World War?

The question is sometimes brought up that nothing has been done for the Spanish War veterans. In the hearings that were held in 1932 before a joint investigating committee, the question of the cost of the Spanish War was entered into, and that war cost this Nation $582,000,000, and pensions have been paid up to September 30, 1932, in respect of Spanish War veterans, in the amount of $715,921,664.51. This amounts to more than $45,000 per casualty of that war.

In that year the current appropriation for Spanish War veterans was $116,000,000. In addition there was $3,000,000 for hospitalization, and in all an appropriation of $119,396,447.

On October 31, 1932, 235,306 Spanish War pensions were being paid; 196,618 were for veterans, 38,150 were pensions for widows and other alleged dependents, and 538 were for nurses.

I mention these figures simply to give you somewhat of the picture of the number of veterans of the Spanish War who are at the present time receiving pensions.

If you read the report of the committee on this bill, you will find they refer to the hearings and they state that the cost of the first section of the bill, according to the Veterans' Administration, would amount to approximately $4,876,000 over and above the amount that you are now paying Spanish War veterans.

What this bill does is to take a pension of about $40 a month and increase it to $60 a month; in other words, at the present time the Spanish War veteran of the age of 68 is receiving $40 a month.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman.

Mr. MAAS. I think the statement of the gentleman is beside the point. We are not incorporating a new principle of veterans' legislation in this bill; we are simply recognizing realities and increasing their pension by a small amount to compensate them for the loss of economic opportunity and increased cost of living. There is not a single new precedent established by this bill.

Mr. COSTELLO. I may state to the gentleman that so far as the question of age is concerned, they may not be establishing a precedent, but it was out of this committee and in reference to the Spanish War veterans that the Congress first incorporated in veterans' legislation the question of age, and by passing this legislation we are simply continuing to recognize that precedent of establishing pensions not on the basis of need, not on the basis of disability, but solely on the basis of age. Further, I may state to the gentleman that, undoubtedly, here in this very legislative body there are veterans of the Spanish-American War, and there is absolutely no provision in this bill that would deny them, if they are 65 years of age, the right of receiving this $60 a month.

Mr. MAAS. But the gentleman realizes there are very few veterans of the Spanish-American War of 65 years of age who are not in need of this pension. The majority of them are disabled and the committee took that into consideration. The committee also took into consideration the matter of need, and we have come to the conclusion that the most equitable, fair, American way to determine need for the Spanish-American War veterans is age, and I think you will find that it very closely coincides with need. General Hines, in testifying before our committee, stated that from 90 to 95 percent of these Spanish-American War veterans of 65 are in need. We wanted to get away from the un-American pauper's oath which I think is repugnant to all of us, and I believe this is a far more intelligent and American-like solution of the problem.

Mr. COSTELLO. I may state to the gentleman in that connection that I intend to offer an amendment at the end of the first section of the bill that will provide that any person who has paid an income tax during the preceding year would not be entitled to receive a pension under this legislation.

I think on that basis it will tend to eliminate many of those who may have received an income on which they have to pay an income tax, and would deprive them of an

opportunity of receiving a pension under this legislation. But I call to the attention of the House exactly what is happening to the veterans' legislation. The committee report shows that 23,300 veterans under this first section of the bill would cost the Government in increased pensions the sum of $4,876,000. However, the committee report does not give you the additional testimony of the Veterans' Administration, although the chairman of the committee did refer to it.

The Veterans' Administration estimates that there will be an additional 13,350 veterans who are not now receiving a pension but who have attained the age of 65 years and who would be entitled to $60 a month under this bill. In the event that they should apply for their pension, an additional annual cost of $4,806,000 will be added to the cost of this bill. As a result, the granting of that pension to all 65 years of age, whether disabled or not, at $60 a month will mean approximately an annual increased sum totaling $9,682,000 over and above the pensions now being paid to this same group of veterans.

The second portion of the bill, which refers to those veterans who are in need of attendants, would grant to some 2,585 veterans an increased pension that would total approximately $873,000 additional. All in all, the cost of this one piece of legislation is going to amount to $10,555,000 during the first year. Ultimately, when this legislation, being in effect, reaches the peak, it is going to cost approximately $20,000,000 a year. In other words, the number of Spanish War veterans who are going to be entitled to these benefits is constantly increasing and will increase until 1946, when the peak of the Spanish War veterans will be reached.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. MAAS. I think the gentleman is in error and has misunderstood the facts, because the figure $10,555,000 is predicated on 13,350 additional Spanish War veterans applying for this pension. Many of that number are duplications—that is, men who reenlisted. There are 13,350 who have not applied under existing pension laws, and there is no reason to believe that they or any considerable number of them will apply because of the $10 increase. The actual facts are that the cost of this legislation will be $5,700,000.

Mr. COSTELLO. That is totally ignoring every one of the 13,550 cases. It is true the Spanish War organization disputes with the Veterans' Administration about how many of those cases might apply. The figure I have given is the maximum figure. It just depends upon how many of those 13,350 do apply as to whether this additional cost of $4,806,000 will be reached.

Mr. MAAS. I am sure the gentleman wants to be fair. He made an absolute statement that the cost would be $10,000,000 and he knows that this is in all likelihood double the cost.

Mr. COSTELLO. I am making that statement from the figures presented by the Veterans' Administration before the committee. In other words, if these 13,350 do apply, they will add $4,806,000 to the cost of this legislation, and I might state that the Veterans' Administration in computing these tables and making their estimates, I think the gentleman will find, is correct within 85 percent of the figure. In other words, I do not think the Veterans' Administration has made many errors in computing a table like this, where they have taken into consideration the number of the veterans existing at the end of the war, considering the insurance tables, American mortality tables, and similar tables, to arrive at their figures, and they have reached these figures as a result of such study. The truth of the matter is that the predictions of the Veterans' Administration regarding the number of persons to be affected and the costs to be incurred by legislation are only too often too accurate, as is realized a few years after the legislation is passed.

Mr. MAAS. There is this difference between the records kept in the World War and the service records of the Spanish War, and the Veterans' Administration records are not comparable for these two groups. Many of those 13,350 are duplications. A man has been counted twice because he has reenlisted. There are not that many veterans, in fact. Anyway, for 20 years the men on this list have not applied, and they are not going to apply now, certainly not all of them, just because of a $10-a-month increase.

Mr. COSTELLO. The likelihood is that all will not apply, but the fact is that this legislation can cost ten and a half million dollars a year. The gentleman admits that the minimum cost is in excess of $5,000,000, and even if we were to split the difference, it would run to seven and a half million dollars.

There is one other point I want to call to the attention of the House, and that is this: You are increasing the pension for the disabled veteran who reaches the age of 65 and now you are taking the veteran who is not disabled and you are doing exactly the same thing for him. You are making absolutely no distinction between the man who is actually disabled and the man who is not, and it seems to me that there can be no question as to the need for a disabled veteran having a pension and certainly he should be entitled to more than the physically fit, able-bodied veteran who happens to be within the age limit, and, therefore, could apply for such pension.

Mr. GASQUE. Mr. Chairman, will the gentleman yield for a brief question?

Mr. COSTELLO. I yield.

Mr. GASQUE. I would like the gentleman to state to this Committee if he believes there are very many living men today 65 years of age who are not to some extent disabled.

Mr. COSTELLO. I do not think it is necessary for me to go into that particular question. I think it has been much discussed in many fields. It has been brought up in regard to our Supreme Court Justices. You will find that men 65 years of age are still serving as presidents of corporations, members of boards of directors, and in very active capacities. The question of when an individual is going to reach a period of uselessness is a question that can be determined only by a study of individual cases.

Mr. GASQUE. But the pension bureaus take into consideration physical disabilities.

Mr. COSTELLO. But in your legislation the only requirement is an honorable discharge and the age of 65 years. Nothing more is needed in order for them to come under the terms of this legislation. If he is in need, if he is disabled, there is no question but what he is entitled to a pension; but where he is neither in need nor disabled, then I raise the question as to whether such legislation should be passed.

Just digressing for a moment from this particular bill, which may cause an increase of some $10,000,000 annually, and reaching a peak of possibly $20,000,000 in some future year, there are innumerable pieces of veterans' legislation pending at this time before the Congress. Some are still in committee. Many have been reported out. Some are before this House for consideration.

There is an important piece of legislation, H. R. 6384, a bill that has been improperly called the "gold-star mothers bill." In that bill the gold-star mothers are a part, but a very small part, of the total number of people who are to be taken care of under that legislation.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I decline to yield at this moment.

The purpose of that legislation is to increase pension benefits. It changes existing law. As a result it is going to cost this Government approximately $8,952,000 the first year if that legislation is enacted into law.

Another bill dealing with disabled emergency officers of the World War was presented in Congress and passed by the other body. If that bill becomes law the increased cost will be $3,696,000 annually.

A third bill, S. 2219, dealing with pensions for widows of Civil War veterans, and on which hearings have been held in the other body, the Veterans' Administration estimates will cost $10,228,000 a year.

Another bill, H. R. 6294, dealing with mental and physical disabilities, will cost somewhere between seven and eight million dollars.

Just those few bills alone that I have enumerated, presented before this very session of Congress, if enacted into law at this session, would total an increased cost to Veterans' Administration of some $40,876,000 annually.

Now, let me call to your attention the fact that the Veterans' Administration at the present time is costing annually approximately $500,000,000. If we are going to take up in every session of Congress some half dozen bills that may mean an added cost to this Government for veterans' legislation anywhere from ten to fifty million dollars, you can readily see where we are tending.

It is my thought that the veterans are entitled to adequate compensation. They are entitled to decent pensions, but we as a Congress should have some definite policy. We should know exactly what we are doing and in what direction we are tending and what is going to be the effect of the legislation we are passing.

In that connection I have introduced a resolution—House Joint Resolution 442—proposing that a new investigation be made by a joint congressional committee of five Senators and five Representatives to study this question of veterans' legislation, particularly in regard to World War veterans, and to study the Veterans' Administration, and see if we cannot evolve a definite program and a definite policy, so that we will know what we are attempting to do, and we will not come in here in a haphazard manner, put through legislation for Civil War veterans which, when we finally bring it down into terms of the World War, may bring about the bankruptcy of the Treasury, or it may bring about this situation: If we continue to introduce pieces of legislation at random, setting up dangerous precedents, you may find that the cost of veterans' legislation may become so great that the public of the country will revolt against making such demands, and as a result will begin to demand the wiping out or a terrific curtailment of veterans' benefits. In short, the public may soon demand a new economy act, only they may demand far more drastic reductions and economies than were made in that act. I think, in the interest of the veterans themselves, in the interest of our own lawmaking capacity, a thorough investigation should be made.

In connection with the Veterans' Administration you have a situation where the Veterans' Administration not only passes upon the executive functions, in determining the payments that are to be made, but they also act as a quasi-judicial body. It is my thought that those two functions should be separated and not handled by the identical bureau.

Mr. Chairman, I do not anticipate that any veterans' legislation that has behind it the insistent demands of veterans' organizations will be defeated. I anticipate that this House will pass this legislation, but in doing so once again let me remind you that you are doing something that is going to establish a precedent for World War veterans just as you did 55 years after the Civil War, and just as you are now doing 35 years after the Spanish-American War, and the World War veterans are going to come in here and make exactly the same demands upon you. They are not going to wait 35 years; they are going to make a demand within 25 years. Because with the depression, because of the changed economic conditions of which the gentleman spoke, they are going to make that demand upon you, and if you do not resist this demand I can assure you that you are not going to be in position to resist the demand that the World War veterans will make upon you possibly in the next session or certainly within the next 2 or 3 years.

In conclusion I also want to point out one additional fact, that this bill does not have the approval of the Budget. The possibility is that without such approval this legislation may be vetoed. If you vote for the bill now, you should also keep in mind the fact that if the other body also passes the legislation it may come back to you with a veto message, and then you would be called upon to override that veto if you want the legislation. You should keep that in mind in voting on the bill at this time.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. MASSINGALE. The gentleman seems to be greatly alarmed lest the World War veterans also ask favors something similar to the favors granted the soldiers of the Civil War and that we are about to give to the soldiers of the Spanish-American War. I wish the gentleman would tell us, if the gentleman can, why they should not do it if they want to when the time comes.

Mr. COSTELLO. For the very simple reason, as I have already pointed out, that the cost of such a thing is absolutely prohibitive. If this same legislation is enacted for the World War veterans, the total cost over the period of years will exceed $20,000,000,000. The Government cannot afford to pay veterans' benefits for World War veterans, for a group which is 65 years of age; but that is exactly what you will be called upon to do if you pass this bill.

Mr. MASSINGALE. Does not the gentleman think that this is the wrong place to begin to economize on Government expenditures?

Mr. COSTELLO. Might I ask the gentleman if it is a question of economizing or is it a question of simply allowing the existing pension laws to remain as they are? A Spanish War veteran who is at the present time aged 68 receives $40 a month. A Spanish War veteran aged 75 receives $60 a month. In other words, it is not a question of economizing; it is simply a question of digging a little deeper into the Treasury and appropriating more money, of becoming a little more extravagant, being extravagant in a matter that may cause us to rue our extravagance and regret 2 or 3 years from now that we were extravagant today, because tomorrow's extravagance will run into the billions of dollars. As I pointed out, if you do this for the World War veteran, there are nearly 13,000 of them now, in 1937. The last one will come along in 1996 and he will cost $669. In other words, over that long period of years such legislation will cost the huge sum of over twenty billions; in fact, it would exceed a billion dollars annual cost for a period of 8 years.

If you pass this legislation now, there is no question but what you are going to have to pass similar legislation for the World War veteran.

Mr. MASSINGALE. If the gentleman wants me to answer that as a question, I may say that I believe in treating them all alike. I am not interested in economy in 1996, nor do I believe that the gentleman from California is.

Mr. COSTELLO. I can assure the gentleman that in 1996 there will be no need for economy, for then the last World War veteran will be in existence and he will have cost us $669. But during the preceding 60 years the total amount will be twenty billions if this type of legislation is enacted into law for the World War veterans.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield.

Mrs. ROGERS of Massachusetts. Does not the gentleman think that General Hines gives too high estimates on bills that come up affecting the Veterans' Administration? I have found many times that he has said the cost will be very much greater than it turned out to be.

Mr. COSTELLO. It is my understanding that the estimates that have come from the Veterans' Administration have been 85 percent accurate; in other words, their figures as to numbers and as to cost have been right within 85 percent. Moreover, the Veterans' Administration has no desire to augment the estimated costs of proposed legislation; they are merely attempting to give to the Congress as accurate an estimate as it is possible for them to make. On the other hand, a veteran organization might want to minimize the cost as much as possible, as has been done in this instance.

Mrs. ROGERS of Massachusetts. I should be very much interested in showing the gentleman some correspondence regarding legislation I proposed which they said would cost $72,000,000. A few years later a similar bill was introduced—the gentleman from Mississippi [Mr. RANKIN] knows about

it—and the cost was supposed to be $49,000,000. There was great inaccuracy in the figures somewhere.

Mr. COSTELLO. In some instances there may have been mistakes, and perhaps some very large mistakes. They may be due to error, but we must remember it is a very difficult task to attempt to estimate the administrative cost of veterans' legislation. In regard to this particular bill there is no dispute as to the first figure, namely, the $4,886,000 annual cost starting the first year, nor is there dispute as to the $800,000. The only question is as to the remaining $4,806,000. That amount may be somewhat excessive in the event that all of the 13,350 not now on the pension rolls do not apply. If they do apply, the Veterans' Administration figures will be 100 percent accurate.

Mrs. ROGERS of Massachusetts. General Hines did not recommend against the passage of this bill, did he?

Mr. COSTELLO. General Hines and the Veterans' Administration at no time recommend the favorable passage or the nonpassage of legislation. They serve simply as an administrative body. They will find the facts for any Member of Congress or for the veterans' committees, but it is not their function to recommend for or against legislation, and they have always refrained from taking any such stand. [Applause.]

Mr. Chairman, I reserve the balance of my time.

Mr. GASQUE. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. MAAS].

Mr. MAAS. Mr. Chairman, I think there is undue alarm on the part of the gentleman from California both as to the precedent that is being established, in his view, and in the cost.

In the first place there is no precedent being established at all. The precedent was established by the Congress long ago, when it first granted the Spanish-American War pensions. That is not the issue here.

The question is whether we are going to carry out congressional policy. The policy has already, long ago, been determined that we are going to give a pension to these veterans who served their country and who today are in dire need of food, clothing, and shelter. The economic conditions have so changed that these veterans today are not getting that pension which it was the intention of Congress they should have. This was through no fault of their own. The difference between the amount these men are receiving today and the amounts proposed in this bill, which are a very modest increase, is exactly the difference between the inability to live decently as Americans and the ability to just about get by, which is all we are attempting to provide.

Today these veterans who receive $40 a month, for illustration, cannot live on that amount. If we give $60 at the age of 65 they can live, not in luxury, but at least in decency.

We should pay them a pension which will enable them to live in decency or else repeal the whole pension and throw them all back onto charity. We cannot have them half on charity and half on pension. To continue the present inadequate rates is the cruelest thing in the world because today these men are getting a pension which is not enough to subsist on, yet they cannot get work because of their age. They canont get any help from the community chests or other places because the barrier is raised, "You are getting a pension." But these men do not receive the pension the Congress intended them to have when they passed the pension bill. Economic conditions have destroyed the value of that pension, and all we are trying to do by this bill is equalize the pension to living costs.

There is no new principle involved at all. It is simply a straight increase in the amount of the pension, and it is a very small increase at that.

Some question was raised as to whether or not the World War veterans should be included, but that is not the issue before us at the present time. But, so far as that goes, what would be so terrible about taking care of a 65-year-old World War veteran who could not help himself? Today a man at 65 is completely disabled as far as industry is concerned. You do not have to have both legs and both arms off to be unable to earn a living now. What man 65 years of age is capable of manual labor in competition with men under 45? Of course, you all know that no one hires a man 65 years old today. So if these veterans at 65 are going to be dependent, the question is whether they are going to be dependent upon local charity, upon local communities, or the Federal Government. I tell you that local communities are no longer able to bear the burden of supporting these men. They must be supported; that is, they must be fed. We can no longer support them in our poorhouses or under our local pension systems because the local taxation is raised on property largely, and today property is burdened beyond its capacity to pay. It certainly cannot pay any more. But when the Federal Government gives a pension it gets that money only from those who are able to pay it in the form of income taxes. While we all agree, perhaps, that the burden of the income tax is high, still only those who can pay do pay it. In the local communities the tax on the property is already too great, and if one cannot pay the tax the property is taken to pay the tax.

These veterans did not fight for a city or a State. They fought for all of the people of the United States, and it is, therefore, an obligation of the people of the United States to see that they may live decently in their old age. If you want patriotism in this country, and if you want to raise a generation that is willing to support the country and defend it, we better make this country one that is worthy of such support and defense by showing loyalty to the men who have previously defended the country.

[Here the gavel fell.]

Mr. GASQUE. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MAAS. Mr. Chairman, I am one of those who is secretly rather glad that the pensions are costing us until it hurts. I hope it will hurt so much that we will think twice before we go into another war. [Applause.]

Mr. HOUSTON. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Kansas.

Mr. HOUSTON. The gentleman has expressed my sentiments 100 percent. I would like to know how many Spanish War veterans are living today and at what rate they are dying. I understand they are dying at the rate of 17 a day.

Mr. MAAS. I think there has been a slight increase.

Mr. HOUSTON. This cost would be negligible.

Mr. MAAS. The cost would begin to disappear very rapidly.

Mr. SMITH of Washington. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Washington.

Mr. SMITH of Washington. May I say that the figures compiled by the United Spanish War Veterans show that 8,200 Spanish War veterans passed away during the year 1936.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Is it not a fact if we pass this bill the next year's increase will be the highest and from that time on it will taper right on down?

Mr. MAAS. That is correct.

Mr. COSTELLO. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from California.

Mr. COSTELLO. Is not the big peak the year 1946 in connection with Spanish War veterans? It is my understanding that 1946 will be the peak and from then on there will be a decline.

Mr. MAAS. That is true with reference to general pensions.

Mr. COSTELLO. I mean the total.

Mr. MAAS. The total; yes.

The question has been raised as between the World War veterans and the Spanish War veterans. I may say that I am a World War veteran, and as World War veterans we must recognize a distinction as between the two. We received a bonus. We immediately got splendid hospitalization from the beginning. The Spanish War veterans did not get any of those benefits, and they served under conditions

infinitely worse than the conditions under which the World War veteran served. Our medical service in the World War was vastly superior. We had entirely different sanitary conditions. No one knows to this day the effect on the state of a man's health of his service in the Spanish-American War. They had fever right in our own camps in this country.

Mr. SMITH of Washington. Is it not a fact that records show that the death rate during the Spanish-American War was the highest of any war in which the country was engaged?

Mr. MAAS. Yes; the highest of any war in which we participated.

Just to clear the mind of the gentleman from New York that two pensions may not be payable if this act is passed, I want to read from section 4715 of the Revised Statutes, as follows:

> Nothing in this title shall be so construed as to allow more than one pension at the same time to the same person, or to persons entitled jointly; but any pensioner who shall so elect may surrender his certificate, and receive, in lieu thereof, a certificate for any other pension to which he would have been entitled had not the surrendered certificate been issued. But all payments previously made for any period covered by the new certificate shall be deducted from the amount allowed by such certificate.

I think there need be no apprehension that if this bill is passed anyone is going to receive a double pension. [Applause.]

[Here the gavel fell.]

Mr. GASQUE. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. THURSTON].

Mr. THURSTON. Mr. Chairman, it is with some hesitancy that I rise to make a few remarks on this subject, but having served in the Spanish War, the Philippine Insurrection, and the World War, I feel I am conversant with the situation at least in a slight degree. Some of the men who would obtain pensions under this act have served in all three of the wars mentioned. May I also add that I have not applied for a pension under Spanish War acts nor have I requested any kind of compensation under World War legislation. I have not accepted the Federal or bonus provisions made by the State of Iowa; hence I do not feel that I am disqualified by interest when I state a few pertinent facts.

The question was raised with respect to whether need or amount of income should be shown. When our Government retires officers from our regulary military services, the Army and Navy, they are not obliged to show need or that they do not have other income but receive their generous allowances automatically.

May I call the attention of the House to the delayed favors which have been granted to these veterans? It is true we have a Soldiers' Preference Act, but this never was of much avail to the Spanish War veteran because he had attained an age where he was beyond the age of employment in most of the States or by the Federal Government before this privilege was accorded to him. With regard to hospitalization, a general bill was passed in 1926, or almost 30 years after the conclusion of the Spanish War. I personally know of many Spanish War veterans who were seriously ill throughout all that period and who were obliged to pay for their own medical services and hospitalization.

Then, these veterans have never had the opportunity for vocational training, the chance to draw several hundred dollars to assist them in preparing to fight the battles of life; neither were their parents ever allowed any amount because of their dependence upon these veterans. So there is a distinct difference between the total allowance they will ultimately receive and those favors which will be accorded to men who have served in other wars.

It was suggested here that our Government is too generous with veterans. Possibly that is true in some instances. However, only last year, in hearings before one of the committees of this House, it was disclosed we have between 3,000,000 and 5,000,000 aliens illegally here, who are on the relief rolls and being employed by our Government. Therefore, it seems that in this respect at least the Federal Government has had adequate funds to assist aliens, and I do not know that there has been any discontinuance of this practice. Several efforts have been made to stop this policy, but Executive influence has prevented this billion-dollar gratuity to aliens. We have been spending a billion dollars a year to feed or employ persons who are here in violation of our laws. Doubtless a number of them were in the enemy armies only a few years ago, but they are receiving sustenance from our Government.

The question of the age of Spanish War veterans has been raised here. Their average age is 62 years. Approximately two-thirds of these Spanish War veterans are now deceased. Therefore, if this increase should be available to them, the total amount of the payment will shortly decrease because of the age which they have attained, plus the impairments which will, of course, adversely affect their longevity.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. THURSTON. I yield.

Mr. DOWELL. The gentleman from California [Mr. COSTELLO] a moment ago stated that this would be establishing a precedent by fixing the age limit. Under the law we have established, when an Army or Navy officer arrives at a certain age, an age much lower than the one provided here for the Spanish-American War veteran, he automatically receives a pension from the Federal Government, three-fourths of his pay, or several hundred dollars per month. Is it not true that nearly all the pensions provided in the various States and by the Government itself are based on age, the same as we are basing it in this provision; and is it not also true that at 65 years of age the Spanish War veteran is unable to seek employment either from the Government or from individuals anywhere under present conditions?

Mr. THURSTON. The gentleman's reasons are sound and he has amplified the merit for the passage of this measure. [Applause.]

[Here the gavel fell.]

Mr. GASQUE. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman and colleagues, I have listened with keen interest to the speech of our colleague, Mr. COSTELLO, of California, in opposition to the bill before us (H. R. 5030) providing for an increase of pension for certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, and the China Relief Expedition, I cannot agree with my colleague [Mr. COSTELLO]. I think this is a meritorious measure, and it affords me a great deal of pleasure to have an opportunity to speak and vote for it.

This measure provides that all soldiers, sailors, and nurses who served 90 days or more in the military or naval service of the United States during the War with Spain, the Philippine Insurrection, or the China Relief Expedition between the dates of April 21, 1898, and July 4, 1902, shall receive a pension of $60 per month after such person has attained the age of 65 years—in other words, all soldiers, sailors, and nurses who had 90 days or more service in the military or naval service of the United States between April 21, 1898, and July 4, 1902, and received an honorable discharge would be entitled to $60 per month after reaching the age of 65 years. Under the present law such persons are entitled to $72 per month in the event they need the regular aid and attendance of another person. This bill increases their pension from $72 per month to $100 per month. Of course, the law providing for $60 per month for these veterans and nurses who are totally and permanently disabled to perform manual labor, even though they may not be 65 years of age, still stands. This bill does not reduce in any manner pensions granted to persons for disabilities contracted in the service in line of duty.

Those who are opposed to this bill say that it is unnecessary and that the Government cannot afford the money involved, and they also urge that World War veterans may make similar demands. According to the Veterans' Administration, this bill will affect approximately 25,000 per-

sons, and the annual increased cost to the Government over the present law will be $5,749,000.

The fact has been established that more than 95 percent of these veterans and nurses need the pensions. We know that the Government will not employ any person that is 65 years of age, and no railroad, factory, mill, shop, or mine will employ persons of that age. Few men 65 years of age are capable of performing any substantial amount of manual labor; and if they were able to perform such labor, they cannot secure employment.

Practically all of these veterans have families, and in view of the high cost of living they can barely get by on $60 per month. These veterans are dying off at the rate of nearly 9,000 annually. Unless we grant relief to these needy veterans, they will be compelled, a lot of them, to go to poorhouses, poor farms, and depend upon local charity.

It has been said that the largest group of men and women volunteered for service in the Spanish-American and Philippine War that volunteered in any war throughout the history of the world. It was a wonderful group of men and women. The death rate was greater in that war than in any other war in which this country has been engaged. They did not volunteer to fight for any particular community—they volunteered in defense of freedom and our country, and the Nation should not now shunt them off into poorhouses and on to poor farms and force them to depend upon community charity. It is not only the obligation of the Nation but this great rich Nation should welcome the opportunity to show its gratitude to these splendid men and women who now average 62 years of age and a great majority of whom are now in declining health.

Some have intimated that we should require a pauper's oath before these pensions could be paid. I first became a member of the Pension Committee of the House in 1919 and helped to report out and pass the act of June 5, 1920, and had charge of the bill for the Spanish War widows and children passed on September 1, 1922, and had charge of the Spanish War bill granting increases to the veterans and their dependents that became a law on May 1, 1926. I was a Member of the Senate when a further increase was granted to the Spanish War veterans in 1930, and voted to override the President's veto. When these measures were up, It was then urged that we should provide for a pauper's oath before anyone could secure the benefits of the legislation. In cooperation with other Members of the House and Senate we were able then to defeat all such proposals, and I am now opposed to any such provision. This aid from the Government for heroic and patriotic service should always remain a badge of honor and not a mark of poverty.

The ranks of this great group of men and women are thinning rapidly, and the small sums that we are providing for them in this bill will not be felt by the American people.

FAVOR RELIEF FOR WORLD WAR VETERANS

It is urged that World War veterans may urge like relief when they have attained the age of 65 years. No doubt 95 percent or more of them will need such relief when they have attained that age, and looking down through the years I can see no greater promise of economic security for them than the Spanish War veterans now have. The Government will not employ them and neither will industry nor commerce.

George Washington in his first message to Congress urged Congress to provide for those who had made our liberties possible. Abraham Lincoln was most solicitous for the defenders of our country and their widows and orphans, and this has been true of all our Presidents, with the exception of President Roosevelt. He has urged that there is no difference between those who went out and offered their lives and defended our country and those who remained at home.

We are told that more than likely the President will veto this bill. He has that authority under the Constitution, but that should not prevent us from doing what we think is right for the veterans and their dependents. I am happy to have an opportunity to vote for this bill, and will vote to override the President's veto in the event he does veto this bill.

It is also urged as an argument against this bill that the bill for the gold-star mothers and for the widows and orphans of World War veterans will be pressed upon Congress for action. I am in favor of that legislation, and it is insisted that the disabled emergency officers' retirement bill will be pressed if we pass this bill. I helped to pass that bill as a Member of the Senate, and I have always opposed the action taken by Congress in the Economy Act and the regulations thereunder taking away the pensions of disabled emergency officers. I trust that we may have an opportunity to vote for these several measures for the relief of World War veterans and their dependents.

BEST INVESTMENT FOR NATIONAL DEFENSE

War clouds are gathering throughout the world. The security of our Nation is threatened by forces without as well as forces within. We have many large and disloyal groups in this country. They would seize upon the first opportunity to overthrow our Government. We are now spending annually approximately a billion dollars for national defense, and I would have our country at all times adequately defended. Our country has never lost a war. Ships, guns, and other armaments are important, but the great reason we have never lost a war was because of the men behind the guns and the men who manned the ships. I wish to repeat what I have heretofore said on the floor of this House—the best dollar that this Nation can spend for national defense is to care for and protect those and their dependents who have fought our battles and defended our country. This Nation should never be wanting in gratitude. It will be wanting in gratitude if it stands by and sees its defenders become common beggars and forced to find care and support in poorhouses and on poor farms.

Some of our Democratic friends today are balking at a few million dollars to help the veterans, when we have squandered and wasted billions of dollars on boondoggling enterprises and projects. There was enough money wasted on the boondoggling project of undertaking to harness the tides of the bay of Passamaquoddy to pay the pensions provided in this bill for 3 years or more; and this is only one of the large number of ways in which the taxpayers' money has been squandered and wasted. Under this administration anybody and everybody can get money except the veterans and their widows and orphans.

There is another bill coming up following the bill now before us. It is H. R. 2904. It provides for the payment of travel pay and allowances for subsistence due to those who served in the Philippine Islands. This is a just obligation on the part of the United States Government; it has existed for many years. In the Seventy-fourth Congress we passed a bill to grant this relief and do justice to these veterans and carry out the obligation of the United States Government, but President Roosevelt vetoed the bill. I am happy to have an opportunity to support this measure again; and if it is vetoed, I trust that it will be done while Congress is in session, so that we may have an opportunity to pass it over the President's veto.

Whenever the veterans and their widows and orphans are involved, we hear a lot of talk about economy. The vicious Economy Act that rode roughshod over the disabled veterans of this country and the widows and orphans of veterans was passed by the present administration in the name of economy. They were going to balance the Budget, but the only economy that has been practiced has been at the expense of the defenders of this country and their dependents. Since that time the administration has created a deficit of approximately $16,000,000,000 and has increased the national debt from $20,000,000,000 to more than $36,500,000,000, and only two-thirds of the first month of the new fiscal year has elapsed, but the deficit is nearly $200,000,000. The expenses are nearly $100,000,000 more than they were for the first 20 days of the fiscal year beginning July 1, 1936.

Congress has appropriated approximately $16,000,000,000 for so-called recovery and relief. Now, when we propose to

grant relief to approximately 25,000 veterans and nurses, costing annually less than $6,000,000, there is a great cry of economy. If we are going to economize, let us not start and end as this administration did, by showing the Nation's ingratitude to the old or disabled veterans and their widows and orphans. [Applause.]

Mr. GASQUE. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Chairman, the gentleman from California [Mr. COSTELLO] was very adept and very adroit in drawing his conclusions and in stating figures which he admits are 15 percent wrong. However, like the gentleman from Minnesota [Mr. MAAS], I am not so deeply interested in figuring now what this is going to cost the country. Like that gentleman, I think the time to think of the cost of war is before the war starts, when we gentlemen here in Congress decide that we are going to have a war and that we are going to send a lot of young men to war without their consent. Then is the time to think of the cost, not after we have accepted the service of the soldier and changed his economic status.

The thing to do with respect to this bill is to divest your minds of any connection or confusion with respect to the World War veterans. The gentleman from California tried to inject such comparisons into the debate. The gentleman from California remembered his figures well, but he forgot lots of other things so far as the Spanish-American War veterans and World War veterans are concerned. This is the difference he should have kept in mind: The Spanish-American War veteran, who was a volunteer soldier, served for $15 a month, while the World War veteran, who was a forced soldier, got $30 a month and was permitted to allocate $15 of it back home, which was matched dollar for dollar by the Federal Government, which gave him a total of $45 a month. The World War veteran was also permitted to take out insurance that would protect him in later life and in some way compensate him and his family for lack of a pension. The Spanish-American War veteran was not given this privilege. The World War veteran, when he left the service, was given a bonus of $60. The Spanish-American War veteran was not given this bonus. The World War veteran does not get anything that he does not deserve. In many instances he deserves much more than he received. The Spanish War veteran deserves as much.

If you want to draw comparisons, draw some of these comparisons about the difference which one man got for his services in comparison with what the other man got for his.

This bill, according to the report of the committee and, maybe, those figures are 15 percent wrong also, I do not know—but this bill provides for a cost of $5,000,000, which is less than half the cost of one destroyer, and this Congress, time after time, passes bills not only for one destroyer but for dozens of destroyers and in these same bills they have gone so far as to give $1,000,000 for the plans, one plan fitting the whole bunch of destroyers and $1,000,000 being allowed for the plans for each destroyer. If you give money away like this, why should you object to $5,000,000 to compensate these men? Why should you object to $40 a month for the Spanish War veteran when you give a citizen of Canada $5,200 a year as the Northwest director of the A. A. A.? It is preposterous that you should haggle over a thing like this under such a situation. If there be those who think the World War veteran receives too much they have a reason to vote against this bill. I do not think the World War veteran receives too much.

I think this bill by all means should pass this House and that these men should be given now some of the things that you have already given to the World War veterans which the Spanish War veteran did not get. This is an attempt to bring the Spanish War veteran in this particular class up to the same status as the World War veteran. [Applause.]

Mr. GASQUE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. SAUTHOFF].

Mr. SAUTHOFF. Mr. Chairman, from the discussion we have just had evidently there are two objections. One is the objection that the bill as drawn might possibly permit two pensions. This I do not believe is true, as evidenced by a reading of the law by the gentleman from Minnesota [Mr. MAAS], but in addition to that, we can either adopt the amendment of the gentleman from New York [Mr. TABER] or adopt an amendment which I suggest, namely, that at the bottom of page 3 you add this further proviso:

Provided further, That nothing herein contained shall be construed as permitting the drawing of two pensions under this act.

This would easily take care of this objection.

Now, what is the second objection? The second objection is that of the gentleman from California [Mr. COSTELLO] in regard to the cost. The cost, as I recall from the hearings before the committee, is estimated at $5,700,000.

A $5,700,000 cost ought not to be such an amazing hurdle for the gentleman from California to cross, because, as I recall it, the gentleman was in favor of many of the amendments that were offered on the Interior appropriation bill and the cost was many times the $5,700,000 contained in this bill. So it seems he is willing to deprive these men, who are 65 years of age and 90 to 95 percent of them disabled and unfit for service, of a livelihood. He is willing to take away from the men who are so disabled that they need an attendant $100 a month, which would provide for their care, but he is perfectly willing that there shall be added reclamation areas where nobody lives at 10 to 15 times the cost of this bill.

So I say there is nothing alarming about the cost, but I might add that I echo the sentiments of the gentleman from Minnesota [Mr. MAAS] 100 percent when he states it is a good thing that we do find out what war costs so we will not be so anxious to get into the next one.

I want to supplement this remark with the statement that we have a lot of foreigners who welched on their debts, who are owing us over twelve billion of dollars, and I have not seen the gentleman from California take the floor and rake them over the coals for not paying us even the interest on what they owe us. I would suggest that this Congress pay some attention to what is owed us by these foreign nations that have welched on their debts to us, who pay us nothing on the principal and now refuse to pay us the interest.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. SAUTHOFF. I yield.

Mr. BIERMANN. Has the gentleman any plan for collecting that $12,000,000,000?

Mr. SAUTHOFF. Yes; I have a plan.

Mr. BIERMANN. I would like to hear it.

Mr. SAUTHOFF. I do not know that I have the time to discuss it, but to begin with, we were given some bonds on that indebtedness, and my suggestion to the Treasurer of the United States is that we sell those bonds in the open market and use the cash, and one of the uses that we could put it to is to pay this pension for the Spanish-American War veterans. [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. GASQUE. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, the gentleman from California [Mr. COSTELLO] made a very interesting speech upon this bill, the purpose of which is to provide a pension of $60 per month for every Spanish-American War veteran who has reached the age of 65 years. The speech showed study and it showed research. Some of the things the gentleman from California said are, of course, true, but in my opinion, if everything the gentleman said is true, and if all the suppositions he indulged in should prove to be correct, and if all of the predictions he made in regard to the matter should be fulfilled, still it is my belief his argument would not be sufficient to prevail against this bill.

This bill should stand on its own merits, and the question involved here is simply whether you think a pension of $60 a month for a Spanish War veteran who has reached the

age of 65 years is too much. If you think that is not too much, you should vote for this bill.

The gentleman's predictions were interesting, particularly the prediction that in the course of time the World War veteran would be asking for a similar pension.

Let me say in reply to the gentleman that I am not at all sure that what he predicts will not happen. I can conceive even now that it well might happen. And I can also conceive that if it does happen there may be good and sufficient reasons for it. Furthermore, if it does happen, it can and ought to be decided at the time it happens, upon its merits, and its merits alone.

From the time of the Revolutionary War down to the present it has been the policy of this Government that those who offer their bodies as breastworks to the Nation in the time of the Nation's need shall be cared for by the Nation when they reach the age when they cannot take care of themselves. That has always been our policy. My opinion is that it will always continue to be. Only once did the Congress undertake to change that policy. In the hysterical days of 1933, under Presidential domination, the majority of this Congress passed the Economy Act under which all jurisdiction over veterans and veteran legislation was surrendered by the Congress and placed in the hands of the President. You all know what happened under that iniquitous act, which, thank God, has now been entirely repealed.

You know with what ruthlessness the veteran was treated while that law was in effect. You know with what insistence an outraged people demanded its repeal as soon as the people discovered what that law really was. The people then demanded that their Representatives in Congress recapture the authority they had surrendered to the President. And the Congress obeyed that mandate and recaptured that authority.

I am glad that the Congress is again in position to consider veterans' legislation calmly and independently and entirely upon its own responsibility. And that is the way, I believe, that the Congress now intends to consider and to dispose of the bill before us.

As for the cost of veterans' legislation to the taxpayers of this country, the taxpayers always know at the time they enter into a war and at the time they vote for a war what that cost is going to include. They know its cost is not merely for its immediate prosecution; they know that cost is going to last as long as there is a veteran living, and I agree with what was said a moment ago, that it may even be a good thing for the people of this Nation to have some experience now in the high cost of veterans' legislation. An adequate realization of this may be an important factor in keeping us out of another war.

Mr. Speaker, this bill should be considered on its own merits. Sixty dollars a month for a Spanish War veteran who has reached the age of 65 years is not, I think, anything more than simple justice and equity. If that is not equity, then what is equity? That is the only question to be decided here. In my opinion this bill, this belated bill, for the benefit of the Spanish War veteran who has arrived at the age of 65 years is long past due, and the legislation ought to be enacted without a dissenting vote. [Applause.]

Mr. GASQUE. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, I expect to support this bill for the many very cogent reasons already given and for other reasons that I could give myself. It costs a totally disabled Spanish War veteran who requires the aid and attendance of another as much to live as it does a Civil War veteran in the same condition. And in these strenuous days the cost of living is probably higher than it has ever been before. I favor this bill because I believe a totally disabled veteran is entitled to that amount if he cannot care for himself. In these days, when a man of 65 without a competency or a means of livelihood finds himself without a job, he has absolutely no chance to get one. The social-security laws which we have passed take care of those over 65 in practically all the States, but a veteran drawing a pension is not allowed to profit from that law. I cite this to show that we are showing a more liberal attitude toward all classes over 65, and why not do the same in the case of those who defended the Nation when war was winging its desolation over the world? I shall take the time granted me to discuss more fully the matter that was brought out by my friend from New York [Mr. TABER] and our distinguished minority floor leader [Mr. SNELL], as to whether or not this bill needs to be amended. The colloquies in which these two gentlemen and myself and others engaged raised a question as to whether the language of this bill was sufficient to insure that a veteran seeking a pension under the terms of this bill could not under its terms draw two pensions. At that time I felt that an amendment of the kind which they proposed was not necessary. I have read the bill carefully since then, and I have come to the conclusion that an amendment is not necessary. It strikes me that section 3 takes care of the situation admirably and completely. For instance, section 1 provides that the pensions of one group should be increased. Section 2 provides that the pensions of another group should be increased.

Section 3 provides that any veteran finding himself in either of these two groups mentioned in section 1 or section 2 should then make an application for an increase in pension, as provided in this bill. Applications will be furnished by the Veterans' Bureau and the Bureau will also provide regulations under which such application blanks will be sent out and regulations as to what language these blanks will contain and what the veteran will be required to show and prove in order to get consideration under this bill. In practically every case the new application will be built around the facts set out by the veteran in his papers on file with the Veterans' Bureau. It is a well-established fact that a veteran is not entitled to two pensions. The veterans are not seeking two pensions in this case. I think the amendment spoken of by the distinguished gentleman is not necessary. If it is passed, however, I can see nothing about it that will be harmful. If it is harmful, it can be taken out when the bill gets to the Senate. [Applause.]

Mr. GASQUE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, there are just two points I want to make. The first is a little first-hand experience. When I walked into the Chamber a few moments ago the gentleman from Minnesota [Mr. MAAS] was discussing the difference between the service and the accommodations to the soldiers in the Spanish-American War and the late World War. I spent 2 years and a half in the Philippine Islands at the time of the Philippine Insurrection. I do not want to be understood as talking for myself, but I do want to say a word for my comrade veterans of the Spanish-American War. How would you like to sit down to a plate of snails? How would you like to banquet on locusts or grasshoppers? How would you like the experience of service in the United States Signal Corps, maintaining an office for 6 months afflicted with chills and fever as a chronic malarial condition, without a doctor or hospital accommodations anywhere, without any medicine, and with no food except what you could "bush-cow" for yourself? How would you enjoy living on green bananas? How would you like to hike in the rain or in the tropical sun for 2 or 3 days on emergency rations?

Those are some of the things that the soldier who served in the Spanish-American War and the Philippine Insurrection did. He had no canteens. There were no Knights of Columbus tents, no Y. M. C. A., no Salvation Army. There were no cots. He slept in the mud or wherever he could sleep, ate whatever he could eat, and drank whatever he could locate that was wet.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GRAY] has expired.

Mr. GASQUE. I yield the gentleman from Pennsylvania 1 additional minute.

Mr. GRAY of Pennsylvania. In this great day when our Nation is flooded with all kinds of "isms" and "osophies" and incantations that come from God knows where, you cannot

go into the ranks of the veterans of the Spanish-American War and find that those "isms" will take root in that group of men nor can find lodgment in their ranks. There are no Bolsheviks that I know of in the hearts of loyal, patriotic Spanish-American War veterans. You will not find in all this land, among all our great organizations, any more patriotic men, any more patriotic sentiment than inspires those veterans of that greatest of all volunteer armies. [Applause.]

[Here the gavel fell.]

Mr. COSTELLO. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Chairman, I shall vote against this bill because I do not subscribe to the doctrine that the mere fact that a young man wore the royal raiment of the Army or the Navy or the Marine Corps in the time of his country's peril entitles him to special monetary benefits from his Government after he comes out of the service unharmed. I hope that during my service in this House I shall never cast a vote to subscribe to that doctrine, which I believe does as much to undermine the morale and the patriotism of certain groups of young people in this country as any other one thing.

The amount of pensions we pay to the real deserving veterans of the recent wars is shamefully low. A widow of a man killed at Chateau-Thierry gets $30 a month. A man suffering permanent disability, service connected, gets a very small amount—I do not now recall just how much. Those are the people who deserve the financial help to be voted by this Congress. The doctrine that merely because young men in good health and foot-loose put on the uniform of their country at wartime should thereafter be considered an especially privileged group violates all ideas of patriotism and Americanism that are in my heart. I never shall cast a vote to subscribe to that doctrine while I am in this House.

The idea has been expressed that all these men are paupers and decrepit because they are 65 years of age. One of the wealthiest men in my district is a veteran of the Spanish-American War and he is drawing a pension, and within the month he wrote to me to see how he could get it increased. He is a millionaire, who came out unscathed. I know other Spanish War veterans who, though well to do, are drawing pensions.

Let us see about the Spanish-American War. There were engaged in the Spanish-American War, during the less than 4 months it lasted, 280,000 American troops. Thirty-eight years later, on June 30, 1936, there were 228,000 persons, veterans and their widows, drawing pensions on account of the Spanish-American War, which lasted 4 months.

For the fiscal year ending June 30, 1936, they drew out of the United States Treasury more than $108,000,000.

Mr. GRAY of Pennsylvania. Will the gentleman yield?

Mr. BIERMANN. I yield briefly.

Mr. GRAY of Pennsylvania. The pension rolls of the Spanish-American War also include veterans of the Philippine Insurrection and the Boxer Rebellion. That increases the number.

Mr. BIERMANN. I think my figures do not include any but Spanish veterans. I got these figures out of the 1937 World Almanac, pages 938 and 939, and my understanding of the figures is that they do not include the Philippine Insurrection or the Boxer Rebellion. The dates of the hostilities as set out on page 939 seem to me to show clearly that only the Spanish War is included.

The gentleman from California [Mr. COSTELLO] I think has performed a courageous service here in opposing this bill. I do not like to impute unworthy motives to Members of this body, but when we have been voting on veterans' legislation I have often wondered whether or not the fact that in the average district of the United States there are from eight to ten thousand veterans of various wars and perhaps 25,000 of their intimate relatives of voting age had anything to do with the course of the vote.

[Here the gavel fell.]

Mr. COSTELLO. Mr. Chairman, I yield the gentleman from Iowa 3 additional minutes.

Mr. BIERMANN. I would like to see House Joint Resolution 442, by the gentleman from California [Mr. COSTELLO], adopted by this body and the other body, so that the entire pension system of the United States may be investigated and remodeled and put on a basis of justice.

I would like to wipe out the shame of a widow of a service-connected veteran of the World War getting only $30 a month. I would like to see these men who really have service-connected disability much more generously treated. I would like to see stricken off the pension rolls of this country every veteran of any war who came out of it unscathed and who is not now suffering from his service in the Army. No other country in the wide world subscribes to our doctrine regarding pensions.

A few years ago our pension system had become so inflated that to the World War veterans and their dependents we were paying more benefits than Great Britain, France, and Germany combined, although their casualties were something like 42 times as many as ours. I hope that sometime we can have a calm discussion and an equitable revision of our pension laws. I would like to have a secret ballot, if that were possible under the rules of this body, to remodel our pension system, giving generous treatment to those suffering disabilities and to the dependents of those who died of service-connected disabilities.

The Economy Act was mentioned. I voted for the Economy Act and would vote for it again in the same circumstances. I think one of the mistakes we made was when we got away from the Economy Act. The Economy Act struck off the pension rolls of the country more than 400,000 former soldiers who were drawing pensions for disabilities that had no connection, not even a theoretical connection, with their service in the Army. I am glad to see that that one feature of the Economy Act still prevails.

Mr. MOTT. It also cut down pensions of Civil War veterans to $15 a month, did it not?

Mr. BIERMANN. It also provided that the President could change the rules regarding those pensions so that deserving ones could get more pensions after the Economy Act than before.

Mr. MOTT. It also cut down some service-connected, disabled war veterans so that they got only $10 a month.

Mr. BIERMANN. I do not believe that the record shows that. I believe the record shows that most of the deserving ones got more after the Economy Act than they got before.

Mr. MOTT. The act authorized the President to cut them down to $7 a month if he wanted to, and in many cases he went very near the limit.

Mr. BIERMANN. I do not think the record will show that any injustice was done to any service-connected case.

Some time ago a World War overseas veteran of Des Moines, Iowa, writing of another general gratuity, offered to veterans without regard to service, disability, or need, said:

> If I accept this "political bribe", I must forever renounce my title as a true veteran and a patriot. * * * When the love for money becomes greater than the love for country, veterans who returned in perfect health may well conceal their identity for they are no longer patriots.

But the blame for our unjust, demoralizing pension system is not so much on the rank and file of the veterans as it is on two other groups. One of them is some of the men in prominent or high-salaried places in veterans' organizations who seem to believe that they must continually ask for more and more for their constituents. As the disabled and the deserving are a very small minority, they ask for money for the multitude who are not deserving.

The other group are politicians, who during many years of our history have used pensions practically as campaign funds.

[Here the gavel fell.]

Mr. GASQUE. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Chairman, I sincerely hope this bill will pass the House without a dissenting vote. I realize that I may not change a vote. You are familiar with the bill. It has been thoroughly discussed; but I rise

to show my appreciation for the service of those men who served during the Spanish War period, the Philippine Insurrection, and the China Relief Expedition. I know we cannot measure service to the country in economics, we cannot measure it in dollars and cents. I realize that when we pay pensions we have to raise the money; but I realize likewise that the sentiment that causes men to give their service to their country should inspire in the breasts of others a sentiment of appreciation for that service, and that appreciation should certainly be expressed by the Government of the country and the people of the country when the men who served are in need. When I say in need I do not mean to say that they should have to prove or make any showing of such necessity. When a man reaches the age set forth in this bill, 65, he may face a dire need for funds; but even if he does not, the funds can be used in his living, in his pleasures, for his benefit, for his family or his loved ones, for adding a little more happiness in the eventide of life.

I am opposed to a "needs" clause being written into this bill. I understand that such an amendment may be offered today, but I hope that it will be voted down because when a veteran secures a pension it should be as a gratuity from a grateful Government and should be a badge of honorable service rather than an evidence of pauperism. I will oppose a needs clause; I will oppose a pauper's oath, but I am glad to support a recognition of valiant service and would be even glad to support this bill with the age limit reduced. Service connection has been hard for many Spanish War veterans to prove. Records were badly kept and lost. Incipient fever, exposure, putrid food took their toll later on. One of my earliest recollections was seeing the soldiers in the camps and hospitals. Sentiment has always made me want to assist them and their widows, and actual experience in handling hundreds of veterans' cases has caused that desire to become practical and set in my mind and heart. I hope that this bill passes, and I hope the bill reported out by the Committee on War Claims, H. R. 2904, may also pass. A rather long belated debt due for travel pay to certain participants in the War with Spain, I understand, may follow this bill. I think, frankly, that the committee has done a good deed in bringing this bill before the House. I am glad to raise my voice in behalf of this measure. [Applause.]

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That all persons who served 90 days or more in the military or naval service of the United States during the War with Spain, the Philippine Insurrection, or the China Relief Expedition between the dates of April 21, 1898, and July 4, 1902, both dates inclusive, and who have been honorably discharged therefrom, or who, having served less than 90 days, were discharged for disability incurred in the service in line of duty, upon reaching the age of 65 years shall, upon making proof of such fact, be placed upon the pension roll and entitled to receive a pension of $60 a month: *Provided*, That all leaves of absence and furloughs under General Orders, No. 130, August 29, 1898, War Department, shall be included in determining the period of pensionable service: *Provided further*, That the provisions, limitations, and benefits of this section be, and hereby are, extended to and shall include any woman who served honorably as a nurse, chief nurse, or superintendent of the Nurse Corps under contract for 90 days or more between April 21, 1898, and February 2, 1901, inclusive, and to any such nurse, regardless of length of service, who was released from service before the expiration of the 90 days because of disability contracted by her while in the service in line of duty.

Mr. COSTELLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, line 15, after the word "duty", change the period to a colon and insert the following: "*Provided further*, That no pension shall be paid under this act to any person who paid an income tax during the previous year."

Mr. COSTELLO. Mr. Chairman, this is the amendment to which I referred when I was speaking previously on the bill. It provides that no person shall be entitled to receive a pension under the terms of this act who would be eligible for a pension, if during the previous year he had found it necessary because of his income to pay an income tax; in other words, if he is actually receiving such an income as to warrant payment of a tax to the Government, then he would be denied the benefits of this legislation in the way of a pension.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. MOTT. Would this affect the right of veterans who pay income taxes who receive their pension compensation under existing law?

Mr. COSTELLO. No; the language is "that no person who is entitled to receive a pension under this act." This would refer exclusively to this particular act and to nothing else.

Mr. MOTT. Then if a veteran over 65 years of age, who is now drawing $40 or $50 a month, for example, pays an income tax after this act is passed, he would not be denied the privilege of drawing the $40 or $50 under the present law?

Mr. COSTELLO. If in the year 1936 the veteran paid an income tax, regardless of the amount, then in 1937 he would not be entitled to receive a pension under this act. If he did not pay an income tax in 1937, then he would be entitled in 1938 to again receive the benefits of the act.

If a person has been receiving such an income as to make it necessary to pay a tax thereon, he should not be receiving a pension from the Government; and that is the purpose in offering the amendment. In other words, as the act is now written a Member of Congress who happened to be 65 years of age and a Spanish War veteran would be entitled to receive $60 a month. Under the terms of the amendment, since he would pay an income tax, he would be stopped from receiving the pension. Otherwise there is no restriction whatsoever.

Mr. MOTT. Would it prevent him from receiving any Spanish War veteran pension at all?

Mr. COSTELLO. No. The wording is such as to limit it to this act exclusively.

Mr. DOWELL. Will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from Iowa.

Mr. DOWELL. Under this act when they arrive at a certain age they come within its provisions. If this sort of an amendment is placed in the bill, will you not cut off every Spanish-American War veteran who pays an income tax, whether his income tax is $1 or $2? I am opposed to this amendment. I think they ought to be treated alike and every one ought to have the benefits under this bill who are entitled to them.

Mr. COSTELLO. Frankly, I do not believe general legislation granting pensions should be enacted for persons who may be receiving an adequate income and who may not be in need. I do not think such persons enjoying a taxable income should receive $60 a month as a pension in addition. In order to try to make it necessary that this pension be paid only to those in need I offer the amendment, which will prevent those who are paying an income tax from receiving the pension. I do not believe they are entitled to receive it.

Mr. WITHROW. Will the gentleman yield?

Mr. COSTELLO. I yield to the gentleman from Wisconsin.

Mr. WITHROW. The gentleman spoke of paying any income tax. What does the gentleman mean by "income tax"?

Mr. COSTELLO. I mean a Federal income tax.

Mr. WITHROW. I think the gentleman should make that clear in his amendment. As I read the amendment, it would apply just as well to a State income tax.

Mr. COSTELLO. Mr. Chairman, I ask unanimous consent to insert the word "Federal" in front of the words "income tax."

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. COCHRAN. Mr. Chairman, reserving the right to object. I do not desire to discuss the merits of the amendment but want to call attention to the fact that under a decision of the Supreme Court rendered in March of this year, it was held that a State, city, or county official or employee of a State, city, or county was not required to pay

a Federal income tax on his or her salary. If the gentleman's suggestion is followed with reference to amending this amendment, then he eliminates every State official and every State employee as well as officials and employees of cities and counties. I do not believe the gentleman wants to do that. We are trying to correct that situation, caused by the Court's decision.

I have introduced a resolution providing for a constitutional amendment which will make everybody receiving sufficient income pay not only a State but a Federal income tax. Now, if the suggestion advanced prevails, you eliminate those not employed by a State or subdivision thereof but permit the employee on the public pay roll to receive the benefits of this bill. Surely you do not want such discrimination. Therefore, I object to the request of the gentleman from California [Mr. COSTELLO].

Mr. SMITH of Washington. Mr. Chairman, I rise in opposition to the amendment.

I appeal to the Members of the House to vote down the amendment just offered by the gentleman from California [Mr. COSTELLO]. The amendment would single out the Spanish War veterans as a group of veterans from all other groups of war veterans and discriminate against them as a group and a class, because they may chance to be paying a small income tax, the same as other citizens. There is now no legislation of similar nature applying to veterans of the World War, the Civil War, the Indian wars, or any other war in which our country has ever engaged. There certainly is no reason why the veterans of the great volunteer army of the Spanish-American War should be discriminated against. On the contrary, they should be treated at least as well as any other group of war veterans in this country, and all war veterans are deserving of just treatment.

Mr. BOILEAU. Will the gentleman yield?

Mr. SMITH of Washington. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman from California [Mr. COSTELLO] offered an amendment that is based upon the individual veteran paying an income tax. The State of California has community-property laws, and the veterans of that State would have a tremendous advantage over the veterans of all the other States of the Union which do not have community-property laws, because the income could be twice as much in California and still not subject the veteran to the payment of an income tax.

Mr. SMITH of Washington. The gentleman may be correct, and that is all the more reason why there should be no such discrimination as is contemplated by the amendment.

Mr. Chairman, the Economy Act of 1933 contained a somewhat similar provision—a needs clause—relating to the Spanish War veterans; and every Member of this House will bear me out when I say that after that law went into effect the veterans of the Spanish-American War were subjected to investigation of their individual cases.

They were harassed; they were annoyed; they were persecuted. I know of my own personal knowledge of scores of cases in which it was impossible to secure any measure of justice for a veteran of the Spanish-American War on account of the so-called needs clause which was provided by the Economy Act. The result was that 2 years ago, in 1935, when this House and Congress enacted my bill repealing the Economy Act as it applied to the Spanish-American War veterans and restored in full their pensions, it struck out the so-called needs clause, and the Congress placed the veterans of the Spanish-American War on the same basis as the veterans of all other wars. I submit to the House we should do the same thing here today. There is absolutely no reason why the amendment offered by the gentleman from California [Mr. COSTELLO] should be adopted, and I hope the Members of the House will vote it down. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. COSTELLO].

The amendment was rejected.

Mr. BIERMANN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BIERMANN: Page 1, line 7, after the second comma, insert "or the World War."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. BIERMANN].

The question was taken; and on a division (demanded by Mr. BIERMANN) there were—ayes 4, noes 15.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. Any soldier, sailor, or marine, or nurse with service as defined in section 1 of this act now on the pension roll or who may be hereafter entitled to a pension under existing laws, or under this act on account of his service during the War with Spain, the Philippine Insurrection, or China Relief Expedition, who is now or hereafter may become, on account of age or physical or mental disabilities, helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person, shall be given a rate of $100 a month.

SEC. 3. That the pension or increased rate of pension herein provided for shall commence from the date of filing application therefor after the approval of this act in such form as may be prescribed by the Administrator of Veterans' Affairs, provided they are entitled to a pension under the provisions of this act, and the issue of a check in payment of a pension for which the execution and submission of a voucher was not required shall constitute payment in the event of the death of the pensioner on or after the last day of the period covered by such check, and it shall not be canceled, but shall become an asset of the estate of the deceased pensioner.

SEC. 4. Nothing contained in this act shall be held to affect or diminish the additional pension to those on the roll designated as the Army and Navy Medal of Honor Roll, as provided by the act of April 27, 1916, but any pension or increase of pension herein provided for shall be in addition thereto: *Provided*, That no one while an inmate of the United States Soldiers' Home or of any National or State Soldiers' Home shall be paid more than $50 per month under this act.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 3, line 21, after the word "act", strike out the period and insert the following: "*Provided further*, That any pension paid to any person under the provisions of this act shall be in lieu of any other pension to which he might be entitled under any other war-service pension act."

Mr. GASQUE. Mr. Chairman, this is an amendment which the committee has accepted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was agreed to.

Mr. BOILEAU. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: Page 3, line 20, after the word "Home", insert the following: "and while the Government of the United States contributes toward defraying the expense incurred in providing such inmates with domiciliary care."

Mr. BOILEAU. Mr. Chairman, I believe the chairman of the Committee on Pensions is willing to accept this amendment, which merely provides against discrimination in the States where we have State homes which care for veterans.

This provision in the bill now reads as follows:

Provided, That no one while an inmate of the United States Soldiers' Home or of any other National or State soldiers' home shall be paid more than $50 per month under this act.

This provision calls for a reduction of $10 per month even though the person be in a State soldiers' home. Only five or six States in the Union have State homes, some of which have requirements as severe as the Federal laws. In the State of Wisconsin, however, we have very liberal laws providing for domiciliary care for veterans of all wars. We have the Wisconsin veterans' home at Waupaca, Wis., which cares not only for veterans of the World War but for their wives. This is a beautiful home, with cottages where a man and wife can live together. It is a splendid home, and is maintained by the State government.

It is true that veterans in the home who would be otherwise entitled to domiciliary care in a national home receive $10 a month from the Federal Government, but we have many veterans in our State institution in Waupaca, Wis.,

who would not be eligible for domiciliary care in a national home. Some of these men would receive compensation in the amount of $60 a month if they were on the outside, but their compensation is reduced $10 a month by the Federal Government even though the Federal Government does not contribute anything, not one cent, to their domiciliary care. I maintain that this is a discrimination against the States which are liberal to these veterans.

My amendment would provide for a reduction in the pension from $60 to $50, provided the Federal Government was contributing anything whatsoever toward the domiciliary care, so that all the veterans in State homes who would otherwise be eligible to care in a national home would, under the provisions of my amendment, have their compensation reduced $10 a month only, provided the Federal Government made that contribution to the States, as it does in all cases where the veteran is entitled to domiciliary care.

Mr. GRAY of Pennsylvania. How would the gentleman's amendment affect the case of a helpless veteran in a Government hospital?

Mr. BOILEAU. It would not affect him at all. He would still get $50 a month. The bill now provides he shall get only $50 a month while he is in a national home. My amendment would not change this at all.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. How would the gentleman's amendment affect a man who gets only $30 a month?

Mr. BOILEAU. It would not affect him at all. Under this amendment, if a man were in a State home, they would take $10 off his compensation, although the Federal Government did not contribute one cent toward his maintenance. If anyone should get that $10 it should be the State. In some cases the Federal Government does contribute toward the domiciliary care of veterans in State homes, and in such cases the veteran would receive only $50, not $60, so there is no discrimination.

The chairman of the Committee on Pensions has accepted this amendment. I hope it will meet with the approval of the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU].

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. That nothing contained in the provisions of this act shall be construed to diminish or reduce any pension heretofore granted.

Mr. GASQUE. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WOODRUM, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 5030) granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. GASQUE. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

Mr. COSTELLO. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-three Members are present, not a quorum.

Mr. COSTELLO. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 117]

Amlie	Fish	Kleberg	Rayburn
Anderson, Mo.	Fitzpatrick	Kloeb	Reed, N. Y.
Bernard	Fleger	Lambeth	Rich
Binderup	Forand	Lamneck	Ryan
Bland	Fries, Ill.	Lea	Sabath
Boykin	Fuller	Lemke	Schuetz
Brewster	Fulmer	Lewis, Md.	Short
Buckley, N. Y.	Gifford	McClellan	Sirovich
Caldwell	Gilchrist	McKeogh	Smith, Va.
Cannon, Wis.	Gray, Ind.	McMillan	Smith, W. Va.
Casey, Mass.	Greenwood	Mason	Somers, N. Y.
Chandler	Haines	Meeks	Starnes
Clark, N. C.	Harlan	Mitchell, Tenn.	Sullivan
Cole, Md.	Harrington	Mosier, Ohio	Sweeney
Cravens	Hennings	Mouton	Swope
Crosby	Higgins	Nichols	Taylor, Colo.
Crosser	Hill, Ala.	Norton	Taylor, S. C.
Crowther	Hoffman	O'Connell, Mont.	Teigan
Culkin	Holmes	O'Malley	Terry
Ditter	Imhoff	O'Neal, Ky.	Thomas, N. J.
Driver	Johnson, Lyndon	Owen	Walter
Duncan	Kee	Parsons	Wene
Eaton	Keller	Patton	West
Edmiston	Kelly, N. Y.	Peyser	
Ellenbogen	Kennedy, Md.	Pfeifer	
Fernandez	Kirwan	Plumley	

The SPEAKER. Three hundred and twenty-eight Members have answered to their names, a quorum.

On motion of Mr. COSTELLO, further proceedings under the call were dispensed with.

The SPEAKER. The question is on ordering the previous question on the bill and amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF AUXILIARY VESSELS FOR THE NAVY

Mr. VINSON of Georgia sumitted a conference report and statement on the bill (S. 2193) to authorize the construtcion of certain auxiliary vessels for the Navy.

GUGLIELMO MARCONI

Mr. RANKIN. Mr. Speaker, I send to the Clerk's desk a House resolution and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

House Resolution 283

Resolved, That the House of Representatives has heard with profound regret of the death at his home in Rome, Italy, of Guglielmo Marconi, one of the world's greatest scientists, and one who contributed inestimably to the progress and happiness of mankind.

Resolved, That the House of Representatives join with the peoples of the entire civilized world in paying tribute to the memory of this great man, whose influence was felt and whose passing will be mourned in every corner of the globe.

Resolved, That the Clerk transmit a copy of these resolutions to the family of the deceased.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

LEAVE OF ABSENCE

Mr. ASHBROOK. Mr. Speaker, I wish to announce the illness of my colleague the gentleman from Ohio, Mr. MOSIER, who is confined to his home, and I ask unanimous consent that he may be excused from attendance on sessions of the House until his condition will permit him to return.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CONTESTED-ELECTION CASE—ROY *v.* JENKS (H. DOC. NO. 305)

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read, and, with the accompanying papers, referred to the Committee on Elections No. 3 and ordered printed:

WASHINGTON, D. C., *July 21, 1937.*

The SPEAKER,
House of Representatives, Washington, D. C.

SIR: I have the honor to lay before the House of Representatives the contest for a seat in the House of Representatives for the

Seventy-fifth Congress of the United States for the First Congressional District of the State of New Hampshire, *Alphonse Roy* v. *Arthur B. Jenks*, notice of which has been filed in the office of the Clerk of the House; and also transmit herewith original testimony, papers, and documents relating thereto.

In compliance with the act approved March 2, 1887, entitled "An act relating to contested-election cases", the Clerk has opened and printed the testimony in the above case, and such portions of the testimony as the parties in interest agreed upon or as seemed proper to the Clerk, after giving the requisite notices, have been printed and indexed, together with the notices of contest, and the answers thereto and original papers and exhibits have been sealed up and are ready to be laid before the Committee on Elections.

Two copies of the printed testimony in the aforesaid case have been mailed to the contestant and the same number to the contestee, which, together with the briefs of the parties, will be laid before the Committee on Elections to which the case shall be referred.

Yours respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

EXTENSION OF REMARKS

Mr. GASQUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the bill (H. R. 5030) considered today.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to revise my remarks made this afternoon and to include therein a table of figures prepared by the Veterans' Administration.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CALENDAR WEDNESDAY

The SPEAKER. The Clerk will call the committees.

OFFICERS AND SOLDIERS WHO SERVED IN PHILIPPINE ISLANDS BEYOND PERIOD OF ENLISTMENT

The Clerk called the Committee on War Claims.

Mr. BEITER. Mr. Speaker, by direction of the Committee on War Claims I call up the bill (H. R. 2904) for the relief of officers and soldiers of the volunteer service of the United States mustered into service in the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899.

The Clerk reported the title of the bill.

The SPEAKER. This bill is on the Union Calendar.

Mr. BEITER. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That all officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain who were held to service in the Philippine Islands for service in the Philippine Insurrection after April 11, 1899, and after the conclusion of peace with the Kingdom of Spain, shall be entitled to the travel pay and allowance for subsistence provided in sections 1289 and 1290, Revised Statutes, as then amended and in effect, as though discharged April 11, 1899, by reason of expiration of enlistment, and appointed or reenlisted April 12, 1899, without deduction of travel pay and subsistence paid such officers or soldiers on final muster out subsequent to April 11, 1899.

SEC. 2. Claims hereunder shall be settled in the General Accounting Office, and shall be payable to the officer or soldier, or if the person who rendered the service is dead, then to his widow, children, in equal shares (but not to their issue), father, or mother as provided by existing acts relating to the settlement of accounts of deceased officers and soldiers of the Army (34 Stat. 750), but if there is no widow, child, father, or mother at the date of settlement, then no payment on account of the claim shall be made.

SEC. 3. The Comptroller General is authorized and directed to certify to the Congress, pursuant to the provisions of section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), all claims allowed hereunder.

SEC. 4. Application for the benefits of this act shall be filed within 3 years after the date of its passage.

SEC. 5. Payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers in any application under this act shall not exceed the sum of $10; any person collecting or attempting to collect a greater amount than is herein allowed shall be guilty of a misdemeanor and shall be punishable by a fine of not more than $500 or by imprisonment for not more than 2 years, or by both such fine and imprisonment.

Mr. DORSEY. Mr. Speaker, I move to strike out the last word. This bill seeks to correct an injustice that was done those volunteers who enlisted for the War with Spain and served in the Philippine Islands. A bill similar to this has passed the House before and has passed the Senate on two occasions. When these men enlisted it was under the act of April 22, 1898 (30 Stat. 361), which reads in part as follows:

That the Volunteer Army shall be maintained only during the existence of the war or while war is imminent: * * * *Provided*, That all enlistments for the Volunteer Army shall be for a term of 2 years, unless sooner terminated, and that all officers and men composing said Army shall be discharged from the service of the United States when the purposes for which they were called into service shall have been accomplished or on the conclusion of hostilities.

The Congress sensed it would be necessary to keep a police force in the Philippine Islands after the termination of the War with Spain, and in March 1899 a law was passed granting the President authority to have these volunteers reenlisted for that purpose. When it was apparent there were going to be hostilities through the action of the insurrectionists in the islands, The Adjutant General of the Army communicated with General Otis, in charge of troops in the Philippines, asking if these men who were in the volunteer service and whose enlistment ceased with the conclusion of the War with Spain would volunteer to stay in the islands until sufficient regulars could be sent there to relieve them. This message was given to these men and in some cases the units that were together had an opportunity to vote upon it, while in other cases, where the men were scattered, the officers spoke for them. They agreed to reenlist for the required period. At that time these men were promised by the officers under General Otis that if they reenlisted or would volunteer for further service they would be given the allowance of travel pay and subsistence either in kind or cash as provided by existing law.

At the conclusion of their enlistment they were entitled to such allowances. Some of these men under their legal rights demanded their discharge. They were discharged and they received those allowances in cash, and then shortly thereafter reenlisted, not only getting travel allowances then but also receiving transportation and allowances in kind after the close of hostilities. But the great body of the volunteers, seeing the necessity of having a force in the Philippines until they could be relieved by regulars, with the insurrectionists in the very trenches they had built, with better arms and better ammunition, volunteered to stay there. Unfortunately this group of men were not mustered out and then again mustered in, because they were scattered through the islands. Technically they did not reenlist, but actually they did, and it is on that technicality that this claim has never been paid. These men served there under the most trying conditions, under the intense heat of a tropical sun, with poor clothing, bad food, and poor equipment, but their loyalty and patriotism to this country stood them in good stead at that time. Through their service, because it would have been impossible to send regulars there to replace them in a short time, they saved this country from perhaps a long-drawn-out struggle and considerably more expense than this bill involves, and put down the insurrection. If there has ever been a moral obligation on the part of this Government, it is due these men and it is long past due, because of a very direct promise that was made at the time they volunteered to serve until they could be relieved.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. McSWEENEY. Mr. Speaker, I move to strike out the last two words. I had introduced a bill, H. R. 4704, which

is similar to this one. I believe if we are interested in the welfare of any definite legislation, we should be glad to withdraw our bills and permit similar bills to take their place if it is to accomplish the same purpose. When I had the honor to serve in this House at a former time, I was deeply interested in my comrades of the Spanish War. I went into their records, and I think my colleagues would be interested to know that I found that those men who served in the Spanish War in 1898 comprised the largest volunteer army in the history of civilization, and I think all America would be interested to know that per man enlisted there were more casualties in the War with Spain than in any other war in which America participated.

The tragedy is that because of the small number involved in the Spanish-American War these soldiers have never been able to get just recognition for their services. I find that practically all of the pensions of the past have been based on the number of those who receive it. In other words, the great number of my comrades in the World War made it possible for their maximum pension to be $100 per month. Then I find that the Civil War veterans, with a lesser number involved, had a $62.50-per-month maximum. Then the Spanish-American War veterans, with a still smaller number, had up until recently only a $30-per-month maximum.

I am sure your fair-mindedness would lead you to believe that no pension should be based upon the number of those who receive it. If our Government has an obligation, it has an obligation to one man as well as to three or four million, who can exert more pressure. So I say in behalf of those men who did serve under the tropical heat of Cuba and suffered many privations in the Philippines, and, in fact, many of them have suffered throughout their lives as a result of their services, should recover this belated recognition.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield gladly.

Mr. LUCAS. How many men are involved if this becomes law?

Mr. McSWEENEY. I do not know. They struck out one provision relative to dependents, and I really do not know how many that will affect. My bill involved about 8,000 men. The gentleman from New York [Mr. BEITER] may be able to tell you the exact number.

Mr. BEITER. The average pay is about $400 and the total number of men involved is about 8,000.

Mr. McSWEENEY. Mr. Speaker, I feel as an ex-service man of the World War that I must not only aid my own comrades but also our comrades of the Spanish War who have been so long neglected and who are now advanced in years. I anxiously await an opportunity to vote for this bill.

Mr. BEITER. Mr. Speaker, I rise in opposition to the pro-forma amendment.

This is a claim due officers and enlisted men in the volunteer service of the War with Spain who served in the Philippines beyond the period of their enlistment. It calls for the payment to these men of travel-pay allowance which they did not get at the time because of a technicality. The men who were mustered out were given their travel pay, then turned around and immediately reenlisted without leaving the islands. The men whose claims are included in this bill were not mustered out at the end of the War with Spain, but at the request of their superior officers remained on the scene to be ready and available during the expected rebellion in the Philippines. They were later sent home, it is true, but they did not receive the extra travel pay which the men who were earlier mustered out and later reenlisted received. Because the technicality of mustering them out one minute and swearing them in the next was overlooked or neglected, these men have been deprived of their travel pay which so many of their fellow comrades received.

The men that received their travel pay made up the Regular Army. The men that did not get this allowance made up the volunteers. It is true that a volunteer army of these United States is mustered into service to be maintained only during the existence of a war, but the law provides also that they shall be maintained while war is imminent. The volunteers provided for in this bill remained in the Philippines while war was imminent or, if not war, a rebellion. They should receive the same benefits as the men in the Regular Army received.

Mr. Speaker, I think the attitude of the veterans can best be expressed in their own words. I have here a clipping from the National Tribune, a veterans' publication published in Washington, in which one veteran states:

> After a contract has been drawn up and signed, for one party to change the terms of the contract without the knowledge or the consent of the other party constitutes fraud a private citizen could not get away with, but that is exactly what the Government did to many of the men who served in the Philippines.
>
> I volunteered and fought for my country, but in a Regular regiment, as all the volunteer outfits in Greater New York were filled up, and I, being too young, could not get in, so on February 7, 1899, I enlisted in the Ninth United States Infantry, served in the Philippines, in the Boxer Rebellion, then returned again to the Philippines and reenlisted.
>
> I signed a contract which stated I was to receive a day's pay and a day's subsistence for every 20 miles of travel from place of discharge to place of enlistment. I should have been discharged in Manila, but was sent back to Angel Island, Calif., discharged, and paid off at the rate of 4 cents a mile to New York City. That was on March 21, 1902, and so I served in foreign service 3 years, 1 month, and 15 days. I think that all survivors of this particular group should come forward and find out what can be done.

Mr. Speaker, some reference has been made to the President's veto message. The veto message contained objections to the attorneys' fees in the bill which we passed last year and which was approved by the Senate. It objected to a provision that the heirs of the veterans would be eligible to receive this compensation. However, that has been corrected in this new bill, and the compensation will only go to the immediate survivor or his widow or his sons and daughters. It does not go to their heirs. This reduces the number of beneficiaries under this legislation and makes the number approximately 8,000.

Mr. DOWELL. Mr. Speaker, will the gentleman yield for a question?

Mr. BEITER. I yield.

Mr. DOWELL. Is it not true that if these veterans had not remained in the islands and performed their duty it would have cost the Government very much more, and much that had been gained by their services would have been lost to the Government?

Mr, BEITER. Yes. Probably 10 times as much.

Mr. DOWELL. There is no question about it. It seems to me this has already been too long delayed, and it ought to be passed by a unanimous vote today.

Mr. BEITER. It is a moral obligation on the part of the Government and should be paid.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield.

Mr. DONDERO. What is the total amount involved?

Mr. BEITER. The exact figure cannot be determined until we determine the exact number of men who will benefit by it; but it is estimated that 8,000 men will benefit by it, and the average amount to go to each man will be approximately $400.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield.

Mr. LAMBERTSON. Has the gentleman any assurance that the President will not veto it as he did before?

Mr. BEITER. I have no assurance, but the objections that were expressed in the veto message of last year have been corrected in the new bill.

Mr. DOWELL. Should we not perform our duty anyway and pass the bill?

Mr. BEITER. Yes.

Mr. McSWEENEY. Will the gentleman yield?

Mr. BEITER. I yield.

Mr. McSWEENEY. Is it not true that all the facts involved were contained in the War Department records to which the gentleman has access?

Mr. BEITER. Yes.

Mr. McSWEENEY. So you are taking your factual material from the War Department?

Mr. BEITER. Yes, sir.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. BEITER. I yield.

Mr. HOUSTON. Is this not the same bill that we passed 2 years ago?

Mr. BEITER. This is the same bill that we passed last year and was pocket-vetoed by the President. The objectionable features of the bill have been corrected in this new bill.

Mr. HOUSTON. Under the provisions of the other bill, as I recollect them, 15,000 persons would have benefited. I understood the gentleman to say that under this bill 8,000 people would benefit.

Mr. BEITER. That is because we have eliminated the heirs of the veterans as beneficiaries.

[Here the gavel fell.]

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Has the Committee on War Claims any other bill?

Mr. BEITER. We have no other bill today.

The Clerk resumed the call of the committees.

ARCH HURLEY CONSERVANCY DISTRICT, NEW MEXICO

Mr. WHITE of Idaho (when the Committee on Irrigation and Reclamation was called). Mr. Speaker, by direction of the Committee on Irrigation and Reclamation, I call up the bill (H. R. 7680) to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley conservancy district in New Mexico, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. The gentleman from Idaho asks unanimous consent that this bill may be considered in the House as in the Committee of the Whole? Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. WHITE of Idaho. Mr. Speaker, I yield to the gentleman from New Mexico [Mr. DEMPSEY] to explain the bill.

Mr. DEMPSEY. Mr. Speaker, I may say to the gentleman from Massachusetts that this bill is to authorize the Reclamation Service to set up a Federal irrigation district in the State of New Mexico. The bill has the unanimous consent of the committee and the recommendation of the Department. Under its terms not one cent of money will be expended from the Federal Treasury. The Reclamation Service will take certain of its funds, which are to be repaid by this district, to carry out such work as is authorized.

The reason we are asking for the establishment of this district is that we are attempting to raise some feed for cattle in that district, because in the past we have been forced to send cattle to Old Mexico at certain times during drought. It is not the intention at all to put under cultivation lands with crops that will be competitive.

Mr. MARTIN of Massachusetts. How much money will come from the reclamation fund?

Mr. DEMPSEY. It depends upon the number of acres. I think it is intended to bring in 30,000 acres. The money will come from the reclamation fund, but I point out to the gentleman from Massachusetts that from the State of New Mexico certain oil moneys flow into the reclamation fund. We are simply asking permission to borrow a portion of that by mortgaging our lands to the Reclamation Service as provided by law to establish this district and for the construction of ditching, and so forth.

Mr. MARTIN of Massachusetts. Does this bill come from the committee with a unanimous report?

Mr. DEMPSEY. It does.

Mr. TABER. Mr. Speaker, I object to the request of the gentleman from Idaho.

The SPEAKER. This bill is on the Union Calendar. The House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7680) to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley conservancy district in New Mexico, with Mr. PETTENGILL in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WHITE of Idaho. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, this bill, H. R. 7680, provides for the construction of a reclamation district in Quay County, N. Mex. This county is situated in the Dust Bowl. We suffer there from dust very similarily to the way people along the Ohio and Mississippi at times suffer from flood, the only difference being that we suffer more frequently. This is a cattle country, one of the greatest cattle-grazing countries we have, at times. During drought years it has been necessary to send as many as 40,000 head of our cattle into Old Mexico for grazing purposes because we did not have sufficient means to irrigate the land.

This bill has the unanimous support of the Committee on Irrigation and Reclamation.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield.

Mr. TABER. How many acres are involved?

Mr. DEMPSEY. I think about 30,000.

Mr. TABER. Is it now under cultivation?

Mr. DEMPSEY. It is a grazing section, but due to the drought and due to the fact that it is in this Dust Bowl area we at times are not able to graze our cattle there because the grass will not grow without water. We have impounded water, and if we can construct some irrigation ditches, we can then irrigate this land for alfalfa growing and thus feed these cattle, which otherwise we would have to send to Old Mexico.

We are not asking a cent from the Federal Government. We are asking that the Irrigation and Reclamation Service provide the money when and if they can, and if they can, we will pay back every dollar of it.

Mr. TABER. Is there anything in this bill that says it shall be paid out of the reclamation fund?

Mr. DEMPSEY. Yes.

Mr. TABER. There is?

Mr. DEMPSEY. Yes.

Mr. TABER. Where?

Mr. DEMPSEY. If the gentleman will read the report, he will find this bill was drawn at the instance of the Reclamation Service. Here is a letter addressed to CARL HATCH, Senator from New Mexico:

I have received your letter of May 28, with your amended draft of S. 2086 for the construction of a Federal reclamation project to irrigate the lands of the Arch Hurley conservancy district in New Mexico.

If the bill is to be enacted, it would seem (1) that the title should be amended so as to read as follows: "A bill to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley conservancy district in New Mexico", and (2) that lines 3 to 6, on page 1 of the bill, should be amended so as to read as follows: "That the Secretary of the Interior is hereby authorized to construct a Federal reclamation project for the irrigation of the lands of the Arch Hurley conservancy district in New Mexico under the Federal."

The bill, if enacted, as now revised, would authorize the use of the reclamation fund for the construction of the project, and therefore the project will not increase the expenditures from the general funds in the Treasury, as was first proposed.

The letter states further:

The Acting Director of the Bureau of the Budget advises that the proposed bill as now amended would not be in conflict with the financial program of the President, and its enactment is recommended.

The bill before us contains provisions recommended by the Interior Department; so that it has the approval of all the departments to which it has been submitted, and, in addition, it has the approval of the members of the Irrigation Committee on both sides of the aisle.

Mr. TABER. There is absolutely nothing in the bill that indicates the construction shall be paid out of the reclamation fund that I can see. Maybe I have not had an opportunity to study it sufficiently, but if the gentleman will point it out, I will appreciate it.

Mr. DEMPSEY. There is nothing in this bill that calls for an appropriation from the Federal Treasury.

Mr. TABER. Oh, yes; it would call for an appropriation from the Treasury unless it is limited to the reclamation fund.

Mr. DEMPSEY. If the gentleman feels this bill should be further amended to safeguard his thought in that respect, I am agreeable to accepting such amendment. As a matter of fact, the fund that goes into the Reclamation Service comes in large part from the State of New Mexico. The Federal Government owns a considerable percentage of the land in New Mexico.

Mr. HOUSTON. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Kansas.

Mr. HOUSTON. There has not been any objection made by any department to this bill?

Mr. DEMPSEY. No.

Mr. HOUSTON. The Interior Department approves it?

Mr. DEMPSEY. Yes.

Mr. GREEVER. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Wyoming.

Mr. GREEVER. Is it not true that the dam for the impounding of the waters for this land has already been constructed?

Mr. DEMPSEY. Yes. We simply want to construct now some irrigation ditches. Let me point out to you what is happening in our State at the present time. The oil land is owned by the Federal Government. It is true the surface is owned by some poor homesteaders, but the mineral rights are retained by the Federal Government. Certain of this money came to the irrigation fund for this particular service. We have turned into the fund this year $313,000 from the State of New Mexico. A similar sum has been turned over to the Federal Treasury for whatever purpose the Treasury may eventually use it.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Will the gentleman tell us how much money is in the reclamation fund at the present time?

Mr. DEMPSEY. There will be about $11,000,000 this year.

Mr. MURDOCK of Utah. Is not the question of the gentleman from New York answered in lines 3 to 6, page 1, of the bill, which reads as follows?—

> That the Secretary of the Interior is hereby authorized to construct a Federal reclamation project for the irrigation of the lands of the Arch Hurley conservancy district in New Mexico under the Federal reclamation laws.

That means the money comes out of the Federal reclamation fund?

Mr. DEMPSEY. Absolutely. It could not come from any place else.

Mr. McLAUGHLIN. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Nebraska.

Mr. McLAUGHLIN. Further referring to the question of the gentleman from New York, it is answered on page 2 of the report of the Acting Secretary, reading as follows:

> The bill, if enacted as now revised, would authorize the use of the reclamation fund for the construction of projects, and therefore the project will not increase the expenditures from the general funds in the Treasury, as was first proposed.

Mr. DEMPSEY. I thank the gentleman.

Mr. THOM. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Ohio.

Mr. THOM. I want to inquire about this particular clause which has to do with the contract to be made with each owner of more than 160 irrigable acres. Has that always been customary with irrigation projects?

Mr. DEMPSEY. That is customary with reclamation projects. In setting up a reclamation project the idea is to take care of as many people as possible, not just a few people. In other words, we do not take care of the large landowner, but rather those who own not to exceed 160 acres.

Mr. THOM. Is that done universally?

Mr. DEMPSEY. Yes.

Mr. THOMASON of Texas. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Texas.

Mr. THOMASON of Texas. Is it not a fact this comes under the so-called Conchas Dam that is now practically completed, or soon will be? This was a flood-control project and the water should be put to some use?

Mr. DEMPSEY. Yes.

Mr. THOMASON of Texas. Especially inasmuch as it does not cost the Federal Treasury any money.

Mr. DEMPSEY. Yes.

Mr. THOMASON of Texas. This would put the water that is stored in the reservoir of the Conchas Dam to use?

Mr. DEMPSEY. Yes. We feel it desirable and good business to use the water, especially when it does not cost the Treasury of the United States one dime.

May I say in regard to agriculture in our State that we raise less than 15 percent of what we consume in the State of New Mexico. We in the Rocky Mountain States are coming to the time when the only agriculture will be that raised under irrigation, because that is the only agriculture that can be depended upon year by year.

Mr. TABER. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from New York.

Mr. TABER. How much would this proposition cost?

Mr. DEMPSEY. I imagine it would cost about $80 per acre.

Mr. TABER. It would cost a couple of million dollars?

Mr. DEMPSEY. Yes; I would say about that.

Mr. TABER. The land is not now under cultivation at all?

Mr. DEMPSEY. It is not under cultivation except for grazing, and it will be under cultivation only to raise foodstuffs for the cattle, alfalfa and agricultural products of that kind which we cannot ship in.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman on the other side yield some time?

Mr. GEARHART. I have no requests for time, Mr. Chairman.

The CHAIRMAN. Does anybody in opposition desire time?

Mr. TABER. Mr. Chairman, I ask recognition in opposition.

The CHAIRMAN. The gentleman from New York is recognized for 1 hour.

Mr. TABER. The whole trouble with this bill is——

Mr. WHITE of Idaho. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman yield for a parliamentary inquiry?

Mr. TABER. Yes, Mr. Chairman.

Mr. WHITE of Idaho. I would like to know how much time the gentleman yielded himself.

Mr. TABER. I do not have to yield myself any particular amount of time.

The CHAIRMAN. The gentleman is recognized for 1 hour and can use as much of that time as he may desire.

Mr. TABER. Mr. Chairman, the whole trouble with this bill is that we are at the present time being cautioned and being asked by the Department of Agriculture to curtail the production of agricultural products. Of course, this includes cattle as well as everything else included in that term, and it did include cattle when they had that kind of a bill up before. How anyone can justify going ahead at a time when the Department of Agriculture is asking for that kind of authority again and can justify the expenditure of a

dollar for bringing under cultivation land which is not now under cultivation is beyond me. I do not believe there is anything else to the case. It is simply a case of putting a lot more land under cultivation and spending a lot of money through the Secretary of Agriculture to stop the raising of crops at other places.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Is the gentleman aware of the fact that the water which is to be utilized on this irrigation district is all ready to be stored as a flood-control project; and that if we do not utilize the water it will escape to the sea, after all the expense of impounding and restoring the water to the land has been incurred?

Mr. TABER. What of it? Why should we go ahead and spend $2,000,000 more to put additional land under cultivation when the Secretary of Agriculture tells us we do not need it?

Mr. WHITE of Idaho. Is it the idea of the gentleman that after going to the expense of storing this water and making it available we should let it escape to the sea because we would only bring more land into cultivation?

Mr. TABER. We should not have stored the water to start with. When the Secretary of Agriculture says we do not need the products of the land, why should we go ahead and spend $2,000,000 additional to bring the land under cultivation?

Mr. WHITE of Idaho. The gentleman realizes there are 12,000,000 people unemployed and we are taxed to support them. Does not the gentleman think they ought to have an opportunity to go on this land and become self-supporting?

Mr. TABER. That is not what is going to happen. You are going to put some other land out of cultivation if you put this land under cultivation. That is the trouble with the whole situation. You are working one hand against the other. You are not going to take any of the unemployed off the rolls.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. Certainly.

Mr. DEMPSEY. The gentleman realizes the land about which he is talking is land we will use for grazing instead of sending our cattle to Old Mexico. Does not the gentleman believe it would be better to use our own land in New Mexico, in the United States, rather than send the cattle to a foreign country? The Secretary of Agriculture has nothing to do with this. No product of agriculture is raised which will be in competition with other products raised elsewhere.

Mr. TABER. You raise cattle, do you not?

Mr. DEMPSEY. Yes; we raise cattle, and we want to feed them. This is what we are trying to do by this bill.

Mr. TABER. In the days when the A. A. A. was in full blast the Secretary of Agriculture was reducing the production of cattle. That is exactly what would happen under the bill of the Secretary of Agriculture which is in contemplation now. Why we should consider that kind of a bill and at the same time consider this kind of a project is beyond me.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. Certainly.

Mr. FERGUSON. The cattle which were killed under the A. A. A. program were killed in that district in New Mexico and in my part of Oklahoma for lack of food, lack of grass, lack of anything to keep them alive. It was not a reduction in the beef tonnage at all.

Mr. TABER. That was the program the second year but it was not the first year. The first year the program was to reduce production.

Mr. FERGUSON. Not to reduce beef.

Mr. TABER. Then he got the supply down so low that when we had the drought we had no reserve. Some cattle were killed the second year under the relief act because there was no feed for them. However, the first proposition was to cut down the supply. Of course, he overdid it, just as those fellows always do.

Mr. FERGUSON. I am in the cattle business in western Oklahoma, adjoining New Mexico. I may say to the gentleman that the years of drought we have gone through have cut the carrying capacity of the ranges in some cases so far that only 1 steer or 1 cow can run now where the land formerly would carry 10. A system of raising crops to carry our cattle in conjunction with the range is absolutely necessary for continued operation in that country. It is a question of abandoning the range and abandoning an industry or having auxiliary feed produced. Regardless of how many thousands of acres are brought into production to produce feed for cattle, the permanent injury done to that western sod is going to cut the production of that part of the country way below normal. Regardless of how many thousands of acres you put under irrigation, you cannot bring this land back to normal for a period of at least 20 years. This has been a permanent damage, and it will take all the devices of man to bring that production of beef back to normal under present conditions.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Does not the gentleman think he is carrying the argument a little too far when he refers to the former program of reduction and uses that as an argument against bringing further lands into production in the far West?

Mr. TABER. I would feel that way, if we did not have practically the same kind of a program before Congress right now for consideration, which would work out just the same way.

Mr. MURDOCK of Arizona. My wife called my attention to the fact that even round steak is now selling in this city for nearly 60 cents a pound.

Mr. TABER. The gentleman is correct.

Mr. MURDOCK of Arizona. It is between 50 and 60 cents.

Mr. TABER. This is largely the result of the operations of the Secretary of Agriculture.

Mr. MURDOCK of Arizona. I do not care to go into that; but may I call attention to the fact that there is, in my judgment, not enough food, especially meats, for human consumption produced to give our people the nourishment we need as a nation. The gentleman from Oklahoma [Mr. FERGUSON] is exactly right concerning the situation on most of the western ranges.

I want to call attention to the fact that conditions have greatly changed in the grazing empire of the far West within the lifetime of one generation. Fifty years ago the livestock ranges of the West were covered with a luxurious growth of nutritious grasses which invited the cattlemen and the sheepmen to come and use them. Overgrazing has resulted, and the Dust Bowl or something like it has come to many parts of the West exactly as to the Middle West. Overgrazing and denuding the plains and the mountains of their cover of vegetation has been accompanied by the same disastrous results as the plowing under of the sod on the Great Plains. Now we are asking the livestockmen of the western ranges to cease their overgrazing and limit their herds. This is a part of our long-range soil-erosion control program and is done for the protection of our great irrigation works.

This Nation is in danger of a shortage of food supply, especially of beef and mutton. We cannot longer expect the populous cities of the East to be so nearly furnished with meat from the far West as formerly. On the other hand, we must not depend on an importation of beef from the Argentine or mutton from Australia to the detriment and despair of our most enterprising and worthy citizens in the Rocky Mountain States, who have devoted their lives to the livestock industry. It is folly to cripple the livestock business in a dozen Western States, in which 95 to 98 percent of the area is not suitable for food production other than for grazing. It is only good sense that we must supplement the natural forage by irrigation and a production of hay and other forage crops. This bill is for only one of many such

projects which common sense dictates the Government should sponsor.

Mr. TABER. Then I wonder why we need this bill that is being put up to us for the control of agriculture.

Mr. MURDOCK of Arizona. I want to see more land brought into production of fruit and grains and more grazing furnished us, so we may have the meat that this country needs, and I believe this bill is required from that standpoint.

Mr. TABER. Then, should we follow the other program? Is the gentleman opposed to the bill that the Secretary of Agriculture is going to send up here, or is supposed to send up here?

Mr. MURDOCK of Arizona. I am in favor of the pending bill, which is the matter under discussion.

Mr. TABER. How does the gentleman feel about the other bill? That is a very important subject, and we ought not to be working both ends against the middle all the time. We ought to have a policy, and that is what I am trying to get at.

Mr. MURDOCK of Arizona. Will the gentleman yield further?

Mr. TABER. Certainly.

Mr. MURDOCK of Arizona. There may be a good many acres of land in certain parts of the country that are worn out and possibly ought to lie fallow or receive treatment, and that is exactly the reason we ought to have supplementary provisions so that we may have a normal food supply in this country, and I believe that this bill is a part of the normal food-supply program.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MICHENER. I take it, then, that the gentleman from Arizona [Mr. MURDOCK] was opposed to the philosophy or the policy that destroyed our cattle and killed our pigs, and I presume the gentleman believes in putting more acreage into use right now. I would like to have the gentleman's judgment on that.

Mr. MURDOCK of Arizona. I have nothing to say about the former policy of reduction of the food supply, but I do maintain that the health of our people and the proper nourishment of the Nation require such action as this bill calls for.

Mr. MICHENER. We do not want any more tomfoolery about killing pigs and destroying foods, I take it from the gentleman's statement.

Mr. MURDOCK of Arizona. Personally, I do not want any more of that. I think there must be other and better ways of aiding farmers to have adequate prices.

Mr. DOWELL. And should we not raise our own products so that we will not have to ship them into the United States from foreign countries?

Mr. BEVERLY M. VINCENT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. BEVERLY M. VINCENT. Is there any language in the bill that limits the expenditure that may be made under the measure? May they not spend $15,000,000, or even $20,000,000?

Mr. TABER. There is no limitation whatever. They can spend any amount they may want to spend. The bill does not say $1,000,000 or $1,500,000 or $2,000,000 but is wide open. I wonder if the chairman would be able to give us some idea of the kind of limitation he would be willing to accept.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. O'CONNOR of New York. Of course, this is merely an authorization. Before they could get the money there would have to be application made to the Appropriations Committee, of which the gentleman from New York is one of the outstanding members.

Mr. MICHENER. Mr. Chairman, will the gentleman yield there?

Mr. TABER. Yes.

Mr. MICHENER. If that is true, and the President has asked us to grant no more authorizations unless we provide for raising the money required by the authorization, may I ask the chairman of the Rules Committee if this bill complies with the suggestion of the President and is any provision made for raising the money?

Mr. O'CONNOR of New York. Of course, of the many subjects with which I am not familiar, reclamation is one, and I cannot answer that question.

Mr. MICHENER. I assumed that was true when the gentleman asked his question a moment ago.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. In answer to the question just raised, this is one bill that does provide where the money is coming from. When you organize an irrigation district, under the Federal reclamation law, the people mortgage their lands and are under contract to repay the money to the fund. This is not coming out of the general Treasury.

The gentleman has also asked whether or not this would put people to work or reduce unemployment. If the gentleman could live in the territory where such a project is established, he would find that people are already living there and under the present situation where they cannot raise enough winter feed to match the summer range which they have, or if they cannot raise enough feed for the periods of drought, they have to go on the relief rolls, and the gentleman is called upon to pass bills to support them while on relief. A measure like this, where you can establish a sound project for the development of the cattle industry that is already under way, is decidedly in the interest of taking people off of the relief rolls.

Mr. TABER. What is it doing when, as a result of such legislation, the Secretary of Agriculture clamps down somewhere else and takes something else out of production and they go on the relief rolls? This is just running around in a circle.

Mr. CASE of South Dakota. The gentleman has already pointed out that it has raised the price of farm products.

Mr. TABER. The operations of the Secretary of Agriculture have raised the price of round steak to 50 cents a pound, but they have destroyed the food supply of the people.

Mr. CASE of South Dakota. Does the gentleman believe you can raise alfalfa in some of these other districts and ship it down to this district more cheaply?

Mr. TABER. No; you have to raise it near the place of consumption.

Mr. BEVERLY M. VINCENT. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. BEVERLY M. VINCENT. Is it not true that the funds that would be spent would be funds spent in New Mexico that would go into the reclamation fund, but in this way they divert the funds before they get there?

Mr. TABER. I hardly think the New Mexico funds would be sufficient to pay for the projects that are already under way there for quite a considerable time.

Mr. BEVERLY M. VINCENT. I understood the gentleman said it would not take any money out of the Federal Treasury.

Mr. TABER. I did not say that.

Mr. BEVERLY M. VINCENT. Somebody said it.

Mr. TABER. They said it.

Mr. BEVERLY M. VINCENT. I know it must come out of some treasury.

Mr. TABER. It comes out of the Treasury. Here is where the reclamation fund comes from largely. It comes from oil leases, the sale of public lands, and such things as that. I shall not attempt to enumerate all of the items, but that money comes out of assets that belong to the United States,

and as they are disposed of the money goes into the Treasury, and has been used customarily over a period of twenty-odd years, perhaps 30 years, for the building of these reclamation projects. The fund is also replenished by the repayments of such of those projects as pay out.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. DEMPSEY. I wonder how the gentleman would feel if the Federal Government owned almost half of the land in the State of New York and paid no taxes to the State? That is the situation we have in New Mexico. The mineral rights are reserved, and we have to pay for the grazing rights, and we police all of this at our own expense. The gentleman is trying to tell us that the oil money of New Mexico that goes into this fund as a matter of law should not be used in accordance with law, as provided, to do the very thing it was set up to do.

Mr. TABER. Oh, no; I am trying to establish a conservative policy in connection with the reclamation business that would provide that when we needed new land under cultivation, according to the general set-up all over the country, we should spend money for that purpose, and at other times when they did not need such things we should hold back. We should regulate our production by the regulation of the development of the land that goes under cultivation rather than by taking lands out of cultivation that are already there.

Mr. DEMPSEY. Does the gentleman not feel that when the Director of the Reclamation Service recommends this project, supported by the Director of the Budget, supported by Members of this House who have studied legislation in committee, that the measure ought to pass?

Mr. TABER. Here is the situation with reference to the Director of the Reclamation Service. The Director of the Reclamation Service, as are all persons in such a position, is a propagandist. He is very much interested in building up his own department.

Those gentlemen just thrive on bigger and better reclamation projects. I do not take the recommendation of those people at full value. There is no coordination between the operation of the Agricultural Department and the Interior Department. One pulls one way and the other pulls the other way. The result of it is that we are spending money at both ends when we might be better conserving it.

I asked a question of the chairman of the committee a little while ago and I have not had an answer as yet. I would like to know what kind of limit the chairman of the committee would be willing to accept as to the cost of this project.

Mr. WHITE of Idaho. The limit is already placed on the cost. It is limited by the water stored in the reservoir. There cannot be any more money spent than water used.

Mr. TABER. There is no dollar limitation as to cost in this whole bill. How about the author of the bill? Would he be willing to accept an amendment limiting the cost?

Mr. DEMPSEY. The Reclamation Service will determine the cost. The cost runs not to exceed a certain amount per acre. If the cost exceeds that the Reclamation Service will not construct the district.

Mr. TABER. What is that limit?

Mr. DEMPSEY. I do not know what limit they would put on it; but unless the cost per acre is such that these farmers who own this land can pay it back in the prescribed time the Director of Reclamation will not construct the district. It must be left in his hands.

Mr. TABER. Do not the hearings on this bill show the probable cost of the project?

Mr. DEMPSEY. I would say that it would cost between $80 and $90 an acre, and there would be approximately 30,000 acres.

Mr. TABER. That would be somewhere around $2,000,000.

Mr. DEMPSEY. Two and a half million dollars to $2,700,000.

Mr. TABER. Is there any statement from the Bureau of Reclamation to that effect?

Mr. DEMPSEY. I have no statement from the Bureau for the reason that its figures have not been entirely compiled with reference to the number of acres involved.

Mr. TABER. What would the gentleman say is the value of this particular land as it stands today?

Mr. DEMPSEY. I could not say as to that. When we have a year with plenty of rain and the grazing is good, the cost is up, but when we have a year like last year, when we sent 40,000 head of cattle to Old Mexico, you could have bought the land very reasonably.

But that is not the point at issue here. It is this: We have these people living in this Dust Bowl. We have the water there. We have their lands which they are willing to mortgage to the full extent. We have the Reclamation Service willing to do this job. Do you want to drive these people out of the business they have been in all their lives and put them some place else on relief, or do you want to give the man opportunity to earn a livelihood independently?

Mr. TABER. The trouble with that argument is that if these people had been there all their lives and made a living they did not have a reclamation project to support them. Why, with that picture, do they need it now? That is the result of the gentleman's argument, as it looks to me.

Mr. DEMPSEY. Mr. Chairman, I would like to answer the gentleman.

Mr. TABER. I yield.

Mr. DEMPSEY. Many lands in the States of Kansas and Colorado that were put in cultivation during the war when we needed more agriculture is in part responsible for some of the destruction of the lands of New Mexico by reason of these dust storms. We are not responsible for that. We are not responsible because they tried to serve the Federal Government by raising the things they wanted when they wanted them. We say to you now we are not asking for a dollar out of the Federal Treasury. All we are asking is to loan some of our money back to us, and we will repay it. That is the situation in connection with the matter. [Applause.]

Mr. TABER. Mr. Chairman, I do not believe I should take any more time of the House on this matter. It is perfectly apparent that this is another reclamation project at just the time when we ought not to have it. I hope the House will use its judgment on this matter and will not go into another project of this kind at this time.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to construct a Federal reclamation project for the irrigation of the lands of the Arch Hurley conservancy district in New Mexico under the Federal reclamation laws: *Provided,* That construction work is not to be initiated on said irrigation project until (a) the project shall have been found to be feasible under subsection B of section 4 of the act of December 5, 1924 (43 Stat. 702), and (b) a contract shall have been executed with an irrigation or conservation district embracing the land to be irrigated under said project, which contract shall obligate the contracting district to repay the cost of construction of said project in 40 equal annual installments, without interest; (c) contracts shall have been made with each owner of more than 160 irrigable acres under said project, by which he, his successors, and assigns shall be obligated to sell all of his land in excess of 160 irrigable acres at or below prices fixed by the Secretary of the Interior and within the time to be fixed by said Secretary, no water to be furnished to the land of any such large landowner refusing or failing to execute such contract; and (d) contracts shall have been made with all owners of lands to be irrigated under the project by which they will agree that if their land is sold at prices above the appraised value thereof, approved by said Secretary, one-half of such excess shall be paid to the United States to be applied in the inverse order of the due dates upon the construction charge installments coming due thereafter from the owners of said land.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word. I would like to ask the distinguished gentleman from New Mexico [Mr. DEMPSEY] a few questions. I happened to listen with a great deal of interest to the colloquy between the gentleman from New Mexico and the gentleman from New York [Mr. TABER]. I was very much interested in the very able and effective manner in which the gentleman from New Mexico conveyed to the House the

purposes of this bill. I would like to ask one or two questions to obtain additional information. How large is this area?

Mr. DEMPSEY. It will comprise about thirty or thirty-five thousand acres.

Mr. McCORMACK. How many people will it benefit?

Mr. DEMPSEY. About a thousand families.

Mr. McCORMACK. And this is in an area affected by the drought?

Mr. DEMPSEY. It is affected by the drought. It is in the Dust Bowl. It is a cattle-grazing country.

Mr. McCORMACK. And this will enable the people who have owned their land to continue living there?

Mr. DEMPSEY. To retain their lands, feed their stock without shipping it to foreign countries to feed.

Mr. McCORMACK. And they are people who have lived for a long period of time, some families probably for some generations?

Mr. DEMPSEY. Many of them have lived there for many years.

Mr. McCORMACK. And the water is available?

Mr. DEMPSEY. Yes, sir.

Mr. McCORMACK. At no expense to the Government?

Mr. DEMPSEY. Not any. [Applause.]

The pro-forma amendment was withdrawn.

Mr. WHITE of Idaho. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the same do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PETTENGILL, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 7680, directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. WHITE of Idaho. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. TABER) there were ayes 61 and noes 8.

So the bill was passed.

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent that the bill S. 2086, now on the Speaker's table, be substituted for the House bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to construct a Federal reclamation project for the irrigation of the lands of the Arch Hurley conservancy district in New Mexico under the Federal reclamation laws: *Provided*, That construction work is not to be initiated on said irrigation project until (a) the project shall have been found to be feasible under subsection B of section 4 of the act of December 5, 1924 (43 Stat. 702), and (b) a contract shall have been executed with an irrigation or conservation district embracing the land to be irrigated under said project, which contract shall obligate the contracting district to repay the cost of construction of said project in 40 equal annual installments, without interest; (c) contracts shall have been made with each owner of more than 160 irrigable acres under said project, by which he, his successors, and assigns shall be obligated to sell all of his land in excess of 160 irrigable acres at or below prices fixed by the Secretary of the Interior and within the time to be fixed by said Secretary, no water to be furnished to the land of any such large landowner refusing or failing to execute such contract; and (d) contracts shall have been made with all owners of lands to be irrigated under the project by which they will agree that if their land is sold at prices above the appraised value thereof, approved by said Secretary, one-half of such excess shall be paid to the United States to be applied in the inverse order of the due dates upon the construction charge installments coming due thereafter from the owners of said land.

The bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the procedure whereby the bill H. R. 7680 was passed will be vacated and that bill laid on the table.

There was no objection.

COMPACT OR AGREEMENT FOR DIVISION OF WATERS OF YELLOWSTONE RIVER

Mr. WHITE of Idaho. Mr. Speaker, by direction of the Committee on Irrigation and Reclamation, I call up the bill (S. 534) granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That consent of Congress is hereby given to the States of Montana and Wyoming to negotiate and enter into a compact or agreement, not later than June 1, 1939, providing for an equitable division and apportionment between the States of the water supply of the Yellowstone River and of the streams tributary thereto, upon condition that one suitable person, who shall be appointed by the President of the United States, shall participate in said negotiations as the representative of the United States and shall make report to Congress of proceedings and of any compact or agreement entered into: *Provided*, That such compact or agreement shall not be binding or obligatory upon either of the parties thereto unless and until the same shall have been approved by the legislatures of each of said States and by the Congress of the United States: *Provided further*, That nothing in this act shall apply to any waters within the Yellowstone National Park or shall establish any right or interest in or to any lands within the boundaries thereof.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. TABER. Mr. Speaker, I object.

The SPEAKER. The gentleman from New York objects. The bill is on the Union Calendar. The House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 534) granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River, with Mr. PETTENGILL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WHITE of Idaho. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR of Montana. Mr. Chairman, this bill has already passed the Senate. It grants the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River. This river, as perhaps you all know, rises in the northwestern part of the State of Wyoming, in the Yellowstone National Park. It flows in a northerly direction into the State of Montana, and from there in a northeasterly direction across the State of Montana into the Missouri River somewhere near the Dakota line. What is known as the Tongue River rises in the State of Wyoming and flows north into Montana and from there into the Yellowstone River. Likewise what is known as Clarks Fork River and Big Horn River rise in the State of Wyoming and flow north into the Yellowstone River.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. MARTIN of Massachusetts. I do not want to interrupt the splendid speech of the gentleman from Montana, who has done such fine work for his State, but may I inquire

if this is just a simple compact between two States to divide the waters of the Yellowstone River?

Mr. O'CONNOR of Montana. It is simply an authorization given by Congress to the States of Montana and Wyoming to enter into a compact which will have to be ratified by the legislatures of both States and then be approved by Congress.

Mr. MARTIN of Massachusetts. It is just a simple matter that relates only to the two States mentioned?

Mr. O'CONNOR of Montana. Exactly; and I thank the gentleman for his contribution.

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Wyoming.

Mr. GREEVER. As a matter of fact, it merely authorizes the States to enter into this compact, does it not?

Mr. O'CONNOR of Montana. That is correct.

Mr. GREEVER. It merely authorizes them to negotiate the compact. Of course, after the compact is made it has to be referred to the Federal Congress for approval.

Mr. O'CONNOR of Montana. That is correct.

Mr. GREEVER. Has the gentleman any objection to an amendment, on page 2, in line 7, after the word "within", to insert "or tributary to"?

Mr. O'CONNOR of Montana. Making that provision read:

That nothing in this act shall apply to any waters within or tributary to the Yellowstone National Park or shall establish any right or interest in or to any lands within the boundaries thereof.

Mr. GREEVER. Yes.

Mr. O'CONNOR of Montana. I have no objection. As a matter of fact, I thank the gentleman for the proposed amendment, for none of us want to interfere in any way with any of the waters or any of the streams in the park or Yellowstone Lake therein. The only necessity for the passage of this bill is because of a conflict of interest between the States of Montana and Wyoming concerning the use of waters of the Tongue River, the Big Horn River, and the Clarks Fork River.

Mr. GREEVER. As a matter of fact, if the gentleman will permit an interruption, the controversy involves the Tongue River, Big Horn River, and tributaries of the Big Horn and Tongue and one or two other small streams.

Mr. O'CONNOR of Montana. That is correct.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. HEALEY. There are a good many precedents for this kind of authorization for the making of compacts by States in the matter of boundaries, rivers, harbors, and such things?

Mr. O'CONNOR of Montana. Oh, yes. As a matter of fact, it is the only way such matters can be settled. They cannot be settled in court because the expense is too great.

Mr. BACON. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. BACON. Has this bill the approval of the National Park Service?

Mr. GREEVER. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. GREEVER. Answering the gentleman from New York, I may state that the bill has a favorable report of the Secretary of the Interior.

Mr. BACON. That answers my question.

Mr. O'CONNOR of Montana. Such approval is included in the report.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. MURDOCK of Arizona. As a lawyer and a man of extensive observation concerning our West, does not the gentleman regard it as a good policy that, not only in this case but in a great many other cases, agreements or compacts be made between States? We understand, of course, that such agreement cannot be made without the consent of Congress, treaties between two, three, or more States, but is it not necessary, in the gentleman's judgment, that many such interstate agreements be entered into before the control of rivers can be properly carried out?

Mr. O'CONNOR of Montana. Exactly. I think it is a good policy to pursue, because it saves a lot of feeling and a lot of expense to dispose of such matters in this fashion.

Mr. MURDOCK of Arizona. Would not such a course also answer the objection we hear frequently that the Federal Government is going too far in its control of these streams in which the States themselves have a vital interest but in which local interest seems to be neglected?

Mr. O'CONNOR of Montana. I think the gentleman's observation is correct.

Mr. MURDOCK of Arizona. This policy of interstate compacts would further preserve to the States those rights which they feel are inherently theirs concerning such interstate streams?

Mr. O'CONNOR of Montana. Exactly.

Mr. GREEVER. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Wyoming.

Mr. GREEVER. There is nothing in this bill which is in any way binding on any of the States with respect to the water, with the exception of the protection of the waters of the Yellowstone.

Mr. O'CONNOR of Montana. Exactly.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I would like for the gentleman to point out for the RECORD the provision of the Constitution or some Federal statute which gives Congress jurisdiction with respect to compacts between States. It seems to me that might be pointed out at this time.

Mr. HEALEY. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Massachusetts.

Mr. HEALEY. I may say to the gentleman from Mississippi there is provision in the Constitution.

Mr. WHITTINGTON. I asked to have it placed in the RECORD. It occurred to me that provision should be put in the RECORD.

Mr. HEALEY. The States, as a matter of fact, cannot enter into a compact without conforming to that particular provision.

Mr. WHITTINGTON. I am agreeable to that view, but with reference to the former question I thought it would be well for the RECORD to show that.

Mr. HEALEY. I will be glad to put it in the RECORD.

Mr. O'CONNOR of Montana. I do not at this moment recall the particular section of the Constitution which restricts States from entering into contracts such as this without congressional authorization. However, I will include the citation in my remarks:

Revision of remarks, article I, section 10, paragraph 3.

Mr. McCORMACK. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Will the gentleman state why there is a limitation of time in this bill? The date of June 1, 1939, is set forth. Is that not rather a short time for your own benefit?

Mr. O'CONNOR of Montana. I may say to the gentleman from Massachusetts this matter has been under discussion for some time by the officials of both the States of Wyoming and Montana, for the reason the waters of the Tongue River, particularly, have been in conflict between the residents of the two States. Both States recognize the right of acquiring water by appropriation. But suppose somebody appropriates water on the Wyoming side and, on the other hand, somebody appropriates water from the same stream on the Montana side and a shortage of water occurs. There is then a conflict as to whose rights are prior in time, which priority is recognized by the law so far as the appropriation of water is concerned. This being the case, in order to determine the respective rights, it is required, if a compact is not entered into, that the litigants go into court. All of the people who used water out of some stream on the

Wyoming and Montana side would be parties to the action, and it would result in endless litigation and would be very expensive for all people concerned.

Mr. McLAUGHLIN. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Nebraska.

Mr. McLAUGHLIN. The fact is, this bill does not commit the Congress to any compact or any agreement which may be made?

Mr. O'CONNOR of Montana. Absolutely not.

Mr. McLAUGHLIN. That is borne out by the proviso of the bill, which reads as follows:

Provided, That such compact or agreement shall not be binding or obligatory upon either of the parties hereto unless and until same shall be approved by the legislatures of each State, as well as by the Congress of the United States.

Mr. O'CONNOR of Montana. That is correct.

Mr. McLAUGHLIN. So that, as a matter of fact, this is merely an authorization. It does not commit the Congress to any compact which may be entered into by the States?

Mr. O'CONNOR of Montana. That is correct, and I want to thank the gentleman for the contribution.

Mr. McCORMACK. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In response to the inquiry of the gentleman from Mississippi [Mr. WHITTINGTON], I call attention to paragraph 2, section 10, of the Constitution, wherein it is stated:

No State shall without the consent of Congress * * * enter into any agreement or compact with another State.

That is the constitutional power for compacts between States?

Mr. O'CONNOR of Montana. Yes. The States would not have the right to make the compact unless the Congress gave them the authority.

Mr. WHITTINGTON. Then, as the gentleman from Massachusetts points out, the authority is article I, section 10 of the Constitution?

Mr. McCORMACK. Yes.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. For a number of years the States of Colorado, New Mexico, and Texas have had a similar authorization from the Congress, but these States have not been able to work out a division of the waters of the Rio Grande. The Congress has twice passed a bill extending the time within which these States may enter into a compact identical with that contained in the gentleman's bill which involves the States of Montana and Wyoming. I think Congress has authorized such compacts in a number of other cases.

Mr. HOUSTON. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Kansas.

Mr. HOUSTON. How much is this going to cost?

Mr. O'CONNOR of Montana. Here is one bill, I may say to the Members of the House, and I include the Members of the Appropriations Committee, that will not cost the United States 1 cent. [Applause.]

Mr. HOUSTON. Were there any arguments against this bill?

Mr. O'CONNOR of Montana. No arguments; no.

Mr. HOUSTON. Then what are we waiting for? Let us vote.

Mr. TABER. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from New York.

Mr. TABER. Would the gentleman explain to the committee what the object of this bill is?

Mr. O'CONNOR of Montana. The object of the bill is, as I tried to explain before, and I will ask the gentleman to pay attention to this explanation. The object of the bill is to permit the States of Wyoming and Montana to settle their respective rights in the waters of the tributaries of the Yellowstone River, which flows across the State of Montana principally, in order to avoid endless litigation between private parties living in both States who have conflicting interests in the waters of those tributaries of the Yellowstone River.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The gentleman stated that the Yellowstone flows into the Missouri at or near the Dakota line. The gentleman means the North Dakota line?

Mr. O'CONNOR of Montana. Yes.

Mr. CASE of South Dakota. Does the gentleman have in mind what effect the compact would have on the flow of the Missouri River and the right of residents along the Missouri River in North Dakota and South Dakota?

Mr. O'CONNOR of Montana. It would not have any effect. The only waters affected by this bill would be the waters of the Clarks Fork River, that rises in Wyoming and flows through Carbon County and on through Montana, and also the Big Horn River and what is known as the Tongue River. They are three small tributaries of the Yellowstone. Those are the only waters about which there is any conflict.

Mr. CASE of South Dakota. Does this have any bearing upon the waters of the Fort Peck Reservoir?

Mr. O'CONNOR of Montana. None at all.

Mr. CRAWFORD. In view of the fact that the Big Thompson project is to come up tomorrow, I believe, this is further evidence that in that section of the country the capture of water from the streams is life itself. Is not that about the situation?

Mr. O'CONNOR of Montana. Of course, in our territory land without water is not worth anything.

Mr. CRAWFORD. That truth is somewhat difficult for the easterner to comprehend.

Mr. O'CONNOR of Montana. I say this, and I say it so my friend the gentleman from New York may hear it, that we out West have very, very fine productive soil, probably the finest that was ever made. At the same time, it is absolutely worthless in that arid country unless we have water to irrigate these lands. We have the water to irrigate these lands; and if we can secure the money to impound this water so that the same may be available for use on the lands and complete our irrigation system, as we are now trying to do, we will not be coming here on bended knees asking for appropriations from Congress to take care of our people, many of whom are now on relief.

This program will serve another useful national purpose, namely, the waters that are now escaping through our major streams, being of benefit to no one, are found causing floods in the lower central parts of the United States to the tremendous damage of the occupants of the lowlands along the streams in the latter territories.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a further question?

Mr. O'CONNOR of Montana. I yield.

Mr. SNELL. In answer to my friend the gentleman from Michigan [Mr. CRAWFORD] I think some of us easterners can understand that it is probably necessary to have water on this land, but what we cannot understand is why you should keep bringing in new land and putting it under water in order to raise more crops when you are paying farmers not to raise crops on land on which they can produce at the present time. We cannot understand such a system, and this is why some of us oppose increasing the number of these irrigation and reclamation projects.

Mr. O'CONNOR of Montana. I may say to the distinguished gentleman from New York I am confident that if the men who oppose reclamation could see this territory and realize the garden spots which are created by the use of water, and realize the desert character of this territory before water is put on the land, they would be most active in favor of reclamation.

May I say further, in answer to the gentleman's statement about entering into competition with the Eastern States and violating the policy of the Department of Agriculture

with reference to curtailing production, that, as the distinguished gentleman from New Mexico pointed out, we do not and could not raise much more than enough to take care of our livestock and take care of our people of the West if we irrigated all the available irrigable lands.

Mr. SNELL. Then, if you cannot raise such products, why should we not use the lands in the Middle West for raising them, rather than pay farmers for not using land at the present time? This is what I cannot understand.

Mr. O'CONNOR of Montana. If the gentleman is talking to me personally, I may say I have never believed in the curtailment of production. I believe in the economy of plenty. It is my opinion that we have never had a surplus of consumable products and goods beyond human needs. We had such surpluses beyond market demands. Of course, we had a shortage of money, therefore no buying power, and many people went without the necessities of life, hence the surpluses. I also am a firm believer in the American farmer being permitted to furnish to the American consumers all the products he can raise of which the consumers are in need and can use; in other words, I believe in the protection of the American producer against the importation of farm and livestock products from foreign countries in competition with the American farmer and livestock grower.

Mr. SNELL. I agree with the gentleman.

Mr. O'CONNOR of Montana. I think the people of the country would get along better if we had plenty, instead of curtailing production. However, I may say that in all of these reclamation territories we do not raise much more than enough to take care of our livestock, our sheep, and cattle, because, after all, we are a sheep and cattle country.

Mr. SNELL. Oh, we get a great many products here in the East which come from these reclamation areas in the western country and are in competition with our eastern products.

Mr. O'CONNOR of Montana. Yes; and they are about the best products you eat, too.

Mr. SNELL. I am not saying anything against them, but the gentleman states they do not raise enough out there to do more than support themselves.

Mr. O'CONNOR of Montana. Very little. We may raise some, but we import more from your part of the country than we export to you.

Mr. SNELL. That may be. It is the policy, not the individual project, that I am opposing.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. GEARHART. Is it not a fact that the crops raised on the irrigated lands in the West are not the crops which produce the burdensome surpluses that embarrass the East?

Mr. O'CONNOR of Montana. The gentleman is correct. They are simply forage crops or crops principally for livestock. We western meat growers supply the Chicago market, and they in turn supply your eastern markets.

Mr. SNELL. What about the potato and apple crops which come from the irrigated sections in the West?

Mr. O'CONNOR of Montana. We do not export many potatoes out there.

Mr. SNELL. They advertise Idaho potatoes all over the country.

Mr. O'CONNOR of Montana. Yes; Idaho is a good potato-producing country.

Mr. SNELL. Western apples also come in competition with eastern apples, so do not say your western products do not come in competition with our eastern products.

Mr. O'CONNOR of Montana. To a certain extent; but I mean that we buy from you more than we sell to you.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield to the gentleman from Michigan.

Mr. MICHENER. I notice the bill states—

That consent of Congress is hereby given to the States of Montana and Wyoming to negotiate and enter into a compact or agreement.

These authorities, as a rule, are not worded in this way. You provide for a commission or some agency of the State to enter into the compact. This seems to be rather loosely drawn.

Mr. O'CONNOR of Montana. I may say to the gentleman that the respective States set up their own mechanics to bring this compact or agreement into existence. Then the agreement or compact must be passed upon by the legislatures of the respective States and then come back here to Congress for approval.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR of Montana. I yield.

Mr. HEALEY. I think my friend knows a great deal about these compacts and realizes that, as a matter of fact, the States could actually negotiate a compact or agreement without the consent of Congress in advance, and come in later and ask for the approval by the Congress of the compact they have entered into; but all you are doing by this measure is to grant the authorization and Congress is merely giving its stamp of approval to this procedure.

Mr. MICHENER. I do not like to let this form go through without calling attention to it and objecting to its becoming a precedent for the future. I may say the Judiciary Committee had before it this morning one of these compacts. We have quite a number of them, and I believe these matters should be very carefully drawn. You provide here further that one suitable person who shall be appointed by the President of the United States shall participate in such negotiations. Unless you provide some machinery or unless you provide for a commission, it may be possible for one State to set up its legislature to do the acting and another State to act through a commission and another State to act through a representative or a State agency like the secretary of state's office, and then provide that the Federal Government have one man cooperating with all these people. I am not going to oppose this, but I do say before your committee brings in another authorization for compacts they should give a little consideration to the precedents and the matters that have been disposed of in the past, so there will be some intelligent action. I do not know how the man named by the President is going to act. He has not anybody with which to cooperate. He is going to cooperate with the States if and when the States determine what they are going to do and how they are going to do it.

Mr. O'CONNOR of Montana. I yielded to the gentleman for a question.

Mr. MICHENER. And I have made a pretty good speech. [Laughter.]

Mr. O'CONNOR of Montana. Mr. Chairman, I yield back the balance of my time. [Applause.]

The CHAIRMAN. Is there any Member opposed to the bill who desires time? If not, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That consent of Congress is hereby given to the States of Montana and Wyoming to negotiate and enter into a compact, or agreement, not later than June 1, 1939, providing for an equitable division and apportionment between the States of the water supply of the Yellowstone River and of the streams tributary thereto, upon condition that one suitable person, who shall be appointed by the President of the United States, shall participate in said negotiations as the representative of the United States and shall make report to Congress of proceedings and of any compact or agreement entered into: *Provided*, That such compact or agreement shall not be binding or obligatory upon either of the parties thereto unless and until the same shall have been approved by the legislatures of each of said States and by the Congress of the United States: *Provided further*, That nothing in this act shall apply to any waters within the Yellowstone National Park or shall establish any right or interest in or to any lands within the boundaries thereof.

Mr. GREEVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEVER: On page 2, line 7, after the word "within", insert "or tributary to."

Mr. GREEVER. Mr. Chairman, the only purpose of this amendment is to more fully protect the waters of the Yellowstone Park and except them in any way from this compact;

also by excepting any streams which are tributary to those streams and waters and which, by any division of any kind, might in some way affect the waters within the Yellowstone.

Mr. MICHENER. Suppose those tributary streams had their headwaters outside of the States authorized to enter into the compact?

Mr. GREEVER. They could not be affected by a compact of this nature, and, in fact, do not exist insofar as this amendment is concerned.

Mr. MICHENER. What I am getting at is if we authorize two States, naming them, to enter into a compact, and it develops that a third or a fourth State is affected by the water that eventually gets into the streams of the two States mentioned, would there be authority under the act for the other States, having property rights in this water, to enter into a compact? We had the same thing up exactly with respect to Boulder Dam. I have forgotten the details, but Colorado, Nevada, and Arizona were affected, and two or three other States where the waters eventually got into States affected by the compact, and, of course, our law in the East as to appropriation of water is entirely different from the law in the West, and there was a lot of trouble with respect to the ratification of those compacts.

Mr. GREEVER. Obviously the States of Montana and Wyoming could not enter into a compact which would affect the waters of any other State or any rights acquired under the laws of any other State in and to those waters, but I am speaking only of streams that are tributary to the streams or bodies of water within the Yellowstone Park; in other words, no one wants to diminish the amount of water that flows into the Yellowstone or to diminish those streams in any way, and this amendment is for their further protection. The Yellowstone Park is one of the finest recreational centers in the world, and no citizen of Wyoming and, I hope, of Montana would ever wish to do the slightest act to detract from the beauty of this great primitive area.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Wyoming.

The amendment was agreed to.

Mr. WHITE of Idaho. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PETTENGILL, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill S. 534, and had directed him to report the same back with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. WHITE of Idaho. Mr. Speaker, I move the previous question on the bill and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the amended bill.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MEEKS, for 1 week, on account of important business.

To Mr. BOEHNE, for 10 days, on account of business.

Mr. MILLARD. Mr. Speaker, I make the point of order that there is no quorum present. There seems to be only about 50 Members present.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1762. An act to add certain lands to the Rogue River National Forest in the State of Oregon;

S. 1806. An act to extend the boundaries of the Papago Indian Reservation in Arizona;

S. 1972. An act to authorize the Secretary of War to sell, loan, or give samples of supplies and equipment to prospective manufacturers;

S. 2295. An act to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong., 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes;

S. 2587. An act providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.;

S. 2661. An act granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority; and

S. 2662. An act authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire.

ADJOURNMENT

Mr. WHITE of Idaho. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 35 minutes p. m.) the House adjourned until tomorrow, Thursday, July 22, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Research Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Thursday, July 22, 1937. Business to be considered: Hearings on H. R. 1526, H. R. 5531, H. R. 7001, and H. R. 7643, research bills.

COMMITTEE ON NAVAL AFFAIRS

Subcommittee on Aeronautics of the Naval Affairs Committee of the House of Representatives will hold an open meeting on Friday, July 23, 1937, at 10:30 a. m., for the purpose of investigating the establishment of a District airport in the vicinity of naval radio receiving station at Cheltenham, Md., Hon. JOHN J. DELANEY, chairman.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Wednesday, July 28, 1937, at 10 a. m., eastern standard time, on H. R. 7486, known as the bill to increase the efficiency of the Coast Guard.

Persons desiring to testify are requested to notify the clerk of the committee. Parties who do not intend to testify but who wish to submit a statement for the record are requested to file such statement with the clerk of the committee not later than the date of the hearing.

For the information of those persons who intend to testify, it is the desire of the committee that amendments to be proposed during the hearing be submitted in writing to the clerk of the committee prior to the date of the hearing.

It is very important that notice of intention to testify—even though doubtful of fulfillment—be communicated to the clerk of the committee at least 1 day in advance of the hearing. Otherwise unnecessary confusion and delay might arise, resulting in a reduction of the time available for presentation of testimony by witnesses.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

732. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Commerce for the fiscal year 1938, amounting to $340,600, together with a draft of a proposed provision pertaining to existing appropriations for

that Department (H. Doc. No. 304); to the Committee on Appropriations and ordered to be printed.

733. A letter from the Acting Secretary of the Navy, transmitting a proposed amendment to H. R. 6868, entitled "A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes"; to the Committee on Naval Affairs.

734. A letter from the Clerk, House of Representatives, transmitting the contest for a seat in the House of Representatives for the Seventy-fifth Congress of the United States for the First Congressional District of the State of New Hampshire, *Alphonse Roy* v. *Arthur B. Jenks*, notice of which has been filed in the office of the Clerk of the House; and also transmit herewith original testimony, papers, and documents relating thereto (H. Doc. No. 305); to the Committee on Elections No. 3 and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PALMISANO: Committee on the District of Columbia. H. R. 7902. A bill to regulate proceedings in adoption in the District of Columbia; without amendment (Rept. No. 1274). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 6351. A bill to provide for the operation of the recreational facilities within the Chopawamsic Recreational Demonstration Project near Dumfries, Va., by the Secretary of the Interior through the National Park Service, and for other purposes; without amendment (Rept. No. 1276). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 6652. A bill to provide for the administration and maintenance of the Natchez Trace Parkway, in the States of Mississippi, Alabama, and Tennessee, by the Secretary of the Interior, and for other purposes; with amendment (Rept. No. 1277). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK of Arizona: Committee on the Public Lands. H. R. 7264. A bill to revise the boundary of the Grand Canyon National Park in the State of Arizona, to abolish the Grand Canyon National Monument, to restore certain lands to the public domain, and for other purposes; without amendment (Rept. No. 1278). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 7825. A bill to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes; without amendment (Rept. No. 1279). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 7826. A bill to make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes; without amendment (Rept. No. 1280). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 7931. A bill to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes; without amendment (Rept. No. 1281). Referred to the Committee of the Whole House on the state of the Union.

Mr. HAMILTON: Committee on Naval Affairs. H. R. 7560. A bill to authorize alterations and repairs to certain naval vessels, and for other purposes; with amendment (Rept. No. 1283). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR of Montana: Committee on the Public Lands. S. 190. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States; without amendment (Rept. No. 1275). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK: A bill (H. R. 7948) providing for the promotion of employees in the Customs Field Service; to the Committee on Ways and Means.

By Mr. BOLAND of Pennsylvania: A bill (H. R. 7949) to exempt State liquor-dispensing systems from the requirement of keeping certain records and rendering transcripts and summaries of entries with respect to distilled spirits; to the Committee on Ways and Means.

By Mr. PALMISANO: A bill (H. R. 7950) to amend the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. CELLER: A bill (H. R. 7951) to amend section 6, title 28, United States Code as amended; to the Committee on the Judiciary.

By Mr. KVALE: A bill (H. R. 7952) to establish the Pipestone National Monument in the State of Minnesota; to the Committee on the Public Lands.

By Mr. FERGUSON: A bill (H. R. 7953) to provide for studies and plans for the development of reclamation projects on the Cimarron River in Cimarron County, Okla.; the Washita River in Oklahoma; and the North Canadian River in Oklahoma; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 7954) to provide for studies and plans for the development of a reclamation project on the Cimarron River in Cimarron County, Okla.; to the Committee on Irrigation and Reclamation.

By Mr. ASHBROOK: A bill (H. R. 7955) granting pensions to veterans of the World War, their widows, and dependents; to the Committee on Pensions.

By Mr. COSTELLO: A bill (H. R. 7956) to reimburse officers, enlisted men, and civilian employees of the Army and their families and dependents, or their legal representatives, for losses sustained as a result of a hurricane which occurred in Texas on August 16, 17, and 18, 1915; to the Committee on Claims.

By Mr. O'TOOLE: A bill (H. R. 7957) to provide for the issuance and licensing of food handlers for the protection of public health and to provide penalties for violation thereof; to the Committee on the District of Columbia.

By Mr. WHELCHEL: A bill (H. R. 7958) regulating the selection of materials to be used in buildings erected on Government property; to the Committee on Public Buildings and Grounds.

By Mr. SPARKMAN (by request): A bill (H. R. 7959) providing for Federal service medals of honor to Government employees for distinguished service; to the Committee on the Library.

By Mr. DIES: Resolution (H. Res. 282) providing for a special committee to investigate un-American propaganda; to the Committee on Rules.

By Mr. KRAMER: Joint resolution (H. J. Res. 450) for the relief of the Forty-eighth District Agricultural Association of California; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FLETCHER: A bill (H. R. 7960) for the relief of Wilma Artopoeus; to the Committee on Claims.

By Mr. KELLY of New York: A bill (H. R. 7961) granting a pension to Jane Flynn; to the Committee on Pensions.

By Mr. O'TOOLE: A bill (H. R. 7962) for the relief of Domenico Mazzella; to the Committee on Immigration and Naturalization.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 7963) for the relief of George H. Lowe, Jr.; to the Committee on Military Affairs.

By Mr. SPARKMAN: A bill (H. R. 7964) for the relief of the estate of T. M. White; to the Committee on Claims.

Also, a bill (H. R. 7965) for the relief of Dr. Thomas M. Barnett; to the Committee on Claims.

By Mr. LEAVY: A bill (H. R. 7966) for the relief of Capt. James L. Alverson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2985. By Mr. CURLEY: Petition of the New York County Lawyers Association, New York City, urging adoption of House bill 4472, introduced by Congressman VOORHIS, making eligible for citizenship persons who had entered this country between June 3, 1921, and July 1, 1924, and who have been residing here continuously since that time; to the Committee on Immigration and Naturalization.

2986. Also, petition of the State Relief Agency, St. Paul, Minn., endorsing Senate Joint Resolution 85, providing an appropriation of $20,000 to investigate the social and economic needs of laborers migrating across State lines; to the Committee on Labor.

2987. Also, petition of the United States Junior Chamber of Commerce, regarding air transportation; to the Committee on Interstate and Foreign Commerce.

2988. By Mr. HAVENNER: Petition of citizens of California, opposing the enactment of new legislation which would nullify the California community property law; to the Committee on Ways and Means.

2989. By Mr. KRAMER: Resolution of the Board of Supervisors of the County of Los Angeles, relative to interest on public-demand deposits, etc.; to the Committee on Banking and Currency.

2990. By Mr. LEAVY: Petition of the Ellisforde Grange, No. 1010, urging the Government to impose an embargo on arms and ammuntion against the Governments of Italy and Germany for their participation in the Spanish rebellion and their unlawful acts of aggression in that conflict; to the Committee on Foreign Affairs.

2991. By Mr. SADOWSKI: Concurrent resolution of the Senate of the State of Michigan, endorsing continuance of the Public Works Administration; to the Committee on Appropriations.

2992. Also, petition of the National Federation of Post Office Clerks, Local 295, Detroit, Mich., endorsing House bill 2691; to the Committee on the Post Office and Post Roads.

2993. Also, House Concurrent Resolution No. 43, of the State of Michigan, providing for granting of consent to the Mackinac Straits Bridge Authority of Michigan to construct a bridge across the Straits of Mackinac; to the Committee on Military Affairs.

2994. Also, petition of the Michigan Federation of Post Office Clerks, urging the improvement of conditions surrounding employment of substitute post-office clerks; to the Committee on the Post Office and Post Roads.

2995. Also, petition of the Michigan Federation of Post Office Clerks, opposing salary reductions or furloughs in the Postal Service; to the Committee on the Post Office and Post Roads.

2996. Also, petition of the Federation of Post Office Clerks, Local 295, Detroit, Mich., endorsing the enactment of legislation establishing a system of longevity pay for post-office clerks and other post-office employees; to the Committee on the Post Office and Post Roads.

2997. Also, petition of the Detroit Federation of Post Office Clerks, Detroit, Mich., endorsing House bill 4647; to the Committee on the Post Office and Post Roads.

2998. Also, petition of the Federation of Post Office Clerks, Local 295, Detroit, Mich., endorsing House bill 3415; to the Committee on the Post Office and Post Roads.

2999. Also, petition of the Michigan State Association of Postal Supervisors, endorsing Senate Joint Resolution 142; to the Committee on Appropriations.

3000. Also, petition of the Michigan State Association of Postal Supervisors, endorsing House bill 6814; to the Committee on the Post Office and Post Roads.

3001. Also, petition of the Michigan State Association of Postal Supervisors, endorsing Senate bill 1306; to the Committee on Banking and Currency.

3002. Also, petition of the Michigan State Association of Postal Supervisors, endorsing House bill 5852; to the Committee on the Post Office and Post Roads.

3003. Also, petition of the Michigan State Association of Postal Supervisors, endorsing Senate bill 615; to the Committee on the Civil Service.

SENATE

THURSDAY, JULY 22, 1937

The Reverend Richard A. Cartmell, D. D., assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, the Father of us all, whose love passeth human understanding, whose presence is nearer than the breath of life: Grant to us, we beseech Thee, the nourishment of Thy grace that daily we may grow unto the image of Jesus Christ, our Lord. Even as He, may we, also, seek above all else Thy honor and glory; Thy kingdom of righteousness and peace. Bestow upon us such a measure of His spirit that we may make no compromise with wrong, yet see a vision of Thee in every living soul, so that when we gain our victory, O Lord, it may be Christ's victory of justice and truth, wrought not on the anvil of hate but in the fire of love. And in the end grant that every one of us may come to love Thee with the fullness of our being and our neighbor as ourself. Through the same, Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous request, the reading of the Journal of the proceedings of Tuesday, July 20, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On July 13, 1937:

S. 557. An act authorizing the naturalization of James Lincoln Hartley, and for other purposes;

S. 727. An act validating homestead entry billings 029004 of Lillian J. Glinn;

S. 767. An act for the relief of the Charles T. Miller Hospital at St. Paul, Minn.; Dr. Edgar T. Herrmann; Ruth Kehoe, nurse; and Catherine Foley, nurse;

S. 1474. An act to provide for the advancement on the retired list of the Navy of Clyde J. Nesser, a lieutenant (junior grade), United States Navy, retired; and

S. 2497. An act authorizing John Monroe Johnson, Assistant Secretary of Commerce, to accept the decoration tendered him by the Belgian Government.

On July 14, 1937:

S. 171. An act for the relief of George E. Shockley.

On July 15, 1937:

S. 114. An act for the relief of Mildred Moore.

On July 16, 1937:

S. 828. An act for the relief of Ellen Taylor;

S. 885. An act for the relief of H. G. Harmon;

S. 1048. An act for the relief of Alexander E. Kovner;

S. 1188. An act for the relief of J. E. Sammons; and

S. 1934. An act for the relief of Halle D. McCullough.

On July 17, 1937:

S. 630. An act for the relief of the Sheehy Drilling Co.;

S. 1849. An act for the relief of the Goldenberg Furniture Co.; and

S. 2266. An act for the relief of John A. Ensor.

On July 19, 1937:

S. 1257. An act for the relief of James H. Smith.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the bill (S. 2086) to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico.

The message also announced that the House had passed the bill (S. 534) granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 738. An act for the relief of Asa C. Ketcham;

H. R. 886. An act for the relief of Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin;

H. R. 1025. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claims of the Italian Star Line, Inc., against the United States;

H. R. 1252. An act for the relief of Ellen Kline;

H. R. 1258. An act for the relief of E. G. Briseno and Hector Briseno, a minor;

H. R. 1690. An act for the relief of Ralph Reisler;

H. R. 1858. An act for the relief of Charles E. Names;

H. R. 2093. An act for the relief of Marion Shober Phillips;

H. R. 2904. An act for the relief of officers and soldiers of the Volunteer Service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 3276. An act conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of the Delaware Bay Shipbuilding Co., Inc.;

H. R. 3426. An act for the relief of Rose McGirr;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

H. R. 5112. An act for the relief of Frank Lee Borney; and

H. R. 5030. An act granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 21) authorizing the printing of the report of the Subcommittee on Technology to the National Resources Committee entitled "Technological Trends and National Policy, Including the Social Implications of the New Inventions", as a document, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President.

S. 1762. An act to add certain lands to the Rogue River National Forest in the State of Oregon;

S. 1806. An act to extend the boundaries of the Papago Indian Reservation in Arizona;

S. 1972. An act to authorize the Secretary of War to sell, loan, or give samples of supplies and equipment to prospective manufacturers;

S. 2295. An act to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong., 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes;

S. 2587. An act providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.;

S. 2661. An act granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority; and

S. 2662. An act authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire.

CALL OF THE ROLL

Mr. LEWIS. In order to assure the presence of a quorum, I ask that the roll be called.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson, Colo.	Pittman
Andrews	Copeland	King	Pope
Ashurst	Davis	La Follette	Radcliffe
Austin	Dieterich	Lee	Reynolds
Bailey	Donahey	Lewis	Russell
Barkley	Duffy	Lodge	Schwartz
Berry	Ellender	Logan	Schwellenbach
Bilbo	Frazier	Lonergan	Sheppard
Black	George	Lundeen	Shipstead
Bone	Gerry	McAdoo	Smathers
Borah	Gibson	McCarran	Smith
Bridges	Gillette	McGill	Steiwer
Brown, Mich.	Glass	McKellar	Thomas, Okla.
Brown, N. H.	Green	McNary	Thomas, Utah.
Bulkley	Guffey	Maloney	Townsend
Bulow	Hale	Minton	Truman
Burke	Harrison	Moore	Tydings
Byrd	Hatch	Murray	Vandenberg
Byrnes	Herring	Neely	Van Nuys
Capper	Hitchcock	Nye	Wagner
Caraway	Holt	O'Mahoney	Walsh
Chavez	Hughes	Overton	Wheeler
Clark	Johnson, Calif.	Pepper	White

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Ninety-two Senators have answered to their names. A quorum is present.

CONDOLENCES ON DEATH OF SENATOR ROBINSON

The VICE PRESIDENT laid before the Senate a resolution adopted by the Home Owners' Association of Oklahoma at Tulsa, Okla., and also various other communications from citizens of the United States, expressing regret upon the occasion of the death of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas, which were ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by the Rabbinical Council of America at New York, N. Y., expressing regret upon the occasion of the death of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas, which was ordered to lie on the table.

UNITED STATES GOLDEN GATE INTERNATIONAL EXPOSITION COMMISSION

The VICE PRESIDENT. The Chair appoints the Senator from California [Mr. McADOO], the Senator from Nevada [Mr. PITTMAN], and the Senator from Oregon [Mr. MCNARY] as members, on the part of the Senate, of the United States Golden Gate International Exposition Commission, established by Public Resolution No. 52, approved July 9, 1937.

UNITED STATES NEW YORK WORLD'S FAIR COMMISSION

The VICE PRESIDENT. The Chair appoints the senior Senator from New York [Mr. COPELAND], the junior Senator from New York [Mr. WAGNER], and the Senator from Maine [Mr. WHITE] as members, on the part of the Senate, of the United States New York World's Fair Commission, established by Public Resolution No. 53, approved July 9, 1937.

COMMISSION TO ATTEND DEDICATION OF WORLD WAR MEMORIALS IN EUROPE

The VICE PRESIDENT. Under authority of Public Resolution No. 45, approved June 28, 1937, the Chair appoints the Senator from Wisconsin [Mr. DUFFY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Vermont [Mr. GIBSON] as members, on the part of the Senate, of the Commission to attend the dedication of World War memorials erected in Europe under authority of the act of March 4, 1923.

LAWS OF PUERTO RICO; FOURTH SPECIAL SESSION, 1936; REGULAR SESSION, 1937

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying document, referred to the Committee on Territories and Insular Affairs, as follows:

To the Congress of the United States:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes", I transmit herewith certified copies of laws enacted by the Thirteenth Legislature of Puerto Rico during its fourth special session, September 21–22, 1936, and by the Fourteenth Legislature of Puerto Rico during its first regular session, February 8 to April 15, 1937.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 19, 1937.*

LEGISLATION OF THE ST. THOMAS AND ST. JOHN MUNICIPAL COUNCIL, VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a copy of certain legislation passed by the Municipal Council of St. Thomas and St. John, Virgin Islands, and approved by the Governor of the islands, which, with the accompanying papers, was referred to the Committee on Territories and Insular Affairs.

FRANK PASHLEY AND BROWN GARRETT

The VICE PRESIDENT laid before the Senate a letter from the Acting Comptroller General of the United States, transmitting his report and recommendation to Congress concerning the claims of Frank Pashley and Brown Garrett against the United States, which, with the accompanying papers, was referred to the Committee on Claims.

REPORT OF FEDERAL DEPOSIT INSURANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Deposit Insurance Corporation, transmitting, pursuant to law, the annual report of the Corporation for the year ended December 31, 1936, which, with the accompanying report, was referred to the Committee on Banking and Currency.

BONNEVILLE DAM AND PROTECTION OF THE COLUMBIA RIVER FISHERIES (S. DOC. NO. 87)

The VICE PRESIDENT laid before the Senate a letter from the Commissioner of Fisheries, transmitting, in response to Senate Resolution 113, agreed to April 9, 1937, a report on the facilities for the passage of salmon at the Bonneville Dam, Oreg., which, with the accompanying report, was referred to the Committee on Commerce and ordered to be printed.

DELTA AIR CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Interstate Commerce Commission, transmitting, pursuant to section 6 of the Air Mail Act of 1934, as amended, a copy of a decision on the air-mail contract of the Delta Air Corporation, which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

CHANGE OF NAME OF CHEMICAL WARFARE SERVICE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1284) to change the name of the Chemical Warfare Service, which was, on page 1, line 5, after the word "Chemical", to strike out "Service" and insert "Corps."

Mr. SHEPPARD. I move that the Senate concur in the House amendment.

The motion was agreed to.

ASA J. HUNTER

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1067) for the relief of Asa J. Hunter, which were, on page 1, line 6, to strike out "$455" and insert "$250"; and on page 1, to strike out lines 8 and 9 and insert "personal injuries sustained by him when his automobile was."

Mr. SHIPSTEAD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ORDER OF BUSINESS

The VICE PRESIDENT. The Chair lays before the Senate a privileged matter, being a veto message from the President of the United States, which the clerk will read.

The legislative clerk proceeded to read the message from the President of the United States, returning without approval, H. R. 6763, entitled "An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period of July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on land-bank commissioner's loans for a period of 2 years."

Mr. McNARY. Mr. President, I dislike to interfere with the reading of the veto message, but it was plainly understood when the Senate adjourned day before yesterday that first we would have today the regular routine morning business, which would be followed by the consideration of the veto message, after which unobjected bills on the calendar would be considered, and then the Senator from New York [Mr. COPELAND] would be recognized. I insist that we go through with that understanding.

Mr. BARKLEY. Mr. President, the Senator from Oregon is correct. I did not know that the veto message would be laid down for consideration until the morning business had been concluded. If it is necessary to ask unanimous consent that the reading of the veto message be discontinued, I will do so.

The VICE PRESIDENT. Without objection, the clerk will cease reading the message. The presentation of petitions and memorials is in order.

Mr. COPELAND. Mr. President, if I am now entitled to the floor, I ask unanimous consent that I may yield until routine morning business shall have been disposed of, and then take my place upon the floor.

The VICE PRESIDENT. This is the morning hour, and it is the impression of the Chair that the Senator from New York could take the floor now only by unanimous consent until routine morning business shall have been disposed of.

Mr. McNARY. Mr. President, the Senator from New York does not need to make such a request. The routine morning business takes precedence. After that shall have been concluded, and after the unanimous-consent agreement shall have been carried out, then the Senator from New York will be entitled automatically to the floor. That is the rule of the Senate.

The VICE PRESIDENT. That is the understanding of the Chair.

Mr. COPELAND. That being the ruling of the Chair, I will take my seat.

The VICE PRESIDENT. When the morning business shall have been concluded, and the other matters under the agreement disposed of, the Senator from New York will be entitled to the floor.

Mr. COPELAND. I thank the Chair.

Mr. BARKLEY. In that connection let me say that it was the understanding when the Senate adjourned day before yesterday that the morning business would be transacted today; that then the veto message of the President would be taken up as a privileged matter; and, following that, I would ask unanimous consent that the Senate proceed to the consideration of unobjected bills on the calendar. I think it would be more orderly to pursue that course, and I now make that request.

The VICE PRESIDENT. Is there objection? The Chair hears none. The presentation of petitions and memorials is in order.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of Clarence R. Bitting of New York, N. Y., praying

for the ratification by the Senate of the so-called international sugar agreement as a means of stabilizing world sugar prices, which was referred to the Committee on Finance.

He also laid before the Senate the petition of Mrs. C. R. Ertz, of Canon City, Colo., praying for the enactment of House bill 5538, providing Federal pensions to the blind, which was referred to the Committee on Pensions.

He also laid before the Senate the petition of Mrs. Mary E. Cale, of Camden, N. J., praying for the enactment of House bill 2257, providing a Federal pension to every citizen 55 years of age or older, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Texas Bar Association at San Antonio, Tex., favoring the enactment of legislation providing for the appointment of official shorthand reporters to the district courts, and also a resolution protesting against the enactment of proposed legislation to reorganize the Federal judiciary, which were ordered to lie on the table.

He also laid before the Senate the petition of Charles Forney, of Princess Anne County, Va., praying for the rejection of legislation to reorganize the Federal judiciary, which was ordered to lie on the table.

Mr. TYDINGS presented a petition of sundry citizens of Annapolis, Md., praying for the enactment of House bill 2257, providing a Federal pension to every citizen over 55 years of age, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Musical Union, of Baltimore, Md., urging the restoration of certain workers to the rolls of the Works Progress Administration, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Insurance Agents Relief Association, Inc., of Baltimore, Md., favoring the enactment of antilynching legislation, which was ordered to lie on the table.

Mr. WALSH presented a resolution adopted by the council of the Bar Association of Boston, Mass., protesting against the enactment of legislation to reorganize the Federal judiciary, which was ordered to lie on the table.

He also presented a resolution adopted by the Home Loan Defense Association, of Malden, Mass., remonstrating against further home foreclosures on the part of the Home Owners' Loan Corporation, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Central Labor Union of Lawrence, Mass., protesting against the enactment of legislation permitting messenger boys to take noncompetitive examinations for the Postal Service after a certain period of employment, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by Belmont-Waverly Post, No. 165, the American Legion, of Belmont, Mass., protesting against the enactment of legislation to reorganize the Federal judiciary, which was ordered to lie on the table.

Mr. LODGE presented petitions of sundry citizens of the State of Massachusetts praying the abolition of the Federal Reserve System as at present constituted, which was referred to the Committee on Banking and Currency.

He also presented the petition of the Home Loan Defense Association of Malden, Mass., praying the stay of home foreclosures by the Home Owners' Loan Corporation until remedial legislation can be enacted, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Musicians' Protective Association of Boston, Mass., urging that certain persons be restored to the rolls of the Works Progress Administration, which was referred to the Committee on Education and Labor.

Mr. COPELAND presented a resolution adopted by the Commercial Artists and Designers Union of New York, N. Y., favoring the enactment of Senate Joint Resolution 176, providing for the employment of certain persons by the Works Progress Administration, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Jewish Men's Club of Spring Valley, N. Y., favoring the enactment of House bill 6485, providing for the establishment of adult civic education centers, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Fourth Ward Democratic Club of Mount Vernon, N. Y., protesting against certain reductions in the personnel of the Works Progress Administration, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Board of Supervisors of Erie County, State of New York, urging the establishment of Federal relief projects in certain New York communities damaged by floodwaters, which was referred to the Committee on Commerce.

Mr. WAGNER presented petitions (transmitted by the Red Hook South Brooklyn (N. Y.) Housing Conference) of sundry citizens of Brooklyn, N. Y., praying for the prompt enactment of the pending low-cost housing bill, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Tremont A. L. P. Club, of the Bronx, N. Y., favoring the prompt enactment of the pending low-cost housing bill, which was referred to the Committee on Education and Labor.

He also presented petitions of several citizens and organizations of Detroit, Mich., praying for the prompt enactment of the pending low-cost housing bill, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Jewish Men's Club of Spring Valley, N. Y., favoring the enactment of House bill 6485, providing for the establishment of adult civic education centers, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Y. W. C. A. Summer Conference at Lake Okoboji, Iowa, favoring the enactment of the so-called Wagner-Van Nuys antilynching bill, which was ordered to lie on the table.

REORGANIZATION OF FEDERAL JUDICIARY: PETITIONS

Mr. McADOO. Mr. President, I present numerous petitions signed by some 50,000 Californians in behalf of the President's proposal for court reform. I ask that they may lie on the table where everyone may see them, and also that the body of one of the petitions be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The body of one of the petitions presented by Mr. McADOO is as follows:

MONSTER ROLL CALL OF 1,000,000 CALIFORNIA VOTERS BACKING PRESIDENT ROOSEVELT IN HIS PROPOSAL TO REORGANIZE THE SUPREME COURT AND URGING THE CONGRESS OF THE UNITED STATES TO SUPPORT HIM—VOLUNTEER COMMITTEE OF 10,000 LOYAL, MILITANT DEMOCRATS TO "CALL THE ROLL"

FRANKLIN DELANO ROOSEVELT,
President of the United States, Washington, D. C.:

In 1932 the people of the United States gave you a mandate to lead them out of economic misery, chaos, and collapse. We did not know you then as we do now. But we looked to you to initiate laws for our economic deliverance.

You did not fail us. And again in 1936, by the most overwhelming majority in our history, we renewed that mandate, trusting to your wise leadership to "make our American democracy succeed" by progressive and constructive legislation adequate to meet the grave social and economic problems confronting us.

You are now leading the battle of democracy up to the next trenches, in your proposal to "reorganize the Supreme Court." Therefore,

We, the undersigned voters of the State of California, herewith answer the "roll call", pledging to you our loyal and wholehearted support. And we herewith urge upon Congress the early passage of the President's proposal, as the only immediate available method to make possible progressive legislation now imperative if democracy is not to fail. "We also," Mr. President, "have just begun to fight."

REPORTS OF COMMITTEES

Mrs. CARAWAY, from the Committee on Commerce, to which was referred the resolution (S. Res. 117) creating a special committee to investigate and report on matters per-

taining to aquatic life of the United States, its Territories, and waters adjacent thereto, reported it without amendment.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 1700) for the relief of William A. Patterson; Albert E. Rust; Louis Pfeiffer; and John L. Nesbitt and Cora B. Geller, as executors under the will of James T. Bentley, reported it with amendments and submitted a report (No. 901) thereon.

Mr. BURKE, from the Committee on Claims, to which was referred the bill (S. 1043) for the relief of A. C. Williams, reported it with amendments and submitted a report (No. 902) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2707) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co., reported it with amendments and submitted a report (No. 903) thereon.

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (S. 2427) for the relief of the estates of Al Cochran, Willis Cochran, and Russell Cochran, and for the relief of Shirley Cochran and Matilda Cochran, reported it with amendments and submitted a report (No. 904) thereon.

Mr. BAILEY, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2768. A bill authorizing the Comptroller General to adjust and settle the claim of Leo L. Harrison (Rept. No. 905); and

S. 2769. A bill authorizing the Comptroller General to adjust and settle the claim of Irvin H. Johnson (Rept. No. 906).

Mr. VAN NUYS, from the Committee on the Judiciary, to which was referred the joint resolution (H. J. Res. 363) to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission, reported it with amendments and submitted a report (No. 907) thereon.

Mr. McKELLAR, from the Committee on Civil Service, to which was referred the bill (H. R. 3408) to amend the Civil Service Act approved January 16, 1883 (22 Stat. 403), and for other purposes, reported it without amendment and submitted a report (No. 908) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 2598) to provide for the advancement on the retired list of the Navy of Arthur W. Bass, a lieutenant (junior grade), United States Navy, retired, reported it without amendment and submitted a report (No. 909) thereon.

He also, from the same committee, to which was referred the bill (S. 2338) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, reported it with amendments and submitted a report (No. 910) thereon.

Mr. DIETERICH, from the Committee on the Judiciary, to which was referred the bill (H. R. 5969) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it without amendment and submitted a report (No. 911) thereon.

Mr. PEPPER, from the Committee on Commerce, to which was referred the bill (H. R. 6048) to provide for the establishment of a Coast Guard station in the vicinity of Fort Myers, Fla., reported it without amendment and submitted a report (No. 932) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 6693. A bill to legalize a dike in the Missouri River 6.9 miles downstream from the South Dakota State highway bridge at Pierre, S. Dak. (Rept. No. 917); and

H. R. 7514. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y. (Rept. No. 914).

Mr. GUFFEY, from the Committee on Commerce, to which was referred the bill (S. 2478) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, reported it without amendment and submitted a report (No. 918) thereon.

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (S. 2092) to authorize the completion, maintenance, and operation of the Bonneville project for navigation, and for other purposes, reported it with amendments and submitted a report (No. 919) thereon.

Mr. COPELAND, from the Committee on Commerce, to which were referred the following bills, reported them each with amendments and submitted reports thereon, as follows:

S. 988. A bill to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes", approved March 3, 1927, as amended (Rept. No. 921);

S. 2455. A bill to amend the Merchant Marine Act, 1936 (Act of June 29, 1936, ch. 858; 49 Stat. 1985) (Rept. No. 912);

H. R. 7051. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes (Rept. No. 916); and

H. R. 7646. A bill to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936 (Rept. No. 915).

Mr. COPELAND also, from the Committee on Commerce, to which were referred the following bills and joint resolutions, reported them each without amendment and submitted reports thereon:

S. 2433. A bill to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 U. S. Stat. 1380, 1383; title 46, U. S. C., sec. 239) (Rept. No. 922);

S. 2575. A bill to increase the efficiency of the Coast Guard (Rept. No. 913);

S. 2578. A bill to authorize the Secretary of Commerce to continue the existing system of classification and pay of positions of lighthouse keepers (Rept. No. 923);

S. 2638. A bill to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936 (Rept. No. 924);

S. 2729. A bill to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului Townsite, island of Maui, Territory of Hawaii, in exchange for two plots of land located in the same townsite and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co. and the Hawaiian Commercial & Sugar Co., Ltd. (Rept. No. 925);

S. 2786. A bill to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes (Rept. No. 926);

H. R. 4642. A bill to provide for the conveyance by the United States to the county of Beaufort, S. C., of the Hunting Island Lighthouse Reservation (Rept. No. 928);

H. R. 6045. A bill authorizing and directing the Secretary of Commerce to transfer to the Government of Puerto Rico a portion of land within the Catano Range Rear Lighthouse Reservation, P. R., and for other purposes (Rept. No. 929);

H. R. 6976. A bill to provide for the establishment of a Coast Guard station on the coast of Alabama at or near Dauphin Island, Ala. (Rept. No. 930);

H. R. 7823. A bill to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes (Rept. No. 931);

S. J. Res. 179. Joint resolution to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York (Rept. No. 920); and

H. J. Res. 413. Joint resolution to permit the transportation of passengers by Canadian passenger vessels between ports or places in the United States on Lake Ontario and the St. Lawrence River (Rept. No. 927).

MEMBERSHIP OF SPECIAL COMMITTEE ON INVESTIGATION OF UNEMPLOYMENT AND RELIEF PROBLEMS

Mr. BYRNES. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, with an amendment, the resolution (S. Res. 145) increasing the membership of the Special Committee on Investigation of Unemployment and Relief Problems, and I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 145) submitted by Mr. HATCH on June 15, 1937. The amendment of the committee was, on page 1, at the end of line 6, to insert a comma and the words "and the committee is authorized to call upon the executive departments for clerical and other assistants", so as to make the resolution read:

Resolved, That the membership of the special committee of the Senate to study, survey, and investigate the problems of unemployment and relief, created under Senate Resolution No. 36, Seventy-fifth Congress, first session, agreed to June 10, 1937, is hereby increased by two Senators, to be appointed by the President of the Senate, and the committee is authorized to call upon the executive departments for clerical and other assistants.

The amendment was agreed to.

The resolution, as amended, was agreed to.

VIOLATIONS OF FREE SPEECH AND RIGHTS OF LABOR—CHICAGO MEMORIAL DAY INCIDENT (PT. 2, REPT. NO. 46)

Mr. LA FOLLETTE. From the Committee on Education and Labor I submit an interim report on the activities of the subcommittee appointed pursuant to Senate Resolution 266 (74th Cong.) to investigate violations of the right of free speech and assembly and interference with the rights of labor to organize and bargain collectively.

The VICE PRESIDENT. The report will be received and printed with the illustrations.

VIOLATIONS OF FREE SPEECH AND RIGHTS OF LABOR—LIMIT OF EXPENDITURES BY COMMITTEE

Mr. LA FOLLETTE. By authority of the full Committee on Education and Labor, for the Senator from Utah [Mr. THOMAS] and myself, I report from that committee a resolution, which I ask may be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. The report will be received and the resolution referred as indicated by the Senator from Wisconsin.

The resolution (S. Res. 154) was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the limit of expenditures under Senate Resolution 266, Seventy-fourth Congress, second session, agreed to June 6, 1936, and under Senate Resolution 70, Seventy-fifth Congress, first session, agreed to February 19, 1937, to investigate violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively, is hereby increased by $50,000.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HITCHCOCK:

A bill (S. 2790) to amend the Agricultural Adjustment Act, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. McNARY:

A bill (S. 2791) to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable; and

A bill (S. 2792) to authorize the withdrawal of national-forest lands for the protection of watersheds from which water is obtained for municipalities, and for other purposes; to the Committee on Agriculture and Forestry.

By MR. WAGNER:

A bill (S. 2793) to amend section 4 of the United States Grain Standards Act of 1916 as relating to the use of the official grain standards of the United States on grain moved in interstate commerce from shipping points to destination points without official grade determination; to the Committee on Agriculture and Forestry.

A bill (S. 2794) to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States; to the Committee on Banking and Currency.

By Mr. TYDINGS:

A bill (S. 2795) to revive and reenact the act entitled "An act authorizing the Great Falls Bridge Co. to construct, maintain, and operate a bridge across the Potomac River at or near Great Falls", approved April 21, 1928; to the Committee on the District of Columbia.

By Mr. GIBSON:

A bill (S. 2796) to amend the Canal Zone Code so as to provide for widows' annuities; to the Committee on Civil Service.

By Mr. BLACK (for Mr. HAYDEN):

A bill (S. 2797) for the relief of Mrs. Miriam Thornber; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 2798) for the relief of Edith Jennings (with accompanying papers); to the Committee on Claims.

By Mr. HATCH:

A bill (S. 2799) for the relief of George Marsh; to the Committee on Claims.

By Mr. LEE:

A bill (S. 2800) to pay the burial expenses of Clancey O. Gilham; to the Committee on Claims.

By Mr. MOORE:

A bill (S. 2801) to amend the act entitled "An act for the relief of the State of New Jersey", approved May 15, 1936; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 2802) for the relief of the parents of Carl Orr; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 2803) granting a pension to George M. Fisher; and

A bill (S. 2804) granting a pension to Mrs. Clyde Fyfe; to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 2805) granting an increase of pension to Matilda Rule (with accompanying papers); to the Committee on Pensions.

A bill (S. 2806) for the relief of Indian war veterans who were discharged from the Army because of minority or misrepresentation of age; to the Committee on Military Affairs.

By Mr. DAVIS:

A bill (S. 2807) granting a pension to Henrietta V. W. Owen; and

A bill (S. 2808) granting an increase of pension to Eugene Promie (alias Eugene Promis); to the Committee on Pensions.

By Mr. WALSH:

A bill (S. 2809) to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost while engaged in emergency relief expeditions during the Ohio Valley flood in February 1937; to the Committee on Naval Affairs.

By Mr. JOHNSON of California:

A bill (S. 2810) for the relief of Joseph Bradley Murphy; to the Committee on Naval Affairs.

A bill (S. 2811) to amend the Judicial Code by adding thereto a new section to be numbered 659 (1) relating to the certification, authentication, and use in evidence of docu-

ments of record or on file in public offices in the State of Vatican City; to the Committee on the Judiciary.

By Mr. BYRD:

A bill (S. 2812) to renew and extend certain letters patent to Irvine K. Roby; to the Committee on Patents.

By Mr. COPELAND:

A bill (S. 2813) for the relief of the William Wrigley, Jr., Co.;

A bill (S. 2814) for the relief of the R. S. Howard Co.;

A bill (S. 2815) for the relief of Fairbanks, Morse & Co.; and

A bill (S. 2816) for the relief of Thermal Syndicate, Ltd.; to the Committee on Claims.

A bill (S. 2817) providing for the purchase by the United States of air navigation facilities established, with the approval of the Secretary of Commerce, by air-mail contractors on their contract routes; to the Committee on Commerce.

By Mr. MOORE:

A bill (S. 2818) to amend the Interstate Commerce Act (pt. II); to the Committee on Interstate Commerce.

By Mr. WAGNER:

A bill (S. 2819) to create a committee on purchases of blind-made products, and for other purposes; to the Committee on Interstate Commerce.

By Mr. THOMAS of Oklahoma:

A bill (S. 2820) to provide for studies and plans for the development of a reclamation project on the Cimarron River in Cimarron County, Okla.; and

A bill (S. 2821) to provide for studies and plans for the development of reclamation projects on the Cimarron River in Cimarron County, Okla.; the Washita River in Oklahoma, and the North Canadian River in Oklahoma; to the Committee on Irrigation and Reclamation.

By Mr. BLACK:

A bill (S. 2822) granting a pension to Grizelda Hull Hobson; to the Committee on Pensions.

A bill (S. 2823) to quiet title and possession to certain islands in the Tennessee River in the counties of Colbert and Lauderdale, Ala.; and

A bill (S. 2824) to establish the Coosa National Park in the State of Alabama; to the Committee on Public Lands and Surveys.

(Mr. BRIDGES (for himself and Mr. BERRY) introduced Senate Joint Resolution 180, which was referred to the Committee on Military Affairs and appears under a separate heading.)

By Mr. THOMAS of Oklahoma:

A joint resolution (S. J. Res. 181) providing for participation by the United States in the exposition and celebration to be held in Oklahoma City in 1939; to the Committee on Commerce.

By Mr. LA FOLLETTE:

A joint resolution (S. J. Res. 182) to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes; to the Committee on Education and Labor.

(Mr. THOMAS of Oklahoma introduced Senate Joint Resolution 183, which was referred to the Committee on Mines and Mining and appears under a separate heading.)

CONSERVATION AND PRESERVATION OF IRON ORE AND STEEL SCRAP

Mr. BRIDGES. Mr. President, on behalf of the junior Senator from Tennessee [Mr. BERRY] and myself I introduce a joint resolution pertaining to an investigation of the steel and iron-scrap situation of the country. I ask that it be referred to the Committee on Military Affairs.

For the record I will say that a similar joint resolution is being introduced in the other House today. This is a subject with reference to which Congress does not have the facts and it is deserving of investigation and attention.

The VICE PRESIDENT. Without objection, the joint resolution will be referred as requested by the Senator from New Hampshire.

The joint resolution (S. J. Res. 180) to create a Joint Congressional Committee on Conservation and Preservation of Iron Ore and Steel and Iron Scrap, was read twice by its title and referred to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 738. An act for the relief of Asa C. Ketcham;

H. R. 886. An act for the relief of Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin;

H. R. 1025. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claims of the Italian Star Line, Inc., against the United States;

H. R. 1252. An act for the relief of Ellen Kline;

H. R. 1258. An act for the relief of E. G. Briseno and Hector Briseno, a minor;

H. R. 1690. An act for the relief of Ralph Reisler;

H. R. 1858. An act for the relief of Charles E. Names;

H. R. 2904. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace April 11, 1899;

H. R. 3276. An act conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of the Delaware Bay Shipbuilding Co., Inc.;

H. R. 3426. An act for the relief of Rose McGirr;

H. R. 4169. An act to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.; and

H. R. 5112. An act for the relief of Frank Lee Borney; to the Committee on Claims.

H. R. 5030. An act granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, and for other purposes; to the Committee on Pensions.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 21) was referred to the Committee on Printing, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Report of the Subcommittee on Technology, submitted to the National Resources Committee, entitled "Technological Trends and National Policy, Including the Social Implications of the New Inventions", be printed as a House document; and that 10,000 additional copies shall be printed, of which 2,900 copies shall be for the use of the Senate and 7,100 copies shall be for the use of the House.

CHANGE OF REFERENCE

Mr. BLACK. I ask unanimous consent that the Committee on Commerce be discharged from the further consideration of the bill (S. 701) to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes, and that the bill be referred to the Committee on Post Offices and Post Roads.

I will say in explanation that I have taken the matter up with the chairman of the Committee on Commerce and also with the chairman of the subcommittee who handles bills of this type. I have also discussed it with the chairman of the Committee on Post Offices and Post Roads. This bill relates to Federal-aid highways in connection with bridges, and therefore is more properly a subject for the consideration of the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Without objection, the change of reference will be made.

LOW-COST HOUSING—AMENDMENTS

Mr. WALSH submitted two amendments intended to be proposed by him to Senate bill 1685, the so-called low-cost housing bill, which were referred to the Committee on Education and Labor and ordered to be printed.

DISTRICT OF COLUMBIA TAXES—AMENDMENTS

Mr. THOMAS of Oklahoma submitted two amendments intended to be proposed by him to the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and

for other purposes, which were ordered to lie on the table and to be printed.

IMPROVEMENT OF RIVERS AND HARBORS: AMENDMENTS

Mr. HUGHES submitted an amendment, Mr. TYDINGS submitted two amendments, and Mr. SHEPPARD submitted six amendments intended to be proposed by them, respectively, to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which were severally ordered to lie on the table and to be printed.

JOINT COMMITTEE ON HAWAII

Mr. TYDINGS submitted the following concurrent resolution (S. Con. Res. 18) which was referred to the Committee on Territories and Insular Affairs:

Resolved by the House of Representatives (the Senate concurring), That there is hereby created a joint congressional committee to be known as the Joint Committee on Hawaii, which shall be composed of not to exceed 12 Members of the Senate, to be appointed by the President of the Senate, and not to exceed 12 Members of the House of Representatives, and the Delegate from Hawaii, to be appointed by the Speaker of the House of Representatives. The committee shall select a chairman from among its members. The committee shall cease to exist upon making its report to Congress pursuant to this resolution.

SEC. 2. The committee is authorized and directed to conduct a comprehensive investigation and study of the subject of Statehood and of other subjects relating to the welfare of the Territory of Hawaii. The committee shall report to the Senate and to the House of Representatives not later than January 15, 1938, the results of its investigation and study, together with its recommendations for such legislation as it deems necessary or desirable.

SEC. 3. For the purposes of this resolution, the committee is authorized to sit and act, as a whole or by subcommittee, at such times and places as it deems advisable, to hold such hearings, to administer such oaths and affirmations, to take such testimony, and to have such printing and binding done as it deems necessary.

PRINTING OF HEARINGS ON THE INVESTIGATION OF INTERSTATE RAILROADS

Mr. TRUMAN submitted the following resolution (S. Res. 155), which was referred to the Committee on Printing:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate Commerce of the Senate be, and is hereby, empowered to have printed for its use 1,000 additional copies of part 1, and each subsequent part, of the hearings held before a subcommittee appointed by the chairman of said committee, pursuant to Senate Resolution 71, Seventy-fourth Congress, "To investigate interstate railroads, holding companies, and affiliated companies."

FUNERAL EXPENSES OF THE LATE SENATOR ROBINSON

Mrs. CARAWAY submitted the following resolution (S. Res. 156), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the President pro tempore in arranging for and attending the funeral of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

STABILIZATION OF SUGAR PRODUCTION AND PRICES

Mr. BORAH. Mr. President, during the last few weeks there has been negotiated what is known as the International Sugar Treaty. There has also been reported to the other House a bill practically the same as the original Jones-Costigan Act. The matter has not been acted upon as yet, but there is considerable propaganda to the effect that the treaty should be permitted to take the place of legislation. Upon that subject I ask to have printed in the RECORD a letter from Clarence R. Bitting, of New York, and my reply to Mr. Bitting's letter. I ask that these may be printed in the RECORD as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *July 17, 1937.*

Hon. WILLIAM E. BORAH,
United States Senate, Washington, D. C.

DEAR SENATOR BORAH: The sugar-producing industry of the world, for many years in an almost chronic state of distress, should, through the terms of the International Sugar Agreement, now before the Senate for ratification, to be placed upon a sound economic base. Much of the credit for this accomplishment is undeniably due to President Roosevelt and Secretaries Hull and Wallace.

The causes underlying the failure of the Chadbourne plan, which preceded, and because of its failure made necessary, at least in part, the Jones-Costigan Act, have been rectified in this new agreement and should, therefore, result in sugar prices, throughout the world, fair to both producer and consumer. Fair sugar prices elsewhere in the world will automatically establish fair prices in the United States.

It would seem only fair to give the International Sugar Agreement an opportunity to function free of supplemental legislation in this country and it is therefore respectfully suggested that no sugar legislation be enacted by Congress until the international agreement has been in operation for at least 1 full year and thus its effect on the American market fully disclosed.

Respectfully,

CLARENCE R. BITTING.

[Telegram]

JULY 20, 1937.

CLARENCE R. BITTING,
New York City:

I am in receipt of your letter urging that there be no sugar legislation at this session and that we await the ratification and the results thereunder of the International Sugar Agreement.

May I be permitted to say that this discloses either a great want of information as to the interests of the beet-sugar growers or a great indifference to their welfare.

In the first place, the treaty can never take the place of local legislation, and to postpone legislation to watch the results of the treaty would be to destroy in a large measure the beet-sugar industry. There is nothing in the treaty and never can be anything in the treaty providing for the disposition of the proceeds between the processors, the growers, and the laborers, one of the most vital things in connection with the sugar-beet industry. Furthermore, the treaty itself should have some changes, and it will take at least 2 years or 3 years to know its results.

The beet-sugar growers have not behind them a vast corporation to carry them over such 3 years.

The beet growers frankly want and need the legislation. If the quotas are abandoned and the tariff of 1.5 percent again become effective, they see nothing but distress and disaster ahead.

The President, in his message of March 1, 1937, declared "The Jones-Costigan Act has been useful and effective and it is my belief that its priciples should again be made effective. I therefore recommend to the Congress the enactment of the sugar-quota system and its necessary complements which will restore the operation of the principles on which the Jones-Costigan Act was based." Eighty thousand beet farmers of the Nation who took the Presidential message at its face value, planted beets in the expectation that the quota system would be continued. They must not be sacrificed to the conflicting claims of industrial groups. This year the cost of producing beets will be higher than in many years past because the growers have generally granted substantially higher wages to their workers who number more than 100,000. Wage rates in factories affecting tens of thousands of men have also been increased.

Enactment of pending legislation would merely recognize the principle of protection which is extended to industry as a whole. It would not increase the price of sugar and it would not give any unusual margin of profit. It would continue the insular areas in their present position and permit Cuba to maintain the preferred and prosperous status which she now enjoys. The bill should be enacted and its enactment should not be blocked by the demands of the insular producers that legislation be passed which gives them the opportunity for tremendous expansion of their refining capacity and for further enrichment of their large corporate farming enterprises.

Farmers of the irrigated West who know from 40 years' experience the value of the beet in a particular kind of agriculture want to continue in the production of that crop. Eighty thousand farmers growing beets depend on the crop for a large portion of their cash income—in some cases their entire income. For the small farmer it is the best and most dependable crop that can be grown.

The quota system of the Jones-Costigan Act proposed and sponsored by the administration comes to an end December 31, 1937. Recently the House Committee on Agriculture unanimously reported a bill which in every significant detail follows the Presidential wishes. Beet growers of the United States asked nothing in the legislation that was not given to them in the Jones-Costigan Act—as a matter of fact, they were given a substantially smaller quota.

The only point in controversy is an issue not raised by the beet growers. It deals with the right of the insular producers benefiting from low labor costs and corporate agriculture to refine their entire quotas in the insular areas. To grant that privilege (which is not granted in the Jones-Costigan Act) would mean a tremendous reduction in the volume of continental cane refiners with losses in employment and forced liquidation of capital as a consequence.

WILLIAM E. BORAH.

J. R. COLLIE AND ELEANOR Y. COLLIE—CONFERENCE REPORT

Mr. BAILEY submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 455) for the relief of J. R. Collie and Eleanor Y. Collie, having met,

after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same.

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum "$1,000" contained in said amendment, insert "$2,500"; and the House agree to the same.

J. W. BAILEY,
ARTHUR CAPPER,
Managers on the part of the Senate.
AMBROSE J. KENNEDY,
ELMER J. RYAN,
FRANK CARLSON,
Managers on the part of the House.

The report was agreed to.

FRAZIER-DAVIS CONSTRUCTION CO.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1144) for the relief of the Frazier-Davis Construction Co., which were, on page 1, line 6, after "Company", to insert a comma and "of St. Louis, Mo."; and on the same page 1, line 7, after "company", to insert "against the United States".

Mr. CLARK. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

G. L. TARLTON

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1143) for the relief of G. L. Tarlton, which were, on page 1, line 5, after "Tarlton", to insert a comma and "of St. Louis, Mo."; and on the same page, line 6, after "claim", to insert "against the United States."

Mr. CLARK. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

ASSIGNMENT OF LINE OFFICERS OF MARINE CORPS TO STAFF DUTY

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2521) to authorize the assignment of officers of the line of the Marine Corps to staff duty only as assistant quartermasters and assistant paymasters, and for other purposes, which were, on page 1, lines 6 and 7, after "to", to strike out "staff duty only as assistant quartermasters and assistant paymasters" and insert in lieu thereof "assistant quartermaster and assistant paymaster duty only"; on page 2, line 2, after "for", to insert "other"; on page 2, line 5, after "to", to strike out "staff duty only" and insert "such duty"; on page 2, line 8, after "to", to strike out "staff" and insert "assistant quartermaster and assistant paymaster"; on page 2, line 11, after "officers", to strike out "assigned to staff duty only" and insert "so assigned"; and to amend the title so as to read: "An act to authorize the assignment of officers of the line of the Marine Corps to assistant quartermaster and assistant paymaster duty only, and for other purposes."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

REORGANIZATION OF FEDERAL JUDICIARY—ADDRESS BY SENATOR GEORGE

[Mr. BAILEY asked and obtained leave to have printed in the RECORD a radio address delivered by Senator GEORGE July 19, 1937, on the proposal to reorganize the Federal Judiciary, which appears in the Appendix.]

WAGES AND HOURS OF LABOR—ADDRESS BY SENATOR BLACK

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address on the subject of the wages and hours of labor bill, delivered by Senator BLACK at Charlottesville, Va., July 15, 1937, which appears in the Appendix.]

GERMAN-AMERICANS—ADDRESS BY SENATOR DUFFY

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an address entitled "The Splendid Contribution of German-Americans to America and Wisconsin" delivered by Senator DUFFY in Milwaukee, Wis., June 27, 1937, which appears in the Appendix.]

YOUTH'S SEARCH FOR SECURITY—ADDRESS BY SENATOR PEPPER

[Mr. BLACK asked and obtained leave to have printed in the RECORD a radio address delivered by Senator PEPPER on Friday, July 9, 1937, to the National Youth Congress, which appears in the Appendix.]

ADDRESS BY ATTORNEY GENERAL CUMMINGS AT BOY SCOUT NATIONAL JAMBOREE

[Mr. MCADOO asked and obtained leave to have printed in the RECORD the address of welcome delivered by Hon. Homer Cummings, Attorney General of the United States, at the opening session of the national jamboree of the Boy Scouts of America June 30, 1937; which appears in the Appendix.]

TRIBUTE TO CAPT. JEREMIAH O'BRIEN—ADDRESS BY JOSEPH F. O'CONNELL

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an address by former Representative Joseph F. O'Connell at the unveiling of a tablet to Capt. Jeremiah O'Brien in Boston, June 12, 1937, which appears in the Appendix.]

ADDRESS BY GOVERNOR TINGLEY, OF NEW MEXICO, TO CONVENTION OF YOUNG DEMOCRATIC CLUBS

[Mr. HATCH asked and obtained leave to have printed in the RECORD an address delivered by Hon. Clyde Tingley, Governor of New Mexico, before the convention of Young Democratic Clubs of Missouri, July 17, 1937, which appears in the Appendix.]

IRRIGATION PROJECT CROPS—STATEMENT BY INTERIOR DEPARTMENT

[Mr. POPE asked and obtained leave to have printed in the RECORD a statement issued by the Department of the Interior with reference to crop production under irrigation projects, which appears in the Appendix.]

BLUE SHIRT REPUBLICANS—EDITORIAL FROM RUTLAND (VT.) HERALD

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an editorial entitled "Blue Shirt Republicans", which was published in the Rutland (Vt.) Herald of May 7, 1937, which appears in the Appendix.]

DESTROYING THE PRESIDENT—EDITORIAL FROM NEW BEDFORD STANDARD-TIMES

[Mr. LODGE asked and obtained leave to have printed in the RECORD an editorial entitled "Destroying the President", which appeared in the Standard-Times of New Bedford, Mass., July 9, 1937, which appears in the Appendix.]

EDITORIAL COMMENT ON SENATOR COPELAND'S SPEECH ON REORGANIZATION OF THE FEDERAL JUDICIARY

[Mr. LODGE asked and obtained leave to have printed in the RECORD an editorial published in the Boston American, written by Prof. Robert E. Rogers, of Massachusetts Institute of Technology, with reference to a speech by Senator COPELAND on the proposal to reorganize the Federal judiciary, which appears in the Appendix.]

EXTENSION OF REDUCED INTEREST RATE ON FEDERAL LAND-BANK LOANS

The VICE PRESIDENT. Morning business is closed. Under the agreement the Senate will now proceed to the consideration of the veto message.

Mr. THOMAS of Oklahoma and Mr. MCNARY addressed the Chair.

The VICE PRESIDENT. The Chair understood the Senator from Kentucky [Mr. BARKLEY] to state that the Senate would complete morning business; that the veto message of the President should then be laid before the Senate, and after its disposal the Senate would proceed to the consideration of unobjected bills on the calendar.

Mr. BARKLEY. That is correct.

The VICE PRESIDENT. The Chair asked if there was objection to the request of the Senator from Kentucky for unanimous consent to such an agreement, and, there being no objection, the Chair stated the unanimous-consent agreement was entered into.

Mr. BARKLEY. That is correct.

The PRESIDENT pro tempore. The veto message will be read.

The legislative clerk resumed and concluded the reading of the veto message, which entire is as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 6763, entitled "An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on Land Bank Commissioner's loans for a period of 2 years."

Section 1 of the bill extends for 2 additional years the policy originally adopted as an emergency measure in 1933 under which borrowers from the Federal land banks are allowed to pay interest on their loans at rates lower than those provided in their mortgage contracts.

Section 2 of the bill broadens the field of loans on which interest reductions are granted by providing that for a period of 2 years interest may be paid at the reduced rate of 4 percent on loans made by the Land Bank Commissioner.

SECTION 1. FEDERAL LAND-BANK LOANS

At present, through the sale of bonds to the investing public, new loans are being made by Federal land banks at the lowest rate that has ever been made available to farmers generally in this country, namely, 4 percent per annum. A decrease in farm-mortgage interest rates has been brought about through the refinancing operations of the Federal land banks and the Land Bank Commissioner. The average rate of interest on the private loans refinanced by the Federal land banks in 1933 and subsequent years has been 6.3 percent. Consequently those farmers who refinanced their private loans in 1933 and 1934 by converting them into 5-percent Federal land-bank loans cut their annual interest charges more than 20 percent, while those who have refinanced at the present 4-percent rate have obtained a permanent reduction in excess of 40 percent. I believe, therefore, that there is no justification for continued Government subsidy of Federal land-bank interest rates below the unprecedentedly low rate these banks are now offering farmer-borrowers on a business basis.

Furthermore, the ability of farmers to pay interest at the rates provided for in their mortgages with the Federal land banks has been very substantially improved, due to an increase of more than 100 percent in the level of farm prices since the emergency period of 1932–33. In December 1936 the index of farm prices as reported by the Department of Agriculture stood at 126, as compared with 55 for the month of March 1933 and an average of 100 for the pre-war period August 1909 to July 1914. The gross farm income as estimated by the Department of Agriculture also rose from $5,337,000,000 in 1932 to $9,530,000,000 in 1936.

As an illustration of the lightening of the interest burden during the past 4 years through improvements in farm prices and the refinancing of farm debt, the following instance may be cited: The quantity of farm products required to meet the annual interest charge on a 6.3-percent private loan refinanced as a 5-percent Federal land-bank loan in 1933 is now only 63 percent of the quantity required during the 5 pre-war years 1910 to 1914. The greatly increased debt-paying capacity indicated in the foregoing figures is borne out by the record of actual payments on Federal land-bank loans. Approximately 85 percent of all loans of the Federal land banks were in good standing at the end of 1936, as opposed to approximately 50 percent delinquency when the emergency legislation was first passed.

The reduction of the rates of interest on Federal land-bank loans to 3½ percent for the fiscal year 1938, and to 4 percent for the fiscal year 1939, as required by the bill for loans made through national farm loan associations would, it is estimated, necessitate payments from the Treasury in the amount of approximately $31,700,000 for the former year and $21,200,000 for the latter, a total of $52,900,000. The effect of such an arrangement is that part of the individual borrower's interest is paid for him by the United States. In other words, it constitutes a gift to individual borrowers from the Federal Treasury.

As indicated by me in my letter of June 8, 1937, addressed to the committees of Congress then considering this legislation, the whole question involves the rate of interest charged by Government agencies and relates not only to farm loans, but also to moneys lent by the Home Owners' Loan Corporation, the Reconstruction Finance Corporation, the Public Works Administration, and other agencies.

The foregoing considerations have led me to the conclusion that further reductions in the interest rates payable on Federal land-bank loans are not justified.

SECTION 2. LAND BANK COMMISSIONER LOANS

The farm loans made by the Land Bank Commissioner on behalf of the Federal Farm Mortgage Corporation bear an interest rate of 5 percent per annum. In view of the circumstances under which these loans are made, it cannot reasonably be said that a 5-percent rate of interest is excessive. Comparison with Federal land-bank loans may serve to illustrate this point. A majority of the loans made by the Land Bank Commissioner are secured by second mortgages. Federal land-bank loans may only be granted on first-mortgage security. A Land Bank Commissioner loan may be made for an amount which, taking into account any prior liens, equals 75 percent of the value of the property, including both land and buildings. A Federal land-bank loan is restricted by law to a sum not exceeding 50 percent of the value of the land and 20 percent of the value of the improvements. Land Bank Commissioner loans are frequently granted upon farms which because of some physical or economic hazard would not qualify as security for a Federal land-bank loan. Finally, Land Bank Commissioner loans lack the element of cooperative responsibility through stock ownership by borrowers of their national farm-loan associations upon which the Federal land-bank system is built. In view of the added factors of risk present in the average Land Bank Commissioner loan, I feel that the 5-percent interest rate charged on these loans compares favorably with the present 4-percent rate of the Federal land banks. I have been unable to find any system in which second-mortgage loans have been made available to farmers generally on a basis as low as the present 5-percent Land Bank Commissioner loan rate.

The contemplated reduction in interest rates on Commissioner loans from 5 to 4 percent under the bill would reduce the annual income of the Federal Farm Mortgage Corporation, which owns those loans, by an amount of approximately $8,350,000. No provision is made for a corresponding reimbursement of this sum by the Treasury to the Corporation. Losses suffered by the Federal Farm Mortgage Corporation ultimately fall upon the United States as the sole holder of the Corporation's capital stock. More than this, the payment of principal and interest on all bonds issued by the Corporation is guaranteed by the United States.

Any reduction in the interest rate on Commissioner loans will place the Federal Farm Mortgage Corporation in such a position that there is a definite possibility that it may not be able to meet its obligations from its own income.

The passage of this bill was not contemplated in the preparation of the Budget for the fiscal year 1938. As the Congress is well aware, I am definitely seeking the balancing of that Budget. To this end I have called upon the heads of all Government departments, establishments, and agencies to set up reserves of not less than 10 percent of all funds available for the fiscal year 1938, except such funds as are not susceptible to such treatment. Approval by me of the bill under consideration, involving as it does an additional draft upon the Treasury in excess of $30,000,000 during the fiscal

year 1938, would be totally inconsistent with my purpose to bring about a balancing of the Budget for that year.

For all these reasons I am constrained to withhold my approval of the bill H. R. 6763.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 9, 1937.*

[H. R. 6763—Seventy-fifth Congress of the United States of America; at the first session, begun and held at the city of Washington on Tuesday, the 5th day of January 1937]

An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on Land Bank Commissioner's loans for a period of 2 years

Be it enacted, etc., That (a) effective July 1, 1935, the first sentence of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act, as amended (relating to reduction in interest rates on certain Federal land-bank loans), is amended by striking out the following: "occurring within a period of 2 years commencing July 1, 1935" and inserting in lieu thereof the following: "occurring within a period of 3 years commencing July 1, 1935, and shall not exceed 4 percent per annum for all interest payable on installment dates occurring within a period of 1 year commencing July 1, 1938."

(b) The fourth sentence of such paragraph "Twelfth" (relating to the time limit on payments made by the United States to land banks on account of such interest reduction) is amended to read as follows: "No payments shall be made to a bank with respect to any period after June 30, 1939."

SEC. 2. Section 32 of the Emergency Farm Mortgage Act, as amended (relating to loans by the Land Bank Commissioner), is amended by adding at the end thereof the following new paragraph:

"Notwithstanding the foregoing provisions of this section, the rate of interest on loans made under this section outstanding when this amendatory paragraph takes effect or made on or after such date shall not exceed 4 percent per annum for all interest payable on installment dates occurring within a period of 2 years commencing on the date when this amendatory paragraph takes effect."

W. B. BANKHEAD,
Speaker of the House of Representatives.

KEY PITTMAN,
President of the Senate pro tempore.

[Endorsement on back of bill:] I certify that this act originated in the House of Representatives.

SOUTH TRIMBLE, *Clerk.*

The VICE PRESIDENT. The Chair lays before the Senate the action of the House of Representatives on the veto message, which will be read.

The legislative clerk read as follows:

IN THE HOUSE OF REPRESENTATIVES,
July 13, 1937.

The House of Representatives having proceeded to reconsider the bill (H. R. 6763) entitled "An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on land-bank commissioner's loans for a period of 2 years", returned by the President of the United States, with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The VICE PRESIDENT. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. BARKLEY. Mr. President, I wish to make a very brief statement with reference to this matter, not at all argumentative, but simply stating the situation as I understand it.

When this bill was originally before the Senate, being in charge of it as chairman of the subcommittee of the Committee on Banking and Currency, I stated that the passage of the bill extending for 1 year the 3½-percent rate on land-bank loans and extending for an additional year the rate at 4 percent, and the inclusion of commissioner's loans in a 2-year 4-percent rate, involved an annual expenditure of approximately $40,000,000 from the Treasury. That was the statement made by the Governor of the Farm Credit Administration. It was the statement made in the President's letter to the chairman of the Committee on Banking and Currency and the chairman of the Committee on Agriculture of the House. In that letter and in the President's message also he has reiterated what we may well consider in determining our votes upon this veto message.

Of course, no one can predict whether at the end of the 2-year period efforts will be made to obtain a further extension. If we could feel some assurance that no further effort would be made to extend this rate, which is costing the Treasury $40,000,000 annually, it might be easier to reconcile ourselves to it; but, as the President has stated, if this is to continue as the policy of the Government with respect to farm loans made either through the land banks or through the land-bank commissioner, it will be difficult to resist the same request when the borrowers through the Home Owners' Loan Corporation and other agencies of the Government come and ask that the same treatment be accorded to them.

If we should yield to that request when it comes, if it should come, it would undoubtedly involve an annual burden on the Treasury by reason of the reimbursement of these agencies for the difference between the rates collected from the borrower and the rate borne by the land-bank bonds or other bonds through which the Treasury obtains the money. I think it not unreasonable to predict that the amount of this reimbursement would ultimately be somewhere in the neighborhood of two or three hundred million dollars a year. So, Mr. President, without attempting to influence the vote of any Member of the Senate, and having myself, when the bill passed the Senate originally, voted in favor of it, in view of the additional reasons given by the President in his message and the situation which we know may arise, I feel that, notwithstanding my former attitude and position on the matter, I am justified in voting to sustain the veto of the President.

This, in substance, is the situation which confronts us; and I think it offers sufficient ground for us to give serious consideration to the matter, regardless of our attitude on the previous vote.

PROTEST AGAINST DECREE VIOLATING THE BALFOUR DECLARATION AS TO AMERICAN JEWS

Mr. LEWIS. Mr. President, I beseech the Senate to indulge me for one or two moments on a subject that is apart from the one which is at present under consideration. I bring to the attention of the Senate what I feel has been a neglect of American citizens and something of a wrong done the property of these who are citizens of this Republic.

We are informed, sir, by international communication, that at Palestine there has come forth a decree by a friendly government in which it is sought to make an allotment of the property of the Jews who are assembled to establish themselves in their ancient and ancestral home at Jerusalem.

Mr. President, my relations to this subject justify me in imposing on the Senate. I remind them that I, as Senator for Illinois, was in a small way one of the voices of the Wilson administration in the matter of conference and consultation with Sir Herbert Samuels and Sir Alfred Mond—the latter now known as Lord Melchett. This proceeding was as to what we speak of as the Balfour declaration. I see some reference being made to certain "American protests" by one of those who sat on that Commission. I am that one. I protested against the declaration, as I construed it, embodying the American Jews as subjects of Great Britain. I contended that those who were citizens of the United States and from America should be allowed to choose for themselves to what country they desired allegiance. I urged that, until the American Jew chose British citizenship by his declaration, he must be treated as an American citizen.

Sir, I do not know whether or not my protest was the one which availed. I must inform the Senate merely of the proceeding; but, by virtue of that relationship, I am not unacquainted with the situation as coming forth in what we speak of as the Balfour declaration.

This declaration more particularly interests us in that it provided the privilege of occupation of these lands on the part of those who have gone to them and settled under the privileges of the declaration. The agreement that was then existing gave to the American Jew the equal privileges accorded all other Jews settling in that domain of Jerusalem or Holy Land.

Now, Mr. President, it is asserted, and generally published as the admited fact, that a general division of these properties has been made, and that these people who are called Jews settling in Palestine and the Holy Land have been distributed by the new decree to different sections than formerly obtaining. What I beg to call to the attention of the Senate is the situation of the American Jew who has settled in portions of that country in compliance with the charitable and generous opportunity given by his own people. In that connection, recall that our American Jews have expended millions of American money in the Holy Land for the settlers. The settler has taken his place in that country of the Holy Land in some form or other. This American has cultivated his lands and developed his property. I deny the right of any land or any nation to have removed this American without consideration of America or representatives of the American Jew. If such be done by consent of American Jews, that, of course, becomes justified. Yet, to transfer these people from Palestine and remove them to Trans-Jordania or to any other portion of the country that takes them from the land upon which they settled, and to which we have contributed large sums of money to establish them—using the word "we" as meaning America—I regard as an unfair act, though it be not so intended by the English authorities, nor in anywise an intended injustice. Here I respectfully bring to the attention of this honorable body that now, since it has been printed that there is to be some revision or some reconsideration of this subject by England and the Arab government, I suggest that as to the American Jew there should be an American representation in the new commission of adjustment on behalf of these American Jews. These should serve in conjunction with the others who may serve on this body.

We have heard in the open from this honorable body the declaration that two distinguished Senators—the able senior Senator from New York [Mr. COPELAND], who is eminent not only as a physician but as a humanitarian, and the able constitutional lawyer from Vermont, the senior Senator [Mr. AUSTIN]—as Senators have both lately had occasion to visit the scenes to which we allude. These Senators examined the subject and became acquainted with its details. I take the liberty to suggest that these two, among others, particularly these two, could most fittingly sit as American representatives on the commission.

I rose at this time to make protest against the American Jews as Americans and their property being disposed of without opportunity of American representation. I respectfully insist that we recognize the sacred history and the sacred established fact that as to Jerusalem the Jews have had so long a claim and so long a rightful privilege that we recognize it as sacred. Today we may turn to the sacred law and repeat the claim of the children of Abraham that this home should belong to Jews, as should the well, because their father had digged the well and set the landmarks of the sacred habitation.

I respectfully give notice that at an appropriate time I shall ask the Committee on Foreign Relations and this honorable body to give this matter consideration, upon the first occasion when appropriate in conjunction with what is now proceeding under the orders of the British Government.

I thank the Senate for indulging me to intrude this subject at this time.

EXTENSION OF REDUCED INTEREST RATE ON FEDERAL LAND-BANK LOANS

The Senate resumed the consideration of the veto message on the bill (H. R. 6763) to extend for 1 year the interest rates on certain Federal land-bank notes.

The PRESIDING OFFICER (Mr. CONNALLY in the chair). The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. SMITH. Mr. President, I do not think any Member of this body is more anxious than am I to have economy put into practical operation, and, if possible, at some time in the future to have our expenditures provided for by our income. But I admit I was utterly astounded, in view of all the protestations about the lowly condition of the man on the farm, that the President of the United States should veto a bill which extended to the farmer only a partial remittance of the interest due on his land mortgage. I was astounded that our efforts at economy should start by denying to that class of our society some relief from the intolerable burdens they have to bear.

I was very much gratified that in the body at the other end of the Capitol the action was so spontaneous and overwhelming, showing that in the terrible condition which confronts the country, if the reports of the humanitarians and economists are correct, we should not only reduce the interest rate but, if necessary, eliminate the payment of interest for a period.

How many of us realize the condition in which and under which those who feed us and produce the raw material out of which we are shod and clothed have to work? Only last year the potato crop, which is one of our standard crops, brought a splendid price. There is what is known as the Surplus Commodities Corporation, an organization supposed to absorb and distribute any surplus that affects the price of a given commodity. This year there has been a total failure so far as the price of potatoes is concerned. In addition to that, telegrams were received only this morning from the South stating that the market for the watermelon crop has absolutely collapsed. That is due partially to the abundance of the crop and partially to the inability of the people to absorb it. The same condition exists with respect to the whole citrus-fruit industry.

Mr. President, it is not necessary for me to stand before this body and compare the conditions under which farmers have to get what income they receive with the condition of those who fabricate manufactured goods. At what rate of interest are they enabled to borrow money, and at what rate of interest does our Government borrow money? We hear talk about 4 and 5 percent under modern conditions. No business of ordinary earning capacity can stand any rate above 3½ or 4 percent.

We must take into consideration the fact that the farmer pays every expense incident to getting his commodity ready for market. In the case of cotton there is deducted 30 percent of the weight for tare. In the case of his truck the price of all hampers is deducted from the price paid him for the contents thereof. The price is fixed by the buyer. Not a farmer in all America has ever sold at his own price a bushel of wheat or a pound of cotton or a steer. He takes his commodities to market and asks the other man what he will give for them. Every expense incident to the sale is deducted.

But when the farmer buys a shirt or a woolen jacket he pays for the cotton and the wrapping which go around it and the freight on the raw wool to the market and back. Of course, the farmers are not organized, and therefore the farmer is the Chinese of American society. He is the mark for the exploitation of every man who sees fit to exploit him. Even under our present administration he is not extended a reduction in interest rate in this hour of his need.

Mr. President, I understand there are those who are so anxious to keep faith with bond buyers, so anxious to see that nothing shall happen to curtail the rate of interest the bondholders enjoy, that they at once start to increase the burden where all the burden is borne—namely, with the unorganized farmers of this country.

The mere fact that land-bank bonds run into the billions of dollars is prima-facie evidence that the owner of the land could not meet the current expense, and had to involve

his investment in order to live. He is eating his principal now. Thousands of farmers throughout the country, hundreds in my State, have had to yield up their land, although their debts were to be amortized over a period of years, which, to an ordinary, thrifty business, would have made it easy to meet the debts, 4 and 5 percent covering amortization and interest. Even under those conditions the farmer could not meet the payments.

The economy practiced by the American farmer is the most cruel economy in all of our organized society. Go into the average farm home, and how many frigidaires do you see, how many bathtubs of modern pattern, how many electric lights? How many of the things that you and I consider necessities are to him unattainable luxuries? We get exceedingly fond of him at about election time and make all kinds of promises to him, and then we come here, and the first lick along the line of economy is made at his devoted head.

Mr. President, how can we be so inconsistent? We shed crocodile tears and vote $1,500,000,000 for the unemployed, and farmers in my section now cannot get hands to work their crops. A farmer in one of the lower counties in my State, having had his farm drained by one of the relief agencies under a project operated by W. P. A. or P. W. A., and so forth, went, as I understand, to the manager of the relief organization and said, "I stand to lose my crop. I simply cannot get it worked." The manager said, "Well, what do you want?" The farmer said, "I want some hands." The manager asked him, "How many?" The farmer told him how many he needed. The manager said, "All right; you can get them; but before you take them away you must agree to work them under the same conditions as we are working them." The farmer asked, "What are those conditions?" The manager said, "Eight hours a day and 40 cents an hour and guarantee to give them the same living conditions." I shall not quote what the farmer said, but he very emphatically refused and wrote me about it. I wrote and told him that under the circumstances I doubted his sanity. Rather than go and get those hands, why did he not get a job at 40 cents an hour for working 8 hours a day, I asked him. And then I said, "That is a blame sight more than you would make on your farm."

Mr. President, on the one hand we take the public money and pay it out to men for working a certain number of hours, when any practical farmer in America would be bankrupted if he were limited to working that number of hours on his farm. If the farmer were limited to 8 hours a day, he would find that crabgrass and weeds would be the crop with which to settle his bills if he could find a market for them.

Mr. President, we are laboring under natural laws. The manufacturer labors under artificial laws. He produces under laws which he makes and which he controls. Neither winter, summer, spring, nor fall interrupts his operations. The man out in the field must subscribe to the exigencies of natural laws. He can neither produce in quantity nor in quality according to his own will. Yet now we are asked to put the farmer in the category of an industrialist.

Mr. President, I am utterly amazed at this veto message under the circumstances. Here is the record of the bill as it passed: The RECORD shows that the new leader of this body was one of the foremost protagonists of this relief to the beleaguered agriculturists; and, Mr. President, I have been of the opinion that it would take more than $30,000,000 to balance the Budget.

I hope that every friend of the farmer—the man in the field, the man who has had to mortgage his property in order to hold onto a semblance of his old farm—I hope every man in this body will grant him at least this surcease from the obligations he must meet. Taxes are exorbitant. Living expenses are mounting. If I could sell a steer at the same price per pound that I would have to pay for a steak here, I wonder how much a real, good, fat steer would bring? Thirty-five dollars per hundred pounds is what I could get if I were paid at the rate of 35 cents a pound. That would be $350 a thousand pounds. I see my friend the Senator from Kansas [Mr. McGILL] in his chair. He comes from the cattle-raising section. How many steers did he sell for approximately $350 per head in his part of the country? The cost of living is mounting, yet the price of farm products remains static.

Mr. President, I hope we shall override this veto in the interest of those who are voiceless here, and yet upon whom we all depend. I hope this veto will be overridden by as great a percentage as that by which the bill was passed in the first place.

Mr. GEORGE. Mr. President, before the Senator from South Carolina takes his seat I wish to ask him to yield in order that I may ask him a question.

Mr. SMITH. I yield.

Mr. GEORGE. I should like to invite the attention of the Senator from South Carolina to the fact that the Congress has just passed, and the President has just approved, the farm-tenancy bill, which proposes to make 40-year loans on the basis of 3-percent interest, I believe; and yet the interest rate on Federal land-bank loans for 1 year is reduced to 3½ percent and for a second year to 4 percent, and the rate of interest on commissioner's loans is reduced to 4 percent. All the loans under the Farm Tenancy Act, however, will be carried for a long period of time—40 to 45 years—at an interest rate of about 3 percent.

Mr. SMITH. I indicated while I was speaking that I did not understand the inconsistencies which are so glaring in this respect. Here are those who own the land begging for some means of holding on to it, and we pass a bill under the terms of which we invite others to come in and buy land and offer them a lower rate of interest than it is proposed in this bill shall be paid by farmers who already own their land.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. SHIPSTEAD. That may be for the purpose of giving those who have lost their land an opportunity to buy the farms of those who are now paying high rates and who will be obliged to go bankrupt.

Mr. SMITH. Yes; that may be so. It may be that those who now own the lands should be dispossessed of them and that those who do not own them should come into possession of them by the extraordinary method of this new loan.

Mr. SHIPSTEAD. At 3 percent.

Mr. SMITH. At 3 percent.

Mr. SHIPSTEAD. If the Senator will yield further, I should like to call attention to the refinancing which has occurred with respect to railroad corporations. The Great Northern Railroad, with a mortgage of $100,000,000, was refinanced by the Reconstruction Finance Corporation at an interest rate of 3½ percent.

I think there is a great deal in what the Senator from South Carolina has said. It seems to me the loan policy is inconsistent, and that the natural result will be that when the interest rate is restored to the high figure which, according to the contract, has been paid by those who now own the land, they will lose the land and others will come in and buy it with money borrowed at an interest rate of 3½ percent.

Mr. SMITH. Certainly.

I cannot understand why there is such a weeping and wailing and so much brotherly love expressed for the man who does not own the land, while when the man who owns it, and who has been doing his everlasting best to make a living, finally is obliged to throw up his hands in despair, we step in and say to one who has never shown the thrift and enterprise necessary to acquire a farm, "We will make you a present of what this other poor devil lost."

Mr. President, the position is so obviously inconsistent, in the face of our protestation of love and devotion to the farmer, that I hope there will hardly be a dissenting vote in overriding the President's veto.

Mr. COPELAND. Mr. President, a statement was made by our distinguished leader, the Senator from Kentucky [Mr. BARKLEY], which brings me to my feet. He spoke about the relationship of the pending matter to the possibility of similar relief in the case of loans made by the

Home Owners' Loan Corporation. It is because I believe that should be the effect of our action on the veto, if it shall be overridden, that I say what I do.

Mr. President, it is a terrible thing to think that in this country at the present time 31,000 homes have already been lost through foreclosure under loans made by the Home Owners' Loan Corporation up to the 1st of April this year. That is the latest date for which I have reliable figures. Besides that, on the same date, 84,385 homes were authorized for foreclosure. In an Ohio newspaper of recent date I saw the statement that in the city of Youngstown alone, between 600 and 700 properties are being foreclosed.

Then, besides all that, there is the estimate of a high official of the Home Owners' Loan Corporation that for 1938 more than 200,000 of the million-odd homes in that one State on which these mortgages have been placed, will be lost to the present owners by foreclosure.

It does not stop there, Mr. President. Many of these homes are taken over under foreclosure at a ridiculously low figure, and then deficiency judgments are asked for and obtained. Thus the people who have lost their homes may also be under the further obligation, if they have anything else in the world to lose, to confront the application of deficiency judgments. So the statement of my leader as to conditions under the Home Owners' Loan Corporation excites me to say what I have.

I never go along a country road and see a row of maples or elms at the roadside in front of an old homstead without experiencing a thrill of emotion. To me those trees tell the story of a homesick bride, a young couple, coming into a pioneer country, taking up land, and attempting to carve out a home and a living. The bride is homesick, and the husband says, "Keep a stiff upper lip, my dear; I will go out in the swamps and dig up some soft maples to plant in our dooryard. We will make this place bloom like the rose." That place has been a home, perhaps, for two or three generations; babies have been born there; they have grown up to adult life; and now, because of economic stress, these homes are to be lost.

Ah, Mr. President, I do not want everybody to think that he can come to Washington and get money. We are giving away money, billions of dollars of money; the national debt is increasing day by day; but, Mr. President, it is not expected that by this generous treatment we shall lose the money of the Government. There is ample security for these loans, both in the case of farms and in the case of homes in the villages and in the cities. The Government will be no worse off, if foreclosure comes ultimately, whether that foreclosure takes place now or next year.

So, Mr. President, because of my interest in the Home Owners' Loan Corporation victims, I have a like feeling of sympathy for the farmers who are likely to lose their homes. Therefore I think it is only an act of justice on the part of the Senate of the United States that it shall make possible the reduction of the interest rate on the loans, and, if possible, to have retained in present ownership those places which have been called home—than which there is no dearer place on earth.

Mr. MINTON. Mr. President, I listened to the statement of the Senator from South Carolina [Mr. SMITH] in answer to the question of the Senator from Georgia [Mr. GEORGE] as to the different interest rates charged borrowers under the credit system of the Federal land banks and tenant farmers under the tenant bill. That was dwelt upon as a discrimination that could not be justified under our policy. But, of course, we make such discriminations in the loan of other Government funds. Under the Disaster Loan Corporation, set up by Congress to meet the flood situation, if one were a victim of the flood and his property were washed away and he had not the wherewithal to meet the situation and could not put up the collateral, he might borrow from the Disaster Loan Corporation at 3 percent; but if he could put up the collateral, if he had the security to give, he had to go to a bank and pay the usual rate. So we have discrimination in the lending of Federal funds in other agencies. But it is not a discrimination, it seems to me, that we should loan money at 3 percent to the submerged group, farm tenants, whom we are trying to reach under the farm tenant bill, and who, as everybody knows, constitute the lowest strata in this country. If we should loan them money at 3 percent, when they have not a thing to give except what they may buy with the money in the way of security, it seems to me that we are only reaching down our hand to help people who cannot help themselves at all; and if we ask the man who has a farm, who has some of this world's goods, who has some of the wherewithal to help himself, to pay a little more, we are not doing anything that we have not been doing in the case of other agencies of the Government engaged in the lending of funds.

So, as the Senator from New York [Mr. COPELAND] has pointed out, if we are going to make this adjustment for these men on the farm and give them some Federal money to the tune of $50,000,000 a year or $150,000,000 a year, or whatever it may be, I know of no reason why we should not turn around and give $150,000,000 or $200,000,000 a year to the home owners in this country who mortgaged their little homes to the Government and pay 5-percent interest on their notes. If we do that, then where are the Budget balancers going to be who did not want to spend any money in this session of Congress to take care of people who do not have enough to keep the wolf from their door?

Mr. KING. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. KING. Is it not a fact, too, that the Government, extending relief in 1933 or 1934 to home owners who were paying, many of them, from 6 to 8 percent, assumed their burdens and responsibilities at 5 percent?

Mr. MINTON. Exactly so.

Mr. KING. So they were the beneficiaries of the generosity of the Government?

Mr. MINTON. Exactly so, and so were the farmers. The farmers were paying sometimes, just as were the home owners, 6 and 7 and even 8 percent, and, in some cases, 10 and 12 percent. The Government came to their aid and loaned them money at a lower rate of interest. Now it is desired again to reduce the interest rate to the farmer, but not to reduce it to the home owner who finds himself in identically the same situation. So if we are going to give $150,000,000 to the farmers by way of a reduction of interest, let us do the same thing for the home owners; and if we cannot afford it for the home owners, we cannot afford it for the farmers.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BYRD. Does the Senator approve charging an interest rate to the railroads less than is charged to the farmers?

Mr. MINTON. No; I do not. I think that the Reconstruction Finance Corporation has loaned money on a basis that nobody who is not a banker or engaged in high finance in some way or other can quite understand.

Mr. BYRD. Is the Senator aware of the fact that the Reconstruction Finance Corporation has loaned hundreds of millions of dollars to the railroads at 4-percent interest; that it has loaned hundreds of millions of dollars to the banks at 3 percent; that it has loaned further hundreds of millions of dollars to mortgage loan corporations at 3½-percent interest, and to insurance companies at 3½-percent interest?

Mr. MINTON. I never heard the Senator from Virginia object to any such loans by the Reconstruction Finance Corporation. He has always been in favor of them, so far as I have heard.

Mr. BYRD. The Senator is entirely mistaken. Upon what authority does he make that statement?

Mr. MINTON. I have never heard the Senator object to any loan made by the Reconstruction Finance Corporation.

Mr. BYRD. The Senator knows that on the floor of the Senate I charged that the Reconstruction Finance Corpora-

tion was deliberately misleading the people of this country with respect to its statement as to the assets of the Corporation.

Mr. MINTON. That may be true, but still the Senator never objected to lending money to the railroads at 4 percent.

Mr. BYRD. I voted against the appropriations made for the Reconstruction Finance Corporation.

Mr. MINTON. That may be true, but still the Senator never objected to making 4 percent loans to the railroads.

Mr. BYRD. I think the Senator is trying to evade my question. Does he favor lending money to the farmers at a higher rate of interest than to the railroads?

Mr. MINTON. The answer to that is no. So the Senator cannot get away from the proposition that, if we want to balance the Budget, we cannot do it by giving $50,000,000 or $150,000,000 to some class which it is desired to favor and denying it to another class which is just as worthy.

Mr. McNARY. Mr. President, I had not intended to speak on the veto message, and am challenged to do so by the statement of the Senator from Indiana as to balancing the Budget. That seems to be the theory upon which the President bases his veto. I am not in accord with the Senator from Indiana that the President ought to try to balance the Budget by taking it out of the farmer who has a mortgage on his farm. I have not previously heard the Senator from Indiana talk about balancing the Budget. He seems to be inspired in that direction now because the effort is aimed against the poor man who cannot meet his mortgage rate of interest. I think it is rather unusual that the President of the United States——

Mr. MINTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Indiana?

Mr. McNARY. I will yield in just a moment when I finish the sentence. I think it is rather unusual that the President of the United States, without ever making any substantial effort to balance the Budget, should wait until this unfortunate time to take $40,000,000 out of the pockets of the farmers who cannot pay the interest on their mortgages. I now yield.

Mr. MINTON. Will the Senator from Oregon support a measure to reduce the interest rate to the home owners of this country?

Mr. McNARY. O Mr. President, I would reconstruct the whole credit system as applied to mortgages to home owners and to those who have mortgages on their farms. I made myself rather definite a few days ago when the able Senator from Alabama [Mr. BANKHEAD] had the tenancy bill before the Senate. I said at that time that I thought it was unfair tc loan money for the acquisition of farms to tenants who heretofore had never shown a disposition to assume responsibility or a desire to own a farm, and at the same time charge nearly twice that rate of interest to farmers who had made a success as farmers and had built up the agriculture of our country.

I stand in that position today. It is not alone my desire to help the needy farmer, as I have heretofore pointed out, but it is a desire to help particularly the farmer who has made an effort to acquire property. In that direction we should give at least a low rate of interest to the farmer who has made an effort to hold his farm, maintain his home, educate his children, and become a prominent citizen, the kind of citizen who has made the Commonwealths of this country great, including that of Indiana.

Mr. MINTON. Mr. President, I did not get the answer to my question.

Mr. McNARY. In direct answer, I will say, yes. I will go further and take up the whole scheme of loaning money to the farmers and home owners to aid them without any profit to any private individual firm or corporation.

Mr. President, I recall most graphically that in 1920 the Senate had under consideration a bill which, I believe, was called the Shipping Act of 1920, permitting the lending of money to shipowners who wanted to build new ships. We agreed to loan them 75 percent of the cost of building the ships, and to loan them that money at the rate which the Government borrowed the money in the respective Federal districts, which was not often more than 3 percent. Years went by. Fortunately or unfortunately, it fell to my fate to handle the Farm Marketing Act when Mr. Hoover was President of the United States. At that time I attached the same amendment to the act creating the Federal Farm Board. Money was loaned to farm cooperatives on that basis.

I think the $40,000,000 this program would cost the Government is a small item compared with the great expenditures and waste incurred by this administration in the last 4 years. Therefore I shall take the opportunity to express myself by voting to override the President's veto.

Mr. GEORGE. Mr. President, the bill which the President has vetoed simply proposes to reduce to 3½ percent the interest rate on the mortgages held by the Federal land banks for the year beginning July 1, 1936, and for the subsequent year to 4 percent, and proposes also to reduce the interest rate on the land commissioner's loans to 4 percent for 2 years.

In the President's veto message it is stated, and it is a fact, that on the volume of farm mortgages carried by the Federal land banks the loss to the Treasury will amount to $31,700,000 for the first year; for the second year, of course, less than that because the interest rate is advanced to 4 percent. The loss on the land commissioner's loans is estimated by the Treasury to approximate a little more than $8,000,000 for each of the 2 years. The land commissioner's loans are made, of course, to a corporation, all the stock of which is owned by the Treasury, so there is a loss of profits or prospective profits to the Treasury so far as the land commissioner's loans are concerned.

In the veto message it is pointed out that the land commissioner's loans are made generally upon what we know as second mortgages, where the margin of security is not as great. I desire to invite attention to an important fact, a very important fact to the farm owners of America who have been compelled to borrow upon their land. Through all the years we have paid high interest rates, and we have paid unnecessarily high interest rates because the lender always figured a percentage of loss and made the thrifty farmer make up the loss on the loans that could not be collected.

It is pointed out in the veto message that the land commissioner's loans are made upon second mortgages, and the security is not very ample, or at least the margin is not very great and therefore the possibility of loss is greater; hence the interest rate should remain at 5 percent.

Mr. President, I favored this proposal when it was before the Senate——

Mr. HUGHES. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Delaware?

Mr. GEORGE. I yield.

Mr. HUGHES. Did the Senator state the commissioner's loans are on second mortgages?

Mr. GEORGE. The commissioner's loans are generally on second mortgages.

Mr. HUGHES. Is it not a fact that a great many of the commissioner's loans are not on second mortgages?

Mr. GEORGE. That is true.

Mr. HUGHES. A great many of them are on first mortgages, are they not?

Mr. GEORGE. It is true that a great many loans are on first mortgages, but a great many are on second mortgages. The first mortgage generally is held by the Federal land bank.

I favored the bill because I favor a reduction to 3-percent interest rate on the fixed indebtedness against American farms. I am ready to vote for any measure that will give us a rate not exceeding 3 percent upon the fixed mortgage farm indebtedness in this country.

Through the Federal land-bank system and the commissioner's loans, approximately 37½ percent, I believe, of the farm mortgages of the country are now carried. In other words, the Federal land bank and the land commissioner have absorbed almost 37½ percent of the outstanding mortgages upon American farms. The greatest relief that can be given to the American farmer is to give him a rate of interest which his business will sustain.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. Certainly.

Mr. BARKLEY. Are the percentages stated by the Senator in number of mortgages or in the aggregate amount of the mortgages?

Mr. GEORGE. In the volume of fixed farm indebtedness. I may not have the figures accurately, but I think I have stated them substantially.

Mr. BARKLEY. The information given the committee when this measure was before it was to the effect that out of more than 6,000,000 farmers in the United States, about one-half of whom own farms free from mortgage of any sort, approximately 800,000 were borrowers through the land bank or land commissioner; that of the 6,500,000 farmers approximately a little more than 600,000 are borrowers through the land bank, which is about one-tenth in number; that the number of land commissioner's loans amount to a little more than $500,000, but there are many duplications which would make the net number of individual borrowers through the two sources a little more than 800,000. Of course, that has no relationship to the amount. I am speaking of the proportion of farmers who are borrowers through the land bank or land commissioner. The Senator may be correct as to the aggregate amount. I am not in a position to dispute that statement.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. GEORGE. Certainly.

Mr. TYDINGS. The Senator, of course, is familiar with the fact that at this session of Congress $440,000,000 was appropriated under the Soil Conservation Act. While it carried the title of "soil conservation" the underlying purpose was to provide some cash benefits to the farmer who did certain things.

It seems to me from the standpoint of economy that a lower rate of interest would put the farmer in a position where he would require less, if he required anything, in the way of a direct grant from the Federal Treasury. In other words, the higher the interest rate the more need there is for Federal help in other forms. The lower the interest rate the less need there is on the part of the farmer for direct grants.

Mr. GEORGE. The Senator is undoubtedly correct.

Mr. President, what I was undertaking to say is that, taken on the average, the farms in the South will not and cannot sustain an interest rate on farm mortgages of more than 3 percent; and that accounts for the fact that we have a great many farm tenants in the South. Not all the farm tenants of the South have been tenants throughout their lives or from choice. Many of them formerly were home owners. Many of them have been foreclosed out of their homes; and the carrying charge upon the fixed indebtedness against the farm in the form of a farm mortgage has been one of the primary causes of farm tenancy in the South. It not only prevented the thrifty and industrious young man who desired to own a farm from becoming a purchaser of a farm, but during the past few years it actually foreclosed out of farm homes thousands and even hundreds of thousands of former landowners who could not pay the excessive interest charges.

Mr. President, I presume that in fixing the rates of loans to the railroads the Reconstruction Finance Corporation has been governed by what it believed to be sound economy. That is, the officers of that agency undertook to fix rates of interest which the business could bear, and which would permit it to remain solvent as a going part of our transportation system. I suppose that is the reason why we have made loans to foster and to build or rebuild our merchant marine at lower rates of interest than 3 percent, and I suppose that is why we now have authorized the making of loans to tenants to enable them to become farm home owners at 3 percent over a long period of 40 or 45 years. I am not complaining about that, Mr. President, because I repeat that there will be no genuine, permanent, lasting, dependable farm aid until the Government has seen to it that an interest rate of not exceeding 3 percent is possible to all the farm owners in this country.

Mr. KING. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from Utah.

Mr. KING. I should like to ask the Senator the rate of interest which farmers now are required to pay when they seek loans from banks, or from loan agencies, or from some of the farm organizations which are not under the patronage of the Federal Government. Is it not a fact that they have to pay 5 and 6 and 7 percent?

Mr. GEORGE. Mr. President, it is a fact; but I do not see the relevancy of the question, nor the relevancy of the fact. The fact is that the average farm will not bear and cannot pay an interest rate of 6 or 7 or 8 or 10 percent, and that is why so many American farmers have become impoverished. I repeat, if we want to give real farm relief, let us reduce this interest rate to not exceeding 3 percent.

The objection is raised that the home owners will want the same reduction. Suppose they do. That is another question. It has no relevancy at all to this question. But suppose they do, Mr. President. It is a very natural thing for them to do when we have already embarked on a housing program, and we are already building homes for the American people which they are permitted to occupy at less than 3-percent interest upon the investment. We are subsidizing tenants in many of our housing projects at this moment, and we are proposing to expand the housing program. The home owners have nothing to do with this matter. They ought to be judged on their own merits.

Mr. President, there can be no logic in making farm tenants by permitting the foreclosure of honest farmers who, through all the lean years, have stood up under the burden of debt and have gone on trying to make good, and then turning around and saying, "When we make a tenant out of you we are going to enable you to buy back perhaps your own farm or the farm that you formerly owned and pay not exceeding 3-percent interest over a long period of time."

The distinguished Senator from Indiana [Mr. MINTON] reminded us that some of us were "Budget balancers", as he described us. One of the few times when the Senator from Indiana has become a Budget balancer is today, when he does not want the farmer to have money for the next 2 years at 3½ percent for 1 year, and 4 percent for the next year. The only other time was when the President vetoed the simple bill enabling the American soldier to carry his insurance for another period of 5 years. No, Mr. President; I am not that kind of a Budget balancer. I have no desire to balance the Budget by taking the necessary amount out of either the soldier or the farmer; but I am defending my vote on this veto upon the proposition I have already stated, that if we expect to relieve the American farmer and give him dependable, steady, constant, real relief, we shall have to do it through reducing the interest rate on farm mortgages in this country, and that rate ought not to be as high as 3½ percent. It ought not to exceed 3 percent.

Mr. HUGHES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Delaware?

Mr. GEORGE. I was about to yield the floor, Mr. President; but I yield to the Senator from Delaware.

Mr. HUGHES. Does not the Senator from Georgia think that the question which we have been considering here for some little while is largely governed, so far as our views are concerned, by our local knowledge, or the needs of particular localities?

Let me illustrate. In the State of Delaware, which I have the honor in part to represent, a large number but not an unusually large number of loans were made by the Federal land bank and also by the Federal land-bank commissioner. It may be that our conditions are different from those of the

State which the Senator in part represents; but those loans have been very materially reduced. It is a rare thing that a mortgage held by either the Federal land bank or the land-bank commissioner has been foreclosed. There are very few cases in which that has been done. The payments have been met because, perhaps, our farmers have been able to meet them.

Looking at this question from the standpoint of the information which I have been able to obtain in my State, and the views which the farmers of my State hold as I understand them, we have no need for a reduction of the rate of interest. We are probably more interested in having the indebtedness of the Government reduced, and not taking a loss of thirty or forty million dollars a year.

I was a member of the committee when this matter came up, and I heard Governor Myers discuss it before the committee; and the impression I received was that at this time farm conditions have so greatly improved that there is not need for a reduced rate of interest.

Mr. GEORGE. Mr. President, of course, conditions may be better in some sections than in others, and the farm indebtedness may not be so heavy in the State of Delaware as it is elsewhere, and I hope it is not. I repeat, however, that on the average the American farmer who now has a fixed mortgage indebtedness against his farm can never liquidate it if he has to pay more than 3-percent interest, and I think the Senator will find that the same thing is true in Delaware. The farmer may liquidate by selling; he may have other, outside resources; but the cotton farmer, the farmer of the Southeast, cannot possibly liquidate his farm debt if he is required to pay more than 3-percent interest. The Senator from South Carolina and other Senators around me who have spent their days on the farm, and are familiar with farm conditions, know that precisely what I am stating is true.

Mr. GILLETTE. Mr. President, to me for the legislative branch to vote on the question of passing a measure notwithstanding a veto of the executive branch is a serious matter. I think the majority leader, in calling attention to the need for study and deep concern, did a very proper thing.

When the legislative authority was vested in the Congress, this limitation of requiring Executive approval was put on it, and the Constitution provided that if the Executive approval were not forthcoming there must be certain definite procedure and certain definite action to pass the legislation. To my mind that puts every one of us on notice, in considering a matter like this, to consider it on a little different basis from that on which we considered the measure originally. I know that is my feeling.

For some years I have had a small part in helping enact the type of legislation that is now before us, but when there is a Presidential veto I believe there should be careful reconsideration and review of reasons which might have been compelling at the time of the original presentation of the bill. I have tried to give that reconsideration to the pending measure, and I have reached the conclusion that there is every reason why there should not be a vote cast in this Chamber to sustain the veto of the President.

Because some of my associates here in private discussion have called attention to some matters which I believe are erroneous conclusions, I think it would not be a waste of time to refer briefly to the proposed legislation and its purpose. It is legislation proposed to assist the farmer. Those who have been Members of this body for many years will recall that the Farm Loan Act of 1916 was enacted for the purpose of bringing the farm borrower in touch with the sources of credit. It was for the purpose of setting up a farmer-controlled and a farmer-owned organization, and of continuing a reservoir of credit which the farmer could tap without paying unreasonable rates of interest.

The Government subscribed practically all the original capital stock. There was provision for borrowers to take 5 percent of the stock in local associations, and by 1924 the original capital which the Government contributed was all paid off under the provision requiring that 25 percent of the payments should be set aside for that purpose. In 1924 the farmers owned and controlled the organization, but because of the increased business, because of the change of conditions, it became necessary again for the Government to authorize a subscription to the capital stock and a contribution toward surplus. In January 1932 Congress passed an act authorizing the subscription of $125,000,000 to the stock, and, with a very small reduction, we still have that amount of stock at the present time.

However, that was found not to be sufficient. Because of the conditions during the depression years, the land banks could not secure the funds with which to make the necessary loans; it was absolutely impossible. Private sources of credit had disappeared. As was called to our attention in the debate today by one of the speakers, many of the farmers had incurred mortgage indebtedness on the basis of an income-producing power that did not exist, and they were compelled to pay fixed charges in taxes and interest on the fictitious-value loans. They could not refinance their loans locally; commercial credit, as I have said, was completely dried up. It became evident to the Members of Congress that it was necessary to provide the only credit that was available in this country at that time, namely, Government credit.

There was some discussion as to the best way to go about that. Some suggested that we set up an entirely new governmental organization and lend Government money to these needy people in the various lines, especially to farm borrowers. Others counseled that we could best lend aid to the Federal land banks in the way of making it possible for them to get funds with which to carry on. As an argument for that position, it was said they had the organization ready to go without additional expense. At that time, namely, May 1, 1933, 60 percent of the Federal land-bank borrowers were in default in principal and interest.

We passed the Farm Credit Act of 1933, and it did three particular things it was designed to do. The first was to bring about a reduction in interest. Bear this in mind, that the land-bank mortgages which had been negotiated were carried on a contractual basis. The interest rates ran all the way from 4½ percent to 6½ percent. Over 50 percent of the loans bore greater than 5 percent, and the borrowers are paying that today, and have been since the 1st day of July of this year. That is what we have to bear in mind in considering this question; they are paying that percentage. It is not a matter of only half a percent. It reverted to the contractual rate.

The Farm Credit Act of 1935 first provided for a reduction to 4½ percent, and later, through the efforts of some on the other side and some on this side of the Congress, the rate was reduced for 1 year to 3½ percent, and then again reduced to 3½ percent; but that extension expired on the 1st day of July of this year. We provided that the Government should pay from the Treasury into the Federal land bank the difference between what they were losing under the contract rate of the mortgage and the interest rate we were providing. We provided that this loss should be paid from the Treasury.

I am constrained to believe, from some of the statements made in the veto message, that the President has been misled.

I do not believe there is any possibility of a charge this year on the Treasury of up to $40,000,000 in the way of a bonus—call it a bonus if you care to—as contemplated and suggested either in the testimony of Governor Myers before the subcommittee on the veto message of the President.

I have here the consolidated report of the Federal land bank dated January 1 last year, and it shows that the entire charge paid by the Treasury because of interest reduction in 4 years was $61,000,000. I have here their report, in which they listed as necessary to be paid for reductions last year $12,000,000. We are not asking merely for the extension of one-half percent interest rate. If that is all the gentlemen have in mind, I might say that there are about $2,000,000,000

in Federal land-bank mortgages. One-half of 1 percent would amount to $10,000,000. There are $800,000,000 in commissioner's loans. One percent on that is $8,000,000. The total would be $18,000,000 instead of $40,000,000.

Let me digress just a moment on that. When we made provision that we would pay this reduction of the interest, the Federal land bank, because of the limitations, could not refinance any of the farmers who were losing their farms. Because of the limitation of 50-percent appraisal on the land value, plus 20 percent of the insurable building valuation, they could not reach this mortage indebtedness which has been created on a fictitious valuation. We made available from the Treasury a new fund, $200,000,000, United States Treasury money, and we provided that if under the limitation as to appraisal they could not refinance a farm, there would be available up to $7,500 to a man, of this commissioner's money, this Federal Treasury money, at the rate of 5 percent, up to 75 percent of the appraisal, and that it could be loaned secured by second mortgage on real-estate or on chattel security, and by supplementing in that way we might enable a large number of the men to refinance their mortgages, which could not be refinanced under the limitation.

To take care of additional losses, we provided that they should pay into the land banks contributions to surplus and additional contributions for taxes and delinquencies. We set up a Federal Farm Mortgage Corporation, which is dealing in the bonds right now. It is the market for the greater share of the Federal land-bank bonds.

Incidentally, I have their report up to January 1 of this year. Last year the Federal Farm Mortgage Corporation had a profit of over $20,000,000 before they had set aside anything in reserves, and after setting the reserves aside they show a profit of $11,000,000 for 1936.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. ADAMS. The Senator from Iowa has made a study of the Federal land bank. I wish to ask a question for information. This afternoon the Senator from Georgia stated that every share of stock of the Federal land bank belonged to the Federal Governemnt. My understanding was that there was some private ownership in the Federal land-bank stock, and I merely ask the Senator from Iowa if he will state the actual situation.

Mr. GILLETTE. I think the Senator from Colorado is correct in his statement. As I attempted to state a moment ago, in 1924 the original stock had all been retired by the contributions of 5 percent by the borrower, but because of the necessity for contributions we bought $125,000,000 worth of stock later as authorized in January 1932. We owned on January 1 last—that is, the Government owned—$124,000,000 of the stock, but the Federal land bank is not a governmental institution, nor are we guaranteeing their bonds. We are guaranteeing the Federal Farm Mortgage Corporation bonds.

Mr. President, I do not wish to take time on this matter, but there are two things which are uppermost in my mind. First, I do not believe there is the necessity for a subsidy, judging from the conclusions drawn in the debate. I may say that last year the President of the United States was one of the finest allies the farmer had in the consideration of this question. In the interest of reducing the rate last year we went to the President. Governor Myers was there, and the President took the lead in asking for this reduction for the 1 year, the reduction which expired the 1st day of July.

I believe the facts will justify me in the statement that there will not be the charge on the Treasury which is feared. Eventually, of course, if the United States reimburses the Federal land bank for losses, there may be some charge. But granted, Mr. President, that there is such a charge, it seems to me there is every justification for it, as was so forcefully presented by the Senator from Georgia [Mr. GEORGE], by the Senator from South Carolina [Mr. SMITH], and other Senators this afternoon. We thought nothing of contributing $160,000,000 by way of bonus to build up the merchant marine. I have no fault to find with our action in that respect. We thought nothing of appropriating $61,000,000 to build a battleship, and I voted for that appropriation. I have no fault to find with that action. But why in the name of all that is fair, when farmers are in such a bad situation as they now find themselves, should we not grant them relief?

A friend asked me why one-half of 1 percent could make any difference to our farmers. One-half a percent is the difference between profit and loss; it is the difference between financial life and financial death. It is the difference between the continuance of a home and a producing agency at a profit, and its destruction.

Mr. President, we do not have a fixed income on the farm. The Senator did me honor over much when he said a moment ago that I had made a study of this matter. My study was largely made as a debtor. I am a farmer. The farmer's income is so very small. Do Senators know there are thousands of farmers in the State of Iowa who in the last years in actual cash income did not receive over $150 to $200 per annum? And with that they had to meet fixed charges, interest charges, insurance charges, and taxes. They had enough to eat. They could go out and kill a chicken, and there was a vegetable garden, so they had enough to eat, and they had some clothing, but when they have to get the dollars they cannot get them.

Mr. President, we have been helping the farmers. They cannot understand why we now are asked to take the action resulting from this veto with respect to them. And here is another thing they cannot understand. In the district which I formerly had the opportunity to represent, within the last 2 months one of the ctiies issued municipal bonds, bearing interest at the rate of 2½ percent, which were oversubscribed. The farmer cannot see why he should be required to return to a contractual rate of from 5 to 6½ percent. He was not responsible for his condition. Seven hundred and thirty-five thousand farmers lost their farms within the last 4 years. The National Grange is my authority for that statement. Why should we compel them to pay as high as 5½ to 6½ percent? That is how the farmer argues when he sees and knows that subscriptions to municipal bond issues are available at lower rates than he has to pay on what he borrows. The farmer cannot understand that procedure, and he ought not to be expected to have to understand any such thing.

Mr. President, I apologize to the Senate for using so much of its time. As I said, it is a serious matter for me to vote to override the action of a coordinate branch of this Government. I would not take such a position unless I were thoroughly convinced in my own mind that it is justified, and I did not take that position today until I had reviewed the facts as I saw them and the conditions as carefully as I was able to do so. I do not believe there ought to be a vote cast to sustain that veto.

Mr. FRAZIER. Mr. President, I agree with the Senator from Iowa [Mr. GILLETTE] that some of the statements which came from the Governor of the Farm Credit Administration were at least misleading, and I think the President did not quite understand the situation when he wrote his veto message.

As the Senator from Iowa said, the farmers who are making loans through the land banks are paying a contract rate; and he is correct in his statement that the interest rate runs from 4 percent to 6½ percent. The land-bank law provides that no rate shall be above 6 percent; but there are, according to the figures of the Farm Credit Administration, 157 loans now outstanding on which there is paid a contract rate of 6½ percent. Those are some special loans, as I understand, in the case of which the borrowers do not have farm-loan associations set up, and it costs the land bank a little more to make the loans. Some of the loans are in some of our island possessions. At any rate, on some

of the loans the borrowers are paying 6½ percent. Eighty-six percent of the contract loans are made at the rate of 5 percent or over.

The average rate of interest on the land-bank bonds that are outstanding is a little better than 3½ percent—to be exact, 3.5659 percent. The average contract rate of interest on the land-bank loans is 5.0529 percent, a difference of 1.487 percent. There is a provision in the land-bank law that the land bank shall not charge more than 1 percent above the rate of interest carried by the last issue of bonds sold; but the fact remains that there is a difference of 1.487 percent, almost 1½ percent difference

Mr. President, besides that, a large amount of the old outstanding bonds have been refunded by the land banks at the rate of 3 percent, cutting down the expense of the land bank in paying that interest; but the farmers have not received the benefit of that reduction. They are still paying their contract rate. This bill would give the farmers another year of 3½-percent rate of interest on their regular farm land-bank loans and 4 percent on the commissioner's loans.

Mr. President, the bill originated in the House of Representatives. It was considered by the Committee on Agriculture in the House and was passed by the House. It came to the Senate and was referred to the Committee on Banking and Currency. A subcommittee was appointed, of which the eminent leader of the majority side was the chairman. A hearing was held. Governor Myers and some others came before the subcommittee, and after hearing the evidence the subcommittee voted to report favorably to the full committee the bill as passed by the House. When the bill came before the full Committee on Banking and Currency of the Senate an amendment was offered to strike out the provision which provided for 4-percent interest on the Commissioner's loans, and the majority of the committee present at the meeting voted for the amendment. The bill was reported to the calendar and came to the Senate with the committee amendment. After a little discussion on the floor of the Senate the committee amendment was rejected by a majority on the floor of the Senate, and the bill was passed as it passed the House.

I was sorry indeed to see the President veto the bill; but as the Senator from Iowa has so well said, the Constitution provides how bills which are vetoed by the President shall be acted upon.

Mr. President, it seems to me there is need for this legislation. Governor Myers stated that conditions among the farmers are now better; that their ability to pay is better. I wish to call the attention of the Senate to the fact that the farmers are still being foreclosed upon.

The Senator from Iowa gave the figure of 735,000 farmers being foreclosed upon during the past 4 years in respect to all loans. According to the figures of the Farm Credit Administration, however, on farm loans made through the land banks from June 1933 to June 1937, during the past 4 years 37,396 loans made by the Federal land banks were foreclosed upon by those banks. So, even though conditions are getting a little better, farmers are still continuing to lose their farms by foreclosure because they cannot pay the interest.

On June 30 of this year there were pending before the land banks of the Nation 4,189 foreclosure cases, making for the period of 4 years a total of 41,585 loans foreclosed and those cases which were pending at the end of the 4-year period. So, Mr. President, the fact that these loans are being foreclosed by the land banks at the rate of better than 10,000 per year for the past 4 years indicates that the rate of interest still is higher than the farmers can pay, and they are losing out.

The land banks have been of great benefit to the farmer. There is no doubt that they have had the effect of reducing the rate of interest. Not only have they caused reduction in rate to the farmers who borrowed through the land banks, but they have also caused reduction in the rates to the farmers who borrowed from insurance companies, or local banks, or from other private interests. The average rate of interest on farm loans has been reduced because of the land-bank law.

By reason of the figures which I have stated here and those which have been given by the Senator from Iowa [Mr. GILLETTE] and others, we feel that the rate is still too high, and that at least for another year we should keep the rate on land-bank loans down to 3½ percent, and keep down the rate on commissioner's loans to 4 percent.

The money for the commissioner's loans, as has been stated, is raised out of the Treasury of the United States by the sale of low-rate interest bonds. So there is really no loss in money on the commissioner's loans even at the reduced rate of 4 percent. Of course there is a loss between the amount the Government would get if the rate were 5 percent and what it would get if the rate were only 4 percent. There is that difference, of course; but it comes out of the farmer, and there is no actual loss on the commissioner's loans so far as the Government is concerned by the reduction of 1 percent.

So far as Federal land-bank loans of 3½ percent are concerned, as the Senator from Iowa has so well stated, there is no question that the figures of the land bank's report have proven beyond a doubt that there will not be a $31,000,000 loss if the 3½-percent rate is continued for another year.

So I hope, Mr. President, that the farmers may be given this little recognition and assistance in paying off their debt and continuing to own their property.

Mr. BORAH. Mr. President, I desire to speak briefly on the pending question. The understanding generally is that all that is involved in this matter is merely the difference in interest between 3½ percent and 4 percent. My understanding is—and, of course, there can be no doubt about it, because it is in accordance with the facts—that if the bill should not pass, the farmer would be under obligation to pay 5 percent or 5½ percent and, in some instances, 6 percent. It is that very great inequity, it seems to me, that has not been properly considered either by Governor Myers or the President in his message; in fact, I think one reading the President's message must come to the conclusion that he was guided with reference to his facts and figures entirely by the statements that have been made by the Governor of the Federal land bank. It is not a question of calling upon the farmers to pay 4 percent; it is a question of whether we desire to call upon them to pay 5 percent or 5½ percent or 6 percent.

There is no trouble in this country about securing money for almost any kind of business at 3 percent, 3½ percent, or 4 percent. I have the figures here, for instance, of the Reconstruction Finance Corporation. That institution is making many loans to banks and trust companies at 3 percent, to insurance companies at 3½ percent, to railroads at 4 percent, to mortgage-loan companies at 3½ percent, and preferred-stock loans at an interest rate of 3 percent. There can be no justification in calling upon the farmer, under present conditions, to pay as high as he will be compelled to pay if this bill does not pass. When money is plentiful for 2½ percent, 3 percent, and 4 percent, does the Senate want to go on record to the effect that the farmer shall pay 4 percent, 5 percent, 5½ percent, or some 6 percent?

One cannot properly appreciate the situation with reference to agricultural conditions without going back over the years during which time the accumulation of indebtedness and other burdens has been going on. The chart of the Agricultural Department shows that from 1915 to 1921 the farm was making money; but there has never been a year since 1921 when the farm has paid in the United States. So the important question is not that the farmer is in a better condition than he was last year, but is he in a situation financially, in view of the accumulated burdens of 10 years, to carry on and pay a rate of 5, 5½, or 6 percent?

Something has been said here about the fact that the passage of the bill will establish a precedent which we cannot ignore when we come to consider the question of home owners' loans. I think that is correct; in all probability we

will have to consider it; but I do not hesitate to say that there are two things which the Government must do in this emergency: It must keep the farmer on the farm and it must keep the family in the home, if it is possible to do so. I am quite favorable to any program which will reasonably tend to accomplish those two ends. I do not believe that there is any kind of farm relief that can be so immediate, direct, and beneficial in its effects as giving the farmer a rate of interest which he can actually meet and remain on the farm. We will deal with the home owners' loan matter when it reaches us.

My contention is that, as a matter of fact, 3 percent or 3½ percent is all the farmer can possibly pay in the way of interest. It is not in the business to pay more at any time. And it is worth something to keep him on the farm, even at the expense of the Treasury, until unfavorable conditions shall have passed.

I do not minimize what is involved when it comes to overriding a Presidential veto, but I am sure that the passage of this bill will be of tremendous benefit to a great many farmers, and that, if they are not to remain on their farms, the amount which the Government will ultimately pay in trying to get them back on the farm will be very much greater than the amount which we are supposed to contribute for the purpose of keeping them on the farm. There may be more glamor in pushing a man off the farm and then devising some ambitious scheme to take him from tenancy and put him back on the farm, but the real beneficial effect of any program is, in the first instance, to keep him there, if it is possible to do so. In my opinion, the passage of the bill will serve the cause of farm relief as immediately, effectively, and substantially as any possible legislation which may be passed at the present session.

Mr. TYDINGS. Mr. President, I should like to make a brief statement on the question now pending before the Senate. I intend to vote to override the veto of the President, and I should like to offer a few reasons why I think it is wise to afford to the farmers the lowest interest rate on loans made by the land banks and land-bank commissioner.

Mr. President, there is one thing that is indispensable to the farmer—that is credit. Unlike all other things which are produced, it takes many, many months to produce a farm crop.

Take wheat, for example, which is planted in the fall and usually reaped 8 or 9 months later. In order to plant a wheat crop the farmer has to buy the fertilizer nearly a year ahead; he has to buy the seed a year ahead; and then put his crop of wheat in the ground a year ahead. So that, after he has made all these expenditures, it is necessary for him to wait 9 months in order to harvest his crop. He cannot produce something, like a manufacturer can, in a day. It takes him 9 months to produce a crop of wheat. In addition to that, he is subject to all the hazards of the weather, to disease, to drought, and so on. He needs his extra labor at the very time the crop is ready for harvest.

Quite often to plant his crop he has to go to a local bank and borrow money to finance him over the 9 months' period for fertilizer, seed, and so forth, and when he does reap his crop the bank knows it. He usually borrows from a local institution and the bank wants the note paid off at the time he reaps his harvest. Often many farmers are in the same situation; the need for paying off these obligations is pressing at harvest time, so that such farmers dump their products upon the market at almost the identical time, which causes the price to fall to a very low figure. The only way the farmer can hold his products and "feed" them out in a more orderly way in the market and realize the maximum amount of return from his 9 months of waiting is to have sufficient credit to enable him to do it. If the credit is at 6 percent, the increase in the price he secures by holding the product several months after harvesting is partly or entirely offset by the high interest the farmer has to pay to get his loan. Therefore, in the interest of orderly marketing and a fairer price return, it is the farmer's need to have sufficient credit at a low interest rate to permit him to "feed" his commodities into the market at such time as he can get an adequate return from them.

There is a second reason I wish to offer in support of the low interest rate. What is the logic of saying that the farmer needs help and of giving the farmer benefits in the form of soil conservation, on the one hand, and charging him a high interest rate for the money he borrows from the Government on the other hand? Certainly, if he needs help out of the Federal Treasury in the form of a gratuity, as under the Soil Conservation Act, it is maintained he does need help, then I think it is likewise of greater importance that we reduce the interest rate, give him easier credit, and thereby make the need for other help less pressing. Certainly, as between the two, it would pay us to finance the farmer through loans at a low interest rate where his own work and his own property give security for the loan, and where it will be eventually returned to the Treasury at a low rate, say, of 3 or 3½ percent interest, than it would be to charge him, say, 6 percent and make it necessary for the Congress to appropriate a huge sum of money in other forms of assistance.

I cannot see any logic in the policy of saying agriculture needs help, and taking money out of the Federal Treasury and giving it to the farmer on the one hand, and in the next breath insisting that he pay 5 percent to the land banks or land-bank commissioner for money that is only loaned to him to assist him in running his farm and that loan on good security. What the farmer needs is credit. He needs it because in his particular business he cannot stop the operation of producing crops once he has planted them in the soil. If there is a surplus or a shortage of the crop, he needs credit, because his industry is a long-time industry, taking many months to bring it to harvest; and when he does bring it to the point of harvest, every other farmer has done the same thing, and all the produce is placed upon the market at the same time unless credit is at hand enabling the farmer to hold out for better prices.

Therefore if it is possible—and it is possible—for the Government to make a loan to the farmer at an interest rate which in reality costs the Government nothing, because it is borrowing money at a lower interest rate than it is now lending it to the farmer, it seems to me that it is good business to continue a larger and more equitable policy of credit than it is to enter the field of increased gratuities.

For that reason I shall vote to override the President's veto, believing that it is in the interest of agriculture as well as the Treasury of the United States to give the farmer low interest rates—ample credit, if you please. And if he has this at a small cost in interest, he will not need the other assistance so much. But without credit at low interest we may look for agricultural relief measures which would not come before us if the farmer could borrow without high interest eating into his returns.

Mr. GLASS. Mr. President, if any note is taken here of the individual record of Senators, I may fairly assume that most of my colleagues know very well that I have consistently opposed the entrance of the Federal Government into the business affairs of the country. I have always contended that the differences in equities between the agricultural interests and the industrial interests of the country should be adjusted by abating the enormous privileges of the industrial interests in behalf of the agricultural interests, so that the farmer might buy at a reasonable rate what he is compelled to buy rather than at the privileged rate of the industrialist.

That until recently has always been the attitude of the party to which I belong. It has always demanded that that be done. But when the party had an opportunity to do it, it has never written a sentence into a statute to accomplish that purpose.

It will also be recalled that effort after effort has been made here toward economy, toward balancing the Budget. Almost the last extended speech of the late lamented leader of the majority was made in behalf of that issue of economy.

However, in every single instance and upon every item every effort at economy has been successfully resisted.

Today I am not willing to support this effort to begin with the farmer in the matter of economy. It does not directly affect my State. I imagine—in fact, I know—that the farm-mortgage record of Virginia is a particularly happy one. It does not affect me politically, because the probability is that I shall be dead when my term shall have expired here in the Senate. But as a matter of fairness to the farmers in contrast with what has been done here, I intend to vote to override the President's veto.

Mr. KING. Mr. President, I am glad to associate myself with our beloved friend, the Senator from Virginia [Mr. GLASS], in the views expressed in the early part of his remarks. I am sure we were benefited and profited by the same. I do not, however, agree with the concluding statements of the Senator with respect to the veto message of the President. I intend to support the position of the President as presented in the veto message which has just been read.

In my opinion, the veto message should be sustained, and I regret that it is not receiving the support to which it is entitled in view of its merit and the sound basis upon which it rests.

The Senator from Virginia indicated that there have been departures from the basic principles upon which the Democratic Party was founded, and I inferred from his remarks that unwise policies had been adopted by the Federal Government which tended to weaken the authority of the States and to concentrate in the Federal Government power in excess of that which had been delegated to it. In my opinion there have been tragic and dangerous departures from the faith of the fathers and from the principles upon which genuine democratic government rests. Throughout the world forces are operating calculated to weaken, if not to destroy, local self-government and restrict the rights and liberties of individuals. Governments are usurping authority and impinging upon the rights of individuals. The Democratic Party has demanded equal rights for all and has denounced special privileges, contributions, and subsidies in favor of groups and various industries. It attempted to preserve the Republic, not only its form but its spirit, and to maintain constitutional government and the rights of the States.

There is unmistakable evidence that many of our citizens are forgetting or ignoring the principles upon which constitutional government rests, and particularly the duties and responsibilities which rest upon them as individuals and upon the States and local communities. There has been a growing insistence that the Federal Government take over the duties and responsibilities of the States, and also a subsidence of that fine spirit of individualism so essential to the maintenance of genuine democratic government. This is apparent in the demands which are made for grants and subsidies and special privileges from the Federal Government. The Democratic Party for years opposed bounties, and special privileges, and grants, and subsidies, and movements, and policies looking toward the creation of an omnipotent Federal Government. Democrats protested against a powerful central government—against what they denominated as the philosophy of Hamilton; but, unfortunately, for the best interests of our country, not only now but in the future, there is unmistakable evidence of a desire upon the part of many of our citizens to have the Federal Government enlarge its authority and engage in activities beyond its constitutional power.

I fear that these centripetal forces are drawing within their powerful grasp not only individuals but local communities and States, and are developing a false philosophy, which will, if unchecked, culminate in the aggrandizement of the Federal Government and the devitalization of the States.

I fear that many Democrats have forgotten the teachings of the founders of the party and the platforms which have been promulgated during many decades. I wonder if we have forgotten the teachings of Jefferson, Madison, and Jackson, and those great apostles of democracy who made important contributions to the development of this Republic. Apparently there are many Democrats who seem as eager for subsidies and bounties and special privileges at the hands of the Federal Government as have been persons belonging to other political parties, and whose policies nd conduct Democrats severely criticized.

During the depression policies were adopted which it was thought were justified by the situation, but which under normal conditions could find no justification. It is quite likely that improvident appropriations were made, and many communities and individuals conceived the view that the Federal Government should continue its Nation-wide activities and enormous expenditures. The time has now come when there must be material reductions in Federal expenditures and the withdrawal of the Government from activities which appertain exclusively to individuals and to local communities.

The veto message now before us should receive our support. It is justified by economic conditions and by the condition of the Federal Treasury. Moreover, it is an admonition that the Federal Government cannot continue indefinitely to carry the heavy burdens placed upon it and meet the increasing demands made by the people.

In passing may I say that I have supported, as I recall, every veto submitted by the President upon which a vote in the Senate has been taken. I sustained the President in his veto of the bonus bill. In my opinion, the first bonus veto message was a strong and impressive state paper. I was glad to support the President's position. I likewise supported his second veto of the so-called bonus bill. It gave me pleasure to support the President in his recommendation that the United States should become a member of the World Court; and, for that matter, I have supported most of the measures brought to the attention of the Senate during the past 4½ years. I have acted upon the conviction that the functions of the Executive and the legislative branch of the Government were different, and that it was the duty of Senators to oppose measures which they did not believe to be constitutional or just or for the best interests of the country.

My recollection is that a number of distinguished Democratic Senators, who have been very critical of some of their Democratic colleagues because they felt constrained to oppose the so-called court bill—which has been before the Senate for a number of months—failed to support the President in the veto messages to which I have referred and in his patriotic and statesmanlike position with respect to the World Court. I assume from the unmistakable attitude of Senators upon the floor that some of the Democratic Senators who have been, as I say, critical of myself and others who have opposed the so-called court bill, will, within a few moments, when the vote is taken, refuse to follow the President, and will vote to override his veto. I hope that I shall be pardoned for saying that tolerance is a virtue not only in matters of public concern but in all the relations of life.

It is fortunate that we cannot all agree; indeed, progress has often been measured by differences of opinion. We do not want standardization in the realm of thought or in the policies pursued by individuals, communities, and nations. Herbert Spencer speaks of heterogeneity and the differentiation that contributes to material, moral, and spiritual development.

I am glad now to support my President in the position which he has taken with respect to the measure under consideration. I believe the President to be right, and though I may be with a very small minority, I shall have the approval of my conscience. I shall, therefore, vote against the motion to override the veto. I believe the President's message presents valid reasons justifying his position. One not acquainted with the conditions of the Treasury, or of the fact that the Government has no funds except those obtained from taxation or by borrowings, would assume from some of the observations made during the debate that the Government should gladly reduce the interest rates, if not cancel obligations due it. The fact is that the Government is required to borrow not millions but hundreds of millions of dollars to meet its expenditures.

Through the sale of bonds to the investing public loans are being made by the Federal land banks at the lowest rate that has ever been made available to farmers generally in the United States.

The fact is that as a result of the efforts of the Government, through the Federal loan banks and the loan-bank commissioner, the farmers have saved in interest charges from 20 to 40 percent of the amount previously paid for interest on their loans. That there has been an improved condition in agriculture during the past 2 or 3 years is conceded by all, and in view of the benefits which have been derived by the farmers as a result of credit extended by the Government, it would seem that there ought not to be a demand that the Government borrow $30,000,000 more in order to reduce the interest charges upon loans made to farmers. My understanding is that the cost to the Treasury of the United States for the next 2 years, if the President's position shall not be sustained, will amount to approximately $53,000,000; and, of course, it will follow that other debtors of the Government will demand that their obligations shall be reduced.

When the Senator from Georgia [Mr. GEORGE] was speaking a moment ago, I asked him if it were not true that farmers obtaining loans from banks or loan companies were not now paying interest in excess of that which they are paying to the Government. His answer, of course, was in the affirmative. It is conceded that the farmers who obtained loans from the Government discharged their obligations secured by liens upon their farms, and that such obligations bore a much higher rate of interest than they are now paying to the Government.

In my opinion, Mr. President, the veto message of the President has not been successfully met. I regard it as sound and justified under all the circumstances. I shall, therefore, as I have stated, vote to sustain his message.

Mr. BARKLEY. Mr. President, I think we should have a quorum. Therefore I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Radcliffe
Andrews	Copeland	La Follette	Reynolds
Ashurst	Davis	Lee	Russell
Austin	Dieterich	Lewis	Schwartz
Bailey	Donahey	Lodge	Schwellenbach
Barkley	Duffy	Logan	Sheppard
Berry	Ellender	Lonergan	Shipstead
Bilbo	Frazier	Lundeen	Smathers
Black	George	McAdoo	Smith
Bone	Gerry	McCarran	Steiwer
Borah	Gibson	McGill	Thomas, Okla.
Bridges	Gillette	McKellar	Thomas, Utah
Brown, Mich.	Glass	McNary	Townsend
Brown, N. H.	Green	Maloney	Truman
Bulkley	Guffey	Minton	Tydings
Bulow	Hale	Moore	Vandenberg
Burke	Harrison	Murray	Van Nuys
Byrd	Hatch	Neely	Wagner
Byrnes	Herring	Nye	Walsh
Capper	Hitchcock	O'Mahoney	Wheeler
Caraway	Holt	Overton	White
Chavez	Johnson, Calif.	Pepper	
Clark	Johnson, Colo.	Pope	

The PRESIDING OFFICER. Ninety Senators having answered to their names, a quorum is present.

Mr. ASHURST. Mr. President, I wish to read an extract from a short article I wrote for the New York Times on July 9, 1936:

If it be true that Congress loves the people or their votes, it is likewise true that Congress loves President Roosevelt for his vetoes.

President Roosevelt has vetoed more bills than any other Chief Executive except Mr. Cleveland. In Congress bravery is not required to vote for a bill, but when a Member of Congress votes against a bill he exhibits fortitude.

I have just completed a thorough examination of the various bills vetoed by President Roosevelt, and although I do not agree with his veto on the bonus bill or with his veto of the bill which proposed to restore the expense allowance of district and circuit judges to the sum of $10 per diem when holding court away from the place of their official residence, candid men must declare that the Franklin Roosevelt vetoes are courageous and in the interest of economy and retrenchment.

Regarding many, if not most, of the vetoed bills, had President Roosevelt approved them, he would have laid incalculable burdens upon the people; and in not a few instances he would have injected vitality into stale claims of doubtful merit against the Government; indeed, in some cases the bills as to which he withheld approval were not only wholly lacking in merit but called for enormous and wrongful drains upon the Treasury.

President Roosevelt should receive praise and approbation for the superb service to the people he has quietly rendered in protecting the public revenues by his vetoes.

HENRY F. ASHURST,
Senator from Arizona.

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding? On a question of this kind the Constitution requires that the vote be taken by yeas and nays. The clerk will call the roll.

The Chief Clerk called the roll, which resulted—yeas 71, nays 19, as follows:

YEAS—71

Andrews	Davis	Lee	Russell
Austin	Dieterich	Lodge	Schwartz
Bailey	Donahey	Logan	Schwellenbach
Berry	Duffy	Lonergan	Sheppard
Bilbo	Ellender	Lundeen	Shipstead
Black	Frazier	McAdoo	Smathers
Bone	George	McCarran	Smith
Borah	Gibson	McGill	Steiwer
Bridges	Gillette	McKellar	Thomas, Okla.
Brown, N. H.	Glass	McNary	Thomas, Utah
Bulkley	Hale	Moore	Townsend
Bulow	Harrison	Murray	Truman
Byrd	Herring	Neely	Tydings
Capper	Hitchcock	Nye	Van Nuys
Caraway	Holt	Overton	Wagner
Clark	Johnson, Calif.	Pepper	Wheeler
Connally	Johnson, Colo.	Pope	White
Copeland	La Follette	Reynolds	

NAYS—19

Adams	Byrnes	Hatch	O'Mahoney
Ashurst	Chavez	King	Radcliffe
Barkley	Gerry	Lewis	Vandenberg
Brown, Mich.	Green	Maloney	Walsh
Burke	Guffey	Minton	

NOT VOTING—5

Bankhead	Hughes	Norris	Pittman
Hayden			

The PRESIDING OFFICER. More than two-thirds of the Senators having voted in the affirmative, the bill is passed, the objections of the President of the United States to the contrary notwithstanding.

INTERSTATE COMPACT TO CONSERVE OIL AND GAS

Mr. THOMAS of Oklahoma. Mr. President, I am advised that there is on the Vice President's desk a message from the President. I ask unanimous consent that it may be laid before the Senate.

The PRESIDING OFFICER. The Chair will state that under the previous unanimous-consent agreement, the Senate at this time is to proceed to the consideration of unobjected bills on the calendar; but, of course, that unanimous-consent agreement may be superseded by another.

Mr. THOMAS of Oklahoma. Mr. President, if the matter is to take any time, of course I shall withdraw the request; but I think it is of sufficient importance to justify its consideration for a moment at this time.

The PRESIDING OFFICER. Without objection, the Chair will lay before the Senate the message from the President relating to an oil compact between certain States. The message will be read.

The legislative clerk read the message, as follows:

To the Congress of the United States:

I transmit herewith a report of the Secretary of State enclosing a certified copy of the Interstate Compact to Conserve Oil and Gas, executed on May 10, 1937, by the Governors of the States of Oklahoma, Texas, Kansas, New Mexico, and Colorado, which has been deposited in the Department of State of the United States in accordance with the provision contained therein. The compact refers to the Inter-

state Compact to Conserve Oil and Gas executed at Dallas, Tex., on February 16, 1935, which received the consent of the Congress in Public Resolution No. 64, Seventy-fourth Congress, approved August 27, 1935. As the above-mentioned compact will expire on September 1, 1937, the present compact provides that the original compact shall continue in force for 2 years from that date. In a letter from the Secretary of the Interior dated July 8, 1937, enclosed with the report of the Secretary of State, the opinion is expressed that some good may be accomplished by this compact.

Accordingly, I hope that Congress will enact appropriate legislation giving its consent to this interstate compact as required by Article I, Section 10, of the Constitution of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 19, 1937.*

[Enclosure: Report of the Secretary of State, dated July 14, 1937, with enclosures.]

Mr. THOMAS of Oklahoma. Mr. President, under the Constitution two or more States have the right to make a compact, and when they enter into a compact the document must be sent to the office of the Secretary of State and thereafter transmitted to the Congress by the President for the consideration of the Congress, because the compact has no validity until approved by the Congress.

Some 2 years ago, I think, five States entered into a compact for the conservation and protection of oil. The compact was transmitted to the Congress in the regular channels and the Congress promptly approved it. The States concerned have been operating under the compact for 2 years.

Early last spring the same States, through their representatives, met at New Orleans and voted to extend the compact under which they have been operating for 2 years. The compart was not changed. Now, there is a request that the Congress consent to a continuation of the same compact for 2 years more from the date of the termination of the present compact. There is no change proposed in the compact. The States merely desire to have it extended for 2 more years, beginning September 1, 1937.

Mr. ASHURST. Mr. President, it appears that the States among and between which the compact was negotiated and now exists were Oklahoma, Texas, Kansas, New Mexico, and Colorado.

Mr. THOMAS of Oklahoma. That is correct. Five States altogether have joined in the compact.

Mr. ASHURST. I ask the able Senator are the two Senators from each of the States agreeable to the extension?

Mr. THOMAS of Oklahoma. Mr. President, I have not checked with the Senators, but the Governors and the legislatures of the five States are agreeable to the extension.

Mr. ASHURST. That is what I wanted to know.

Mr. THOMAS of Oklahoma. All that is asked is an extension or a continuation of the compact which is now in operation for another 2 years beginning at the date of the termination of the present compact, which will be September 1, 1937.

Out of order I ask unanimous consent to introduce a joint resolution proposing to give the consent of the Congress to an extension of the existing compact for 2 years from September 1, 1937.

The VICE PRESIDENT. Is there objection?

Mr. WHEELER. The Senator does not request action at this time, does he?

Mr. THOMAS of Oklahoma. No.

Mr. McNARY. Mr. President, of course the request is out of order at this time, but I do not intend to raise that question. I will ask that the joint resolution be referred to the appropriate committee of the Senate in order that Senators may have an opportunity to become conversant with the purposes of the measure.

Mr. THOMAS of Oklahoma. Mr. President, I have not asked unanimous consent for the immediate consideration of the joint resolution. I have merely asked unanimous consent to be permitted to introduce it.

Mr. McNARY. I have no objection to that. I should object to immediate consideration.

Mr. THOMAS of Oklahoma. Just one further word, if permission is granted for the introduction of the joint resolution.

The VICE PRESIDENT. Without objection, the Senator is permitted to introduce a joint resolution, and it will be properly referred.

Mr. THOMAS of Oklahoma. Mr. President, 2 years ago a message came to the respective Houses of Congress, and in the other body of the Congress a joint resolution was introduced promptly granting the consent of that body, as a part of the Congress, to the ratification of the proposed compact. A joint resolution was introduced in this body very shortly after the message was received, and at that time there was no objection. But in view of the statement made by the Senator from Oregon, I have no intention of pressing for immediate consideration.

I ask unanimous consent that the joint resolution be referred to the Committee on Mines and Mining.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

By Mr. THOMAS of Oklahoma:

A joint resolution (S. J. Res. 183) consenting to an interstate oil compact to conserve oil and gas; to the Committee on Mines and Mining.

REORGANIZATION OF FEDERAL JUDICIARY

The Senate resumed consideration of the bill (S. 1392) to reorganize the judicial branch of the Government.

Mr. LOGAN. Mr. President, I rise to ask unanimous consent to make a motion to recommit to the Committee on the Judiciary Senate bill 1392, to reorganize the judicial branch of the Government, with all amendments thereto.

I might say by way of explanation that, after a very full and free hearing this morning, the Committee on the Judiciary directed me to make this request, with the understanding that it would be instructed to report a bill for the reform of the judiciary within 10 days, if the motion should prevail. I ask unanimous consent that I may be authorized to make the motion at this time.

The VICE PRESIDENT. The Senator from Kentucky asks unanimous consent that the pending business before the Senate, Senate bill 1392, to reorganize the judicial branch of the Government, be recommitted to the Committee on the Judiciary with instructions to report within 10 days. Is there objection?

Mr. BARKLEY. Mr. President, the request of the Senator from Kentucky was that he be permitted now to make the motion. It was not, as I understood it, a motion to recommit with instructions.

The VICE PRESIDENT. The Chair was merely attempting to facilitate the matter by getting unanimous consent.

Mr. BARKLEY. I think probably the request for permission to make the motion should be submitted.

The VICE PRESIDENT. If the Senator desires to ask unanimous consent that the bill be recommitted with instructions, the Chair could not see why that could not be done.

Mr. McNARY. Mr. President, I usually try to follow the Chair, but that cannot be done now. I am willing to grant unanimous consent that the motion may be made, but not that the bill may go back to the committee.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky that he may make a motion to recommit the pending business to the Committee on the Judiciary with instructions to return the bill within 10 days? The Chair hears none.

Mr. LOGAN. Mr. President, pursuant to the instructions of the Committee on the Judiciary, as it imposed the duty upon me this morning, I move that Senate bill 1392, to reorganize the judicial branch of the Government, with all

amendments thereto, be recommitted to the Committee on the Judiciary with instructions to that committee to report a bill for the reform of the judiciary within 10 days from this date.

Mr. President, some days ago I prepared a speech to deliver on the bill itself in an effort to make my position clear. I have never had an opportunity to deliver it. I now ask unanimous consent that that speech be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. Is there objection?

Mr. MCNARY. Just a moment.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky to have his contemplated speech printed in the RECORD as a part of his remarks? The Chair hears none, and it is so ordered.

The speech prepared by Mr. LOGAN is as follows:

It is true, as has been stated in the Senate during this debate, that a place of justice is a hallowed place. No one can well take issue with that statement. A court is a place where justice should be administered, and it is, therefore, not inappropriate to refer to a court as a holy place. I disagree with neither the statement nor the conclusions which have been reached during the course of this debate as to the respect which should be shown to the courts of our country or as to the honor which should be accorded them, but a court should not be worshiped as a fetish.

Courts are made up of men, and the men constituting any court do not lose their ideas of the problems of life or their theories of government, because they happen to become members of a court. When interpretations are to be made of constitutional or statutory provisions, it is impossible for a judge to wholly rid himself of the ideas which have become a part of him, and where there is latitude for reasonable grounds of disagreement as to a proper interpretation, he will naturally follow his own ideas. We know this is true, and because of this truth we have varying interpretations by the same court at different periods of the same constitutional and statutory provisions.

There is no book that has caused as much controversy in the world as the Holy Bible; there has been great diversity among learned men over the proper interpretation of nearly every important statement in that book. The good faith of those who disagree should not be questioned. It is human to err, and oftentimes the truth is found midway between the extremes.

If for any reason a court becomes the citadel of the privileged and not a reservoir for the good of all, he is unfaithful to his trust, who has the power to correct the evil and fails to exercise that power. If it is found that a court of justice, though it should be a holy place, is more partial in its decisions to the protection of the few than to the promotion of the happiness and general welfare of the many, the fountain of justice has become polluted, and he who has the power to purify the fountain and fails to do so, is not faithful to the trust which has been placed in him.

It is not necessary to question the integrity of any member of a court in order to reach the conclusion thus expressed. Many of the ancient philosophers surprised the world with their wisdom; they became so great among men that their names live even to this day. It is known now that much of their philosophy was shallow or untrue, but no one questions their honesty or the integrity of their purpose.

If it be true that through a mistaken interpretation of our Constitution or a tortured construction of its provisions, millions of toiling men and women on farm and in factory have been denied the good things of life, it is not the part of wisdom to advance the idea that nothing should be done, because the court sits in a holy place. It is entirely beside the question to say that the members of the court are men of wisdom and integrity. That may well be conceded, but if they bring to the world through their decisions sorrow and tears, when they should have brought joy and happiness, no one can well say, so it seems to me, that the court should be allowed to persist in an erroneous interpretation of our fundamental law.

In heated extemporaneous debates we make statements that were better left unsaid. In my opinion, it is unwise to charge that any court willfully misinterprets the Constitution. It is unwise for one to question the good faith and integrity of those who may hold different views in the Congress.

While I have severely criticised the report of the Judiciary Committee on the pending legislation, and I still believe that much criticism is justified because the report plainly shows the emotional side of the members who wrote it, even to the extent of the use of exclamation points to emphasize some of their expressions. I regard it as a paper calculated to arouse prejudice and hate, and as the same end could have been accomplished without doing so, with the same result accomplished, I think the violence of the language is without justification.

I believe in the political party to which I belong, and I know that the report of the committee has aided those who oppose the party, and for that reason, it aroused my resentment. It is generally regarded throughout the country as an attack upon the President and his policies, and, in my opinion, there is no justification for that belief, but I accept the word of those who write it that they did not so intend it.

We sometimes speak without mature deliberation, and often when we do so, we make statements that are unfair. Much feeling has been aroused over the discussion of the important proposal before us, and when we pause to consider that this feeling has often been aroused in the history of our Nation, there are no just grounds for criticising those who are on one side or the other.

It is my earnest and sincere wish that the Members of the United States Senate will calmly and judicially consider the matter in the light of the best reasoning which can be advanced on both sides, so that when the debate has developed every point that may be developed, there may be a vote. If I should be on the losing side when that vote is cast, I will be satisfied to know that I have done the best I could, seeking the light to the best of my ability. On the other hand, if my vote should be cast on the winning side, I will feel no cause for gloating. I do not believe there will be a filibuster, as I recognize the intelligence, the patriotism, and the good faith of those who hold views opposite to the views which I entertain. I shall regard those who vote opposite to my views on this side of the Chamber as my friends and fellow Democrats, the same as I regard them now. I believe there is no one who takes an opposite view to mine who has not played an important part in forming the great legislation that has been enacted during the past few years. Instead of believing that the Democratic Party should seek reprisals, it is my personal view that we will need the help of all of them in the solution of many other great questions, so I express the hope that I may have the privilege of serving many years with them in the Senate of the United States.

It has been said often that there is something wrong with the decisions of the Supreme Court. If that statement should have been made only by those friendly to the proposed legislation, there might be reasons to doubt the statement, but let us look to the leaders of the opposition and see what we find. The distinguished senior Senator from Montana believes that the decisions of the Supreme Court at times have been against the best interest of the great body of the people of the Nation, and I am quite sure that he believes that there are many things wrong with the decisions of the Supreme Court on many important questions. He believes that the Constitution should be so amended as to require a form of indirect recall of judicial opinions on constitutional questions. He believes in a modified form of the doctrine advocated by Theodore Roosevelt when he was last a candidate for President. He makes no concealment of his views, because he has proposed an amendment to the Constitution, carrying into effect his ideas.

The distinguished junior Senator from Nebraska must hold the opinion that the Supreme Court needs attention, as he has proposed a constitutional amendment providing that the Justices of the Supreme Court shall be retired automatically at the age of 75.

The distinguished junior Senator from Nevada proposed an amendment to the original bill increasing the number of Justices of the Supreme Court by two; and there is the able senior Senator from Wyoming, who believes that it should require more than a majority of the Supreme Court to declare an act of the Congress unconstitutional, and he has expressed that belief through a proposed constitutional amendment.

I believe that the distinguished senior Senator from Idaho has in the past held similar views, as shown by amendments proposed by him. Both the senior Senator from Montana and the senior Senator from California have been candidates for Vice President on platforms advocating the recall of judicial decisions by the people.

I listened with pleasure to learned men and women who appeared at the hearings held by the Judiciary Committee, and in the majority they stated readily that there was something wrong with the decisions of the Supreme Court. I doubt whether there are more than 3 members of the Judiciary Committee out of the 18 who fully believe that the Supreme Court should be left alone exactly as it is without any limitation upon its powers or any regulation as to its actions.

With such a diversity of views, is it any wonder that thinking men disagree, and is it not well that someone point out, if he can, what is wrong with the Supreme Court or its decisions? In the history of the Court and the Nation there should be found evidence which would lead one to an intelligent conclusion as to what is wrong with the Court. I propose to express my views and to point out, if I can, what has brought to us all of our difficulties.

As clearly indicated in a statement recently given to the press by former Justice Van Devanter, the Supreme Court has had many storms in its history. Some of them have been very violent and have threatened the very existence of the Court. Others have been less violent, but in the most stormy periods of our national life the Supreme Court has usually been the very center of the storm. Why is it that the troubled waters cannot be calmed? Why is it that for nearly 150 years passions and prejudices have been aroused by the action of the Supreme Court? There must be a reason.

The shades of Marshall and Madison still fight on. At one time one of these shades rides the whirlwind and beckons the Court to follow, and the Court does follow. At other times the other shade is found in the midst of the whirlwind, beckoning the Court to follow, and the Court does follow. Thus the warfare of the shades

of Marshall and Madison, aided at times by the shades of Jefferson and Hamilton, trouble the waters and bring uncertainty to the Nation.

I used to think of the Constitution as the same in the past, the present, and the future; that the same language should mean the same thing, regardless of the membership of the Court or the conditions that prevail throughout the country. I have been willing always to recognize implied powers, but I thought the provisions should not, by implication, mean one thing in one age and another thing in another age. I have liked to think of a constitution in which a court found the same meaning at all times and under all circumstances. I once thought that when a question was once settled by a court, and that the principles announced were adhered to until they became fixed rules, that the doctrine of stare decisis should apply. I say that if I had been at liberty to interpret the Constitution as a court in the beginning, I perhaps should have thought about it differently from what I think today. It may have been my conclusion that if any change in the interpretation of the Constitution was to be brought about, it must be done through amendments to the Constitution. I believe there is at least one member of the Judiciary Committee, a valuable member, who actually adheres to these views now. If such had been the interpretation of the Constitution in the beginning and down to now, the controversy raging today would be as mild as a perfumed zephyr at early dawn from a garden of roses in the month of June. So, as this controversy, carried on with more heat than light, is one that divides men and arouses passions, the cause must be looked for, and perchance it will be found in the bosom of the Court itself.

There is no disrespect to the Court in my saying this. I expect to prove it. I want my children and my children's children for many generations to know that I had reasons for the position taken by me, and that I had right on my side in this controversy, and I am willing to play for the judgment of the future. I know how difficult it is amid the passions and the prejudices that have been aroused to make myself heard. I know that the whirlwind rages, and that the turmoil is great, but, once and for all, I want to show, if I can, that it is not the Congress, that it is not the Constitution, and that it is not the people of the Nation, great or small, that have unloosed the whirlwind. It is the Supreme Court. I do not mean the present members alone. I refer, of course, to the Court from its establishment by the Congress, pursuant to the Constitution, down to and including the present members of the Court.

Before pursuing that thought allow me to again repeat that I respect the judgment of those who disagree with me. I ask only that he who disagrees shall answer the argument which I hope to advance. "Mouse tracking" will be no answer. Bombast will constitute no argument. Impassioned eloquence will not do the trick. I want an answer, a calm, deliberate answer, pointing out the error in my premise, if there be error, disproving my reasoning, if it can be disproved, and showing the fallacy of my conclusion, if such may be done.

The one strange thing that strikes me is that while there is disagreement among the Democratic Members of the Senate, there is no disagreement among Republican Members. They are all on one side. It is strange that a subject dividing men the one from another in their reasoning processes has no effect upon our Republican brethren in the Senate. They will be here to be counted when the vote shall be taken, and they will constitute a solid block in opposition to the enactment of the legislation. My invitation to answer such argument as I may advance extends to them, however. If I am wrong, I want to know it before the vote is cast. If I have been unconsciously influenced in any way, I want some Member of the Senate to point out in what respect. Of course, I know that I have reached my conclusions through processes of my own reasoning. I know I have no desire to further my own ambition, as I have no further ambition. I know that benefits coming to my State have had no influence on me. I am conscious only that I am desirous of doing that which is right under the guidance of God, in whom I believe, and I am not ashamed of it.

Allowing to other men that which I claim for myself, I have given, and shall give, the reasons that impel me to the position which I have taken. I am deeply grieved because many of my lifelong friends in my own State are disappointed in me. They cannot understand my position, yet they are my friends, and I respect their opinions. I believe that nearly everyone of them, placed in my position, who should forget everything except his desire to do that which is right, and who had the same information that I have, would act as I expect to act. It is no pleasure, therefore, for one to have charges hurled at him day after day when he knows the charges are untrue. It is not pleasant to be the recipient of threats of death and destruction or to have the President of the United States held up as the greatest criminal of the age. These things grieve us all, and I for one, shall do the best I can to satisfy myself, and I hope that I may satisfy at least some of my friends as to my honesty of purpose and my desire to serve my country.

To find out what is wrong with the Supreme Court it is necessary to travel backward through the years and to find the very origin of the trouble. It is necessary to find out, if we can, why it is in this great Nation that we have a supreme judicial tribunal that apparently wanders in a wilderness without blazed trails when it comes to decisions on many important questions. I do not believe it is hard to find the cause of our troubles. I believe they are found in the records of the Court itself. It is necessary, therefore, as briefly as the matter may be encompassed, to point out the origin of that course of conduct which has led our Court into a wilderness, from which there is apparently no outlet.

Before Marshall the Supreme Court was of minor importance in the affairs of Government. It had not been called upon often, if at all, to interpret any provision of the Constitution. Few cases had come before it. A position on the Supreme Court was not esteemed very highly. It was not supposed to interfere seriously with the vocation or avocation of justice. Whether our Government was made up of a compact of States or whether it was an indestructible union was of no great consequence at the time. With the ascent of Marshall to the Chief Justiceship a great change took place. Political parties took form. The Constitution was the subject of more careful scrutiny. National power was sought, not only for the immediate future, but for the long years to come. The Court was confronted with the important question of whether the Constitution should be subject to interpretation that would meet changing conditions, or whether it should be subject to an interpretation which would remain the same throughout the years. Was it to be an elastic instrument, pulled this way and that, so it would cover new political and economical conditions as they should arise, or should it be defined as an instrument that meant what it said and no more? Marshall was called upon to answer that question, and he answered contrary I think to the way in which I may have answered it if I had been in Marshall's place but he answered it nevertheless, and what was his answer?

In McCulloch against Maryland, Marshall thus expressed his views the broad interpretation of the Constitution:

"This provision is made in a Constitution intended to endure for ages to come, and, consequently, to be adapted to the various crises of human affairs. To have prescribed the means by which government should in all future times execute its powers would have been to change entirely the character of the instrument and to give it the properties of a legal code. It would have been an unwise attempt to provide by immutable rules for exigencies, which, if foreseen at all, must have been seen dimly and can best be provided for as they occur."

Marshall undoubtedly had in view the English Constitution, which was not written at the time he wrote that famous paragraph. The Constitution, so he said, was to be adapted to the various crises of human affairs. He expressed as his opinion that it would have been unwise to attempt to provide by unchangeable rules for every crisis which might arise in the future. That was the latitudinarian construction.

The Constitution of England has been a matter of growth and development. The Parliament may modify it so that it may meet the exigencies of every condition which may arise. I need cite but a few paragraphs from expressions from the Supreme Court to show how completely the ideas of Marshall developed national power through the interpretation of the Constitution. The Court, speaking through Justice Story in 1816, used this language:

"The instrument was not intended to provide merely for the exigencies of a few years but was to endure through a long lapse of ages, the events of which were locked up in the inscrutable purposes of Providence. It could not be foreseen that new changes and modifications of power might be indispensable to effectuate the general objects of the charter; the restrictions and specifications which, at the present, might seem salutary, might in the end prove the overthrow of the system itself. Hence its powers are expressed in general terms, leaving to the Legislature from time to time to adopt its own means to effectuate legitimate objects and to mold and model the exercise of its powers as its own wisdom and the public interests should require."

Having molded the Constitution into an instrument of national power, a consideration of the opinions of Marshall and those who agreed with him establishes that he developed these particular important powers: The right of the Supreme Court to review both State and Federal legislation, as well as decisions of State courts; broadened the jurisdiction of the Federal Government by expanding, as far as possible, the interpretation of the powers vested in it, and by calling into existence the doctrine of implied powers; and whittled away the reserved powers of the States. We find the same ideas expressed in many opinions of the Supreme Court. In recent years they have generally been expressed in the dissenting opinions of the Court on important questions where national power had been invoked.

Let me say that the statement that the Nation has grown great without its having been necessary to interfere with the Supreme Court in any manner is not true without explanation. When the doctrines of Marshall have prevailed, with a broad construction of the Constitution as written, or the development of the doctrine of implied powers, the Nation has prospered, but, almost without an exception, calamity has followed the attempt to depart from the Marshallian construction. At the time of his death in 1835 Marshall, the expounder of the Constitution, had by interpretation so enlarged national power that every crisis had been met up to that time, and the authority was firmly established for meeting crises in the future.

Let us fix firmly in our minds that Marshall well established the principle that the Constitution should grow and expand as national problems should arise; that the interpretation should be broadened as occasions might arise. This, as I have said, was the approval of the common-law doctrine which we brought from England. If the Supreme Court had consistently adhered to the theories of Marshall, as it has generally done, we would be in no difficulties today, but trouble came in each instance when the Court departed from the principles of Marshall, who was looking

toward the future and believing that the Constitution was an elastic instrument. It was because of Marshall's interpretation that the doctrine of stare decisis has been given little consideration by the Supreme Court. Its own opinions are not binding on it. The opinions of one age that meant a solution of new problems have never been adhered to in another age when different problems have arisen.

In the establishment of this doctrine Marshall was careful never to claim that the Supreme Court should bear the same relationship to the Constitution of the United States that the Parliament bears to the Constitution of England. The usurpation of legislative powers by the Supreme Court was a process of growth, and it was not until recent years that the Court assumed the functions that the Parliament of England has over the English Constitution. Insofar as the Supreme Court has assumed that power over the Constitution—that is, to expand and develop it without legislative sanction—it has usurped the powers of the Congress. I shall return to this point later.

If there is any Member of the Senate that desires to challenge this statement, I will overwhelm him with the proof taken from the opinions of the Court itself.

In the very essence of parliamentary sovereignty it does not differentiate between the law-making and the Constitution-making process, and ordinary legislation and the Constitution meet with equal sanction. Strictly speaking, therefore, there is no English Constitution, but when it had been established by the Supreme Court that the Constitution of the United States is a growing instrument, it largely destroyed the distinction between the Constitution and legislative pronouncements when such legislative pronouncements were made by the Supreme Court itself. In other words, if the Constitution is what the judges say it is, the judges have the power, as the Parliament of England has the power, to change the Constitution at will.

It is true there are very few provisions of the Constitution where there is latitude left to the Supreme Court to exercise its legislative functions, but it so happens that these few provisions are important in the life of the Nation. To mention only two of them—the commerce clause and the due-process clause—it may be well said that we have no written Constitution as to these two clauses. The meaning of these clauses depends upon the opinions of the Supreme Court, and that may mean one thing for a time and something entirely different at another time. What is known as the Bill of Rights in the Constitution may not be subject to modification, because the Court has no latitude to modify any of the provisions. Such is true of nearly all of the provisions.

Dean Alfange has recently had published a great book, the Supreme Court and the National Will. It won the Theodore Roosevelt memorial award. The judges making the award were Dr. Harold Willis Dodds, president of Princeton University; Dr. Harold Glenn Moulton, president of the Brookings Institution; Dr. Henry Seidel Canby, of the Saturday Review of Literature; Prof. Roscoe Pound, dean emeritus of Harvard Law School; and Col. Theodore Roosevelt, Jr. The action of this committee of judges insures one that he will be well repaid for his time if he reads this book. I quote from this work, beginning on page 25, as follows:

"Had the Constitution depended for its development only on formal amendments, the contention would be warranted that its framers drew up a rigid, almost a static instrument for the governance of the most dynamic society of modern times. Such a charge, however, cannot be justifiably made. It is true that the American Constitution is both written and 'rigid'; that it emanates 'from an authority superior to that of the legislature'; and that, therefore, it cannot be 'bent or twisted by the action of the legislature but stands stiff and solid, opposing a stubborn resistance to any majority who may desire to transgress or evade its provisions.' It is also true that revision by formal amendment has been surprisingly infrequent. But this is not entirely due to the cumbersomeness and complexity of the amending process; for, as the repeal of the eighteenth amendment has shown, that process can be greatly accelerated by strong popular sentiment. As a matter of fact, despite the relative infrequency of formal revision, the Constitution has proved an exceptionally flexible instrument of government due to a continue process of amendment by political usage and judicial interpretation."

Again I quote, from page 28, as follows:

"Moreover, the American Constitution has not developed only by means of formal amendments, or the accretions and modifications wrought by usage. More potent than either of these processes has been the method of amendment by judicial interpretation which is peculiar to the American system and implicit in the Constitution itself. The negative aspect of this method is the power of the courts to declare statutes void on grounds of unconstitutionality. Yet despite the importance it rapidly assumed, the question of judicial review was barely touched upon by the Philadelphia Convention, and this power, which has often been hotly contested and is today perhaps the most explosive issue before the American people, is nowhere expressly granted in the Constitution."

It was no lesser person than Abraham Lincoln who warned the people that when questions were irrevocably solved by the Supreme Court, "the people will have ceased to be their own rulers, having to that extent resigned their Government into the hands of that eminent tribunal."

At one time Justice Sutherland seemed to have great respect for Marshall's interpretation of the Constitution, when in his opinion of the Adkins case he held that the liberty of individuals must frequently yield to the common good and said that "any attempt to fix a rigid boundary would be unwise, as well as futile."

Endless quotations could be made from the opinions of the Court throughout its history, establishing more firmly the views of interpretation first announced by Marshall. Those who agree with Marshall's interpretation rest their position on a solid rock. The present Democratic administration, as I understand it, stands firmly on the interpretation of the Constitution as established by Marshall, that is, the expansion of national power as the exigencies of the occasion may arise, so that every crisis may be fully met. It is the position taken by those who favor the legislation now before us, it is my position, arrived at after the most serious consideration, that I have ever given any question.

I have prided myself that I was a Jeffersonian Democrat, without giving much consideration to the divergent views running through many of the opinions of the Supreme Court on the proper interpretation of the Constitution. But for Marshall and those who have agreed with him in the interpretation of the Supreme Court, I am well convinced that our Nation would have perished long ago.

In answer to those who say we are trying to destroy the Constitution, we say that we are trying to save the Constitution. In answer to those who say that the present legislation would have the effect of invading the jurisdiction of the judiciary by the executive and legislative branches of the Government, we answer that we have no such purpose. We seek only to make the Constitution the supreme law of the land and to return to that interpretation which has allowed our Nation to expand, until it is now perhaps the greatest nation on earth.

So let those who oppose us answer, if they can. We have just cause to complain when it is heralded over the country that we are seeking to destroy the Constitution.

Our distinguished opponents cannot and will not dispute that the position taken by the President of the United States as to the proper interpretation of the Constitution is that which has generally prevailed throughout the history of the Nation, and that the glorious past was made glorious, because the great statesmen who manned the ship of state in the dangerous waters of the beginning contended for the same interpretation of the Constitution for which we now contend. The present Supreme Court departed from the Constitution and the settled construction which made it a living, expanding instrument which afforded protection to the rights of the humblest, as well as the greatest. This, in brief, is one side of the question dividing the Congress today. What is the other side?

It has been expressed often to the effect that the Constitution means exactly what it says and nothing more, that it may not be expanded by interpretation, that if there are any implied powers at all, they are very few, that the rules written into it are immutable, that the Constitution is a strait jacket, and that all laws enacted by the Congress must be found in harmony with the strict language of the Constitution itself.

While Jefferson and Madison adopted this narrow view of the interpretation of the Constitution, and their followers were known as strict constructionists at that time, everyone familiar with the history of that era must well understand that national power continued to expand under Jefferson and his immediate successors in office. It has been suggested in the debate on the floor of the Senate that Jefferson made no effort to control the Court through the enlargement of its membership or otherwise. Jefferson had no cause to quarrel with the decisions of the Supreme Court, as his views were undergoing a change, and the Court was with him in the expansion of national power. Jefferson was troubled about it but finally he agreed to the expansions of power as did Madison, Monroe, and John Quincy Adams. They were not so much concerned with the expansion of national power as they were in protecting the reserved powers of the States. Marshall did not have an easy time in expanding national power. At times he almost wrecked the Union, but he persisted, and he did not quit, as some of the Members of the Congress insist that we should do. He fought on for the establishment of a great Nation under a Constitution, as we should fight, and within the Constitution, as we are fighting within the Constitution. Those, however, who hold to the views of Jefferson are not deserving of censure. They have 150 years of history behind them where outstanding men, great statesmen of their time, took the position which they are now assuming, along with some of the members of the Supreme Court, who refuse to adhere to the doctrines of the expansion of national power.

The Federalists had control of the Supreme Court from its organization until the death of Marshall in 1835. After 1800, there was no President of the same political faith as the Supreme Court until the death of Marshall, but through increasing the number of Justices, deaths, and resignations, Jackson and Van Buren had an opportunity to make over the Court. The Chief Justice and five new Justices were appointed, and such men as Daniel Webster and other great statesmen said when Taney became Chief Justice that the Constitution was "gone." They used the same language that our opponents are using today, but nothing in particular happened.

Some of the opinions previously rendered by Marshall were modified, but national power was not seriously interfered with until the Dred Scott decision. We find at that time that the Court went over to the opposite side and attempted to limit national power, exactly as some of the Justices of the Supreme Court desire to limit it today. Our opponents, therefore, have

the Dred Scott decision on their side, and they may make the most of it. The narrow constructionist won a great victory, but the Nation paid dearly for it. The Dred Scott case almost destroyed the Nation, and I am one who believes that if increasing the number of Justices of the Supreme Court at that time to prevent the decision had been resorted to it may have been justified, because it would have prevented the most disastrous internecine strife that the world has ever seen. We in this day can hardly picture the horrors that covered our Nation as a result of the Dred Scott decision, caused by departure from the interpretation of the Constitution in a liberal manner so as to enlarge national power.

All of you who are familiar with history will know that the sainted Abraham Lincoln took the position that the Justices to be appointed during that dark period in our history should be such as would uphold what had been done to carry on the war; but, strange as it may seem, the Court departed from the Marshallian interpretation of the Constitution and went over to the strict constructionists. Grant tried to prevent it, but the Court was too speedy for him. He had two vacancies to fill, one caused by the enlargement of the Court by Congress and the other to fill a vacancy otherwise created. He sent the names in to the Senate. One was rejected, and the other died within less than a week after confirmation. Before he could get two more names to the Senate, or, rather, on the same day that he did so, the Supreme Court declared that the Legal Tender Acts were unconstitutional; and the consequences of that decision, if it had stood, would have been the utter bankruptcy of the Nation.

Departing from the broad construction of the Constitution brought on the War between the States, and departing from it a few years later in the Legal Tender case would have destroyed the Nation, but for the fact that President Grant succeeded in securing the confirmation of two Justices who held political and economical views such as his own. The first decision, therefore, strictly construing the Constitution was withdrawn, and in the second opinion the Court went back to the doctrine of Marshall, holding that enough could be found in the Constitution to meet any crisis which might arise.

As I have said, I used to think that emergencies should have no influence on the interpretation of the Constitution, but that was before I understood fully the history of the Supreme Court and its decisions. I quote from the case of Knox against Lee, in which the Legal Tender Acts were upheld, as follows:

"It would be difficult to overestimate the consequences which must follow our decision. They will affect the entire business of the country and take hold of the possible continued existence of the Government. If it be held by this Court that Congress has no constitutional power, under any circumstances, or in any emergency, to make Treasury notes a legal tender for the payment of all debts (a power confessedly possessed by every independent sovereignty other than the United States), the Government is without those means of self-preservation which, all must admit, may in certain contingencies become indispensable, even if they were not when the acts of Congress now called in question were enacted. It is also clear that if we hold the acts invalid as applicable to debts incurred, or transactions which have taken place since their enactment, our decision must cause throughout the country great business derangement, widespread distress, and the rankest injustice. * * * Men have bought and sold, borrowed and lent, and assumed every variety of obligations contemplating that payment might be made with such notes. Indeed, legal-tender Treasury notes have become the universal measure of values. If now, by our decision, it be established that these debts and obligations can be discharged only by gold coin; if contrary to the expectation of all parties to these contracts, legal-tender notes are rendered unavailable, the Government has become an instrument of the grossest injustice; all debtors are loaded with an obligation it was never contemplated they should assume; a large percentage is added to every debt, and such must become the demand for gold to satisfy contracts that ruinous sacrifices, general distress, and bankruptcy may be expected. These consequences are too obvious to admit of question."

The Supreme Court and its opinions for several years followed rather haltingly a liberal interpretation of the Constitution. It had during this period fairly well gone back to the interpretation of Marshall, but its opinions were not uniform. In the early seventies the question arose as to whether the Supreme Court should, by its own interpretation, expand the Constitution without legislative enactment, or whether Congress should be the judge of the facts and of what was necessary for the common good.

It may not be the first case, but it will do as well as any to illustrate my point. The State of Illinois had enacted a statute in 1871 for the regulation of grain elevators and had attempted to fix monopoly prices by legislation. The legislature had determined that the particular business was impressed with a public interest, and upon that theory proceeded to fix the rates which an elevator could charge.

When the matter reached the Supreme Court it had three important questions before it. One was whether the State legislature may fix prices to be charged by business in the nature of a monopoly. Another was whether such prices must be reasonable; and if so, whether the legislature or the Court should be the judge of their reasonableness. It was held specifically by the Supreme Court that the statutes simply extended the law to meet any developments of commercial progress, that it was within the power of the legislature to determine rates and prices, and that the Court was without such power. It was said in the course of the opinion, "For protection against abuses by legislatures, the people must resort to the polls, not to the courts."

Again, in the case of *Mugler* v. *Kansas*, the Court was called upon to determine whether it was a legislative or a judicial question when the State of Kansas had failed to compensate liquor manufacturers for the depreciation in the value of their property. The Court upheld the statute upon the ground that it was a matter within the power of the legislature. The Court said:

"If, therefore, a State deems absolute prohibition * * * to be necessary to the peace and security of society, the courts cannot, without usurping legislative functions, override the will of the people as thus expressed by their chosen representatives. They have nothing to do with the mere policy or legislation * * * it is not for the courts, upon their views as to what is best and safest for the community, to disregard the legislative determination of that question * * *. This conclusion is unavoidable, unless the fourteenth amendment of the Constitution takes from the States of the Union those powers of police that were reserved at the time the original Constitution was adopted. But this Court has declared, upon full consideration, that the fourteenth amendment had no such effect * * *. A prohibition simply upon the use of property for purposes that are declared by valid legislation to be injurious to the health, morals, or safety of the community cannot in any just sense be deemed a taking or an appropriation of property for the public benefit."

Economical forces brought about a change later in the opinions of the Court. The Minnesota rate case came on a few years later, when the Supreme Court departed from previous opinions, and, in effect, held that the Court itself and not the legislature must determine whether regulations were reasonable. That doctrine has been enlarged, until the Court does not leave it to the Congress to determine facts upon which legislation may be based, or what is for the general welfare, or what is interstate commerce. The Court without evidence has assumed that it has the power to determine as a court what is just or right in rate making, taxation, regulation of utilities, transportation, interstate commerce, and many other things.

The Supreme Court, in questions relating to certain important provisions of the Constitution, had finally come to the point where it agreed with Marshall that the Constitution could be expanded by judicial interpretation, and that the expansion required no assistance from legislative bodies; that the Court had become the parliament to determine when the common law should be changed.

The Court returned again to strict construction in the income-tax legislation. When the statute was invalidated, it brought confusion, and for many years the Government was greatly handicapped in adopting a fair system of taxation.

Instance after instance could be cited to show that the Supreme Court has brought upon the country many ills through its frequent departures from a broad interpretation of the Constitution, resulting in the enlargement of national power. The disagreement among the members of the Court as to whether the Marshallian or Madisonian interpretation is correct has become so acute that neither legislatures nor the Congress can intelligently make laws necessary to meet crises as they arise. Within the last few years at least four of the members of the Supreme Court have been implacable in their opinions against a broad and liberal interpretation of the Constitution for the expansion of national power. Sometimes a Justice may be convinced that a particular case fits on one side or the other of the line of interpretation. He is the fair-minded, unbiased judge, but when the Supreme Court reaches the point where, because of age or predilection, or for any other reason, some of the members refuse to be unbiased and national power suffers thereby to the common detriment of all of the people, something should be done, if any branch of the Government has the power to do it.

We cannot stand still. Society must move forward. National power must be expanded to meet the exigencies of all occasions, and if the Nation has a Supreme Court that will not allow this, then the Nation must begin to wither and die. We who favor this legislation have no purpose other than to preserve the Nation and to maintain the happiness of its people. We want to see justice flow down as the waters, and justice cannot flow from a court when some of the members deliberately refuse to be unbiased. They cannot be impeached, and although they may have passed the retirement age, they were appointed for life, and no one may compel them to retire.

So in such a crisis, what does the Constitution provide may be done? What was the meaning of the provisions of the Constitution relating to the Supreme Court? These things we will now examine.

I believe that no one is so simple as to believe that the Constitutional Convention intended when it provided for the establishment of a Supreme Court that it should be superior to the Congress and the Chief Executive. I do not believe that the Convention took such great pains to throw restrictions and limitations around the legislative and executive branches of the Government and left the Supreme Court without any check upon it at all except its own self-restraint. It is contrary to the spirit of the time, and it would require evidence which I am quite sure cannot be produced to convince me that the members of the Convention intended to vest absolute power in either branch of the Government. One will look in vain to the Constitution for even an intimation that the Supreme Court should have absolute control over Congress and the Chief Executive.

One will be impressed when he reads the Constitution with the particularity of the language used in defining the powers and duties

of the legislative branch as well as the executive branch of the Government. It was decided by the Convention that the executive head should be one person, who should be denominated the President of the United States. He was required to be a native-born citizen, and his age and residence were defined and his duties named with particularity.

All these things are true as to the legislative branch. The number of Senators from each State was fixed and the number of Members of the House of Representatives was determined and the rule established whereby Congresses in the future should determine the membership of that body. The President was required to keep the Congress informed as to the state of the Nation and the Congress was expected to meet the problems which should arise through legislative enactment. When Congress should agree upon the form of legislation it had to be sent to the President, and he was given the power to veto it. His veto, however, need not be final, as two-thirds of the membership of each House of Congress was given the authority to pass the legislation over his veto. One was a check upon the other. The great check, however, against the acts of the Executive was that he could only hold his office for 4 years, and at the end of his term the voters were given the opportunity to refuse to continue him in office or to refuse to continue his policies.

The Members of the House of Representatives had to go to the people every 2 years and the Members of the Senate every 6 years. A barricade against absolute power was erected so far as the executive and legislative branches are concerned. They were not only answerable to each other but they were answerable to the people.

Perhaps the Convention did not believe that the Supreme Court had the power to declare acts of the Congress unconstitutional. Whether that be true or not, it is now conceded that the Court has such power, and that is proper, but when we concede that it is proper, we further concede that the Constitution may be distorted or its meaning perverted by the Court, and there is no check upon its acts by the people or by either of the other branches of the Government, if the contention of those who oppose us is true. If that contention be true, the Czar of Russia in the old days had no more power than the Supreme Court. If there is no remedy, it may completely change our form of Government through the interpretation of the Constitution, and the people are helpless, as the Supreme Court cannot be reached by the people.

It is unthinkable to me that such power may be vested in any branch of a government in a republic. If that be true, the Council of Ten in Venice had no more power than the nine who compose the membership of our Supreme Court. It is foolish to say that members of the Court may be impeached because of decisions rendered. No one can explore the mind of any Justice to determine whether his actions were sincere or otherwise. It is fortunate that many of the provisions of the Constitution are so clear that the provisions cannot be distorted, but tyrants in the lust for power have broken rules as clearly stated as those found in the Constitution for the protection of the liberties of the people.

We may as well assume, if we accept that truth, that we have no written Constitution, or if we have one, it is what the judges say it is. If it is what the judges say it is, then the Congress and the Chief Executive have a tribunal with absolute power, able to destroy anything which may be done by either of these branches of government. These statements do not come from a vivid imagination. They are based on solid and substantial facts. Any body having supreme and absolute power in a republic, uncontrolled by the people or their representatives, is something that cannot be imagined by anyone unless he believes that for the protection of property and property rights it is necessary to have such a tribunal with supreme power over the life, liberties, and property of all the people.

It simply is not true that the fathers of this Republic, who won our freedom and independence after a long and bloody war, sought to place the people of the Nation under the absolute control of a small group of men. There can be no remedy by impeachment, there can be no remedy by removal, there can be no changing of the opinions of the Court after they have been rendered, and we have a body then erected by the Constitution at liberty to do as it pleases, whether it be composed of honest and upright men or whether it be composed of tyrants; whether it be composed of men in possession of all their faculties, or whether it be composed of men with their faces turned to the sunset with their light of reason growing dim.

Absolute power does not exist in a republic. Since, in my judgment, it has been clearly shown that there is something wrong with the opinions of the Supreme Court, and that by reason of conflicting views within the body itself there is something wrong with the Court, and as the Constitution was made for the purpose of preserving the life of the Nation, it must have been believed by those who framed it that it possessed every necessary power to meet every crisis, so that the life of the Nation might go on. If it fails to function from any cause, what is the duty of those who have sworn to uphold the Constitution and defend it? The answer is obvious. It is their duty to find a remedy within the Constitution, if it can be found there.

Those who say that we ought to take a chance by amending the Constitution are but reiterating arguments of the forgotten past. Where the Constitution vests in the Congress full and complete power to do a particular thing it is the height of folly for anyone to suggest that the Constitution should be now amended so that Congress would have conferred upon it the power to do that which it has always had the power to do. When we go to the source of the power of the Congress we find that the Supreme Court, as to the number of members, is a creature of Congress and has always been so treated. Congress may do what it pleases with the membership so far as numbers are concerned. The Congress may do what it pleases as to the appellate jurisdiction of the Court. The Congress may do what it pleases as to the salaries which shall be paid and the appropriations which shall be made for the maintenance of the Court. The Court, therefore, largely is a creature of Congress, set up as an advisor and not as a dictator.

There is a great cry going up against dictators and dictatorships. We who support this legislation are fighting for the maintenance of the freedom of the people of the Nation and against dictatorship. The Supreme Court now admittedly is a dictator, so far as economical and political principles are concerned, as they relate to the most vital questions in the Nation. This being true, then, what is the duty of Congress to avoid such dictatorship or to destroy it, if it exists?

The Justices may not be impeached, they may not be removed, they may not be recalled by the people, but the number of Justices which shall constitute this great body is subject to the will of Congress, and there is no other means which may be constitutionally employed to avoid the usurpation of power by the Supreme Court or to destroy a dictatorship which may be the Court itself. Louis XIV of France said, "I am the state." The Supreme Court of the United States has said, "We are the Constitution. We will make it or unmake it, controlled only by our self-restraint."

Some of the members of the Court have lost their self-restraint and seem bent upon the restrictions of national power. I agree with some of the great statesmen of the Nation, as well as some of the great Justices of the Court, that the life of the Nation is something even higher than the Constitution, and that there must be found in the Constitution that which is necessary to perpetuate the Nation and to maintain the integrity of our institutions. But it is said that the independence of the Court will be destroyed by legislation such as this. That is but a snare to catch rabbits. No one seeks to destroy the independence of the Court, unless by independence it is meant absolute power. The independence of the Court means no more than the Justices shall be free from any outside influence in reaching conclusions on the questions presented to them.

It is strange that after our long history a President has arisen who some Members of the Senate believe should not be allowed to appoint Justices of the Supreme Court because it would destroy the independence of the Court. The number of Justices is a matter for Congress to determine, and I cannot see why an appointment by Franklin D. Roosevelt would destroy the independent thinking of the Justices appointed any more than the independence of Justices appointed by other Presidents has been destroyed.

The letter of Theodore Roosevelt while he was President to Henry Cabot Lodge, written in 1902, expresses the views of every person who has ever appointed a Justice. The then President Roosevelt did not think that the man whose appointment was under consideration should be appointed unless he was a party man, constantly keeping in mind his adherence to the principles and policies under which his Nation has been built, and that he should also keep in mind his relations with his fellow statesmen, who in other branches of the Government were striving, in cooperation with him, to advance the ends of government. That was the opinion of President Lincoln, and that was the opinion of President Taft, and that has been the opinion of every President who has ever named Justices to the Supreme Court.

It appears that Mr. Lodge made a notation on this letter to the effect that a Justice should be a constitutional lawyer who believed in great party principles. So when the attempt is made to convince the public that President Roosevelt now proposes to pack the Court, it may be well denominated as a snare and a delusion. That he would seek to select Justices who are in sympathy with those principles of government which will promote happiness to the greatest number goes without saying. He would be false to his oath of office if he did less.

What are the provisions of the bill under consideration, stripped of all surplusage and freed from the wrappings of false arguments advanced by those who oppose it? The bill provides for the long suffering of the Nation in the hands of Justices who may be obsessed with the idea that the Court is greater than other branches of the Government. It is not proposed that they be disturbed even until they have reached that age when, according to the laws of nature, nine out of every ten men are incapacitated for such service. Nothing can be done until a Justice reaches the age of 75 years. At that time he has had 5 years in which he may have voluntarily retired. Even when he has reached that age, he is not compelled to retire under the provision of the proposed legislation. No one is appointed to take his place, and no one is appointed to be a wet nurse to him. The membership of the Court is automatically increased when a Justice reaches the age of 75 years, but as a further protection against even the temptation to pack the Court, it is provided that no more than one increase shall be made in any one calendar year. No one will be appointed for a particular Judge, but he is appointed in his own right, because the number of Justices has been increased.

No one can misunderstand that simple language, and that is all that the bill does to the Supreme Court. It is a plan for the future, and when the occasion arises, if ever, a new Justice may be appointed under such circumstances, because the membership of the Court has been increased, but when the circumstances have passed, and there are no Justices who have reached that ripe old

age, the Court is automatically reduced to the permanent membership of nine.

All the tumult and the shouting brought about by the Liberty League is over this simple provision, which, but for the efforts of entrenched power, at some other time would perhaps pass the Senate even without the formality of a roll call.

The Liberty League lost the election last November, but it appears that it is in a fair way to win it in the Congress. We cannot close our eyes to the fact that the defeat of this legislation means the defeat of all that we have fought for since Roosevelt became President. It means the destruction of the legislation that has been wrought out by those who believe in progressive measures who have been selected as the servants of the people.

Let us look a little into the provisions of the inferior Federal courts. There appears to be little objection to the appointment of an additional judge for each judge who has reached the age of 70. That means an increase of a few judges throughout the Nation, but the total number may not exceed 20, for the bill so provides. The objection which has been offered, and which affords some amusement to those who are familiar with the question, is that the bill would concentrate Federal power at Washington. The bill does provide that district and circuit judges may be assigned by the Chief Justice—not by the President—to the place or places in the Nation where their services are most needed. There are districts greatly congested, and there are other districts where the judge has little to do. Is it unfair to confer upon the Chief Justice the power to transfer a judge from one district to another, so that justice may more speedily prevail? That is all the provisions as to the inferior Federal courts.

And then great fear has been expressed about a proctor, not to be appointed by the President but by the Supreme Court. His duties are to check up on the dockets of the circuit and district courts and give detailed information to the Chief Justice, so that he may intelligently assign district and circuit judges. That is all there is to that provision.

The other provision in the bill relates to procedure in injunction suits and has no purpose other than to speed justice where it is now slow.

I have said, and I repeat, that the defeat of this legislation by the Congress means the defeat of the New Deal. The people believe in the New Deal, and they expect us to carry out such principles as will put it into effect, if we may do so within the limits of the Constitution. In this proposal we are within the limits of the Constitution. We are seeking to write into the statutes the will of the people in a perfectly constitutional way. I am not particular as to how the ends may be accomplished. I have at all times been ready to agree, so far as I am concerned, on any compromise that would tend to achieve the end sought. I am still willing to be convinced that some reasonable compromise is better than the provisions of the bill. Perhaps the Members of the Senate and the House might reach an agreement of some kind, but the New Deal cannot compromise with the Liberty League.

The VICE PRESIDENT. The question is on the motion of the Senator from Kentucky [Mr. LOGAN].

Mr. AUSTIN. Mr. President, I wish to ask the Senator from Kentucky whether the agreement should not be stated somewhat differently from the way it has been stated, namely, that the report hereafter to be made, which is contemplated by reference in his statement, is not to be a report on a bill to reform the judiciary, but a bill for reform of judicial procedure.

Mr. LOGAN. I wrote down the suggestion this morning and submitted it to the junior Senator from Nebraska [Mr. BURKE] to know whether that was the proper form, and the writing which I submitted to him was that Senate bill 1392, with all amendments, should be re-referred to the Judiciary Committee with instructions to report a bill relating to judicial reform.

Mr. AUSTIN. Exactly.

Mr. LOGAN. Within 10 days. That is the exact language that was agreed upon, and that is the motion which I undertook to make.

Mr. JOHNSON of California. Mr. President, I desire to know what the judicial reform refers to. Does it refer to the Supreme Court or to the inferior courts?

Mr. LOGAN. I may say to the Senator from California that the Committee on the Judiciary this morning had an understanding that we did not think it was proper to embrace in the motion what it should refer to. The senior Senator from Wyoming [Mr. O'MAHONEY] wrote out what we had before us in the Committee on the Judiciary. It was a statement of what had been said, I believe, by the leader and some others, and that did not refer to the Supreme Court. That was not to be considered at all, I may say.

Mr. JOHNSON of California. The Supreme Court is out of the way?

Mr. LOGAN. The Supreme Court is out of the way.

Mr. JOHNSON of California. Glory be to God! [Applause.]

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Kentucky [Mr. LOGAN].

Mr. McNARY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. GILLETTE (when his name was called). On this question I have a pair with the senior Senator from Nebraska [Mr. NORRIS]. I transfer that pair to the Senator from Alabama [Mr. BANKHEAD] and will vote. I vote "yea."

Mr. LA FOLLETTE (when Mr. NORRIS' name was called). The senior Senator from Nebraska [Mr. NORRIS] is absent from the Senate on account of illness. If present and at liberty to vote, he would vote "nay."

The roll call was concluded.

Mr. LEWIS. I announce the absence of the Senator from Alabama [Mr. BANKHEAD] because of illness in his family.

Mr. ASHURST. I rise to announce the absence of my colleague [Mr. HAYDEN] on account of illness. If present, he would vote "yea."

Mr. BARKLEY. I announce the unavoidable absence of the senior Senator from Nevada [Mr. PITTMAN]. Not knowing how he would vote if present, I make no announcement as to his position.

The result was announced—yeas 70, nays 20, as follows:

YEAS—70

Adams	Davis	Lewis	Reynolds
Andrews	Dieterich	Lodge	Russell
Ashurst	Donahey	Logan	Sheppard
Austin	Duffy	Lonergan	Shipstead
Bailey	Frazier	McAdoo	Smith
Barkley	George	McCarran	Steiwer
Borah	Gerry	McGill	Thomas, Okla.
Bridges	Gibson	McNary	Thomas, Utah
Brown, Mich.	Gillette	Maloney	Townsend
Brown, N. H.	Glass	Minton	Tydings
Bulow	Hale	Moore	Vandenberg
Burke	Harrison	Murray	Van Nuys
Byrd	Herring	Nye	Wagner
Byrnes	Holt	O'Mahoney	Walsh
Capper	Johnson, Calif.	Overton	Wheeler
Clark	Johnson, Colo.	Pepper	White
Connally	King	Pope	
Copeland	Lee	Radcliffe	

NAYS—20

Bilbo	Chavez	Hitchcock	Neely
Black	Ellender	Hughes	Schwartz
Bone	Green	La Follette	Schwellenbach
Bulkley	Guffey	Lundeen	Smathers
Caraway	Hatch	McKellar	Truman

NOT VOTING—5

Bankhead	Hayden	Norris	Pittman
Berry			

So Mr. LOGAN's motion to recommit to the Committee on the Judiciary the bill (S. 1392) to reorganize the judicial branch of the Government was agreed to.

NOTICE OF MEETING OF COMMITTEE ON THE JUDICIARY

Mr. ASHURST. Mr. President, if I am in order, I wish to make an observation.

The Committee on the Judiciary this morning instructed the Senator from Kentucky [Mr. LOGAN], who is in charge of Senate bill 1392, to make the motion he made. The Senate, as it had a right to do, has just ordered the bill returned to the Committee on the Judiciary with instructons to report within 10 days.

I cannot escape the conviction that I ought to give the Senate and the country the assurance that the Committee on the Judiciary will be assembled on Monday morning at 10:30 a. m., and will with zeal and fidelity attempt to follow the wishes of the Senate and bring in within 10 days such a bill as the Senate desires.

Mr. BORAH. Mr. President, has it been agreed that we are not to meet until Monday?

Mr. ASHURST. If any Senator is of opinion that we should meet before Monday, the chairman will call a meeting for tomorrow.

Mr. BORAH. The work we have ahead of us which must be accomplished within 10 days will require that we get to work immediately.

Mr. ASHURST. Mr. President, the senior Senator from Idaho [Mr. BORAH] is, as usual, correct. Therefore I now give notice that the Committee on the Judiciary will meet tomorrow at 10:30 a. m., at its regular meeting place in the Capitol Building, to try to carry out the order of the Senate.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. BURKE. Am I to understand from the statement of the Senator from Arizona, the chairman of the Judiciary Committee, that in the deliberations which the committee is to hold beginning tomorrow morning no consideration is to be given to adding judges to the Supreme Court or to any court on any other basis than that of need in order to perform the functions of the court?

Mr. ASHURST. The Senator from Nebraska is correct in his understanding of the situation.

THE CALENDAR

The VICE PRESIDENT. Under the unanimous-consent agreement, the Senate will now proceed to the consideration of unobjected bills on the calendar.

Mr. COPELAND. Mr. President, I am sure it will be a matter of great relief to the Senate if I say that I surrender whatever right I had to the floor. The action taken this afternoon makes it quite unnecessary to produce any further argument. The Court has been saved. Therefore, with the consent of the Chair, I yield all my parliamentary rights.

The VICE PRESIDENT. The Senator from New York has yielded the floor. The clerk will state the first bill in order on the calendar.

LIMITATION OF DEBATE ON APPROPRIATION BILLS

The first business on the calendar was the resolution (S. Res. 8) limiting debate on general appropriation bills.

Mr. VANDENBERG. I ask that the resolution be passed over.

The VICE PRESIDENT. The resolution will be passed over.

Mr. GLASS subsequently said: Mr. President, by reason of my inattention, I did not note when the first order of business on the calendar was reached and passed over. It is a resolution proposing a limitation of debate on appropriation bills. The resolution was presented by me and unanimously reported by the Committee on Rules. I think, however, there is no possibility of securing its consideration at this session, and I therefore ask to have the resolution recommitted to the Committee on Rules.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

BILLS PASSED OVER

The bill (S. 1436) providing for the employment of skilled shorthand reporters in the executive branch of the Government was announced as next in order.

Mr. VANDENBERG. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 419) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 847) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 100) to amend the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1261) to amend the Interstate Commerce Act, as amended, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars was announced as next in order.

SEVERAL SENATORS. Over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4276) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia, and for other purposes", was announced as next in order.

Mr. COPELAND. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2106) for the allowances of certain claims not heretofore paid, for indemnity for spoliations by the French, prior to July 31, 1801, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The PRESIDING OFFICER (Mr. MINTON in the chair). The bill will be passed over.

The bill (S. 1760) to promote the safety of scheduled air transportation was announced as next in order.

Mr. WHITE. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate commerce, and for other purposes, was announced as next in order.

Mr. WHITE. I also ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 892) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States" was announced as next in order.

Mr. McKELLAR. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2113) to provide benefits on account of disability or death due to service in the armed forces of the United States in the event of war, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2226) to regulate interstate commerce in the products of child labor, and for other purposes, was announced as next in order.

Mr. KING. I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6215) to repeal the provisions of the income-tax law requiring lists of compensation paid to officers and employees of corporations was announced as next in order.

Mr. McKELLAR. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

OATH ON INCOME-TAX RETURNS

The bill (S. 2473) to provide that individual income-tax returns may be made without the formality of an oath, and for other purposes was announced as next in order.

Mr. McKELLAR. I also ask that that bill go over.

Mr. WALSH. Mr. President, I should like to inquire of the Senator from Tennessee if he has investigated that bill?

Mr. McKELLAR. Yes; I have investigated the bill. It is to repeal a bill the passage of which, as I recall, was secured by me.

Mr. WALSH. The bill is simply for the purpose of removing the necessity of an oath being attached by a taxpayer to his income-tax return. The bill is recommended by the Treasury Department. I wish the Senator would withdraw his objection.

Mr. McKELLAR. Let the bill go over for the present, and I will examine into it further.

The PRESIDING OFFICER. The bill will be passed over.

Mr. WALSH subsequently said: Mr. President, when Calendar No. 747, being Senate bill 2473, relating to individual income-tax returns, was called, the Senator from Tennessee [Mr. McKELLAR] objected. Since that time I have conferred

with the Senator from Tennessee, and I think he is now disposed to withhold his objection. I ask that the bill be considered at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 2473) to provide that individual income-tax returns may be made without the formality of an oath, and for other purposes, which had been reported from the Committee on Finance with amendments, on page 1, line 3, after the words "Revenue Act of", to strike out "1934" and insert "1936"; on page 2, line 15, after the words "correct as to", to strike out the word "any" and insert the word "every"; on page 2, line 17, to strike out "1934 ed.", so as to make the bill read:

Be it enacted, etc., That section 51 (a) of the Revenue Act of 1936 is hereby amended to read as follows:

"SEC. 51. Individual returns.

"(a) Requirement: The following individuals shall each make a return, which shall contain or be verified by a written declaration that it is made under the penalties of perjury, stating specifically the items of his gross income and the deductions and credits allowed under this title and such other information for the purpose of carrying out the provisions of this title as the Commissioner, with the approval of the Secretary, may by regulations prescribe—

"(1) Every individual having a net income for the taxable year of $1,000 or over, if single, or if married and not living with husband or wife;

"(2) Every individual having a net income for the taxable year of $2,500 or over, if married and living with husband or wife; and

"(3) Every individual having a gross income for the taxable year of $5,000 or over, regardless of the amount of his net income.

"Whoever under such written declaration shall willfully and contrary to such declaration make and subscribe a return under this section which he does not believe to be true and correct as to every material matter, shall be subject to the penalties prescribed for perjury as provided in section 125 of the Criminal Code (U. S. C., 1934 ed., title 18, sec. 231).

"The fact that an individual's name is signed to a filed return shall be prima-facie evidence for all purposes that the return was actually signed by such person."

SEC. 2. The provisions of this act shall be effective and apply only to returns filed for taxable years beginning after December 31, 1937.

The amendments were agreed to.

Mr. WALSH. I ask that the clerk be authorized to renumber the sections.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WALSH. Mr. President, in connection with the bill just passed I ask that there be printed in the RECORD a short editorial.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WALSH'S TAX PLAN SOUND

The bill introduced by Senator WALSH, of Massachusetts, to permit the filing of individual Federal income-tax returns without the formality of an oath is a move in the right direction.

Such a change in both Federal and State laws would be a convenience, as well as a money saver, to literally millions of taxpayers.

According to Senator WALSH, the Treasury Department is contemplating presentation to Congress of a similar bill covering returns filed by employers and employees under the social-security law.

The Walsh bill provides that the individual taxpayer who knowingly makes a false statement in his return will be guilty of perjury and may be prosecuted for perjury.

The system he proposes has been used in connection with individual tax returns in Massachusetts for a number of years. It is just as effective as requiring each taxpayer to take an oath to the correctness of his return. And it saves him the trouble and expense of having his signature witnessed by a notary public.

It should make no difference to the Government whether an individual swears that his tax return is correct as long as he can be prosecuted if he knowingly makes a false statement. All the Government is interested in is getting a correct return or being able to prosecute those who file false returns.

Perjury is a sort of manufactured crime, anyway. A false statement made knowingly, even though it is not sworn to, can be made perjury just as much as such a statement that is given under oath.

In view of the enormous increase in tax returns, etc., which are being required from citizens, government should make the filing of these returns as easy and as inexpensive as possible.

BILLS AND JOINT RESOLUTION PASSED OVER

The bill (S. 2229) to permit members of Congress to enter into agreements under agriculture programs was announced as next in order.

Mr. KING and Mr. WHITE asked that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 18) to establish a National Safety Standards Commission to reduce the danger of accidents at highway grade crossings, and drawbridges, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2410) to amend the Judicial Code, as amended, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 144) proposing an amendment to the Constitution of the United States prohibiting child labor was announced as next in order.

Mr. KING. I ask that the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (H. R. 2512) to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 1507) to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

ASSIGNMENT OF NAVAL OFFICERS TO DEPARTMENT OF COMMERCE

The bill (S. 2482) to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein, was announced as next in order.

Mr. BYRD. I ask that the bill go over.

Mr. WALSH. Mr. President, I should like to make a brief statement in regard to Senate bill 2482. There is a vacancy in the Bureau of Marine Inspection and Navigation of the Department of Commerce. The administration finds that it is impracticable to secure for that position a competent and able person who has not heretofore been employed by an owner or operator of an American vessel. It is important that the position be held by someone unobligated and free from any pressure of any kind by any steamship company. The importance of this position can be understood from what the Department of Commerce say about this position. The committee was informed that the Director of the Bureau had resigned and that after a careful canvass of available eligibles it has been decided that for the time being, at least, the position should be filled by a man who had the education, training, and broad experience of a naval officer.

The first bill that came before our committee sought to give to the President unrestricted authority to appoint active and retired naval and Army officers to any position in the Federal Government. The committee rejected that suggestion unanimously.

The next proposal was that the President be given authority to name active or retired naval officers to any position in the Department of Commerce. The committee rejected that proposal. The committee was of the opinion, and it is now of the opinion, that the President should be

permitted to name a naval officer to this most important position in the Department of Commerce, but that general authority for the President to name military offices to civilian positions should not be approved. It is a position that has been made important because of an unprecedented amount of legislation that has recently been enacted with regard to the functions of the Bureau of Marine Inspection and Navigation. The Bureau's authority and responsibilities have been extended requiring the examination and approval by the Bureau of plans for all construction, remodeling, and mechanically equipping of vessels, with the definite objective of reducing the hazards to life and property at sea. The next few years will be a crucial period in the Bureau, for it must put these new laws into effect, coordinate their provisions, and reorganize the entire personnel in the light of the increased duties and new procedure.

In view of the importance of this position, it seems to me that Congress ought to permit the President, if he considers a naval officer to be best suited and best fitted to hold this position, to select such officer. I hope there will be no objection made to the consideration of the bill and to the request of the administration.

Mr. BYRD. Mr. President, I am very sorry, but I will have to object for the present.

The PRESIDING OFFICER. Objection is made.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 137) granting the consent of Congress to the minimum-wage compact ratified by the Legislatures of Massachusetts, New Hampshire, and Rhode Island was announced as next in order.

Mr. KING and Mr. McKELLAR asked that the joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The bill (S. 2403) to prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

MISSOURI RIVER BRIDGE AT POPLAR POINT, MONT.

The bill (H. R. 6496) granting the consent of Congress to the State of Montana or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River at or near Poplar, Mont., was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2381) to amend the Criminal Code by providing punishment for impersonation of officers and employees of Government-owned and Government-controlled corporations was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

ADMINISTRATION OF OATH IN PENAL INSTITUTIONS

The bill (S. 2387) to authorize certain officers and employees of Federal penal and correctional institutions to administer oaths was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the warden and associate warden, the chief clerk, the record clerk, and one other officer or employee, to be designated by the Attorney General, of each Federal penal or correctional institution are hereby authorized and empowered to administer oaths to and take acknowledgments of officers and employees, as well as inmates, of such institutions.

BILL PASSED OVER

The bill (S. 2386) to give precedence to certain proceedings to which the United States is a party, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, in view of the fact that the Committee on the Judiciary will meet tomorrow to take up procedural matters, I suggest that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

PROTECTION OF ALASKAN OYSTER CULTURE

The bill (H. R. 1561) for the protection of oyster culture in Alaska, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of Congress approved June 6, 1924, entitled "An act for the protection of the fisheries of Alaska, and for other purposes" (43 Stat. 464), as amended by the act of Congress approved June 18, 1926 (44 Stat. 752), is further amended by striking the period after the words "Alaskan Territorial waters", where they occur at the end of the second proviso, and inserting a colon in lieu thereof and after the colon the following: "*Provided further*, That the Secretary of Commerce, in his discretion, and upon such terms and conditions as he may deem fair and reasonable, is hereby authorized to lease bottoms in Alaskan Territorial waters for bona-fide oyster cultivation for commercial purposes."

CONSTRUCTION OF MARINE HOSPITAL IN FLORIDA

The bill (H. R. 4716) authorizing the construction and equipment of a marine hospital in the State of Florida, was announced as next in order.

Mr. KING. Mr. President, I notice this bill proposes to authorize a large appropriation, amounting to $1,500,000. I inquire if the project has been recommended by the Department, and what is the necessity for such a large appropriation?

Mr. PEPPER. Mr. President, the bill was recommended by the Department, and, of course, has passed the House of Representatives.

Mr. KING. Is an appropriation of $1,500,000 for the purchase of ground?

Mr. PEPPER. It is for the construction of a marine hospital, such an institution being urgently needed in the State of Florida. The hospital proposed to be constructed is to be located at such place as the Federal Board of Hospitalization may select in that State. As I have said, the bill has been favorably recommended by the Department and has already passed the other House.

Mr. KING. Is there to be a marine hospital in every State bordering upon the Atlantic and the Gulf and the Pacific?

Mr. PEPPER. I suppose marine hospitals will be located at such places as they may be needed. It has been determined that at the present time there should be such a hospital located in Florida. In view of the consideration given to the matter by the other House and by the Senate Commerce Committee, and in view of the favorable recommendation of the Department, I hope the Senator from Utah will not object to the passage of the bill.

Mr. McKELLAR. Is it expected that an appropriation will be made for the purposes of the bill during the present year?

Mr. PEPPER. I do not know when the project will be consummated. I suppose the appropriation will come along in due course.

Mr. KING. Mr. President, I should like to look into this bill a little further, and probably at the next call of the calendar I will have no objection to its consideration.

The PRESIDING OFFICER. On objection, the bill will be passed over.

SURVEY OF CAYUGA, BUFFALO, AND CAZENOVIA CREEKS, N. Y.

The bill (H. R. 4896) to authorize a preliminary examination and survey of Cayuga, Buffalo, and Cazenovia Creeks, N. Y., with a view to the control of their floods was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATION, BEAVER BAY, MINN.

The bill (H. R. 5040) to provide for the establishment of a Coast Guard station at or near Beaver Bay, Minn., was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATION, ST. AUGUSTINE, FLA.

The bill (H. R. 5140) to provide for the establishment of a Coast Guard station at or near St. Augustine, Fla., was considered, ordered to a third reading, read the third time, and passed.

ENLISTMENTS IN THE COAST GUARD

The bill (S. 2335) to amend the laws relating to enlistments in the Coast Guard, and for other purposes, was announced as next in order.

Mr. COPELAND. Mr. President, there is on the calendar a House bill similar to the Senate bill, the House bill being No. 6916, Order of Business 923. I ask unanimous consent that the House bill be substituted for the Senate bill and be considered at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6916) to amend the laws relating to enlistments in the Coast Guard, and for other purposes, which was read, as follows:

Be it enacted, etc., That section 1 of the act of May 26, 1906, as amended (34 Stat. 200; U. S. C., 1934 edition, title 14, sec. 35), is hereby further amended to read as follows:

"(a) That all persons composing the enlisted force of the Coast Guard shall be enlisted for a term not to exceed 3 years, in the discretion of the Secretary of the Treasury, who shall prepare regulations governing such enlistments and for the general government of the service: *Provided*, That an enlistment in the Coast Guard shall not be regarded as complete until the enlisted man concerned shall have served any time, in excess of 1 day, lost on account of unauthorized absence from duty, or injury, sickness, or disease, resulting from his own intemperate use of drugs or alcoholic liquors, or other misconduct, or while in confinement under sentence, or while awaiting trial and disposition of his case if the trial results in conviction.

"(b) The term of enlistment of any enlisted man in the Coast Guard may, by his voluntary written agreement, under such regulations as may be prescribed by the Secretary of the Treasury, be extended for a period of 1, 2, or 3 full years from the date of expiration of the then existing term of enlistment, and subsequent to said date an enlisted man who extends his term of enlistment as herein authorized shall be entitled to and shall receive the same pay and allowances in all respects as though regularly discharged and reenlisted immediately upon expiration of his term of enlistment. No such extension shall operate to deprive the enlisted man concerned, upon discharge at the termination thereof, of any right, privilege, or benefit to which he would have been entitled if his term of enlistment had not been so extended.

"(c) The commanding officer of any vessel of the Coast Guard is authorized, in his discretion, to detain an enlisted man beyond the term of his enlistment until the first arrival of the vessel at its permanent station, or at a port in a State of the United States or in the District of Columbia, unless, in his opinion, the detention of such person for a further period is essential to the public interests, in which case he may detain him for a further period, not exceeding 30 days, after arrival at such station or port. Any person so detained shall be subject in all respects to the laws and regulations for the government of the Coast Guard until his discharge therefrom."

SEC. 2. The act entitled "An act extending the benefits of the marine hospitals to the keepers and crews of lifesaving stations", approved August 4, 1894, as amended (28 Stat. 229; U. S. C., 1934 edition, title 24, sec. 8), is hereby further amended to read as follows:

"(a) Under such regulations as may be prescribed by the President, upon the recommendation of the Surgeon General with the approval of the Secretary of the Treasury, all commissioned officers, chief warrant officers, warrant officers, cadets, and enlisted men of the Coast Guard, including those on shore duty and those on detached duty, whether on active duty or retired, shall be entitled to medical, surgical, and dental treatment and hospitalization by the Public Health Service; and the dependent members of families of officers and enlisted men of the Coast Guard shall be furnished medical advice and out-patient treatment by the Public Health Service at its first-, second-, and third-class relief stations, and such dependent members of families shall be furnished hospitalization at marine hospitals, if suitable accommodations are available, at a per-diem cost to the officer or enlisted man concerned equivalent to the uniform per-diem reimbursement rate for Government hospitals as approved by the President for each fiscal year. Collections of the Public Health Service for the hospitalization of such dependent members of families shall be credited to the applicable appropriation for the operation of marine hospitals and relief stations.

"(b) The act entitled 'An act to extend medical and hospital relief to retired officers and retired enlisted men of the United States Coast Guard', approved May 18, 1928 (45 Stat. 603; U. S. C., 1934 edition, title 14, sec. 179), is hereby repealed."

SEC. 3. Subdivision "Seventh" of section 4 of the act entitled "An act to establish a Bureau of Immigration and Naturalization, and to provide for a uniform rule for the naturalization of aliens throughout the United States", approved June 29, 1906, as amended (34 Stat. 598; U. S. C., 1934 edition, title 8, sec. 368), is hereby further amended by inserting in line 4 thereof after the words "Naval Auxiliary Service" the words "or the Coast Guard".

SEC. 4. Section 12 of the act entitled, "An act to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States, and for other purposes", approved July 2, 1926 (44 Stat. 789; U. S. C., 1934 edition, title 10, sec. 1429), is hereby amended by inserting in line 8 thereof after the words "United States Navy" the words "or with the United States Coast Guard".

SEC. 5. Section 2 of the act of June 23, 1906, as amended (34 Stat. 452; U. S. C., 1934 edition, title 14, sec. 15), is hereby further amended by inserting the following sentence at the end thereof: "A cadet, upon admission to the Coast Guard Academy, shall be credited with the sum of $250 to cover the cost of his initial clothing and equipment issued, to be deducted subsequently from his pay in accordance with regulations prescribed by the Secretary of the Treasury."

SEC. 6. Section 2 of the Legislative, Executive, and Judicial Appropriation Act, approved July 31, 1894, as amended (28 Stat. 205; U. S. C., 1934 edition, title 5, sec. 62), is hereby further amended by inserting in line 12 thereof, following the word "Navy", the words "or the Coast Guard".

Mr. COPELAND. Mr. President, the bill now before the Senate and the next bill on the calendar—being Senate bill 2336—which is identical with a House bill now on the calendar—were recommended by the Treasury Department. They are intended merely to place the Coast Guard in exactly the same footing as is the Navy. The bills came to us from the Treasury Department with the request that they be passed.

Mr. KING. Mr. President, I should like to ask the Senator from New York whether, in view of the disparity in service as between those engaged in the Navy, who have to go to war, and visit into foreign ports, and the Coast Guard, whose duties, except perhaps in time of war, are limited to patroling the coast, the Coast Guard should be placed in the same category?

Mr. COPELAND. The Coast Guard are always at war. They patrol our coast. I know from personal observation on the Atlantic south of New York city how many lives have been saved by the Coast Guard and how they take their lives in their hands when they go out into the surf and storm. There can be no question that in peacetime the work which the Coast Guard is called upon to perform is infinitely greater than that required of the Navy.

Further than that, in the case of smuggling and bootlegging, the Coast Guard are constantly being called upon by the Government to give protection to the people and to protect the Nation's income.

Mr. WHITE. Mr. President, will the Senator from New York yield?

Mr. COPELAND. Certainly.

Mr. WHITE. The Senator has in mind, also, that the Coast Guard render an invaluable service in patrolling the ice regions of the north Atlantic Ocean. They are out there during the season of melting ice, making observations and reports, thus insuring safety in transiting the sea, one of the most valuable services the Coast Guard render.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, the bill (S. 2335) to amend the laws relating to enlistments in the Coast Guard, and for other purposes, will be indefinitely postponed.

PAY ADJUSTMENT OF CERTAIN COAST GUARD OFFICERS

The bill (S. 2336) to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war, was announced as next in order.

Mr. COPELAND. Mr. President, Calendar No. 925, being House bill 7611, relates to the same subject and is identical with the Senate bill. I ask that the House bill be substituted for the Senate bill and that it be considered at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 7611) to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1, as amended, of the act of June 21, 1930 (46 Stat. 793,

ch. 563), any officer of the Coast Guard who has been retired since September 3, 1921, but prior to March 4, 1925, by reason of physical disability which originated in line of duty at any time between April 6, 1917, and March 3, 1921, inclusive, while holding higher temporary rank in the Coast Guard, shall receive from the date of the approval of this act the pay of the rank he holds on the retired list.

The PRESIDING OFFICER. Without objection, Senate bill 2336 will be indefinitely postponed.

REGULATIONS OF BUREAU OF MARINE INSPECTION AND NAVIGATION

The bill (H. R. 7017) to amend section 4450 of the Revised Statutes of the United States as amended by the act of May 27, 1936 (49 Stat. 1380, 1383; U. S. C. 1934 ed., title 46, sec. 239), was announced as next in order.

Mr. McKELLAR. Mr. President, will the Senator from New York give us some information concerning the bill?

Mr. COPELAND. Mr. President, the bill was sent to us by the Department of Commerce. It provides in part that if the Director of Marine Inspection and Navigation shall find, after investigation, that a licensed officer has violated any of the provisions of the act or regulations thereunder, he shall in a written order suspend or revoke such officer's certificate. It is one of the bills which is believed by the Committee on Commerce to make for safety at sea. It has the recommendation of the Secretary of Commerce.

Mr. McKELLAR. It does not require an appropraition?

Mr. COPELAND. Not at all.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 Stat. 1380, 1383; U. S. C., 1934 edition, title 46, sec. 239), is amended by inserting in the third sentence of paragraph (g) of said section the words "suspended or", after the word "is" and before the word "revoked", so that the said paragraph (g) of said section, when amended, shall read as follows:

"(g) In any investigation of acts of incompetency or misconduct or of any act in violation of the provisions of this title, or of any of the regulations issued thereunder, committed by any licensed officer or any holder of a certificate of service, the person whose conduct is under investigation shall be given reasonable notice of the time, place, and subject of such investigation and an opportunity to be heard in his own defense. The whole record of the testimony received by the board conducting such investigation and the findings and recommendations of such board shall be forwarded to the Director of the Bureau of Marine Inspection and Navigation, and if that officer shall find that such licensed officer or holder of certificate of service is incompetent or has been guilty of misbehavior, negligence, or unskillfulness, or has endangered life, or has willfully violated any of the provisions of this title or any of the regulations issued thereunder, he shall, in a written order reciting said findings, suspend or revoke the license or certificate of service of such officer or holder of such certificate. The person whose license or certificate of service is suspended or revoked may, within 30 days, appeal from the order of the said Director to the Secretary of Commerce. On such appeal the appellant shall be allowed to be represented by counsel. The Secretary of Commerce may alter or modify any finding of the board which conducted the investigation or of the Director of the Bureau of Marine Inspection and Navigation, but the decision of the Secretary of Commerce shall be based solely on the testimony received by the said board and shall recite the findings of fact on which it is based."

STONY POINT LIGHT STATION RESERVATION, N. Y.

The bill (H. R. 7401) to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Commerce is hereby authorized to convey to the Commissioners of the Palisades Interstate Park, for use for public-park purposes, certain portions of the Stony Point Light Station Reservation, State of New York, including certain appurtenant structures, which are not required to be retained for lighthouse purposes. The Secretary of Commerce shall describe by metes and bounds in the deed of conveyance the exact portions of the reservation transferred. The deed of conveyance shall also contain a clause that should the property so transferred at any time cease to be used for park purposes or for some other wholly public use, title thereto shall revert to the United States.

SEC. 2. In exchange for the property to be transferred the Commissioners of the Palisades Interstate Park shall transfer title to the United States to the dwelling now erected on the portion of land retained by the United States for lighthouse purposes. The United States also reserves the rights-of-way over, underground, or across the area to be transferred for any use whatsoever in conducting the Lighthouse Service or other activities of the Government.

PYRAMID LAKE INDIAN RESERVATION, NEV.

The Senate proceeded to consider the bill (S. 840) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev., which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Interior be, and he is hereby, authorized and directed to issue patents for certain lands entered pursuant to section 1 of the act of June 7, 1924, entitled "An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation, Nev.", upon the payment of unpaid balances based upon reappraisals made in 1934 as follows: J. A. Ceresola, $4,595.89; W. J. Ceresola, $4,376.11; Domenico Ceresola, $4,926.63; M. P. Depaoli, $4,876.56; and the Garaventa Land & Livestock Co., $2,951.51: *Provided*, That the foregoing amounts shall be paid within 1 year from the date of the passage of this act: *Provided further*, That in the case of death of any of the entrymen, payments may be received from and patents be issued to the heirs or legal successors of the entrymen herein named.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

J. A. TIPPIT AND OTHERS

The bill (S. 1880) to amend an act entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippit, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. McCallib, J. J. Beckham, and John Toles", approved June 28, 1934, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of Congress approved June 28, 1934, entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippit, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. McCallib, J. J. Beckham, and John Toles", be, and it is hereby, amended by the addition thereto of the following sections:

"SEC. 6. In determining the liability of the United States for claims for reimbursement of expenses and for services rendered to enable the individual Mississippi Choctaw claimants benefited thereby to be identified, allotted, and enrolled in the Choctaw Nation in Oklahoma, said Court of Claims shall recognize and allow such items of expense and compensation for such services as were required to enable indigent Mississippi Choctaw Indians to be identified, allotted, and enrolled as members of the Choctaw Nation in Oklahoma under the provisions of the several statutes and rulings of the Interior Department relating to the identification, allotment, and enrollment of such Indians, or proper to be performed in their behalf: *Provided*, That said Court of Claims shall find that said persons for whose benefit said services were so performed and expenses incurred were indigent or for any other reason unable to meet the requirements of said statutes and rulings without assistance, and any provision of said original act inconsistent with the provisions of said section is hereby repealed.

"SEC. 7. All petitions heretofore filed in said court under said act of June 28, 1934, although the same may have been ordered dismissed under said original act, shall be reinstated and proceeded with under the provisions of said act as hereby amended: *Provided, however*, That the provisions of this amendment shall apply only to the claims which were filed in said Court of Claims within the period of 1 year specified in the said act of June 28, 1934, and that no other period of limitations upon the filing of suits in said court shall be applicable to proceedings under said act as hereby amended.

"SEC. 8. That the name of David C. McCallib as it appears in said act should be amended to read 'David C. McCalib', and the claim referred to as that of J. T. Bounds designated the claim theretofore filed by J. S. Bounds as attorney in fact for T. A. Bounds, and the filing of said claim by the estate of T. A. Bounds shall be regarded as of sufficient compliance with the provisions of said jurisdictional act."

DELEGATE TO FIRST PAN AMERICAN CONGRESS OF DEAF MUTES

The joint resolution (S. J. Res. 158) to provide for the appointment of a delegate to the First Pan American Congress of Deaf Mutes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President is authorized to appoint a member of the National Association of the Deaf as a delegate to represent the United States at the First Pan American Congress of Deaf Mutes, to be held at Buenos Aires, Argentina, on June 30, 1937. The delegate so appointed shall make a report to the President.

SEC. 2. There is hereby authorized to be appropriated the sum of $1,000, or so much thereof as may be necessary, to pay the expenses of such delegate and to be expended in such manner as the President may prescribe.

FEDERAL PARTICIPATION IN SEVENTH WORLD'S POULTRY CONGRESS AND EXPOSITION

The joint resolution (H. J. Res. 365) authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939 was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That pursuant to section 2 of the Public Resolution No. 113, approved June 20, 1936 (49 Stat. 1568), authorizing and requesting the President to extend to the World's Poultry Science Association an invitation to hold the Seventh World's Poultry Congress and Exposition in the United States in 1939, and to extend an invitation to foreign governments to participate in and be represented by delegates and exhibits in such congress and exposition, the sum of $100,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of such meeting, including personal services in the District of Columbia and elsewhere without reference to the Classification Act of 1923, as amended; stenographic reporting and translating services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses within the United States (and by indirect routes and by airplane if specifically authorized by the Secretary of State); purchase of necessary books, documents, newspapers, and periodicals; stationery; official cards; printing and binding; Government exhibits; entertainment; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified: *Provided*, That the Secretary of State is authorized to transfer to any department or independent establishment of the Government with the consent of the head thereof any part of the funds appropriated pursuant to this act for direct expenditure by such department or establishment for the purposes specified in this act.

M. M. TWICHEL

The Senate proceeded to consider the bill (S. 2299) for the relief of M. M. Twichel which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 6, after the words "sum of", to strike out "$3,638.46 in full satisfaction of his claim against the United States for compensation for services rendered and expenses incurred in connection with the burial of Indians on the Flathead Indian Reservation, Mont." and to insert "$3,346.66, or so much thereof as may be necessary, in full and complete satisfaction of his claim against the United States for compensation for services rendered and expenses incurred in connection with the burial of Indians on the Flathead Indian Reservation, Mont., prior to April 30, 1937: *Provided*, That before any payment is made hereunder the Secretary of the Interior shall certify that no part of the amount claimed has heretofore been paid", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay to M. M. Twichel, of St. Ignatius, Mont., out of any money in the Treasury not otherwise appropriated, the sum of $3,346.66, or so much thereof as may be necessary, in full and complete satisfaction of his claim against the United States for compensation for services rendered and expenses incurred in connection with the burial of Indians on the Flathead Indian Reservation, Mont., prior to April 30, 1937: *Provided*, That before any payment is made hereunder the Secretary of the Interior shall certify that no part of the amount claimed has heretofore been paid.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2601) to provide for refund of amount, as tax under the Bankhead Cotton Act, 1934, the Kerr Tobacco Act as amended, and the Potato Act of 1935 was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JOSEPH A. RUDY

The bill (H. R. 3251) for the relief of Joseph A. Rudy was considered, ordered to a third reading, read the third time, and passed.

N. C. NELSON

The bill (H. R. 4246) for the relief of N. C. Nelson was considered, ordered to a third reading, read the third time, and passed.

HANS EVERSON

The Senate proceeded to consider the bill (H. R. 3551) for the relief of Hans Everson, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the words "sum of", to strike out "$2,500" and insert "$3,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of $3,500 to Hans Everson, Phillips, Wisconsin, in full settlement of all claims against the Government of the United States for personal injuries suffered by him on February 12, 1935, when the sleigh on which he was riding was struck by a United States Civilian Conservation Corps truck, on County Highway E, Price County, Wis.: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WEYMOUTH KIRKLAND AND ROBERT N. GOLDING

The bill (H. R. 1086) for the relief of Weymouth Kirkland and Robert N. Golding was considered, ordered to a third reading, read the third time, and passed.

MABEL F. HOLLINGSWORTH

The Senate proceeded to consider the bill (S. 606) for the relief of Mabel F. Hollingsworth, which had been reported from the Committee on Claims with an amendment at the end of the bill to add a provisio, so as to make the bill read:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in the case of Mabel F. Hollingsworth, of West Allis, Wis., widow of William L. Hollingsworth, late a retired railway postal clerk, insofar as said Mabel F. Hollingsworth's claim for compensation for the death of said William L. Hollingsworth is concerned, and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of the enactment of this act, by said Mabel F. Hollingsworth for compensation under the provisions of such act of September 7, 1916, as amended, for the death of said William L. Hollingsworth: *Provided*, That compensation, if any, shall commence from and after the date of the passage of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DEWEY JACK KRAUSS

The bill (H. R. 1420) for the relief of Dewey Jack Krauss, a minor, was considered, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT OF ENLISTED MEN OF NAVY

The Senate proceeded to consider the bill (H. R. 4683) to provide for the reimbursement of certain enlisted men and

former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed during a hurricane in Samoa on January 15, 1931, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, after the word "reimburse", to insert "after claimants shall have filed itemized statements showing actual damages sustained, by proper appraisal, and", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $440.15, as may be required by the Secretary of the Navy to reimburse, after claimants shall have filed itemized statements showing actual damages sustained, by proper appraisal, and under such regulations as he may prescribe, enlisted men or former enlisted men of the Navy, for the value of personal effects lost, damaged, or destroyed as a result of a hurricane which struck Ofu and Ta'u, Samoa, on January 15, 1931: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 4689) to provide an additional sum for the payment of claims under the act entitled "An act to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the Navy and Marine Corps for personal property lost, damaged, or destroyed as a result of the earthquake which occurred at Managua, Nicaragua, on March 31, 1931", approved January 21, 1936 (49 Stat. 2212), was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TRANSFER OF CLINCH COUNTY FROM SOUTHERN DISTRICT OF GEORGIA

The bill (S. 2115) to amend section 77 of the Judicial Code, as amended, to transfer Clinch County from the southern district of Georgia to the middle district was announced as next in order.

Mr. KING. Mr. President, let us have an explanation of the bill.

Mr. GEORGE. Mr. President, this bill merely provides for the transfer of Clinch County from the southern district of Georgia to the middle district. It adds no cost and does not affect anyone except the residents of that county. The transfer of the county to the middle district will afford them a more convenient place for holding court.

Mr. KING. Would it require the construction of another courthouse and employment of additional personnel?

Mr. GEORGE. Oh, no. The bill would simply attach the county to another district.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2115) to amend section 77 of the Judicial Code, as amended, to transfer Clinch County from the southern district of Georgia to the middle district was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) subsection (d) of section 77 of the Judicial Code, as amended, is amended by inserting after the name "Berrien" a comma and the name "Clinch."

(b) Subsection (f) of section 77 of the Judicial Code, as amended, is amended by striking out the following: "Clinch,".

WILLIAM T. J. RYAN

The Senate proceeded to consider the bill (S. 2557) for the relief of William T. J. Ryan, which was read, as follows:

Be it enacted, etc., That in the administration of the provisions of the act of August 29, 1916 (39 Stat. L. 649), relating to the support of families of enlisted men in the Military Establishment who served during the expedition into Mexico, the claim of William T. J. Ryan, then sergeant, Headquarters Battery, Seventy-sixth Regiment United States Field Artillery, Fort D. A. Russell, Wyo., for Federal support of his wife, Beulah E. Ryan, be held and considered to have been received in the office of the depot quartermaster, Washington, D. C., on or before June 30, 1917, in view of the fact that delay in receipt occurred through no fault of the soldier but through loss or miscarriage of his application in the mails.

Mr. KING. Mr. President, let us have an explanation of the bill.

Mr. SHEPPARD. Mr. President, a bill identical with the one under consideration passed the Senate during the Seventy-third and Seventy-fourth Congresses in behalf of the claimant, William T. J. Ryan. The enactment of this legislation will occasion the Government an expense of only $164, and will operate to discharge a just obligation. While in the Army during the World War, Ryan made application for an allotment under the act of August 29, 1916 (39 Stat. 619–649), for the support of his wife, Mrs. Beulah E. Ryan. His application was either lost in the mails or otherwise misplaced, and the allotment was never paid.

Evidence before the committee shows that he did submit his application for this allotment to his commanding officer, and that it was forwarded through official channels. Therefore the subsequent misplacing of the application was in no way the claimant's fault. Under these circumstances, the committee feels that the claimant is entitled to the favorable consideration of the bill under discussion.

Mr. KING. Mr. President, may I ask the Senator from Texas why the Secretary of War recommended adversely?

Mr. SHEPPARD. The War Department, as a rule, recommends adversely in matters of this kind, and there must be particular facts showing particular equities, otherwise we would not differ from the Department.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

E. SULLIVAN

The Senate proceeded to consider the bill (S. 2232) for the relief of E. Sullivan, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. Sullivan, captain, Air Corps, United States Army, the sum of $1,613.25; such sum representing stoppage in his pay on account of the embezzlement by E. J. Barricklow, a civilian employee, of public funds for which said E. Sullivan was held accountable as agent finance officer at Kelly Field, Tex., from June 1927 to June 1928.

Mr. KING. Mr. President, there seems to be an adverse report from the Department. Will the Senator from Texas [Mr. SHEPPARD] give us an explanation?

Mr. SHEPPARD. This is another case where the committee, after going into the facts, feels that the claimant is justified. I shall be glad to give the Senator a further statement regarding it if he desires.

Mr. KING. Very well.

Mr. SHEPPARD. The bill authorizes and directs the Secretary of the Treasury to pay to Capt. E. Sullivan the sum of $1,613.25, representing stoppage in his pay on account of the embezzlement of public funds by a civilian employee. Sullivan was held accountable for this amount while agent finance officer at Kelly Field, Tex., from June 1927 to June 1928. An identical bill passed the Senate during the last Congress in behalf of Captain Sullivan.

When the irregularities at Kelly Field were detected, an investigation was instigated, which was participated in by agents of the Justice Department and Secret Service men of the Treasury Department, as well as inspectors of the Army. It was found that for a period of about 2 years a civilian employee had been preparing false short-form rolls, bearing fictitious names of from one to five alleged employees, to which rolls he forged the names of the fictitious employees and the name of the quartermaster as certifying officer. Some of these fraudulent rolls were presented to the local agent finance officer, accompanied by forged hand receipt of the quartermaster. Through this procedure, and on these rolls duly and properly prepared as to form but forged, the civilian employee obtained the money in cash and misappropriated it to his own use.

The Army inspector in the corps area reported that there was no carelessness or negligence on the part of the several agent officers in making payments of the sums charged against them, and that "they took every precaution required of them." The corps area commander concurred in this report, but the report was overruled by the War Department, and it was held that these men, including Sullivan, were to be held responsible. The corps area commander ordered a second investigation, and on the basis of this second study of the matter again held that Sullivan and these men could not be held responsible. However, the corps area authorities were overruled. The committee believes Captain Sullivan's claim is meritorious, and has again reported favorably on legislation to reimburse him for the amount he was called upon to pay as a result of the activities of the civilian employee.

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COL. JOHN A. LOCKWOOD, UNITED STATES ARMY, RETIRED

The Senate proceeded to consider the bill (S. 2273) granting the Distinguished Service Cross to Col. John A. Lockwood, United States Army, retired, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and to insert:

That the President is hereby authorized to cause the recommendation for the award of a decoration to Col. John A. Lockwood, United States Army, retired, who served as a captain in the United States Army, commanding Troop M, Fourth Regiment United States Cavalry, during October, November, and December, 1899, for distinguished conduct in the Philippine Islands, to be considered by the proper boards or authorities, and such award made to the said John A. Lockwood, as his said conduct merits.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the consideration of the recommendation of an award for distinguished service to Col. John A. Lockwood, United States Army, retired, and for other purposes."

ACCOMMODATIONS FOR HOLDING COURT AT COLUMBIA, TENN.

The bill (H. R. 6358) to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc, That the second proviso of section 107, as amended, of the Judicial Code (U. S. C., 1934 edition, title 28, sec. 188) is amended by striking out the period at the end of said proviso, and adding the following: "until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Columbia, a public building shall have been erected or other Federal space provided for court purposes in said city."

BILL PASSED OVER

The bill (S. 537) to provide suitable accommodations for the district court of the United States at Glasgow, Mont., was announced as next in order.

Mr. KING. Mr. President, there is an adverse report on that measure by the Attorney General. I suggest that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

GREEN BAY & MISSISSIPPI CANAL CO.

The bill (H. R. 5552) to provide for the relinquishment of an easement granted to the United States by the Green Bay & Mississippi Canal Co. was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to release to the Green Bay & Mississippi Canal Co., its successors or assigns, the easement heretofore granted by the Green Bay & Mississippi Canal Co. to the United States of America for the construction and maintenance of an 8-inch sewer or drain, together with necessary manholes, from a point in the southeasterly side of the post-office site, distant approximately 122 feet northwardly from the northeasterly bank of the Power Canal, and thence traversing in a southeastwardly direction lots 4 to 14, inclusive, in block 2, a distance of approximately 550 feet to the northwesterly side of the open sewer which flows in a northeastwardly direction along the southeasterly side of said lot 14 and to pass drainage and sewage from the site through said 8-inch sewer into said open sewer, in the city of Kaukauna, Outagamie County, Wis.

ADA SAUL AND OTHERS

The Senate proceeded to consider the bill (S. 2091) for the relief of Ada Saul, Steve Dolack, and Marie McDonald, which had been reported from the Committee on Claims with an amendment, on page 1, line 4, after the word "Treasury", to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, (1) to Ada Saul, of Belt, Mont., the sum of $5,000 in full satisfaction of her claim against the United States resulting from the death of her daughter, Isabel Saul, who was killed when a Civilian Conservation Corps truck in which she was riding, driven by Enrollee Cecil Simpson, overturned on January 20, 1936, about 1 mile from Armington, Mont.; (2) to Steve Dolack, of Armington, Mont., the sum of $5,000 in full satisfaction of his claim against the United States resulting from the death of his son, Anthony Dolack, who was killed in the same accident; and (3) to Marie McDonald, of Belt, Mont., the sum of $3,000, in full satisfaction of her claim against the United States resulting from personal injuries sustained by her in the same accident: *Provided,* That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EARL HILL

The Senate proceeded to consider the bill (H. R. 449) for the relief of Earl Hill, which had been reported from the Committee on Claims with an amendment, on page 1, line 4, after the word "Treasury", to strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Earl Hill, of Clarksville, Ark., the sum of $3,500, in full satisfaction of his claim against the United States for permanent personal injury received when he was struck by a Civilian Conservation Corps truck as it passed the truck in which he was a passenger on State Highway No. 7, between Clarksville and Cowell, Ark., August 4, 1935: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CONSOLIDATED AIRCRAFT CORPORATION

The Senate proceeded to consider the bill (S. 1881) for the relief of the Consolidated Aircraft Corporation, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$89,645.56. Such sum represents" and insert "$79,116.88, in full settlement of all claims against the United States for", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Consolidated

Aircraft Corporation the sum of $79,116.88, in full settlement of all claims against the United States for additional costs incurred by such corporation in the performance of a contract with the Department of the Navy dated June 13, 1933 (contract numbered No–31792): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Mr. President, will the Senator from Washington [Mr. SCHWELLENBACH] favor us with an explanation of this bill?

Mr. SCHWELLENBACH. Mr. President, in 1933 the Consolidated Aircraft Corporation had a contract with the Navy Department for building airplanes. With the adoption of the National Industrial Recovery Act it became necessary for this contractor, like many other contractors, to increase the amount of compensation paid to its employees. That was done under the provisions of the National Industrial Recovery Act. Later, Congress passed an act which provided that compensation for such additional costs should be paid to the various companies which had contracted. As a result of that act, an audit was made of the books of the Consolidated Aircraft Corporation, and the amount to which the bill is amended, $79,116.88, is the amount recommended by the Navy Department as a result of the audit made by the auditors of the Navy Department.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING. Mr. President, I reserve the right to move to reconsider the votes by which this bill was ordered to be engrossed for a third reading and passed. I wish to look into the bill tomorrow and will ask to have it withheld from transmission to the House of Representatives so that I may have a chance to examine the bill.

REDUCTION OF RATES IN CASE OF EARTHQUAKE, FLOOD, OR OTHER DISASTER

The bill (S. 2619) to amend paragraph (1) of section 22 of the Interstate Commerce Act, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That so much of paragraph (1) of section 22 of the Interstate Commerce Act, as amended, as reads as follows: "Nothing in this part shall prevent any carrier or carriers subject to this part from giving reduced rates for the transportation of property to or from any section of the country with the object of providing relief in case of earthquake, flood, fire, famine, drought, epidemic, pestilence, or other calamitous visitation or disaster, if such reduced rates have first been authorized by order of the Commission (with or without a hearing); but in any such order the Commission shall define such section and shall specify the period during which such reduced rates are to remain in effect" is amended to read as follows: "Nothing in this part shall prevent any carrier or carriers subject to this part from giving reduced rates for the transportation of property to or from any section of the country with the object of providing relief in case of earthquake, flood, fire, famine, drought, epidemic, pestilence, or other calamitous visitation or disaster, if such reduced rates have first been authorized by order of the Commission (with or without a hearing); but in any such order the Commission shall (1) define such section, (2) specify the period during which such reduced rates are to remain in effect, and (3) clearly define the class or classes of persons entitled to such reduced rates: *Provided*, That any such order may define the class or classes entitled to such reduced rates as being persons designated as being in distress and in need of relief by agents of the United States or any State authorized to assist in relieving the distress caused by any such calamitous visitation or disaster. No carrier subject to the provisions of this part shall be deemed to have violated the provisions of such part with respect to undue or unreasonable preference or unjust discrimination by reason of the fact that such carrier extends such reduced rates only to the class or classes of persons defined in the order of the Commission authorizing such reduced rates."

BILL PASSED OVER

The bill (S. 2579) to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TWIN RIVER POINT LIGHTHOUSE RESERVATION, WIS.

The bill (H. R. 1961) to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Twin River Point Lighthouse Reservation, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subject to the conditions hereinafter specified, the Secretary of Commerce is authorized to convey to the State of Wisconsin for State park purposes all the right, title, and interest of the United States in and to that portion of the Twin River Point Lighthouse Reservation, Manitowoc County, Wis., which is not required to be retained for lighthouse purposes. The Secretary of Commerce shall describe by metes and bounds in the deed of conveyance the exact portion of such reservation transferred.

SEC. 2. Such conveyance shall contain the express condition that if the State of Wisconsin shall at any time cease to use the property as a State park for public recreation, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

SEC. 3. The United States reserves the right to resume ownership, possession, and control for Government purposes, of any property conveyed under authority of this act, at any time and without the consent of the State of Wisconsin.

SEC. 4. The Secretary of Commerce is also authorized, in his discretion, to lease to the State of Wisconsin for a period of 25 years that portion of the Twin River Point Lighthouse Reservation not conveyed by him under authority of this act. Such lease shall be subject to revocation at any time by the Secretary of Commerce.

BILL PASSED OVER

The bill (H. R. 5860) making further provision for the fisheries of Alaska was announced as next in order.

Mr. SCHWELLENBACH. Mr. President, I should like an opportunity to look into this bill. It involves the question of fisheries in Alaska. I did not know of the bill until the calendar was called today. I ask that it go over until the next call of the calendar.

The PRESIDING OFFICER. The bill will be passed over.

WILLIAM C. WILLAHAN

The Senate proceeded to consider the bill (S. 2444) for the relief of William C. Willahan, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 7, after the words "sum of", to strike out "$719.40" and insert "$421.65"; in line 8, after the word "amounts", to strike out "paid by" and insert "withheld from"; in line 11, after the word "July", to strike out "24" and insert "14"; and in the same line, after "1934", to strike out "and in settlement no. G–68976–IN, dated February 25, 1935", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William C. Willahan, formerly superintendent and special disbursing agent at the Sisseton Indian Agency, Sisseton, S. Dak., the sum of $421.65, representing amounts withheld from him in settlement of the charges made against his accounts by reason of disallowances in settlement no. F–24532–IN, dated July 14, 1934, such disallowances being due to embezzlement on the part of a subordinate employee and made without the knowledge or procurement of said William C. Willahan. The sum paid under this act shall be exempt from the claims of creditors and shall not be liable to attachment, levy, or seizure under any legal or equitable process, before or after payment; and no part of such sum shall be withheld from said William C. Willahan, by reason of, or be applied to the payment of, the charges against his accounts hereinbefore referred to.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2670) to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes, was announced as next in order.

Mr. McKELLAR. May we have an explanation of this bill?

Mr. KING. I ask that the bill go over. It is too important a bill to be considered under the 5-minute rule.

The PRESIDING OFFICER. The bill will be passed over.

SAMUEL L. DWYER

The Senate proceeded to consider the bill (S. 2417) for the relief of Samuel L. Dwyer, which had been reported

from the Committee on Claims with an amendment at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Samuel L. Dwyer, of Palmerdale, Ala., the sum of $2,500, in full satisfaction of all his claims against the United States for damages sustained by him for medical expense and by his 5-year-old son, Luther Allen Dwyer, for permanent disfigurement, when the explosion of a dynamite cap with which the latter was playing, after finding it on the homestead of his father where said cap had been negligently left by employees of the Resettlement Administration engaged in clearing such land, blew off two fingers of his left hand below the first joint: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SCOTT HART

The Senate proceeded to consider the bill (S. 2261) for the relief of Scott Hart, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after "$5,663',, to insert "in full settlement of all claims against the United States", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Scott Hart the sum of $5,663, in full settlement of all claims against the United States, for injuries sustained by him on or about November 17, 1935, when an automobile in which he was a passenger struck a ditch which had been dug across the public highway by personnel of the Lewes Coast Guard Station: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM E. JONES AND OTHERS

The Senate proceeded to consider the bill (S. 667) for the relief of William E. Jones, Walter M. Marston, William Ellery, Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell; and Malcolm Donald as executor under the will of Gordon Donald, which was read, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to receive, consider, and determine, in accordance with law but without regard to any statute of limitations, any claims filed not later than 6 months after the passage of this act by William E. Jones, of Newton, Mass.; Walter M. Marston, of Newton, Mass.; William Ellery, of Brookline, Mass.; Richard P. Hallowell, 2d, and Malcolm Donald as executors under the will of Frank W. Hallowell, late of Newton, Mass.; and Malcolm Donald as executor under the will of Gordon Donald, late of Wellesley, Mass., for the refund of Federal income and excess-profits taxes collected from the said William E. Jones, Walter M. Marston, William Ellery, Frank W. Hallowell, and Gordon Donald for the year 1917 in excess of the amounts properly due; and any claim so filed shall be regarded and treated for all purposes as if it had been duly filed within the period fixed by any statute of limitations which, except for the passage of this act, would be applicable thereto: *Provided*, That in the settlement of any claim so filed there shall be no allowance of interest.

Mr. KING. Mr. President, I should like to ask the Senator from Maine [Mr. WHITE] if the bill places any limitation upon the amounts which may be awarded, and, if not, what standards are to be applied in determining the obligation, if any, of the Government.

Mr. WHITE. Mr. President, under the law as it existed in 1917, as it was interpreted by the Court in a decision handed down in 1926, the proper rule of construction as to the determination of these income taxes was passed upon by the Court, was accepted by the Bureau of Internal Revenue, and was thereafter followed. This bill was introduced by the Senator from Massachusetts [Mr. WALSH]; but I think I am wholly correct in saying that the law as it was laid down in the decision of 1926 will be determinative of the amount involved in this case.

Mr. KING. What reason is there for waiving the statute of limitations in this case? I will say, by way of parenthesis, that the Finance Committee has been very liberal in extending the period beyond which claims of this kind may be barred.

Mr. WHITE. The reason is, Mr. President, that in passing upon this case originally, the Bureau of Internal Revenue laid down an entirely erroneous rule of law. The Bureau held that the persons concerned were not entitled to recover. Subsequently to that ruling by the Internal Revenue Bureau, the court, in a case which was before it, completely reversed the Internal Revenue Bureau; and then, of course, the Internal Revenue Bureau accepted the decision of the court, and, in similar cases, acted on it. This bill is simply to give these persons the opportunity to go before the Bureau of Internal Revenue and seek a refund according to the law as the court has laid it down. That is all that is involved in the measure.

Mr. McKELLAR. Mr. President, why did the Treasury Department report against the bill?

Mr. WHITE. I think because of the fact that before the decision of the court was handed down, the statute of limitations had run against a refund; and the Treasury, following its invariable rule, declined to consider a case where the statute had once run against it. Then came the decision of the court which declared that the ruling of the Internal Revenue Bureau was wrong. In those circumstances it seemed to the committee that these persons ought to be permitted to go before the Treasury Department and establish their rights according to the law as the court had laid it down.

That is all that is involved in the case.

Mr. KING. Mr. President, a great many demands have been made to set aside the statute of limitations. In some instances the demands were warranted. There were equities that appealed to the Committee on Finance and to the Joint Committee on Internal Revenue Taxation.

Mr. WHITE. Mr. President, I fully appreciate what the Senator is saying, and I realize the force of his statement.

This provision of law existed only during 1917, however, and the Congress then repealed it; and where the Bureau manifestly has made an error, which the Bureau itself acknowledges, it does seem that a statutory bar ought not to be set up against the right of these persons to appear before the Bureau and make out a case within the rules of law.

Mr. WALSH. Mr. President, I inquire of the Senator from Maine whether similar bills have not been favorably reported and passed by the Senate.

Mr. WHITE. I think that is true in the case of some bills, although, of course, this is a very unusual case, a court having directly overruled a prior decision of the Treasury Department. In those circumstances it seems clear that the claimants ought to have their rights according to the law.

Mr. WALSH. Is it not a fact that the Committee on Claims was unanimously of the opinion that this is a meritorious case?

Mr. WHITE. Yes.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. McCARRAN. The case impressed me thus: The claimant was right in the first instance but was ruled against by one who was afterward overruled by the final authority.

Mr. WHITE. That is true.

Mr. McCARRAN. Therefore, he was right in the first instance, and should be accorded his rights.

Mr. WHITE. The Senator is correct.

Mr. KING. Mr. President, I should be the last person in the world to seek to have the Government take advantage of a rich man or a poor man. It is the province of the Government to be fair and just to everyone. A great many demands have been made, however, to waive the statute of limitations and permit the presentation of claims 5, 10, and as many as 15 years after payment was made.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. WHITE. I do not recall any case in which it was perfectly clear that the Government was in error where Congress has refused to remove the bar of the statute.

Mr. WALSH. And, may I add, where the decision of the court pointing out the error was made after the statute of limitation had run.

Mr. WHITE. That is correct.

Mr. KING. Mr. President, will the Senator from Maine state the amount that is claimed?

Mr. WHITE. I do not know the actual amount. Of course, that would be a matter of proof before the Department.

To me, the amount was not of consequence. What impressed me in connection with this case was that a wrong decision had been made which prejudiced these persons; a court had declared the decision wrong; and it seems to me just plain equity and right that these claimants should have an opportunity to go before the Department.

Mr. KING. Mr. President, I shall not object to the consideration of the bill, but I shall enter a motion to reconsider the action upon it; and tomorrow I shall confer with the Treasury Department and find out whether there are any valid objections to the bill, in which event I shall then move to take up the question for reconsideration.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, the motion of the Senator from Utah to reconsider the votes by which the bill was ordered to be engrossed for a third reading and passed will be entered.

CONTROL AND PREVENTION OF CANCER

Mr. COPELAND. Mr. President, I am under obligation to leave the city at 4 o'clock, and I desire to say a word at this time.

The Committee on Commerce reported favorably today Senate bill 2067, authorizing the Surgeon General of the Public Health Service to control and prevent the spread of the disease of cancer. It is a unique bill. It was introduced by the Senator from Washington [Mr. BONE], and has been endorsed by every Senator. I have never known anything like it; every other Senator joins with the Senator from Washington in advocating the bill.

We have seen fit to make some changes in the committee, to revise the bill, to strike out all after the enacting clause and to insert new language.

Mr. KING. Mr. President, what is the measure to which the Senator is referring?

Mr. COPELAND. It is the so-called cancer bill. I ask the Senator from Utah to bear with me, because of my personal obligation to leave the chamber in a few minutes. I ask unanimous consent that the bill be taken up at this time, so that the Senator from Washington may have it passed. He deserves great credit, and I am sure every one of us wishes to assist him.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. McNARY. What is the bill?

Mr. COPELAND. It is the "cancer bill."

Mr. KING. Mr. President, may I ask the Senator from New York one question?

Mr. COPELAND. Certainly.

Mr. KING. We have appropriated a considerable sum of money, as I recall, for the establishment of a public-health institute. I may not give the correct name.

Mr. COPELAND. The Senator is correct.

Mr. KING. It was presumed when the law was enacted creating that organization that it would have to deal with investigations in regard to curable diseases, and so on. Why should not that organization take up the matter covered under the measure to which the Senator refers? Does the bill commit the investigation to the Public Health Institute?

Mr. COPELAND. The Senator is referring to the Ransdell bill?

Mr. KING. Yes.

Mr. COPELAND. That was a splendid measure. It had to do largely with the erection of buildings to be used by the Institute of Public Health. The bill to which I am referring does not create a new board. It puts the work in charge of the very institution to which the Senator has called attention. We held a hearing the other day under the direction of the Senator from Washington, who had present representatives of all the great medical concerns and research bodies of this country and of Canada, and one witness from England.

Mr. President, I do not wish to make the speech of the Senator from Washington, because sometime ago he made an address on the subject which would do credit to the best-informed research expert in cancer in this country or in any other country. The bill provides that there shall be a steady attack upon cancer. We did not go as far as the Senator from Washington wished. He provided for the appropriation of $1,000,000 a year. We reduced the amount to $700,000. The investigation is to be carried out wholly under the direction of the Surgeon General of the Public Health Service, and I am sure that no finer act can be done by the Congress than to pass the bill.

I do not wish to say more, because the Senator from Washington had the inspiration and the genius to bring the subject before us, following the Senator from West Virginia [Mr. NEELY] who made the same effort some years ago. I hope the Senate will unanimously and speedily pass the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the Senate proceeded to consider the bill (S. 2067) authorizing the Surgeon General of the Public Health Service to control and prevent the spread of the disease of cancer, which had been reported from the Committee on Commerce with an amendment, to strike out all after the enacting clause and to insert the following:

That for the purposes of conducting researches, investigations, experiments, and studies relating to the cause, diagnosis, and treatment of cancer; assisting and fostering similar research activities by other agencies, public and private; and promoting the coordination of all such researches and activities and the useful application of their results, with a view to the development and prompt widespread use of the most effective methods of prevention, diagnosis, and treatment of cancer, there is hereby established in the Public Health Service a division which shall be known as the National Cancer Institute (hereinafter referred to as the "Institute").

SEC. 2. The Surgeon General of the Public Health Service (hereinafter referred to as the "Surgeon General") is authorized and directed for the purposes of this act and subject to its provisions, through the Institute and in cooperation with the National Cancer Advisory Council hereinafter established—

(a) To conduct, assist, and foster researches, investigations, experiments, and studies relating to the cause, prevention, and methods of diagnosis and treatment of cancer;

(b) To promote the coordination of researches conducted by the Institute and similar researches conducted by other agencies, organizations, and individuals;

(c) To procure, use, and lend radium as hereinafter provided;

(d) To provide training and instruction in technical matters relating to the diagnosis and treatment of cancer;

(e) To provide fellowships in the Institute from funds appropriated or donated for such purpose;

(f) To secure for the Institute consultation services and advice of cancer experts from the United States and abroad; and

(g) To cooperate with State health agencies in the prevention, control, and eradication of cancer.

SEC. 3. There is hereby created the National Advisory Cancer Council (herein referred to as the "Council"), to consist of six members to be appointed by the Surgeon General with the approval of the Secretary of the Treasury, and of the Surgeon General, ex officio, who shall be chairman of the Council. The six appointed members shall be selected from leading medical or scientific au-

thorities who are outstanding in the study, diagnosis, or treatment of cancer in the United States. Each appointed member shall hold office for a term of 3 years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the members first taking office shall expire, as designated by the Surgeon General at the time of appointment, two at the end of the first year, two at the end of the second year, and two at the end of the third year after the date of the first meeting of the Council. No appointed member shall be eligible to serve continuously for more than 3 years, but shall be eligible for reappointment if he has not served as a member of the Council at any time within 12 months immediately preceding his reappointment. Each appointed member shall receive compensation at the rate of $25 per day during the time spent in attending meetings of the Council and for the time devoted to official business of the Council under this act, and actual and necessary traveling and subsistence expenses while away from his place of residence upon official business under this act.

SEC. 4. The Council is authorized—

(a) To review research projects or programs submitted to or initiated by it relating to the study of the cause, prevention, or methods of diagnosis and treatment of cancer, and certify approval to the Surgeon General for prosecution under section 2 (a) hereof any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis and treatment of cancer;

(b) To collect information as to studies which are being carried on in the United States or any other country as to the cause, prevention, and methods of diagnosis and treatment of cancer, by correspondence or by personal investigation of such studies, and with the approval of the Surgeon General make available such information through the appropriate publications for the benefit of health agencies and organizations (public or private), physicians, or any other scientists, and for the information of the general public;

(c) To review applications from any university, hospital, laboratory, or other institution, whether public or private, or from individuals, for grants in aid for research projects relating to cancer, and certify to the Surgeon General its approval of grants in aid in the cases of such projects which show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis or treatment of cancer;

(d) To recommend to the Secretary of the Treasury for acceptance conditional gifts pursuant to section 6; and

(e) To make recommendations to the Surgeon General with respect to carrying out the provisions of this act.

SEC. 5. In carrying out the provisions of section 2 the Surgeon General is authorized—

(a) With the approval of the Secretary of the Treasury, to purchase radium, from time to time, without regard to section 3709 of the Revised Statutes; to make such radium available for use in carrying out the purpose of this act; and, for such consideration and subject to such conditions as the Secretary of the Treasury shall prescribe, to lend such radium to institutions, now existing or hereafter established in the United States, for the study of the cause, prevention, or methods of diagnosis or treatment of cancer, or for the treatment of cancer;

(b) To provide the necessary facilities where training and instruction may be given in all technical matters relating to diagnosis and treatment of cancer to such persons as in the opinion of the Surgeon General have proper technical training and shall be designated by him for such training or instruction; such persons while receiving training or instruction may, with the approval of the Surgeon General, receive a per-diem allowance to be fixed by the Surgeon General but not to exceed $10;

(c) To establish and maintain, with the approval of the Secretary of the Treasury, research fellowships in the Institute with such stipends or allowances (including traveling and subsistence expenses) as the Surgeon General may deem necessary to procure the assistance of the most brilliant and promising research fellows from the United States or abroad;

(d) To secure for the Institute, from time to time and for such periods as may be advisable, the assistance and advice of experts, scholars, and consultants from the United States or abroad who are learned and experienced in the problems involved in accomplishing the purposes of this act;

(e) To make grants in aid for research projects certified by the Council pursuant to section 4 (c); and

(f) To adopt, upon recommendation of the Council and with the approval of the Secretary of the Treasury, such additional means as the Surgeon General may deem necessary or appropriate to carry out the provisions of sections 1 and 2 of this act.

SEC. 6. The Secretary of the Treasury is authorized to accept on behalf of the United States gifts made unconditionally by will or otherwise for study, investigation, or research into the cause, prevention, and methods of diagnosis and treatment of cancer, or for the acquisition of grounds or for the erection, equipment, and maintenance of premises, buildings, and equipment for the Institute. Conditional gifts may be accepted by the Secretary if recommended by the Surgeon General and the council. Any such gifts, if in money, shall be held in trusts and shall be invested by the Secretary of the Treasury in securities of the United States, and the principal or income thereof shall be expended by the Surgeon General, with the approval of the Secretary of the Treasury, for the purposes prescribed by this act, subject to the same examination and audit as provided for appropriations made for the Public Health Service by Congress. Donations of $500,000 or over in aid of research under this act shall be acknowledged permanently by the establishment within the Institute of suitable memorials to the donors.

SEC. 7. (a) There is hereby authorized to be appropriated a sum not to exceed $750,000 for the erection and equipment of a suitable and adequate building and facilities for the use of the Institute in carrying out the provisions of this act. The Secretary of the Treasury is authorized to acquire, by purchase, condemnation, donation, or otherwise, a suitable and adequate site or sites in or near the District of Columbia for such building and facilities, and to erect thereon, furnish, and equip such buildings and facilities when funds are made available.

(b) There is hereby authorized to be appropriated the sum of $700,000 for each fiscal year, beginning with the fiscal year ending June 30, 1938, for the purpose of carrying out the provisions of this act (except subsection (a) hereof). Sums appropriated pursuant to this subsection may be expended in the District of Columbia for personal services, stenographic recording and translating services, by contract if deemed necessary, without regard to section 3709 of the Revised Statutes; traveling expenses (including the expenses of attendance at meetings when specifically authorized by the Surgeon General); rental, supplies, and equipment, purchase and exchange of medical books, books of reference, directories, periodicals, newspapers, and press clippings; purchase, operation, and maintenance of motor-propelled passenger-carrying vehicles; printing and binding (in addition to that otherwise provided by law); and for all other necessary expenses in carrying out the provisions of this act.

SEC. 8. (a) There is hereby authorized to be appointed in the Public Health Service, in accordance with applicable law, such commissioned officers as may be necessary to aid in carrying out the provisions of this act.

(b) This act shall not be construed as superseding or limiting (1) the functions, under any other act, of the Public Health Service or any other agency of the United States relating to the study of the prevention, diagnosis, and treatment of cancer; or (2) the expenditure of money therefor.

(c) The Surgeon General with the approval of the Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

(d) The Surgeon General shall include in his annual report for transmission to Congress a full report of the administration of this act, including a detailed statement of receipts and disbursements.

(e) This act shall take effect 30 days after the date of its enactment.

(f) This act may be cited as the "National Cancer Institute Act."

Mr. BONE. Mr. President, I do not wish to debate the bill at length. I desire, however, to point out anew that the Members of the Senate with whom I have discussed the bill, have without a single exception been very responsive to the urging from many sources that the Federal Government now bring to bear on the problem of cancer the best that it has to offer in the way of scientific assistance. It was only a few years ago that it began to recognize the dire significance of this scourge. Cancer is now killing more people every 2 years than have been killed in all the wars in which this country has been engaged since the birth of the Republic, and they die in a horrible fashion.

Science so far has been unable to put its finger on the cause of cancer, and the bill is aimed in only one direction and has only one objective, that is, to bring all the magnificent agencies of science to bear, through the assistance, aid, and cooperation of the Government, on finding the cause of cancer, not the cure, because the hospitals and medical associations of the country can take care of that, but the cause of this disease, which now is completely shrouded in mystery. I do not believe we could find a greater challenge to our best efforts than is the challenge of this disease which so terribly destroys more people every 2 years than have been killed in all the wars of the Republic. God knows the wars have cost enough money; they have cost hundreds of millions and billions of dollars; yet this fell destroyer is taking more lives than have been taken in all the wars concerning which we have heard in song and story which have thrilled us from childhood.

I hope there will be no objection to the bill, and that it will be passed forthwith.

Mr. BONE subsequently said: Mr. President, at the time of my brief statement in reference to Senate bill 2067, the so-called cancer bill, I omitted to call attention to the fact that the Senator from Rhode Island [Mr. GERRY] desired

that his name be added to those of the other 94 Senators whose names appear on the bill.

I also have received a request from the Senator from New Jersey [Mr. SMATHERS] that his name be added to the bill. At the time the bill was introduced the Senator from New Jersey was not a Member of the body, not having been sworn in. So I take it that the name of the Senator from Rhode Island [Mr. GERRY] will be added to the bill. It is a matter of form, but I am a little uncertain as to the other portion of the request. I ask unanimous consent that despite the fact that the Senator from New Jersey [Mr. SMATHERS] was not a Member of the body at the time the bill was introduced, his name be added to the list of those sponsoring the bill.

Mr. KING. Nunc pro tunc.

Mr. BONE. Nunc pro tunc. I wish to have this action taken for the purpose of the RECORD, to show that every Senator now joins me in introducing the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and the names of the Senator from Rhode Island [Mr. GERRY] and the Senator from New Jersey [Mr. SMATHERS] will be included in the list of those joining in introducing the bill.

The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes."

THE CORBITT CO.

The Senate proceeded to consider the bill (S. 1514) for the relief of the Corbitt Co., which had been reported from the Committee on Claims with amendments, on page 1, line 3, after the word "Treasury", to strike out the word "is" and insert "be, and he is hereby"; on line 7, to strike out "such sum representing the amount of" and to insert "in full settlement of all claims against the United States for"; and to insert a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Corbitt Co., of Henderson, N. C., the sum of $6,659.80, in full settlement of all claims against the United States for liquidated damages for delinquency in making deliveries charged against such company in the settlement of a certain contract (numbered W-ord-226) entered into by such company with the War Department, for furnishing twenty T9 scout cars and a quantity of spare parts: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. REYNOLDS. Mr. President, this bill, introduced by me, is for the relief of the Corbitt Co., of Henderson, N. C., a company engaged in the manufacture of motor-driven vehicles. The bill was reported by the Senator from Kentucky [Mr. LOGAN], but I do not see him in the Chamber at the present time. My colleague, the senior Senator from North Carolina [Mr. BAILEY], and I were interested in the matter, and I see my colleague is now in the Chamber.

The Corbitt Co. entered into a contract with the War Department for the manufacture of 20 T9 scout cars. As a result of the trucks not having been delivered at the time or times specified in the contract, the War Department withheld approximately $7,000, charging liquidated damages on account of the delay.

When the matter was referred to the Committee on Military Affairs the chairman of the committee, the Senator from Texas [Mr. SHEPPARD], referred it to a subcommittee of which the Senator from Kentucky [Mr. LOGAN] served as chairman. I recall that he held hearings on the matter, and made an investigation, and referred the claim to the War Department for their opinion. They in turn referred it to another department of the Government.

Mr. McKELLAR. To the Acting Comptroller.

Mr. REYNOLDS. Yes; to the Acting Comptroller; and I shall come to his letter in a moment.

Liquidated damages in the sum of approximately $7,000 were withheld by the War Department on account of the fact that the trucks were not delivered at the times specified in the contract. But I may say to the Senator from Tennessee that on investigation it was learned that the delay was not the fault of the Corbitt Co., but was the fault of the War Department, for the reason that they had not provided inspection of the trucks at the time the trucks were completed and ready for delivery by the Corbitt Co. In other words, the Corbitt Co. had completed the trucks and had them on their property at Henderson, N. C., and were ready and willing and waiting to make delivery as per the terms of the contract, but they could not make the delivery until the trucks had been duly inspected by the representatives of the War Department.

After having made investigation, the Senator from Kentucky, as chairman of the subcommittee, recommended that the Corbitt Co. be not occasioned the loss of six thousand three hundred and some odd dollars of the $7,000.

Mr. McKELLAR. Were the trucks actually delivered?

Mr. REYNOLDS. Oh, yes, the trucks have been delivered. I see in the report made by the Senator from Kentucky a letter under date of March 5, 1937, addressed to my colleague the senior Senator from North Carolina, by Hon. Harry Woodring, Secretary of War, and another letter addressed by the Accounting Department to my colleague under date of April 20.

After thoroughly investigating the matter the Senator from Kentucky, chairman of the subcommittee, stated that it was not the fault of the Corbitt Co. that the delay was occasioned, but that the fault was attributable to the fact that the inspection had not been provided by the War Department, and I understand it was not provided at that time on account of the fact that they had other inspections to make. It was no fault of the Corbitt Co., of Henderson, N. C.

Mr. BAILEY. Mr. President, I understand the bill is a meritorious measure.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF CHIPPEWA INDIANS OF WISCONSIN

The Senate proceeded to consider the bill (S. 2060) to amend the Wisconsin Chippewa Jurisdictional Act of August 30, 1935 (49 Stat. L. 1049) which had been reported from the Committee on Indian Affairs with an amendment, on page 4, line 18, after the word "Code", to insert "(Revised Statutes, sec. 2103)", so as to make the bill read:

Be it enacted, etc., That the first, second, and third sections of the act entitled "An act authorizing the Chippewa Indians of Wisconsin to submit claims to the Court of Claims", approved August 30, 1935 (49 Stat. L. 1049), are amended to read as follows:

"SECTION 1. That all claims of whatsoever nature which any tribe or band of Chippewa Indians now residing in Wisconsin, or any tribe or band of Chippewa Indians heretofore a part of or affiliated with the Lake Superior Band of Chippewa Indians and now residing in Michigan or Minnesota, may have against the United States, which have not heretofore been determined by the Court of Claims or the Supreme Court of the United States, may be submitted to the Court of Claims with the right of appeal to the Supreme Court of the United States by either party, anything in the Judicial Code of the United States or amendments thereto to the contrary nowithstanding, for determination of the amount, if any, due said Indians from the United States under any treaties, agreements, or laws of Congress, or for the misappropriation or waste of any of the funds or lands of said Indians or band or bands thereof, or for the failure of the United States to pay said Indians any money or other property due; and jurisdiction is hereby conferred upon the Court of Claims, with the said right of either party to appeal, to hear and determine all legal and equita-

ble claims, if any, of said Indians against the United States, and to enter judgment thereon.

"SEC. 2. If any claim or claims be submitted to said courts they shall settle the rights therein, both legal and equitable, of each and all of the parties thereto, notwithstanding lapse of time or statutes of limitations, and any payment which may have been made upon any claim so submitted shall not be pleaded as an estoppel, but may be pleaded as an offset in such suits or actions, and the United States shall be allowed credit for all sums heretofore paid or expended for the benefit of said Indians or any band thereof, including gratuities, and that laches shall not be pleaded as a defense thereto. The claim or claims of the said Indians, or any band or bands thereof, may be presented separately or jointly by petition, subject, however, to amendment, to conform to the evidence at any time prior to argument before the Court of Claims of the case on its merits, suit to be filed within 8 years after the passage of this act; and such action shall make the petitioner or petitioners party plaintiff or plaintiffs and the United States party defendant, and any band or bands of said Indians or any other Indians or band of Indians the court may deem necessary to a final determination of such suit or suits may be joined therein as the court may order. Such petition, which shall be signed by the attorney or attorneys employed by said Indians or any bands thereof, or by the State of Wisconsin in their behalf, shall set forth all the facts on which the claims for recovery are based and said petition shall be signed by the attorney or attorneys so employed, and no other verification shall be necessary. Official letters, papers, documents, and public records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give to the attorney or attorneys of said Indians or bands thereof access to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys for said tribe or bands of Indians.

"SEC. 3. Upon final determination of such suit, cause, or action, the Court of Claims shall decree such fee and necessary expenses as it shall find reasonable and proper to be paid to the attorney or attorneys employed therein by said tribe or bands of Indians under contracts executed and approved as hereinafter provided, and in no case shall the fee decreed by said Court of Claims be in excess of the amounts stipulated in said contracts. Such contract on behalf of any tribe or band which has organized and adopted a constitution and bylaws pursuant to section 16 of the Act of June 18, 1934 (48 Stat. 984), shall be executed and approved in conformity with the provisions of the constitution and bylaws of the tribe or band. Contracts on behalf of any unorganized tribe or band shall be executed in conformity with the requirements of section 81, title 25, United States Code (Revised Statutes, sec. 2103). No attorney shall have the right to represent the said Indians or any band thereof in any suit, cause, or action under the provisions of this act until he has been employed under a contract executed and approved as provided herein: *Provided*, That any attorney appearing for said Indians under any law of the State of Wisconsin authorizing him to prosecute such claims against the Federal Government shall not be required to file a contract of employment, and no compensation shall be allowed such attorney where he is so compensated by the State. The State shall be allowed out of any judgment recovered such necessary and proper expenses as the court may find to have been incurred by the attorney so employed. The fees decreed by the court to the attorney or attorneys of record, except such as shall be employed by the State, shall be paid out of any sum or sums recovered in such suits or actions, and no part of such fees shall be taken from any money in the Treasury of the United States belonging to such tribe or bands of Indians in whose behalf the suit is brought: *Provided further*, That in no case shall the fees decreed by said court amount to more than 5 percent of the amount of the judgment recovered in such cause, to be paid only to contract attorneys, if employed. Should an attorney be employed by the State to assist in the prosecution of any suit filed hercunder the court shall determine the value of his services on a quantum-meruit basis and such amount shall be withheld from the said 5 percent and become available to said Indians as a part of said judgment.

"SEC. 4. The net amount of any judgment recovered shall be placed in the Treasury of the United States to the credit of said Indians, and shall draw interest at the rate of 4 percent per annum and shall be thereafter subject to appropriation by Congress for educational, health, industrial, and other purposes for the benefit of said Indians, including the purchase of lands and building of homes, and no part of said judgment shall be paid out in per-capita payments to said Indians: *Provided*, That in making an award under this act all gratuities paid said Indian tribe by the United States Government shall be offset against any judgment or award made to them."

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, this bill is simply an amendment of the existing jurisdictional law. All it does is first, to permit Indian tribes, or parts of tribes, to file suits. Secondly, it extends the time from 5 to 8 years.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LULU M. PEIPER

The Senate proceeded to consider the bill (S. 744) for the relief of Lulu M. Peiper, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after "$5,000" to strike out "as compensation" and insert "in full settlement of all claims against the United States", and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lulu M. Peiper, of Wallingford, Conn., the sum of $5,000 in full settlement of all claims against the United States for the death of her son, Raymond E. Monson, late apprentice seaman, United States Navy, who was killed in the performance of his duties at Newport, R. I., on May 14, 1928: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM F. KIMBALL

The Senate proceeded to consider the bill (S. 2305) for the relief of William F. Kimball, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 6, after the words "sum of", to strike out "$1,885.74" and insert "$1,208.01", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William F. Kimball, of Mud Butte, S. Dak., the sum of $1,208.01 in full satisfaction of his claim against the United States for the remainder of a refund due him on account of the cancelation of a certain contract entered into between the said William F. Kimball and the Department of the Interior in 1920, relating to the purchase of certain lands owned by the heirs of His Red Horse, deceased Standing Rock allottee no. 2186. Payment to said William F. Kimball shall be conditioned upon his executing and delivering to the Secretary of the Interior an assignment, satisfactory to the Secretary, assigning to the United States all his right, title, and interest in and to the remainder of such refund. All sums recovered from the estate of His Red Horse by the United States under such assignment shall be covered into the Treasury as miscellaneous receipts: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2372) for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont., was announced as next in order.

Mr. KING. On this bill there is an adverse report. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

LEASING OF INDIAN LANDS IN WASHINGTON

The Senate proceeded to consider the bill (S. 608) to authorize the leasing of certain Indian lands, subject to the approval of the Secretary of the Interior, which had been reported from the Committee on Indian Affairs with an amendment, on page 1, line 4, after the word "lands", to strike out "allotted under the treaty of January 22, 1855, between the United States and the Dwamish, Suquamish,

and other allied and subordinate tribes of Indians in Washington Territory (State of Washington)" and insert "on the Port Madison and Snohomish or Tulalip Indian Reservations in the State of Washington", so as to make the bill read:

Be it enacted, etc., That notwithstanding any other provision of law, any Indian lands on the Port Madison and Snohomish or Tulalip Indian Reservations in the State of Washington may be leased with the approval of the Secretary of the Interior, and upon such terms and conditions as he may prescribe, for a term not exceeding 25 years; and an option for the renewal of the lease for an additional term not exceeding 25 years may be included therein.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PER-CAPITA PAYMENT TO SEMINOLE INDIANS IN OKLAHOMA

The bill (S. 2263) providing for per-capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to pay to the enrolled members of the Seminole Tribe of Indians of Oklahoma entitled under existing law to share in the funds of said tribe, or to their lawful heirs, out of any money belonging to said tribe in the United States Treasury or deposited in any bank or held by an official under the jurisdiction of the Secretary of the Interior, not to exceed $35 per capita: *Provided*, That said payment shall be made under such rules and regulations as the Secretary of the Interior may prescribe: *Provided further*, That in cases where such enrolled members or their heirs are Indians who belong to the restricted class, the Secretary of the Interior may, in his discretion, withhold such payments and use the same for the benefit of such restricted Indians: *Provided further*, That the money paid to the enrolled members or their heirs as provided herein shall be exempt from any lien for attorneys' fees or other debt contracted prior to the passage of this act: *And provided further*, That the Secretary of the Interior is hereby authorized to use not to exceed $2,000 out of said Seminole tribal funds for the payment of salaries of necessary employees and other expenses for the distribution of said per-capita payments.

PURCHASE OF LANDS ADJACENT TO TURTLE MOUNTAIN INDIAN AGENCY, N. DAK.

The Senate proceeded to consider the bill (S. 1774) to authorize the purchase of certain lands adjacent to the Turtle Mountain Indian Agency in the State of North Dakota, which had been reported from the Committee on Indian Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Interior be, and he hereby is, authorized to purchase privately owned lands and improvements within and adjacent to the Turtle Mountain Reservation, N. Dak., title to be taken in the United States of America in trust for the Indians of the Turtle Mountain Reservation, and for that purpose there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000, which sum when appropriated shall remain available until expended: *Provided*, That title to the land so purchased may, in the discretion of the Secretary of the Interior, be taken for the surface only: *Provided further*, That lands purchased under this authority shall not be allotted in severalty.

Mr. KING. Mr. President, in view of the adverse recommendation, I inquire of the Senator from North Dakota [Mr. FRAZIER], whether this is wise or proper legislation at this time.

Mr. FRAZIER. Mr. President, the Office of Indian Affairs were favorable to the appropriation. They state in their report in connection with the bill that there are 688 families of Indians there, aggregating approximately 3,000 Indians on 23,000 acres of land, which is not enough land to support them. The direct relief and work relief amounted to not more than $100,000 last year. This bill would not take care of all of them, but it would be a step in the right direction. Senators will note that the Acting Secretary said that the bill is "not in accord at this time with the President's program."

Mr. KING. Mr. President, I inquire of the Senator from North Dakota why, when the Interior Department appropriation bill was under consideration, which measure was presumed to take care of the needs of the Indians for the next year, and which carried a large appropriation—much larger than it should have done—provision was not made for the purchase of these lands as a wise and a just measure.

Mr. FRAZIER. The Office of Indian Affairs recommended the purchase, but the item was cut out.

Mr. KING. By the Appropriations Committee, after full investigation?

Mr. FRAZIER. No; by the Bureau of the Budget, as I understand.

Mr. KING. Was not the item eliminated by the Appropriations Committee?

Mr. FRAZIER. No; I think not. A year ago an appropriation of $100,000 was authorized to buy land in this region; but this particular group of Indians voted not to go in under the so-called Indian Reorganization Act, and the Department held that they were not eligible to receive the money that was appropriated for them.

Mr. KING. Do these Indians belong to any tribe which had land, and which had some treaties with the Government under the terms of which large appropriations were to be made annually by the Government?

Mr. FRAZIER. In this case the treaty with the Indians provided that they could have allotments at the Turtle Mountain Reservation. When the treaty was adopted several years later—it was held up for a certain length of time—the land had been taken up to a great extent, and there was not enough land for them. More than 3,000 Indians and a number of white settlers are crowded on two townships.

Mr. KING. In view of the wrongs to which the Indians have been subjected and the way we have plundered them for more than 100 years, I do not think I can object.

Mr. FRAZIER. This is merely an authorization, of course.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, was announced as next in order.

Mr. LA FOLLETTE. I ask that the bill be passed over.

Mr. KING. Mr. President, I ask the leader to give us an opportunity tomorrow to take up this bill for consideration.

Mr. BARKLEY. Mr. President, at the conclusion of the call of the calendar it is the purpose to make this bill the unfinished business.

Mr. McCARRAN. Mr. President, are Senators referring to the District tax bill?

Mr. KING. Yes.

Mr. McCARRAN. I had intended to move the consideration of Senate bill 69. I cannot go along unless there is some understanding with reference to Senate bill 69, for the reasons I have stated to the new leader.

Mr. BARKLEY. Let us conclude the call of the calendar at this time.

ROBERT L. SUMMERS

The bill (S. 2317) for the relief of Robert L. Summers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1118, Revised Statutes, the Secretary of War is hereby authorized to reenlist in the United States Army, Robert L. Summers, Medical Department, Fort Sill, Okla., at the expiration of said Robert L. Summers' present period of enlistment on November 12, 1937, and on such future dates as the said Robert L. Summers may make application for reenlistment.

COMPROMISE OF SUITS ON CERTAIN CONTRACTS OF INSURANCE

The Senate proceeded to consider the bill (S. 2383) to amend the act authorizing the Attorney General to compromise suits on certain contracts of insurance, which was read, as follows:

Be it enacted, etc., That the sixth paragraph following the subtitle "Veterans' Administration" in the Independent Offices Appropriation Act, 1934, approved June 16, 1933 (48 Stat. 283, ch. 101), be, and the same is hereby, amended to read as follows:

"That the Attorney General of the United States is hereby authorized to agree to a judgment to be rendered by the presiding judge of the United States court having jurisdiction of the case, pursuant to compromise approved by the Attorney General upon the recommendation of the United States attorney charged with the defense, upon such terms and for such sums within the amount claimed to be payable, in any suit brought under the provisions of the World War Veterans' Act, 1924, as amended, on a contract of yearly, renewable term insurance which may be now pending or hereafter may be filed, and the Administrator of Veterans' Affairs is hereby authorized and directed to make payments in accordance with any such judgment: *Provided*, That the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing officers of the Veterans' Administration for all payments of insurance made in accordance with any such judgment: *Provided further*, That all such judgments shall constitute final settlement of the claim and no appeal therefrom shall be authorized."

Mr. KING. Mr. President, will the Senator from Delaware [Mr. HUGHES], who honors us with his presence here, explain the bill?

Mr. HUGHES. Mr. President, under the act passed March 20, 1933, the Attorney General was authorized to compromise certain insurance suits that had been brought under the World War Veterans' Act. After that time another act was passed, and other suits have been brought which did not come under the former act. A number of those suits are now pending, and there is no authority for the Attorney General to compromise the later suits. This bill authorizes the Attorney General to consider and to compromise the later suits which have been brought since the acts referred to were passed and which are now pending.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PUNISHMENT OF OFFENDERS AGAINST NARCOTIC LAWS

The bill (S. 2388) to increase the punishment of second, third, and subsequent offenders against the narcotic laws was announced as next in order.

Mr. KING. I ask that the bill be passed over.

Mr. HUGHES. Mr. President, a bill has come over from the House which is similar to the Senate bill 2388. The House bill (H. R. 6283) will be found on the calendar on page 13, being Calendar No. 922. I ask that the House bill be substituted for the Senate bill.

Mr. KING. I have no objection to that course.

Mr. HUGHES. I also ask that the Senate bill be stricken from the calendar.

Mr. KING. I have no objection to that. Then, Mr. President, let the House bill go over. The request of the Senator from Delaware is that the House bill be substituted for the Senate bill; and after that substitution is made I object to its consideration today.

The PRESIDING OFFICER. Without objection, House bill 6283, being Calendar No. 922, will be substituted for Senate bill 2388, being Calendar No. 904; and, without objection, Senate bill 2388 is indefinitely postponed.

At the request of the Senator from Utah, House bill 6283 will be passed over.

BILL AND RESOLUTION PASSED OVER

The bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The resolution (S. Res. 140) authorizing an investigation of the delivery or nondelivery of mail to establishments where industrial strife is in progress was announced as next in order.

Mr. KING. I do not see the Senator from New Hampshire [Mr. BRIDGES] present, and I suggest that the resolution be passed over for the present.

The PRESIDING OFFICER. The resolution will be passed over.

JOSEPH W. BOLLENBECK

The Senate proceeded to consider the bill (S. 1168) for the relief of Joseph W. Bollenbeck, which had been reported from the Committee on Military Affairs with amendment on page 1, line 8, after the word "retired", to insert "on May 31, 1935,"; on the same page, in line 10, after the words "accident of", to strike out:

Service, and in the grade of major which he would have attained upon such retirement: *Provided*, That in determining the pay period of this officer there shall be added the length of accrued leave to which he would have been entitled prior to retirement: *Provided further*, That no bounty, back pay, pension, allowances, or any payment provided under the World War Veterans' Act, 1924, as amended, the World War Adjusted Compensation Act, 1924, as amended, or other benefit whatsoever to which said person may be or become entitled by law shall be held to have accrued prior to the passage of this act.

And insert:

Service: *Provided*, That no back pay, allowance, compensation, pension, or other benefit shall be held to have accrued prior to the passage of this act.

So as to make the bill read:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon retired officers of the United States Army, Joseph W. Bollenbeck, captain, United States Army, shall be held and considered, notwithstanding any other provision of law, to have been classified in class A and to have been retired on May 31, 1935, under section 1251 of the Revised Statutes for incapacity which was a result of an accident of service: *Provided*, That no back pay, allowance, compensation, pension, or other benefit shall be held to have accrued prior to the passage of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DISTINGUISHED SERVICE MEDAL TO HAROLD R. WOOD

The Senate proceeded to consider the bill (S. 126) authorizing the President to present in the name of Congress a medal of honor to Harold R. Wood, which had been reported from the Committee on Naval Affairs with an amendment, in line 3, after the word "present", to strike out the comma and the words "in the name of Congress, a medal of honor" and insert "a Distinguished Service Medal", so as to make the bill read:

Be it enacted, etc., That the President is authorized to present a Distinguished Service Medal to Harold R. Wood, formerly a corporal of the United States Marine Corps, for conspicuous bravery on the night of October 31–November 1, 1919, as an officer of the Gendarmerie d'Haiti.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the President to present a Distinguished Service Medal to Harold R. Wood."

EMORY M. M'COOL

The bill (H. R. 6402) for the relief of Emory M. McCool, United States Navy, retired, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 2 of the act approved May 23, 1930 (46 Stat. 375; U. S. C., title 34, sec. 790), Emory M. McCool, chief machinist's mate, United States Navy, retired, shall be held and considered to have completed 30 years' service, including naval service, time in the Fleet Naval Reserve, and Army service, including double time for service in the Philippines from November 28, 1899, to May 18, 1901, for the purpose of transfer to the retired list of the United States Navy, on May 19, 1929, and the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Emory M. McCool the sum of $630, which sum represents allowances at $15.75 per month, covering the period from May 19, 1929, to and including September 30, 1932, authorized by existing law (U. S. C., title 34, sec. 431) to be paid to enlisted men upon transfer to the retired list of the Navy upon completion of 30 years' service.

SALE OF OLD POST OFFICE BUILDING, LOUISVILLE, KY.

The Senate proceeded to consider the bill (H. R. 6899) to repeal the limitation of the sale price on the old post office

and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky., which was read, as follows:

Be it enacted, etc., That the proviso (45 Stat. 179), contained in section 1, title I, of the act entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1929, and for other purposes", approved March 5, 1928, Public Law No. 93, Seventieth Congress (45 Stat. 162), requiring that the old post office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky., shall not be sold for an amount less than $2,500,000 is hereby repealed.

Mr. McKELLAR. Mr. President, may I ask the Senator from Kentucky to explain the bill just read, which provides for the sale of the post office at Louisville, Ky.?

Mr. BARKLEY. Mr. President, the bill authorizes the sale of the post-office building in the city of Louisville.

Mr. McKELLAR. The old post-office building.

Mr. BARKLEY. Yes; the old post-office building. The building, which has been vacant and unoccupied for the last 5 or 6 years, is located in the heart of the city. At the last session of Congress a bill was passed authorizing its sale but fixing a minimum price of $2,500,000. Both departments concerned have reached the conclusion that they are not able at this time to dispose of the property at that minimum price. This bill authorizes them to enter into negotiations for the sale of the property at a price less than that previously fixed. The fact is, the passage of the bill is desired by the Department, and I think it ought to pass.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ATTENDANCE OF MARINE BAND AT GRAND ARMY ENCAMPMENT

The bill (H. R. 7641) to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Madison, Wis., September 5 to 10, inclusive, 1937, was considered, ordered to a third reading, read the third time, and passed.

DECORATION OF SGT. FRED W. STOCKHAM, DECEASED

The joint resolution (S. J. Res. 153) providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas on the nights of June 13–14, 1918, at Belleau Woods, Fred W. Stockham, deceased, formerly a gunnery sergeant, United States Marine Corps, in action involving actual conflict with the enemy, distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty; and

Whereas a citation citing said Fred W. Stockham for the extraordinary heroism displayed by him at such time was written but, through accident, was not published and is not recorded in the War Department; and

Whereas no decoration has been awarded to said Fred W. Stockham for the extraordinary heroism displayed by him at such time: Therefore be it

Resolved, etc., That any recommendation for decoration by the United States of America of Fred W. Stockham, deceased, formerly a gunnery sergeant, Ninety-sixth Company, Second Battalion, Sixth Division, United States Marine Corps, shall be considered and acted upon in the same manner as such recommendation would have been considered and acted upon if it had been pending on May 26, 1928.

The preamble was agreed to.

MARIHUANA EXCISE TAX

The Senate proceeded to consider the bill (H. R. 6906) to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording, which had been reported from the Committee on Finance, with amendments.

Mr. KING. Mr. President, may I inquire of the Senator from Michigan if all the provisions of this bill, which seem to be rather multitudinous, are necessary to deal with this simple, though perhaps very deleterious, drug?

Mr. BROWN of Michigan. Mr. President, there is no question that the Treasury Department feels that the various regulations contained in the bill are necessary. The bill was considered by the Ways and Means Committee of the House of Representatives; it passed that body and then came before the subcommittee of the Senate Committee on Finance. Hearings were conducted; all those who were interested in the industrial production of marihuana were present, and a general agreement was reached to add two or three minor amendments. The only amendment of moment was that we reduced the tax on the producers from $5 an acre to $1 an acre. That is the only material difference between the bill as reported to the Senate and the bill as passed by the House.

Mr. KING. Let me inquire of the Senator whether only the one drug marihuana is involved in this bill?

Mr. BROWN of Michigan. That is the only drug covered by this bill.

Mr. KING. I have no objection to its passage.

The PRESIDING OFFICER. The amendments will be stated.

The first amendment reported by the Committee on Finance was, in section 1, paragraph (b), page 2, line 6, after the word "plant", to insert the words "fiber produced in such stalks"; in line 8, after the word "any", to insert "other"; in line 10, before the word "oil", to insert "fiber", so as to make the paragraph read:

(b) The term "marihuana" means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin; but shall not include the mature stalks of such plant fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom) fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.

The amendments were agreed to.

The next amendment was, in section 2, paragraph 2, page 3, line 9, after the word "subsection)", to strike out "$5 per year" and insert "$1 per year, or fraction thereof, during which they engage in such activity", so as to read:

SEC. 2. (a) Every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, prescribes, administers, or gives away marihuana shall (1) within 15 days after the effective date of this act, or (2) before engaging after the expiration of such 15-day period in any of the above-mentioned activities, and (3) thereafter, on or before July 1 of each year, pay the following special taxes respectively:

(1) Importers, manufacturers, and compounders of marihuana, $24 per year.

(2) Producers of marihuana (except those included within subdivision (4) of this subsection), $1 per year, or fraction thereof during which they engage in such activity.

The amendment was agreed to.

The next amendment was, in the same section, paragraph (b), page 4, line 7, after "(1)" to strike out ", (2)," so as to read:

(b) Where a tax under subdivision (1) or (5) is payable on July 1 of any year it shall be computed for 1 year; where any such tax is payable on any other day it shall be computed proportionately from the first day of the month in which the liability for the tax accrued to the following July 1.

The amendment was agreed to.

The next amendment was, in section 5, page 6, line 10, after the name Columbia to insert "or"; in line 11, after the word "possession", to strike out "or the Canal Zone"; in line 14, after "Columbia", to insert "or"; and in line 15, after the words "United States", to strike out "or the Canal Zone", so as to read:

SEC. 5. It shall be unlawful for any person who shall not have paid the special tax and registered, as required by section 2, to send, ship, carry, transport, or deliver any marihuana within any Territory, the District of Columbia, or any insular possession, or from any State, Territory, the District of Columbia, any insular possession of the United States, or the Canal Zone, into any other State, Territory, the District of Columbia, or insular possession of the United States.

The amendment was agreed to.

The next amendment was, in the same section, paragraph (3), page 8, line 10, after "Columbia", to insert "or"; and in

line 11, after the words "United States", to strike out "or the Canal Zone", so as to read:

(3) To the sale, exportation, shipment, or delivery of marihuana by any person within the United States, any Territory, the District of Columbia, or any of the insular possessions of the United States, to any person in any foreign country regulating the entry of marihuana, if such sale, shipment, or delivery of marihuana is made in accordance with such regulations for importation into such foreign country as are prescribed by such foreign country, such regulations to be promulgated from time to time by the Secretary of State of the United States.

The amendment was agreed to.

The next amendment was, in the same section, paragraph (5), page 8, line 26, after the word "to", to strike out "a person, registered as a producer under section 2, for use by such person for the further production of such plant, or to a person, registered under section 2 as a manufacturer, importer, or compounder, for use by such person for the manufacture of birdseed or for the manufacture of seed oil, seed cake, or any compound, manufacture, salt, derivative, mixture, or preparation of such oil or cake", and insert "any person registered under section 2"; so as to read:

(5) To a transfer of any seeds of the plant Cannabis sativa L. to any person registered under section 2.

The amendment was agreed to.

The next amendment was, in section 15, page 15, line 20, after the name "Hawaii", to strike out "the Canal Zone"; on page 16, line 5, after the word "the", to strike out "Canal Zone and the"; and in line 9, after the word "the", to strike out "Canal Zone and the"; so as to make the section read:

SEC. 15. The provisions of this act shall apply to the several States, the District of Columbia, the Territory of Alaska, the Territory of Hawaii, and the insular possessions of the United States, except the Philippine Islands. In Puerto Rico the administration of this act, the collection of the special taxes and transfer taxes, and the issuance of the order forms provided for in section 6 shall be performed by the appropriate internal-revenue officers of that government, and all revenues collected under this act in Puerto Rico shall accrue intact to the general government thereof. The President is hereby authorized and directed to issue such Executive orders as will carry into effect in the Virgin Islands the intent and purpose of this act by providing for the registration with appropriate officers and the imposition of the special and transfer taxes upon all persons in the Virgin Islands who import, manufacture, produce, compound, sell, deal in, dispense, prescribe, administer, or give away marihuana.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GEORGE R. SLATE

The bill (S. 2159) for the relief of George R. Slate was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers George R. Slate, who was a member of Company G, Third Regiment Virginia Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 2d day of July 1898, and notwithstanding any provisions to the contrary in the act relating to pensions approved April 26, 1898, as amended by the act approved May 11, 1908: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

TRANSFER OF CERTAIN PROPERTY AT WEST POINT MILITARY RESERVATION

The bill (S. 2751) to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the West Point Military Reservation, N. Y., for the construction thereon of certain public buildings, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to make transfers to the jurisdiction and control of the Secretary of the Treasury of such portions of the property at present included within the West Point Military Reservation, N. Y., and upon such conditions as may be mutually agreed upon by the Secretary of War and the Secretary of the Treasury. The Secretary of the Treasury is hereby authorized to construct within the limits of the property so transferred such building or buildings, appurtenances, and approaches thereto as he may deem adequate and suitable for the use of the Treasury Department as a depository, and for use in carrying out any other functions or duties of the Treasury Department: *Provided*, That upon cessation of such use the premises or any part thereof so transferred shall revert to the jurisdiction of the War Department.

AMENDMENT TO BANKRUPTCY ACT

The Senate proceeded to consider the bill (S. 2215) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, which was read, as follows:

Be it enacted, etc., That section 75 of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended, be further amended by amending subsection (c) to read as follows:

"(c) At any time after this section takes effect, a petition may be filed by any farmer, stating that the farmer is insolvent or unable to meet his debts as they mature, and that it is desirable to effect a composition or an extension of time to pay his debts. The petition or answer of the farmer shall be accompanied by his schedules. The petition and answer shall be filed with the court, but shall, on request of the farmer or creditor, be received by the conciliation commissioner for the county in which the farmer resides and promptly transmitted by him to the clerk of the court for filing. If any such petition is filed, an order of adjudication shall not be entered except as provided hereinafter in this section."

Mr. McCARRAN. Mr. President, I offer an amendment to the bill.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill, on page 2, after line 9, it is proposed to add two new sections, as follows:

SEC. 2. That section 75 of said act be further amended by amending paragraph 5 of subsection (s) to read as follows:

"This act shall be held to apply to all existing cases now pending in any Federal court, under this section, as well as to future cases. All cases under this section that have been dismissed by any conciliation commissioner, referee, or Federal court because such court erroneously assumed or held that subsection (s) of section 75 of this act was unconstitutional, shall be promptly reinstated, without any additional filing fees or charges. Any farm debtor who has filed under the General Bankruptcy Act may take advantage of this section upon written request to the court; and a previous discharge of the debtor under any other section of this act shall not be grounds for denying him the benefits of this section."

SEC. 3. That section 75 of said act be further amended by striking out and repealing paragraph 6 of subsection (s).

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

Mr. GUFFEY. Mr. President, I inquire if the amendment was submitted to the committee?

Mr. McCARRAN. The amendment was not submitted to the committee; but I may say to the Senator from Pennsylvania that it merely gives to those who, by reason of the original act being declared unconstitutional, fell outside the provisions of that act the benefit of the provisions of the act, it having since been held to be constitutional.

Mr. GUFFEY. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NAVIGATION FACILITIES ON COLUMBIA RIVER

The bill (S. 607) to authorize improvement of navigation facilities on the Columbia River, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause such alterations in existing bridges across the Columbia River at Cascade Locks and Hood River, Oreg., as will render navigation for ocean-going vessels in the pool formed by the Bonneville Dam reasonably free, easy, and unobstructed, and to reimburse the owners of said bridges for the actual cost of such alterations from appropriations heretofore or hereafter made for maintenance and improvement of rivers and harbors.

WABASH RIVER BRIDGE, LOCKPORT, IND.

The bill (H. R. 6636) granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across

the Wabash River at or near Lockport, Ind., was considered, ordered to a third reading, read the third time, and passed.

MERRIMACK RIVER BRIDGE, LOWELL, MASS.

The bill (H. R. 6920) granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell, was considered, ordered to a third reading, read the third time, and passed.

ACADEMIC STANDING OF MILITARY AND NAVAL SCHOOLS

The Senate proceeded to consider the bill (S. 1971) to provide for the recognition by the Government of the United States of the academic standing of military and naval schools under its jurisdiction, which had been reported from the Committee on Military Affairs, with an amendment, on page 1, after line 6, to strike out "all military and naval schools (including the United States Coast Guard Academy)" and insert "the United States Military Academy, the United States Naval Academy, and the United States Coast Guard Academy", so as to make the bill read:

Be it enacted, etc., That the executive departments and independent establishments and agencies of the Government shall give equal recognition to all academic work certified to have been completed in, and certificates of academic credit furnished by, the United States Military Academy, the United States Naval Academy, and the United States Coast Guard Academy, under the jurisdiction of the Government of the United States, whether or not such schools have been accredited by the Association of American Universities.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. That completes the consideration of bills on the calendar.

ACCOMMODATIONS FOR DISTRICT COURT AT GLASGOW, MONT.

Mr. WHEELER. Mr. President, I ask unanimous consent that the Senate return to Order of Business 879, being Senate bill 537, to provide suitable accommodations for the district court of the United States at Glasgow, Mont. The bill was objected to when reached on the calendar by the Senator from Utah [Mr. KING]. I have explained it to him; I think he has no further objection; and I ask unanimous consent for the immediate consideration of the bill.

Mr. KING. Mr. President, I have no objection to returning to the bill and to having it considered now.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 537) to provide suitable accommodations for the district court of the United States at Glasgow, Mont., which had been reported from the Committee on Public Buildings and Grounds with amendments on page 1, line 8, after the word "amount", to insert "not in excess of $100,000"; and on page 2, line 2, after the word "necessary" to insert "not in excess of $100,000"; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to provide suitable rooms and accommodations for holding terms of the district court of the United States in the Federal building proposed to be constructed in Glasgow, Mont. The limit of cost for such building is hereby increased by such amount not in excess of $100,000 as may be necessary for that purpose; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary not in excess of $100,000 in addition to the sums heretofore appropriated and allocated, for the construction of such building.

SEC. 2. So much of section 92 of the judicial code, as amended, as heads "*Provided*, That suitable rooms and accommodations for holding court at Glasgow, Lewiston, and Havre are furnished free of all expense to the United States" is amended to read as follows: "*Provided*, That suitable rooms and accommodations for holding court at Lewiston and Havre are furnished free of all expense to the United States."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM K. RICHARDSON—VETO MESSAGE (S. DOC. NO. 88)

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Military Affairs and ordered to be printed:

To the Senate:

I return herewith, without my approval, Senate Joint Resolution 30, entitled "For the relief of William K. Richardson."

Some time ago William K. Richardson brought suit against the United States in the Court of Claims to recover the sum of $10,000,000 for an alleged infringement of a patent relating to artillery projectiles. The Court of Claims, after taking testimony and hearing the case on the merits, made comprehensive and detailed findings of fact and rendered an opinion dismissing the petition. While sustaining the validity of the patent, it upheld the contention of Government counsel that the patent had not been infringed by the Government.

The purpose of the present resolution is to remand the case to the Court of Claims for reconsideration, subject to the limitation that the amount claimed should be reduced to 3 percent of the original amount, to wit, $300,000. In addition, by the recitals contained in the preamble, the resolution would practically declare the prior decision of the court erroneous, and would affirmatively declare that the Government infringed the patent, in spite of the ruling of the court to the contrary. Further, it would expressly waive certain affirmative defenses of the Government, such as the effect of the prior adjudication.

The claimant has had his day in court. After a full hearing on the merits, the tribunal to which the law gave him recourse reached the conclusion that his claim was not well founded. Reasons of policy, as well as appropriate regard for orderly judicial procedure, would seem to require that the parties should abide by the result of the litigation. Sufficient reason does not appear for reversing the decision of the court by legislative action.

In view of the foregoing considerations, I feel constrained to withhold my approval from the joint resolution.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 19, 1937.*

DIVISION OF WATERS OF THE YELLOWSTONE RIVER

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 534) granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; which was on page 2, line 8, after "within" to insert "or tributary to."

Mr. WHEELER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

MARITAL STATUS IN GOVERNMENT EMPLOYMENT

Mr. McKELLAR. Mr. President, there was reported today from the Civil Service Committee, House bill 3408. This bill provides that no person by reason of marital relation "shall be discriminated against in any case because of his or her marital status in examination, appointment, reappointment, reinstatement, reemployment, promotion, transfer, retransfer, demotion, removal, or retirement."

The bill repeals, in substance, section 213 of the Economy Act of 1933. The bill was reported unanimously by the committee, and I think everyone believes that the act referred to should be repealed. I ask unanimous consent for the consideration of the bill at this time.

The PRESIDING OFFICER. Is there objection?

Mr. AUSTIN. Mr. President, I should like to inquire of the Senator from Tennessee if the committee was unanimous in reporting the bill.

Mr. McKELLAR. Yes; the committee was unanimous.

Mr. AUSTIN. Very well.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection the bill (H. R. 3408) to amend the Civil Service Act approved January 16, 1883 (22 Stat. 403), and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That an act entitled "An act to regulate and improve the civil service of the United States" (act of Jan. 16, 1883, 22 Stat. 403), is hereby amended by adding at the end of the sixth paragraph of section 2 of the act a new paragraph, as follows:

"And no person shall be discriminated against in any case because of his or her marital status in examination, appointment, reappointment, reinstatement, reemployment, promotion, transfer, retransfer, demotion, removal, or retirement. All acts or parts of acts inconsistent herewith are hereby repealed."

DISTRICT OF COLUMBIA TAXES

Mr. McCARRAN. Mr. President, I move that the Senate proceed to the consideration of House bill 7472, being calendar no. 901, which is a bill to provide revenue for the District of Columbia.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

The motion was agreed to, and the Senate proceeded to the consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER [Mr. MINTON in the chair] laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported adversely the nomination of Charles I. Davis to be postmaster at Leesville, La., in place of B. F. Cowley, removed.

He also, from the same committee, reported favorably the nominations of sundry postmasters.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Navy.

Mr. COPELAND, from the Committee on Commerce, reported favorably the nominations of several citizens (or officers) for appointment as officers in the Coast Guard.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the nominations on the calendar will be stated.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask unanimous consent that nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

WORKS PROGRESS ADMINISTRATION

The legislative clerk read the nomination of Joseph Newman Alderson to be State administrator of the Works Progress Administration for West Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. Mr. President, I ask unanimous consent that nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, nominations in the Army are confirmed en bloc. That concludes the Executive Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 23, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 22, 1937

DIPLOMATIC AND FOREIGN SERVICE

George T. Summerlin, of Louisiana, now Envoy Extraordinary and Minister Plenipotentiary to Panama, to be Foreign Service officer of class 1, a consul general, and a secretary in the Diplomatic Service of the United States of America.

Clinton E. MacEachran, of Massachusetts, now a Foreign Service officer of class 4 and a consul, to be a consul general of the United States of America.

Horatio Mooers, of Maine, now a Foreign Service officer of class 6 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

John H. Morgan, of Massachusetts, now a Foreign Service officer of class 7 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

Carl A. Fisher, of Utah, now a Foreign Service officer of class 6 and a secretary in the Diplomatic Service, to be also a consul of the United States of America.

COMMISSIONER OF IMMIGRATION AND NATURALIZATION

James L. Houghteling, of Illinois, to be Commissioner of Immigration and Naturalization for the Department of Labor.

UNITED STATES ATTORNEYS

Ralph J. Rivers, of Alaska, to be United States attorney for the fourth division, District of Alaska. (Mr. Rivers is now serving in this office under an appointment which expired June 13, 1937.)

Berthold J. Husting, of Wisconsin, to be United States attorney for the eastern district of Wisconsin. (Mr. Husting is now serving in this office under an appointment which expired June 13, 1937.)

UNITED STATES MARSHALS

Paul E. Ruppel, of Illinois, to be United States marshal for the southern district of Illinois. (Mr. Ruppel is now serving in this office under an appointment which expired June 12, 1937.)

John P. Logan, of Oklahoma, to be United States marshal for the northern district of Oklahoma. (Mr. Logan is now serving in this office under an appointment which expired June 16, 1937.)

John M. Comeford, of Wisconsin, to be United States marshal for the western district of Wisconsin. (Mr. Comeford is now serving in this office under an appointment which expired June 13, 1937.)

REGISTER OF THE LAND OFFICE

Thomas F. Thomas, of Utah, to be register of the land office at Salt Lake City, Utah. (Reappointment.)

COLLECTOR OF CUSTOMS

Clement L. West, of Omaha, Nebr., to be collector of customs for customs collection district no. 46, with headquarters at Omaha, Nebr. (Reappointment.)

PUBLIC HEALTH SERVICE

The following-named doctors to be assistant surgeons in the United States Public Health Service, to take effect from date of oath:

Leon S. Saler
Richard H. Smith

The following-named assistant dental surgeons to be passed assistant dental surgeons in the United States Public Health Service, to rank as such from July 2, 1937:

Ralph S. Lloyd
John W. Knutson
George E. Jones
William P. Kroschel

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO SIGNAL CORPS

First Lt. Andrew Donald Stephenson, Infantry, with rank from June 13, 1936.

TO INFANTRY

Lt. Col. Robert Lawrence Eichelberger, Adjutant General's Department, with rank from August 1, 1934.

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

To be lieutenant colonels

Maj. Norman McLean Scott, Medical Corps, from July 25, 1937, subject to examination required by law.

Maj. Oral Bevoly Bolibaugh, Medical Corps, from July 25, 1937.

Maj. Charles Edward Sima, Medical Corps, from July 25, 1937.

Maj. Frank Walker Young, Medical Corps, from July 25, 1937.

Maj. Roy Farrington Brown, Medical Corps, from July 25, 1937.

Maj. Richard Turberville Arnest, Medical Corps, from July 25, 1937.

Maj. Charles Levi Maxwell, Medical Corps, from July 27, 1937.

Maj. William Love Starnes, Medical Corps, from July 28, 1937.

Maj. Orlando Jefferson Posey, Medical Corps, from July 28, 1937.

Maj. Levy Steven Johnson, Medical Corps, from July 28, 1937.

Maj. Daniel Franklin, Medical Corps, from July 29, 1937.

Maj. Haskett Lynch Conner, Medical Corps, from July 30, 1937.

Maj. Arthur Howard Nylen, Medical Corps, from July 31, 1937.

Maj. William Walker McCaw, Medical Corps, from July 31, 1937.

Maj. Arthur Raymond Gaines, Medical Corps, from July 18, 1937.

Maj. Frederick Arthur Blesse, Medical Corps, from July 18, 1937.

Maj. Samuel Augustus White, Medical Corps, from July 19, 1937.

Maj. Francis Moylan Fitts, Medical Corps, from July 19, 1937.

Maj. George Franklin Aycock, Medical Corps, from July 19, 1937.

Maj. Frank Smeeton Matlack, Medical Corps, from July 19, 1937.

Maj. Lewis Edwin Joel Browne, Medical Corps, from July 19, 1937.

Maj. Charles Earle Brenn, Medical Corps, from July 19, 1937.

Maj. Douglas Hamilton Mebane, Medical Corps, from July 19, 1937.

Maj. Cleon Joseph Gentzkow, Medical Corps, from July 20, 1937.

Maj. Robert Alexander Hale, Medical Corps, from July 20, 1937.

Maj. Gouverneur Hammeken Boyer, Medical Corps, from July 20, 1937.

Maj. James Claude Kimbrough, Medical Corps, from July 20, 1937.

Maj. Arthur George Compton, Medical Corps, from July 21, 1937.

Maj. John Jay Moore, Medical Corps, from July 21, 1937.

Maj. Harold Dana Rogers, Medical Corps, from July 21, 1937.

Maj. Alfred Robert Thomas, Jr., Medical Corps, from July 23, 1937.

Maj. Logan Mitchel Weaver, Medical Corps, from July 24, 1937.

To be captains

First Lt. William Sterling Hargan, Medical Corps, from July 23, 1937.

First Lt. Lewis Calvin Shellenberger, Medical Corps, from July 23, 1937.

DENTAL CORPS

To be lieutenant colonels

Maj. Daniel Bratton, Dental Corps, from July 25, 1937.

Maj. Thomas Luther Spoon, Dental Corps, from July 25, 1937.

VETERINARY CORPS

To be lieutenant colonels

Maj. Josiah Wistar Worthington, Veterinary Corps, from July 27, 1937.

Maj. Fred Chester Waters, Veterinary Corps, from July 30, 1937.

Maj. Harry Edward Van Tuyl, Veterinary Corps, from July 31, 1937.

Maj. Howard Mayo Savage, Veterinary Corps, from July 19, 1937.

Maj. Burlin Chase Bridges, Veterinary Corps, from July 19, 1937.

Maj. James Earl Noonan, Veterinary Corps, from July 23, 1937.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

MARINE CORPS

Maj. Thomas B. Gale to be a lieutenant colonel in the Marine Corps from the 30th day of June 1937.

The following-named captains to be majors in the Marine Corps from the 1st day of July 1937:

Melvin E. Fuller
Francis I. Fenton
Gerald C. Thomas

First Lt. Otho C. Ledbetter to be a captain in the Marine Corps from the 1st day of August 1936.

First Lt. Harry C. Lang to be a captain in the Marine Corps from the 1st day of August 1936.

First Lt. Albert F. Moe to be a captain in the Marine Corps from the 1st day of September 1936.

First Lt. Joseph H. Berry to be a captain in the Marine Corps from the 1st day of November 1936.

First Lt. Orin K. Pressley to be a captain in the Marine Corps from the 1st day of December 1936.

First Lt. John B. Hill to be a captain in the Marine Corps from the 19th day of February 1937.

First Lt. Chester R. Allen to be a captain in the Marine Corps from the 1st day of March 1937.

First Lt. William F. Parks to be a captain in the Marine Corps from the 1st day of April 1937.

The following-named first lieutenants to be captains in the Marine Corps from the 30th day of June 1937:

Clarence J. O'Donnell
George H. Cloud
Wallace M. Greene, Jr.

The following-named citizens to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July 1937:

Richard A. Beard, Jr., a citizen of Georgia.
Colland L. Clark, Jr., a citizen of Washington.
Parker R. Colmer, a citizen of Massachusetts.
John P. Coursey, a citizen of Georgia.
Edmond M. Glick, a citizen of Illinois.
Robert D. Heinl, Jr., a citizen of the District of Columbia.
William F. Lantz, a citizen of California.
Neil R. MacIntyre, a citizen of California.
William J. O'Neill, a citizen of Idaho.
Ronald R. Van Stockum, a citizen of Washington.

POSTMASTERS

CALIFORNIA

Ellen Clark Martin to be postmaster at Beaumont, Calif., in place of B. H. Gantt, deceased.

Ward Robertson to be postmaster at Delano, Calif., in place of J. M. Hayden, deceased.

Ray Brackett to be postmaster at Geyserville, Calif., in place of L. G. Brackett, removed.

COLORADO

Mary A. Morrison to be postmaster at Climax, Colo., in place of A. D. Mackey, resigned.

Henry R. Riddle to be postmaster at Walden, Colo., in place of B. M. Norris, removed.

CONNECTICUT

James L. Grote to be postmaster at Chester, Conn., in place of P. N. Shailer. Incumbent's commission expired May 20, 1934.

Catherine O'Brien to be postmaster at Gildersleeve, Conn. Office became Presidential July 1, 1936.

Evangeline M. Cassidy to be postmaster at Southbury, Conn., in place of C. W. Tyler. Incumbent's commission expired June 20, 1934.

FLORIDA

Alonzo W. Sias to be postmaster at Clewiston, Fla., in place of A. W. Lawrence. Incumbent's commission expired June 9, 1934.

Martha J. Metz to be postmaster at North Miami, Fla., in place of R. B. Terrell, removed.

IDAHO

Agnes G. Barry to be postmaster at Ketchum, Idaho. Office became Presidential October 1, 1936.

Martha Hentley to be postmaster at McCall, Idaho, in place of H. M. Cook. Incumbent's commission expired January 26, 1936.

ILLINOIS

Bohumil Plos to be postmaster at Lyons, Ill., in place of H. J. Hosman, removed.

Kenneth Pat Wilkerson to be postmaster at Mount Carroll, Ill., in place of C. E. Hartman. Incumbent's commission expired April 27, 1936.

Thomas E. Morrow to be postmaster at Seneca, Ill., in place of H. R. Morrow, deceased.

INDIANA

Marshall A. Dismore to be postmaster at Wolcott, Ind., in place of Edgar Spencer. Incumbent's commission expired December 18, 1933.

IOWA

Kenneth F. Baldridge to be postmaster at Bloomfield, Iowa, in place of K. F. Baldridge, resigned.

Lynn W. McCleerey to be postmaster at Oto, Iowa, in place of J. R. Willmott, removed.

KANSAS

Frank F. Pauls to be postmaster at Buhler, Kans., in place of P. H. Adrain. Incumbent's commission expired December 16, 1933.

LOUISIANA

Viley Joseph Chauvin to be postmaster at Franklin, La., in place of G. W. Taylor. Incumbent's commission expired April 5, 1936.

Leroy P. Fulmer to be postmaster at Homer, La., in place of W. L. Barrow. Incumbent's commission expired January 28, 1936.

James H. Broyles to be postmaster at Kentwood, La., in place of J. M. Hutchinson. Incumbent's commission expired January 9, 1936.

Clifton T. Bigner to be postmaster at Pollock, La., in place of J. H. Gray, deceased.

Miles Kern Hartsell to be postmaster at Rodessa, La. Office became Presidential January 1, 1936.

Frank Godfrey Rieger to be postmaster at Scotlandville, La., in place of F. G. Rieger. Incumbent's commission expired June 13, 1933.

James L. Derouen to be postmaster at Welsh, La., in place of J. R. Romero, resigned.

MARYLAND

Melvin L. Ridgely to be postmaster at Gaithersburg, Md., in place of H. L. Diamond, removed.

MICHIGAN

John Kennedy to be postmaster at Carsonville, Mich., in place of F. D. McCaren, removed.

MINNESOTA

Mary A. Culhane to be postmaster at Rushford, Minn., in place of W. W. Parish. Incumbent's commission expired May 20, 1934.

MISSISSIPPI

John R. Meunier to be postmaster at Biloxi, Miss., in place of J. R. Meunier. Incumbent's commission expired December 16, 1934.

Troy McGehee to be postmaster at Brookhaven, Miss., in place of C. E. Day, removed.

Virginia C. Welborn to be postmaster at Electric Mills, Miss., in place of E. A. Temple, resigned.

William J. Pettyjohn to be postmaster at Marks, Miss., in place of L. M. Wilson, resigned.

MISSOURI

Loiel Earl Barnett to be postmaster at Lancaster, Mo., in in place of O. H. Simmons. Incumbent's commission expired March 10, 1936.

Joseph F. Suellentrop to be postmaster at Linn, Mo., in place of T. C. Vaughan, removed.

MONTANA

Lee Jellison to be postmaster at Hobson, Mont., in place of Lee Jellison. Incumbent's commission expired April 27, 1936.

NEBRASKA

Fred Hlavac to be postmaster at Brainard, Nebr., in place of A. J. Kriz, resigned.

Bernard M. Diers to be postmaster at Scottsbluff, Nebr., in place of Edward Emerine, resigned.

A. Otto Erdman to be postmaster at Venango, Nebr., in place of A. E. Watkins, removed.

NEVADA

Meryl J. Larson to be postmaster at Manhattan, Nev. Office became Presidential July 1, 1936.

NEW JERSEY

Vincent J. Tuite to be postmaster at Harrison N. J. Office established.

Frank A. Hynes to be postmaster at North Bergen, N. J. Office established.

Kemp C. Wetmore to be postmaster at Tuckerton, N. J., in place of J. W. Kelley. Incumbent's commission expired December 16, 1934.

NEW MEXICO

Gladys Richardson to be postmaster at Hurley, N. Mex., in place of H. B. Hickman, resigned.

Jeff Boone to be postmaster at Mogollon, N. Mex. Office became Presidential July 1, 1937.

NEW YORK

Mary J. O'Brien to be postmaster at Bedford, N. Y., in place of M. J. O'Brien. Incumbent's commission expired January 18, 1936.

Edward T. Hayden to be postmaster at Castle Point, N. Y., in place of Joseph Hrabovsky, resigned.

Darius P. Marlette to be postmaster at Fultonville, N. Y., in place of C. T. E. Van Horne. Incumbent's commission expired January 18, 1936.

Walter A. Soule to be postmaster at Minoa, N. Y., in place of J. A. Strodel, deceased.

Arthur Congdon to be postmaster at Palenville, N. Y., in place of Edgar Griffin, removed.

NORTH CAROLINA

Mary Jane Higgins to be postmaster at Pomona, N. C., in place of R. C. Edwards, resigned.

NORTH DAKOTA

Celeste M. Reiman to be postmaster at White Earth, N. Dak., in place of F. E. Reiman, deceased.

OHIO

Clarence Hicks to be postmaster at Chesapeake, Ohio, in place of A. C. Singer, removed.

Eusebio Pera to be postmaster at Geneva-on-the-Lake, Ohio. Office became Presidential July 1, 1937.

Virginia Lange to be postmaster at Kelleys Island, Ohio, in place of F. J. Lange, deceased.

OKLAHOMA

Ray W. Swiercinsky to be postmaster at Elgin, Okla. Office became Presidential July 1, 1936.

Arlie A. Collins to be postmaster at Konawa, Okla., in place of Ida White, removed.

Delia L. Sapp to be postmaster at Leedey, Okla., in place of R. L. Hogan, removed.

A. Ramsey Pierce to be postmaster at Waynoka, Okla., in place of M. D. Eaton. Incumbent's commission expired December 11, 1933.

PENNSYLVANIA

Catherine McElhinny to be postmaster at Lincoln Place, Pa., in place of A. W. Kerr. Incumbent's commission expired February 10, 1936.

Lewis H. Mensch to be postmaster at Marienville, Pa., in place of L. H. Mensch, resigned.

Sara A. Jeffries to be postmaster at New Salem, Pa., in place of E. C. Cassidy, deceased.

TENNESSEE

Johnnie F. Moore to be postmaster at Donelson, Tenn. Office became Presidential July 1, 1936.

TEXAS

Fowler Magee to be postmaster at Montague, Tex. Office became Presidential July 1, 1936.

Ruth L. Hooks to be postmaster at Saratoga, Tex., in place of A. C. Saxon, removed.

Dorothy B. Statton to be postmaster at Skellytown, Tex., in place of H. M. Campbell, resigned.

VIRGINIA

Henry H. Dickenson to be postmaster at Lebanon, Va., in place of W. W. Flannagan, deceased.

Nannie Lee Stickley to be postmaster at Rose Hill, Va., in place of F. D. Coleman, removed.

Violet I. Pick to be postmaster at Rustburg, Va., in place of M. H. Gettle, deceased.

WEST VIRGINIA

Elmer G. Rose to be postmaster at Caretta, W. Va., in place of R. Y. Henley, resigned.

Earl E. Bennett to be postmaster at New Cumberland, W. Va., in place of J. R. Plattenburg, resigned.

WISCONSIN

Grace R. Miller to be postmaster at Shiocton, Wis., in place of F. H. Colburn. Incumbent's commission expired June 4, 1934.

Roberta B. Andrews to be postmaster at South Wayne, Wis., in place of J. L. Denny, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 22, 1937

WORKS PROGRESS ADMINISTRATION

Joseph Newman Alderson to be State administrator in the Works Progress Administration for West Virginia.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Maj. Leo Vincent Warner to Adjutant General's Department.

Capt. John Arthur Weeks to Quartermaster Corps.

PROMOTIONS IN THE REGULAR ARMY

Edmund Russell Andrews to be colonel, Infantry.

Joseph Albert Rogers to be colonel, Field Artillery.

Max Robert Wainer to be colonel, Quartermaster Corps.

Karl Ferguson Baldwin to be colonel, Coast Artillery Corps.

Charles Holmes Cunningham to be lieutenant colonel, Corps of Engineers.

Dwight Frederick Johns to be lieutenant colonel, Corps of Engineers.

William Arthur Snow to be lieutenant colonel, Corps of Engineers.

Thomas Dewees Finley to be lieutenant colonel, Infantry.

Elroy Sandy Jackson Irvine to be lieutenant colonel, Corps of Engineers.

Stanley Eric Reinhart to be lieutenant colonel, Field Artillery.

Archibald Luther Parmelee to be major, Coast Artillery Corps.

Walter Byron Fariss to be major, Infantry.

John Patrick Crehan to be major, Field Artillery.

Donald Sutter McConnaughy to be major, Field Artillery.

Richard Brownley Gayle to be major, Infantry.

Robert Tappan Chaplin to be major, Coast Artillery Corps.

Raymond Edwin Vermette to be major, Infantry.

Abraham Robert Ginsburgh to be major, Field Artillery.

Thomas Grant Tousey to be lieutenant colonel, Medical Corps.

Charles Granville Souder to be lieutenant colonel, Medical Corps.

Edwin Forrest Shaffer to be lieutenant colonel, Medical Corps.

Harrison Horton Fisher to be lieutenant colonel, Medical Corps.

Charles August Stammel to be lieutenant colonel, Medical Corps.

Laurent Liscelles La Roche to be lieutenant colonel, Medical Corps.

Stanley Gibson Odom to be lieutenant colonel, Medical Corps.

Horace Sumner Villars to be lieutenant colonel, Medical Corps.

Burgh Smith Burnet to be lieutenant colonel, Medical Corps.

Joseph Richards Shelton to be lieutenant colonel, Medical Corps.

John Marion Stanley to be lieutenant colonel, Medical Corps.

Robert Keith Simpson to be lieutenant colonel, Medical Corps.

Don Guernsey Hilldrupp to be lieutenant colonel, Medical Corps.

Henry Wiley Grady to be lieutenant colonel, Medical Corps.

Percy Elisha Duggins to be lieutenant colonel, Medical Corps.

Brown Shirk McClintic to be lieutenant colonel, Medical Corps.

Henry Cheesman Dooling to be lieutenant colonel, Medical Corps.

Carl Hamlin Witherell to be lieutenant colonel, Medical Corps.

Paul Henry Streit to be lieutenant colonel, Medical Corps.

Earle Douglass Quinnell to be lieutenant colonel, Medical Corps.

Frank McAlpin Moose, subject to examination required by law, to be lieutenant colonel, Medical Corps.

Emory Howard Gist to be lieutenant colonel, Medical Corps.

Edward Rudolf Wernitznig to be captain, Medical Corps.

Harold Emerson Albaugh to be lieutenant colonel, Dental Corps.

Harry Edwin Smalley to be lieutenant colonel, Dental Corps.

William Dale White to be lieutenant colonel, Dental Corps.

Neal Anthony Harper to be lieutenant colonel, Dental Corps.

Earle Jefferson McClung to be lieutenant colonel, Dental Corps.

Earl Lee Hering to be lieutenant colonel, Dental Corps.

Samuel John Rohde to be lieutenant colonel, Dental Corps.

Leroy Poston Hartley to be lieutenant colonel, Dental Corps.

Nathan Corr Pickles to be lieutenant colonel, Dental Corps.

Oliver James Christiansen to be lieutenant colonel, Dental Corps.

Lawrence K. Anderson to be lieutenant colonel, Dental Corps.

William Crittenden Webb, Jr., subject to examination required by law, to be lieutenant colonel, Dental Corps.

Edward Crawford Alley to be lieutenant colonel, Dental Corps.

Lynn Harold Tingay to be lieutenant colonel, Dental Corps.

Marhl Hector Welch to be lieutenant colonel, Dental Corps.

Kenneth Pearce Fulton to be major, Dental Corps.

Stanley Clifford Smock to be lieutenant colonel, Veterinary Corps.

John Truman Kendall to be chaplain, United States Army, with the rank of lieutenant colonel.

POSTMASTERS

ARIZONA

Gail I. Gardner, Prescott.

ARKANSAS

Emery E. Noe, Flippin.

IOWA

Clyde B. Richardson, Keosauqua.

KENTUCKY

Mary S. Chaffin, Grayson.

LOUISIANA

John Allen, Denham Springs.
Caliste Alexis Duplantis, Houma.
Phyne Ull, Independence.

MASSACHUSETTS

Elise Dunham, Bass River.
Marjorie N. Bowman, Cataumet.
Homer L. Simmons, Chartley.

MISSISSIPPI

Mattie B. Catching, Georgetown.

TENNESSEE

William Walter Eledge, Sr., Englewood.
Fred G. Ezell, Townsend.

WISCONSIN

John J. G. Laing, Waukesha.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 22, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, source of all wisdom and truth, we pray that we may approach Thee with renewed confidence and faith in the things that make for righteousness and purity. Do Thou inspire us with broad, comprehensive views of life. Thou hast given us Thy holy law to guide, enlighten, and admonish us. Grant, O Lord God, that we may not break its bands asunder or cast away its cords. Let us seek the integrity of soul that shall preserve us from all evil. Blessed be Thy holy name for all the tokens of Thy presence, for the power Thou dost give to Thy truth, and for the inspiration to labor which Thou dost breathe into all true hearts. May the Master, the revelation of divine love, be our personal ideal; thus may we work for the good of our country, softening misfortune and hastening the better day. Through Christ our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On July 12, 1937:

H. R. 1851. An act for the relief of W. D. Davis; and

H. R. 2774. An act for the relief of certain employees of the Division of Investigation, Department of the Interior, and certain disbursing officers of the Department of the Interior.

On July 13, 1937:

H. R. 2901. An act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government.

On July 16, 1937:

H. R. 7865. An act making appropriations for certain necessary operations of the Federal Government for the last half of the month of July 1937.

On July 17, 1937:

H. J. Res. 431. Joint resolution making an appropriation for the control of outbreaks of insect pests.

On July 19, 1937:

H. R. 458. An act for the relief of Eva Markowitz; and

H. R. 7493. An act making appropriations for the fiscal year ending June 30, 1938, for civil functions administered by the War Department, and for other purposes.

EXTENSION OF REMARKS

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAVERICK. Mr. Speaker, I have been granted permission to address the House on tomorrow for 15 minutes. I ask unanimous consent that that time may be extended to 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Monday next, after disposition of business on the Speaker's table and the business of the day, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. MURDOCK of Arizona and Mr. SNYDER of Pennsylvania, by unanimous consent, were granted permission to extend their own remarks in the RECORD.

REPORT OF SUBCOMMITTEE ON TECHNOLOGY

Mr. BARRY. Mr. Speaker, I submit a privileged resolution (H. Con. Res. 21) from the Committee on Printing, authorizing the printing of the report of the subcommittee on technology, submitted to the National Resources Committee, entitled "Technological Trends and National Policy, Including the Social Implications of the New Inventions", as a document, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

House Concurrent Resolution 21

Resolved by the House of Representatives (the Senate concurring), That the Report of the Subcommittee on Technology, submitted to the National Resources Committee, entitled "Technological Trends and National Policy, Including the Social Implications of the New Inventions", be printed as a House document; and that 10,000 additional copies shall be printed, of which 2,900 copies shall be for the use of the Senate and 7,100 copies shall be for the use of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Mr. Speaker, may we have the title explained before we give consent?

Mr. BARRY. Mr. Speaker, last Saturday the President's National Resources Committee made public a 450,000-word report on Technological Trends and National Policy, Including the Social Implications of New Inventions. The report

presents a survey of most of the great fields of technology and applied science, namely, agriculture, mining, transportation, the metallurgical and chemical industries, and electrical manufactures.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. BARRY. Later.

Mr. TABER. Is this the book?

Mr. BARRY. That is it.

Mr. TABER. It is some 400 pages?

Mr. BARRY. I refuse to yield, Mr. Speaker.

This work, prepared by a large group of scientists, educators, and engineers identified with industrial, academic, and governmental activities, has received widespread praise in the Nation's press. President Roosevelt, when he authorized the release of the report, stated:

> A review of new inventions and problems of change which they carry with them is made for the first time by the Federal Government in this comprehensive survey of technological trends in major industries. For the continuous revision of plans we need continuing surveying agencies. In our planning of the Nation we must view general causes and trends that bear on our welfare. Any specific program may be affected by forces originating outside a particular problem.

Mr. TABER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. TABER. I make the point of order that a quorum is not present.

Mr. RANKIN. Mr. Speaker, I make the point of order that the gentleman from New York [Mr. BARRY] cannot be taken off his feet by such a point of order.

The SPEAKER. The Chair overrules the point of order of the gentleman from Mississippi.

The gentleman from New York [Mr. TABER] makes the point of order that there is no quorum present. The Chair will count. [After counting.] Evidently there is no quorum present.

CALL OF THE HOUSE

Mr. O'CONNOR of New York. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 118]

Allen, Del.	Flannagan	Keller	Robsion, Ky.
Bates	Flannery	Kerr	Ryan
Bernard	Fleger	Kloeb	Sabath
Binderup	Forand	Kniffin	Sadowski
Boehne	Fries, Ill.	Lemke	Schuetz
Brewster	Fuller	Long	Shanley
Buckley, N. Y.	Fulmer	Luckey, Nebr.	Sirovich
Byrne	Garrett	McClellan	Smith, Maine
Caldwell	Gasque	McFarlane	Smith, W. Va.
Cannon, Wis.	Gifford	McGroarty	Stack
Casey, Mass.	Gilchrist	McMillan	Starnes
Chandler	Gray, Ind.	Mason	Sullivan
Clark, Idaho	Greenwood	Meeks	Sweeney
Crosby	Haines	Mitchell, Ill.	Taylor, Colo.
Culkin	Hancock, N. Y.	Mosier, Ohio	Taylor, S. C.
Ditter	Harlan	O'Malley	Teigan
Driver	Harrington	Palmisano	Tinkham
Duncan	Harter	Parsons	Vincent, B. M.
Eaton	Hildebrandt	Peterson, Fla.	White, Idaho
Ellenbogen	Hill, Ala.	Peyser	Withrow
Englebright	Hoffman	Plumley	Woodruff
Ferguson	Holmes	Poage	
Fernandes	Hook	Rayburn	
Fish	Imhoff	Reed, N. Y.	

The SPEAKER. Three hundred and thirty-eight Members present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a statement explaining an item in the third deficiency bill.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech delivered by me over the radio.

The SPEAKER. Without objection it is so ordered.

There was no objection.

RESEARCH SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. EICHER. Mr. Speaker, I ask unanimous consent that the research subcommittee of the Committee on Interstate and Foreign Commerce may be permitted to continue hearings during the session of the House this afternoon.

The SPEAKER. Without objection it is so ordered.

There was no objection.

RESOLUTION LAID ON TABLE

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to lay House Resolution 269, a rule making in order the consideration of certain flood legislation be laid on the table as the bill to which it refers has already been passed.

The SPEAKER. Without objection it is so ordered.

REPORT OF SUBCOMMITTEE ON TECHNOLOGY

The SPEAKER. The gentleman from New York [Mr. BARRY] is recognized.

Mr. BARRY. Mr. Speaker, this report holds out the hope that we can anticipate some of the effects of the major inventions and make plans to meet new situations that will arise as these inventions come into widespread use. While it is certain that much of the unemployment caused by the march of technological advance is absorbed by new occupations born of the new industries, it is equally true that in the meantime labor carries a very heavy burden through the readjustment and adaptations necessary on the part of the workers whose jobs are affected by change. Employers, likewise, are deeply affected by swift technological changes producing obsolescence and displacement of capital investment.

More than jobs and investment are affected by technical change: Family, church, community, State, and all industry are subject to its influence. Study and investigation of technological advances and their social implications constitute one of our most important American planning problems.

I commend this report for earnest consideration in solving the great problem of how best to conserve and develop our vast national resources. A study of this report will be of help not only to public servants in the legislative, executive, and judicial positions of the Government but also to others in private employ, business, journalism, agriculture, and the teaching professions.

The purpose of this resolution is to have printed 10,000 copies of this report, 2,900 of which shall be for the use of the Senate and 7,100 copies for the use of the House.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. BARRY. I yield.

Mr. MICHENER. Will the distribution be through the folding room, where the copies will be placed to the credit of the Members, or through the document room, where the first fellows who get there get them all?

Mr. BARRY. I understand that each Member will have 16 copies. I do not know all the details of the mechanics of distribution.

Mr. MICHENER. I do not think a resolution such as this ought to be passed unless it is therein provided that the reports shall be distributed through the folding room, for then each Member will get his number. Otherwise they will be placed in the document room, and the fellow who does not get there by 10 a. m. of the second day will find them all gone.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. BARRY. I yield.

Mr. COCHRAN. Under a resolution of this character the documents must be distributed through the folding room. There is no other way in which they can be distributed, even though it is not so mentioned in the resolution, it is made mandatory by the Printing Act of 1895. Each Member receives a certain number, all being treated alike.

I had an opportunty to see an advance copy of this report. It contains 388 pages. Of course, I did not go into it as thoroughly as I would have liked to, but that part of the report which I read was very informative. It is really alarm-

ing to know the situation that confronts us today in reference to labor-saving and labor-displacing devices, as well as the situation that is going to confront us in the future. This report enumerates many various new inventions. I will refer to just a few. For instance, they have in the Pennsylvania Station in New York today a beam of light. When you walk through that light a gate automatically opens. It takes the place of the gateman.

There is another invention in existence where you can walk up to a door, speak, and the door will open. Do you realize they can produce food inside the home today? Whether you realize it or not it is being done. This is no laughing matter, it is too serious. Go through this document and you will then realize what I say is true. They are making gasoline from coal. That will sound good to the miner, but they also are mining coal now with about 50 percent of the labor formerly used. A device has been invented for the picking of cotton. If it is ever perfected practically 90 percent of the Negroes of the South who are now existing through the work they receive picking cotton will be thrown upon the public because they will have no means of earning a livelihood. I realize some will say this cotton picker will never do what is claimed for it but others, just as well informed, insist it will be a grave menace to the South if it is ever put to use.

Every big newspaper in the country last Sunday carried articles about this report on the first page under double-column headlines, and on Monday and Tuesday they followed with editorials. This report is one of the most valuable documents that I have ever seen come from any Government agency since I have been in Congress. Every library should have a copy and every businessman in the country should read it. There is a possibility for great industries to be destroyed overnight. I predict if labor-saving and labor-displacing devices continue to be placed in industry the day will arrive when you will be taxing machines to take care of those thrown out of employment by their operation. Dreaming, some will say. My answer is too much has already been accomplished to refer to these inventions in that way.

What are we going to do, others will ask. As I see it we will make a most serious mistake if the great minds of the country do not join and plan for the future. We should by all means accept the suggestion found in this report to set up a proper organization to prepare suggestions to meet the conditions that are bound to confront either this generation or the next. How can we overlook the prediction that if some of these inventions are perfected in order to put the same number of people back to work that were employed in 1929 we will be required to increase the production of that year 125 percent? What would we do with the food and articles if we produced 125 percent more than we did in 1929?

I hope the House will unanimously approve the resolution.

Mr. BARRY. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RICH], a member of the committee.

Mr. RICH. Mr. Speaker, I may say to the House that on Tuesday I secured a copy of the President's National Resources Committee report on technological trends and national policy, of which our committee was asked to have 10,000 printed and placed in the folding room. I spent the greater part of Tuesday looking this volume over. The more I read the more bewildered I became; the less I knew about the subject discussed.

There are many things in here in the way of recommendations that are a good bit like some of these stockbrokers' prospectus who try to sell you something that will tell you how to purchase stock. After you have read it, then you wonder what action should be taken in the purchase of stocks, whether to buy a certain stock or leave it alone. No definite information. So a great deal of the report that we have here seems to be in that category. I may say, however, that there are some things in here that probably will be of great value to the people of this country if they will study it. This book contains 388 pages. If we publish 10,000 copies, 16 will go to each Member of the House and 29 to each Member of the Senate. This will take up about 9,800 copies. Then the depository libraries will receive 500 copies, the Senate document room 150 copies, the House document room 500 copies, the Secretary of State 20 copies, the White House 10 copies, and several other minor distributions.

If the Members of the Congress who receive this book will study and read it, then I would feel it is money well spent; but if they get this book and let it lay on their shelves and not look at it at all, it is money unwisely spent. If you Members of Congress do not distribute it to people in your respective districts who will use it, then the money will be wasted. Therefore it is up to every Member of the House to use diligence in the distribution of this book.

Mr. Speaker, I call attention to some statements that caused me to believe that this book should be published. Of course, I do not agree with the statement I am about to quote; but thinking perhaps I might be wrong, I felt this should be published to give the benefit of the doubt. It says here in the foreword:

> For instance, even if industrial techniques remained the same, the volume of production would have to be greater in the future than in 1929 in order to absorb the increase in working population and keep unemployment to the level of that date. If the productivity of 1935 (the latest year for which figures are available) continues the same in 1937, and the composition of the Nation's total product remains unchanged, production would have to be increased 20 percent over that of 1929 to have as little unemployment as existed then. Failing this, there will be more unemployment; and if labor efficiency is increased by new inventions or otherwise, then the production of physical goods and services must be more than 120 percent of what it was in 1929.

Now, that is quite a statement to be made by the ones who edited this book.

I call attention to the fact that in part 1 of this book the people who edited it are college professors. Section 2 of the book was also composed by college professors. I have the criticism to make that if some practical men had helped write this book, some men who have had practical experience, a little different idea might have been conveyed with reference to the ultimate conclusions.

I think we ought to give consideration to the fact this book has been compiled and edited primarily by college professors. In the future when they want to find out the difference between theory and practice, we have got to put some practical men on the board to edit an edition of this kind.

Mr. COCHRAN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Missouri.

Mr. COCHRAN. The fact is, no matter who prepared this report, they have given the practical men something to think about, something that shows a serious situation ahead; is that not true?

Mr. RICH. I would say it gave them something to think about because it has made me think. [Laughter and applause.] I am going to give them the benefit of the doubt and I agree to go along with my colleague, the gentleman from New York [Mr. BARRY] to recommend the expenditure of over $5,000 so that we may have some knowledge of what the professors are talking about. There has been much propaganda in the papers about this report appearing in print. This administration is a past master in propaganda.

Mr. BARRY. Mr. Speaker, I yield 3 minutes to the gentleman from New Hampshire [Mr. TOBEY].

Mr. TOBEY. Mr. Speaker, I favor this resolution. In this respect I differ from some of my colleagues. I believe this is one of the most timely documents that has even been offered the House and Senate in my 6 years as a Member of this body.

Mr. Speaker, education has been defined as the problem of diffusing knowledge and research has been defined as the problem of extending the borders of knowledge. This book is an expression in both education and research, measured by that yardstick. It has chapters on technology in agriculture, mineral industries, transportation, communication, power, chemistry, electricity, metallurgy, and with reference to the construction industries. It deals with the vital

problem of adapting the inventive genius of mankind to modern life in labor and in industry.

I hope the resolution passes unanimously. I predict you will find a greater demand from your constituents for this book than for any printed document the Government has put out this year. It is timely, and follows the trend of the times. The expense is only $5,900. The other day we appropriated $225,000 on a small book about the Constitution. Here is an expenditure of only $6,000 for something which is worth while and which points out ways and means and methods to meet the changing conditions in industry and labor, with especial emphasis on unemployment and increasing productivity. I hope the House will favor this resolution.

Mr. BARRY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MICHENER. Is there any opportunity to offer an amendment providing that this document shall be distributed through the folding room rather than the document room, so each Member will get his share of copies?

The SPEAKER. The Chair will state in answer to the parliamentary inquiry, that after the previous question has been ordered no amendment is in order.

The Chair may further state that under the provisions of the Printing Act of 1895 these documents automatically must be distributed through the folding room.

The question is on the resolution.

The resolution was agreed to.

MESSAGE FROM THE PRESIDENT—INTERSTATE COMPACT TO CONSERVE OIL AND GAS (H. DOC. NO. 306)

The SPEAKER laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce, and ordered printed:

To the Congress of the United States:

I transmit herewith a report of the Secretary of State enclosing a certified copy of the Interstate Compact to Conserve Oil and Gas, executed on May 10, 1937, by the Governors of the States of Oklahoma, Texas, Kansas, New Mexico, and Colorado, which has been deposited in the Department of State of the United States in accordance with the provisions contained therein. The compact refers to the Interstate Compact to Conserve Oil and Gas executed at Dallas, Tex., on February 16, 1935, which received the consent of the Congress in Public Resolution No. 64, Seventy-fourth Congress, approved August 27, 1935. As the abovementioned compact will expire on September 1, 1937, the present compact provides that the original compact shall continue in force for 2 years from that date. In a letter from the Secretary of the Interior dated July 8, 1937, enclosed with the report of the Secretary of State, the opinion is expressed that some good may be accomplished by this compact.

Accordingly, I hope that Congress will enact appropriate legislation giving its consent to this interstate compact, as required by article I, section 10, of the Constitution of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 19, 1937.*

MESSAGE FROM THE PRESIDENT—LAWS ENACTED BY LEGISLATURE OF PUERTO RICO

The SPEAKER laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs and ordered printed:

To the Congress of the United States:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes", I transmit herewith certified copies of laws enacted by the Thirteenth Legislature of Puerto Rico during its fourth special session, September 21–22, 1936, and by the Fourteenth Legislature of Puerto Rico during its first regular session, February 8 to April 15, 1937.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 19, 1937.*

INTERIOR DEPARTMENT APPROPRIATION BILL, 1938

The SPEAKER. The unfinished business is the further consideration of the conference report on the Interior Department appropriation bill.

The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 90: Page 86, after line 9, insert the following: "Colorado-Big Thompson project, Colorado: For construction in accordance with the plan described in Senate Document No. 80, Seventy-fifth Congress, $900,000: *Provided*, That no construction thereof shall be commenced until the repayment of all costs of the project shall, in the opinion of the Secretary of the Interior, be assured by appropriate contracts with water conservancy districts, or irrigation districts or water users' associations organized under the laws of Colorado, or other form of organization satisfactory to the Secretary of the Interior."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. Speaker, I yield 10 minutes to the gentleman from Colorado [Mr. CUMMINGS].

Mr. CUMMINGS. Mr. Speaker, if a man were to approach his banker and ask for a loan of funds, he would expect to make a statement to that banker which would show his financial ability to repay the loan. The people of northeastern Colorado, the district which I represent, are today asking the Members of the House as representatives of the Government to provide for the advancement of funds out of the funds of the Bureau of Reclamation for the purpose of constructing an irrigation project in northeastern Colorado.

May I say to you now, in all candor and all frankness, that after you have heard the presentation of this case if you feel this district is not only willing but able financially to reimburse the Government, then as Members of this House it is your duty to vote against it. We are not asking for something we cannot repay. In the average irrigation and reclamation projects the money is spent in developing new land. I am not seeking to take any fall out of those irrigation projects, because I know they are right and in time will repay the money spent on them; but today I am coming before you to ask for the advancement of funds for a district, part of which has been under irrigation since 1870.

This map before you shows the land involved. It is about 200 miles from there to this part. There are 850,000 acres under irrigation; 650,000 acres of it are affected by this project. There are 175,000 people living in that area today. If this bill is passed it will make it possible for another 50,000 people in the near future to live there, and in the years to come no one knows how many can live there. We have an assessed valuation of $175,000,000, plus $30,000,000 which is now invested in irrigation projects that are not taxed. The last session of our legislature passed without a dissenting vote a law which made it legally possible to put an assessment of 1 mill on every dollar's worth of property in this district, in the city as well as on the farm, which will raise $150,000. This means that some $400,000 will be raised by payments on this land.

I have owned and operated irrigated farms in this section for 30 years. I have owned stock in one ditch company all that time. Our bylaws provide that your water is not turned out unless you pay your assessments, and if you do not pay your assessments your stock is sold for the purpose of paying them. In my 30 years' experience there has never been a share of stock sold. Why? Because the water is worth more than the land, and without the water the land is practically useless.

In this territory today we feed 25 percent of all the lambs and 11 percent of all the cattle dry fed in the United States. During the campaign in the fall when they were processing the sugar beets, every day in the week, 7 days a week, we manufactured 100 carloads of sugar. There are 12 large fac-

tories in that district. We buy hundreds of thousands of dollars, millions of dollars, in fact, worth of corn and cotton cake.

May I call the attention of you people in the South to one thing specifically, that if this water is not used in the State of Colorado and the northern States it will go to Old Mexico. I made a trip to northern Old Mexico last fall and traveled over one ranch of 800,000 acres, of which 600,000 acres can be irrigated. They grew 90,000 acres of cotton on that land last year. I visited their gin in Mexicali, said to be the largest on the North American Continent.

They were ginning this cotton, shipping it to Japan to be manufactured into cheap cotton goods, and reshipping it to the United States. You people in the South are as much interested in this matter as we are.

Today I am going to just touch on the financial part of this proposition, and, as I have said, if you think it will not repay the fund, or if you think it is going to cost the taxpayers anything, do not vote for it.

In addition to the irrigation features of the project, it is the largest power development in the West except Grand Coulee, Boulder Dam, and the Tennessee Valley, and the people who propose to pay for this are building a tunnel 13 miles through the hills, building reservoirs on the western slopes, and we are providing for 350 cubic feet of water every day in the year with a fall of 3,200 feet, and as I have said, it will generate more power than any project in the United States except the ones I have just mentioned. The engineers say this project will pay for itself in 40 years, plus $90,000 per year to the Government, and will furnish a supplementary water supply for 650,000 acres.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. CUMMINGS. I only have a few minutes, but I yield briefly.

Mr. COLDEN. Does the diversion of this water impair in any way the allocation of water under the Colorado Basin compact?

Mr. CUMMINGS. It does not; and the gentleman from Colorado [Mr. TAYLOR], who has opposed this project, has consented to it, and this project will only take 350,000 feet of water out of the 14,000,000 that passes Lees Ferry, 60 percent of which is furnished by the State of Colorado.

Mr. MURDOCK of Utah. Mr. Speaker, will the gentleman yield?

Mr. CUMMINGS. I yield.

Mr. MURDOCK of Utah. And is not this one of the very few projects that Colorado has to utilize its portion of the allocation of water to the upper basin States?

Mr. CUMMINGS. So far as I know, it is the only one of any importance that can use it.

Mr. MURDOCK of Utah. And is it not a fact that Colorado furnishes 60 percent of the water that flows into Lake Mead?

Mr. CUMMINGS. It does.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CUMMINGS. I yield.

Mr. RANKIN. How much power did the gentleman say this will produce?

Mr. CUMMINGS. I say it is the fourth largest in the United States, and the gentleman can answer that better than I can. There is 350 cubic feet of water, with a fall of 3,200 feet, and the first drop is 730 feet.

Some question has been raised about where the funds will come from and whether or not we are overloading the Interior appropriation bill, and also whether or not the Bureau of the Budget has agreed to this.

I call your attention to the fact that the Bureau of the Budget for this year authorized $41,151,000 for reclamation purposes, and for Indian reclamation projects $3,515,000, or a total of $44,640,000. The appropriation for the Indians has been increased by over $3,000,000, but the total for irrigation and reclamation this year, as compared with last year, shows a decrease of over $12,000,000.

In other words, if this bill is passed, we will be appropriating less by $12,000,000 than was appropriated last year.

I do not know that there is much more I can add, except to say that within this district we have the State university, the State agricultural college, the State teachers' college, 13 large sugar factories, and 175,000 people, taxable today at probably $175,000,000, and this is in a district that feeds, as I have said, 11 percent of all the cattle and spends millions of dollars in buying feed from the outside.

Mr. GREEVER. Mr. Speaker, will the gentleman yield?

Mr. CUMMINGS. I yield.

Mr. GREEVER. And this brings no new land of any kind into cultivation, as I understand it?

Mr. CUMMINGS. Not a foot.

Mr. GREEVER. And is merely a supplementary water supply to lands that have been under irrigation for a long time?

Mr. CUMMINGS. Some of them since 1870.

It may interest you gentlemen to know the kind of crops we will grow.

Mr. DOWELL. Mr. Speaker, will the gentleman yield?

Mr. CUMMINGS. I yield, briefly.

Mr. DOWELL. As I understood the gentleman, if this project goes through, 50,000 people are to occupy this land?

Mr. CUMMINGS. There are 175,000 people living there now, and this will make it possible for at least another 50,000, and in the years to come several times that number.

Mr. DOWELL. Will this change the character of the agriculture in that country?

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. CUMMINGS. Mr. Speaker, I shall have to refuse to answer any further questions, because I want to call your attention to the crops grown there now.

The average crop in the three largest counties is 32 percent alfalfa, 10⅔ percent beets, 12.39 percent barley.

I want to add the statement that another reason we can pay for this project is because three counties in this district in the year 1936 paid a quarter of a million dollars of income taxes to this Government.

I would like to tell you more about this proposition, but, as I have stated, I am trying to confine my statement to the financial part of it, and I want to convince you that we are not asking for charity, and we are not asking for something we cannot repay, because if $175,000,000, plus 175,000 hard-working people, cannot repay $22,000,000 for irrigation, plus $7,000,000 for power, then the country is in bad shape.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. CUMMINGS. I yield.

Mr. CRAWFORD. Is it a fact that the water supply which you have heretofore enjoyed is being greatly diminished by natural causes?

Mr. CUMMINGS. In the last 10 years there has been a gradual reduction in the water supply, but this entire irrigation system would have paid for itself in the last 8 years if we had had it.

Mr. CRAWFORD. If this additional water is given you, in order to make room for the increased population, will you have to more intensely cultivate the land and bring about greater production or change your method of crop rotation, or just how would you go about that?

Mr. CUMMINGS. The land will be more intensely cultivated. We will grow less corn and barley and raise more vegetables, and I may say that one day last August 50 percent of all the vegetables loaded in the United States were loaded in the State of Colorado, and every carload was grown by irrigation.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I think that an actual view of this situation is necessary to permit this House to have a fair judgment of what it should do. There is involved in this proposition, including the complete development, approximately $44,000,000. There is, as the gentleman from Colorado [Mr. CUMMINGS] has told you, 615,000 acres of irrigable lands which is now, or has been at some date in the past, under cultivation. I think we might as well be frank about this. The reason these people want it is that formerly they used to grow, as the gentleman from Colorado has told

you, corn and barley and grains of all kinds, and now they are getting into intensive cultivation. As a result of that intensive cultivation, the growth of vegetables, melons, and that sort of thing, more water is required per acre. They are unable to irrigate all of the land with the water which is available on the east side of the Rockies, so they propose to build a tunnel under the mountain, which at that point, I think, is about 12,000 feet high, about some 12 miles long, to carry the water through from the west side of the mountain to the east side of the mountain. The gentleman from Colorado tells you that it will provide homes and work for 50,000 more people in this territory. I believe that is true, because that intensive cultivation of vegetables, which go into the market and compete with other vegetables and that sort of thing, raised upon land not irrigated, would probably, with this Government subsidized land, drive out of business some of our farmers in other places. I know it would compete very seriously with those in my territory. The question is whether at this time, with the agricultural situation as it is, we should go ahead and provide additional funds to the tune of about $44,000,000 to embark upon an additional reclamation project at a time when there is other land in private ownership already available to take care of the situation.

Mr. CUMMINGS. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. CUMMINGS. This irrigation project, plus the first power plant, cost $29,000,000. The balance of the $44,000,000 will not be expended until such time as the Government in its wisdom proposes to expend it for the purpose of developing electrical energy, to be used for the benefit of the people.

Mr. TABER. I thank the gentleman. I hope this House will reject this motion to concur in the Senate amendment because of the fact that it is inadvisable economically to go ahead with more reclamation projects with the present agricultural situation in this country. I hope that we will consider it on the basis of what ought to be done and not because of some nice feeling we may have for someone else. I like to see everybody happy, and I like to see development of resources, but I do not believe in subsidizing with Government funds the development of land for irrigation purposes in times like these, when land already in private ownership and operated by farmers on their own land is able to supply the food demand of the people. I hope the motion will be rejected.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I find myself reluctant to take a position in opposition to the desires of the congressional contingent from Colorado. I do not believe there is in this House a delegation from any State in the Union that is collectively so affable and so temperate in its demands and which stands in such high esteem in the estimation of this House as do the four sincere, stalwart horsemen from the State of Colorado—and I refer to Mr. TAYLOR, Mr. MARTIN, Mr. LEWIS, and Mr. CUMMINGS. [Applause.] However, despite the affection which I have for them, I must oppose this proposition and the Senate amendment. I can agree with everything that Mr. CUMMINGS has said on the floor and still sincerely oppose what was written into this bill at the other end of the Capitol, and my opposition is predicated upon the fact that even though this will enrich that territory, even though it will provide work for 50,000 people, even though there is need for 300,000 acre-feet of water, there is this fact to be considered, and that is the integrity of the national-park system of this country.

The proposition, briefly, is to impound the headwaters of the Colorado in a reservoir at Granby; to pump the water into Shadow Mountain Lake, a part of Grand Lake; and then, by means of a canal and tunnel, carry the waters under the Continental Divide and there send them into reservoirs and ultimately divert them out into these irrigation purposes. The matter has been considered before the Irrigation and Reclamation Committee of the House. I take no position with respect to the power involved and the benefits involved, but I do believe that this is an essential point which the Members of the House ought to remember, and that is that, so far as we can learn from the record, no alternative proposal has been submitted which will keep intact the integrity of the national-park system. Once this Congress authorizes the beginning of commercial exploitation either of the park system or of the areas adjacent thereto it will be the beginning of the destruction of the park system of this country.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I cannot yield now.

Back in 1870 a little contingent of men went to Yellowstone Park. They for the first time appreciated the natural beauties of that country, and out of that little meeting there ultimately evolved a desire and a program for a park system. So Rocky Mountain Park, commonly known as Estes Park, was created in 1914 or 1915. Two years thereafter—bear that in mind—2 years thereafter the National Park Service was created. Consequently, there was no administrative commission to look after the parks, to inspire appreciation on the part of the public, until 2 years after this park was set up, until 2 years after that provision was put in the park act that authorized the ultilization of flowage rights in the park. But I admonish the Members of this House that once we start we never know where the end will be. I realize that this does not particularly cut right into the heart of the park. The east end of this diversion tunnel is located in Wind River Basin, which has been authorized for acquisition by the Congress, but, as I understand, has never been acquired. This tunnel goes under the Continental Divide. I am informed that there are 25,000 linear feet of brittle rock-soil structure that may be imperiled by the tunnel. There are 23 lakes adjacent to or over this tunnel that may be imperiled if the tunnel is put under the Continental Divide. Those dangers could be avoided if some alternate route had been examined and surveyed and proposed, even though it might cost more out of the Federal Treasury. I believe the Congress of the United States stands in the fiduciary relation of a trustee to the people of the 48 States of the Union, for the purpose of preserving the integrity of these parks and to resist every effort at exploitation.

In 1920, when John Barton Payne was Secretary of the Interior, a proposal was submitted to dam up Yellowstone Lake. They wanted to go into the park because of free land and lower cost. They brought almost the identical reasons to bear by saying that if they had to acquire land for the reclamation project it would be prohibitive in cost. The answer of John Barton Payne, the then Secretary of the Interior, was that if they could not make the proposition go on the basis of acquiring the land it ought to be abandoned. Since that time there have been any number of abortive attempts at commercial exploitation of our public-park system, and always they have been successfully resisted.

Let me say to you gentlemen from New York, suppose the board of aldermen had given ear to every proposal to improve Central Park, there would not be enough greensward nor enough lawn left in Central Park in New York City for a boy to stand on in order to change a bathing suit. If the park board in Chicago had given willing ear to every proposal to change Lincoln Park and to improve it, there would not be enough grass and lawn there for a child to sit down and play mumblety-peg. Once it is started you cannot stop that exploitation. Once we establish this precedent there will come a time when they will want to look into the mineral possibilities of the park. They will want to look into the grazing possibilities when a drought comes to the available grazing lands of the West. They will want to establish airplane landing fields and they will want to put in railroads. They will want to put in ski jumps and all that sort of thing. Always the argument will be made that it is not ruining the scenery; it is not marring the natural beauty; it will do no harm. But effects are cumulative and in the years to come

our scenic resources will be despoiled and posterity will then lament our lack of vision.

Mr. CUMMINGS. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CUMMINGS. We already have the ski jumps.

Mr. DIRKSEN. Possibly so.

Mr. CUMMINGS. Put in by the park people.

Mr. DIRKSEN. For the comfort of the visitors in the park. Last year 500,000 people visited Rocky Mountain Park. We have $6,000,000 invested in that park at the present time. Are we this day going to make the first step that will ultimately impair the integrity of the national park system?

I say to my good friends from Colorado that I am making no commitment upon the purposes and the merits of this proposal, but let us take out this amendment. Let us vote it down. Let us send this proposition back, and let us insist that the reclamation engineer explore alternative methods and routes, even though it may cost a great deal more. Thereby Coloradoans can have their cake and the park system of the country will be preserved for the perpetual enjoyment of the people of the 48 States of the Union. Remember that we stand in a fiduciary relation to the people of the country today. Five hundred thousand people went to Estes Park in 1936. Shall we today permit exploitation either adjacent to or in the park, or take a chance on impairing some of these natural beauties? I think it can be worked out so that the people on the western slope will get their water and the park system will be preserved.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Of course the gentleman has visited the park?

Mr. DIRKSEN. No.

Mr. LEWIS of Colorado. The gentleman never visited Rocky Mountain National Park?

Mr. DIRKSEN. No.

Mr. LEWIS of Colorado. Where does the gentleman get his information, may I ask?

Mr. DIRKSEN. I will say first of all that the information comes from the National Park Service, and from the hearings. Even the Secretary of the Interior has not yet passed on the matter. He was in the hospital when this controversy was going on.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Read the Secretary's statement on page 9 of the hearings, in which he says a twofold duty of looking after the Reclamation Service which is in the Department of the Interior, and also preserving the integrity of our National Park System, which is in the Department of the Interior. According to this letter, which is dated June 24, 1937, addressed to Mr. CARL HAYDEN, United States Senate, the matter has not been passed upon by the Secretary of the Interior.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. FITZPATRICK. Does the gentleman believe that a tunnel 9 feet in diameter, the nearest point of which is 400 feet from the surface, varying from that to 8,000 feet below the surface, would permit water to seep down into it?

Mr. DIRKSEN. I think there is always that possibility, especially in the case of this tunnel, for it goes through very brittle rock, and must be provided with surface vents.

Mr. FITZPATRICK. Possibility! Water does not seep into the East River Tunnel in New York.

Mr. DIRKSEN. Maybe not. This is not East River.

Mr. FITZPATRICK. There is not any chance.

Mr. DIRKSEN. They will have to bore vents in order to drive that tunnel, as I understand, and then there will be the question of the disposition of the debris. I was a contractor for a number of years in the dirt game and I know a little something about what happens when tunnels are drilled and dirt removed. You have to deposit the excavated materials somewhere. Provision must be made for construction rigs, for debris, for canals, for power lines, and what not. So, in my opinion, you are taking a chance upon impairing this park. We ought to send this project back by voting the Senate amendment down and insist that the proponents come in here with an alternate proposition whereby our friends from Colorado can be taken care of and our park system preserved. [Applause.]

Since Thursday last, when discussion on this conference report was suspended, I have heard much about this project. I have read much about it. There has been the usual bogey man cry that opposition to this amendment was being inspired by the power interests. There has been the contention that the arguments of those who are opposed to this amendment are silly and ridiculous. Doubtless, those same things will be said in the course of the discussion this afternoon. Let us see, therefore, just how silly they are.

If any single person should have expert knowledge on this subject and if any single person should be able to see both sides of this picture without prejudice or rancor, that person would be Mr. A. E. Demaray, Associate Director of the National Park Service in the Department of Interior. He works for Secretary Ickes.

If Mr. Demaray was found within shouting distance of a power lobbyist, how long would he keep his job? If he showed an interest in the park service that would lead him to distort the facts or becloud the truth, how long could he remain in the Interior Department. With this qualification of the witness, I suggest that every Member of the House examine his testimony as it appears on pages 42, 43, and 44 of the hearings on the bill S. 2681 which authorizes this project.

Mr. Demaray acknowledges the right to use flowage in the national parks under the act of 1915 and then points out that it was 2 years later before the National Park Service was created.

He points out that alternate routes are available for this project and that they have not been explored. Nowhere is this statement controverted so far as I can find in the hearings.

He points out that the eastern portal of the tunnel lies in an area that has been authorized by Congress for acquisition and annexation to the park.

He points out that the debris will be deposited within this area that has been authorized for annexation to the park.

He points out that a portion of Grand Lake has been authorized for addition to the park, and that Grand Lake, or a portion thereof, will be flooded and become an artificial reservoir.

He points out that 6,900 feet of bad ground and 17,500 feet of ground that must be shored up will be encountered in driving the tunnel.

He points out that there is a shearing and breakage of the rock structure on both sides of the Continental Divide in close proximity to this proposed tunnel.

He points out that nobody can state with certainty what the effect of this construction work will have on the 23 adjacent lakes which are integral elements in the scenic beauty of this park.

He points out that the approach roads will be paralleled by canals, power lines, towers, and other incidents of construction.

And finally, when quizzed about other routes, he stated:

> I do not think there have been other surveys. I think Mr. Page (referring to John C. Page, Commissioner of the Bureau of Reclamation) can answer that. I think they have dismissed the possibility of making detail surveys because of the evident advantage of the route which was selected for a complete survey.

Nowhere do I find an answer from Mr. Page respecting other surveys and so the record must stand that the first advantageous route surveyed was adopted, irrespective of what it might do to our park system. Studies were made but no surveys on the ground that it would be too expensive. What justification can there be for withholding these surveys when $44,000,000 is involved in this project.

This should be answer enough to those legislative engineers who may characterize these contentions against this proposal as silly and ridiculous.

Now, then, for the other witnesses who can be marshalled in opposition to this proposal. Will anyone say that the testimony of Robert Sterling Yard, of the Wilderness Society, who appeared in opposition, is ridiculous or lacking in substance. Will anybody believe that the opposition of Mr. Frederick Delano, chairman of the National Resources Committee, is lacking in substance.

Will anybody believe that the opposition of the Izaak Walton League of America, as expressed by its vice president, Mr. D'Arcy Magee, is capricious or silly. Will anybody believe that the opposition of Mr. C. H. Collingwood, forester of the American Forestry Association, was for light or transient reasons. Here are the people whose genuine interest in the outdoors and in the preservation of our exhaustible scenic and natural resources has never been questioned. They speak as experts and here they are marshalled against this proposal. Perhaps all argument is ridiculous. Who knows?

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. MARTIN].

Mr. MARTIN of Colorado. Mr. Speaker, on my way over to the House this morning it recurred to me that I had the privilege of witnessing the opening of the first reclamation project constructed by the Government of the United States, which involved the construction of a tunnel. That was the Gunnison tunnel project by means of which, by the boring of a tunnel 6 miles long through a mountain range, the waters of the Gunnison River were diverted to the Uncompahgre Valley on the western slope of the State of Colorado to irrigate the land of that valley. That was in 1910. That project was dedicated by William H. Taft, President of the United States, not down here in the White House but in person on the ground. That is of how much importance that project was thought to be.

I had the honor of being at that time a Member of this body and of traveling with President Taft to the project on his private car. I can recall that scene at this moment. President Taft stated to me afterward that he was positively electrified by the two local speeches that were made at the dedication, one of them by Hon. John Calhoun Bell, a Member of this body for 10 years, from the Fifty-third to the Fifty-eighth Congresses, and the other by State Senator Horace T. DeLong, of Grand Junction, a brilliant lawyer, the one a Democrat, the other a Republican, who made two of the most powerful 10- or 15-minute speeches I ever listened to.

I want to remind our Republican friends that reclamation was established by their party as a part of a great national program of conservation of the natural resources of the Western States of the Union. It was established under a Republican President, Theodore Roosevelt, and a Republican Congress. In my judgment, the great contribution of Theodore Roosevelt to the welfare of America was the conservation policy.

I want to say to my Democratic friends that while that section of the country is at this time largely represented by Democrats in the House of Representatives, there is no politics over reclamation in the West. Everybody in the West is for reclamation as essential to the very future existence, progress, and welfare of that country; and regardless of politics they have no place in their calculations for the representatives of any party which would seek to obstruct or destroy this policy.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for a question?

Mr. MARTIN of Colorado. I have only a few minutes; I am sorry, but I cannot yield.

Mr. Speaker, I have no reclamation project in my district, although it is located wholly in the Rocky Mountain and irrigation region, but I hope some day to have a comparable project in my district. Mr. Speaker, this is not a congressional district question; it is not a State question; this is a question vital to the welfare of at least one-half the geographical area of the United States. I doubt whether Members from the South and East fully realize that one-half of the geographical area of the United States, embracing all or parts of 15 large States, is dependent for its agricultural, domestic, and industrial water supply on reclamation and irrigation, on the storing and distribution of water—not water that falls from the clouds, but water that is gathered out of the rivers and streams and stored and distributed, and mostly by direct distribution.

I have stated before when kindred matters were up in the House that not only water but irrigation water is the lifeblood of the West. To withhold from that great area aid for the development of systems for the storage and distribution of water is to deny it the development of the two great indispensable bases of life—land and water.

A lesson as to the value of water in the West may be drawn from the very fights, such as the Gila project fight, which have occurred on this floor between western Representatives. These fights, it is true, have been used to discredit reclamation, but they were fights for life. Water in the West is real estate, conveyed by deed separately from the land. The use of irrigation water is rigidly regulated by State laws and court decrees. State irrigation superintendents and commissioners oversee its distribution. Armed ditch riders patrol the ditches, strictly enforcing the law and seeing that each user gets only what is his. Men are shot down in the West for unlocking a small sluice box out of turn to let a little water run on their soil. Men are brought into court and sent to jail for running a little extra water on their crops, of which they must rob their neighbor. Larceny of water is punishable by fine and imprisonment in Colorado, and I presume in all the irrigation States.

For 30 years Colorado and Kansas have been in the Supreme Court of the United States over the water of the Arkansas River. All western States are in court with each other all the time over the waters of their rivers, because that water is life. These controversies reach down to the individual farmer, the individual ditch, and the different sections of a State. So it is that the farmers of the Platte Valley in Colorado are willing, under the reclamation law, to mortgage their lands to the Government to get the water which in the eastern and southern sections of the country falls freely from the heavens. When they get it, they will be in their fields at all hours of the night in gum boots and with shovels, letting the life-giving fluid down the crop rows. Irrigation farming is hard labor.

In Colorado nature has furnished us with a special problem. As shown on the national map, Colorado is bisected from north to south by the main range of the Rocky Mountains, known as the Continental Divide. The waters falling on one slope find their way to the Pacific and on the other slope to the Atlantic, and it gives rise to what we in Colorado call the western and eastern slopes. But this Divide lies, as the map shows, closest to the western boundaries of the State, with the result that the western slope has the greater part of the water and the eastern slope the greater part of the land. The western slope also enjoys the heavier rainfall, so that where many parts of the eastern slope are nearly bare the other side is heavily timbered. This project represents a practical effort, now agreed upon by the people of both slopes after a generation of controversy, to get the landless water to the waterless land. The water is certainly there, the land is certainly there, and it can be done.

Mr. Speaker, the main objection, apparently, to this project is not its cost, is not its practicability; apparently the main objection is the alleged injury to Grand Lake and the surrounding area. Grand Lake means more to the city of Denver than it means to all the rest of the country. Grand Lake and its surrounding area was the playground of the city of Denver long before it was ever heard of or visited by the people of any other State, and it is the playground of Denver today. Denver is behind this project, and I know as well as I am standing here that if the area were endangered by this project, as gentlemen claim it is, Denver would be down here fighting it if it dried up every farm in the Platte Valley in Colorado. Leave it to Denver to determine whether

this project will injure Grand Lake and the surrounding national-park area.

As shown by the very excellent model prepared by the Bureau of Reclamation, instead of damaging Grand Lake, the project will result in the creation of two additional and much larger lakes. If the man who makes two blades of grass grow where one grew before is a benefactor of mankind, in the semiarid western half of the United States he is no less a benefactor who makes two drops of water grow where one grew before. The creation of these additional lakes will not only guarantee an additional permanent water supply to both the eastern and western slopes, but they will reinforce Grand Lake itself.

Mr. Speaker, there is one other objection raised to this legislation which I am at a loss to understand, and that is that it may injure the wildlife of the area. A few days ago in conversation with a former Member of this body who lives in St. Louis, I asked him, without disclosing the object of my question, about reports that the Keokuk Dam across the Mississippi had injured the wildlife in that area. On the contrary, he said there were various kinds of wildlife there now that had never been seen before, and he followed up by saying that the same thing was true of the great lake constructed a few years ago in Missouri, having a circumference of something like 150 miles. I am at a loss to understand how it could be otherwise. The very jewels of my district—they always look to me like miracles on the face of Nature—are a few lakes a few miles in extent. I only wish there were 10 times as many.

As for the cost, it will be a lien on the Platte Valley, one of the two great agricultural valleys in Colorado. It claims to be the greatest, and for the sake of the argument on this appropriation I will concede it, notwithstanding many people think I live in the greatest agricultural valley in Colorado. The other day in the other body an appropriation was thrown into a House bill for a water project of the estimated cost of $112,000,000. No battle was waged over that. When you leave out of the picture the power feature of reclamation projects, the reclamation cost of all the projects the Government has ever financed from the beginning would hardly exceed the rivers and harbors appropriation of the Seventy-fourth Congress, not one penny of which will ever directly return to the Treasury of the United States. This project must be paid for by the beneficiaries.

Mr. Speaker, it is my philosophy that every section of this country ought to be encouraged and aided according to the nature of its resources, whether its resources are cotton-fields or mines, whether they are harbors or reservoirs. The West must augment its water supply by storing and using its surplus waters running away to the seas or it must suffer arrested development and decline. Our natural river runs of water no longer suffice. We must store and we must divert. Hence this project. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, as has been said this morning here on the floor of the House, the Members from Colorado certainly are putting up a big fight for this project.

When we have a nice model or design set up here in the hall adjoining the House it is hard to do anything other than help get votes, because they are all good fellows; but this is not a question of good fellowship. I would like to do anything I could for my friends from Colorado. We have to consider this on its merits. We have to consider the merits of the project and whether we can afford to go ahead this year and do something in this respect now contrary to the policy of the Department of Agriculture.

We are asked to appropriate $900,000 and eventually we must spend $44,000,000 to complete this project. Remember, it will cost $900,000 to get your nose under the tent, then $44,000,000 to complete the project. This is something the Members want to give consideration to, especially when economy has been pleaded so hard this year and when you on the Democratic side are talking about reducing Government expenses. The President has asked you to cut down expenses. Will you do it?

During this session of Congress we have appropriated over $10,000,000,000. Let me refer to the statement of July 17, which shows you have spent $214,380,486 more than you received since July 1. Compare that with the first 17 days of the last fiscal year. You will find you have spent over $10,400,000 a day more this year than you did last year, a startling revelation.

This Big Thompson project in Colorado has never been authorized by Congress. Its sponsors have never brought it on the floor of the House, where we could have an opportunity to discuss the project. They hooked it on in the Senate as an amendment and then come over here and ask us to pass it without consideration. We should not permit the Senate to do that. The Members of the Appropriations Committee of the House of Representatives all through the hearings never had an opportunity to discuss this matter or consider it.

There are 7 projects on the Colorado River and 10 projects on the Eastern Slope, making 17 major projects in this bill. I am going to insert in the RECORD the names of these various projects, together with the expenditures called for.

Estimated cost chargeable to irrigation feature

Willow Creek feeder canal		$733,203
Granby Reservoir		2,813,703
Granby pumping plant		1,250,000
Granby pump canal		417,553
North Fork diversion dam		483,928
Continental Divide tunnel		7,271,371
Carter Lake supply canal		710,629
Horsetooth supply canal		1,208,391
St. Vrain feeder canal		368,951
Big Thompson feeder canal		155,246
Poudre feeder canal		632,843
Poudre Valley feeder canal		11,436
North Poudre feeder canal		128,889
North Poudre pumping plant		200,000
Horsetooth Reservoir		3,625,021
Arkins Reservoir		1,859,323
Carter Lake Reservoir		1,925,253
Green Mountain Reservoir (52,000 acre-feet replacement) (100,000 acre-feet for power)		3,776,032
Improvement of Colorado River above Kremmling to maintain fishing and to adjust the present irrigation system to the altered conditions		300,000
		27,871,772
Less the following items tentatively chargeable to power:		
One-half cost of Arkins Reservoir	$929,661	
Portion of cost of Green Mountain Reservoir for 100,000 acre-feet	2,276,032	
		3,205,693
Cost of irrigation features		24,666,079

Power plant no. 1 construction costs

Power plant no. 1 near Estes Park	$1,778,000
Conduit from east portal Continental Divide tunnel to power plant no. 1	1,101,000
Transmission lines connecting power plant no. 1 with Granby pumping plant—with Valmont and line to North Poudre pumping plant	440,000
Commercial substation (30,000 kilowatts)	300,000
Headquarters at power plant no. 1 for operation of power system	100,000
Subtotal	3,719,000
Interest during construction, 3 percent	112,000
Total repayable in 50 years with interest	3,831,000
One-half cost of Arkins Reservoir	929,661
Portion of cost Green Mountain Reservoir, for 100,000 acre-feet allocated to power	2,276,032
Payable on 40-year basis without interest	3,205,693
Total cost power plant no. 1, including other items that are required to be accomplished with the initial development	7,036,693

Full power development

The following is an estimate of the cost of the additional power plants that may be constructed in the future, but are not a part of the initial development:

Power plant no. 5	$1,190,000
Green Mountain-Ka Rose transmission line	130,000
Operators' quarters	60,000
Substation (20,000 kilowatts)	200,000
Subtotal	1,580,000
Interest during construction, 3 percent	47,400
	1,627,400

The above plant, together with plant no. 1, will produce: 113,000,000 kilowatt-hours firm power annually; 92,000,000 kilowatt-hours secondary power annually.

The following are the construction costs of developing power plants nos. 2, 3, 4, and 4–A with appurtenant structures:

Power plant no. 2	$2,325,000
Power plant no. 3	665,000
Power plant no. 4	760,000
Power plant no. 4–A	420,000
Power canal no. 2	2,444,000
Power canal no. 3	493,000
Power canal no. 3–A	113,000
Power canal no. 4	1,194,000
Operators' quarters	150,000
Substations (90,000 kilowatt-hours)	900,000
Additional transmission lines	311,000
Subtotal	9,775,000
Interest during construction, 3 percent	293,250
Total repayable in 50 years with interest	10,068,250
Arkins Canal feeder, payable in 40 years without interest	351,000
Total power plants nos. 2, 3, 4, and 4–A	10,419,250
Total power plant no. 5	1,627,400
Total second-stage development	12,046,650
Primary development plant no. 1	7,036,693
Cost of full power development	19,083,243

It would be a revelation if you would but read and study the above figures. The only time we have had on this side to study it has been during the past week. We asked for and received the reports that were given to the Senate. There has not been a Member of the House who has had the opportunity to discuss this matter; neither has the committee. It is not right. It is not a sound way to legislate.

Mr. CUMMINGS. Will the gentleman yield?

Mr. RICH. I cannot yield at this time. The gentleman talks about increasing the production of sugar beets in this territory. They are trying to increase the production of sugar beets in Colorado, when the Department of Agriculture is trying to curtail the production of sugar beets. If you are going to permit sugar to come in from foreign countries and spend $44,000,000 to increase production, I say it is inconsistent. One department curtailing and paying farmers to reduce crops and Congress spending the money to increase production.

Mr. CUMMINGS. The gentleman wants to be fair. That is wrong.

Mr. RICH. I want to be fair.

Mr. CUMMINGS. That is why I want to tell the gentleman something.

Mr. RICH. The cost of the irrigation feature alone is $24,650,000.

Mr. CUMMINGS. That is right.

Mr. RICH. The cost of the power for this project is $19,083,240.

Mr. CUMMINGS. And all the power belongs to the Government.

Mr. RICH. Yes.

Mr. CUMMINGS. We are giving it to the Government.

Mr. RICH. But you are spending more money to get it, and the Government will not get the money back.

Mr. CUMMINGS. We are giving you the use of the tunnel and the reservoir.

Mr. RICH. You are spending more money on this project than you will get back in the next 50 years. This is the time for economy and not the time for additional expenditures. All you know is spend, spend, spend.

Mr. CUMMINGS. We are giving you money.

Mr. RICH. That is what we in this body ought to give consideration to; that is, stop needless spending and pay some more attention to getting in revenues if we want to keep from wrecking our country.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. ZIMMERMAN].

Mr. ZIMMERMAN. Mr. Speaker, I hope a spirit of fair play will prevail in the consideration of this measure. I come from a State in which our problem is to get the water off of the land rather than put it on.

The Committee on Irrigation and Reclamation held hearings on this bill, and as a member of that committee I am frank to say that I began the consideration of this bill with some prejudice; but after I had heard the various witnesses may I say to you that I could not find one single valid reason or objection why this bill should not be enacted into law. [Applause.]

My colleague the gentleman from Pennsylvania talks about economy. Why, the reclamation fund is made up by the sale of land, oil, and minerals in the Rocky Mountain States. It does not come from the taxpayers of this country.

Mr. RICH. Will the gentleman yield?

Mr. ZIMMERMAN. I decline to yield.

One-third of the land in Colorado belongs to the Government. The reclamation fund belongs to the people of Colorado and the other Western States. I say in a spirit of fairness we should permit these people to enjoy the benefits of that fund. [Applause.] It is the equitable and right thing to do.

The engineers for the Reclamation Department told us that it was economically sound and was justified from an engineering standpoint. Why, they surveyed for 2 years locating this route, and it was their final determination that it was sound as an engineering proposition.

Mr. Speaker, as a member of that committee, may I say that the committee sought to find out what opposition there was to this bill, and the only opposition came from certain organizations throughout the country that wanted to act as godfathers for the people of Colorado and other Western States in looking after our national parks. We asked them in what way this would injure the Rocky Mountain State Park. The only answer was, "It might injure this park."

[Here the gavel fell.]

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER pro tempore. The time is under the control of the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Speaker, I have no objection to the gentleman's request if it does not come out of the 1 hour.

The SPEAKER pro tempore. Under the rules, the gentleman from Oklahoma controls the time.

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ZIMMERMAN. I think sufficient explanation has been made to dispose of any apprehension of danger coming from water flowing hundreds of feet under the ground. Some of these same guardians who are voicing their sentiments here today stated they might object to an airplane flying over this park, because it might destroy the serenity of the guests in the park. Proceeding under the old common-law principle that the owner of land owned it adcaelum ad avernum, from "heaven to hell", they believed this park should extend not only to heaven but to hell also. They did not even want any disturbance hundreds of feet under the surface. The beginning of this tunnel under the ground starts outside of the park, on the west side, comes out on the eastern side outside of the park, and does not touch the Rocky Mountain State Park in any place. As my colleague the gentleman from Colorado [Mr. MARTIN] has stated, if there were any danger of marring the beauty of this park the people of Denver and the people of Colorado would be down here fighting for the park. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Utah [Mr. ROBINSON].

Mr. ROBINSON of Utah. Mr. Speaker, this subject cannot be covered in 2 minutes or 2 hours, but I may point

out to the Members one or two matters which influence my judgment.

We held hearings on this project, and when the hearings were started I believe the committee was almost unanimously prejudiced against this project. After 2 or 3 days of hearings the committee unanimously reported this project favorably for the consideration of the House.

The Izaak Walton League objected because they claimed this project would destroy some of the beauties of the park. However, the President of the league, before the hearings were ended, arose in the committee room and said his objections had all been answered. I understand he has since telegraphed the committee that this bill should be passed and that his league was for the project. The Park Service has made some feeble effort to show the project interferes with the best interest of the Rocky Mountain National Park, but no one has been able to point out one item, one single thing, which would in any way interfere with the scenic beauties of the park. The argument about money of the gentleman from Pennsylvania [Mr. RICH] is absolutely fallacious. Not one dollar of this money comes from the Federal Treasury. That argument is just a smoke screen. The money comes from the Reclamation Fund.

You people from the Eastern States must realize that after engineers designated by you to find the facts have passed favorably on this project, and the Bureau of Reclamation, after years of study, comes back and recommends that this project be approved, the project is a worthy one and should have your approval.

[Here the gavel fell.]

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. The Chair does not feel that the Chair should entertain that request, the time being fixed under the rules of the House.

Mr. JOHNSON of Oklahoma. The time being fixed, I should have to object if it comes out of my time, but I have no objection to the gentleman's getting the unanimous consent of the House to proceed for 2 minutes.

Mr. ROBINSON of Utah. Mr. Speaker, I want to proceed in an orderly way.

The SPEAKER pro tempore. Is there objection to the request? [After a pause.] The Chair hears none.

Mr. SNELL. Mr. Speaker, I do not understand time can be extended by unanimous consent under the circumstances.

Mr. ROBINSON of Utah. Mr. Speaker, if there is any objection or any question about it, I shall yield the floor.

The SPEAKER pro tempore. Objection is heard.

Mr. SNELL. It is against the rules of the House, that is the only thing I care about. I think the rules ought to be observed occasionally.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. LEWIS].

Mr. LEWIS of Colorado. Mr. Speaker, in all earnestness, I say to those who do not live in the West that water is life to us. We Representatives from Colorado are fighting here for existence of a large part of our State. In this vote today there is involved the future existence of northeastern Colorado.

Our entire delegation in the Congress, in both the Senate and the House, is unanimously and earnestly asking for the approval of the Colorado-Big Thompson project. The beloved dean of the Colorado delegation [Mr. TAYLOR], who for a time and for good and sufficient reasons was objecting to some details of this project, has had all his objections met. I would not give my active support to this project until the grounds for Mr. TAYLOR's objections were removed. As you know, he is now rapidly recuperating from a recent illness and is resting in a suburb of Washington. A few days ago he wrote me a letter, which reads as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, D. C., July 13, 1937.

HON. LAWRENCE LEWIS, M. C.,
House Office Building, Washington, D. C.

DEAR LAWRENCE: Inasmuch as all differences concerning the Colorado-Big Thompson reclamation project have recently been adjusted between the representatives of the eastern slope and the western slope of Colorado and in a manner satisfactory to my constituents, I sincerely hope the House will concur in the Senate amendment to the Interior Department appropriation bill which provides $900,000 for beginning construction of this project.

Very cordially yours,

EDWARD T. TAYLOR, *Chairman.*

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Colorado. I am sorry, but I shall yield later.

This is the first time the Colorado delegation has ever come to the Congress of the United States asking for an appropriation for any reclamation project for that part of our State lying east of the main range of the Rocky Mountains, where a million people live. The Colorado delegation today is not asking for an ordinary thing—we are asking for a chance for those million people to continue to live there. But, actually, we speak for a million and a quarter people, because all the people of Colorado unanimously urge this project now. And we speak for a State which has helped all the others, a State which furnishes 60 percent of the water which goes into Lake Mead behind Boulder Dam, and which helped to save our friends in southern California from a similar water shortage. I know they will help us. I know all others who are familiar with our problems will help us.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Colorado. Yes.

Mr. COLDEN. Will not the artificial lakes in that project add to the beauty of the Rocky Mountain area as well as add to the value of this land?

Mr. LEWIS of Colorado. Absolutely.

We have heard much from nonresident and self-constituted guardians of the State of Colorado and of our natural scenic beauties and of our national parks. Doubtless they are sincere, but they have been misinformed. They have been flooding Members of the House with misleading propaganda. They came before the Irrigation and Reclamation Committee of the House during the 2 days of hearings and admitted—as did one of my good friends a few minutes ago in this debate, who also has been misinformed—and admitted that they had never been in Rocky Mountain National Park. Senator ADAMS and Senator JOHNSON, Mr. TAYLOR, Mr. CUMMINGS, Mr. MARTIN, and I have lived all, or practically all, of our lives in Colorado. In the Sixty-third Congress, Mr. TAYLOR, who was then serving his third term as Congressman at Large from Colorado, sponsored and secured the passage through the House on January 18, 1915, of the bill establishing Rocky Mountain National Park. We have visited it in spring, summer, autumn, and winter. We know it and love it well. Do you think we would be such fools, do you think we would be so silly, as to do or suffer to be done anything that would impair the beauty or attractiveness of Rocky Mountain National Park? We regard it is a priceless heritage of indescribable beauty and grandeur that has come down to us from primeval times. We are far more jealous than any nonresident could be to preserve it unimpaired for the enjoyment and inspiration of future generations. We Coloradans are not idiots; we are not fools. Apart from the fact that Rocky Mountain National Park is of rare beauty and grandeur, it is an economic asset to our State in that hundreds of thousands of people from all parts of the world come to visit it. And most of them, in so coming, visit my city of Denver.

Mr. GREEVER. Mr. Speaker, will the gentleman yield?

Mr. LEWIS of Colorado. I yield to the gentleman from Wyoming.

Mr. GREEVER. Is it not a fact that the act constituting the Rocky Mountain National Park contained a provision that a trans-mountain diversion could occur there?

Mr. LEWIS of Colorado. Absolutely; that is in the act of Congress creating the park. I know considerable about that because my family had something to do with interesting the people of our State in urging our Senators and Representatives then in the Congress to secure the passage of the act creating this and other national parks in Colorado. Both parents of Senator ADAMS—and his father served two terms as Governor of Colorado—had something to do with

urging the creation of national parks in our State. In the act of Congress creating this park there is an express reservation of the right to have this reclamation project established.

Now, I ask, is the Congress of the United States going to break faith with the State of Colorado by refusing to approve this project? Furthermore, when the question later came up in the Colorado Legislature with respect to ceding jurisdiction of this park, Senator ADAMS and I helped and solicited the help of others to secure passage by a reluctant Colorado Legislature of the State statute ceding jurisdiction to the United States. That cession would not have been made if that condition had not been in the act of Congress creating the park. The act of Congress authorizing the creation of Rocky Mountain National Park reserved the right for the Bureau of Reclamation to survey and construct an irrigation project within the boundaries of the park. No part of the present project, except the tunnel far underground, will be within the boundaries of the park. Those of us who are familiar with the proceedings in the Colorado Legislature at the time the State statute ceding jurisdiction was enacted are confident this cession of jurisdiction would not have been made if the act of Congress had not contained the reservation to the Bureau of Reclamation.

The act of Congress creating the Rocky Mountain National Park, enacted January 26, 1915, and being chapter 19, section 1, volume 38, statutes 798 (title 16, sec. 191, U. S. C.), contains the following provision:

> United States Reclamation Service may enter upon and utilize for flowage or other purposes any area within said park which may be necessary for the development and maintenance of a Government reclamation project.

The Colorado statute ceding jurisdiction over park area is found in Colorado Session Laws, 1929, page 475.

[Here the gavel fell.]

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. The time has been fixed and is in control of the gentleman from Oklahoma [Mr. JOHNSON].

Mr. LEWIS of Colorado. Mr. Speaker, under leave to extend my remarks, I include the following letter from the Colorado delegation sent to each Member of the House:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 14, 1937.

DEAR CONGRESSMAN: The entire Colorado congressional delegation earnestly urge that you support the Senate amendment to the Interior Department appropriation bill which provides $900,000 from the reclamation fund for beginning the construction of the Colorado-Big Thompson reclamation project.

No one has greater interest in the welfare of Colorado than the Senators and Representatives from Colorado or would oppose more bitterly any project which would impair the scenic attractions of their State which they recognize are among the greatest resources of Colorado.

From personal knowledge, the Colorado delegation wish to assure you that fears that the project will impair or damage the Rocky Mountain National Park or commercialize it, or set a precedent for the commercialization of other parks are entirely unfounded. Those who have protested against the project doubtless are sincere, but their objections are based upon misinformation.

The Honorable EDWARD T. TAYLOR, chairman of the House Committee on Appropriations, who is now recuperating from a recent illness, wrote to a member of the delegation the following letter:

"Inasmuch as all differences concerning the Colorado-Big Thompson reclamation project have recently been adjusted between the representatives of the Eastern Slope and the Western Slope of Colorado and in a manner satisfactory to my constituents, I sincerely hope the House will concur in the Senate amendment to the Interior Department appropriation bill which provides $900,000 for beginning construction of this project."

The act of Congress creating Rocky Mountain National Park recognized the advisability of this project and specifically reserved the right to the Reclamation Service to enter the park for its construction.

The request for the appropriation was presented first to the Senate because an agreement essential to settlement of differences between eastern and western sections of Colorado was not concluded until after the Interior Department appropriation bill had passed the House.

The amendment made by the Senate is supported by a bill (S. 2681) authorizing the construction, which has passed the Senate and has been reported favorably by unanimous vote of the House Committee on Irrigation and Reclamation after full hearings.

Very truly yours,

ALVA B. ADAMS.
EDWIN C. JOHNSON.
LAWRENCE LEWIS.
FRED CUMMINGS.
JOHN A. MARTIN.

Mr. SNELL. Mr. Speaker, I would like to have a ruling on the question of whether it is proper to extend the time of each speaker by unanimous consent. I am not opposed to it, but I think we should follow the usual procedure of the House.

The SPEAKER pro tempore. The Chair will state that time can be extended by unanimous consent, but that is contrary to the practice of the House.

Mr. SNELL. I know it is contrary to the practice of the House and I object to time being extended in that way. If we want to follow the regular procedure and extend the time beyond the 1 hour of debate, we should do so.

Mr. LEWIS of Colorado. Does the gentleman object?

Mr. SNELL. I object to that procedure, because it is not in accordance with the usual procedure of the House.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SWOPE].

Mr. SWOPE. Mr. Speaker, this project affects two factors—what will happen to our national-park system and how it affects the expenditures of the Federal Government.

Let me say first of all that I have not been in the Rocky Mountain National Park, so that if anyone wants to ask me the question, it is now answered, but we come here from every section of the United States to exercise our judgment upon legislation that affects many sections that we have not seen and we are therefore forced to get our information from such sources as may be available.

So far as the effect upon the beauties of the national-park system is concerned, the gentleman from Illinois [Mr. DIRKSEN], I think, has presented the problem in a very fine manner. In my city of Harrisburg, Pa., there resides Mr. J. Horace McFarland, former chairman of the Board of the American Planning and Civic Association. Over that board now presides Mr. Frederic A. Delano. Mr. McFarland has informed me that his association and seven kindred associations have expressed apprehension and objection to this project and to projects of a similar character.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. SWOPE. I have only a few minutes, and this is my first offense. I will yield next year. [Laughter.]

Mr. WHITE of Idaho. I will wait.

Mr. SWOPE. When we want to know something about dentistry, we consult a dentist; when we want to know something about engineering, we consult an engineer; and when we want to know something about the beauties of our national-park system we consult people who have made a study of the scenic beauty of our national-park system.

So far as the Budget is concerned, it is acknowledged that this will cost probably $44,000,000, and it is alleged by many it will cost $60,000,000. It was stated on the floor here that if this project had been in effect some years ago, the cost of it would have been returned within the last 8 years. Let me say to the Members of the House that in the State of Pennsylvania we have a device which would take care of such a situation by the State of Pennsylvania. In the State of Pennsylvania we have erected a State authority, and the State authority is empowered to issue bonds for the consummation of projects which are for the good of the State. These bonds are sold to the investing public and the bonds stand upon their own bottom. If the project is good the bonds can be sold and the project returns the cost thereof and the bonds are retired, and let me say, Mr. Speaker, it is time we were returning to principles of this kind. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL of Kentucky. Mr. Speaker, in view of the short time allotted me, I shall not be able to answer any questions. I had not intended to mention the merits of the bill, but statements have been made here which should be cleared up, to show the fallacy of the claim that this is necessarily self-sustaining. It is possible, but I do not think that fact is established, and in support of my opinion I shall read a statement by Commissioner Page in the hearings, on page 149:

Appropriations for continuation of construction of certain reclamation projects amounting to $10,860,000 were made from the reclamation fund; continuation of construction of the Central Valley project in California, the Grand Coulee Dam project in Washington, and the Boulder Canyon project, including the All-American Canal, was provided for by appropriations from the general fund of the Treasury.

That means that because the reclamation fund had become so reduced they were required on new projects to raise the money by getting it from the Treasury. Commissioner Page also testified that the reclamation fund income was being seriously reduced because of the lack of sale of public lands. There are many other things that he would like to go into. Mr. Page stated:

Salable public lands have been exhausted. The remaining public domain has been withdrawn, and a new policy has been established with regard to it.

The only revenue to the reclamation fund which can be called stable at this time is that received from the repayment of project construction costs by those benefiting.

I want you now to listen to this statement from Mr. Page:

A moratorium granted and extended by Congress has postponed or curtailed these repayments for a space of 6 years.

Mr. Speaker, I would like to go into that more at length, but it is a fact that no one knows whether or not these projects are going to be good, or whether there will be money enough in the reclamation fund to lend to these projects to carry on with. In fact the statement made by Commissioner Page indicates that there will not be any money in the reclamation fund, and the next thing that will happen will be a request that the Treasury put up the money and they will not take any from the reclamation fund, but from the general fund. My chief objection, Mr. Speaker, to this bill, is one that I think the House should very seriously consider. This same thing came up last year in the Interior appropriation bill. We declined to authorize it. They had their opportunity then to go before the House committee and present the facts and have the House go into it, but they did not go there. They did not go to the Budget. It appeared in the Senate, although we had taken no action on it. Not one word, as far as I can find, was said on the floor of the Senate about this proposition, a project involving $900,000 this year, and $44,000,000 eventually, but it passed without argument, without explanation, without anything except the inferential statement that "I would like to have it." What does this House know about it? What do you know about it? If you were on a board of directors and you were asked to endorse a proposition involving millions and millions of dollars of the money of the company, is there a man here who would consider for one moment putting his o. k. on such a proposal when all he had heard had been statements that are exparte, from people who are interested in the section of the country which is to be benefited? I hope the House will not recede and concur in the Senate amendment.

The SPEAKER pro tempore. The time of the gentleman from Kentucky has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield one-half minute to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR of Montana. Mr. Speaker, I just want to ask my colleague from Colorado one question. I have received some protests concerning this proposed project from certain associations, and I want to know whether or not the construction and completion of this project will in any way interfere with or mar or deface or take away from the attractiveness of the park in Colorado?

Mr. LEWIS of Colorado. It will not.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 1½ minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Speaker, in the first place, I am in favor of this amendment for the reason that it is going to create national wealth. It will create that wealth by stimulating agricultural and commercial activity in eastern Colorado. In the second place, I call the attention of my distinguished friend from Kentucky [Mr. O'NEAL] to the fact that the Boulder Dam project is a self-liquidating project, and that, before a spadeful of dirt was turned, the city of Los Angeles, the Metropolitan Water District, and three private power companies had to sign contracts with the Government guaranteeing that every dollar spent on Boulder Dam would be paid back to the Treasury in 50 years. The project under discussion can be made a self-liquidating project in the same manner if given the machinery for power production at the dam to be built. By distributing this power to the people of Colorado who need it, the whole proposition can easily be paid for, dollar for dollar, with interest. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Speaker, two arguments have been made against the bill here today, one by the gentleman from Pennsylvania [Mr. RICH], also the gentleman from Pennsylvania [Mr. SWOPE], in respect to the money end of it and what it will cost the Government. I will read to you the following part of the amendment, which will prove to you that there will be no cost to the Government:

That no construction thereof shall be commenced until the payment of all the costs of the project shall, in the opinion of the Secretary of the Interior, be assured by appropriate contracts with the water-conservancy districts.

That proves my argument. It will not cost the taxpayers $1. It is a self-liquidating project. The argument presented by the gentleman from Illinois [Mr. DIRKSEN] about the park being damaged is the most ridiculous argument I have ever heard.

The nearest this tunnel will be to the surface of the park will be from 800 to 4,000 feet. Just think of water seeping down 800 or 4,000 feet into a concrete tunnel 9 or 10 feet in diameter! There has been no argument given here today that is substantiated by any kind of facts or reason. My argument today is to give relief to the 175,000 farmers on the east side of the Rockies. This 13-mile tunnel will bring that relief without any financial cost to the Government or any destruction of our national parks.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. The gentleman would not yield to me, but I yield to him.

Mr. RICH. Did you ever hear of this project, as a member of the committee, before it was tacked on over in the Senate?

Mr. FITZPATRICK. I told you last Thursday when this bill was before the House that it had been discussed for the last 3 or 4 years. As the previous speaker, who is opposed to the amendment, said, it was in the Interior Department bill last year. It was reported out unanimously by the Senate this year. If the Colorado delegation had been united, they would have had this project years ago. [Applause.] They are united today. I represent an eastern district, but I am in favor of this, in order to bring water to 175,000 distressed farmers whose crops today are being ruined on account of lack of water. [Applause.]

I ask you to vote for this amendment, because it is a real deserving amendment for the benefit of the farmers east of the Rocky Mountains. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

All time has expired.

Mr. RANKIN. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. The gentleman from Mississippi makes the point of order that a quorum is not present. The Chair will count. [After counting.] Two hundred and twenty Members are present, a quorum.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma [Mr. JOHNSON] to recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. JOHNSON of Oklahoma) there were ayes 101 and noes 97.

Mr. TABER. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 174, nays 154, not voting 103, as follows:

[Roll No. 119]

YEAS—174

Allen, La.	Drew, Pa.	Kirwan	Phillips
Allen, Pa.	Drewry, Va.	Kitchens	Pierce
Amlie	Dunn	Kocialkowski	Rabaut
Atkinson	Eckert	Kopplemann	Ramspeck
Barry	Elliott	Kramer	Rankin
Beam	Englebright	Kvale	Reilly
Beiter	Ferguson	Lanzetta	Robinson, Utah
Bigelow	Fitzpatrick	Larrabee	Romjue
Binderup	Flannagan	Lea	Sacks
Bloom	Flannery	Leavy	Sadowski
Boileau	Ford, Calif.	Lesinski	Schulte
Boland, Pa.	Ford, Miss.	Lewis, Colo.	Scott
Boren	Gambrill	Luckey, Nebr.	Scrugham
Brooks	Garrett	Luecke, Mich.	Secrest
Brown	Gearhart	McFarlane	Shanley
Buck	Gildea	McGehee	Smith, Va.
Buckler, Minn.	Green	McGrath	Smith, Wash.
Bulwinkle	Greever	McKeough	Snyder, Pa.
Burdick	Gregory	McLaughlin	South
Carter	Griffith	McReynolds	Sparkman
Cartwright	Hamilton	Magnuson	Spence
Case, S. Dak.	Hart	Mansfield	Stefan
Clark, Idaho	Harter	Martin, Colo.	Sumners, Tex.
Coffee, Nebr.	Havenner	Massingale	Thom
Coffee, Wash.	Hendricks	Maverick	Thomas, Tex.
Colden	Hildebrandt	Mills	Thomason, Tex.
Collins	Hill, Okla.	Moser, Pa.	Thompson, Ill.
Cooper	Hill, Wash.	Mouton	Tolan
Costello	Hobbs	Murdock, Ariz.	Turner
Cox	Honeyman	Murdock, Utah	Voorhis
Crosser	Hook	Nichols	Wallgren
Cummings	Hope	O'Connell, Mont.	Walter
Curley	Houston	O'Connell, R. I.	Wearin
Daly	Izac	O'Connor, Mont.	Weaver
Delaney	Jarman	O'Connor, N. Y.	Welch
Dempsey	Jenckes, Ind.	O'Day	Wene
DeMuth	Johnson, Minn.	O'Leary	West
DeRouen	Johnson, Okla.	O'Toole	White, Idaho
Dies	Johnson, W. Va.	Palmisano	Whittington
Dingell	Jones	Patman	Wilcox
Disney	Kee	Patrick	Wood
Dockweiler	Kennedy, Md.	Patton	Zimmerman
Doughton	Kennedy, N. Y.	Pearson	
Doxey	Keogh	Peterson, Fla.	

NAYS—154

Aleshire	Douglas	McAndrews	Schaefer, Ill.
Allen, Ill.	Dowell	McLean	Schneider, Wis.
Anderson, Mo.	Eberharter	McSweeney	Seger
Andresen, Minn.	Edmiston	Mahon, Tex.	Shannon
Andrews	Engel	Maloney	Simpson
Arends	Evans	Mapes	Smith, Conn.
Arnold	Faddis	Martin, Mass.	Smith, Maine
Ashbrook	Farley	May	Snell
Bacon	Fitzgerald	Michener	Steagall
Bates	Fletcher	Millard	Sutphin
Bell	Forand	Miller	Swope
Biermann	Frey, Pa.	Mitchell, Tenn.	Taber
Bland	Gehrmann	Nelson	Tarver
Boyer	Goldsborough	Norton	Taylor, Tenn.
Bradley	Griswold	O'Brien, Ill.	Terry
Burch	Guyer	O'Brien, Mich.	Thomas, N. J.
Carlson	Gwynne	Oliver	Thurston
Casey, Mass.	Halleck	O'Neal, Ky.	Tinkham
Champion	Hancock, N. C.	O'Neill, N. J.	Tobey
Chapman	Hartley	Pace	Towey
Church	Healey	Patterson	Transue
Citron	Hull	Peterson, Ga.	Treadway
Clark, N. C.	Hunter	Pettengill	Umstead
Clason	Jarrett	Poage	Vincent, B. M.
Claypool	Jenkins, Ohio	Polk	Vinson, Fred M.
Cluett	Jenks, N. H.	Powers	Vinson, Ga.
Cochran	Johnson, Luther A.	Ramsay	Warren
Cole, N. Y.	Kelly, Ill.	Reece, Tenn.	Whelchel
Colmer	Kerr	Reed, Ill.	White, Ohio
Cooley	Kinzer	Rees, Kans.	Wigglesworth
Cravens	Knutson	Rich	Williams
Crawford	Lambertson	Richards	Withrow
Crowe	Lamneck	Rigney	Wolcott
Crowther	Lanham	Robertson	Wolfenden
Deen	Lewis, Md.	Robsion, Ky.	Wolverton
Dirksen	Lord	Rogers, Mass.	Woodruff
Ditter	Lucas	Rogers, Okla.	Woodrum
Dixon	Luce	Rutherford	
Dondero	Ludlow	Sauthoff	

NOT VOTING—103

Allen, Del.	Boykin	Byrne	Celler
Barden	Boylan, N. Y.	Caldwell	Chandler
Bernard	Brewster	Cannon, Mo.	Cole, Md.
Boehne	Buckley, N. Y.	Cannon, Wis.	Creal
Crosby	Gray, Pa.	Long	Randolph
Culkin	Greenwood	McClellan	Rayburn
Cullen	Haines	McCormack	Reed, N. Y.
Dickstein	Hancock, N. Y.	McGranery	Ryan
Dorsey	Harlan	McGroarty	Sabath
Driver	Harrington	McMillan	Sanders
Duncan	Hennings	Maas	Schuetz
Eaton	Higgins	Mahon, S. C.	Shafer, Mich.
Eicher	Hill, Ala.	Mason	Sheppard
Ellenbogen	Hoffman	Mead	Short
Fernandez	Holmes	Meeks	Sirovich
Fish	Imhoff	Merritt	Smith, W. Va.
Fieger	Jacobsen	Mitchell, Ill.	Somers, N. Y.
Fries, Ill.	Johnson, Lyndon	Mosier, Ohio	Stack
Fuller	Keller	Mott	Starnes
Fulmer	Kelly, N. Y.	O'Malley	Sullivan
Gasque	Kenney	Owen	Sweeney
Gavagan	Kleberg	Parsons	Taylor, Colo.
Gifford	Kloeb	Peyser	Taylor, S. C.
Gilchrist	Kniffin	Pfeifer	Teigan
Gingery	Lambeth	Plumley	Wadsworth
Gray, Ind.	Lemke	Quinn	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Sullivan (for) with Mr. Short (against).
Mr. Meeks (for) with Mr. Gilchrist (against).
Mr. Pfeifer (for) with Mr. Culkin (against).
Mr. Teigan (for) with Mr. Holmes (against).
Mr. Gavagan (for) with Mr. Taylor of South Carolina (against).
Mr. Lemke (for) with Mr. Plumley (against).
Mr. Sirovich (for) with Mr. Reed of New York (against).
Mr. Bernard (for) with Mr. Mason (against).
Mr. Byrne (for) with Mr. Gifford (against).
Mr. Cullen (for) with Mr. Maas (against).
Mr. Schuetz (for) with Mr. Fish (against).
Mr. Taylor of Colorado (for) with Mr. Eaton (against).

Until further notice:

Mr. Parsons with Mr. Wadsworth.
Mr. Cannon of Missouri with Mr. Brewster.
Mr. Fuller with Mr. Hancock of New York.
Mr. Rayburn with Mr. Mott.
Mr. Hennings with Mr. Hoffman.
Mr. Greenwood with Mr. Shafer of Michigan.
Mr. Boehne with Mr. Peyser.
Mr. Owen with Mr. Ellenbogen.
Mr. McMillan with Mr. Stack.
Mr. Fulmer with Mr. Sanders.
Mr. McCormack with Mr. Keller.
Mr. Boylan of New York with Mr. Haines.
Mr. Sabath with Mr. Eicher.
Mr. Starnes with Mr. Fieger.
Mr. Boykin with Mr. Harlan.
Mr. O'Malley with Mr. Higgins.
Mr. Mead with Mr. Crosby.
Mr. Kennedy of New Jersey with Mr. Sweeney.
Mr. Gasque with Mr. Quinn.
Mr. Hill of Alabama with Mr. Kniffin.
Mr. Driver with Mr. Jacobsen.
Mr. Merritt with Mr. Harrington.
Mr. Randolph with Mr. Celler.
Mr. Cole of Maryland with Mr. Kleberg.
Mr. McClellan with Mr. Fries.
Mr. Lambeth with Mr. Duncan.
Mr. Dickstein with Mr. Mitchell of Illinois.
Mr. Gray of Indiana with Mr. Barden.
Mr. Kelly of New York with Mr. Sheppard.
Mr. Somers of New York with Mr. Long.
Mr. Fernandez with Mr. Smith of West Virginia.
Mr. Buckley of New York with Mr. Mahon of South Carolina.
Mr. Chandler with Mr. Dorsey.
Mr. Imhoff with Mr. Gingery.
Mr. Mosier of Ohio with Mr. Creal.
Mr. Allen of Delaware with Mr. Gray of Pennsylvania.
Mr. Lyndon Johnson with Mr. Ryan.
Mr. McGranery with Mr. Cannon of Wisconsin.

Mr. BEITER changed his vote from "no" to "aye."

Mr. NICHOLS changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 93: Page 88, after line 9, insert:
"For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field $750,000, in addition to and for the same objects of expenditure as are hereinbefore enumerated in paragraphs 2 and 3 under the caption 'Bureau of Reclamation'; in all, $10,535,000: *Provided*, That of this amount not to exceed $75,000 may be expended for personal services in the District of Columbia."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur with an amendment, which I send to the desk.

The SPEAKER. The Clerk will report the motion of the gentleman from Oklahoma.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the Senate No. 93 and agree to the same with an amendment, as follows: In line 6 in said amendment strike out "$10,535,000" and insert in lieu thereof "$9,150,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, this amendment appropriates $750,000 for administrative expenses in connection with the construction of 16 reclamation projects. It is absolutely essential that this sum be provided if the necessary administrative supervision is to be made available. To deny this sum would have the effect of withdrawing engineering and administrative supervision, which might well cause an ultimate loss of millions of dollars, due to the inefficient and faulty construction of reservoirs, power plants, and other reclamation structures.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 94: Page 88, after amendment no. 93, insert: "The unexpended balances of the amounts appropriated from the reclamation fund, special fund, under the caption 'Bureau of Reclamation, construction', in the Interior Department Appropriation Act, fiscal year 1937, shall remain available for the same purposes for the fiscal year 1938."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. TABER. This is the same item that the House voted down on a roll call?

Mr. JOHNSON of Oklahoma. That is correct.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 95: Page 88, line 24, after the word "fund", strike out "$9,416,600" and insert in lieu thereof "$11,701,600."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 95, and agree to the same with an amendment, as follows:
"In lieu of the sum proposed, insert '$10,316,600.'"

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 97: Page 91, after line 21, insert:
"For general investigations, $300,000 to enable the Secretary of the Interior, through the Bureau of Reclamation, to carry on engineering and economic investigations of proposed Federal reclamation projects, surveys for reconstruction, rehabilitation, or extension of existing projects and studies of water conservation and development plans, such investigations, surveys, and studies to be carried on by said Bureau either independently, or, if deemed advisable by the Secretary of the Interior, in cooperation with State agencies and other Federal agencies, including the Corps of Engineers, National Resources Committee, and the Federal Power Commission."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 97 and agree to the same with an amendment as follows:
"In lieu of the sum named in said amendment, insert '$2,000.'"

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 98: Page 92, in line 15, strike out "$26,250,000" and insert in lieu thereof "$26,550,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON moves that the House recede from its disagreement to the amendment of the Senate no. 98 and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$26,450,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 121: On page 111, in line 18, insert:
"Fish hatchery for Glacier National Park: For acquisition, by the Secretary of the Interior, of such real property and rights therein in T. 28 N., R. 20 W., Montana meridian, as may be necessary for the establishment and operation of a fish hatchery for Glacier National Park, $16,500."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House insist upon its disagreement for the reason that it has recently developed that the Public Works Administration has made an allocation for this purpose, and this would simply be a duplication. I hold in my hand a letter from the administrative assistant to the Secretary, Mr. Burlew, saying that this appropriation is not now necessary.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma that the House insist upon its disagreement to the amendment of the Senate no. 121.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 123: Page 119, after line 21, insert:
"Appropriations herein made for the national parks, national monuments, and other reservations under the jurisdiction of the National Park Service, shall be available for the giving of educational lectures therein and for the services of field employees in cooperation with such nonprofit scientific and historical societies engaged in educational work in the various parks and monuments as the Secretary, in his discretion, may designate."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 123 and agree to the same.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. RICH. Has the gentleman or any member of his committee given thorough study to know what they are going to do through these lectures? Is the gentleman sure that this is not more Government propaganda for the Interior Department, an effort on their part to create sentiment in order to help them build up their organization even larger than it now is? Each year it requires more and more to conduct this Department of Government.

Mr. JOHNSON of Oklahoma. Answering my distinguished colleague, a member of the committee, I may say that this item has been carried in the bill for several years. This educational program is a very important one. The public appreciates it. It is not a propaganda program but one strictly of education, and I think it is very essential that it be continued.

Mr. RICH. Has the gentleman listened to some of the programs over the radio lately in reference to the national parks and reclamation?

Mr. JOHNSON of Oklahoma. I do not know that I have listened in the last few days but I have listened to some of them, and in my opinion they are very splendid, interesting, and educational programs.

Mr. RICH. Some are, I agree; but a great many seem to me to be building up the Department of the Interior in order to create sympathy for the work they are doing. In other words, propaganda. Some day it is going to cost this country millions of dollars to put through the program they have in mind in the Park Service and in the Interior Department.

Mr. JOHNSON of Oklahoma. I may say to the gentleman from Pennsylvania that their program is a very splendid, constructive, and educational program, one that will be for the benefit of the people of the United States who

visit the national parks. I hope the gentleman will not object.

Mr. RICH. I am not going to object, for objection from this side seems futile, but I say to the gentleman that the present administration of the Interior Department seems inclined to want more play and less work. This is a time when we need to get some work done in this country. The time has come when we should stop a lot of this playing. The time is here now when we must teach the people to work more and play less. This administration seems to think that the people should be kept by the Government instead of them supporting the Government. All play and no work will lead to ruin.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield for a question?

Mr. JOHNSON of Oklahoma. I yield.

Mr. FITZPATRICK. May I say to the gentleman from Pennsylvania that I doubt whether we have Federal employees who are more faithful to their work than are the employees of the National Park Service, and if the gentleman will visit the national parks he will see how they work.

Mr. RICH. The gentleman wants me to go out and play in the National Park Service?

Mr. FITZPATRICK. It is not play. It is work. I went into the national parks, not as a Member of the House, and they did not know who I was for 4 or 5 days. I saw their work going on and it is a credit to the country.

[Here the gavel fell.]

The SPEAKER. The question is on the motion offered by the gentleman from Oklahoma [Mr. JOHNSON].

The motion was agreed to.

The SPEAKER. The Clerk will report the next Senate amendment in disagreement.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that the House consider Senate amendment no. 125 before considering amendment no. 124 for the reason that the vote on amendment no. 125 might affect the amount as carried in amendment no. 124.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. RICH. Mr. Speaker, reserving the right to object, this will not interfere with our right to have an hour on the Natchez Trace Parkway?

Mr. JOHNSON of Oklahoma. No.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. The Clerk will report Senate amendment no. 125 in disagreement.

The Clerk read as follows:

Amendment no. 125: Page 121, line 20, strike out "*Provided*, That not exceeding $500,000 of this appropriation shall be available for construction of the Natchez Parkway", and insert in lieu thereof: "*Provided*, That $2,700,000 and any other sums received from other sources for said Natchez Trace Parkway shall be allotted and expended ratably between the States of Mississippi, Alabama, and Tennessee according to mileage of said parkway in each respective State."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 125, and agree to the same with an amendment as follows: "In lieu of the sum named in said amendment, insert '$1,500,000'."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 10 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, may I answer the gentleman from Mississippi [Mr. RANKIN] and say that not one mile of the Natchez Trace has ever been started. The gentleman says it has been going on for years, but not one mile has been started.

Mr. FORD of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Yes; if the gentleman will tell me of a mile that has been completed.

Mr. FORD of Mississippi. The gentleman said none of it had been started. May I correct the gentleman by stating they are working on it right now.

Mr. LAMBERTSON. Where?

Mr. FORD of Mississippi. Between Jackson, Miss., and Kosciusko.

Mr. RANKIN. Between Jackson and Natchez.

Mr. FORD of Mississippi. Between Jackson and Natchez; yes. The gentleman should take a trip down there and see for himself.

Mr. LAMBERTSON. I have information from the Park Service that they did not know of even one mile that has been started. I got it this week from the Park Service. If the gentleman has more information than they have, he is ahead of them.

Mr. FORD of Mississippi. I may tell the gentleman positively it has been started.

Mr. LAMBERTSON. Several miles have been constructed on the other road, but nothing in the Park Service records shows that even one mile of the Natchez Trace is under construction.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Yes; briefly.

Mr. RANKIN. They told the gentleman they had been getting this right-of-way all this time, did they not?

Mr. LAMBERTSON. Yes; but that is your State's concern. All you furnish is this cheap land.

Mr. RANKIN. The right-of-way; they had deeds to it.

Mr. LAMBERTSON. Yes; but the gentleman from Mississippi said it had been going on for a long while.

Mr. RANKIN. I said getting the right-of-way and getting ready for this highway.

Mr. LAMBERTSON. Oh, all right; getting it ready.

Mr. Speaker, the important thing about this matter is that it is an innovation. The $6,000,000 appropriated in this provision is nothing. The important thing is the innovation of having the Government furnish 100 percent of the funds for road construction. The principle is absolutely new. It is the first time in our history this has happened. The Skyline Drive and the Natchez Trace are the first instances of this kind, and they were authorized only last year. Emergency moneys gave birth to both of these propositions. The gentleman speaks about the National Park Service having started them. The Park Service had nothing to do with starting these projects, because they were started with emergency money, and then got their authorization afterward, a year ago. We never gave birth to them. The National Park Service never asked for either one of them. They were handed to the National Park Service and paid for out of emergency funds, which somebody was influential in having allotted.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Yes; briefly.

Mr. WHITTINGTON. Is it not true the Government has built the highways in all the parks west of the Mississippi?

Mr. LAMBERTSON. In the parks.

Mr. WHITTINGTON. Yes; and connected with the parks.

Mr. LAMBERTSON. In the parks. However, here the innovation is in building the highways outside the parks for the first time. While there is some justification under the pretext of connecting the Shenandoah Park with the Big Smoky Park in North Carolina, there is no scintilla of an excuse for building the Natchez Trace, because there is nothing at either end of the Natchez Trace—that is, a national park.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield further?

Mr. LAMBERTSON. Yes; I will yield briefly.

Mr. WHITTINGTON. In all fairness, now, have not the entrances to the national parks been constructed in the West at the expense of the Federal Government, which enables the very thing we are doing here?

Mr. LAMBERTSON. Only at entrances in a few instances and for short distances.

It will take $23,000,000 to finish this Trace road, but that is not the half of it. It will be that amount, all right. It will take $34,000,000 to finish this other drive. This highway is 430 miles long and this 490 miles long, or 950 miles altogether, which for the first time will have 100-percent Federal construction. What I am emphasizing is the innovation of putting the Government into the construction of highways on a 100-percent basis on the flimsy excuse of connecting national parks, when the last one does not even connect any two national parks.

Mr. BEVERLY M. VINCENT. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Yes.

Mr. BEVERLY M. VINCENT. If this is an innovation, the appropriation to the gentleman's State for relief from grasshoppers is also an innovation.

Mr. LAMBERTSON. That is not only for my State, and it is not new. It is for the Nation. There is nothing in my district or in my State of this kind which I have favored or for which I have ever gone before any committee. I have been on the Committee on Appropriations for 4 years, but I am not here to sell my self-respect or violate my oath for somebody's schemes just because I love him. We love the great chairman of the Ways and Means Committee whose business it is to start to raise the money for this Government, yet he fathers that great scheme, along with a very important member of the Appropriations Committee from Virginia, of putting us into an expenditure of $57,000,000 which this Congress did not authorize in either instance until after the project was started. Both of these projects were started with emergency funds. They are both illegitimate babies.

Mr. FORD of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Yes; I yield.

Mr. FORD of Mississippi. Does not the gentleman know that this Congress, on June 2, 1936——

Mr. LAMBERTSON. 1936; yes.

Mr. FORD of Mississippi. By a vote of 238 to 99, authorized this project, and is the gentleman going to set himself up in an arbitrary manner because he is a member of the Appropriations Committee and deny an expenditure which the Congress has authorized?

Mr. LAMBERTSON. If we spent money for all the things that are authorized, we would not be doing our duty over there, and if the gentleman were a member of the Appropriations Committee he would not vote for everything that is authorized.

Mr. FORD of Mississippi. Does not the gentleman realize that an authorization of Congress should mean something to him in connection with these matters?

Mr. LAMBERTSON. No one pays much attention to authorizations. If they did, there would be no use for appropriation committees. I want to say to the gentleman that you got your first money from emergency funds before you got the authorization.

Mr. FORD of Mississippi. Nevertheless, we got the authorization just the same.

Mr. LAMBERTSON. But you got your money from emergency funds before you got the authorization.

Mr. RANKIN. Oh, no.

Mr. LAMBERTON. Yes; you did. You had your emergency money from the President before you ever had any authorization. Then you came along and got your authorization and now you come back here and ask the Congress to finish this proposition that puts the Government into 100-percent road construction with an expenditure now of $23,000,000, with no parks at either end of the road. This shows how quickly you can forsake the pretense of a parkway, which was put into the Road Act of 1936 that authorized the parkway for the first time. This was put in by the other body, and it is just like a lot of other things started at the other end of the Capitol. This was started over there and the authorization in the Road Act for parkways started over there and came back here for a vote, and it was stated that there had to be a parkway at each end, but on the second jump you leave the parkway clear out of it and build the Natchez Trace without even a skunk run at either end of it.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. Yes; I yield.

Mr. RANKIN. The gentleman states that this was started without any authorization when, as a matter of fact, the bill was passed in 1934 authorizing the original survey.

Mr. LAMBERTSON. What became of that bill?

Mr. RANKIN. The bill passed and the President signed it. They went ahead and made a survey then and since that time, under that representation, these people have been giving deeds to the right-of-way.

Mr. LAMBERTSON. The survey did not pledge us. What was the authorization last year?

Mr. RANKIN. The authorization last year was for an appropriation, but the authorization for a survey was passed in 1934.

Mr. LAMBERTSON. The gentleman from Mississippi [Mr. FORD] was not talking about an appropriation; he was talking about an authorization; and if you got it before, why did you need a second authorization?

Mr. RANKIN. The authorization and the money appropriated for the survey were in 1934. They made the survey and these people have given title to their land for this right-of-way.

Mr. LAMBERTSON. That was your State's business solely. You got the money from emergency funds, before there was ever any authorization, and so did the Skyline Drive.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LAMBERTSON. I am making my own speech now. The gentleman has made his speech.

Another thing I want to impress upon you is with respect to the approach roads. There is an endless amount of approach roads authorized under these acts that can lead up to this particular road—the Skyline Drive. There is no limit, within 100 miles, with respect to any one of these approach roads. If you can get the money, you can do anything along this line with respect to the Skyline Drive. There is no limit to how many approach roads you can build, and they can all be built with 100 percent Federal money.

I notice this afternoon, and I say this with a kindly feeling, that every man in the South interested in these two propositions voted for the Big Thompson project out West, and everybody out there is going to vote for the Natchez Trace and the Skyline Drive this afternoon. All the Pacific coast boys are for it, and whenever we get into a big pork-barrel proposition like this we might as well throw the door of the Treasury open, kiss economy good-bye, and go home. [Laughter and applause.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Speaker, I want for the next 5 minutes to discuss this matter in a dispassionate manner and clearly upon its merits. I have the highest regard and greatest respect for my colleague on the other side who has just preceded me, the gentleman from Kansas [Mr. LAMBERTSON]. I have worked with him on this subcommittee for a month, and we have learned to know one another and, I think, to respect one another's ideas. I cannot, however, agree with his conclusions.

Naturally, coming from the West, and as far Northwest as I could, from the State of Washington, I see merit in Western projects. Probably I am somewhat prejudiced in favor of them, but I think I can make this assertion: Every man who voted for the Colorado project will have reason to be proud of it 5 or 10 years from now, and not to be ashamed of it. I am supporting the South in this project, and I am proud to support them. It has passed the point where it is a matter of policy with this Congress or with our committee as to whether we are going to proceed. The House expressed itself that it was going to spend $4,500,000 for the Blue Ridge Highway. The House excluded the Natchez Trace, and the Senate wrote in $2,700,000, and in conference we cut it to $1,500,000.

Mr. FORD of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. Yes.

Mr. FORD of Mississippi. The House agreed on $500,000 for the Natchez Trace.

Mr. LEAVY. I appreciate the correction. It is asserted that there is no reason to build a parkway in a region where you do not actually have a park, and it is asserted that this is an innovation. Until 1916 we had no National Park Service in this country. We have expanded that Service until now it costs millions of dollars, and most of the money goes to our West. We are glad that you gave the parks to us, but if we were not here to represent the West, and you people knew what we have there, you would still insist on maintaining and preserving our parks just as the gentleman from Illinois [Mr. DIRKSEN] indicated here this afternoon. In the East you do not have the natural scenic beauty that we have, and I mean no disrespect when I say that. You have a historical background that puts our country in the shadow. You have places that are more charming and attractive than those in this city if you will make the most of them. This program is just the beginning of giving to the people of the East, in a smaller way than we have it, the advantage of enjoying the natural beauty of this region and making for better American citizenship.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. Yes.

Mr. WHITTINGTON. Is it not true, so far as the national parks and the Grand Canyon are concerned, that for many miles roadways have been built entering them, at the expense of the Federal Government?

Mr. LEAVY. I am not in a position to answer that question.

Mr. WHITTINGTON. Those facts were developed in the hearings.

Mr. LEAVY. But I know that building this parkway is something that the people in the South and the East want, and to which they are entitled. This undertaking should be placed on a plane higher than the monetary return which it will produce tomorrow or next year or in future years.

This parkway will produce a better citizenship and result in human dividends that cannot be measured in dollars and cents. The crowded East is entitled to have some place to go and enjoy the greatest scenic beauty it affords, particularly the poorer people who cannot afford to travel across this Nation to our beautiful western parks. There is a historical background that goes with the territory traversed by this parkway that should be preserved and made available to all the people. Therefore, as a Representative from the far Northwest, I am glad to join with my friends from the South and the East, and to urge those from the North and the central part of the country to join with us and give the South this highway. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I am very much interested in the speech of my genial colleague from the State of Washington [Mr. LEAVY]. I have not known anything that he has started after since he has been a Member of Congress that he did not get. He is the best politician in the House of Representatives. Just watch my colleague from the State of Washington and see if within the next year he is not here trying to get a parkway constructed between some park in the State of Washington or Oregon down into California, 800 feet wide, a beautiful parkway drive.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. RICH. I shall have to.

Mr. LEAVY. First I want to ask the gentleman if he will not give me just an iota of credit for having some semblance of a statesman about me as well as a politician.

Mr. RICH. And no better fellow there is in the House of Representatives—a politician and statesman.

Mr. LEAVY. I say to the gentleman that if we were not blessed by Nature with the parks that we have and the roads we have, I would be asking—just as these gentlemen are and as the gentleman ought to in Pennsylvania—for an outlet for my people to enjoy Nature. [Applause.]

Mr. RICH. If we had nothing else to consider but to go out and spend public money and run the Treasury further into debt just to do something that the Members of Congress think would be nice, in order to beautify this country, I would say, "Yes; I think that is fine." I would not object to it at all. But I am telling you, you must use a little bit of common sense in our expenditure of Government funds.

DO NOT TRY TO DO EVERYTHING AT ONE TIME

When you remember that we are establishing a precedent in these two projects, of building a parkway from Mississippi up to Virginia that is going to cost over $100,000,000, and you are building this parkway 800 feet wide, you will come in here year after year asking the Federal Government not only to spend money on the upkeep of this parkway, but you will ask them to spend more money to beautify it according to the ideas of the members of the Park Service and Members of Congress. Now, there is nothing wrong about that, but how in the world are you going to finance all this? Where will you get the money?

Not only that, but you will find that the gentleman from Washington and the gentlemen from these other States are going to ask you to put into effect a park system of highways, get it entirely away from the Highway Department in this country, and that is the point I make. If you have a system of highways in this country under supervision of Highway Department and then permit the Park Service to come in and have the highways traverse the other highways, eventually this thing will be so complicated that it will be very difficult to administer. It will be top heavy. It will be hard to administer. You will have too many bureaus, and we should not permit that. You said you would not, so why do it?

That is the most important point about this whole business of national-park highways. We started this Doughton Highway from North Carolina up to Virginia. God bless Mr. DOUGHTON. There is not a finer fellow in the House. [Applause.] If it had not been for him you would not have built that highway. Now come FORD and RANKIN and HARRISON and a few of these men who are trying to run opposition and see who they will name this highway after from North Carolina to Mississippi. You cannot dislike them for that either, but if you start in there you will get the Park Service to construct highways between the different parks, and eventually we are going to be highway top-heavy. We should be careful. I think you should vote down this amendment this year, because you have said you are for economy, and yet are just voting every minute of the day millions of dollars. Here is a million and a half dollars you can save if you will vote right. Will you do it?

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. LAMBERTSON. I understand this is part of an ultimate highway from Buena Vista to Bennington, Vt.

Mr. RICH. I do not care whether it is from Buena Vista to Bennington or whether it is from Denver, Colo., to San Francisco and then back to New York. That is what I am afraid of. It is all wrong. The principle is wrong.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. WHITE of Idaho. Does not the gentleman think it would be of advantage to the whole Nation to have a good trunk highway built across the State of Pennsylvania so we could go through there without having accidents?

Mr. RICH. Oh, we have got three or four trunk highways now. It would be utter foolishness to build another one. We have good highways and we are building a system of highways by the highway department, but now you are coming in here and trying to take it away from the highway system and put it into the Park Service. It is entirely wrong. I tried to drive that into the gentleman's head awhile ago. I am sorry I could not do it. [Laughter and applause.]

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield to the gentleman from Illinois [Mr. DIRKSEN] such time as he may desire.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include some excerpts from the hearing on the bill S. 2681.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. McGEHEE].

Mr. McGEHEE. Mr. Speaker, my good friends from Kansas and Pennsylvania seem very much perturbed about a little appropriation that the States of Mississippi, Alabama, and Tennessee will participate in, in the event the House sees fit to pass this amendment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. Yes; I yield.

Mr. RICH. I will say that this amount of money we are spending in Mississippi is more than the State of Mississippi pays in Federal taxes.

Mr. McGEHEE. That may be true; but will the gentleman give the House information as to how much money his State of Pennsylvania has received in the past 4 years in proportion to what the State of Mississippi has received?

Mr. RICH. In proportion to population we have not received one-fiftieth as much as the State of Mississippi.

Mr. McGEHEE. I understand that one project in the gentleman's State has cost more than the amount received by two or three Southern States in the past 4 years.

I want to say, however, just what my State has done so far in carrying out the recommendation of this Congress when the authorization was made by it in 1934. It has been stated that this is the first appropriation asked for. In 1803 the Congress of the United States appropriated and spent several thousand dollars on the Natchez Trace. In 1806 they appropriated several thousand dollars more, which was spent in widening and blazing this trail from Nashville to Natchez so as to permit the people from the eastern part of this country to travel overland into the southern part of it. This Congress in 1934, as stated by my colleague from Mississippi, made an appropriation of some $50,000 to make a survey of this trace.

That survey was made, and when it was completed a report made, upon which the Congress, during the past session, authorized this appropriation for 1938–39.

What has my State done under and acting upon the authorization made by Congress? Last year the legislature voted that bonds be issued in the sum of several hundred thousands of dollars. These bonds have been sold and with the proceeds the rights-of-way have been purchased along this trace for several of its units. Some few weeks ago three contracts were let. I do not know that they have actually started work under the contracts as yet, but they have been let and work orders will be released at once by the Bureau of Roads, under whose supervision the trace will be constructed.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. McGEHEE. I yield.

Mr. WOLCOTT. Can the gentleman advise the House what proportion of the cost of constructing this highway is borne by the State of Mississippi?

Mr. McGEHEE. Nothing, only the furnishing of the right-of-way, as required by the authorization in the bill providing for the construction of the Natchez Trace Highway.

Mr. WOLCOTT. As a matter of fact, according to the original bill, this appropriation is for the purpose of giving the State of Mississippi this highway free without the State of Mississippi having to put up a cent, which is in contradistinction to the highway system which compels every State in the Union to put up dollar for dollar the money the Federal Government gives.

Mr. McGEHEE. It is not. This is a Federal parkway, established under the jurisdiction of the Department of the Interior. It will be constructed by the Federal Government, as is every other highway between parks.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield further?

Mr. McGEHEE. I have not the time.

Mr. WOLCOTT. I just wanted to find out how long this highway was.

Mr. McGEHEE. Opponents of this plan are trying to prejudice your minds against appropriating this money, saying the road will be 800 feet wide. The right-of-way has been secured for miles and miles already through my State for this parkway. It is true that the deeds call for an 800-foot right-of-way, but the roadway is being constructed only about the same width of other highways throughout this country. The owners of the land through which this parkway traverses reserve the right in their right-of-way conveyances of the use of the lands up to the drainage on each side of the roadbed for pasturing or otherwise. Insofar as the right-of-way proper is concerned, the usual width that is required in the construction of our highways would be all that is necessary, but in the construction of this parkway, the Government desires control and jurisdiction over the 800 feet required in the Department of the Interior for the purpose of keeping signs, advertisements, and other unsightly structures from being placed along it, thereby making the parkway attractive and alluring to the hundreds of thousands of people who will travel over it when completed.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, it will be recalled that we had a very bitter fight on the floor of this House last year, or year before last, in which we brought out the real purpose of these two parkways. Now, it is just nonsensical to imagine a parkway 977 miles long. That is the aggregate distance of these two parkways, one 500 miles and the other 477 miles. If you can imagine driving along a highway landscaped for 400 feet on either side for a distance of 977 miles, you have some conception of what this parkway is.

I charged at that time and I want to reiterate that the only purpose of establishing this so-called parkway was to get 977 miles of free highway for the States of North Carolina, Virginia, and Mississippi. I said at that time that I would not contribute to it and I did not think that any fair-minded Member of this House should contribute to it. I believe so now.

It has been stated that Pennsylvania has received a great deal of money for relief, but let me tell you this, that under the Highway Act, under which these trunk lines should be built, the State of Pennsylvania, as well as every other State in the Union, has to put up $1 for every dollar which is allocated to it for highway purposes by the Federal Government.

Let us be fair and honest about this situation. This appropriation is not for the creation of a parkway except as a subterfuge to get 977 miles of free highway in these States; and you Members who represent States in which you taxpayers have to put up dollar for dollar to match the Federal contribution cannot go back to your States with clear consciences after giving to the States of Mississippi, North Carolina, and Virginia, not $100,000,000, but an estimated one-third of all the money that was raised under the emergency tax bill of last year, or $200,000,000 to build 977 miles of free highway.

The inconsistency of this thing appeals to you undoubtedly. Last year we desired to raise $600,000,000 to balance the Federal Budget. In the same week that we passed the bill raising $600,000,000 through the corporate surplus tax, if you will remember, we started these two projects, eating up one-third of the money it was designed to raise under the tax bill to balance the Budget. How can you with a clear conscience go back to your taxpayers in Michigan, New York, California, and the other States and tell them we voted to give these States a free highway when your

citizens have to match dollar for dollar the Federal contribution for road construction?

Mr. LEAVY. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Washington.

Mr. LEAVY. It is a fact, is it not, that this highway will cross five States instead of three?

Mr. WOLCOTT. Make it 10 States. Make it any number of States.

Mr. LEAVY. The record of the hearings discloses that instead of being a highway 570 miles long it is a 550-mile highway that will cost a total of $60,000,000 instead of $200,000,000.

Mr. WOLCOTT. The gentleman does not infer, of course, knowing roadbuilding as he does, that we can build 977 miles of highway and parkway for that figure. The figure will be closer to $200,000,000.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. There is no estimate given at all as to the approach roads which may be built without limit. Is it not true that hearings were had by the House committee a year ago and the committee turned this down after full hearing and this was put on over in the Senate?

Mr. WOLCOTT. I hope you will believe me when I say this, because it is the truth: The only justification there is for building this Natchez Trace Highway is to commemorate the march of Andrew Jackson down to New Orleans. If you want to spend $100,000,000 of the people's money building a memorial to Andrew Jackson in this way, that is your responsibility.

Mr. RANKIN. Does not the gentleman think he is entitled to a memorial?

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Speaker, I admire the candor that prevails here this afternoon; in fact, I admire the brazenness with which the cooperation between the South and the West is admitted by the distinguished gentleman from Washington. It is a game of "You pat me and I'll pat you." I think he inquired when he was paid a compliment about the matter of being an adroit politician whether he might not be known also as a statesman. I want to remind him that in another body just recently some one said that a politician was a live one and that they were dead when they became statesmen.

May I say to the gentleman from Washington he is very much alive. He is much alive in the matter of admitting that he wanted that project in the West and by reason of the support that he received for that project in the West he was going to support this project in the South. "You give me and I will give you."

Mr. LEAVY. Will the gentleman yield?

Mr. DITTER. I referred to the gentleman and must of necessity yield to him.

Mr. LEAVY. I want to take the gentleman at his word in connection with the definition of "politician" and "statesman." May I ask the gentleman if his party does not represent a lot of statesmen at this time?

Mr. DITTER. I answer the gentleman by saying that the reference I just made came from one of the very distinguished, one of the liberal and one of the independent leaders of the gentleman's party, who bewailed the fact that probably there would be some dead statesmen in the offing in another body because of the threat of the present administration to punish those who refused to do its bidding.

Mr. Speaker, I have a distinct admiration for my friend the gentleman from Mississippi, who delights in telling us about electric rates. He always throws in the face of those who represent Pennsylvania the challenge to go back and tell the people how much they are paying for electricity. I want him when he goes into Pennsylvania next time bearing that banner about electricity and cheap power rates to tell the people of Pennsylvania how much they are paying for this free highway down in Mississippi. I want the gentleman to give us credit that while we probably pay some money for electricity we get something for it, and we do not get anything for this contribution, this benefaction, that we Pennsylvanians are giving to Mississippi.

Mr. RANKIN. Will the gentleman yield?

Mr. DITTER. In just a moment. I want to cite some figures. Someone said a moment ago, and I believe it was the gentleman's colleague from Mississippi, that we were getting a great deal in Pennsylvania, and that we received a great deal last year from the Federal Government.

Let us look at the figures. Let us look at the record. According to the record, Pennsylvania paid into the Federal Treasury last year $302,376,636.25. Pennsylvania got back $189,492,591.59.

Mr. RANKIN. Will the gentleman yield? He wants to be fair.

Mr. DITTER. I want to give the figures for Mississippi first. You will notice the fine balance in our favor. There is no deficit at all so far as Pennsylvania is concerned.

May I call the gentleman's attention to the condition that prevails, so far as the State of Mississippi is concerned, as shown by the Federal records? Mississippi paid in $2,630,483.48 and out of this all-bountiful Federal Treasury, out of this more abundant life, out of this combination between the splendid West, with its Rockies and all the other scenic beauties, and the grand and glorious South, you received $18,799,796.84. In other words, we are in the red, so far as Mississippi goes, to the extent of $16,000,000.

Mr. RANKIN. Will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Mississippi.

Mr. RANKIN. I will tell the gentleman from Pennsylvania where Pennsylvania got her money. She sold her iron, her steel, her coal, and aluminum to the rest of the country, and the rest of the country paid what the gentleman is claiming Pennsylvania paid into the Treasury.

Mr. DITTER. I did not yield for a speech. The gentleman is too eloquent for me to yield to him for a speech.

Mr. RANKIN. The gentleman suggested that I go back into Pennsylvania and investigate the power rates later. Thank God, you at last have a utilities commission in Pennsylvania under a Democratic administration that is trying to give the people of that State justice so far as electric-power rates are concerned. [Applause.]

Mr. DITTER. The newly created commission has just been born. It has hardly started to breathe. Many glittering promises have been made of what it will accomplish. We have heard a lot of Democratic promises. You have been long on promises but woefully lacking in performances. This grab which you are making on the Federal Treasury today is just another example of your glittering promises. Do you recall the promise of economy made just a few months ago by your party, a promise with so much supposed reality about it that several of your leaders contended with each as to the character of slashes that should be made in appropriations? I recall one of your distinguished members expressed fear that an economy hysteria might take hold here.

The country need not be alarmed that an economy hysteria will be present in this Congress. You men have the spending habit too well ingrained. You thrive on the philosophy of spendthrifts. It would appear that your chief purpose, your aim in life, is to emulate that prodigal son of the Biblical narrative, to spend your substance—no; not yours, but the taxpayers'—in a wild, riotous orgy of spending. And still you make promises of economy—promises to save.

I fear it will be much the same with this new commission. It can be said with certainty that if the general policies of the administration now in power in Pennsylvania are to be taken as a criterion, then I feel confident the people of Pennsylvania will find a most expensive, a most costly, a most extravagant commission on their hands. One thing can be promised with reasonable certainty: If this commission runs true to form, true to the form of the other agencies operating in Pennsylvania under State and Federal control, there will be plenty of jobs, plenty of sinecures, plenty of "pork" for the faithful.

Suggestion has been made that we enjoy in Pennsylvania the fruits of tariff protection given to the industries of the country in times past. That is a splendid tribute to the philosophy of a protective tariff. It is a rather severe indictment against the free-traders. Mark you, Pennsylvania is able to pay these magnificent sums into the Federal Treasury because of the industries of the Keystone State, which provide not only funds for the Federal Treasury but employment for thousands of workmen. And more important in this present issue these industries, the industries of Pennsylvania provide the funds for this gift which you are seeking for the benefit of Mississippi.

On behalf of the taxpayers of Pennsylvania, on behalf of the workingmen of that State whose taxes come from the sweat of their brow, I voice a vehement objection to this pork-barrel program for the South.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, we are faced with the question of whether or not the United States Congress will today go on record for the continuation of a program of taking funds out of the Federal Treasury to pay the entire cost of highways in one part of the country and in another part of the country pay at least half the cost.

I know we all like to get things for our part of the country. I know we like to have things in our own part of the country. But let us be fair. Let us be fair with our own taxpayers and let us be fair with the taxpayers of other States, and do to them what we would want to have done to us.

Mr. FORD of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. FORD of Mississippi. Does the gentleman oppose the $3,000,000 appropriation for the New York World's Fair?

Mr. TABER. Certainly.

Mr. FORD of Mississippi. I did not hear the gentleman on the floor opposing it.

Mr. TABER. Perhaps not; but that does not mean I was not opposed to it. The matter has not gone through. There has been no appropriation, and there has been no estimate from the Budget. If there were to be $3,000,000 appropriated for the New York World's Fair, it would be just the same thing that has been done for Texas, for California, for Philadelphia, and for other parts of the country, and the same thing that has been done with respect to many large items in the State of Mississippi.

Mr. FORD of Mississippi. With reference to these parkways, does not the gentleman know many miles of the parkway have been constructed in many other States of the country besides these for which we are now seeking an appropriation?

Mr. TABER. None at all outside the national parks. These two items are the first. They are the trail blazers. We ought to put our stamp of disapproval upon appropriating Federal funds beyond the Budget for this sort of thing. I do not believe it will be possible for this country ever to work out of the present financial situation if we continue to make such appropriations.

Let me give just a figure or two. The expenditures of the Federal Government last year were $9,100,000,000, $200,000,000 more than they were in 1936, when we paid the bonus. Appropriations of money to be spent in 1938, including what is in this bill, already run $9,300,000,000, and before we adjourn this Congress it will be $9,500,000,000. We must stop this policy of paying out money for things which are unusual and on which the Government has not heretofore embarked. I hope the House will today set its face in the right direction and refuse to go ahead and appropriate money beyond and without Budget estimates for items which are of an unusual and unprecedented character. If we do not begin to economize, we shall never get anywhere.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes; I yield to the gentleman from Mississippi.

Mr. RANKIN. May I say to the gentleman from New York that I voted for his appropriation for the world's fair, and I would do the same thing again under the same circumstances. But now, while the gentleman is making a mountain out of a molehill——

Mr. TABER. Is it a molehill to establish the precedent of appropriating $100,000,000 for something, and starting along a path down which we have never before traveled?

Mr. RANKIN. I was talking about the world's fair.

Mr. TABER. If we get into this sort of thing and go along with it, it is a pretty good-sized molehill.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. FORD].

Mr. FORD of Mississippi. Mr. Speaker, the Congress of the United States during the month of June in 1936 authorized the appropriation of $10,000,000 to be used in the construction of the Blue Ridge Parkway in the States of Virginia and North Carolina and the Natchez Trace Parkway in the States of Mississippi, Alabama, and Tennessee. The House approved the authorization on June 2 by a record vote of 238 to 99. The gentleman from Michigan [Mr. WOLCOTT] at that time opposed it very strenuously. He now would have you say, "Although Congress has heretofore taken favorable action on this proposition, we are going to deny you the sum you seek because he does not believe in it."

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. FORD of Mississippi. I decline to yield at this time.

Mr. Speaker, the people of Mississippi, Alabama, and Tennessee have not had as large a relief load as States like Pennsylvania, Michigan, and many other States have had, and they have not had the benefit of the great amounts which have been poured into such States for that purpose. The Natchez Trace Parkway is worthy of your sympathetic consideration. The Congress believed in it in 1936. The only monument we will have, when this spending spree is over, to show the people of the country that we have something worth while out of the relief appropriations is this one. We secured an allotment of $1,500,000 last year from the relief appropriation. Three contracts have been let to begin the construction work on this great project. When the Committee on Appropriations had this bill under consideration there was testimony before the committee that we actually needed $3,000,000 to go ahead with the construction work. The State of Mississippi is doing its part by furnishing the necessary rights-of-way.

Mr. WHITTINGTON. Mr. Speaker, will my colleague yield?

Mr. FORD of Mississippi. I am pleased to yield to my colleague from Mississippi.

Mr. WHITTINGTON. May I remind the gentleman that the gentleman from Kansas [Mr. LAMBERTSON] made the statement that no Federal highways had been constructed outside of national parks, and he declined to be corrected. I have just called the Assistant Director of the National Park Service, and he has given me the information that the Federal Government has constructed, at Federal expense, approximately 100 miles of highway outside Yellowstone Park, 83 miles outside the Grand Canyon Park, 60 miles between Fresno and the Yosemite National Park, and some 8.72 miles outside of the Wind Cave Park, S. Dak., said roads having been constructed as entrances to said parks. They are outside the parks and do not connect national parks. It is my recollection that other roads as entrances to other parks have been constructed by the Federal Government.

Mr. FORD of Mississippi. I thank my colleague.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. FORD of Mississippi. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. May I say to the gentleman that as a member of the subcommittee of the Committee on Appropriations which has to do with appropriations for the National Park Service, I have never heard of a mile of such roads.

Mr. WHITTINGTON. That is not my responsibility. The National Park Service advised the Committee on Roads, of which I am a member, as shown by the published hearings at the time the Blue Ridge and Natchez Trace authorizations were passed, that such roads as entrances had been constructed, and then I corrected the gentleman's erroneous statement that no roads outside of parks had been constructed by the Government.

Mr. LAMBERTSON. It was absolutely without any authorization.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. FORD of Mississippi. I yield.

Mr. HOUSTON. Was not the first authorization for a project outside of national parks authorized in 1931?

Mr. FORD of Mississippi. The first authorization was in 1934 for a survey.

Mr. HOUSTON. I understand that, but a similar project outside of a national park was authorized first in 1931.

Mr. FORD of Mississippi. Yes.

Mr. WHITTINGTON. And prior thereto and since then many miles of roads have been built outside of parks.

Mr. HOUSTON. If the gentleman will yield for a further question, I am a little bit bothered and would like to know if the two Senators from Mississippi are together on this proposition.

Mr. FORD of Mississippi. I think I can assure the gentleman of that.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. FORD of Mississippi. I yield to the gentleman from Alabama.

Mr. SPARKMAN. The gentleman from Kansas [Mr. LAMBERTSON] stated that the Park Service has said nothing had been done on this project. I simply want to call the gentleman's attention to the testimony of Mr. Demaray of the National Park Service, given on June 22, before the Senate subcommittee, in which he stated that contracts had been let on two parks, and the third contract was advertised on June 19, and was ready for letting, and that the three contracts amounted to $936,000 in the State of Mississippi.

Mr. FORD of Mississippi. And I may say to my colleague from Alabama that the third contract has been let. This contract was let on the 19th day of June, since Mr. Demaray testified before the Senate committee.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 additional minutes to the gentleman from Mississippi.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. FORD of Mississippi. I do not have the time.

Mr. Speaker, since the testimony before the subcommittee of the Appropriations Committee of the House clearly shows that Mississippi had gone forward and secured the necessary rights-of-way for the construction of this highway, and that the State of Alabama and the State of Tennessee have taken proper steps to begin securing the necessary rights-of-way, I hope the membership of this House will vote for this appropriation. There was ample testimony that we could spend much more than $1,500,000 to carry on the construction work for the next fiscal year and this amendment only calls for $1,500,000. Surely, this Congress will not let two or three men who are opposed to this proposition set themselves up higher than the House or the Congress when the project has been authorized and authorized by a record vote of this Congress last year. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, I asked for this time in order to answer as best I may, the repeated assertion, which has been voiced here in this debate by the distinguished gentleman from Pennsylvania [Mr. DITTER]. He is a fine Representative, a perfectly honorable man who no doubt has quoted correctly the figures. But the fallacy at the root of his argument completely overturns the honest figures which he gave.

I wonder if the gentleman from the State which "Pittsburgh stogies" have partially made famous, or infamous, realizes that the people of Mississippi smoke those stogies and pay the tax, the stamps for which are bought in Pennsylvania? Pennsylvanians buy those stamps with money furnished in large part by all the rest of us, and yet claim to have paid the total tax into the Federal Treasury. We smoke a darned sight more of them than BILL DITTER ever did!

We folk down our way cannot afford the rich cigars which the gentleman from Pennsylvania or his friends mouth so tastefully.

Similarly, the income-tax payments of Pennsylvania are high because of the iniquitous protective-tariff wall, behind which they do business and prosper. The tariff has always operated like a vacuum cleaner, sucking every dollar we could get down our way out of our pockets and into theirs; and as long as they have that protection and the intelligence to operate the system, God bless them, they will continue to pay a preponderant income tax when compared to Mississippi. [Applause.]

The old "Pittsburgh plus" racket gave Pennsylvania the steel capital of the Nation and levied streams of tribute from every other State to enrich her favored citizens. The unfair preference given "official territory", of which Pennsylvania is a part, has enriched her by millions more.

Illustrations of the fallacious character of any argument based on such figures might be multiplied, but "A word to the wise is sufficient." No one, not even the eloquent and persuasive gentleman from Pennsylvania, can get credit here or elsewhere, if people think, for tax payments made with other people's money. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move the previous question on the motion to recede and concur in the Senate amendment with an amendment.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma to recede and concur in the Senate amendment with an amendment.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 117, noes 61.

Mr. TABER. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-two Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 204, nays 137, not voting 90, as follows:

[Roll No. 120]

YEAS—204

Allen, La.	Crowe	Gingery	Kocialkowski
Allen, Pa.	Cullen	Green	Kramer
Anderson, Mo.	Cummings	Greever	Lanzetta
Arnold	Curley	Gregory	Larrabee
Atkinson	Deen	Griffith	Lea
Barry	Delaney	Hamilton	Leavy
Beam	Dempsey	Hancock, N. C.	Lesinski
Bell	DeMuth	Hart	Lewis, Colo.
Bigelow	DeRouen	Harter	Long
Bland	Dies	Havenner	Luecke, Mich.
Bloom	Dingell	Hendricks	McFarlane
Boland, Pa.	Disney	Hildebrandt	McGehee
Boren	Dockweiler	Hill, Okla.	McGrath
Boykin	Doughton	Hill, Wash.	McReynolds
Brooks	Doxey	Hobbs	McSweeney
Brown	Dunn	Honeyman	Magnuson
Buck	Eckert	Hook	Mahon, S. C.
Bulwinkle	Edmiston	Izac	Mahon, Tex.
Burch	Elliott	Jacobsen	Maloney
Burdick	Englebright	Jarman	Mansfield
Cartwright	Evans	Jenckes, Ind.	Martin, Colo.
Chapman	Faddis	Johnson, Luther A.	Maverick
Clark, Idaho	Ferguson	Johnson, Okla.	Mead
Clark, N. C.	Fitzpatrick	Johnson, W. Va.	Merritt
Claypool	Flannagan	Jones	Miller
Coffee, Wash.	Flannery	Kee	Mills
Colden	Forand	Keller	Mitchell, Tenn.
Cole, Md.	Ford, Calif.	Kelly, Ill.	Moser, Pa.
Collins	Ford, Miss.	Kelly, N. Y.	Mouton
Colmer	Gambrill	Kennedy, Md.	Murdock, Ariz.
Cooper	Garrett	Kennedy, N. Y.	Murdock, Utah
Cox	Gasque	Keogh	Nelson
Cravens	Gavagan	Kerr	Norton
Crosser	Gildea	Kitchens	O'Connell, Mont.

O'Connor, Mont.	Rabaut	Smith, Va.	Umstead
O'Connor, N. Y.	Ramspeck	Smith, Wash.	Vincent, B. M.
O'Day	Randolph	Snyder, Pa.	Vinson, Fred M.
O'Leary	Rankin	Sparkman	Voorhis
O'Toole	Reece, Tenn.	Spence	Wallgren
Owen	Richards	Steagall	Walter
Pace	Robertson	Sutphin	Warren
Palmisano	Robinson, Utah	Swope	Wearin
Patman	Romjue	Taylor, Tenn.	Weaver
Patrick	Sadowski	Terry	Wene
Patton	Sanders	Thom	West
Pearson	Scott	Thomas, Tex.	Wheichel
Peterson, Fla.	Scrugham	Thomason, Tex.	White, Idaho
Peterson, Ga.	Secrest	Thompson, Ill.	Whittington
Phillips	Shanley	Tolan	Wilcox
Pierce	Shannon	Transue	Woodrum
Poage	Sheppard	Turner	Zimmerman

NAYS—137

Aleshire	Dowell	Lord	Rogers, Okla.
Allen, Ill.	Eberharter	Lucas	Rutherford
Amlie	Eicher	Luce	Sacks
Andresen, Minn.	Engel	Luckey, Nebr.	Sauthoff
Andrews	Fitzgerald	Ludlow	Schaefer, Ill.
Arends	Fletcher	McAndrews	Schneider, Wis.
Ashbrook	Frey, Pa.	McCormick	Schulte
Bacon	Gearhart	McKeough	Seger
Barden	Gehrmann	McLean	Simpson
Bates	Goldsborough	Mapes	Smith, Conn.
Beiter	Griswold	Martin, Mass.	Smith, Maine
Biermann	Guyer	Massingale	Snell
Binderup	Gwynne	May	South
Boileau	Halleck	Michener	Stefan
Boyer	Harrington	Millard	Taber
Carlson	Hartley	Mott	Tarver
Carter	Healey	Nichols	Thomas, N. J.
Casey, Mass.	Higgins	O'Brien, Ill.	Thurston
Champion	Hope	O'Brien, Mich.	Tinkham
Church	Houston	O'Connell, R. I.	Tobey
Citron	Hull	O'Neal, Ky.	Towey
Clason	Hunter	O'Neill, N. J.	Treadway
Cluett	Jarrett	Oliver	Vinson, Ga.
Cochran	Jenkins, Ohio	Patterson	Welch
Cole, N. Y.	Jenks, N. H.	Pettengill	White, Ohio
Cooley	Johnson, Minn.	Polk	Wigglesworth
Costello	Kenney	Powers	Williams
Crawford	Kinzer	Ramsay	Withrow
Crowther	Kirwan	Reed, Ill.	Wolcott
Daly	Knutson	Rees, Kans.	Wolfenden
Dirksen	Kvale	Reilly	Wolverton
Ditter	Lambertson	Rich	Woodruff
Dixon	Lamneck	Rigney	
Dondero	Lanham	Robsion, Ky.	
Dorsey	Lewis, Md.	Rogers, Mass.	

NOT VOTING—90

Allen, Del.	Driver	Imhoff	Quinn
Bernard	Duncan	Johnson, Lyndon	Rayburn
Boehne	Eaton	Kleberg	Reed, N. Y.
Boylan, N. Y.	Ellenbogen	Kloeb	Ryan
Bradley	Farley	Kniffin	Sabath
Brewster	Fernandez	Kopplemann	Schuetz
Buckler, Minn.	Fish	Lambeth	Shafer, Mich.
Buckley, N. Y.	Fleger	Lemke	Short
Byrne	Fries, Ill.	McClellan	Sirovich
Caldwell	Fuller	McGranery	Smith, W. Va.
Cannon, Mo.	Fulmer	McGroarty	Somers, N. Y.
Cannon, Wis.	Gifford	McLaughlin	Stack
Case, S. Dak.	Gilchrist	McMillan	Starnes
Celler	Gray, Ind.	Maas	Sullivan
Chandler	Gray, Pa.	Mason	Sumners, Tex.
Coffee, Nebr.	Greenwood	Meeks	Sweeney
Creal	Haines	Mitchell, Ill.	Taylor, Colo.
Crosby	Hancock, N. Y.	Mosier, Ohio	Taylor, S. C.
Culkin	Harlan	O'Malley	Teigan
Dickstein	Hennings	Parsons	Wadsworth
Douglas	Hill, Ala.	Peyser	Wood
Drew, Pa.	Hoffman	Pfeifer	
Drewry, Va.	Holmes	Plumley	

So the motion to recede and concur in the amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Sullivan (for) with Mr. Short (against).
Mr. Meeks (for) with Mr. Gilchrist (against).
Mr. Pfeifer (for) with Mr. Culkin (against).
Mr. Teigan (for) with Mr. Holmes (against).
Mr. Boylan of New York (for) with Mr. Plumley (against).
Mr. Sirovich (for) with Mr. Reed of New York (against).
Mr. Byrne (for) with Mr. Gifford (against).
Mr. Drewry of Virginia (for) with Mr. Eaton (against).
Mr. Fries of Illinois (for) with Mr. Mason (against).
Mr. Hill of Alabama (for) with Mr. Maas (against).
Mr. Schuetz (for) with Mr. Fish (against).
Mr. Hennings (for) with Mr. Douglas (against).

Additional general pairs:

Mr. Parsons with Mr. Wadsworth.
Mr. Rayburn with Mr. Case of South Dakota.
Mr. Fulmer with Mr. Hoffman.
Mr. McCormack with Mr. Ellenbogen.
Mr. Sabath with Mr. Haines.
Mr. Harlan with Mr. O'Malley.
Mr. Driver with Mr. Quinn.
Mr. Celler with Mr. Kniffin.
Mr. Kleberg with Mr. Gray of Indiana.
Mr. McClellan with Mr. Kelly of New York.
Mr. Somers of New York with Mr. Chandler.
Mr. Imhoff with Mr. Buckler of Minnesota.
Mr. Coffee of Nebraska with Mr. Drew of Pennsylvania.
Mr. McLaughlin with Mr. Bradley.
Mr. Sumners of Texas with Mr. Caldwell.
Mr. Farley with Mr. Wood.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 124: Page 121, line 18, after the word "expended", strike out "$5,000,000" and insert in lieu thereof "$7,200,000."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 124 and concur in the same with an amendment, as follows: In lieu of the sum proposed insert "$6,000,000."

The SPEAKER. The question is on agreeing to the motion to recede and concur in the Senate amendment with an amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 129: Page 124, after line 21, insert "per-diem employees at rates of pay approved by the Director not exceeding current rates for similar services in the District of Columbia, the hire of draft animals with or without drivers at local rates approved by the Director, traveling expenses and carfare, and leather and rubber articles for the protection of public property and employees."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 132: Page 135, after line 18, insert:
"For defraying the deficits in the treasuries of the municipal governments because of the excess of current expenses over current revenues for the fiscal year 1938, municipality of St. Thomas and St. John, $60,000, and municipality of St. Croix, $50,000; in all, $110,000, to be paid to the said treasuries in monthly installments."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. LANHAM. Mr. Speaker, I recall that when this matter was presented to the House in the House bill, a point of order was sustained to it upon the ground that there is no authority in law for the payment by the Federal Government of the United States of municipal deficits of the cities in the Virgin Islands. What authority is there for such an appropriation and what reason is there for such an appropriation any more than for a Federal appropriation to meet a deficit in a municipality within our own borders?

Mr. JOHNSON of Oklahoma. The gentleman is correct in that there is no specific authority for this appropriation, but these islands are our possessions and we are morally responsible for the general welfare of the people who inhabit them. The gentleman, of course, knows their desperate financial situation, and I say to the gentleman that this appropriation is much less than it has been in the past. Mr. Burlew, Administrative Assistant to the Secretary of the Interior, appeared before the Senate committee and made a very illuminating statement with reference to the matter, which I should be glad to read into the RECORD, if necessary, and he assured the committee that within a reasonably short time, I believe he said a year, it would be possible to eliminate this appropriation.

Mr. LANHAM. Does the gentleman think that by reason of the fact that a municipality either within or without our continental borders is in serious financial straits is any reason for the Congress of the United States, without legislative authority, to appropriate the money of the taxpayers to pay its deficits?

Mr. JOHNSON of Oklahoma. This territorial possession is in a somewhat different status than the average municipality in that its geographical location makes it impossible for the residents to engage in a variety of business activities which would enable them to take care of themselves.

Mr. LANHAM. What is the reason for their financial straits? Of course other cities in the United States proper are in financial straits, and are in receipt of relief appropriations, and they cannot match the money that is furnished by the Federal Government. They are not sui generis in these municipalities in the Virgin Islands from the standpoint of being in sore financial straits; so why should we, without legislative authority, appropriate for deficits for those municipalities any more than we should appropriate for the deficits of municipalities within 1 of the 48 States?

Mr. JOHNSON of Oklahoma. Mr. Speaker, I appreciate the force of the gentleman's argument. Possibly the acquisition of the islands was not good financial investment for the United States; but we have them, and they are several hundred miles away from any business activity. They do not have the opportunity to engage in business that other cities have, and it is absolutely necessary for us to provide this appropriation for them.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. RICH. I might say to my colleague from Texas [Mr. LANHAM] that we expended from P. W. A. funds in the Virgin Islands last year $562,000, $22.50 per capita. The Federal Government spent for a Federal hotel $91,000—putting the Government into the hotel business.

The Federal Government spent last year for P. W. A. over $2,000,000 for the Virgin Island Co., and it spent under F. E. R. A. over $350,000 for the same company. It loaned to them $170,000 for a rum plant, with the stockholders being the Federal Government. All you have got down there for your money is 200,000 gallons of rum. You have 3,800 tons of sugar. They are spending money down there for these people to manufacture rum, but this is the worst part of it: You are paying the people of the Virgin Islands 60 cents a day for labor during the cultivating season and you are paying the same people 80 cents a day during the grinding season for the manufacture of rum to compete with our distillers, and you expect them to pay four or five dollars a day. Somebody is crazy, who is operating a plant like that. Think of trying to run our own distillers out of business.

Mr. Speaker, I think if we are to get these municipalities on their feet, we should see that they are paying wages that would compare with the wages that are being paid to American laborers, American men who have to pay these taxes. The gentleman from Texas [Mr. LANHAM] is right. It is ridiculous to think that the Federal Government would go down there and pay the deficit. There is no rhyme or reason to that kind of a proposition.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. RICH. Yes; I yield.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I thought I had the floor.

Mr. LANHAM. Passing aside the rum part of it, because I am also interested in economy in these expenditures——

Mr. RICH. And you are interested in making rum, too. [Laughter and applause.]

Mr. LANHAM. Then for what purpose was the deficit incurred?

Mr. RICH. That is what I want to know. [Laughter.] I want to know that, too. They ought to have a surplus. They ought to be able to conduct the affairs of their country.

Mr. THOMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. THOMPSON of Illinois. Can the gentleman from Oklahoma tell the House whether or not the Secretary of the Interior exercises complete control over the municipalities in the Virgin Islands, or is there an element of self-government there?

Mr. JOHNSON of Oklahoma. It is my understanding that the Secretary of the Interior, through the Governor, has general control over the islands.

Mr. THOMPSON of Illinois. And therefore the indebtedness is chargeable to him, under his supervision?

Mr. JOHNSON of Oklahoma. Of course, they have their own local municipal self-government.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. McCORMACK. Will the gentleman advise the House why we should appropriate money to pay the deficit of a city in the Virgin Islands?

Mr. JOHNSON of Oklahoma. I attempted to answer that question when the gentleman from Texas [Mr. LANHAM] asked it. The people of the Virgin Islands are not in good financial circumstances. The fact the gentleman from Pennsylvania [Mr. RICH] recited that the Federal Government had to spend so much money down there for relief is additional evidence of the poor financial condition of the islands.

Mr. McCORMACK. Is there any reason aside from that? My city has a tax allowance of $38.70.

Mr. JOHNSON of Oklahoma. Congress has been appropriating funds for defraying the deficits in the municipal governments of the Virgin Islands ever since they were taken over by this country in 1917. In 1933 the deficits amounted to $236,000. As the islands have become more prosperous the deficits have decreased and the pending amendment proposes an appropriation of $110,000. The statement is made in the Senate hearings, page 33, by Mr. Burlew that there will be no deficits there in a year or so. I hope that statement is correct.

Mr. McCORMACK. But I would like to know.

Mr. COLLINS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. COLLINS. The budget for these municipalities in the Virgin Islands is made up prior to the beginning of the fiscal year. Estimates of expenditures as well as of taxes from all sources are made. After that is completed it is estimated as to what would be necessary for the Federal contribution. In this particular case, as I understand, it is estimated to be at this time about $110,000. If some person dies and leaves a large estate, that tax will be applied and will be taken off of the estimated $110,000 appropriated in this instance. In other words, every penny of taxes that it is possible to collect will be collected and applied upon the administration of the municipalities. Whatever deficit there is, and it is usually small and it is going down all the time, is made up by the Federal Government.

Mr. McCORMACK. Has this been the general practice?

Mr. COLLINS. This has been the practice ever since we have been in possession of the Virgin Islands. The municipalities cannot operate unless the Federal Government contributes a small amount.

Mr. McCORMACK. In other words, what we are doing is not establishing a precedent?

Mr. COLLINS. No.

Mr. McCORMACK. I have great respect for the views of the gentleman from Mississippi on matters of this kind by reason of his many years on the Appropriations Committee. The gentleman from Mississippi is satisfied that this is all right?

Mr. COLLINS. Absolutely. These islands cannot operate unless the municipalities of St. Thomas and St. Croix have the right to expend a certain amount of Federal funds to supplement the funds which they receive by taxation.

Mr. JOHNSON of Oklahoma. I might also add that the deficit is gradually being diminished. As I have said, in 1933 it was $236,000.

Mr. COLLINS. Now it is around $110,000.

The SPEAKER. The question is on the motion to recede and concur.

The question was taken; and on a division (demanded by Mr. SNELL) there were—ayes 101, noes 21.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 133: Page 142, after line 3, insert:
"SEC. 3. The appropriations and authority with respect to appropriations contained herein shall be available from and including July 1, 1937, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between July 1, 1937, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur with an amendment.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 133 and agree to the same with an amendment, as follows: In line 5 of said amendment, strike out the date "July 1" and insert "June 30."

Mr. JOHNSON of Oklahoma. Mr. Speaker, the purpose of this amendment is obvious. As is very well known, this bill should have been passed and signed before July 1, but because of some unfortunate circumstances we were unable to do so. This simply makes it retroactive to July 1.

The SPEAKER. The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 134: Page 142, line 12, change the section figure "3" to figure "4."

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to recede and concur.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that the House recede from its disagreement to the amendment of the Senate no. 134 and agree to the same.

The motion was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move to reconsider the vote by which action was taken on the several amendments in disagreement and lay that motion on the table.

The motion was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I move that the House request a further conference with the Senate on the disagreeing votes of the two Houses on the bill H. R. 6958, the Interior Department appropriation bill, 1938.

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees: Messrs. JOHNSON of Oklahoma, SCRUGHAM, O'NEAL of Kentucky, FITZPATRICK, LEAVY, RICH, and LAMBERTSON.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate having proceeded to reconsider the bill, H. R. 6763, "An act to extend for 1 additional year the 3½-percent interest rate on certain Federal land-bank loans, to provide a 4-percent interest rate on such loans for the period July 1, 1938, to June 30, 1939, and to provide for a 4-percent interest rate on land-bank commissioner's loans for a period of 2 years", returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and passed by the House on a reconsideration of the same, it was,

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 455) entitled "An act for the relief of J. R. Collie and Eleanor Y. Collie."

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1067. An act for the relief of Asa J. Hunter; and

S. 1284. An act to change the name of the Chemical Warfare Service.

CIVIL WAR PENSIONS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7896) granting pensions to certain soldiers of the Civil War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of William H. Jones, late of Capt. John R. Curry's Company D, South Cumberland Battalion Kentucky State Troops, and pay him a pension at the rate of $50 per month.

The name of Alfred Daugherty, late of Capt. Richard F. Taylor's Company C, Middle Green River Battalion Kentucky State Troops, and pay him a pension at the rate of $50 per month.

The name of Milton McNabb, alias Milton McNab, late of Capt. Henry Bucksath's Company G, Thirty-fifth Regiment Enrolled Missouri Militia, and pay him a pension at the rate of $50 per month.

The name of Joseph Thompson, late of Capt. Isaac D. Hon's Company K, Sixty-ninth Regiment Enrolled Missouri Militia, and pay him a pension at the rate of $50 per month.

The name of Jesse E. Lampkin, late of Capt. James M. Dennis' company of Osage and Maries Counties Volunteer Missouri Militia, and pay him a pension at the rate of $50 per month.

The name of Andrew J. White, late of Capt. Richard F. Taylor's company, Middle Green River Battalion Kentucky State Troops, and pay him a pension at the rate of $50 per month.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASE OF PENSIONS TO CERTAIN WIDOWS AND FORMER WIDOWS OF SOLDIERS AND SAILORS OF THE CIVIL WAR

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7897) granting increase of pensions to certain widows and former widows of soldiers and sailors of the Civil War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Mary A. Warman, former widow of Alvin V. Reynolds, late of Company C, Seventy-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha J. Blacketer, widow of George H. Blacketer, late of Company K, Fourth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy A. Scott, widow of Henry W. Scott, late of Company H, Fourth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mildred C. Sexton, widow of John F. Sexton, late of Company L, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sallie Miller, widow of Nathan Miller, late of Company E, One Hundred and Twenty-fifth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Cora A. Townsend, widow of Hiram L. Townsend, late of Company D, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret Vandresar, widow of Richard B. Vandresar, late of Company G, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Etta L. Tifft, widow of James H. Tifft, late of Company E, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella E. Terryll, widow of John C. Terryll, late of Company D, Eleventh Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Starkweather, widow of Warren H. Starkweather, late of Company H, Ninety-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kate Riker, widow of Charles E. Riker, late of Company D, One Hundred and Ninety-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Henrietta M. Peavey, widow of George S. Peavey, late of Company B, One Hundred and Eighty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza Pickard, former widow of Frederick Wieber, late of Company A, One Hundred and Fifty-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret J. Merrill, widow of George Merrill, late of Company A, Fiftieth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary H. Ackley, widow of William P. Ackley, late of Company B, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emogene Allen, widow of Alonzo Allen, late of Company M, Fifth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice W. Butts, widow of Daniel D. Butts, late of Company D, One Hundred and Eighty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ida Bloss, widow of Jotham Bloss, late of Company K, One Hundred and Eleventh Regiment New York Volunteer Infantry, and Company D, Fourth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eunice A. Collins, widow of Franklin A. Collins, late of Company M, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Selena M. Combs, widow of John Combs, late of Company M, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna M. Curtis, widow of Horatio O. Curtis, late of Company D, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Delane, widow of David Delane, late of Company F, Ninety-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna M. Dennison, widow of Edward Dennison, late of the United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Addie M. Eggleston, widow of Charles Eggleston, late of Company M, Eighteenth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy Fish, widow of Orville Fish, late unassigned, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jane M. French, widow of Edwin Y. French, late of Company C, Sixty-first Regiment New York Volunteer Infantry, and hospital steward, United States Army, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Grunert, widow of Henry C. Grunert, late a second lieutenant, Company F, One Hundred and Eighty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ann J. Gregg, widow of Daniel Gregg, late of Company B, Thirty-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella A. Hart, widow of Charles H. Hart, late of Company K, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary W. Hannaford, widow of Lyman B. Hannaford, late of Company D, One Hundred and Third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Etta A. Johnson, widow of Myron Johnson, late of Company L, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura Joles, widow of William A. Joles, late of Company G, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Erzelia A. Lackey, widow of Moses H. Lackey, late of Company E, First Regiment Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. McNeil, widow of Robert McNeil, late of Company C, One Hundred and Eighty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Miranda C. Thompson, widow of William W. Thompson, late of Company B, Sixteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie E. Puller, widow of Adelbert H. Puller, late of Company E, Second Regiment New York Veteran Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret V. Bess, widow of Alexander Bess, late of Company F, One Hundred and Ninety-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susie Coffe, former widow of James Hendrake, late of Company G, Sixth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria Loran, widow of Peter Loran, late of Company G, Sixth and Ninth Regiments New Hampshire Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara F. Tower, widow of Almon Tower, late of Company G, Ninety-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ida M. Lent, widow of George W. Lent, late of Company D, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Agnes C. Johnson, widow of Nelson W. Johnson, late of Companies H and F, Ninety-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Bulluck, widow of Warren Bulluck, late of Company D, Ninety-seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jane Currier, widow of Hugh Currier, late of Company K, Sixtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie G. Dyer, widow of James W. Dyer, late of Company A, One Hundred and Eighteenth Regiment; and Company E, Ninety-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Catherine Green, former widow of Irwin H. Rose, late musician, band, Third Brigade, Second Division, Twentieth Army Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kathryn Bruce, widow of John W. Bruce, late of Company D, Eleventh Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Deborah Pond, widow of Joseph W. Pond, late of Company L, Ninth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rose Ann Richards, widow of David Richards, late of Company H, One Hundred and Sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Lucella McEwen, widow of William W. McEwen, late of Company I, One Hundred and Seventy-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Miriam A. Williams, former widow of David N. Sayrs, late of Company F, Thirtieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret A. Bradshaw, widow of John B. Bradshaw, late of Company B, Ninety-eighth Regiment Illinois Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mathilda Danielson, widow of Daniel Danielson, late of Company D, Fifty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Hawk, widow of Emanuel Hawk, late of Company D, Twenty-fifth Regiment United States Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza Robinson, widow of William A. Robinson, late of Company K, Seventieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary C. Snyder, widow of John Snyder, late of Company G, Eighty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah D. Stauffer, widow of William D. Stauffer, late captain, Company H, One Hundred and Ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma Barnholt, widow of Edward Barnholt, late of Company H, Two Hundred and Thirteenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Minnie B. Bell, former widow of Augustus C. Bell, late of Company D, One Hundred and Third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Helen Gallagher, widow of William G. Gallagher, late of Company I, One Hundred and Ninty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kate C. George, widow of David George, late of Company D, Seventeenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catharine E. Hinkle, widow of Samuel A. Hinkle, late second lieutenant, Company D, One Hundred and Ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Lafferty, widow of Jacob P. Lafferty, late of Company A, One Hundred and Fifty-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma J. Miller, widow of Oliver P. Miller, late of Company E, One Hundred and Twenty-seventh Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hettie A. Miller, widow of John Miller, late of Company D, One Hundred and Ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma V. Morton, widow of Peter Morton, late of Company D, Second Regiment Pennsylvania Volunteer Cavalry, and Company D, First Regiment Pennsylvania Provisional Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louisa Bowman, widow of Francis M. Bowman, late of Company L, Eleventh Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha J. Wick, widow of Henry Wick, late of Company H, Twenty-ninth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Teague, widow of William W. Teague, late of Company I, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Harriet Reynolds, widow of Hayden Reynolds, late of Company B, Fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Phoebe A. Jennings, widow of George C. Jennings, late of Company M, Third Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances C. Gaskill, widow of Harvey Gaskill, late of Company L, Third Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Cordelia Hiatt, widow of Joseph O. Hiatt, late of Company F, Eighth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza C. Dunlap, widow of William Dunlap, late of Company C, Seventy-sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth A. Crum, widow of Jacob Crum, late of Company C, One Hundred and Fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary C. Abrams, widow of Daniel W. Abrams, late of Company I, Fifteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lillie A. Athey, widow of John W. Athey, late of Company E, Thirty-ninth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia Woods, widow of Thomas Woods, late of Company A, One Hundred and Forty-seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hester A. Walmer, widow of John Walmer, late of Company A, One Hundred and Fifty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elmira J. Douglass, widow of William H. H. Douglass, late of Company G, Fortieth Regiment, and Company K, Fifty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma Chapman, widow of Cary D. Chapman, late of Company L, Second Regiment Colorado Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura E. Boze, widow of William Boze, late of Company E, Forty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet S. Garbison, widow of Daniel Garbison, late of Company H, Forty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances Eggleston, former widow of Edward J. Keegan, late of Company L, Seventeenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet E. Miller, widow of John Miller, late of Company K, Seventy-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jennie V. Myers, widow of Peter J. Myers, late of Company A, One Hundred and Sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Seward, widow of Christian Seward, late of Company I, Forty-eight Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Matilda A. Button, former widow of John Hoil, late of Company D, Second Regiment California Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Caroline Appelt, widow of Gottlieb Appelt, late of Company H, One Hundred and First and Thirty-seventh Regiments New York Volunteer Infantry; and Battery K, Third Regiment United States Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine B. McCarthy, widow of Lawrence D. McCarthy, late of Company F, Third Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Stout, widow of Martin Stout, late of Company F, One Hundred and Twenty-fifth Regiment, and Company A, Sixtieth Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances A. Carter, widow of Theodore B. Carter, late of Company I, Twenty-sixth Regiment Michigan Volunteer Infantry; and One Hundred and Second Company, Second Battalion Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy A. Russell, widow of Cornelius Russell, late of Company H, One Hundred and Ninety-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eva A. Holter, widow of Alfred H. P. Holter, late of Company K, One Hundred and Fifty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Carrie F. Bloom, widow of Jesse H. Bloom, late of Company F, First Regiment Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Tharp, widow of Isaac Tharp, late of Company C, Seventy-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Clemons, widow of Robert T. Clemons, late of Company B, Fifth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Agnes Bentley, widow of Sampson Bentley, late of Company L, Eleventh Regiment United States Colored Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Dougherty, widow of Ezra Dougherty, late of Company I, One Hundred and Seventy-second Regiment Ohio National Guard Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary C. Arthur, widow of Azariah Arthur, late of Company D, Fifty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eva Barlow, widow of Marion S. Barlow, late of Company B, Ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Phebe J. Bell, widow of John Bell, late of Company F, One Hundred and Seventy-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Julina Crabtree, widow of Jeremiah Crabtree, late of Company H, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Conaway, widow of George Conaway, late of Battery B, First Regiment West Virginia Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Collins, widow of William C. Collins, late of Company B, First Regiment West Virginia Veteran Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. DeWitt, widow of Philip DeWitt, late of Company B, One Hundred and Ninety-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Derry, widow of John H. Derry, late of Company B, Ninetieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melissa Endicott, former widow of Henry C. Grant, late of Company B, Ninety-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Henrietta H. Eator, widow of Ira Eator, late of Company A, One Hundred and Forty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Effie C. Greene, widow of Alonzo J. Greene, late of the Thirteenth Battery, Indiana Volunteer Light Artillery; and Company A, Second Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Mary C. Kaneff, widow of George W. Kaneff, late of Company L, Seventh Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary L. Martin, widow of John W. Martin, late of Company G, Twenty-second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth S. Primm, widow of David Primm, late of Company H, Ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Emma Ridgway, widow of Augustus W. Ridgway, late second lieutenant, Company H, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Ribel, widow of Peter Ribel, late of Company K, One Hundred and Eighty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Russell, widow of Timothy Russell, late first lieutenant, Company F, Thirteenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Caroline Rupe, widow of Jonathan Rupe, late of Company H, Fifty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rachel Smith, widow of James E. Smith, late of Company B, Twenty-second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Violet S. Woodward, widow of Ward N. Woodward, late of Company E, Ninetieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Caroline Webb, widow of Elias Webb, Jr., late of Company B, First Regiment West Virginia Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Adabelle Brown, widow of Anderson Brown, late of Company E, One Hundred and Seventy-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Board, widow of Daniel A. Board, late of Company B, Tenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Grange, widow of Charles E. Grange, late of Company F, Eighty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia Poust, widow of Henry Poust, late of Company F, One Hundred and Sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah E. Sturm, former widow of Anthony Loudenburg, late of Company H, Ninth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Wilcox, widow of Henry Wilcox, late of Company E, One Hundred and Forty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Magdalene Emrich, widow of William F. Emrich, late of Company G, Ninth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ida H. Rupert, widow of John Rupert, late of Company F, Ninetieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rose K. Cox, former widow of Francis M. Morgan, late of Company C, Ninety-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura E. Hancock, widow of Ephraim H. Hancock, late of Company D, Twenty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rebeca Hankinson, widow of Samuel Hankinson, late of Company D, Eighteenth Regiment United States Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy McClay, widow of William McClay, late of Company E, One Hundred and Second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret V. Myers, widow of Jacob H. Myers, late of Company C, One Hundred and Fortieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Secrist, widow of Alexander W. Secrist, late of Company K, Fourth Regiment United States Veteran Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ida M. Stough, widow of Michael Stough, late of Company G, One Hundred and Ninety-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Viola S. Whitten, widow of James C. Whitten, late captain, Company A, Fourteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellie M. Young, widow of Thomas A. Young, late of Company F, One Hundred and Eighty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucretia Beer, widow of William A. Beer, late first lieutenant, Company K, and captain, Company B, One Hundred and Second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ruth A. Schooley, widow of Thomas O. Schooley, late of Company G, One Hundred Forty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria J. Anderson, former widow of William H. Provin, late of Battery I, Second Regiment Illinois Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellar Bales, widow of Stephen Bales, late of Company A, Forty-seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Reynolds, widow of Henry E. Reynolds, late of Company C, Sixth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clementine Young, widow of John J. Young, late of Company D, One Hundred and Seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Gwinn, widow of William M. Gwinn, late of Company F, Forty-fifth Regiment Indiana Volunteer Infantry (Third Cavalry), and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Swing, widow of Marcus A. Swing, late of Company A, One Hundred and Thirty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth J. Cunningham, widow of John W. Cunningham, late of Company B, Twenty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Whitlock, widow of James W. Whitlock, late of the Eighteenth and Twenty-fifth Independent Batteries, New York Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louisa Kendall, widow of Joseph T. Kendall, late of Company H, Fifty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha M. Brown, widow of Francis M. Brown, late of Company I, Eighty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy E. Blevins, former widow of Allen Blevins, late of Company E, First Regiment East Tennessee Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emeline Kinnaman, widow of William H. Kinnaman, late of Company F, First Regiment Indiana Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catharine Myers, widow of David Myers, late of Company H, Seventy-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Belle Armel, widow of William Armel, late of Company K, One Hundred and Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Gibson, widow of Alexander Gibson, late of Company F, Thirty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Cole, widow of Samuel T. Cole, late of Company G, One Hundred and Twenty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Princess May Stone, widow of Joseph Stone, late of Company C, One Hundred and Thirty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Jane Plummer, former widow of Harrison B. Hubbell, late of Company B, Forty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kate Rogers, former widow of David R. Jones, late of Company D, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Cooley, widow of Dawson Cooley, late of the Twenty-sixth Independent Battery, Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Johanna Phelan, widow of Michael Phelan, late of Company K, Fifteenth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Addie T. Sloan, widow of William E. Sloan, late of Company D, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary C. Davis, widow of John R. Davis, late of Company E, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Malisa Morris, widow of Daniel B. Morris, late of Company D, Seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Victoria Gould, former widow of Russell M. Smith, late of Company G, Eighty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura A. Smith, widow of Jedediah Smith, late of Company D, Eighty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Stone, widow of James R. Stone, late of Companies H and K, Forty-sixth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Christena M. Sharp, widow of Samuel Sharp, late of Company D, One Hundred and Seventeenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan C. Nobles, widow of Harmon D. Nobles, late of Company G, First Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia E. Laton, former widow of Samuel H. Harrison, late second lieutenant, Company D, first lieutenant, Company G, Sixty-fifth Regiment United States Colored Volunteer Infantry; and private, Company B, Seventh Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara W. Barrett, widow of Nathan F. Barrett, late sergeant major, One Hundred and Fifty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of L. Belle Bailey, widow of George M. Bailey, late of Company F, Fifth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Decimay Ely, former widow of Washington Ely, late of the Seventh Independent Battery, Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jemima Bason, widow of Thomas Bason, late of Company D, Sixty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rebecca Berry, former widow of Paul Tislow, late of Company H, Twenty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lyda Powell, widow of Louis Powell, late of Company C, Fifty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kate Harris, widow of Charles M. Harris, alias Charles M. Jordan, late of Company F, Thirty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Brown, widow of James L. Brown, alias Lemon Stiles, late of Company H, One Hundred and Eighteenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda A. Sibrel, widow of Thomas P. Sibrel, late of Company C, Fifty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary B. Beckett, widow of William H. Beckett, late of Company D, Forty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie I. Lusk, widow of Absalom A. Lusk, late of Company K, One Hundred and Twenty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda E. Waldron, former widow of James M. Kenyon, late of Company H, Fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Bloom, widow of Louis Bloom, late of Company H, One Hundred and Forty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma Buchanan, widow of James A. Buchanan, alias James A. Buck, late of Company I, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ruth A. Smith, widow of Richard Smith, alias Diedrich Smith, late of Company C, One Hundred and Fifty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth J. Winklepleck, widow of Samuel Winklepleck, late of Companies A and B, Second Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella Adams, widow of Elijah Adams, late of Company A, Fifty-fourth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Jenettie E. Evans, widow of Daniel B. Evans, late of Battery K, First Regiment United States Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella G. Millspaugh, widow of Pathuel Millspaugh, late of Company C, Seventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lorena M. Haskins, former widow of Byron A. Straight, late of Company B, One Hundred and Twelfth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Betsy A. Noble, widow of Bartlett A. Noble, late of Company K, Thirteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice M. Price, widow of Dorr Price, late of Company A, One Hundred and Fifty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma Pierce, widow of Lyman Pierce, late of Company M, Twenty-fourth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Ryan, widow of Jeremiah Ryan, late of Company F, First Battalion, Fifteenth Regiment United States Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha F. Reynolds, widow of Norman Reynolds, late of Company A, Forty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan C. Stanley, widow of Luther Stanley, late of Company A, One Hundred and Fifty-fourth Regiment New York

Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Estella D. Smith, widow of David Smith, late of Company B, Fifty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emily Turner, widow of Myron Turner, late of Company A, Forty-ninth Regiment New York Volunteer Infantry; and Twenty-second Company, Second Battalion Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Evelyn C. Devereaux, widow of William H. Devereaux, late of Company F, Ninth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lizzie D. Rodman, widow of Alp J. Rodman, late of Company A, Second Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kittie G. Bozard, widow of Ashbel L. Bozard, late of Company C, One Hundred and Fifty-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Miriam E. Crampton, widow of John H. Crampton, late of Company K, Thirteenth Regiment New York Volunteer Infantry (subsequently Third New York Calvalry); and Company K, Fifty-fourth Regiment New York National Guard Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Addie J. Wheeler, widow of Solomon Wheeler, late of Company C, Second Regiment New York Veteran Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Wetmiller, former widow of Samuel Hummel, late of Companies E and F, Fifty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret A. Inks, widow of Adolphus J. Inks, late of Company E, Eighty-fifth Regiment, and Company E, One Hundred and Eighty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Georgianna K. Griest, widow of William P. Griest, late of Company I, Two Hundredth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret J. Hicks, widow of William B. Hicks, late of Company I, Fourteenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Brittie Ann Gault, widow of John T. Gault, late first lieutenant, Company G, Sixteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kate P. Shannon, widow of James W. Shannon, late second lieutenant, Company K, Fourteenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lovena Triplett, widow of Calvin Triplett, late of Company C, Fortieth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Cooksey, widow of Montivill Cooksey, late of Company G, Forty-fifth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Leonice T. Holmes, widow of Thomas J. Holmes, late of Company G, Eleventh Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara B. Kirkendall, widow of Lyman F. Kirkendall, late of Company I, Fifteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Alice J. Robinson, widow of Henry H. Robinson, 2d, late of Company B, Fifth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie E. Robinson, widow of William Robinson, late of Company K, Twenty-ninth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret J. Miller, widow of Nicholas D. Miller, late of Company B, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. King, widow of Howard King, late of Company H, Two Hundredth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Stagg, widow of Alfred G. Stagg, late of Company D, Twenty-sixth Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Alice A. Ellis, widow of William H. Ellis, late of Company E, Ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lizzie D. McFarlan, widow of James E. McFarlan, late major, Eleventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Warthen, widow of Alban Warthen, late of Company C, Seventy-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Graves, widow of Chauncey H. Graves, late of Company A, Sixty-eighth Regiment, and first lieutenant, Company K, One Hundred and Fifty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria A. Houston, widow of Samuel E. Houston, late of Company K, One Hundred and Thirty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Snyder, widow of John W. Snyder, late of Company I, One Hundred and Forty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ernestine Singer, widow of Simon Singer, late of Company D, Eighth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Florence A. Clarkson, widow of Abraham Clarkson, late of Company C, One Hundred and Eighty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha C. Howe, widow of John Howe, late of Company B, Ninety-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Diehl, widow of Abraham Diehl, late of Company E, Forty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Flint, widow of Myron L. Flint, late of Company F, Fortieth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Thompson, widow of Martin V. Thompson, late of Company H, Seventy-fifth Regiment Illinois Volunteer Infantry: and Company H, Fifteenth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lida A. Beverly, widow of Jacob Beverly, late of Company L, First Regiment Missouri Volunteer Engineers, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Matilda M. Fleming, widow of Thomas J. Fleming, late of Company C, Twelfth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rose A. Pettigrew, former widow of John P. Pettigrew, late of Company C, Sixteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Smith, widow of George W. Smith, late of Company I, Forty-eighth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria Berghoff, widow of John T. Berghoff, late surgeon, Twenty-fifth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Mearkle, widow of David S. Mearkle, late of Company G, Ninety-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Columbia Hankins, widow of Alexander Hankins, late of Company E, One Hundred and Forty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Charity West, widow of Charles L. West, late of Company G, Fifty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. West, widow of Albert H. West, late of Henshaw's Battery, Illinois Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Borts, widow of Jacob Borts, late of Company M, Third Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Samantha Midgett, former widow of William F. Taylor, late of Company G, Tenth Regiment Missouri Volunteer Infantry; and Company I, One Hundred and Forty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary F. Hudgens, widow of James M. Hudgens, late of Company C, Fourth Regiment Provisional Enrolled Missouri Militia, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha E. Humphreys, former widow of Elias Templeton, late of Company F, One Hundred and Thirtieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Dora B. Reynolds, widow of James T. Reynolds, late of Company E, Forty-fourth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maime F. Presley, widow of Henry A. Presley, alias Henry A. Piesley, late of Company G, One Hundred and Ninety-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie M. Warner, widow of Benjamin W. Warner, late of Company C, Eighteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hannah Casler, widow of Henry Casler, late of Company C, Tenth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna N. Osterhout, widow of Abraham Osterhout, late of Company K, Fifty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Sophie M. Swigert, widow of Marcus V. Swigert, late of Company L, Seventh Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lillie E. Wells, widow of Everett R. Wells, late of Company K, Seventh Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice Dunfee, widow of Thomas Dunfee, late of Company G, Thirty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances M. Small, widow of William H. H. Small, late of Company C, Twentieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Morris, widow of William S. Morris, late of Company C, Thirty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Susan B. Hill, widow of Silas P. Hill, late of Company G, Thirty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret I. Maiden, widow of Jasper N. Maiden, late of Company A, Twenty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy C. Austin, widow of Pleasant Austin, late of Company M, Thirteenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria O. Fowler, widow of George Fowler, late of Company K, One Hundred and Thirty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Josephine Dolen, widow of Henry Dolen, late of Company A, Second Regiment Wisconsin Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rhoda A. Ellis, widow of Calvin H. Ellis, late of Company F, Seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Van Tuyl, widow of John R. Van Tuyl, late of Battery A, First Battalion New York National Guard Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha E. H. Fisher, former widow of John A. Fisher, late first lieutenant, Company D, Twenty-third Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Alice Chapman, widow of Samuel R. Chapman, late of Company C, One Hundred and Eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma E. King, widow of Merritt King, late second lieutenant, Company K, One Hundred and Thirty-seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Arzilla A. Bailey, widow of Gould S. Bailey, late of Company B, One Hundred and Forty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella M. Tansey, widow of Anthony Tansey, late of Company D, Fifteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Isabell Postlethwait, widow of John N. Postlethwait, late of Company A, Eleventh Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Eliza M. Matthews, widow of Joseph F. Matthews, late of Company L, Tenth Regiment New York Volunteer Cavalry; and Twenty-first Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lovina Baumgardner, widow of John Baumgardner, late of Company E, Fifty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hulda Bennett, widow of James Bennett, late of Company M, Fourteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sophia Rawlins, widow of Richard N. Rawlins, late of Company H, One Hundred and Forty-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella S. T. Witbeck, widow of C. William Witbeck, late a principal musician, Ninety-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Georgiana P. Nichols, former widow of Henry C. Packard, late of Company I, Twenty-first Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Devine, widow of John Devine, late of Company B, One Hundred and Sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nora White, widow of John White, late of Company B, Thirty-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna M. Parish, widow of Oris Parish, late first lieutenant, Company K, Thirtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louisiana Cabe, widow of Lucius H. Cabe, late of Company C, Third Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rachel M. Kuhn, widow of George Kuhn, late of Company C, Forty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ida Nagel, widow of William H. Nagel, late of Company I, Thirty-second Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 a month in lieu of that she is now receiving.

The name of Mary J. Hart, widow of Orvis Y. Hart, late of Company C, Eleventh Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Buhrer, widow of Martin Buhrer, late of Company C, Sixty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Brown, widow of Martin Brown, late of Company C, Eleventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catharine Brown, widow of William Brown, late of Company K, One Hundred and Seventy-fifth Regiment, and Company I, One Hundred and Eighty-ninth Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Abbie Davison, widow of Lewellyn C. Davison, late of Company I, One Hundred and Sixty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet Deamer, widow of Solomon Deamer, late of Company D, One Hundredth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Celestia A. Finks, widow of Thomas M. Finks, late of Company M, First Regiment United States Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Phebe L. Alspaugh, widow of James Alspaugh, late of Company C, Fourteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellen A. Stevens, widow of Merari B. Stevens, late of Company L, Eighth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Marks, widow of Alonzo Marks, late of Company A, Sixty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret I. Reider, widow of Emanuel Reider, late of Company C, Forty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving and continue the $20 per month

additional pension now being paid for the relief and benefit of Joseph Reider, helpless and dependent son of Emanuel Reider, under the provisions of a special act of Congress approved June 4, 1928.

The name of Catherine J. Cupp, widow of Samuel Cupp, late of Company I, One Hundred and Ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Frances A. Kuder, widow of Albert D. Kuder, late of Company G, First Regiment Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary L. Hill, widow of William Hill, late of Company K, One Hundred and Eleventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Christena Huffman, widow of Christian Huffman, late of Company E, Eighty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eunice N. Palmer, widow of William H. Palmer, late of Company B, Sixty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Agness B. Smith, widow of Daniel B. Smith, late of Company H, Fifteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Leah Jones, widow of James Jones, late of Company L, Fourth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susanna Calhoun, widow of Samuel Calhoun, late of Company H, Two Hundred and Sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Drusilla Sherlock, widow of John Sherlock, late of Company G, One Hundred and Fifty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Deborah Hunter, widow of Sullivan Hunter, late of Company B, Seventh Regiment California Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lena Campbell, widow of Thomas W. Campbell, late of the First Company Sharpshooters attached to the Twenty-seventh Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellen Cora Smith, widow of David Smith, late of Company G, Ninety-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret E. Huffines, widow of Philo Huffines, late of Company B, Twenty-seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Kate M. Farrell, widow of John Farrell, late of Company H, First Regiment Connecticut Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Alice Brokaw, widow of William B. Brokaw, late of Company F, Ninety-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie E. Chappell, widow of Charles L. Chappell, late of Company B, Twenty-sixth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Georgianna Barker, widow of Edward Barker, late of Company H, One Hundred and Forty-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Keener, widow of Edward Keener, alias Edward Corney, late of Company A, Fifth Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Phenia E. Howard, widow of Stephan D. Howard, late of Company G, Eightieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Martha M. Tryon, widow of Henry W. Tryon, late of Company K, Fourteenth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Augusta E. Cutler, widow of Alvin Cutler, late of Company C, First Battalion Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary C. Reichard, widow of William A. Reichard, late of Company G, Sixth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara Rabe, widow of Henry Rabe, late of Company G, Thirty-eighth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Daul, widow of Bernhard Daul, late of Company G, Twenty-sixth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mariam Story, widow of Van Buren Story, late of Company I, Thirteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy A. Bortner, widow of Henry S. Bortner, late of Company B, One Hundred and Fifty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Swander, widow of John J. Swander, late of Company A, One Hundredth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ida Davey, widow of Malcomb Davey, late of Company G, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Florence E. Southwick, widow of George W. Southwick, late of the First Battery, Vermont Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Quirk, widow of Thomas Quirk, late of the detachment, unassigned, Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Addie Allen, widow of Stockton Allen, late of Company H, First Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha J. Constant, widow of John C. Constant, late acting masters' mate, United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elmira M. Webb, widow of Leroy J. Webb, late of Company K, Twelfth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma S. Dolaway, widow of George Dolaway, late of Company I, Fiftieth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of C. Cordelia Strong, widow of Hermon A. Strong, late of Company B, One Hundred and Ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Huldah Pedrick, widow of Hiram Pedrick, late of Company F, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary G. Van Brunt, widow of Henry Van Brunt, late of Company C, Twenty-second Regiment Wisconsin Volunteer Infantry, and One Hundred and Thirty-eighth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary B. Norwood, widow of William Norwood, late of Company G, Fiftieth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Green, widow of Francillo A. Green, late of Company I, Twenty-first Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella J. Winegar, widow of William W. Winegar, late of Company B, One Hundred and Thirtieth Regiment New York Volunteer Infantry (Nineteenth Cavalry), and Company B, First Regiment New York Dragoons, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of California Farmer, widow of Robert L. Farmer, late of Company F, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza Cook, widow of John Cook, late of Company C, Fourteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Shelton, widow of Joseph Shelton, late of Company C, Twenty-second Regiment, and Company C, Seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jeannette Wallace, widow of William Wallace, late of Company B, One Hundred and Sixtieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Baker, widow of John A. Baker, late of Company A, One Hundred and Forty-ninth Regiment Ohio National Guard Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Buckingham, widow of John Buckingham, late of Company L, Twelfth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza Noble, widow of Henry S. L. Noble, late of Company D, Seventy-third Regiment Ohio Volunteer Infantry, and

pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Foughty, widow of Samuel Foughty, late of Company A, Second Regiment Indiana Volunteer Cavalry, and Company A, Seventy-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth Orndurf, widow of William M. Orndurf, late of Company F, One Hundred and Fourteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Birdie L. Santee, widow of Joseph W. Santee, late of Company H, One Hundred and Sixty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Alwilda Ray, widow of Sylvester Ray, late of Company B, Twelfth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma Turner, widow of James Turner, late of Company A, One Hundred and Ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara Collins, widow of Thomas Collins, late of Company A, Seventy-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha McGraw, widow of Wesley McGraw, late of Company H, Eighteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Mary M. Devol, widow of Allen Devol, late of Company G, One Hundred and Fifty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia A. Hull, widow of David Hull, late of Company G, Thirty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria Graves, widow of William Graves, late of Company M, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet E. Schram, widow of William H. Schram, late of Company B, Eighty-first Regiment New York Volunteer Infantry, and Company D, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth M. Scott, widow of Byron Scott, late of Company D, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Lockwood, widow of Oscar Lockwood, late of Company D, One Hundred and Fifteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Cornelia Farr Percy, widow of Robert H. Percy, late of Company A, Twelfth Regiment United States Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Appleby, widow of Silas Appleby, late of Company E, One Hundred and Forty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Cahoone, widow of Gideon A. Cahoone, late of Company D, Fourth Regiment, and Company G, Seventh Regiment, Rhode Island Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Saxton, widow of Burton Saxton, late of Company F, Eleventh Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary B. Kaiser, former widow of William Bohne, late a musician, Band, Seventy-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Friederica Louise Gross, widow of Otto Gross, late of Company A, Twenty-sixth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances M. Cooley, widow of Alphonso E. Cooley, late captain, Company K, Ninety-fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary L. Gage, widow of Augustus M. Gage, late of Company H, One Hundred and Twenty-first Regiment New York Volunteer Infantry, and One Hundred and Thirty-first Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice Paul, widow of David Paul, late of Company F, Seventy-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma C. Andrews, widow of James M. Andrews, late of Company D, Thirty-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sophia M. Webster, former widow of Eleazer B. Howard, late of Company H, Twenty-fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah C. Wythe, widow of James Wythe, late of Company A, One Hundred and Twenty-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catharine A. Page, widow of George W. Page, late of Company A, Third Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret C. Lee, widow of William W. Lee, late third-class musician, band, Sixth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Weiser, widow of George Weiser, late of Company A, Tenth Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna J. Flick, widow of Benjamin Flick, late unassigned, Third Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna M. W. Diggles, widow of John P. Diggles, late of Company M, First Regiment New Hampshire Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia R. DuBois, widow of John T. DuBois, late of Company H, Twelfth Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Carrie H. Wood, widow of Gilbert E. Wood, late of Company I, Thirty-seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia J. Allard, widow of Jonathan Allard, late of Company E, Seventy-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Edith Pullen, widow of Disbrow Pullen, late of Company A, Thirty-third Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Amanda B. Thomas, widow of Jacob B. Thomas, late of Company I, Sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Marietta Burger, widow of Charles A. Burger, alias Charles Burke, late of Company G, Forty-eighth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine E. Hannen, widow of Henry H. Hannen, late of Company G, Twenty-second Regiment, Pennsylvania Volunteer Cavalry, and Company G, Third Regiment Pennsylvania Provisional Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Magilton, widow of Joseph Magilton, late of Company F, Third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Carrie L. Fay, widow of Albert R. Fay, late of Company A, Hoffman's battalion, One Hundred and Twenty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary L. Paddock, widow of Peter Paddock, late of Company B, One Hundred and Forty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah E. K. White, former widow of Alexander M. Kennedy, late of Company A, Second Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Johanna Wettengel, widow of John Wettengel, late of Company C, Fourth Regiment, and Company K, Eighth Regiment, New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha M. Bryant, widow of Benjamin F. Bryant, late of Company M, First Regiment New York Veteran Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha A. Vroman, widow of Cornelius Vroman, late of Company H, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Blair, widow of Joseph F. Blair, late of Battery A, First Regiment Pennsylvania Reserve Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma R. Pettie, widow of Harrison Pettie, late of Company K, Seventy-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Dorothea M. Brown, widow of Lyman L. Brown, late a landsman, United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Judah A. Stewart, widow of John Stewart, late of Company E, Second Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Belrose, widow of Charles H. Belrose, late of Company C, Forty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lizzie Boehm, widow of Frederick Boehm, late of Company H, One Hundred and Eighty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah C. Kerr, widow of William H. Kerr, late of Company E, Seventieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret C. Mills, widow of Franklin G. Mills, late of Company D, One Hundred and First Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza A. Washington, widow of Charles Washington, late of Company K, One Hundred and Sixteenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Florence S. McGinnis, widow of Archibald McGinnis, late of Company A, Ninety-first and One Hundred and Twentieth Regiments Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Pierce, widow of John E. Pierce, late of the Eighth Independent Battery Ohio Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy Catherine Fry, widow of Henry Fry, late of Company I, First Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriet Brownrigg, widow of George Brownrigg, late of Company G, One Hundred and Seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha E. Watts, widow of Joseph E. Watts, late of Company E, Seventeenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melisa Alexander, widow of Albert Alexander, late of Company G, Third Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jennie Everson, widow of George J. Everson, late of Company H, First Regiment Vermont Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nora D. Neal, widow of James H. Neal, late of Company B, One Hundred and Thirty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Fannie Davis, widow of John E. Davis, late of Company G, Second Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Julia A. Dunaway, widow of Thomas Dunaway, late of Company F, First Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara J. Lay, widow of William H. Lay, late of Company D, Twenty-seventh Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hannah L. Lester, widow of George H. Lester, late of Company I, One Hundred and Tenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna Lowell, widow of Edwin B. Lowell, late of Company E, First Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margrett B. Adair, widow of James D. Adair, late of Company C, Second Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Miller, widow of John H. Miller, late of Company F, Sixty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Matilda Tarno, widow of Henry L. Tarno, late of Company K, One Hundred and Forty-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy A. Beckwith, widow of Daniel W. Beckwith, late a coal heaver, United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Parsons, widow of Elias H. Parsons, late second lieutenant, Company F, and captain, Company I, Forty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Katie Wykoff, widow of John A. Wykoff, late of Company G, Fifty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary E. Turner, widow of Cyrus H. Turner, late of Company H, One Hundred and Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Pennington, widow of Robert Pennington, late of Company K, One Hundred and Fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Bettie J. Williams, widow of Thomas E. Williams, late of Company A, Eighth Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anzina L. Harper, widow of Henry B. Harper, late of Company A, Tenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Florence Uplinger, widow of Amos Uplinger, late of Company B, Fortieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie M. Evans, widow of Lewis Evans, late of Company I, One Hundred and Seventy-fifth Regiment Pennsylvania Drafted Militia Infantry, and pay her a pension at the rate $50 per month in lieu of that she is now receiving.

The name of Caroline Hockley, former widow of Matthias Coombs, late of Company D, Twenty-second Regiment, and Company C, Seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Christine Hounshell, widow of Augustus Hounshell, late of Company D, Second Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lydia Todhunter, widow of Charles L. Todhunter, late of Company B, Thirty-fourth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Briggs, widow of Samuel J. Briggs, late of Company K, One Hundred and Ninety-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Libbie Van Deusen, widow of Cornelius Van Deusen, late of Company K, Thirtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Esther J. Kimberly, widow of James Kimberly, late of Company G, Thirty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie C. Knox, widow of William C. Knox, late of the Signal Corps, United States Army, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Sarah J. Jacob, widow of William C. Jacob, late of Company E, Eighth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth A. Markham, widow of Alford P. Markham, late of Company H, Thirty-fifth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Pheoba C. Huffman, widow of John Huffman, late of Company G, Twenty-fourth Regiment United States Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emily L. Watkins, widow of John J. Watkins, late of Company H, Third Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ada F. O'Loughlin, widow of Lawrence O'Laughlin, late of Company K, One Hundred and Fortieth Regiment New York Volunteer Infantry, and Company H, Fifty-fourth Regiment New York National Guard Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Helen J. Lanning, widow of David B. Lanning, late of Company I, One Hundred and Second Regiment New York Volunteer Infantry, and landsman, United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna E. Van Alstyne, widow of Thomas Van Alstyne, late of Company I, Twenty-fifth Regiment; Company A, ——— Battalion, Forty-fourth Regiment; and Company I, One Hundred and Forty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth H. Nichols, widow of Parker P. Nichols, late of Companies D and L, Seventh Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary O'Flaherty, widow of Edward O'Flaherty, late of Company I, Ninth and Second Regiments New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice A. Proctor, widow of Oscar V. Proctor, late of Company E, Second Regiment United States Volunteer Sharpshooters, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Cathrine Logsdon, widow of Frank Logsdon, late of Company K, Forty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Hood, widow of Charles F. Hood, late of Company B, Thirty-fourth Regiment, and Company C, One Hundred and Ninety-first Regiment, Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mariette A. Hale, widow of David B. Hale, late of Company G, Ninety-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Katharina Reis, widow of Robert Reis, late of Company C, Second Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna E. Crawford, former widow of William D. Crawford, late of Company F, Twenty-fifth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ellen M. Ensworth, widow of Horace B. Ensworth, late of Company B, Eighty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy V. Hazell, widow of Joshua B. Hazell, late of Company B, Twenty-first Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. McDivitt, widow of James H. McDivitt, late captain of Company F, Seventy-sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Fanny Cunningham, widow of Josephus Cunningham, late of Company H, Seventy-third Regiment, and captain, Company D, One Hundred and Eighty-eighth Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Effie Washington, widow of William Washington, late of Company K, Sixteenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Simpson, widow of George Simpson, late of Company B, Twenty-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah W. Fairchild, widow of Henry C. Fairchild, late of Company B, Third Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rachel A. Norris, widow of Thomas L. Norris, late of Company D, Two Hundred and Fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rose Hazlett, widow of William C. Hazlett, late of Company B, One Hundred and Thirty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah Harer, widow of Henry Harer, late of Company B, Eighth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lulu H. Powers, widow of Rodney M. Powers, late of Troop H, Second Regiment United States Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Helen A. Halsted, widow of Charles F. Halsted, late of Company I, Fifth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susie F. Rowe, widow of Erherd S. Rowe, late of Company E, One Hundred and Eighty-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eva E. Franklin, widow of Ashley M. Franklin, late of Company A, Third Regiment Colorado Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lena Margraffe, widow of Louis Margraffe, late of Company E, First Regiment Pennsylvania Volunteer Rifles, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie McClean, widow of Joseph McClean, alias William Smith, late of Company G, Second Regiment Connecticut Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Caroline A. Morgan, widow of Miner C. Morgan, late of Company A, Fiftieth Regiment New York Volunteer Engineers, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie Kelly, widow of James A. Kelly, late of Company F, One Hundred and Eighty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jennie Bean, widow of James Bean, late of Company A, Thirteenth Regiment New York Volunteer Cavalry, and commissary sergeant, Twenty-first Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Shultz, widow of Henry Shultz, late of Company K, Fifty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melissa D. Smith, widow of John Mc. Smith, late Unassigned, Ringgold Battalion, and Company A, Twenty-second Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma J. Deo, widow of Henry Deo, alias Henry Kimball, late of Company F, First Battalion, Sixteenth Regiment United States Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine A. Wheeler, widow of Andrew L. Wheeler, late of Company K, Ninety-second Regiment and Company I, Sixty-fifth Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Georgiana M. DeGroff, widow of Burritt M. DeGroff, late of Company A, One Hundred and Fortieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha J. Beard, widow of Jacob Beard, late of Company L, Third Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Matilda E. Richards, widow of John Richards, late of Company A, Thirty-third and Thirty-fourth Regiments Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lelia M. Marple, widow of John M. Marple, late of Company A, Tenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $30 per month in lieu of that she is now receiving.

The name of Martha J. Judd, widow of Philip Judd, late of Company B, Sixth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan Lambert, widow of John Lambert, late of Company F, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elmira E. Ballinger, widow of William Ballinger, late of Company C, Forty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Etta Bloomer, widow of Jesse M. Bloomer, late of Company A, First Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Clara B. Teegarden, widow of Aaron Teegarden, late of Company D, Sixth Regiment Missouri State Militia Volunteer Cavalry, and Company D, Thirteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura S. Gage, widow of Richard J. Gage, late of Company D, One Hundred and Fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jane F. Hope, widow of Henry D. Hope, late of Company C, First Regiment Michigan Volunteer Engineers and Mechanics, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ora E. Houser, widow of Dillen Houser, late of Company C, Forty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary E. Hall, widow of Benjamin Hall, late of Company K, Thirty-ninth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Manerva Collins, widow of James Collins, late of Company M, Fourteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha J. Alcorn, widow of John H. Alcorn, late of Company D, Thirtieth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary J. Simpson, widow of Aurelius Simpson, late of Company A, One Hundred and Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hannah A. Brittain, widow of Frank Brittain, late of Company A, Seventy-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Weltner, widow of Joseph C. Weltner, late of Company E, Fifty-eighth Regiment Ohio Volunteer Infantry,

and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret Corcoran, widow of Thomas Corcoran, late of Company G, Seventh Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Wilson, widow of David Wilson, late of Company B, Fourteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Gorsuch, widow of Richard M. Gorsuch, late of Company H, First Regiment Potomac Home Brigade, Maryland Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Ella N. Herwick, widow of Thomas G. Herwick, late of Company G, One Hundred and Tenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Hochstetler, widow of William Hochstetler, late of Company H, First Battalion, Pennsylvania Volunteer Infantry; Company K, Twentieth Regiment Pennsylvania Volunteer Cavalry; and Company D, First Regiment Pennsylvania Provisional Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Burley Van Fleet, former widow of Ideral K. Van Fleet, late of Company C, Thirty-third Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Sarah M. Beaumont, widow of Lucien Beaumont, late of Company C, Eighty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rebecca H. Dunkelbarger, widow of Jacob Dunkelbarger, late of Company C, Eighty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Melissa A. Haskell, former widow of Abner Haskell, late of Company G, Nineteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harriett M. Chamberlin, widow of Francis A. Chamberlin, late of Company F, Coast Guard, Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma Duncan, widow of Alexander Duncan, alias Albert Duncan, late of Company B, One Hundred and Ninety-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha J. Evans, widow of David W. Evans, late of Company E, One Hundred and Seventy-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Francena Brokaw, widow of Henry Brokaw, late of Company C, Sixty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louisa E. Ludwig, widow of Emanuel Ludwig, late of Company D, Eighty-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary O. Settle, widow of Henry C. Settle, late seaman, United States Navy, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Charlotte Buckmaster, widow of Eli Buckmaster, late of Company A, Twentieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Maria S. Everest, widow of Charles H. Everest, late of Company F, First Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rosannah Davis, widow of William W. Davis, late of Company D, One Hundred and Seventy-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Barbara Wiley, widow of James P. Wiley, late of Company D, Second Regiment Potomac Home Brigade, Maryland Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie F. Van Bramer, widow of Julius Van Bramer, late of Company I, Sixty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Martha E. Imbler, widow of William B. Imbler, late of Company F, Second Regiment United States Veteran Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lucy Killinger, widow of Jacob Killinger, late of Company D, Forty-sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nellie Pettengill, widow of Manford A. Pettengill, late of Company B, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah L. Skates, widow of Zachariah T. Skates, late of Company E, First Battalion, Tennessee Volunteer Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Teresa V. Millward, former widow of Dewitt B. Waldo, late of Company B, Eighty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Florence A. Suess, widow of George Suess, late of Company G, First Regiment Missouri State Militia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Lewis, widow of Louis L. Lewis, late of Company G, Nineteenth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza V. Duggan, widow of William Duggan, late of Company M, Third Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hannah Christen, widow of Jacob Christen, late of Company H, Twenty-ninth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Katie A. Reynolds, widow of George Reynolds, Jr., late second lieutenant, Company D, Third Regiment Massachusetts Militia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Emma R. Steel, widow of Count S. Steel, late of the Second Battery Kansas Volunteer Light Artillery, and first lieutenant, Company G, and first lieutenant and commissary, Fourteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Louisa Stevens, widow of Henry Stevens, late of Company F, One Hundred and Fortieth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Frost, widow of Leonard F. Frost, late of Company B, One Hundred and Eighty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eleanor Ady, widow of William D. Ady, late of Company H, Eleventh Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Hall, widow of Wilson Hall, late of Company K, Eighty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Virginia B. Schenck, widow of Johnson Schenck, late of Company I, Eighty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Katherine M. Heath, widow of Wilbur F. Heath, late of Company D, One Hundred and Forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah A. Scarritt, widow of Erasmus B. Scarritt, late first lieutenant and quartermaster, One Hundred and Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah J. Dodge, widow of John W. Dodge, late of Company C, Forty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Dubbs, former widow of Moses Dubbs, late second lieutenant, Company B, One Hundred and Eleventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah S. Zufelt, widow of Jefferson Zufelt, alias Jefferson Shoefeldt, late of Company K, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nellie Flynn, widow of John Flynn, late of Company E, Seventeenth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS TO CERTAIN WIDOWS AND FORMER WIDOWS OF CIVIL WAR SOLDIERS, SAILORS, AND MARINES

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7898) granting pensions to certain widows and former widows of soldiers, sailors, and marines of the Civil War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Mary Miller, widow of Winston Miller, late of Company K, One Hundred and Twenty-Fifth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louisa F. Mansfield, widow of James W. Mansfield, late of Company H, Eleventh Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Julia Lyon, widow of James B. Lyon, late of Company D, Seventeenth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Logsdon, widow of Harrison Logsdon, late of Company H, Twenty-seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha Kasinger, widow of Nicholas C. Kasinger, late of Capt. Richard F. Taylor's Company C, Middle Green River Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Gorda James, widow of Thomas F. James, late of Capt. Richard F. Taylor's Company C, Middle Green River Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Alwilda Brooks, widow of Calvin W. Brooks, alias C. W. Brooks, late of Lt. Jesse B. Taggart's Company D, Middle Green River Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Mattie Bumgardner, widow of Emmett Bumgardner, late of Company F, Thirty-seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Frances Vaughn, widow of Woodson Vaughn, late of Company F, One Hundred and Twenty-fifth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mattie L. Stults, widow of John S. Stults, late of Company L, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Sutherland, widow of Robert A. Sutherland, late of Company K, Twenty-sixth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Agnes Crawford, widow of Edward Crawford, late of Company F, Fifteenth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella Chapman, former widow of Charles H. Halsey, late of Company G, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Cora Dawson, widow of Samuel Dawson, late of Company C, Sixteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary P. Smith, widow of Ellis Z. Smith, late of Company G, Seventy-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth H. Camp, widow of William H. Camp, late of Company F, Sixteenth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Fannie J. Mann, widow of William J. Mann, late of Company D, Twenty-sixth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliogene M. Raymond, widow of Leverett Raymond, late of Company C, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah E. Sutton, widow of Albert Sutton, late of Company G, Sixtieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sidney A. Hodges, widow of George W. Hodges, late of Company I, Fourteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Hulda S. Dick, widow of Samuel M. Dick, late of Company D, Twelfth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha Ella Downing, former widow of George W. Friend, late of Company E, One Hundred and Fourteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jessie M. Warner, widow of William C. Warner, late of Company B, Ninth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Carroll, former widow of William C. Guyer, late of Company E, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Frances C. Strickler, widow of William J. Strickler, late of Companies G and C, One Hundred and Ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Agnes G. Smith, widow of Dayton Smith, late of Company D, One Hundred and Thirty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna Angelow, widow of William J. Angelow, late unassigned, One Hundred and First Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Pauline Fallahee, widow of Thomas Fallahee, late of Company A, Thirteenth Regiment New York Volunteer Cavalry, and Company G, Third Regiment New York Provisional Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary H. Auch, widow of Andrew Auch, late of Company D, Twenty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary F. Shields, widow of Meedy W. Shields, late of Companies H and E, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Waltenbaugh, widow of Jacob Waltenbaugh, late of Company H, Seventy-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of H. Emma Streepy, widow of Isaac Streepy, late of Company I, Thirty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella Orr, widow of James Orr, late of Company C, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Nora B. Dunlavy, widow of Henry F. Dunlavy, late of Company G, Second Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna M. Delay, widow of George W. Delay, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Mary L. Head, widow of Theophilus Head, late of Company B, Seventh Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Morehead, widow of Franklin Morehead, late of Company B, Thirtieth Regiment, and Company G, Fifty-third Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mira W. Miller, widow of Henry A. Miller, late of Company E, Ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maggie A. Bernethy, widow of Robert P. Bernethy, late of Company F, One Hundred and Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nettie J. Brown, widow of Jesse Brown, alias Jesse Brown Buck, late of Company K, Third Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Rose Milliman, widow of John Milliman, late of Company A, One Hundred and Second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie Smith, widow of Emerson Smith, late of Company H, Twenty-second Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Alvesta Otto, widow of Charles A. Otto, late of Company C, Eleventh Regiment Minnesota Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rosa M. Green, widow of Solomon J. Green, late of Company B, Forty-seventh Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lizzie E. Brown, widow of Martin J. Brown, late of Company D, Seventy-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha Buffington, widow of Samuel Buffington, late of Company L, Eighth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Myra E. E. Krauskopf, widow of John Krauskopf, late of Company F, Fifth Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary G. Sherwood, widow of Smith J. Sherwood, late of Captain Smith's Battery A, Chicago Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Maryette Sweet, former widow of Delavan Devoe, late of Company F, Fourteenth and One Hundred and Eighty-sixth Regiments New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Bertha T. Hastings, widow of John K. Hastings, late of Company K, Second Regimeht West Virginia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Ferris, widow of Robert R. Ferris, late of Company G, One Hundred and Seventy-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Harriett A. Litten, widow of Silas N. Litten, late of Company F, Forty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lucy C. Montgomery, widow of Alexander H. Montgomery, late of Company H, Eighteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Ann Melvin, widow of James M. Melvin, late of Company G, One Hundred and Ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary V. Sailesbury, widow of James Sailesbury, late of Company A, One Hundred and Fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jennie Tewksbury, widow of Aaron Tewksbury, late of Company C, One Hundred and Forty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna L. Harman, widow of Benjamin F. Harman, late of Company B, One Hundred and Thirty-first Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Leona J. Strickland, widow of Theodore Strickland, late of Company B, One Hundred and Sixty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maggie Berry, widow of Samuel Berry, alias Samuel Cynthiana, late of Company D, Twelfth Regiment United States Colored Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Dona Samples, former widow of William Conkin, late of Company E, First Regiment Tennessee Volunteer Light Artillery, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have obtained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Sarah L. Ellison, widow of Berry Ellison, late of Company C, First Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Cinda Forbes, widow of William Forbes, late of Company E, Third Regiment North Carolina Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hattie Harvey, widow of James J. Harvey, late of Company D, Eleventh Regiment, and Company K, Ninth Regiment, Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lucy E. Huff, widow of Jonas Huff, late of Company F, Fourth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie E. Jackson, widow of William H. Jackson, late of Company A, Fifth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary Johnson, widow of Francis M. Johnson, late of Companies D and B, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Lake, widow of John C. Lake, late of Company I, Sixteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Venia Moody, widow of Francis M. Moody, late of Company A, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Nora Pierce, widow of David E. Pierce, late of Company A, Forty-first Regiment Ohio Volunteer Infantry, and Battery E, Kentucky Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary E. Ringer, widow of George A. Ringer, late of Company C, Sixty-first Regiment, and Company I, Twenty-third Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Martha Story, widow of Thomas Story, late of Company M, Eighth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Herthe L. R. Whitney, widow of William W. Whitney, late Acting Assistant Surgeon, United States Army, and pay her a pension at the rate of $30 per month.

The name of Lenora B. Easterday, widow of Simon P. Easterday, late of Company D, Ninety-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Agnes Metcalf, widow of Allen Metcalf, late of Company I, Thirty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret E. Pryce, former widow of Jacob A. Thuma, late of Company C, Sixty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Parmelia J. Woodward, widow of Stephen P. Woodward, late of Company E, One Hundred and Forty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lena L. Evans, widow of Isaac T. Evans, late of Company D, One Hundred and Thirteenth Regiment Ohio Volunteer Infantry, and Company F, Seventh Regiment Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Lou A. Strother, widow of George W. Strother, late of Company K, First Regiment Capitol Guards, Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Mariah M. Johnson, widow of Greenville Johnson, late of Capt. William D. Cardwell's Company G, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Mary Newton, widow of William B. Newton, late of the Kentucky State Militia, and pay her a pension at the rate of $30 per month.

The name of Amy N. Robertson, widow of George W. Robertson, late of Company F, Ninety-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy Jane Dyer, widow of King S. Dyer, late of Company C, Fifty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna Fletcher, widow of John R. Fletcher, late of Company D, One Hundred and Forty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hattie McIntosh, widow of Perry C. McIntosh, late of Company B, Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Roberta Davis, widow of Thomas F. Davis, late of Company I, Forty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alice Chumbley, widow of John J. Chumbley, late of Company G, Twelfth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Amanda C. Bodenhamer, former widow of Charles McClung, late of Company E, One Hundred and Forty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lydia A. Havens, widow of Benjamin Havens, late of Company G, Ninth Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Margaret Ledgerwood, widow of Samuel Ledgerwood, late of Company E, Fifty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Belle Harmon, widow of James A. Harmon, late of Company A, Thirty-fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Long, widow of John C. Long, late of Company H, Thirty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna H. Brock, widow of Allen Brock, late of Company D, Nineteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julia A. Taylor, former widow of William T. Wray, late of Company L, Seventh Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Juvenile, widow of Thomas B. Juvenile, late of Company G, Seventy-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Phina McCrary, widow of Ira McCrary, late of Company D, Sixth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Lucy Jones, widow of John L. Jones, late of Company F, Forty-seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mollie Sigman, widow of John Sigman, late of Company B, Fourth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Frances Collins, widow of Levi Collins, late of Company D, Forty-seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella Taylor, widow of James H. Taylor, late of Company I, Twenty-fourth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mumzell Woldredge, widow of John Woldredge, late of Company I, Fifth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Sarah Nance, widow of John Nance, late of Captain Shadrach Combs' Company D, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Louvisa Brewer, widow of Valentine S. Brewer, late of Company D, Seventh Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy M. Pierce, widow of Franklin D. Pierce, late of Captain Walter P. Ingram's Company D, Hall's Gap Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Ada Simpson, widow of Simuel Simpson, late of Company G, Thirty-second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rachel Fuson, widow of Thomas Fuson, late of Companies B and I, Seventh Regiment, and Company E, Sixth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Bolton, widow of Alexander Bolton, late of Company G, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Orvilla Finton, widow of James Finton, late of Company F, Sixteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Pearl Brentlinger, widow of Levi Brentlinger, late of Company I, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Eleanor R. Gage, widow of William G. Gage, late of Company C, Seventh Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $20 a month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mary E. Adams, widow of William H. Adams, late second lieutenant of Capt. William Miller's Company G, Sixtieth Regiment Enrolled Missouri Militia, and Capt. William E. McGinnis' Company H, Eleventh Regiment Kansas State Militia, and pay her a pension at the rate of $30 per month.

The name of Mary J. Davis, widow of Ruben, or Reuben Davis, late of Company D, Eighty-second Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Ruth P. Kerns, widow of John W. Kerns, late of Lieutenant W. A. Cornelius' detachment of Company H, Eighty-first Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Laura E. Rowell, widow of John M. Rowell, late of Company H, One Hundred and Thirty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Effie Wilson, widow of Nathan Wilson, late of Company E, Forty-sixth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Katie A. Smith, widow of Richard G. Smith, late of Company A, Twelfth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Alice L. Stemmons, widow of Thomas J. Stemmons, late of Company C, Seventh Regiment Provisional Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Catherine Orender, widow of William Orender, late of Capt. Thomas K. Paul's company of Wright County Volunteer Missouri Militia, and pay her a pension at the rate of $20 per month.

The name of Mary B. Morris, widow of William F. Morris, late of Company C, Ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rachel Nash, widow of Thomas J. Nash, late of Capt. H. C. Donnohue's company of Pettis County Volunteers, Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary E. Mitchell, widow of Thomas J. Mitchell, alias T. J. Mitchell, late of Company M, Seventy-third Regiment Enrolled Missouri Militia, and Capt. William L. Fenix's company of Taney County, Volunteer Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Agnes P. Miller, widow of James A. Miller, late of Company F, Fourth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Marietta Cannon, former widow of Joseph Carver, late of Company B, One Hundred and Twenty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Angeline Hart, former widow of James M. Hart, late of Company G, Eighth Regiment, and Company D, Eleventh Regiment, Missouri Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Ruth Ann Breedlove, widow of Thomas D. Breedlove, late of Company B, Forty-sixth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jennie E. Key, widow of John H. Key, late of Company H, One Hundred and Thirty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna E. Routson, widow of Albert M. Routson, late of Company G, One Hundred and Tenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lenace Marlin, widow of Oliver Marlin, late of Company F, One Hundred and Forty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years which fact shall be determined by submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Della Leach, widow of William N. Leach, late of Company B, One Hundred and Seventy-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alfrettia Smith, widow of Marion B. Smith, late of Company B, Tenth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Matilda E. A. Hornback, widow of John Hornback, late of Company D, Eleventh Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Rhoda H. Lozier, widow of Alexander H. Lozier, late of Company B, Second Regiment and Company A, Fifteenth Regiment, New Jersey Volunteer Infantry; and Company A, Second Veteran Battalion New Jersey Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Kate F. Alderson, widow of John T. Alderson, late of Company K, One Hundred and Nineteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hattie B. Roberts, widow of Daniel M. Roberts, late of Company G, Ninety-fourth Regiment Ohio Volunteer Infantry, and Company C, Fifteenth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Ida A. Borthwick, widow of Charles F. Borthwick, alias Franklin Brown, late of Company I, Fifty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Fosket, widow of William M. Fosket, late of Company B, Second Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ella B. Kinnamon, widow of Harrison Kinnamon, late of Company I, Thirty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rachel A. Updegraff, widow of Uriah H. Updegraff, late of Company B, Fifty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Carrie M. Poole, widow of Charles H. Poole, late of Company G, Thirty-ninth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Fannie L. Leonard, widow of George B. Leonard, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Mary Banks Fuller, widow of Thomas G. Fuller, late of the Twentieth Unattached Company Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Quirk, widow of John Quirk, late of Company H, Twenty-sixth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rosanna Jarvis, former widow of Frank Monosmith, late of Company B, One Hundred and Twenty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Fishinger, widow of Frederick Fishinger, late of Company A, Ninety-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Idella Waid, former widow of Samuel Waid, late of Company A, Seventy-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie A. Lacy, widow of Miles H. Lacy, late of Company D, Forty-fifth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Nancy S. Oldham, widow of William P. Oldham, late of Company F, One Hundred and Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Carrie Stidham, widow of Samuel Stidham, late of Capt. William Strong's Company E, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Dicey Terry, widow of William Terry, late of Capt. William D. Cardwell's Company G, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Mima Turner, widow of Jesse Turner, late of Capt. William Strong's Company E, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Lavina Watts, widow of John Watts, late of Capt. William Strong's Company E, Three Forks Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Louise Workman, widow of Thomas Workman, late of Company I, Ninth Regiment, and Company D, First Regiment, West Virginia Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy Jane Branham, widow of Joseph Branham, late of Company K, Tenth Regiment Kentucky Volunteer Cavalry, and Company G, Forty-fifth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Lawson, widow of David Lawson, late of Company G, Twenty-fourth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah M. H. Nickerson, widow of Henry O. Nickerson, late of Company A, Third Regiment Rhode Island Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Bertha L. Wade, widow of Samuel J. Wade, late of Company C, Sixtieth Regiment Massachusetts Volunteer Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Spear, widow of Albert A. Spear, late of Company G, Fourth Regiment Massachusetts Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Dora B. Mann, widow of John E. Mann, late of Company G, Nineteenth Regiment Massachusetts Volunteer Infantry, and Company F, Twenty-fourth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Esther Critchell, widow of William Critchell, late of Companies E and C, Forty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Tabitha Biglow, widow of Mason W. Biglow, late of Company E, Tenth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Maria B. Thompson, widow of William J. Thompson, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Annie S. Nealley, widow of Meldon A. Nealley, late of Company B, Maine State Guards, and pay her a pension at the rate of $30 per month .

The name of Neley Keller, widow of William Keller, late of Company D, Twenty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Margaret E. Stephens, widow of John E. A. Stephens, late of Company E, Nineteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella A. Reese, widow of Frank Norris Reese, late of Company C, Twelfth Regiment Illinois Volunteer Cavalry, and Company K, Seventeenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Josephine Black, widow of Levi M. Black, late of Company F, Fifty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jeanette Nelson, widow of Milton Nelson, late of Company H, Twelfth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Carrie Thompson, widow of Joseph D. Thompson, late of Company B, Twenty-sixth Regiment Illinois Volunteer Infantry, and Company F, Second Regiment United States Veteran Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Susan Wells, widow of Marcus Wells, late of Company K, Fifty-fifth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hulda J. Sanders, widow of Henry Sanders, late of Company E, Fifty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Daisy Vredenbergh, widow of Samuel F. Vredenbergh, late of Company K, Fifty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Irene C. Flack, widow of William A. Flack, late of the United States Marine Corps, and pay her a pension at the rate of $30 per month.

The name of May Barnes, widow of Alanson J. Barnes, late of Company C, One Hundred and Fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Della Bond, widow of Jesse H. Bond, late of Company F, Fifty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Olivia Stebbins, widow of Austin E. Stebbins, late of Company C, Eighty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lura H. P. Markley, widow of Henry H. Markley, late regimental commissary sergeant, Second Regiment California Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida M. Miller, widow of Alfred F. Miller, late of Company E, One Hundred and Forty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elise M. Lum, widow of Cyrill A. Lum, late of Company H, One Hundred and Eighty-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lu M. Linscott, widow of John F. Linscott, late of Company A, First Regiment Massachusetts Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Margaret Haskin, former widow of Andrew J. Fisher, late of Company F, Third Regiment Wisconsin Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Kathryn E. Fraley, widow of William G. Fraley, late of Company A, Two Hundred and Fifteenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Clara L. Owens, widow of Thomas M. Owens, late of Company G, Twenty-fourth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Agnes M. Jackman, widow of George C. Jackman, late of Company I, Thirteenth Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna E. Eldridge, widow of William H. Eldridge, late of Company G, Thirtieth Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mary A. C. Scales, widow of Henry Scales, late of Company E, Twenty-fourth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ada Plattenberger, widow of Jacob P. Plattenberger, late of Company G, Second Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Ethel S. Ferguson, widow of Samuel Ferguson, late of Company E, Fourth Regiment Illinois Volunteer Cavalry, and per her a pension at the rate of $30 per month.

The name of Emma Wood, widow of Lewis Wood, late of Company H, One Hundred and Fortieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah A. King, widow of John W. King, late of Company A, Thirteenth Regiment Illinois Volunteer Infantry, and Company I, Fifty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lizzie M. Schaber, widow of Louis Schaber, late of Company D, Seventh Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Margaret M. Crane, widow of Daniel E. Crane, late of Company D, One Hundred and Fifty-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary C. McKarnin, widow of Charles McKarnin, alias Charles McCarnin, late of Capt. John W. Younger's company, Clay County Battalion, Enrolled Missouri Militia, and Capt. John W. Younger's company, Clay and Clinton Counties, Missouri Volunteer Militia, and pay her a pension at the rate of $30 per month.

The name of Jane S. Murphy, widow of George W. Murphy, or G. W. Murphy, late of Capt. Jacob B. Cox's Company C, Eighty-first Regiment Enrolled Missouri Militia, and Capt. James H. Davis' Company K, Eighty-first Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Sarah C. Burnett, widow of George W. Burnett, late of Company C, Fifth Battalion Missouri Volunteer State Militia, and pay her a pension at the rate of $30 per month.

The name of Mary F. Williams, widow of John Williams, late of Capt. John W. Younger's company of the Clay County Battalion, Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary C. Wilkerson, former widow of James W. or Wallas Wilkerson, late of Company E, Eighty-seventh Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Nannie Blades, former widow of George Blades, late of Company B, Seventh Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sylvia I. Whiteman, widow of John A. Whiteman, late of Company M, Nineteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Lucretia E. Barton, widow of Morgan Barton, late of Company M, Twenty-second Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Clara S. Hopple, widow of William H. Hopple, late unassigned, Ninth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Olive H. Entrekin, widow of Taylor Entrekin, late of Capt. H. C. Donnuhue's company of Pettis County, Volunteer Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Rebecca Leonhardt, widow of Frederick W. Leonhardt, late of Company A, Forty-third Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Belle Hockensmith, widow of Thomas L. Hockensmith, late of Company K, Seventy-seventh Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Bettie C. Cunningham, widow of Israel D. Cunningham, late of Company B, Fifth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Margaret Wallace, widow of John K. C. Wallace, late of Company D, Sixth Regiment Missouri Volunteer State Militia Cavalry, and Company G, Thirteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Emma J. Rose, widow of Irvin R. Rose, late of Capt. William Forbe's company, Howard County Missouri Volunteer Militia, and pay her a pension at the rate of $30 per month.

The name of Hattie Wilson, widow of Robert F. Wilson, late of Capt. William H. Liggett's Company C, Sixtieth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Louisa M. Alcorn, widow of William W. Alcorn, late of Company A, Fourteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Amanda Napier, widow of Francis M. Napier, late of Company I, Twelfth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Margaret Schofield, widow of Daniel H. Schofield, who served under the name of Daniel H. Cofield, late of Company D, Twenty-second Regiment Ohio Volunteer Infantry; Battery L, First Regiment Ohio Volunteer Light Artillery, and United States Navy, and pay her a pension at the rate of $30 per month.

The name of Lillian La Motte, widow of William O. La Motte, late of Company H, Forty-sixth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mattie Mayo, widow of John A. Mayo, late of Company C, Forty-sixth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Ethel Kapp, widow of Andrew W. Kapp, late of Captain Tanner's Independent Company, Pennsylvania Volunteer Infantry, and Company D, Fifty-sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clara L. Garvin, widow of Evelyn F. Garvin, late of Company H, Third Regiment Vermont Volunteer Infantry, and Company I, Fifth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Salina J. Slaughter, widow of Elijah T. Slaughter, late of Company K, Seventy-seventh Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Clara Dempsey, widow of James Dempsey, late of Company B, Nineteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Clara Dempsey, widow of James Dempsey, late of Company D, One Hundred and Twenty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Lizzie Lawson, widow of George N. Lawson, late of Company G, Nineteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah E. Goine, widow of William H. Goine, late of Company C, Thirteenth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Susan Eudora Gwinn, widow of Richard P. Gwinn, late of Capt. George Bingham's Company H, Seventy-first Regiment Enrolled Missouri Militia, and Capt. John S. Crain's company, Saline County Volunteer Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary C. Severs, widow of Azaria Severs, late of Company B, Green River Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Josie Greathouse, widow of William Greathouse, late unassigned, Ninety-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Ellen Edwards, widow of James Edwards, late of Company F, Sixth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Agnes E. Kimmel, widow of David F. Kimmel, late of Company K, Fifth Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Flavia F. Kile, widow of Fansome Kile, late of Company A, Seventy-third Regiment, and Company I, Thirty-eighth Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna L. Rumsey, widow of Horace N. Rumsey, late first lieutenant, Company A, One Hundred and Forty-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lydia E. Perkins, widow of Charles Z. Perkins, late of Company E, Seventy-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Pearl F. Warren, widow of Valentine F. Warren, late of Company A, Thirty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Amanda Riddell, widow of Levi Riddell, late of Company G, One Hundred and Fifty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jennie Schonacker, widow of John E. Schonacker, late of Company C, One Hundred and Thirty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella Pierce, widow of Joseph H. Pierce, late of Company I, Sixty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clara E. Huffman, former widow of Sylvester T. Bryan, late of Company G, and principal musician, One Hundred and Eighteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Charlotte M. Spaulding, widow of Franklin M. Spaulding, late first lieutenant and regimental commissary, Second Regiment United States Colored Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Helen R. Pitney, widow of Orville L. Pitney, late of Company A, Seventy-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lester N. Hays, widow of William Hays, late of Company I, Seventh Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nellie M. Benjamin, widow of William H. Benjamin, late of Company D, One Hundred and Twentieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Laura Alice Hammaker, widow of Adam Hammaker, late of Company B, Twelfth Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hattie E. A. Norris, former widow of John Alexander, late of Company B, Thirty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maggie Allen, widow of Calvin Allen, late of Company G, Forty-ninth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Luticia C. Anderson, widow of King D. Anderson, late of Company A, Third Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Betsy Ann Boles, widow of William M. Boles, late of Company B, Fifth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Phoeba Fite, widow of Nathaniel M. Fite, late of Company D, Fourth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Sarah J. Green, widow of Robert Green, late of Companies H and E, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Hannah L. Heaton, widow of Murphy Heaton, late of Company M, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Susan E. Jeffres, widow of William Jeffres, late of Company C, Eleventh Regiment, and Company I, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Zubie Owens, widow of William Owens, late of Company B, Eighth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Martha Wyatt, widow of James E. Wyatt, late of Company A, Seventh Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Allie M. Walker, widow of Marshal A. Walker, late of Company A, Sixth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louisa Weaver, widow of Gordon Weaver, late of Companies H and E, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Nancy V. Mosher, former widow of Jonathan Rains, late of Capt. Henry G. Bollinger's company of Camden County Volunteer Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Annie E. McKown, widow of William H. McKown, late of Company A, One Hundred and Fifty-Fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Mecomber, widow of Joseph Mecomber, late of Company C, Eighth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Frances E. Newton, former widow of Israel Newton, alias John Scott, late of Company C, Second Regiment United States Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie Rhodes, widow of Jacob Rhodes, late of Company B, Third Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Malisa Maze, widow of William Maze, late of Lieutenant Dietrich's company, Cooper County Provisional Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Margaret F. Wilson, widow of James H. Wilson, late of Companies D and G, Thirteenth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Annie C. Linthicum, former widow of Christian A. Witt, late of Company A, One Hundred and Forty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ruah L. Martin, widow of William T. Martin, late of Capt. Richard Murphy's company of Pulaski and Texas Counties, Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Nan Benson, widow of McCloud Benson, late of Company C, Eighth Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Eddie Bassett, widow of Richard R. Bassett, late of Company B, Second Regiment Missouri Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Sarah K. Copeland, widow of Joseph T. Copeland, late of Company K, Ninth Regiment Provisional Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Emma Knight, widow of Moses Knight, late of Company G, Twenty-fourth and Twenty-first Regiments Missouri Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Issadorah T. Wilson, widow of James Brooks, known as "James W. Wilson", late of Company B, Eighty-third Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie F. R. Leach, widow of Charles Leach, late of Company A, Forty-ninth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna Milholland, widow of Amos Milholland, late of Company E, One Hundred and Thirty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Carrie M. Schriver, widow of Benjamin F. Schriver, late of Company B, Fiftieth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary H. Perkins, widow of Stephen Perkins, late of Company K, Nineteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lana Miller, widow of William H. Miller, late of Company A, Twentieth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Jeannette C. Rutherford, widow of Alonzo P. Rutherford, late of Hastings Keystone Battery, Pennsylvania Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Editha Smith, widow of John C. Smith, late of Company E, Sixth Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Henrietta Zeno, widow of Pierre Zeno, late of Company A, Fourth Regiment United States Colored Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Bertha M. Lewis, widow of Samuel E. Lewis, late of Company A, One Hundred and Forty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Hilliker, widow of John Hilliker, late of Company F, Fifty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lottie Smith, widow of James W. Smith, late of Company D, Eightieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Annie M. Swingle, widow of Calvin F. Swingle, late of Company A, Twenty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elia F. Stewart, former widow of William Stewart, late of Company M, Second Regiment Colorado Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Delia Porter, widow of Luke Porter, late of Company D, Ninety-eighth Regiment, and Company F, Seventy-eighth Regiment, United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lena K. Wagner, widow of Phillip H. Wagner, late of Company F, Twentieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Olive M. Hunt, widow of Robert R. Hunt, late of Company F, One Hundred and Fifty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie I. Ritz, widow of John Ritz, alias Daniel Dreibelbies, late of Company C, Sixty-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ellen F. Colt, widow of Edwin N. Colt, late Acting Assistant Surgeon (contract surgeon), United States Army, and pay her a pension at the rate of $30 per month.

The name of Flora Duckett, widow of James B. Duckett, late of Company E, Ninth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Eliza James, widow of Calvin James, late of Troop G, Sixth Regiment West Virginia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Hays, widow of William R. Hays, late of Company D, Ninety-ninth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jessie B. McElroy, widow of Samuel McElroy, late of Company B, One Hundred and Eighty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Michaud, widow of Henry Michaud, late of Company D, Forty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliza J. Wilkinson, widow of Thomas A. Wilkinson, late of Company A, Ninth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Grace V. Lawrence, widow of Isaiah E. Lawrence, late of Company E, One Hundred and Sixty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah Ukele, widow of Frederick Ukele, late of Company I, One Hundred and Forty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie M. Oliver, widow of John F. Oliver, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Tuttle, former widow of Horatio J. Tuttle, late of Company B, First Regiment Potomac Home Brigade Maryland Volunteer Infantry, and Company B, Thirteenth Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Wagner, widow of Charles Wagner, late of Company E, First Regiment Maryland Veteran Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Lucy Pierce, widow of Samuel W. Pierce, late of Company F, Seventeenth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Bettie L. Lomax, widow of Henry C. Lomax, late of Captain Robert W. Holland's Linn County Provisional Company of the Sixty-second Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Sarah J. Clutter, former widow of Absalom Hunsaker, alias Abosolm, or Absolom Hunsaker, late of Company I, Fiftieth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary L. Bruner, widow of James P. Bruner, late of Captain Isaac D. Hon's Company K, Sixty-ninth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary E. Brewer, widow of Francis M. Brewer, late of Captain Jacob Bane's Cavalry, Company E, Mercer County Battalion Missouri State Militia, and pay her a pension at the rate of $30 per month.

The name of Susan Van Pelt, former widow of William Allerton, late of Company B, Sixty-fifth Regiment Ohio Volunteer Infantry, and Company K, Fifth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Emma Campbell, widow of Alexander J. Campbell, late of Company K, Second Regiment Wisconsin Volunteer Cavalry, and pay her a pension at the rate of $30 per month as the widow of the above-named veteran in lieu of the pension she is now receiving as the dependent mother of Roy D. Miller, late of the United States Navy.

The name of Sarah J. Clarkson, widow of Thaddeus Clarkson, late of Company K, Eighty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ruth I. G. Pridham, former widow of Joseph L. Goulette, late of Company H, Eighth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mary J. Whistler, widow of Thomas Whistler, late of Company G, Second Regiment Eastern Shore Maryland Volunteer Infantry, and Company K, Eleventh Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliza Cupp, widow of Lemon V. Cupp, late of Company I, One Hundred and Twenty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie D. Billingsley, widow of Samuel Mc. Billingsley, who was pensioned as Samuel McBillingsley, late of Company C, Fifth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Bussard, widow of Salem Bussard, late of Company I, One Hundred and Fifty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Debbie Klingler, widow of Isaac Klingler, late of Companies G and F, One Hundred and Fourteenth Regiment Ohio

Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Norma Roush, widow of Eli Roush, late of Company C, Fourth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Julia C. Messamore, widow of Thomas Messamore, late of Company F, Seventh Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary A. McCullough, widow of George McCullough, late of Company G, Sixteenth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Matie Patrey, widow of Asa H. Patrey, late of Company E, Ninety-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of sixty years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Susan McKay Young, widow of Marcus Young, late of Company C, Twenty-second Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of sixty years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mary J. Edwards, widow of Robert C. Edwards, late of Tanner's Independent Company, Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Joanna Gray, widow of David Gray, late of Company G, Twenty-seventh Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Grace E. Fairchild, widow of William Fairchild, late of Company B, Nineteenth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of sixty years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Cora J. Lowell, widow of Edwin A. Lowell, late of Company D, Fifty-eighth Regiment New York Volunteer National Guard, and pay her a pension at the rate of $30 per month.

The name of Mary Tompkins, widow of William Tompkins, late of Company F, Forty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary C. Miller, widow of Samuel R. Miller, late of Company C, One Hundredth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catherine C. West, widow of Handy West, late of Company A, One Hundred and Twenty-seventh Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Edna P. Welsh, widow of Edward A. Welsh, late of Company G, Second Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mary E. O'Keefe, widow of Daniel H. O'Keefe, alias Daniel Hennessy, late of Company F, Second Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Cora Cate, widow of Henry Cate, late of Company E, Fortieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Susie E. Payne, widow of Arthur B. Payne, late of Company L, Twenty-second Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Laura A. Donnelly, widow of James C. Donnelly, late of Company B, Fourth Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Narcissa Walter, widow of Israel Walter, late of Company L, Fifth Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Florence Bonnell, widow of George W. Bonnell, late of Company I, One Hundred and Seventy-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lena P. Riddick, widow of Isaac H. Riddick, late of Company A, One Hundred and Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maude Campbell, widow of John P. Campbell, late of Company B, Fifty-second Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Arbelle Dooley, widow of George W. Dooley, late of Capt. Daniel Hoover's company, Carroll County Regiment Provisional Militia of Missouri, and pay her a pension at the rate of $30 per month.

The name of Mary A. Salyards, widow of Edward M. Salyards, late of Company D, Twenty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Flora B. Thomas, widow of Luther B. Thomas, late of Company I, Fifteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret Teed, widow of Edward Teed, late of Company G, Fourteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Delia R. Birney, widow of Nelson L. Birney, late of Company F, Ninety-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary H. Roberts, widow of Francis M. Roberts, late of Company D, Thirty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret E. Duckworth, widow of William A. Duckworth, late of Company G, Second Regiment Iowa Volunteer Infantry, and second lieutenant, Company K, One Hundred and Tenth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louise O. Bowman, widow of William H. Bowman, late of Company A, One Hundred and Fifty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sophia Finley, widow of Robert Finley, late of Company G, One Hundred and Second Regiment Ohio Volunteer Infantry, and Company E, One Hundred and Eighty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julie A. Allen, widow of James Allen, late of Company K, First Regiment California Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah M. Swafford, widow of George W. Swafford, late of Company F, Sixth Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Miller, widow of Christopher Miller, late of Company I, Third Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Laura A. Garrison, widow of Lewis W. Garrison, late of Company B, Eleventh Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lillie M. Scott, widow of Asa W. Scott, late of Company F, First Battalion Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lillie E. Brinkerhoff, widow of Leland Brinkerhoff, alias Levi Brown, late of Company H, Fourteenth Regiment New York Volunteer Heavy Artillery; Companies G and A, Third Regiment New York Volunteer Cavalry; and Company F, Fourth Regiment New York Provisional Volunteer Cavalry (formerly First Regiment New York Mounted Rifles), and pay her a pension at the rate of $30 per month.

The name of Hortense Van Horn, widow of William H. Van Horn, late of Company D, Ninety-third Regiment New York National Guard Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna V. Peck, widow of John L. Peck, late of Company C, One Hundred and Fourth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Laura A. Gundlach, widow of Louis Gundlach, late of Company H, Twenty-ninth Regiment New York Volunteer Infantry, and Second Independent Battery, New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Rebecca Jenkins, widow of Duggan Jenkins, late of Company I, Second Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Katrine Rautman, widow of Henry F. Rautman, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Mary A. Nichols, widow of Albert Nichols, late of Company H, Seventh Regiment Rhode Island Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Rhodes, widow of Milton W. Rhodes, late of Company H, Seventy-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth W. Ravenburg, widow of Rudolph Ravenburg, late hospital steward, United States Army, and pay her a pension at the rate of $30 per month.

The name of Flora E. Bailey, widow of Lewis J. Bailey, late of Company B, Fifty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lottie Denny, widow of Samuel T. Denny, late of Company M, Fifth Regiment Ohio Volunteer Cavalry; Company H, One Hundred and Seventeenth Regiment; and Company D, Sixteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Pearl Thomas, widow of John N. Thomas, late of Company F, Fifty-fifth Regiment, and Company G, One Hundred and Fifteenth Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Louise Eberle, widow of Joseph Eberle, late of Company H, One Hundred and Fiftieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Florence I. Steele, widow of George W. Steele, late of Company I, Sixty-first Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Henrietta F. Lowry, widow of Walter Lowry, late of Company K, One Hundred and Twenty-seventh Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Gussie Dawson, widow of Phil Dawson, late of Company A, One Hundred and Twenty-second Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hattie House, widow of Draper F. House, late of Capt. William F. Pell's company of Independent Scouts for Wirt County, West Virginia State Troops, and pay her a pension at the rate of $30 per month.

The name of Mary E. Hoffman, former widow of John R. Hoffman, late of Company E, Twenty-first Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emma Temple, former widow of Joseph Cavins, late of Company C, First Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Emma K. Clark, widow of William F. Clark, late of Company I, Fourteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lizzie Davis, widow of Simel Davis, late of Company C, Twenty-seventh Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sallie Jordan, widow of William A. Jordan, late of Capt. John Bridgewater's Company A, Hall's Gap Battalion Kentucky State Troops, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Marilla A. Buchwalter, widow of Edward L. Buchwalter, late of Company A, One Hundred and Fourteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Simmons, widow of William Simmons, late of Company E, Thirty-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Evelyn M. Phelps, widow of Charles A. Phelps, late of Company G, Fifth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Emma Caroline Washburn, widow of Nelson Washburn, late second lieutenant, Company L, Tenth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Sarah M. Waugh, widow of Enoch L. Waugh, late of Battery E, West Virginia Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary R. Currier, widow of Reuben B. Currier, late of Company A, Forty-sixth Regiment Massachusetts Militia Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ethelyn Palmer, former widow of Theodore H. Ingersoll, late of Company C, First Regiment Ohio Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Belle R. Taylor, widow of Richard Taylor, late of Company K, Eleventh Regiment United States Colored Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Glennie Edwinson, widow of Christopher Edwinson, late of Company G, Sixty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Ozetta M. Taylor, widow of David Taylor, Jr., late of Company B, One Hundred and Thirteenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catherine Keyser, widow of Jacob Keyser, late ordinary seaman, United States Navy, and pay her a pension at the rate of $30 per month.

The name of Marie Brown, widow of William R. Brown, late of Company H, One Hundred and Thirty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Evangeline R. Butler, widow of William Henry H. Butler, late of Company E, Fifth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alta Manypenny, widow of Albert Manypenny, late of Company I, Twenty-second and Twenty-ninth Regiments Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jennie Smith, widow of Francis M. Smith, late of the Eighteenth Independent Battery, New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary E. Ramer, widow of James Ramer, late of Company F, Sixteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ellen Crouse, widow of Benjamin A. Crouse, late of Company G, Forty-fourth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Harriett G. Flynn, widow of Simon Flynn, late of Company D, Sixth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clarissa M. Eck, widow of Alvin Eck, late of Company A, Twelfth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Antonia Kuehn, widow of Otto Kuehn, late acting assistant surgeon (contract surgeon), United States Army, and pay her a pension at the rate of $30 per month.

The name of Belle Robinson, widow of Charles H. Robinson, alias Archibald Bush, late of Company L, Twelfth Regiment United States Colored Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Ida Lane, widow of Franklin Lane, late of Company C, Seventeenth Regiment Maine Volunteer Infantry, and the Forty-eighth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Rosa Anderson, widow of John Anderson, late of Company H, Ninety-third and Eighty-first Regiments United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maude Holmes, widow of John J. Holmes, late of Company F, Thirteenth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alice B. Mitchell, widow of Thomas F. Mitchell, late of Company A, Twenty-first Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Florence I. Christie, widow of Joseph B. Christie, late of Company E, Third Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Carrie M. Kelley, widow of Nelson Kelley, alias Henry Mapes, late of Company B, Eighty-third Regiment, and Company A, Ninety-seventh Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Alice Pease, widow of Joseph Pease, late landsman and carpenter's mate, United States Navy, and pay her a pension at the rate of $30 per month.

The name of Mary E. Allen, widow of Henry Allen, late captain, Company A, One Hundred and Fortieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Hannah Smith, widow of Alexander Smith, late of Company D, Third Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Neville S. Tout, widow of Henry C. Tout, late of Company B, One Hundred and Seventeenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Della Means, widow of Jacob A. Means, late of Company K, One Hundred and Twenty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah Hammons, widow of Alvin W. Hammons or Hamon, late of Capt. Hiram Minor's Perry County company of volunteers, Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Mary W. Leslie, widow of John M. Leslie, late of Capt. Warren W. Harris' company of Howard County Volunteer Militia of Missouri, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Cooper, widow of George T. Cooper, late of Company I, Second Regiment West Virginia Veteran Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Susanna Pearce, widow of Lewis S. Pearce, late of Company D, Sixth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Missouri P. Benton, widow of William D. Benton, late of Company B, Seventh Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Laura C. Clark, widow of Walter S. Clark, late of Company C, Twenty-sixth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah Ann B. Emry, widow of William M. Emry, late of Capt. Richard F. Taylor's Company C, Middle Green River Battalion, Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Jamaica Taylor, widow of Charles D. Taylor, late of Company D, Fourteenth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Belle B. Hood, widow of Andrew J. Hood, late of Company E, Fifty-second Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jennie Welborn, widow of William T. Welborn, late of Company E, Twenty-sixth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sylvia Abner, widow of Isaac N. Abner, late of Capt. Richard F. Taylor's Company C, Middle Green River Battalion Kentucky State Troops, and pay her a pension at the rate of $30 per month.

The name of Lee Rigsby, widow of James E. Rigsby, late of Company C, Fifty-second Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Annie Lewis, widow of Taylor Lewis, late of Company B, One Hundred and Twenty-third Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lillie Daley, widow of Palan R. Daley, late of Company H, Second Regiment Tennessee Mounted Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Bettie Dick, widow of Thomas D. Dick, late of Battery A, Kentucky Volunteer Light Artillery, and Company C, Third Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Flora Turner, widow of George W. Turner, late of Company E, Sixteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Laura C. Hobbs, widow of Andrew J. Hobbs, late of Company F, Ninth Regiment Maryland Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Josephine Gardner, widow of Joseph P. Gardner, late of Company A, Tenth Regiment New York Volunteer Heavy Artillery and the One Hundredth Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Mary H. Nash, widow of George S. Nash, late second and first lieutenant, Company D, First Regiment Missouri Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Maud Lucas, widow of Charles L. Lucas, late of Company G, Thirty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Elizabeth Fields, widow of Linsy H. Fields, late of Company F, Seventh Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lucinda J. Miller, widow of Henry S. Miller, late of Company D, Fourth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary H. Milburn, widow of William Elbert Franklin Milburn, late of Company B, Twelfth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Martha E. Irvin, widow of Jerret Irvin, late of Company C, One Hundred and Tenth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catherine White, widow of John B. White, late of Company C, Second Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Tuttle Buttram, former widow of George P. Tuttle, late of Company H, Eleventh Regiment and Company B, Eighth Regiment Michigan Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary J. Ferguson, widow of Archey C. Ferguson, late of Company D, Twenty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eleanor A. Warren, widow of William M. Warren, late of Company B, Fifty-first Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella M. Rea, widow of George W. Rea, late of Company I, Sixty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Grace Gerecke, widow of Herman Gerecke, late of Company D, Sixteenth Regiment Wisconsin Volunteer Infantry, and Company C, Seventh Regiment Iowa Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Hannah Koontz, widow of James E. Koontz, late of Company F, Third Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Johanna Kuester, widow of John H. Kuester, late of Company D, Sixth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ida B. Wooldridge, widow of John Wooldridge, late of Company F, Thirtieth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $30 per month.

The name of Maximillia Cowan, widow of William L. Cowan, late of Company B, South Cumberland Battalion Kentucky State Volunteers, and pay her a pension at the rate of $30 per month.

The name of Ella E. McMichael, widow of John R. McMichael, late of Company C, Ninety-ninth Regiment Pennsylvania Volunteer Infantry, and Company G, Twelfth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Frederika Bushong, widow of Milton Bushong, late of Company B, One Hundred and Seventy-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Myrtle Payne, widow of John M. Payne, late commissary sergeant, Company E, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Clara T. W. Simmons, widow of Harry Simmons, late of Company G, Sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Smith, widow of James W. Smith, late of Company H, Ninety-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella E. Huffman, widow of William H. Huffman, late of Company D, One Hundredth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Eudora M. Elkins, widow of Calvin P. Elkins, late of Company F, Third Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clarinda E. Kenyon, widow of Charles E. Kenyon, late of Company E, Seventy-sixth Regiment, and Company F, Sixty-third Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS TO CERTAIN HELPLESS AND DEPENDENT CHILDREN OF SOLDIERS AND SAILORS OF THE CIVIL WAR

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7899) granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of George Meredith, helpless and dependent son of Alexander Meredith, late of Company I, Twenty-seventh Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Jim Meredith, helpless and dependent son of Alexander Meredith, late of Company I, Twenty-seventh Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Nancy Ann Laird, helpless and dependent daughter of James C. Laird, late of Company H, Twenty-sixth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Simpson Pennington, helpless and dependent son of Thompson Pennington, late of Company K, Ninth Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Katie Rock, helpless and dependent daughter of John Rock, late of Company I, Fourteenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Rosylena Wood, helpless and dependent daughter of David F. Wood, late of Company E, Tenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Frances Engler, helpless and dependent daughter of George W. Engler, late of Company A, One Hundred and Forty-third Regiment Pennsylvania Volunteer Infantry, and Fifty-first Company, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of George N. Groff, helpless and dependent son of John Groff, late of Company D, One Hundred and Ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of John W. Lutz, Jr., helpless and dependent son of John W. Lutz, late of Company G, Seventy-ninth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Maude Isabel Schuler, helpless and dependent daughter of Taylor L. Schuler, late of Company C, Twenty-first Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of James Edwards, helpless and dependent son of Stephen F. Edwards, late of Company G, Fifty-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Nola Forrester, helpless and dependent daughter of James F. Forrester, late of Company G, Tenth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Alberta B. Newman, helpless and dependent daughter of David Newman, late of Company E, Eighth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Viola Shively, helpless and dependent daughter of William Shively, late of Company A, One Hundred and Fifty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mary Metzger, helpless and dependent daughter of August Metzger, late of Company H, One Hundred and First Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Ivy Pitzer, helpless and dependent daughter of Samuel J. Pitzer, alias Samuel E. Pitt, late of Company I, Forty-eighth Regiment Ohio Volunteer Infantry, and Company H, Twenty-sixth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Hester A. Bradford, helpless and dependent daughter of Henry Bradford, late of Company G, One Hundred and Eighty-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Levi Copas, helpless and dependent son of Jackson Copas, late of Company K, One Hundred and Forty-first Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Sarah Stephenson, helpless and dependent daughter of John Stephenson, late of Company M, Third Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Lewis Congrove, helpless and dependent son of Amos Congrove, late of Company I, One Hundred and Eighty-sixth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Jennie Hopkins, helpless and dependent daughter of William Hopkins, late of Company D, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $20 per month.

The name of Leslie D. Hood, helpless and dependent son of John D. Hood, late of Company A, Eighty-eighth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Everett Horton, helpless and dependent son of James S. Horton, late of Company H, First Regiment Ohio Volunteer Heavy Artillery, and pay him a pension at the rate of $20 per month.

The name of Minnie B. Leonard, helpless and dependent daughter of Andrew J. Leonard, late of Company H, First Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $20 per month.

The name of Otto Nance, helpless and dependent son of David Nance, late of Company E, One Hundred and Seventy-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Samuel Warner, helpless and dependent son of John Warner, late of Company F, One Hundred and Fortieth Regiment Ohio National Guard Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Michael T. Tippie, helpless and dependent son of John M. Tippie, late of Company E, One Hundred and Twenty-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Charles Younger, helpless and dependent son of Charles Younger, late of Company E, Ninth Regiment West Virginia Volunteer Infantry, and Company B, First Regiment West Virginia Veteran Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Ella Carl, helpless and dependent daughter of Nathan Carl, late of Company K, One Hundred and Eighty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Lulu M. Williams, helpless and dependent daughter of Edward Williams, late of Company D, Forty-fifth Regiment Pennsylvania Volunteer Infantry, and Company F, Twenty-fourth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of Marion M. Luther, helpless and dependent daughter of Aldrich S. Luther, late of Company I, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $20 per month.

The name of Charlie Campbell, helpless and dependent son of William A. Campbell, late of Company C, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Joke Campbell, helpless and dependent son of William A. Campbell, late of Company C, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Hattie Campbell, helpless and dependent daughter of William A. Campbell, late of Company C, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Francis A. Sipe, helpless and dependent son of Archibald Sipe, late of Company C, Sixty-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Alice R. Smith, helpless and dependent daughter of William Smith, late of Company F, Fifty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Nannie B. Floyd, helpless and dependent daughter of Aaron Floyd, late of Company B, Eighth Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Frank Burcham, helpless and dependent son of James Burcham, late of Company H, Sixth Regiment Indiana Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Edward Butler, helpless and dependent son of Tobias D. Butler, late of Company B, First Regiment Indiana Volunteer Heavy Artillery (Twenty-first Regiment Indiana Volunteer Infantry), and pay him a pension at the rate of $20 per month.

The name of Charles W. Ringer, helpless and dependent son of Melancthon Ringer, late of Company C, One Hundred and Twenty-first Regiment, and Company F, Sixty-ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Albert Braun, helpless and dependent son of John Braun, late of the First Battery, Indiana Volunteer Light Artillery, and pay him a pension at the rate of $20 per month.

The name of James B. Long, helpless and dependent son of John W. Long, late of Company H, Thirty-first Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Edward Armel, helpless and dependent son of William Armel, late of Company K, One Hundred and Thirty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Harry C. B. Frets, helpless and dependent son of George Frets, late of Company E, Eighty-eighth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Luther Hudson, helpless and dependent son of Jeremiah Hudson, late of Company F, Fifteenth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Katie Glenn, helpless and dependent daughter of Thomas Glenn, late of Company E, Eighteenth Regiment Kentucky Volunteer Infantry, and Company B, Twenty-third Regiment Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of Jessie Myrtle Bennett, helpless and dependent daughter of Jonathan Bennett, late of Company H, Eighth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Hettie Bagby, helpless and dependent daughter of George W. Bagby, late of Companies B and L, Fifteenth Regiment, and Company K, Tenth Regiment, Illinois Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Alice L. Calderhead, helpless and dependent daughter of William A. Calderhead, late of Company H, One Hundred and Twenty-sixth Regiment Ohio Volunteer Infantry, and Company D, Ninth Regiment Veteran Reserve Corps, and pay her a pension at the rate of $20 per month.

The name of Margaret Ann Canatsey, helpless and dependent daughter of William S. Canatsey, late of Company D, Seventieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Frances Edna Morrow, helpless and dependent daughter of Alexander Morrow, late first lieutenant, Company B, Thirty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Isabelle Scott, helpless and dependent daughter of Henry B. Scott, late of Companies D and H, Fifth Regiment Kansas Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Elmer B. Williams, helpless and dependent son of Andrew Williams, late of Company G, Twenty-third Regiment Missouri Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Bert Milburn, helpless and dependent son of Jesse S. Milburn, late of Company M, Tenth Regiment Indiana Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Mary Jane Patterson, helpless and dependent daughter of Hiram L. Patterson, late of Company K, Sixty-eighth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Jesse Mills, helpless and dependent son of Cornelius Mills, late of Company C, Thirteenth Regiment Missouri Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Frank A. Boster, helpless and dependent son of James A. Boster, late of Company A, Eighty-seventh Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Effie P. Chiles, helpless and dependent daughter of George W. Chiles, late of Company C, Fifty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Marion Van Natta, helpless and dependent son of George O. Van Natta, late of Company E, Ninety-ninth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Josie Siessly, helpless and dependent daughter of John Siessly, late of Company B, Forty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Sallie Hutchens, helpless and dependent daughter of Arthur Hutchens, late of Company H, Twenty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Hubert L. Anderson, helpless and dependent son of Robert L. Anderson, late of Company A, Eleventh Regiment Kentucky Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Albert S. Miller, helpless and dependent son of Aaron J. Miller, late of Company K, Fifth Regiment Pennsylvania Volunteer Heavy Artillery, and pay him a pension at the rate of $20 per month.

The name of Milton Warner, helpless and dependent son of Casper Warner, late of Company C, Fifty-third Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Dora McCallister, helpless and dependent daughter of George W. McCallister, late of Company A, Fifty-fourth Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Ned Johnston, helpless and dependent son of Samuel Johnston, late of Company K, Fourteenth Regiment Kentucky Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Lewis Stamper, helpless and dependent son of Wesley Stamper, late of Company K, Fourteenth Regiment Kentucky Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Walter D. Cropper, helpless and dependent son of Wheetley D. Cropper, late of Company G, Tenth Regiment Kentucky Volunteer Cavalry, and Company C, Fifty-fourth Regiment Kentucky Mounted Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Henry Patrick Dyer, helpless and dependent son of John F. Dyer, late of Company B, Twelfth Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Ollie Hamilton, helpless and dependent son of William H. Hamilton, late of Company F, Twenty-fourth Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of William Gage, helpless and dependent son of Daniel H. Gage, late of Company B, Third Regiment Michigan Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Daniel F. Glenn, helpless and dependent son of James Glenn, late of Company E, Fifth Battalion, and Company E, Sixth Regiment, Missouri State Militia Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Elizabeth A. C. Bigham, helpless and dependent daughter of James Bigham, late of Company K, One Hundred and Eighty-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of William P. Cope, helpless and dependent son of Emmor B. Cope, late captain and aide-de-camp, United States Volunteers, and pay him a pension at the rate of $20 per month.

The name of Charles W. Smith, helpless and dependent son of Henry Smith, late of Company F, One Hundred and Sixty-sixth Regiment Pennsylvania Drafted Militia Infantry, and pay him a pension at the rate of $20 per month.

The name of Hattie R. Wierman, helpless and dependent daughter of Eliakim Wierman, late of Warren's Independent Company, Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Mary Jane McGlaughlin, helpless and dependent daughter of John McGlaughlin, late of Company E, Fifteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Lizzie A. Colwell, helpless and dependent daughter of George E. Colwell, late of Company A, Eighty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Clara L. Dolman, helpless and dependent daughter of Charles M. Dolman, late of Company I, Seventy-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Hallie V. Weeks, helpless and dependent daughter of George Weeks, late captain, Company B, Thirty-sixth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Henry Friedrich, helpless and dependent son of Conrad Friedrich, late of Company E, Forty-fifth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Bertha E. Haroff, helpless and dependent daughter of William T. Haroff, late of Company K, One Hundred and Twenty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Sadie E. Goshorn, helpless and dependent daughter of George Goshorn, late of Company I, One Hundred and Forty-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Lillie Haupt, helpless and dependent daughter of Edward Haupt, late of Company D, Two Hundred and Eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of William C. Fisher, helpless and dependent son of William H. Fisher, late of Company F, Sixteenth Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Edna B. Hartley, helpless and dependent daughter of William Hartley, late of Company D, Fifty-fifth Regiment Pennsylvania Volunteer Infantry and first lieutenant, Company F, Thirty-fourth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Minnie G. Jones, helpless and dependent daughter of Alonzo W. Jones, late of Company G, One Hundred and Forty-ninth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Eva Case, helpless and dependent daughter of Malon Case, late of Company L, Eighth Regiment Illinois Voluntary Cavalry, and pay her a pension at the rate of $20 per month.

The name of Myra Struchen, helpless and dependent daughter of Abraham Struchen, late of the United States Navy, and pay her a pension at the rate of $20 per month.

The name of Ella May Faris, helpless and dependent daughter of Finley Faris, late of Company H, One Hundred and Thirty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Hannah D. Warren, helpless and dependent daughter of Andrew J. Warren, late of Company C, Fifty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Claude Stine, helpless and dependent son of Abraham Stine, late of Company K, One Hundred and Eleventh Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Mary A. Proudfit, helpless and dependent daughter of James B. Proudfit, late of Company H, One Hundred and Seventy-second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Flossie M. Ramsey, helpless and dependent daughter of James A. Ramsey, late of Company F, Fourth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of James Edward Miller, helpless and dependent son of Andrew J. Miller, late of Company I, Forty-eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Chester D. Green, helpless and dependent son of Elisha W. Green, late of Company K, Fifty-sixth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Sarah E. Schott, helpless and dependent daughter of Abram M. Schott, late of Company H, One Hundred and Forty-eighth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Ida Jones, helpless and dependent daughter of William D. Jones, late of Company C, Third Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $20 per month.

The name of Charlie J. Dupree, helpless and dependent son of George Dupree, late of Company E, Ninety-eighth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Louise E. Stockwell, helpless and dependent daughter of David Stockwell, late of Company K, Fourteenth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Adam Anderson, helpless and dependent son of George B. Anderson, late of Company C, East Tennessee Volunteer National Guard, and pay him a pension at the rate of $20 per month.

The name of Mary M. Norris, helpless and dependent daughter of Wisner Norris, late of Companies D and F, Thirty-second Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Ella Strutton, helpless and dependent daughter of Elisha S. Strutton, late of Company M, Third Regiment, and Company C, Eleventh Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Charles F. Boroff, helpless and dependent son of Daniel Boroff, late of Company A, Forty-sixth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Myrtle B. Oldfield, helpless and dependent daughter of James R. Oldfield, late of Company C, Thirty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mettie Grace Cameron, helpless and dependent daughter of John S. Cameron, late first lieutenant, Company G, and adjutant, Thirty-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Martha Weiss, helpless and dependent daughter of Emanuel Weiss, late of Company D, ——— Battalion, Forty-eighth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Arthur C. Isenberg, helpless and dependent son of Peter S. Isenberg, late of Company C, First Regiment Pennsylvania Volunteer Light Artillery, and pay him a pension at the rate of $20 per month.

The name of Rachel A. Bosworth, helpless and dependent daughter of Charles W. Bosworth, late of Company I, First Regiment Maine Volunteer Heavy Artillery, and pay her a pension at the rate of $20 per month.

The name of Sarah H. Allison, helpless and dependent daughter of Jacob Allison, late of Company F, First Regiment New Jersey Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of John Schoonmaker, Jr., helpless and dependent son of John Schoonmaker, late of Company H, Ninth Regiment, and Company K, Second Regiment New York Volunteer Heavy Artillery, and pay him a pension at the rate of $20 per month.

The name of James Hord, helpless and dependent son of Hugh Hord, late of Company B, Forty-eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Sherman King, helpless and dependent son of Benton K. P. King, late of Company D, Sixth Regiment Provisional Enrolled Missouri Militia, and pay him a pension at the rate of $20 per month.

The name of James C. Riley, helpless and dependent son of John D. Riley, late of Company H, Seventy-seventh Regiment New York Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Adele Evans, helpless and dependent daughter of James B. Evans, late of Company C, One Hundred and Twentieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mary Tiger, helpless and dependent daughter of Nathan L. Tiger, late of Battery D, First Regiment United States Artillery, and pay her a pension at the rate of $20 per month.

The name of Harry E. Duffield, helpless and dependent son of Henry D. Duffield, late of Company F, Second Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Amanda M. Evert, helpless and dependent daughter of Frederick Evert, late of Company E, Twenty-fourth Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Thomas M. Teeters, helpless and dependent son of Josiah Teeters, late of Company B, One Hundred and Twenty-ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Clara Fowler, helpless and dependent daughter of Francis A. Fowler, late of Company A, Seventh Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Stella Littlejohn, helpless and dependent daughter of William Littlejohn, late of Company H, Twenty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Emma Blosser, helpless and dependent daughter of William H. Blosser, late of Company F, Ninetieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Edith Pyle, helpless and dependent daughter of James W. Pyle, late of Company G, One Hundred and Ninety-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Amanda Hart, helpless and dependent daughter of Absolom Hart, late of Company D, Seventeenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of John Claud McCoy, helpless and dependent son of Thomas W. McCoy, late of Company H, One Hundred and Fifty-fifth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Charles Hovermale, helpless and dependent son of John A. Hovermale, late of Company D, One Hundred and Thirty-fifth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Stella M. Webster, helpless and dependent daughter of Noah Webster, late first lieutenant, Company K, Forty-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Fannie Stults, helpless and dependent daughter of Jacob Stults, late of Company K, One Hundred and Sixty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Josephine Campbell, helpless and dependent daughter of Lewis Campbell, late of Company C, One Hundred and Seventy-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Sarah E. Jackson, helpless and dependent daughter of Cyrus A. Jackson, late of Company H, Thirty-seventh Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Cora S. Day, helpless and dependent daughter of Thomas G. Day, late of Company E, Third Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Julian A. Myers, helpless and dependent son of Hiram A. Myers, late of Company D, Eleventh Regiment Kansas Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Lydia Frances Nyman, helpless and dependent daughter of William Nyman, late of Company E, One Hundred and Forty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of John Patrick Nolan, helpless and dependent son of Michael Nolan, late of the United States Navy, and pay him a pension at the rate of $20 per month.

The name of Marion Gregory, helpless and dependent son of William Gregory, late of Company F, One Hundred and Seventy-ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Louisa J. Humphrey, helpless and dependent daughter of Benjamin Humphrey, late of Company B, One Hundred and Sixty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Maretta A. Booher, helpless and dependent daughter of Samuel A. Booher, late of Company H, One Hundred and Sixty-first Regiment Ohio National Guard Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Julia A. Silva, helpless and dependent daughter of Isaac Silva, late of Company C, Second Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Nellie M. Taylor, helpless and dependent daughter of Corwin M. Taylor, late of Company G, One Hundred and Twenty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mary C. Sheaffer, helpless and dependent daughter of Henry Sheaffer, late of Company F, Fourteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Grace A. Walker, helpless and dependent daughter of Charles B. Walker, late of Company E, Eighty-ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Laura Dively, helpless and dependent daughter of Morgan Dively, late of Company F, Seventy-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Mabel Forrer, helpless and dependent daughter of John Forrer, late of Company I, Twenty-second Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of George E. Ryan, helpless and dependent son of Francis M. Ryan, late of Company B, Forty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Fred L. Lindsey, helpless and dependent son of William B. Lindsey, late of Company A, One Hundred and Thirty-fourth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Zack Pool, helpless and dependent son of Jeremiah Pool, late of Company D, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of James Combs, helpless and dependent son of Squire Combs, late of Company D, Eighth Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Willie D. Nelson, helpless and dependent son of Horatio Nelson, late of Company G, Fifty-first Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Mabel McBratney, helpless and dependent daughter of Andrew C. McBratney, late of Company G, Twenty-fourth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Leah Kesterson, helpless and dependent daughter of Hugh Kesterson, late of Capt. Isaiah Guymon's Company A, Mercer County Battalion Missouri State Militia, and Company D, Forty-fourth Regiment Enrolled Missouri Militia, and pay her a pension at the rate of $20 per month.

The name of Dessie Priest, helpless and dependent daughter of Ezra Priest, late of Company L, First Regiment United States Veteran Engineers, and pay her a pension at the rate of $20 per month.

The name of Susan J. Raab, helpless and dependent daughter of Henry Raab, late of Company F, Third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Neri Otis Porter, helpless and dependent son of Henry W. Porter, late of Company H, One Hundred and Forty-third Regiment New York Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Augusta Lambert, helpless and dependent daughter of Andrew Lambert, late of Company A, First Regiment Ohio

Volunteer Heavy Artillery, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Effie M. Anderson, helpless and dependent daughter of Robert Anderson, late of Company B, Seventy-seventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Julia Reeves, helpless and dependent daughter of Eventine Reeves, late of Company I, Fifty-third Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of James L. Roberts, helpless and dependent son of John H. Roberts, late of Company B, Sixth Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Charles E. Curl, helpless and dependent son of Peter Curl, late of Company K, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Jud James Tripp, helpless and dependent son of Benjamin Tripp, late of Company H, Twenty-second Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of James D. Shelters, helpless and dependent son of Edward Shelters, late of Company F, First Regiment Illinois Volunteer Light Artillery, and pay him a pension at the rate of $20 per month.

The name of Excelia Lague-Leyo, helpless and dependent daughter of Joseph Leyo, alias Joseph Lejane, late of Company E, Second Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Charles Alcorn, helpless and dependent son of John H. Alcorn, late of Company D, Thirtieth Regiment Kentucky Mounted Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Adelia T. Hoover, helpless and dependent daughter of James Hoover, late of Company I, Eighty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Bettie Dillard, helpless and dependent daughter of James W. Dillard, late of Company E, Fifty-second Regiment Kentucky Mounted Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Maggie Sanders, helpless and dependent daughter of James W. Sanders, late of Company E, Eleventh Regiment, and Company H, Fifty-second Regiment, Kentucky Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Virgie Belle McKee, helpless and dependent daughter of William T. McKee, late of Company M, First Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $20 per month.

The name of Francis V. Guy, helpless and dependent son of Daniel Guy, late of Company E, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Kathryn Smith, helpless and dependent daughter of Mahlon P. Smith, late of Battery C, Third Regiment United States Artillery, and pay her a pension at the rate of $20 per month.

The name of Stella Meadows, helpless and dependent daughter of Joseph S. Meadows, late of Company F, Ninety-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Everett P. Collins, helpless and dependent son of Theadric Collins, late of Company I, Seventh Regiment Illinois Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of James M. Bush, helpless and dependent son of William A. Bush, late of Company C, One Hundred and Fifty-fourth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Oscar J. Callier, helpless and dependent son of Arsan Callier, late of Company L, Fifth Regiment Missouri State Militia Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Charles Smith, helpless and dependent son of John Fletcher Smith, late of Company E, One Hundred and Twenty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Caleb Osier Brown, helpless and dependent son of Francis M. Brown, late of Company I, Eighty-second Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Emma Hinton, helpless and dependent daughter of Henry V. Hinton, late of Company F, Ninety-ninth Regiment, Company C, Fiftieth Regiment, and Company B, One Hundred and Eighty-third Regiment, Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS TO CERTAIN WIDOWS, FORMER WIDOWS, AND DEPENDENT CHILDREN OF SOLDIERS OF THE CIVIL WAR

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7905) granting pensions and increase of pensions to certain widows, former widows, and dependent children of soldiers of the Civil War.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Margaret D. Fonda, widow of Wesley H. Fonda, late of Company I, Sixth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Hannah Gibbs, widow of Michael Gibbs, late of Company A, Fourth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lavinia McDonald Beard, widow of Andrew J. Beard, late of Company A, Forty-ninth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Theresa Donaldson, widow of William Donaldson, late of Company E, One Hundred and Fortieth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mabel S. Pickup, widow of George Pickup, late of Company C, Second Regiment New Hampshire Volunteer Infantry, and Company D, Eighth Regiment United States Veteran Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Brownell, widow of Danford Brownell, late of Company C, One Hundred and Eighty-sixth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Elizabeth J. Lloyd, widow of William E. Lloyd, late of Company D, Fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Eva P. Black, widow of Erastus F. Black, late of Company F, Sixty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret H. Jones, former widow of Henry J. Port, late of Company M, First Regiment Wisconsin Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Fronia L. B. Norwood, widow of Thomas W. Norwood, late of Company F, First Regiment Arkansas Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Gabriel Patrick, helpless and dependent son of Meridith Patrick, late of Company I, First Regiment Arkansas Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Ada A. Bevers, widow of Joseph D. Bevers, late of Company A, Fifty-first Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lillie Siemiller, widow of Israel Siemiller, late of Company D, Fourth Regiment Iowa Volunteer Infantry, and second lieutenant, Company C, Fifty-first Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Bettie A. Reese, widow of Sherwood R. Reese, late of Company K, Second Regiment Missouri Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Jemima Reeves, widow of Francis M. Reeves, late of Company B, First Regiment Arkansas Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret Officer, widow of Robert Officer, late of Company L, First Regiment Arkansas Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Martha J. Hopper, widow of Robert B. Hopper, late of Company E, Eighth Regiment Missouri State Militia Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Lue Jones, widow of Francis M. Jones, late of Company K, Third Regiment Arkansas Volunteer Cavalry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mary E. Miller, former widow of John W. Fry, late of Company G, One Hundred and Twenty-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary C. Hoyt, widow of William L. Hoyt, late of Company F, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Cyrena Reed, widow of Henry C. Reed, late of Company M, Twentieth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie Watson, widow of James M. Watson, late of Company A, Fifty-first Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Alice M. Spaulding, widow of Nathan F. Spaulding, late of Company B, First Battalion Maine Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to revise the remarks I made today and to extend the same by including two letters.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. DORSEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a speech which I recently delivered in Philadelphia.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

(Mrs. JENCKES of Indiana asked and was given permission to extend her own remarks in the RECORD.)

WIDOW OF THE LATE WILLIAM J. COCKE

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that the Committe on Claims be discharged from the further consideration of the bill (S. 931) for the relief of the widow of the late William J. Cocke and that the bill be referred to the Committee on War Claims.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. Under a special order, the gentleman from Oregon [Mr. PIERCE] is recognized for 20 minutes.

UTILITY TAXES AND UTILITY RATES IN WASHINGTON, D. C.—SOURCES OF POSSIBLE REVENUE

Mr. PIERCE. Mr. Speaker, Congress has just refused to pass a bill providing for a loan to the District. It is freely prophesied that the local tax bill will fail. A morning paper calls upon Congress to save "the helpless Capital City from bankruptcy" and speaks of a real crisis which impends. Recently we have read press headlines telling of the aged and destitute facing privation in the District because of delayed appropriations. The local Real Estate Board circulated a letter voicing its objections to any increase in real-estate tax in the District, stating that real-estate owners now produce approximately 60 percent of the total tax funds. Members have also received a circular letter from the Federation of Citizens' Associations setting forth the present dilemma of the District and urging passage of a tax bill which will distribute the tax burden equitably. I am heartened to learn of such an organization, and of a desire to distribute the tax burden equitably in the District. Those who think the District is oppressed because it must pay 3-percent interest on funds borrowed from the Federal Government air their grievances in the local papers. Rents and hotel rates are sky high and mounting to the stratosphere. This is a serious condition and I, for one, am willing to accept some responsibility as a Member of Congress. I therefore propose to point out a neglected source of revenue and a method of saving large sums to the people of the District which should be effective in stopping the picking of pockets.

I do believe that Congress should help the District and I am convinced that the most effective way of giving help at this time is to point out to the responsible officials of the District and to the District Committee in Congress some of my findings in a brief excursion into the facts concerning the electric power situation in Washington, D. C. I stumbled on these facts when I was studying electric power rates throughout the country in connection with the Bonneville power project which has so absorbed my attention. I am amazed that no association and no newspaper has pointed out one simple and obvious solution of the District tax problem. I am convinced that this set-up will not be tolerated when the facts are made public. It will be like the story of the old women and the pig, in the nursery rhyme, "butcher will begin to kill cow, cow will begin to drink water, water will begin to quench fire"—all my colleagues have recited this nursery rhyme—and so on, until the objective is accomplished. Utilities will begin to pay just taxes, taxes will encourage citizens, citizens will see potentialities of electric system, electric system will become public property, and then District tax troubles, high electric-light rates, slums, a measure of the profiteering and corruption will vanish in the night; District of Columbia will be clean and free—only the best-dressed woman and her maneuvering provider will feel the pinch as plunder is forbidden.

The story I have to tell is not quite so simple as a nursery rhyme, but it has elements of interest and surprise. I feel sure you will be startled when the giant Greed appears in full array. The good fairy will enter later in the person of someone with patience, capacity for research, and a sense of justice, preferably someone on the District Committee. Someone can secure a monument here in Washington for services to our Capital City. I know that it will take some study to arrive at the actual situation in regard to District utilities. I offer this material for one of the sources of information for those who desire to become conversant with the history and present status of the matter. It is my sincere belief that some action can be taken based on the information presented herewith, but I know full well that further investigation must be made.

SOME QUESTIONS

Certain questions occur to me immediately and I propound them in the hope that Congress will demand full answers:

Have the District utilities paid all their taxes to date, including their personal taxes?

Why is the District Committee silent in the face of such an obstacle to orderly government as threatened bankruptcy?

Why does the District Utilities Commission continue to consent that the District shall be looted and its residents penalized by a private utility which is guaranteed 60½ percent interest on its real stock investment, rain or shine, good times or depressions, and has profited in the past 11 years to the extent of $60,000,000 from the funds of the people of the District?

Why is this utility, as well as other utilities in the District, practically free from just taxation, in spite of the rich pickings in which it is protected by some united action, official or unofficial?

Why is the private power utility not compelled to pay taxes approximating those paid by real estate?

My brief review of this situation seems to indicate that the District is about $2,000,000 shy each year in taxes which ought to be paid by the utilities, over $800,000 of which should justly come from the electric power company which furnishes the current. What has lulled the District Committee and the Utility Commission into acquiescence in this obvious fraud?

Who is responsible for the victimizing of these voteless people?

Who allows our Government to create here a city of slums paying tribute to a holding company, the chief beneficiary of which is Mr. Harrison Williams, lately before the Securi-

ties and Exchange Commission, fully written up in the press of the country?

Why does the District tax holders of real estate to the exclusion of holders of valuable rights which are equivalent to franchise gifts granted by Congress?

One more question, and that is, why should people in such obvious financial distress overlook a source of income which has given one man such tremendous returns, and continues to pour money into his coffers, while the District goes begging to Congress for loans freed from interest?

Why, indeed? Is it ignorance, helplessness, indifference, or some other cause?

SOME ANSWERS

I can tell you enough about this situation, and answer enough of the questions to awaken you to the fact that someone in this Congress should learn the whole story. Some committee should ferret out all the facts and should follow the trail until he finds a reason for the congressional apathy and public indifference. Any investigator will stumble upon almost unbelievable tales of the efficacy of the social lobby in promoting opportunities for vast accumulations of money and capital at the expense of the helpless people of this District. What should be the best governed city in the world will be found, upon examination, to be far from an ideal example, so far as the utility racket is concerned.

I proceed to share with my colleague the first fruits of my brief investigation in the hope that the full harvest may be garnered by the District Committee. I have taken the utmost care in this work in order to avoid error in statements of fact, nor do I make any statement which I am not satisfied is completely justified by facts easily obtainable to those who will inspect the records to which I have referred.

My first care is to point out a source of revenue for the District; second, a source of saving to the people; and third, the fallacies of the so-called Washington sliding-scale electric rate plan. The Rau report, made in 1932, provided by congressional resolution, suggested $4,000,000 a year as a possible savings to the people of the Government and the District. This amount may now be increased to $4,800,000 because of the additional use of electric current. Now, that is a very close approach to the five millions which now keeps the District from balancing its budget. Since the District is now in such a quandary over the possibility of raising the money for actual municipal expenses, it seems the most opportune time for setting forth the facts about taxes which are elsewhere paid by utilities and should be paid in Washington.

DISTRICT REVENUE FROM UTILITY TAXES

There has been a great deal said both in and out of Congress regarding the tax situation of the District of Columbia. Proposals have been made to add an additional tax load to real estate, or to legislate a sales tax which will fall on the little fellow. In my opinion, immediate attention should be given to the taxation of the utilities, more specifically to the taxation of the Potomac Electric Power Co., which earns such enormous returns on a relatively small investment. In estimating the taxes which should be paid, as well as the electric rates which should be charged, I have made the comparison between the privately owned company which operates in the District and the publicly owned power plant of Tacoma, Wash. This comparison comes naturally just at this time, as I have recently made it in connection with the rates to be charged at Bonneville, and Tacoma has one of the most successfully operated public power plants in the country. A comparison with Canadian rates would have been much more striking, but not so suited to the purpose.

The local taxes paid by the Potomac Electric Power Co. for the calendar year 1936 amounted to $597,613 according to the report of the Public Utilities Commission of the District of Columbia to the House District Committee. This is 4.26 percent of the Company's gross earnings for the year, $14,093,989. Tacoma's public power plant pays 10.35 percent of its gross earnings for local and State taxes. If the private District company paid local taxes at the same rate paid by the Tacoma public plant, it would have paid $1,458,000 in 1936, or $860,000 more than it actually did pay. The propagandists for private power tell us that the reason Tacoma's rates are so low is that the Tacoma plant pays no taxes and has been subsidized by the taxpayer. Both of these allegations are untrue. The cited facts show that the District electric utility is not doing half as much as the Tacoma plant for State and city governmental purposes, such as schools, police, fire protection, and so forth, and has been subsidized by the people entirely for the personal gain of a Wall Street manipulator.

This is a situation Congress cannot afford to neglect after the facts have been pointed out. These facts and figures are an effective challenge to those who raise the tax and subsidy cry against the Tacoma electric plant. It should be fairly stated that the District local utility pays 2.18 percent of its gross income in Federal excise tax, and 6.23 in income, undistributed profits, and other minor, miscellaneous Federal taxes. This latter percentage is abnormally high because of the great excess profits of the company. Furthermore, the Government itself is taxed by the local utility and it contributes about 20 percent of the company's earnings. Somewhere in this discussion it should be pointed out that the Government, as a customer offers very great advantages. The Government consumes enormous and increasing quantities of power, and always pays its bills, there are no bad accounts, bookkeeping is reduced to a minimum. The addition of air-conditioning and of huge Government buildings means a gold mine to the local operating company.

Now, let the District immediately set about putting its house in order, and proceed to proper taxation of utilities, and it will find more sympathetic hearing in Congress.

THE WASHINGTON PLAN

Before entering into a discussion of electric rates charged in Washington it becomes necessary to set forth some information about the so-called Washington plan, or the "Washington sliding scale electric rate plan." There is a widespread and persistent propaganda to the effect that the Washington plan affords an ideal solution of the power question. Just now it is most unfortunately being copied elsewhere, and proposed for other cities, notably New York. It is not native to Washington, but English born, in connection with gas rates. It has been the target for many claims, most of which are false so far as the public is concerned; it is indeed a great success from the viewpoint of the private power company. Since it has produced rates somewhat lower than the American average, the claims made for it have led even well-meaning progressives mistakenly to call it a yardstick. It is assumed that it yields satisfactorily low rates and yet avoids the pitfalls of public ownership. The fact that the Power Trust everywhere is proclaiming the virtues of this plan and that it has the endorsement of certain Government officials is not without significance. I have already stated that under this plan the Pepco is not paying its just proportion of local taxes.

I propose to demonstrate from the official records and the history of the Potomac Electric Power Co., which serves the National Capital, that it is not giving true yardstick rates; that, since the inauguration of this famous plan some 10 years ago, it has extracted unconscionable profits from the consumers, and that it is no solution of the power question except from the viewpoint of utility exploiters. I propose to present comparative tables similar to those given in my speech of June 24, this session, when I compared bills paid by consumers to the private company operating in Portland, Oreg., with those paid by consumers served by the public plant at Tacoma, Wash. This time I am comparing Washington, D. C., and Tacoma in respect to costs of residential, commercial, and industrial power. The data were furnished me at my request by the Federal Power Commission, and, it will be remembered, the figures presented by the Commission in its national rate survey have not been challenged by the Power Trust, nor can they be successfully challenged. The evolution of the "Washington plan" and its

jokers are fully described in a following section on the "consent decree."

COMPARATIVE ELECTRIC BILLS

I present, as an index, comparative bills between Washington, D. C., and Tacoma, Wash., for all classes of electric service directly affecting the public. In my speech of June 24 I have fully described rate classes, consumption, and the Tacoma public power plant. With this brief explanation, the bill comparisons will be self-explanatory. I urge all students of the power problem to study these tables.

Comparison of residential bills of the District of Columbia and Tacoma

City	Lighting and small appliances				Large appliances		
	Minimum bill	15 kilowatt-hours	25 kilowatt-hours	40 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours	500 kilowatt-hours
Washington	$0.75	$0.75	$0.98	$1.56	$3.10	$5.65	$9.40
Tacoma	$0.50	$0.68	$1.13	$1.52	$2.12	$3.62	$6.12
Percentage above Tacoma	50	10	−15	3	46	56	54

The annual kilowatt-hour per meter consumption in the District was 965; in Tacoma, 1,560 for the year 1935. The average residential rate in cents per kilowatt-hour in the District was 3.24 cents; in Tacoma, 1.68 cents.

For purposes of further comparison, I am now using 100 kilowatt-hours a month as a base. For the range between 15 and 40 kilowatt-hours per month, District rates are reasonable. This low consumption is possible only when no appliances are used. For other parts of the residential schedule they are high. The District subcommittee of the House Appropriations Committee, in 1937, published a table showing comparative domestic electric bills in cities of 500,000 or more population. This table showed that for 100 kilowatt-hours domestic use per month, the bill would be $3.90 for the average of 17 large private utility plants. The billing range in the table was from $2.82 to $5.50 per month, and for the District $3.10; for Tacoma, Wash., $2.12. This shows that, based on this record of comparison, the domestic electric rates in the large cities of the country are 84 percent higher than a fair yardstick, and in the District, 46½ percent higher.

It is interesting to note that in this table fairly low rates exist in cities close to T. V. A. or subject to competition from public power plants. The lowest tabulated bill, $2.82, was in Cincinnati, showing that rates can be reduced without destroying the solvency of the private power companies.

Comparison of commercial light bills of the District and Tacoma

City	Billing demands (kilowatt demand) and monthly consumption (kilowatt-hours)				
	0.75 kilowatt demand, 50 kilowatt-hours	1.50 kilowatt demand, 150 kilowatt-hours	3.0 kilowatt demand, 375 kilowatt-hours	6.0 kilowatt demand, 750 kilowatt-hours	12.0 kilowattt demand, 1,500 kilowatt-hours
Washington	$1.90	$5.20	$11.12	$20.50	$39.25
Tacoma	$1.75	$5.25	$11.25	$22.50	$42.00
Percentage above Tacoma	9	−1	−1	−10	−7

Both Washington and Tacoma commercial light rates are slightly higher, approximately 15 to 20 percent, than a fair yardstick for this class of service. On a strictly comparative basis, District rates are better for this class of service than Tacoma. District bills are based on Company schedule D, which gives a lower bill than their schedule E. This schedule D is evidently a "leader." This more advantageous rate for the smallest commercial consumers of light favors the owners of small stores, for their light only, not for current used for power.

Comparison of commercial power bills of the District and Tacoma

City	Billing demands (kilowatt demand) and monthly consumption kilowatt-hours				
	1.5 kilowatt demand, 150 kilowatt-hours	3.0 kilowatt demand, 375 kilowatt-hours	6.0 kilowatt demand, 750 kilowatt-hours	12.0 kilowatt demand, 1,500 kilowatt-hours	30.0 kilowatt demand, 6,000 kilowatt hours
Washington	$5.20	$11.12	$20.50	$39.25	$144.50
Tacoma	$2.33	$5.03	$10.05	$20.10	$61.50
Percentage above Tacoma	123	121	104	95	136

This Washington schedule D is abnormally high for power service. This, and the industrial rate, applies for use of current for power purposes including building elevators, air-conditioning, garages, filling stations, and, in fact, all power used in the District, including the Government use.

Comparison of industrial power bills of the District and Tacoma (bills expressed to nearest dollar)

City	Schedule	Billing demands (kilowatt demand) and monthly consumption (kilowatt-hours)									
		75 kilowatt demand		150 kilowatt demand		300 kilowatt demand		500 kilowatt demand		1,000 kilowatt demand	
		15,000 kilowatt-hours	30,000 kilowatt-hours	30,000 kilowatt-hours	60,000 kilowatt-hours	60,000 kilowatt-hours	120,000 kilowatt-hours	100,000 kilowatt-hours	200,000 kilowatt-hours	200,000 kilowatt-hours	400,000 kilowatt-hours
Washington	E	$356	$504	$608	$828	$1,004	$1,382	$1,490	$2,110	$2,695	$3,775
Washington	L	$324	$459	$554	$760	$925	$1,285	$1,385	$1,974	$2,524	$3,524
Tacoma	E2	$151	$217	$253	$344	$417	$597	$535	$935	$1,180	$1,780
Percentage above Tacoma		125	122	130	131	132	124	127	113	122	105

Twenty-seven percent of all current used in the District comes under the power schedules, all of which are high.

The exclusive-dealing perpetual contract between the Potomac Electric Power Co. and the Capital Transit Co. was set out in the statement filed with the Securities and Exchange Commission on October 31, 1935, complying with the Securities Act of 1933. This filing was made by the Washington Railway & Electric Co., the parent or second-degree holding company of the local utility. This contract, amongst other things, provides for the sale of 75,000,000 kilowatt-hours annually for the flat sum of $445,000, subject to consumption and coal-cost corrections, based on $4.40 per long ton for coal. In addition, the local electric company maintains at its own expense the generating, transmission, and distribution, including substations, property of the Transit Co. The gross sale price of this current, sold to the Transit Co., is 5.94 mills per kilowatt-hour. This net contract price constitutes a burden on the other rate payers, possibly to the extent of $100,000 per year, and the net rate is practically one-half of what all other power consumers pay. This constitutes a discrimination against other power users, including the Government.

The contract with Stone & Webster should also be opened up as a possible source of burden on the rate payer.

The local utility in the year 1935 used 197,315,800 kilowatt-hours through its interchange contract with Baltimore and Safe Harbor companies, at a cost of $398,542—page 46, Public Utilities Commission, 1935—which represents a unit cost

to the company of 2.02 mills per kilowatt-hour. This represents 34.5 percent of the company's steam generation at the two steam plants. It shows a sizable amount of low-priced hydropower from Safe Harbor consumed in Washington.

THE WASHINGTON RATE CONTROVERSY

In order to deal intelligently with the utility problem in the District it is necessary to survey the history of the rate controversy and the plan resulting from it.

Shortly after the passage by Congress, in 1913, of the District Utility Commission Act, the Commission was created, and it proceeded to set up an organization to carry out the rate provisions of the act. The first requisite was the determination of the rate base.

In this period the law controlling the rate base was in a state of evolution. The law then rested on the Supreme Court opinion in the Smythe-Ames decision rendered in 1898. In this decision the issue was straddled, the decree allowing the rate base value to be determined from a consideration both of historical cost and cost of reproduction. Historical cost represents the actual investment dollars going into the plant, as nearly as can be determined from the historical records of the company. The reproduction cost is a hypothetical cost of a hypethetical identical plant assumed to be built as a continuous operation and excluding the existing plant.

In the practical determination of a rate base the reproduction cost gives a padded value, as I will demonstrate later by actual results in its application to the Washington rate base. The reproduction-cost doctrine also makes what is, practically, an inflated rate. It is unsound as a matter of economics, is unfair to the interests of both investors and rate payers, and promotes horse-trading tactics, jockeying, and manipulations.

ATTEMPT AT VALUATION VIA THE COURTS

The District Utility Commission commenced valuation of Potomac Electric Power Co. July 1, 1914, and completed the same in May 1916. Hearings were held by the Commission and a valuation order finally issued. The company took exception to this order and filed an injunction suit in the District Supreme Court. The Commission then proceeded with hearings on the rate of return and followed with an order, July 1917, setting the rate of return at 7 percent and rates corresponding thereto were allowed. The company then filed another injunction in the same court against placing the rates into effect. On August 20, 1917, the court granted the injunction but required the company to impound the difference between the rates in effect and those ordered effective August 1, 1917. In March 1920, the District Supreme Court decided the valuation case, sustaining the Commission's valuation. The company then appealed to the court of appeals, being successful in an opinion rendered in November 1921, 7 years after the initiation of the valuation survey. The Commission then took an appeal to the United States Supreme Court, and the high Court refused to take jurisdiction, in an opinion rendered in April 1923. This decision threw the base and rate determination into a confused state, as the court of appeals set no formula for determining the rate base. It was then necessary for the Commission to confer with the company to reach an agreement, by negotiation, as to rate base, rate of return, electric schedules, and handling the impounded fund. The negotiations continued through 1923 and the full year of 1924. Through these processes the company succeeded in delaying the rate determination for 10 years after Congress had acted, much to the disgust of the people of Washington. It is just such delays, resulting from legal legerdemain, that have caused the people of the Nation to prefer the yardstick as the birch rod for an instrument of effective regulation.

GREAT FALLS OF THE POTOMAC

Fifteen miles above Washington, on the Potomac, is a power site of substantial possibilities. Question has been raised as to the water title at this point, and it appears that there are three claimants. The first claim descends from the Potomack Co., incorporated in 1784, George Washington being one of the organizers of this company and its president. Title of this claim passed to the Chesapeake & Ohio Canal Co. The second claim is that of the Federal Government, owner of land at the dam site. The third claimant is the Great Falls Power Co., owner of about 1,000 acres of reservoir property. The Federal Government should have no difficulty in perfecting title, if desired. The Great Falls Power Co. never developed power at this site. The Washington Railway & Electric Co., the holding company of the Potomac Electric Power Co., purchased two-thirds of the stock of the water-power company in 1902 for $425,000 and contracted to transfer these shares to the Potomac Electric Power Co. for $1,000,000 of stock of the latter company. This contract has been continued, as evidenced by the holding company's declaration filed with the Securities and Exchange Commission. These facts can be substantiated from the Securities and Exchange Commission declarations, which I advise all Members of Congress to read closely.

The Federal Government now has a dam above the Great Falls site used to furnish water to the water-supply system of the District. Further development will be necessary to protect the water supply of Washington. Evidently the Potomac Electric Power Co. contracted to give up $1,000,000 worth of stock for rate protection for the purpose of preventing the development at Great Falls.

The Federal Water Power Act was passed in 1920 during the height of this rate litigation. This act required the new Federal Power Commission to report on the practicability of power development at the Great Falls site. As a result, a report was submitted to Congress in 1920, often referred to as "the Tyler report", and printed as Senate Document No. 403. The Tyler report set out that this project was both feasible and desirable. It indicated the kilowatt-hour output capacity about equal to the present kilowatt-hour use in the District.

The Army Appropriation Act of 1921 contained a Senate amendment appropriating $200,000 for a dam at Great Falls. This amendment was stricken from the bill in the House. In 1923 Senator NORRIS offered Senate bill 746, to provide a Government-owned hydro plant at Great Falls. This bill passed the Senate, but slumbered in the House Committee on the District of Columbia.

The trend of those times was favorable to big business, as judged by the water-power licenses granted to monopoly and the lobbying methods and activities of the holding-company representatives. Nevertheless this water-power site was a potential birch rod for rate regulation. I have been told that the Norris bill, Senate bill 746, had no effect on the settlement of the Washington rate controversy. This may be correct, but it is reported to have cost $80,000 for lobbying expenses by the holding company. They did not spend this money in vain. The record shows that the House District subcommittee adjourned after an 11-day hearing until December 5, 1924. The consent decree embodying the settlement of the Washington rate controversy and setting up the "Boston sliding scale rate plan", since referred to as the "Washington plan", was handed down by the Supreme Court of the District of Columbia on December 31, 1924. The sequence of these dates is significant. Also pertinent to this situation was the passage of the amendment to the La Follette Act permitting holding companies to enter the District.

THE CONSENT DECREE

This decree, accepted by a Federal judge, was the legal basis of the settlement of the rate litigation and was the authority for the Washington plan. This decree provided the following points, which are the essentials of the so-called rate sliding-scale plan: (1) Effective date, January 1, 1925; (2) rate base; (3) depreciation reserve; (4) return and rates; (5) disposition of impounded funds.

I shall discuss each of the four latter items under a separate heading. In this study I have consulted the fundamental-source documents, reference to which is given herein. I have also had the study of the sliding-scale-rate plan by Irvin Bussing, published by the Columbia University Press. This work contains complete reference to the basic data and tabular compilations from the reports of the Public Utility Commission of the District of Columbia. This study fails to get at the meat of the problem because it ignores the increase in plant investment from public contributions.

Figures cited throughout my discussion have been given in round numbers for convenience in presentation, but they should not be construed as approximations because so presented. They are accurate.

THE RATE BASE ALLOWED MILLIONS OF WATER

The rate base set out in the consent decree, representing the court's determination of fair value, was $32,500,000. This was as of January 1, 1925, and includes the Maryland property. This was a compromise value and represents no judicial formula for rate-base determination. (See Decree Sup. Ct. D. C., Equity 35336.)

The Commission's historical value, or original cost-rate base, as of this date, was $24,400,000. This figure included all additions since 1917, and adjustments for working capital, materials, and supplies. Their similar reproduction-cost figure was $25,300,000. On this decree date the company's book balance sheet shows the following (see Public Utilities Commission of District of Columbia, 1924, p. 142):

Long-term funded debt	$15,320,000
Capital stock	6,000,000
Free surplus balance	2,125,000
Total	23,445,000

To remove any question, I have assumed that the above free surplus balance represented an obligation from the company to the common-share holder on the date of the initiation of the plan.

The valuation urged by the company throughout this controversy, as shown in the hearings, was $44,000,000. The difference between this rate base and the estimates set forth above forcibly points out how a private utility can take advantage of the chaotic law to inflate the rate base, and follow the advantage of such inflation by increasing the rates to the public. Right here it should be pointed out that the actual investment figures and the Commission's historical value are in close agreement. I have checked this again by calculating the actual cost per meter for extension in the period from 1925 to 1935, which information is available in the Public Utilities Commission of the District of Columbia reports, 1924 to 1935. The evidence shows that the Commission's historical value adjusted to January 1, 1925, was close to a true value. To be fair and to allow for imperfections in the company's early book accounts, I have concluded that a debt-redeeming plant would have started this period with a prudent investment value of about $25,000,000. This can be substantiated from records of hearings before the Commission.

PADDED FIGURES GIVEN IMMORTAL LIFE

From the facts cited it is clearly apparent that the Washington plan started out with a padded value of $7,500,000, or an increase of 30 percent over the prudent value of the plant. This has been perpetuated.

The decree provides for an undepreciated rate base in spite of the fact that the universal rule of nature has shown that nothing is endowed with perpetual life. The rate base is never a decreasing amount. For example, this padded value is continued in the base perpetually. Fundamentally, this is the major difference between the sliding-scale plan and the debt-redeeming, publicly owned power plan.

In the period from January 1, 1925, to December 31, 1935, the number of meters in service increased from 77,100 to 182,700, or 137 percent (P. U. C., D. C., 1924, p. 154; 1935, p. 46). This is distinctly an abnormal increase, being about six times the national average. This increase was not the result of management, but resulted from the expanding activities of the Federal Government. Washington and its private utility were, therefore, immune from the depression.

CONSUMERS CONTRIBUTE TO NEW CAPITAL

It is evident that the public has contributed $34,000,000 to new capital for this utility, but it has acquired no ownership. It has been a generous banker, willing to furnish money, pay the interest on its own money, and expect no repayment. In 1926 the annual residential consumption per customer in the District was 470 kilowatt-hours. In 1935 it was 965 kilowatt-hours. The national average figures are, respectively, 414 kilowatt-hours and 660 kilowatt-hours. Again this is an abnormal increase, resulting from lowering rates, advent of electric refrigeration, and the high average income of the Washington people.

Here are the figures for the 1935 capitalization—Public Utilities Commission of the District of Columbia, 1935, page 39:

Dec. 31, 1935

Common stock	$6,000,000
Preferred stock	7,000,000
Long-term debt	12,934,000
Total	25,934,000

Increase over 1925, $2,489,000. The rate base January 1, 1925, was $32,500,000. As of December 31, 1935, the rate base was $68,898,000, or an increase of $36,398,000. Deducting from this latter figure the increase in capitalization of $2,489,000, we secure a net increase of $33,909,000 in cash input into the plant. From what source did this net increase come? Obviously, from the rate payer. What does this mean? It means that the public had been made the banker of the company. The public has advanced this money, which will never be repaid under the plan. In addition, the public now pays to the company in its rates over 7-percent interest, subject to depreciation-fund credit, on his own money. This is reverse banking. Ponzi, compared to this, was simple.

In this same 11-year period the company disbursed, including its share of the impounded fund, to the common-share holder $18,125,000, or 302 percent on this stock, an average of 27½-percent dividends per year—Bussing, page 155, and 1935 report, Public Utilities Commission of the District of Columbia, page 40.

In the Sheffield, England, plan, where the sliding scale originated, the maximum allowable dividend was 10 percent. Fairly, this amount should be deducted from the disbursed dividend to secure the excess distribution. This excess-dividend disbursement then amounts to $11,525,000.

88 PERCENT OF PRESENT RATE BASE TAKEN FROM CONSUMER

Summing up the items of (1) original rate-base padding; (2) net cash input into plant by rate payer, plus depreciation charged to operation; (3) excess dividends paid out over 10 percent on common stock, we arrive at a figure of practically $60,900,000, or 88 percent of the rate base, paid for by the public. In addition there is the net value of the reserve fund to be added. The Commission's reports do not segregate this in detail.

All this means, plainly, that in the period from 1925 to 1935, the District rate payer, under the Washington plan, contributed over 88 percent of present value of the Pepco plant, and is required to pay in his rates today, over 7 percent interest on the large sum he contributed. Thus does the District public make social royalty of its utility barons. In a debt-redeeming public plant, these sums would be used to lower the rate base. At the end of the redemption period, the public plant rate payer would have his capital rate base eliminated, and his rates would be based only on operation and depreciation costs, which, under Pepco's 1935 values, would mean a further rate reduction of at least 40 percent. If the Government operated this plant, further economies would be made, and a greater rate reduction possible.

NET PROFITS OF 60½ PERCENT ANNUALLY

The net earnings in the 11-year period, and including the impounded fund contribution, after all deductions through preferred dividends, amounted to $39,800,000 or 665 percent of the outstanding common shares, or 60½ percent per year. This can be easily verified in the balance sheets given in the reports of the Commission.

All of this shows that, under the Washington plan, the profits have been enormous, even under comparatively low rates. This is another demonstration of the cheapness of electrical manufacture and distribution. This Washington plan financial set-up points out forcibly the enormous accretion of funds, actually belonging to the people, which gravitates toward Wall Street. In 50 years the accretions of the people's money siphoned off to Wall Street will inevitably set up a financial power which will enslave our people.

The beginning was perfectly apparent during the holding-company fight in the last Congress. No wonder that the Consolidated Edison Co. recently suggested to the mayor of New York the adoption of the Washington plan, when he advocated a municipal plant for New York. I wonder what will be the result of the Massachusetts experiment under this plan, and why they have adopted it.

ENORMOUS DEPRECIATION RESERVE

The consent decree required the setting up each year of a depreciation charge which would be added to a fund to be retained and used by the company which would increase until it reached 20 percent of the rate base. At that point, the annual payments into this fund would be stopped and held in abeyance as long as the fund remained over 20 percent of the rate base. (See Equity 35336, Supreme Court of the District of Columbia.) All property retirements would be charged to this fund. The annual depreciation appropriation was set at 2.3 percent of the rate base as long as the depreciation-reserve fund was 15 percent or less of the base, and scaled down to 1.3 percent when the fund was 19 percent of the base. When the fund reached over 20 percent of the base, there would be no annual appropriation. This annual depreciation appropriation, less 4 percent interest on the accumulated fund, was charged to operation and paid for by the rate payers. The 4-percent credit represented interest on the existing fund, on the assumption that the company would invest the funds so as to yield this interest rate. If invested so as to earn in excess of 4 percent, the difference belonged to the company.

The fund, at the beginning of the plan, was close to $4,000,000 which had come from the rate payers before the decree. On December 31, 1935, it amounted to $11,458,000, of which $7,960,000 was a direct charge to operation since 1925, and thereby paid by the people. The interest accumulation amounted to $3,500,000. The part of this fund contributed by the rate payer and invested in additional plant, would yield a 7½-percent return to the company, which in turn was also paid for by rate payers, less the 4 percent normal interest deduction.

Here again we have a fund created by the rate payer on which the rate payer is charged interest if invested in plant. Naturally, part of this fund is, and should be, kept liquid by investing in bonds. For the part invested in plant, the public is again banker for the company, paying interest to the company on its own money. The decree provides for an undepreciated rate base. Any retired property, plus cost of removal and less salvage, is charged to this fund.

REDUCED RATES AND MOUNTING PROFITS

The cause of the second injunction against the commission, in 1917, was their order no. 223, setting the rate of return at 7 percent on the rate base. There are two factors which promote net earnings for the company, namely, the rate base and the rate of return. In the consent decree of 1924, the company's lawyers upped the return from 7 to 7½ percent. They did not secure all they went after in the rate base, as evidenced by the commission and court records, so the rate of return had to be raised in order to increase earnings. It is at this point that the so-called sliding scale comes in, which is theoretical sop only.

The original decree provides that "if the rates yield more than 7½-percent return, one-half of said excess shall be used in the reduction of rates thereafter, thereby providing a sliding scale." The insertion of the word "thereafter" in the decree is another joker which operates to give the company all the excess earnings in the year they accrue, say, for example, 1925. Thereafter, theoretically, the division of this excess is 50 percent to the company and 50 percent for reduction of rates. Now, the first year, 1925, assuming stationary earnings, the company keeps 100 percent of excess, the next year 50 percent, the third year 25 percent, the fourth year 12½ percent, and so on, for 20 years until the 1925 excess is completely absorbed. The accumulations of each succeeding year are added, so that in the period from 1925 to 1935 the accumulation of excess earnings over the consent decree return amounted to $10,498,700. Of this amount, $6,261,000, theoretically, went to reducing rates, and $4,237,420 was retained by the company.

Now, practically, the plan has operated to allow the company to retain all of this $10,498,700, which it did. There was no actual cash distribution to the rate payer. The amount set out for rate reductions as listed on page 32 of Public Utilities Commission, 1935, is a theoretical figure, and therefore a misnomer. The facts are that in each of the years in the period of study the actual earnings were higher than allowable under the decree, being $1,538,000 excess in 1930, resulting in a return of 10.7 percent on an investment largely paid for by consumers. This theoretical reduction became a joker due to two facts: First, the ever-increasing company's gross earnings (see p. 32, report Public Utilities Commission of District of Columbia, 1935); and, secondly, the consumer data which controls this allocation is in the hands of the company and not in the files of the Commission.

In 1925, the rate of return on the rate base was 9.59 percent and in 1930 was 10.7 percent. Remember, the rate base was largely contributed by the rate payer. In this period, the average rate charged for current dropped from 4.115 cents per kilowatt-hour to 3.312 cents per kilowatt-hour, or a reduction of about 20 percent. Herein lies a proof of the proposition that cheaper rates make for larger earnings. This proposition applied to the automobile industry was the basis of the Ford fortune. The automatic excessive accumulations of these various funds resulted in the Commission's order, no. 919, reducing the base return to 7 percent. The company again went to court, and in July 1932, Congress passed, and President Hoover approved, the bill authorizing the Rau report on a proposed municipal plant, hereinafter covered.

Another joker is what constitutes "the used and useful property account." I am firmly convinced that a thoroughgoing investigation will disclose large sums representing deadwood or unused property, not retired, on which the rate payer is assessed.

The birch rod in the shape of a threat had its effect, and a new consent decree was entered, February 8, 1933, setting the rate of return at 7 percent and retaining the old theoretical sliding scale up to an 8¼-percent return. For a return in excess of 8¼ percent, theoretically, 60 percent went to the public in rate reductions. Then, until the return exceeded 9 percent, 75 percent was to be used for rate reduction. This was only a tranquilizer.

THE PEOPLE MAKE THE GUARANTEE

In the 1924 and 1933 consent decrees, the Company is guaranteed a return. If the return drops below 6¾ percent for 2 consecutive years, the Commission is required to raise rates to restore the revenue. Therefore, the Company by legal process, has a guaranteed income. The farmers of the country would like to have the Government guarantee a fixed return to them. They would be satisfied with the 60½ percent guaranteed earnings of the Pepco on the company's actual stock investment. To allow such a set-up to continue is a rank discrimination in favor of a private utility as against the public.

The rate of return was again reduced in 1936, this time to 6½ percent. The workings of this plan have produced 60½ percent of stock earnings on an average allowable rate of return of 7.36 percent between 1925 and 1935. The rate of return should, in the mind of the public, be dissociated from the concept of dividend rate or actual earnings. This decreed rate of return is nearly double the current interest rate. The courts have established a much higher rate of return than the current pure interest rate on the theory that this extra compensation was to cover capital risk. There is no such risk under the Washington plan, as there is a guarantee on the return and the capital invested should be rightfully the property of the people.

When the decree went into operation in 1925 the electric rates in Washington were among the highest in the country with a top residential rate of 10 cents. Today the top residential rate is 3.9 cents. In spite of this reduction, the public has paid for 88 percent of the plant of this company.

Again, this shows the enormous profits in the manufacture and sale of electricity.

I will not take time to repeat the rate history under the consent decrees. Anyone interested can find this information in the reports of the Public Utility Commission of the District of Columbia. However, there have been very substantial rate reductions. The 1935 average rate for all classes of service was 47½ percent of the 1924 average rate. In spite of this sizeable reduction in rates, the gross revenue of the company increased 110 percent. In 1924 the gross annual revenue of the company was $6,236,000; in 1935 it was $13,154,000; in 1936 it was $14,093,989.

WHAT HAPPENED TO THE PEOPLE'S FUND?

It has been noted that the Commission ordered a rate reduction in 1917, which the company enjoined. Briefly, to describe this reduction order, it is sufficient to state that the top block residential price was dropped from 10 to 7.6 cents per kilowatt-hour. There was also a shortening of the top block and a reduction of the lower block. On granting the temporary injunction the court required the impounding of the difference between the billed and ordered rates. During the 8 years of litigation this impounded fund, plus interest, accumulated to $6,401,000.

Under the consent decree the rate was dropped to 7.5 cents, which was less than the ordered rate, though the top block was lengthened. This was a virtual admission of the correctness of the ordered rate. Nevertheless, the company in the consent decree secured better than 50 percent of this impounded fund, all of which rightfully belonged to the people from whom it was collected under the court's order to impound for refund.

Now, let us look at the disposition of this fund. First, $500,000 was set aside to pay the company's franchise and Federal income taxes. The balance was divided equally between the people and company, and the unclaimed refunds amounting to about $300,000 went to the company to be distributed over a 20-year period. The company, shortly thereafter, paid out practically all the amount it received ($2,880,000) as a 48-percent dividend to the common shareholder, which is entirely the holding company. Here again, it is "heads, the company wins; tails, the people lose."

PUBLIC PLANT WOULD SAVE $4,800,000 ANNUALLY

The Rau report was the birch-rod used by Congress in the last year of the Hoover administration. It covered a survey as to the feasibility of municipal operation in the District of Columbia. This report, dated December 1932, concluded: (1) Ownership and operation of the street light and signal system, now partially owned by the Government, would save $200,000 annually.

(2) A municipal plant to satisfy all the District requirements would save the Government and people of the District around $4,000,000 per year.

(3) A limited system supplying the concentrated governmental area would save the people of the District around $1,000,000 per year.

Today these savings would amount, in round numbers, respectively, to $240,000, $4,800,000, and $1,200,000.

THE CHOSEN BENEFICIARY OF THE DISTRICT

Let us now look at the principal beneficiary of this reverse banking plan. The Potomac & Electric Power Co. is controlled through 100-percent stock voting power ownership by the Washington Railway & Electric Co., which is a device to circumvent the La Follette Act. This latter company is controlled by the North American Co. through 50.02-percent voting power. (See registration certificate with Securities and Exchange Commission of W. R. & E. Co., Oct. 31, 1935.) On top of the North American is the Central States Electric Corporation, and on top of the pyramid sits a Mr. Harrison Williams. Who is Mr. Williams? The Nation and Time magazines incidentally described him during the S. E. C. investigations as the "husband of the world's best-dressed woman." To an ordinary Congressman he is the apex of the pyramid whose base consists of seven separate utility companies controlling about one-fifth of the total public-utility business of the country. His personal control is exercised through ownership of 51 percent of the stock of the Central States Electric Corporation. The latter, and Mr. Williams, were investigated by the Securities and Exchange Commission last spring.

Let us now see what this testimony brought out. Mr. Williams' original investment in Central States was $2,072,000, of which $500,000 was borrowed money. This original investment was run up to a value of $612,000,000 in 1929. During this process the North American Securities Corporation stimulated the market of the North American stock by purchase of $131,000,000 of stock, 18 percent of all its stock. The market value of the Central States stock September 30, 1929, was $680,000,000, with a stated asset value of $260,000,000. From 1922 to 1929 a share of this stock advanced from $10.50 to $5,600 per share. Before the great break of 1929, Mr. Williams had recovered his initial investment of $2,072,000 and later disposed of sufficient stock to meet the panic with $27,200,000 cash and 51 percent stock control remaining. The investing public came out differently—losing two-thirds of their cash investment. The Van Sweringen pyramid, now under investigation by Senator WHEELER'S Senate Interstate Commerce Committee, was a pigmy in comparison with this. Through this stock control, Mr. Williams influences the management of companies worth nearly three thousand million dollars (Nation, vol. 144, no. 10).

FRANCHISE OF PEPCO

Moody's Manual of Public Utilities (1935 ed., p. 671) states that the franchise of the company is perpetual. This is not the fact. The right of the company to use the boulevards, avenues, streets, and public places in the District is authorized in part or recognized by certain acts of Congress numbering 16 in all, commencing with the act of March 2, 1895 (28 Stat. 935), and ending with the act of June 26, 1912 (37 Stat. 181). Such rights are not exclusive, nor are they limited as to time. The acts recognizing certain rights of use are subject to alteration, amendment, or repeal by further acts of Congress. All the activities of the company are subject to regulation of the Public Utilities Commission of the District of Columbia (37 Stat. 974). Because of interstate business, it is also brought under the Federal Power Act of 1920. The complete control rests with Congress.

The District officials are appealing to Congress for tax legislation and for a loan of money, even suggesting that there should be no interest. Congress should refuse financial help until the District comes before it with clean hands, offering an immediate practical solution of its utility tax and rate problems. When the District has collected proper taxes from its utilities, and has set its utility house in order, then Congress should consider its financial program. Members should inform themselves and should protect these voteless people. [Applause.]

The SPEAKER. Under a previous special order, the gentleman from Massachusetts is recognized.

Mr. McCORMACK. Mr. Speaker, I waive my time and ask unanimous consent that on Tuesday next, after the reading of the Journal and disposition of matters on the Speaker's table, as well as disposition of legislative matters in order for the day, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the reading of the Journal, the disposition of matters on the Speaker's table, and at the conclusion of legislative matters in order for the day and after the gentleman from Massachusetts has addressed the House, I may be permitted to speak for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker and Members of the House, I have asked the indulgence of the House to make a short announcement and also some brief observations. The Democratic steering committee of the House had a rather extended meeting this week. The committee discussed informally several matters of legislation pending and proposed of vital importance to the welfare of the entire country. After considerable discussion, a motion was made and unanimously carried in the committee that it is the conviction of the Democratic steering committee of the House that it strongly favored the passage of a farm-relief program during the present session, and that it is unalterably opposed to the adjournment of this session of Congress until an adequate and practical farm bill is passed.

The steering committee did not endorse any particular farm bill pending or proposed, but it recognized the fact that prices of everything that the farmer must buy have been rising for the past several months, and that the prices of the things that the farmer has to sell have not kept pace with the things he is compelled to purchase. Members of our committee recognized, as do other Members of Congress, especially from farm sections, that if this Congress adjourns and Members return to their respective districts without passing any kind of farm legislation save a farm-tenant bill, that, I regret, was nothing more than a gesture for the first year at least, and then in case the prices of farm commodities—wheat, cotton, corn, and other farm commodities—should go down, the farmers are going to ask Members of this Congress what they did, or attempted to do, to stabilize the prices of farm commodities throughout the country.

Personally, I am not inclined to support the measure said to be prepared and sponsored by the Secretary of Agriculture, which places an unreasonable burden upon the major farm commodities. I cannot in good conscience support a bill, for example, that would penalize cotton $40 per bale, and I predict in case this Congress or any other Congress should pass such foolish and impracticable legislation that it would necessitate the Government filing almost innumerable lawsuits against the cotton farmers who, in my judgment, would refuse to cooperate with any such unreasonable program. That bill also proposes a penalty on wheat.

May I at this time call attention of Members that the gentleman from Texas [Mr. JONES], the distinguished chairman of the Committee on Agriculture, has introduced a bill that appears to be a comprehensive, reasonable, progressive, and practical farm-relief measure. It is now before the Committee on Agriculture, where I assume hearings will be held, and the committee will no doubt give very careful and intelligent consideration to the matter. It is to be hoped that the House Committee on Agriculture will be able to report out a practical, safe, and sane farm bill within the next few weeks and that Members of this House will stand by the action of the steering committee yesterday not to adjourn until action is taken upon a measure of such vital importance to the millions of worthy citizens of our Nation who till the soil.

Of course, several other farm bills have been introduced in this session that are worthy of every possible consideration. My colleague from Oklahoma [Mr. MASSINGALE] has presented what is known as the cost-of-production measure, which the Farmers Union of the Nation is loyally supporting. It occurs to me that a bill of so vital importance, that has the approval of a great farm organization, certainly should have received more consideration than this Congress has given to the cost-of-production farm measure.

Over at the other end of the Capitol a measure was recently introduced, known as the Pope-McGill farm bill, that is now pending before the Agriculture Committee of the United States Senate. It is to be hoped that that body will finally quit arguing over other matters and enact a farm bill before this session shall come to an end.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. It is not much more than 48 hours since a farm bill was introduced in this House. Personally I have voted for all farm legislation But I would like to hear what excuse there is for not offering farm legislation 6 or 7 months ago?

Mr. JOHNSON of Oklahoma. I may say to the distinguished gentleman from New York that I deeply regret that this House has not already passed a comprehensive and adequate farm bill. As stated before, several measures have been introduced. There has been considerable discussion on this and similar legislation in the committee. They have, in fact, been discussing farm legislation all spring.

Mr. O'CONNOR of New York. We are all for farm legislation, but we have been in session 7 months and for the first time this bill is introduced. I understand the hearings would take 3 or 4 weeks. I cannot feel that there is any excuse for this delay.

Mr. JOHNSON of Oklahoma. May I say to the gentleman that I also feel there is no excuse for this House adjourning and going home without passing a farm bill. The farmer is going to ask those of us who represent rural districts why we adjourned without passing any legislation to protect agriculture.

Mr. Speaker, I feel that the action of the Democratic steering committee in unanimously and enthusiastically going on record favoring the enactment of farm legislation at this session of Congress and opposing any effort of adjournment without the consideration or passage of a farm-relief program is significant. Members of the steering committee represent every section of the United States. These members have discussed this all-absorbing question in their own zone meetings and I am advised that sentiment is overwhelmingly in favor of the action by the Democratic steering committee of the House.

It will be recalled that the steering committee took similar action on farm-tenant legislation at a time when it seemed hopeless. At that time the word had gone out over the country that there was not the remotest possibility of a farm-tenant bill being passed during the present session. Our committee, however, managed to get several of the farm leaders together in the Congress, including the distinguished gentleman from Texas, Mr. JONES, and the Senator from Alabama, Mr. BANKHEAD, at which time an agreement was reached that Congress would not adjourn without the passage of a farm-tenant bill. It is well known that the farm-tenant bill as finally passed was everything but satisfactory to me, but it does commit this Government to a policy and means that after the first year at least $50,000,000 will be spent by the Government in an effort to solve the farm-tenant problem.

If the action of the Democratic steering committee on yesterday also proves to be instrumental in aiding in the passage of a real farm-relief program during the present session, then I submit, Mr. Speaker and fellow Members, that it will prove to be the most important day's work of any committee during the Seventy-fifth Congress.

[Here the gavel fell.]

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 455. An act for the relief of J. R. Collie and Eleanor Y. Collie;

S. 1284. An act to change the name of the Chemical Warfare Service; and

S. 2086. An act to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico.

ADJOURNMENT

Mr. O'CONNOR of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until tomorrow, July 23, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

Subcommittee on Aeronautics of the Naval Affairs Committee of the House of Representatives will hold an open meeting on Friday, July 23, 1937, at 10:30 a. m., for the purpose of investigating the establishment of a District airport in the vicinity of naval radio receiving station at Cheltenham, Md., Hon. JOHN J. DELANEY, chairman.

The Committee on Naval Affairs will hold open hearings on the bill H. R. 5529, to replace the airship *Los Angeles*, Monday, July 26, 1937, at 10:30 a. m.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The subcommittee appointed by the Committee on the District of Columbia to consider the following bills: H. R. 2344, David R. Thompson; H. R. 4302, Ralph S. Warner; H. R. 5645, James F. Day; H. R. 5916, Davis B. Cole, all relating to reinstatement of former members of the Metropolitan Police force, will meet Friday, July 23, 1937, at 10:30 a. m. in room 345, House Office Building.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation at 10 a. m., Monday, July 26, 1937. Business to be considered:

H. R. 6091, to provide for a preliminary examination and survey to determine the feasibility and cost of diverting the surplus waters of the Green River, Wyo., to the Bear River, for the purpose of irrigating the lands in the Bear River Basin.

H. R. 7567, to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes.

H. R. 3786, providing for the allocation of net revenues of the Shoshone power plant of the Shoshone reclamation project in Wyoming.

H. R. 5960, to provide for studies and plans for the development of a reclamation project on the Cimarron River in Cimarron County, Okla.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Wednesday, July 28, 1937, at 10 a. m., eastern standard time, on H. R. 7486, known as the bill to increase the efficiency of the Coast Guard.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

735. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the United States Golden Gate International Exposition Commission in the sum of $1,500,000, and the United States New York World's Fair Commission in the sum of $3,000,000, amounting in all to $4,500,000 (H. Doc. No. 307); to the Committee on Appropriations and ordered to be printed.

736. A letter from the president, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SCOTT: Committee on Naval Affairs. S. 1115. An act to amend section 22 of the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes"; without amendment (Rept. No. 1285). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 6444. A bill to amend the act of June 30, 1906, entitled "An act creating a United States court for China and prescribing the jurisdiction thereof"; without amendment (Rept. No. 1286). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUCK: Committee on Ways and Means. H. R. 4543. A bill to amend the Tariff Act of 1930 to exempt vessels arriving for the purpose of taking on ship's stores and certain sea stores from the requirement of formal entry; without amendment (Rept. No. 1287). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES: Committee on Agriculture. H. R. 7909. A bill to amend the Federal Farm Loan Act, to amend the Emergency Farm Mortgage Act of 1933, to amend the Farm Credit Act of 1933, to amend the Federal Farm Mortgage Corporation Act, to amend the Agricultural Marketing Act, and for other purposes; with amendment (Rept. No. 1288). Referred to the Committee of the Whole House on the state of the Uunion.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7315) for the relief of Jacob L. Hartsfield; Committee on Pensions discharged, and referred to the Committee on Naval Affairs.

A bill (H. R. 823) for the relief of the dependents of Vincent A. Clayton; Committee on Claims discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KOPPLEMANN: A bill (H. R. 7967) to conserve the domestic supply of certain metals and to provide for the national defense; to the Committee on Military Affairs.

By Mr. MEAD: A bill (H. R. 7968) to provide longevity pay for postal employees as a reward for long and continuous service; to the Committee on the Post Office and Post Roads.

By Mr. WADSWORTH: A bill (H. R. 7969) to designate a building site for the National Conservatory of Music of America, founded in 1885 by Jeannette M. Thurber, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mrs. JENCKES of Indiana: A bill (H. R. 7970) to protect producers, manufacturers, and consumers from the unrevealed presence of substitutes and mixtures in woven or knitted fabrics and in garments or articles of apparel made therefrom, manufactured in any Territory of the United States or the District of Columbia, or transported or intended to be transported in interstate or foreign commerce, and providing penalties for the violation of the provisions of this act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNELL of Montana: A bill (H. R. 7971) to regulate interstate commerce in goods produced under conditions exposing employees to the hazards of silicosis and related dust diseases; to the Committee on Labor.

By Mr. JONES: A bill (H. R. 7972) to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce, to provide revenue, and for other purposes; to the Committee on Agriculture.

By Mrs. O'DAY: A bill (H. R. 7973) to create a Committee on Purchases of Blind-Made Products, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. WHITE of Ohio: Joint resolution (H. J. Res. 451) to create a Joint Congressional Committee on Conservation and Preservation of Iron Ore and Steel Scrap; to the Committee on Rules.

By Mr. LAMNECK: Joint resolution (H. J. Res. 452) to create a Joint Congressional Committee on Conservation and Preservation of Iron Ore and Steel Scrap; to the Committee on Rules.

By Mr. MEAD: Joint resolution (H. J. Res. 453) to determine the nature and effect of economic conditions or statu-

tory provisions tending to produce unfair or inequitable discrimination on the basis of age in obtaining and retaining employment in public service and private industry; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN of Minnesota: A bill (H. R. 7974) for the relief of the estate of K. J. Foss; to the Committee on Claims.

By Mr. GARRETT: A bill (H. R. 7975) authorizing the United States Employees' Compensation Commission to take jurisdiction over the claim arising from the death of W. P. Sullivan; to the Committee on Claims.

By Mr. IZAC: A bill (H. R. 7976) for the relief of Elmira Margaret Vanatta; to the Committee on Claims.

By Mr. SWOPE: A bill (H. R. 7977) granting a pension to Lottie Lee Stoner; to the Committee on Invalid Pensions.

By Mr. SMITH of Connecticut: A bill (H. R. 7978) for the relief of John P. Mahoney; to the Committee on Claims.

By Mr. SNELL: A bill (H. R. 7979) granting an increase of pension to Harriet A. Holmes; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3004. By Mr. KENNEY: Petition of the Trenton Typographical Union, No. 71, endorsing the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

3005. By Mr. KEOGH: Petition of the United Scenic Artists, Local Union 829, Brotherhood of Painters, Decorators, and Paperhangers of America, New York City, concerning the Schwellenbach-Allen resolution; to the Committee on Labor.

3006. Also, petition of the New York State League of Savings and Loan Associations, New York, concerning the enactment of the Federal mortgage bank bill (S. 1166); to the Committee on Banking and Currency.

3007. Also, petition of the Mine Inspectors' Institute of America, Pittsburgh, Pa., requesting appropriations to the United States Bureau of Mines for fire fighting, mine rescue, and recovery work following mine fires and explosions; to the Committee on Appropriations.

3008. By Mr. PFEIFER: Petition of the United Scenic Artists, Local Union 829, Brotherhood of Painters, Decorators, and Paperhangers of America, New York City, concerning the Schwellenbach-Allen resolution; to the Committee on Labor.

3009. Also, petition of the New York State League of Savings and Loan Associations, New York, concerning the Federal mortgage-bank bill (S. 1166); to the Committee on Banking and Currency.

3010. Also, petition of the New York Board of Trade, Inc., New York City, concerning the Black-Connery bills; to the Committee on Labor.

3011. By Mr. QUINN: Resolution of the Pittsburgh (Pa.) Musical Society, requesting that those removed from Works Progress Administration rolls and who are unable to secure employment in private industry, shall be immediately reinstated; also resolution from the Mine Inspectors' Institute of America, recommending that the United States Bureau of Mines be requested to seek appropriations and maintain facilities to create controllable mine fires; to the Committee on Appropriations.

SENATE

FRIDAY, JULY 23, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 22, 1937, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7896. An act granting pensions to certain soldiers of the Civil War;

H. R. 7897. An act granting increase of pensions to certain widows and former widows of soldiers and sailors of the Civil War;

H. R. 7898. An act granting pensions to certain widows and former widows of soldiers, sailors, and marines of the Civil War;

H. R. 7899. An act granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War; and

H. R. 7905. An act granting pensions and increase of pensions to certain widows, former widows, and dependent children of soldiers of the Civil War.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate nos. 5, 8, 12, 24, 28, 30, 46, 54, 73, 87, 90, 94, 123, 129, 132, and 134 to the bill and concurred therein; that the House had receded from its disagreement to the amendments of the Senate nos. 35, 37, 53, 93, 95, 97, 98, 124, 125, and 133, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its disagreement to the amendments of the Senate nos. 74, 89, and 121 to the bill, requested a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JOHNSON of Oklahoma, Mr. SCRUGHAM, Mr. O'NEAL of Kentucky, Mr. FITZPATRICK, Mr. LEAVY, Mr. RICH, and Mr. LAMBERTSON were appointed managers on the part of the House at the further conference.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 455. An act for the relief of J. R. Collie and Eleanor Y. Collie;

S. 1284. An act to change the name of the Chemical Warfare Service; and

S. 2086. An act to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Hale	McCarran
Ashurst	Caraway	Harrison	McGill
Austin	Chavez	Hatch	McKellar
Bailey	Clark	Herring	McNary
Barkley	Connally	Hitchcock	Maloney
Berry	Davis	Holt	Minton
Bilbo	Dieterich	Hughes	Moore
Black	Donahey	Johnson, Calif.	Murray
Bone	Duffy	Johnson, Colo.	Neely
Borah	Ellender	King	Nye
Bridges	Frazier	La Follette	O'Mahoney
Brown, Mich.	George	Lee	Overton
Brown, N. H.	Gerry	Lewis	Pepper
Bulkley	Gibson	Lodge	Pope
Bulow	Gillette	Logan	Radcliffe
Burke	Glass	Lonergan	Reynolds
Byrd	Green	Lundeen	Russell
Byrnes	Guffey	McAdoo	Schwartz

Schwellenbach	Steiwer	Tydings	Wheeler
Sheppard	Thomas, Okla.	Vandenberg	White
Shipstead	Thomas, Utah	Van Nuys	
Smathers	Townsend	Wagner	
Smith	Truman	Walsh	

Mr. LEWIS. I announce that the Senator from New York [Mr. COPELAND], the Senator from Florida [Mr. ANDREWS], and the Senator from Nevada [Mr. PITTMAN] are necessarily detained from the Senate.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

SPECIAL COMMITTEE ON INVESTIGATION OF UNEMPLOYMENT AND RELIEF PROBLEMS

The VICE PRESIDENT. Under authority of Senate Resolution No. 145, agreed to on yesterday, the Chair appoints the Senator from Montana [Mr. MURRAY] and the Senator from Massachusetts [Mr. LODGE] as the additional members of the Special Committee on Investigation of Unemployment and Relief Problems.

LOW-COST HOUSING—REPORT OF COMMITTEE ON EDUCATION AND LABOR

Mr. BLACK. Mr. President, I ask permission to report back favorably, with amendments, from the Committee on Education and Labor, the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, and I submit a tentative report (No. 933) thereon. This bill is commonly known as the low-cost housing bill. I ask leave that at a later time I may file an additional detailed report.

The VICE PRESIDENT. Is there objection? The Chair hears none. The report will be received, and the bill will be placed on the calendar.

REPORTS OF COMMITTEES

Mr. BULOW, from the Committee on Civil Service, to which was referred the bill (S. 2024) to amend the civil-service law to permit certain employees of the legislative branch of the Government to qualify for positions under the competitive classified service, reported it without amendment and submitted a report (No. 934) thereon.

Mr. LOGAN, from the Committee on Military Affairs, to which was referred the bill (H. R. 4705) to authorize the transfer of a certain piece of land in Breckinridge County, Ky., to the Commonwealth of Kentucky, reported it without amendment and submitted a report (No. 935) thereon.

Mr. O'MAHONEY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2682) to authorize the Secretary of the Interior to issue patents to States under the provisions of section 8 of the act of June 28, 1934 (48 Stat. 1269), as amended by the act of June 26, 1936 (49 Stat. 1976), subject to prior leases issued under section 15 of the said act, reported it without amendment and submitted a report (No. 936) thereon.

Mr. BILBO, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2789) to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for southern agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional units to be provided for the study of other crops as additional funds are provided, reported it with amendments and submitted a report (No. 937) thereon.

Mr. WHEELER, from the Committee on Interstate Commerce, to which was referred the bill (S. 589) prohibiting the operation of motor vehicles in interstate commerce by unlicensed operators, reported it with amendments and submitted a report (No. 938) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 7614. A bill to amend the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911 (Rept. No. 939); and

H. R. 4676. A bill to provide for the reimbursement of certain civilian employees of the Navy for the value of personal effects destroyed in a fire at the naval air station, Hampton Roads, Va., May 15, 1936 (Rept. No. 940).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on July 22, 1937, that committee presented to the President of the United States the following enrolled bills:

S. 1762. An act to add certain lands to the Rogue River National Forest in the State of Oregon;

S. 1806. An act to extend the boundaries of the Papago Indian Reservation in Arizona;

S. 1972. An act to authorize the Secretary of War to sell, loan, or give samples of supplies and equipment to prospective manufacturers;

S. 2295. An act to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong., 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes;

S. 2587. An act providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians, in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.;

S. 2661. An act granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority; and

S. 2662. An act authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

A bill (S. 2825) to enable the Department of Agriculture to prevent the spread of pullorum and other diseases of poultry and to cooperate with official State agencies in the administration of the national poultry improvement plan, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. NEELY:

A bill (S. 2826) for the relief of John H. Gatts; to the Committee on Claims.

By Mr. HATCH:

A bill (S. 2827) to authorize the purchase of certain lands for the Apache Tribe of the Mescalero Reservation, N. Mex.; to the Committee on Indian Affairs.

By Mr. GIBSON:

A bill (S. 2828) granting a pension to Fanny King McMahon; to the Committee on Pensions.

By Mr. PEPPER:

A bill (S. 2829) authorizing more complete development of that portion of Santa Rosa Island conveyed to the county of Escambia, State of Florida, by the Secretary of War; to the Committee on Military Affairs.

By Mr. ANDREWS and Mr. PEPPER:

A bill (S. 2830) to amend an act entitled "An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes", approved May 30, 1934; to the Committee on Public Lands and Surveys.

By Mr. MURRAY:

A joint resolution (S. J. Res. 184) relating to distribution of the moneys received by the State of Montana under section 10 of the act of June 28, 1934, as amended; to the Committee on Public Lands and Surveys.

By Mr. WALSH:

A joint resolution (S. J. Res. 185) creating a commission for the erection of a memorial building to the memory of the veterans of the Civil War, to be known as the Ladies of the

Grand Army of the Republic National Shrine Commission; to the Committee on the Library.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Pensions:

H. R. 7896. An act granting pensions to certain soldiers of the Civil War;

H. R. 7897. An act granting increase of pensions to certain widows and former widows of soldiers and sailors of the Civil War;

H. R. 7898. An act granting pensions to certain widows and former widows of soldiers, sailors, and marines of the Civil War;

H. R. 7899. An act granting pensions and increase of pensions to certain helpless and dependent children of soldiers and sailors of the Civil War; and

H. R. 7905. An act granting pensions and increase of pensions to certain widows, former widows, and dependent children of soldiers of the Civil War.

ESTABLISHMENT OF FAIR LABOR STANDARDS IN EMPLOYMENTS—AMENDMENTS

Mr. LODGE submitted amendments intended to be proposed by him to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which were ordered to lie on the table and to be printed.

IMPROVEMENT OF RIVERS AND HARBORS—AMENDMENTS

Mr. SHEPPARD. Mr. President, I am reported in the CONGRESSIONAL RECORD of yesterday as having submitted six amendments to the rivers and harbors bill, but the amendments are not set out. I now ask that they be set out in today's RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The amendments submitted yesterday and intended to be proposed by Mr. SHEPPARD to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, are as follows:

On page 16, line 1, strike out the following words: "First Stage."

On page 23, after line 1, insert new paragraph reading as follows:

"Goose Creek, Tex., deep-water channel and port."

On page 23, after line 1, insert new paragraph reading as follows:

"Arroyo Colorado, Tex., channel from a point at or near Mercedes, Tex., to its mouth, thence south in Laguna Madre to Port Isabel."

On page 23, after line 1, insert new paragraph reading as follows:

"Survey of channel for purposes of navigation from Jefferson, Tex., to Shreveport, La., by way of Jefferson-Shreveport Waterway, thence by way of Red River to mouth of Red River in the Mississippi River, including advisability of water-supply reservoirs in Cypress River and Black Cypress River above head of navigation."

On page 23, after line 2, insert the following:

"Colorado River, Tex., and its tributaries."

On page 23, between lines 8 and 9, insert the following:

"Aliens Creek, a tributary of the Brazos River in Austin County, Tex., in the interest of navigation and of flood control.

"Mill Creek, a tributary of the Brazos River in Austin County, Tex., in the interest of navigation and of flood control.

"Navidad River, Tex., in the interest of navigation and of flood control.

"Lavaca River, Tex., in the interest of navigation and of flood control."

Mr. SHEPPARD today submitted amendments intended to be proposed by him to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which were ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 9, between lines 14 and 15, to insert the following:

"Texas City Channel, Tex.; Rivers and Harbors Committee Document No. 47; Seventy-fifth Congress."

On page 23, between lines 2 and 3, to insert:

"Colorado River, Tex., with a view to its improvement in the interest of navigation and flood control."

"BILLIONS OUT AND BILLIONS BACK"—ARTICLE BY JESSE H. JONES

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an article entitled "Billions Out and Billions Back", published in the Saturday Evening Post of June 12, 1937, which appears in the Appendix.]

THE SUGAR INDUSTRY—EDITORIAL FROM PHILADELPHIA RECORD

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an editorial published in the Philadelphia Record of Friday, July 23, 1937, entitled "Pass the Sugar Bill", which appears in the Appendix.]

INTERIOR DEPARTMENT APPROPRIATIONS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives on certain amendments of the Senate to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
July 22, 1937.

Resolved, That the House recede from its disagreement to the amendments of the Senate nos. 5, 8, 12, 24, 28, 30, 46, 54, 73, 87, 90, 94, 123, 129, 132, and 134 to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, and concur therein.

That the House recede from its disagreement to the amendment of the Senate no. 35 to said bill and concur therein with an amendment as follows: In lieu of the sum proposed to be inserted by said amendment insert "$215,000."

That the House recede from its disagreement to the amendment of the Senate no. 37 to said bill and concur therein with an amendment as follows: In line 14 of the matter proposed to be inserted by said Senate engrossed amendment strike out all after "prescribe" down to and including "expenses" in line 21 and insert: "*Provided further*, That not to exceed $50,000 may be advanced to the Navajo Tribe of Indians for the purchase, feeding, sale, or other disposition of sheep, goats, and other livestock belonging to the Navajo Indians."

That the House recede from its disagreement to the amendment of the Senate no. 53 to said bill, and concur therein with an amendment as follows: In lieu of the sum proposed to be inserted by said amendment insert "$2,169,275";

That the House recede from its disagreement to the amendment of the Senate no. 93 to said bill, and concur therein with an amendment as follows: In line 6 of the matter proposed to be inserted by said Senate engrossed amendment, strike out "$10,535,000" and insert "$9,150,000";

That the House recede from its disagreement to the amendment of the Senate no. 95 to said bill, and concur therein with an amendment as follows: In lieu of the sum proposed to be inserted by said amendment insert "$10,316,600";

That the House recede from its disagreement to the amendment of the Senate no. 97 to said bill, and concur therein with an amendment as follows: In line 1 of the matter proposed to be inserted by said amendment, strike out "$300,000" and insert "$200,000";

That the House recede from its disagreement to the amendment of the Senate no. 98 to said bill, and concur therein with an amendment as follows: In lieu of the sum proposed to be inserted by said amendment insert "$26,450,000";

That the House recede from its disagreement to the amendment of the Senate no. 124 to said bill, and concur therein with an amendment as follows: In lieu of the sum proposed to be inserted by said amendment insert "$6,000,000";

That the House recede from its disagreement to the amendment of the Senate no. 125 to said bill, and concur therein with an amendment as follows: In line 1 of the matter proposed to be inserted by said Senate engrossed amendment, strike out "$2,700,000" and insert "$1,500,000";

That the House recede from its disagreement to the amendment of the Senate no. 133 to said bill, and concur therein with an amendment as follows: In line 5 of the matter proposed to be inserted by said Senate engrossed amendment, strike out "July 1" and insert "June 30"; and

That the House insists upon its disagreement to the amendments of the Senate nos. 74, 89, and 121 to said bill, and asks a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered that Mr. JOHNSON of Oklahoma, Mr. SCRUGHAM, Mr. O'NEAL of Kentucky, Mr. FITZPATRICK, Mr. LEAVY, Mr. RICH, and Mr. LAMBERTSON be the managers of the conference on the part of the House.

Mr. McKELLAR. Mr. President, I move that the Senate agree to the amendments of the House to the amendments of the Senate nos. 35, 37, 53, 97, 98, 124, 125, and 133. That is the first motion I wish to make.

The VICE PRESIDENT. The question is on the motion of the Senator from Tennessee.

Mr. McNARY. Mr. President, my attention was diverted. May I inquire what the motion is?

Mr. McKELLAR. I moved that the Senate agree to the amendments of the House to certain amendments of the Senate to the Interior Department appropriation bill.

I may explain as well now as at any other time that the conferees have already met and have entirely agreed on every difference between the two Houses; but, in order to make that agreement effective, it is necessary that the amendments of the House to the amendments which I have just enumerated be agreed to; and then it is also necessary that the Senate disagree to certain other amendments, to which I will call attention in a moment, and ask for a further conference. As a matter of fact, however, the conferees have already agreed and the action I am now taking is merely in furtherance of carrying out the agreement.

Mr. KING. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. KING. As I understand, there were two items in disagreement as to which some Senators have special interest. One was the so-called Gila River project. May I inquire of the Senator what disposition was made by the conferees in regard to that matter?

Mr. McKELLAR. That was agreed to. I may say that was an amendment in which the Senator from Arizona [Mr. HAYDEN] was greatly interested. The Senator offered an amendment, which was agreed to, appropriating $1,250,000 for the Gila River project. The House took a vote on that and disagreed to it, and that amendment, technically, is still in disagreement; but the conferees this morning agreed to an appropriation of $700,000. It is a unanimous report, and will, undoubtedly, be agreed to by the other House.

Mr. KING. May I inquire of the Senator what disposition was made of an item which was inserted in the bill, as I recall, by the Senate appropriating four or five hundred thousand dollars, to be used in exploration as to the feasibility of certain reclamation projects in the Colorado River Basin?

Mr. McKELLAR. I think the Senate amendment proposed an appropriation of $300,000. The House agreed to that item, but reduced the appropriation to $200,000, and the item is in the bill in that amount.

Mr. KING. Mr. President, I regret that the Senate conferees acceded to the proposition to reduce the appropriation.

I may say in respect to the matter that the waters of the Colorado River are being appropriated more and more in Old Mexico. If the waters of the Colorado River are not appropriated in the United States by the upper-basin States and by the lower-basin States—New Mexico, California, and Arizona—a large surplus of water will pass on down into Old Mexico, and it will there be appropriated in time, so that when the upper States are ready to appropriate the water they may be confronted with a lawsuit in some international court, because under the law prevailing in the West the appropriation of water gives title.

It is very important that the Government in order to protect itself, to protect the Boulder Dam, to protect the appropriations of water in California for that matter, and to protect the upper-basin States, should determine at as early a date as possible what projects may be feasible in order that the waters of the Colorado River may be appropriated. I think there should have been an appropriation of $500,000,000 or $600,000,000 for the purpose of making a reconnaissance survey in the upper-basin States, so as to determine how and when and where we can use the waters which rise in those States, and prevent them going down to Old Mexico and there being appropriated, which would eventuate, perhaps, as I have said, in a lawsuit in some international court.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. KING. Certainly.

Mr. CHAVEZ. Not only that but also the waters which belong to the upper-basin States under the Boulder Dam or Colorado River compact. Neither New Mexico nor Utah nor Colorado is getting what it is entitled to under that compact. I think it is very important to have the survey made, so that we may be able to appropriate the necessary waters.

Mr. McKELLAR. I may say to the Senator from Utah and the Senator from New Mexico that the Senate conferees stood strongly for what the Senate wanted; but when it comes to a conference, there has to be some compromise. While the Senate conferees stood for the appropriation, nevertheless, it was reduced by action of the House members of the conference committee; and in order to reach an adjustment, we had to take a smaller amount. I have no doubt, if this amount is not sufficient, that Congress will appropriate a further sum in the future.

Mr. KING. Mr. President, let me conclude in a few words. Under the Colorado River compact, the upper basin is entitled to 7,500,000 acre-feet of the flow of the river. The residue is allocated to Nevada, Arizona, and California.

Mr. McCARRAN. Mr. President——

Mr. KING. I yield.

Mr. McCARRAN. This seems to be a matter which requires more than casual discussion. The question raised by the Senator from Utah seems to be, and I know it is, one which should have careful consideration. The pending matter is before the Senate by unanimous consent. I do not believe its consideration should be concluded at this time. I think we should proceed with the unfinished business, and therefore I am going to object to further consideration of anything except the unfinished business.

Mr. McKELLAR. Mr. President, I hope the Senator will not do that. I think it will take but a moment to dispose of the motions in connection with the appropriation bill.

Mr. KING. Mr. President, may I make a suggestion that may obviate any further discussion? If the Senator in charge of the appropriation bill will consent to a disagreement with respect to the item to which I have referred and let it go back to conference, I should have no objection.

Mr. McKELLAR. The trouble about that is that the conferees have already agreed to the item and cannot now consent to a disagreement.

Mr. KING. I suppose the agreement of the conferees does not bind the Senate?

Mr. McKELLAR. Oh, no.

Mr. KING. I do not like to ask for a disagreement or rejection, but I earnestly urge my friends to disagree to the House amendment in question and let the conferees make a further exploration of the matter.

Mr. BILBO. Mr. President, I desire to ask the Senator from Tennessee if the conferees on the part of the Senate did any more yielding on the Natchez Trace item?

Mr. McKELLAR. None at all. The House voted on it and approved the position of the conferees with reference to an appropriation of $1,500,000.

I ask Senators to let the Senate take the action I have suggested because the Interior Department appropriation bill is a matter of great importance to all the people of the West. We had a hard time reaching an agreement, but finally reached one; and it seems to me, in the interest of good legislation, our action should be approved. The conferees on the part of the Senate did everything in the world they could. If I am in order, I should like to move to agree to certain of the amendments.

Mr. KING. As I understand, the bill will still be in conference because there are a number of items which have not been agreed to.

The VICE PRESIDENT. If the motion of the Senator from Tennessee is agreed to, the item would be in disagreement, but the Senator from Tennessee stated frankly that the conferees had already agreed to it as a matter of form. It would still be in conference.

The question is on the motion of the Senator from Tennessee to agree to the amendments of the House to certain Senate amendments enumerated by him.

The motion was agreed to.

Mr. McKELLAR. I now move that the Senate disagree to the amendments of the House to the amendments of the Senate numbered 93 and 95, and insist on the Senate amendments. These relate to reclamation projects.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I now move that the Senate insist on its amendments numbered 74, 89, and 121, and agree to the fur-

ther conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. HAYDEN, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. ADAMS, Mr. NYE, and Mr. STEIWER conferees on the part of the Senate at the further conference.

DISTRICT OF COLUMBIA TAXES

The Senate resumed consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes.

The VICE PRESIDENT. Does the Senator from Nevada desire unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that committee amendments be first considered?

Mr. McCARRAN. Yes; I do. I ask unanimous consent for that purpose.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCARRAN. Mr. President, in presenting this measure to the Senate, I wish to say that I think nothing is more important to approximately three-quarters of a million people who have no vote than a bill which presumes to tax those people. This is a bill imposing taxes on the people of the District of Columbia.

I desire to say in all frankness and fairness that I believe the bill should receive a more careful and continued study than has been possible by the Committee on the District of Columbia of the Senate. I am entirely in accord with the suggestion that the bill in its present form might well go to a joint committee composed of representatives from the House and representatives from the Senate, with the idea of working out a measure that will be equitable, reasonably just, and fair.

Controversial matters are involved in this bill. One of them is whether or not a sales tax shall be imposed on the people of the District of Columbia, that sales tax to have a limited sphere; and when I use that expression I mean that it is not to apply to food, cheaper clothing, fuel, or the other essentials of life so far as we can exempt the essentials of life of the class that has the greatest burden to bear. We have tried to eliminate such items from the burden of a sales tax.

But, Mr. President, a sales tax may be not at all agreeable even to many of us who are in the higher brackets, so to speak. I am not in favor of a sales tax, and I do not present this bill as an ideal bill. I present it only as a bill that may go to conference, where representatives of both bodies may take time to work it out. We must meet an emergency. How else can we do it? If the bill should go back to the committee of the Senate, we should have to spend perhaps weeks in working it out. Then we should have to attempt to pass it here, and a conference committee would go on with it. It seems to me the best process we can adopt now is to permit the bill to be passed and then go to conference, where it may be perfected.

I shall not now deal with another phase of the bill which perhaps is not involved.

Mr. KING. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. KING. I think the Senator might state that the provision with respect to a sales tax was drafted or agreed to by the Commissioners. They themselves tendered it after full consideration; so that we are only speaking the voice of the District Commissioners, who are the representatives of the District of Columbia.

Mr. McCARRAN. The Senator correctly states the situation, but the statement does not relieve it. The Commissioners were trying to do the best they could. But, Mr. President, without any desire to criticize the Commissioners of the District because I believe they work conscientiously and carefully, and make all possible sacrifices in order to do the best they can—I think the Commissioners of the District have overlooked a most important statute dealing with the question of how much the real property of the District shall bear in the way of taxation to support the District.

I refer to section 681 of title 20 of the Code of the District of Columbia, which I beg leave to read. It is under the caption "Fixation of rates":

Assessment of taxes on real and personal property; rate of taxation: For the purpose of defraying such expenses of the District of Columbus as Congress may from time to time appropriate for, there hereby is levied for each and every fiscal year succeeding that ending June 30, 1927, a tax at such rate on the real and personal property subject to taxation in the District (the rate fixed on intangible personal property not to be made less than five-tenths of 1 percent but which may be increased by the Commissioners in their discretion to any rate not in excess of the rate imposed upon real estate) as will, when added to the other taxes and revenues of the District, produce money enough to enable the District to pay promptly and in full all sums directed by Congress to be paid by the District, and for which appropriation has been duly made; and the Commissioners of the District of Columbia hereby are empowered and directed to ascertain, determine, and fix annually such rate of taxation as will, when applied as aforesaid, produce the money needed to defray the share of the expenses of the District during the year for which the rate is fixed.

Mr. President, boiling that statute down to its essentials, it means that, whenever the necessity arises, the District Commissioners shall impose such a rate of taxation against real property and improvements within the District that the real property and the improvements attached thereto shall become the basis upon which the tax structure of the District shall rest.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. TYDINGS. Is it not a fact that unless Congress enacts an adequate tax bill for the District of Columbia the Commissioners will be faced with three possible alternatives? First, as the Senator has just indicated, they will have to raise the money by a real-estate tax; secondly, they will have to obtain authority to borrow money; or, thirdly, they will leave the District in a position where it cannot meet its bills.

Mr. McCARRAN. That is correct. The Senator has stated the situation entirely correctly. That is the reason why, notwithstanding the fact that the District Committee had the bill before it but a short time, it tried to work out as best it could, in the time that it had, the problem, which is far reaching. That is the reason why, notwithstanding the fact—I want to be frank with the Senate—that I do not adhere to the principle of taxation involved in the bill, I believe the only solution of this important problem is to pass the bill and send it to a conference committee, and let the conference committee of the two Houses work it out.

Mr. KING. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. KING. I think the Senator ought to state that the committee of the House of Representatives, where all revenue bills must originate, had the measure before them for many weeks and had hearings on it and sent it to the Senate only a short time before it came to the Senate committee, so that our time was limited. It ought to be stated, furthermore, that already the District is running behind. The new fiscal year commenced the 1st of this month, and at present no revenue is coming in to operate the District of Columbia.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Maryland.

Mr. TYDINGS. I should like to take a moment to accentuate the fact, which the Senator has pointed out, that I believe it was the opinion of the committee that if we could have adopted an income tax along with the sales tax that would have been preferred; but, as the Senator has stated, from the information available we could not draft a suitable bill to do that. We had, then, to take the best course we could in order to get the bill to conference, as the Senator has pointed out, where the deficiencies may be cured.

Mr. McCARRAN. The Senator again has stated the matter correctly.

There are many phases of the bill that might be stated more at length and more in detail. It is not an ideal measure. It is not a measure that I should want to see become crystallized into law. I desire to be frank with the Senate. I believe, however, that the only avenue by which we can realize the necessary objectives is to send the bill to

conference and let the conferees work it out after a study of the subject.

Mr. President, I move the adoption of the first amendment reported by the committee.

The PRESIDING OFFICER (Mr. HATCH in the chair). The first amendment reported by the committee will be stated.

The first amendment of the Committee on the District of Columbia was, on page 1, line 5, after the word "Personal", in the heading to insert "Property", so as to make the heading read: "Title I—Collection of Personal Property Taxes."

The amendment was agreed to.

The next amendment was, under the heading "Title I—Collection of Personal Taxes", on page 2, line 22, after the word "same", to strike out "when due" and insert "within 10 days after notice and demand"; on page 4, line 7, after the name "United States", to insert "to the credit of the District of Columbia"; and, in line 9, after the word "them", to insert "by the accounting officers of said District", so as to make the section read:

SEC. 2. If any person liable to pay any personal property tax to the District of Columbia neglects or refuses to pay the same within 10 days after notice and demand, it shall be lawful for the collector of taxes for the District of Columbia, or any person designated by him, to collect the said taxes, with interest and penalties thereon, by distraint and sale in the manner hereinafter provided, of the goods, chattels, or effects, including stocks, securities, bank accounts, evidences of debt, and credits of the person delinquent as aforesaid. In case of such neglect or refusal of the person delinquent as aforesaid the collector, or the person designated by him, may levy upon all such property and rights to such property belonging to such person for the payment of the sum due with interest and penalties thereon and the costs that may accrue and the collector of taxes shall immediately proceed to advertise the same by public notice to be posted in the office of said collector and by advertisement three times in one week in one or more daily newspapers in said District, stating the time when and the place where such property shall be sold, the last publication to be at least 6 days before the date of sale and if the said taxes, with interest and penalties thereon, and the costs and expenses which shall have accrued thereon, shall not be paid before the date fixed for such sale, which shall not be less than 10 days after said levy or taking of said property, the collector shall proceed to sell at public auction such property or interest therein or so much thereof as may be needed to pay such taxes, interest, penalties, and accrued costs and expenses of such distraint and sale. Said collector shall report in detail in writing every distraint and sale of personal property to the Commissioners of the District of Columbia, and his accounts in respect of every such distraint or sale shall forthwith be submitted to the auditor of the District of Columbia and shall be audited by him. Any surplus resulting from such sale over and above such taxes, interest, penalties, costs, and expenses shall be paid into the Treasury of the United States to the credit of the District of Columbia and upon being claimed by the owner or owners of the property aforesaid shall be paid to him or them by the accounting officers of said District upon the certificate of the collector of taxes stating in full the amount of such excess.

The amendment was agreed to.

The next amendment was, on page 5, line 14, after the word "tax", to strike out "when due" and insert "within 10 days after notice and demand", so as to make the section read:

SEC. 6. In case of the neglect or refusal of any person to pay a personal-property tax within 10 days after notice and demand, the collector of taxes, or the person designated by him, may file a certificate of such delinquent personal tax with the clerk of the District Court of the United States for the District of Columbia, which certificate from the date of its filing shall have the force and effect, as against the delinquent person named in such certificate, of the lien created by a judgment granted by said court, which lien shall remain in force and effect until the taxes set forth in said certificate, with interest and penalties thereon, shall be paid, and said lien may be enforced by a bill in equity filed in said court.

The amendment was agreed to.

The next amendment was, on page 6, after line 13, to insert:

SEC. 8. The taxes to which this title relates shall be assessed within 4 years after such taxes became due, and no proceeding in court without assessment for the collection of such taxes shall be begun after the expiration of 5 years after such taxes became due. In the case of a false or fraudulent return with intent to evade tax, or of a failure to file a return within the time required by law, the tax may be assessed or a proceeding in court for the collection of such tax may be begun without assessment at any time. Where the assessment of any tax to which this title relates has been made within such statutory period of limitation, such tax may be collected by distraint or by a proceeding in court only if begun within 6 years after the assessment of the tax.

The amendment was agreed to.

The next amendment was, on page 7, line 2, after the word "are", to strike out "not limited as to time, irrespective of any statute of limitations, and are", so as to read:

SEC. 9. The remedies provided by this title for the collection of personal-property taxes are in addition to any other remedies available for the collection of said taxes.

The amendment was agreed to.

The next amendment was, on page 7, after line 5, to strike out:

TITLE II. TAXES ON INSURANCE COMPANIES

SECTION 1. On and after the 1st day of July 1937 every domestic, foreign, or alien company organized as a stock, mutual, reciprocal, Lloyd's, fraternal, or any other type of insurance company or association, before issuing contracts of insurance against loss of life or health, or by fire, marine, accident, casualty, fidelity and surety, title guaranty, or other hazard not contrary to public policy, shall obtain from the superintendent of insurance of the District of Columbia an annual license or certificate of authority, upon payment of a fee of $25 to the collector of taxes of the District of Columbia. All licenses for insurance companies who may apply for permission to do business in the District of Columbia shall date from the first of the month in which application is made, and expire on the 30th day of April following, and payments shall be made in proportion.

SEC. 2. Any such company issuing contracts of insurance in the District of Columbia, without first having obtained license or certificate of authority from the superintendent of insurance so to do, shall upon conviction be subject to a fine of $100 per day for each day it shall engage in business without such license or certificate of authority.

SEC. 3. All prosecutions for violations of this title shall be in the police court of the District of Columbia by the corporation counsel of the District of Columbia or any of his assistants.

SEC. 4. Each of such companies shall file an annual statement in the form prescribed by the superintendent of insurance before March 1 of each year of its operations for the year ending December 31 immediately preceding. Such statement shall be verified by the oath of the president and secretary or in their absence by two other principal officers. The fee for filing said statement shall be $20 and payment therefor shall be made to the collector of taxes of the District of Columbia.

SEC. 5. If any such company shall fail to file the annual statement herein required, the superintendent of insurance may thereupon revoke its license or certificate of authority to transact business in the District of Columbia.

SEC. 6. All such companies shall also pay to the collector of taxes of the District of Columbia a sum of money as taxes equal to 2 percent of its policy and membership fees and net premium receipts on all insurance contracts on risks in the District of Columbia, said taxes to be paid before the 1st day of March of each year on the amount of income for the year ending December 31 next preceding.

"Net premium receipts" means gross premiums received less the sum of the following:

1. Premiums returned on policies canceled or not taken;

2. Premiums paid for reinsurance where the same are paid to companies duly licensed to do business in the District; and

3. Dividends paid in cash or used by policyholders in payment of renewal premiums.

SEC. 7. If any such company shall fail to pay the tax herein required, it shall be liable to the District of Columbia for the amount thereof, and in addition thereof a penalty of 8 percent per month thereafter until paid.

SEC. 8. Nothing contained in this title shall apply to any relief association, not conducted for profit, composed solely of officers and enlisted men of the United States Army or Navy, or solely of employees of any other branch of the United States Government service or solely of employees of the District of Columbia government, or solely of employees of any individual, company, firm, or corporation or to any fraternal organization which issues contracts of insurance exclusively to its own members.

SEC. 9. All laws or parts of laws insofar as they relate to insurance companies, fraternal orders, Lloyds, reciprocals, associations, or other insurance organizations, and the conduct of such insurance business, and in conflict with any provisions of this title, are hereby repealed.

SEC. 10. Should any section or provision of this title be decided by the courts to be unconstitutional or invalid, the validity of the title as a whole or of any part thereof other than the part decided to be unconstitutional shall not be affected.

SEC. 11. This title shall become effective immediately upon passage and approval.

The amendment was agreed to.

The next amendment was, on page 10, line 11, after the word "Title", to strike out "III" and insert "II", so as to make the heading read:

Title II. Amendment to Motor Vehicle Fuel Tax Act.

The amendment was agreed to.

The next amendment was, on page 17, line 19, after the word "Title", to strike out "IV" and insert "III", so as to make the heading read:

Title III. Registration fees for motor vehicles.

The amendment was agreed to.

The next amendment was, on page 27, line 14, after the word "Title", to strike out "V" and insert "IV", so as to make the heading read:

Title IV. Inheritance and estate taxes.

The amendment was agreed to.

The next amendment was, under the subhead "Article I—Inheritance tax", on page 27, line 25, after the words "or sale" and the comma, to insert "(except in cases of a bona fide purchase for full consideration in money or money's worth)"; on page 28, line 2, after the word "possession", to insert "or enjoyment"; in line 4, after the word "otherwise" and the comma, to insert "(including property of which the decedent has retained for his life or for any period not ascertainable without reference to his death or for any period which does not in fact end before his death (1) the possession or enjoyment of, or the right to the income from such property or (2) the right, either alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom)"; in line 14, after the word "tax", to strike out "on" and insert "of 1 per cent on so much of"; and in line 17, after the word "of", to strike out "$5,000, at the following rates" and insert "$5,000", so as to read:

SECTION 1. (a) All real property and tangible and intangible personal property, or any interest therein, having its taxable situs in the District of Columbia, transferred from any person who may die seized or possessed thereof, either by will or by law, or by right of survivorship, and all such property, or interest therein, transferred by deed, grant, bargain, gift, or sale (except in cases of a bona-fide purchase for full consideration in money or money's worth), made or intended to take effect in possession or enjoyment after the death of the decedent, or made in contemplation of death, to or for the use of, in trust or otherwise (including property of which the decedent has retained for his life or for any period not ascertainable without reference to his death or for any period which does not in fact end before his death (1) the possession or enjoyment of, or the right to the income from such property or (2) the right, either alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom), the father, mother, husband, wife, children by blood or legally adopted children, or any other lineal decendants or lineal ancestors of the decedent, shall be subject to a tax of 1 percent on so much of the clear value of such property so transferred to each such beneficiary as is in excess of $5,000.

The amendment was agreed to.

The next amendment was, on page 28, after line 17, to strike out:

(1) Two percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $5,000 but not in excess of $15,000.

(2) Two and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $15,000 but not in excess of $25,000.

(3) Three percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $25,000 but not in excess of $35,000.

(4) Three and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $35,000 but not in excess of $45,000.

(5) Four percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $45,000 but not in excess of $55,000.

(6) Four and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $55,000 but not in excess of $65,000.

(7) Five percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $65,000 but not in excess of $75,000.

(8) Five and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $75,000 but not in excess of $85,000.

(9) Six percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $85,000 but not in excess of $100,000.

(10) Ten percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $100,000 but not in excess of $200,000.

(11) Fifteen percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $200,000.

(B) So much of said property as is in excess of $2,000 so transferred to each of the brothers, sisters, nephews, and nieces of the whole or half blood of the decedent shall be subject to a tax at the following rates:

(1) Three percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $2,000 but not in excess of $12,000.

(2) Three and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $12,000 but not in excess of $22,000.

(3) Four percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $22,000 but not in excess of $32,000.

(4) Four and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $32,000 but not in excess of $42,000.

(5) Five percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $42,000 but not in excess of $52,000.

(6) Five and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $52,000 but not in excess of $62,000.

(7) Six percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $62,000 but not in excess of $72,000.

(8) Six and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $72,000 but not in excess of $82,000.

(9) Seven percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $82,000 but not in excess of $100,000.

(10) Eleven percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $100,000 but not in excess of $200,000.

(11) Sixteen percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $200,000.

(C) So much of said property as in excess of $1,000, so transferred to each of the grandnephews and grandnieces of the decedent and all persons other than those included in paragraphs (a) and (b) of this section, and all firms, institutions, associations, and corporations, shall be subject to a tax at the following rates:

(1) Five percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $1,000 but not in excess of $11,000.

(2) Five and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $11,000 but not in excess of $21,000.

(3) Six percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $21,000 but not in excess of $31,000.

(4) Six and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $31,000 but not in excess of $41,000.

(5) Seven percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $41,000 but not in excess of $51,000.

(6) Seven and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $51,000 but not in excess of $61,000.

(7) Eight percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $61,000 but not in excess of $71,000.

(8) Eight and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $71,000 but not in excess of $81,000.

(9) Nine percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $81,000 but not in excess of $91,000.

(10) Nine and one-half percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $91,000 but not in excess of $100,000.

(11) Twelve percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $100,000 but not in excess of $200,000.

(12) Seventeen percent of so much of the clear value of such property so transferred to each such beneficiary as is in excess of $200,000.

The amendment was agreed to.

The next amendment was, on page 33, after line 20, to insert:

(b) So much of said property as is in excess of $2,000, so transferred to each of the brothers, sisters, nephews, and nieces of the whole or half blood of the decedent shall be subject to a tax of 3 percent thereof.

The amendment was agreed to.

The next amendment was, at the top of page 34, to insert:

(c) So much of said property as is in excess of $1,000, so transferred to each of the grandnephews and grandnieces of the decedent and all persons other than those included in paragraphs (a) and (b) of this section, and all firms, institutions, associations, and corporations, shall be subject to a tax of 5 percent thereof.

The amendment was agreed to.

The next amendment was, on page 34, line 22, after the word "property" and the comma, to strike out "and" and insert "such property shall be taxed only once, and if", and in line 24, after the word "then", to strike out "such property shall be taxed only once and", so as to read:

(f) Where any beneficiary has died or may hereafter die within 6 months after the death of the decedent and before coming into the possession and enjoyment of any property passing to him, and before selling, assigning, transferring, or in any manner contracting with respect to his interest in such property, such property shall be taxed only once, and if the tax on the property so passing to said beneficiary has not been paid, then the tax shall be assessed on the property received from such share by each beneficiary thereof, finally entitled to the possession and enjoyment thereof, as if he had been the original beneficiary, and the exemptions and rates of taxation shall be governed by the respective relationship of each of the ultimate beneficiaries to the first decedent.

The amendment was agreed to.

The next amendment was, on page 35, line 6, after the words "provisions of", to strike out "this section" and insert "article I of this title", so as to read:

(g) The provisions of article I of this title shall apply to property in the estate of every person who shall die after this title becomes effective.

The amendment was agreed to.

The next amendment was, on page 35, after line 12, to insert:

(i) All property and interest therein which shall pass from a decedent to the same beneficiary by one or more of the methods specified in this section, and all beneficial interests which shall accrue in the manner herein provided to such beneficiary on account of the death of such decedent, shall be united and treated as a single interest for the purpose of determining the tax hereunder.

The amendment was agreed to.

The next amendment was, on page 40, after line 4, to strike out:

SEC. 10. In all cases in which there shall be a grant, devise, descent, or bequest, to take effect in possession or come into actual enjoyment after the expiration of one or more life estates, the taxes thereon shall be payable by the person or persons so entitled thereto, and within 1 year after the date when the right of possession accrues to the person or persons so entitled, upon the actual value of the property or the interest of the beneficiary therein at the time when said beneficiary becomes entitled to the same in possession or enjoyment. Said tax shall be a lien for the period of 10 years on the property or interest therein from the date when said beneficiary becomes entitled to the same in possession or enjoyment.

And in lieu thereof to insert:

SEC. 10. In the case of any grant, deed, devise, descent, or bequest of a life interest or term of years, the donee for life or years shall pay a tax only on the value of his interest, and the donee of the future interest shall pay his tax when his right of possession or enjoyment accrues. In the case of a devise, descent, bequest, or grant to take effect in possession or enjoyment after the expiration of one or more life estates or of a term of years, the tax shall be assessed on the value of the property or interest therein coming to the beneficiary at the time when he becomes entitled to the same in possession or enjoyment. Said tax shall be a lien for the period of 10 years on the property or interest therein from the date when said beneficiary becomes entitled to the same in possession or enjoyment.

The amendment was agreed to.

The next amendment was, on page 41, after line 22, to strike out:

SEC. 13. In case of any failure to make or file a return within the time prescribed by this title or within such additional time as may be granted under regulations promulgated by the Commissioners of the District of Columbia, the assessor shall add to the tax 25 percent of its amount. In case a false or fraudulent return is willfully made, the assessor shall add to the tax 50 percent of its amount. The amount so added to any tax shall be collected as a part of the tax and in the same manner as is herein provided for the collection of the tax: *Provided*, That the penalties provided in this section shall be in addition to the penalty provided in section 11 hereof.

And in lieu thereof to insert:

SEC. 13. Any person required by this title to file a return who fails to file such return within the time prescribed by this title, or within such additional time as may be granted under regulations promulgated by the Commissioners of the District of Columbia, shall become liable in his own person and estate to the District of Columbia in an amount equal to 25 percent of the tax found to be due. In case any person required by this title to file a return knowingly files a false or fraudulent return, he shall become liable in his own person and estate to the said District in an amount equal to 50 percent of the tax found to be due. Such amounts shall be collected in the same manner as is herein provided for the collection of the taxes levied under this title.

The amendment was agreed to.

The next amendment was, under the subhead "Article II—Estate taxes", on page 47, after line 17, to strike out:

SEC. 25. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of the title, and the application of such provision to other persons or circumstances, shall not be affected thereby.

The amendment was agreed to.

The next amendment was, at the top of page 48, to strike out:

TITLE VI—TAX ON PRIVILEGE OF DOING BUSINESS

SECTION 1. Where used in this title—

(a) The term "person" includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, receiver, or any other group or combination acting as a unit, but shall not include railroad or railroad express companies which report to and are subject to regulation by the Interstate Commerce Commission under the provisions of the Interstate Commerce Act of 1887, as amended.

(b) The term "taxpayer" means any person liable for any tax hereunder.

(c) The term "Commissioners" means the Commissioners of the District of Columbia or their duly authorized representative or representatives.

(d) The term "business" shall include the carrying on or exercising for gain or economic benefit, either direct or indirect, any trade, business, profession, vocation, or commercial activity in or on privately owned property and in or on property owned by the United States Government in the District of Columbia not including, however, labor or services rendered by any individual for wage or a salary.

(e) The term "gross receipts" means the gross receipts received from any business in the District of Columbia, including cash, credits, and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials, labor, or services or other costs, interest, or discount paid, or any other expenses whatsoever: *Provided*, That the term "gross receipts" when used in connection with or in respect of financial transactions involving the loan, collection, or advance of money, discounting notes, bills, or other evidences of debt, shall be deemed to mean the gross interest, discount, commission, or other income earned by means of or resulting from said financial transactions: *Provided further*, That in connection with commission merchants, brokers, attorneys, or other agents, the term "gross receipts" shall be deemed to mean the gross amount of such commissions or gross fees received by them.

(f) The term "fiscal year" means a year beginning on the 1st day of July and ending on the 30th day of the June following.

SEC. 2. No person shall engage in or carry on any business in the District of Columbia after 60 days from the approval of this act without first having obtained a license so to do from the Commissioners, except no license shall be required of any person selling newspapers, magazines, or periodicals, whose sales are not made from a fixed location and which sales do not exceed the annual sum of $1,000. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of the June following, and no license may be transferred to any other person.

All licenses granted under this title must be conspicuously posted on the premises of the licensee and said license shall be accessible at all times for inspection by the police or other officers duly authorized to make such inspection. Licensees having no located place of business shall exhibit their licenses when requested to do so by any of the officers above named.

Licenses shall be good only for the location designated thereon, except in the case of licenses issued hereunder for businesses which in their nature are carried on at large and not at a fixed place of business, and no license shall be issued for more than one place of business without a payment of a separate fee for each.

The Commissioners may, after hearing, revoke any license issued hereunder for failure of the licensee to file a return or corrected return within the time required by this title or to pay any installment of tax when due.

SEC. 3. Each application for license shall be accompanied by a filing fee of $10: *Provided, however*, That no license fee shall be required of any person if he shall certify under oath that his gross receipts during the year immediately preceding his application, if he was engaged in business during all of such period of time, or his gross receipts as computed in the manner provided in section 5 of this title, if he was engaged in business for less than 1 year immediately preceding his application shall be not more than $1,000. Such application shall be upon a form prescribed and furnished by the Commissioners: *Provided, however*, That upon stores or mercantile establishments operated in the District of Columbia and belonging to a chain or group, having more than one store, an annual license fee shall be paid for each store operated in the District of Columbia, as follows:

(1) $10 for each retail store or business in excess of one but not in excess of five.

(2) $15 for each retail store or business in excess of 5 but not in excess of 10.

(3) $20 for each retail store or business in excess of 10 but not in excess of 15.

(4) $50 for each retail store or business in excess of 15 but not in excess of 25.

(5) $75 for each retail store or business in excess of 25 but not in excess of 30.

(6) $100 for each retail store or business in excess of 30 but not in excess of 50.

(7) $550 for each retail store or business in excess of 50.

It is further provided that this annual license fee shall be based on the number of stores or mercantile establishments included under the same general management, supervision, ownership, or control whether operated in the District of Columbia or not.

SEC. 4. Every person subject to the tax hereunder shall, within 30 days after the passage of this title and on or before the 1st day of July of each succeeding year, furnish to the assessor, on a form prescribed by the Commissioners, a statement under oath showing the gross receipts of the taxpayer during the preceding calendar year, which said return shall contain such other information as the Commissioners may deem necessary for the proper administration of this title.

The Commissioners for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return where none has been made, are authorized to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return and may summon any person to appear and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then, and in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

The Commissioners are authorized and empowered to extend for cause shown the time for filing a return for a period not exceeding 30 days.

SEC. 5. For the privilege of engaging in business in the District of Columbia, each person so engaged shall pay to the collector of taxes of the District of Columbia for the fiscal year 1937–38 a tax equal to three-fifths of 1 percent of the gross receipts in excess of $1,000 derived from such business for the calendar year 1936 and shall, for each fiscal year thereafter, pay to the collector of taxes a similar tax measured by the gross receipts in excess of $1,000 derived from such business for the calendar year immediately preceding the beginning of such fiscal year: *Provided, however,* That the tax imposed by this section shall be payable only upon the gross commissions of any person engaged in the business of a broker or agent, and shall not be payable upon the funds of his principal, of which he is a mere conduit.

If a taxpayer was not engaged in business during the whole of any calendar year, he shall pay the tax imposed by this title measured by his gross receipts during the period of 1 year from the date when he became so engaged; and if such taxpayer shall not have been so engaged for an entire year prior to June 30 of any year, then the tax imposed shall be measured by his gross receipts for the period during which he was so engaged, multiplied by a fraction, the numerator of which shall be 365 and the denominator of which shall be the number of days during which he was so engaged.

If a person liable for the tax during any year or portion of a year for which the tax is computed acquires the assets or franchises of or merges or consolidates his business with the business of any other person or persons, such person liable for the tax shall report, as his gross receipts by which the tax is to be measured, the gross receipts for such year of such other person or persons together with his own gross receipts during such year.

SEC. 6. National banks and all other incorporated banks and trust companies, street railroad, gas, electric lighting and telephone companies, companies incorporated or otherwise, who guarantee the fidelity of any individual or individuals, such as bonding companies, companies who furnish abstracts of titles, savings banks, building and loan associations which pay taxes under existing laws of the District of Columbia upon gross receipts or gross earnings, and insurance companies which pay a tax upon premiums shall be exempt from the provisions of this title. Any tax levied by the District of Columbia upon tangible personal property owned by a taxpayer on July 1 of any year and paid by such taxpayer shall be credited upon the tax due under this title.

SEC. 7. The taxes imposed hereby shall be due 30 days after the approval of this act and thereafter shall be due July 1 of each fiscal year following the calendar year for which said taxes are computed, and may be paid without penalty to the collector of taxes of the District of Columbia in equal semiannual installments in the months of September and March following. If either of said installments shall not be paid within the months when the same is due, said installments shall thereupon be in arrears and delinquent, and there shall be added and collected to said tax a penalty of 1 percent a month upon the amount thereof for the period of such delinquency, and said installments, with the penalties thereon, shall constitute a delinquent tax.

SEC. 8. If a return required by this title is not filed, or if a return when filed is incorrect or insufficient, and the maker fails to file a corrected or sufficient return within 20 days after the same is required by notice from the assessor, the assessor shall determine the amount of tax due from such information as he may be able to obtain and, if necessary, may estimate the tax on the basis of external indices such as number of employees of the person concerned, rentals paid by him, stock on hand, and other factors. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax, unless the person against whom it is assessed shall within 15 days after the giving of notice of such determination apply to the Board of Equalization and Review of the District for hearing and review, and the burden of proving the incorrectness of the assessor's determination shall be upon the taxpayer. After such hearing said Board shall give notice of its decision to the person liable for the tax. The decision of said Board may be reviewed by application to the District Court of the United States for the District of Columbia if the said application be filed within 20 days after said notice: *Provided, however,* That the amount of any tax sought to be reviewed shall, with interest and penalties thereon, if any, be first deposited with the clerk of said court.

SEC. 9. Any person failing to file a return or corrected return within the time required by this title shall be subject to a penalty of 10 percent of the tax due plus 5 percent of such tax for each month of delay or fraction thereof.

SEC. 10. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended by registered mail addressed to such person at the address given in the return filed by him pursuant to the provisions of this title, or if no return has been filed then to his last-known address. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing such notice.

SEC. 11. The taxes levied hereunder and penalties may be collected by the collector of taxes of the District of Columbia in the manner provided by the law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection.

SEC. 12. Any person engaged in or carrying on business without first having obtained a license so to do, or failing or refusing to file a sworn report as required herein, or to comply with any rule or regulation of the Commissioners for the administration and enforcement of the provisions of this title shall upon conviction thereof be fined not more than $1,000 for each and every failure, refusal, or violation, and each and every day that such failure, refusal, or violation continues shall constitute a separate and distinct offense; that all prosecutions under this title shall be brought in the police court of the District of Columbia on information by the corporation counsel or his assistant.

SEC. 13. The Commissioners are authorized to make such rules and regulations relating to the administration and enforcement of this title as may be necessary and proper.

SEC. 14. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

SEC. 15. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner the receipts or any other information relating to the business of a taxpayer contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the United States or the District of Columbia, or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby, as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District of Columbia, or any of his assistants, of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for 3 years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be subject to the punishment provided by section 12 of this title.

SEC. 16. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the remainder of this title, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

SEC. 17. This title shall not be deemed to repeal or in any way affect any existing act or regulation under which taxes are now levied.

SEC. 18. This title shall become effective immediately upon approval.

The amendment was agreed to.

The next amendment was, on page 60, after line 12, to strike out:

TITLE VII—RATE OF TAXATION ON TANGIBLE PROPERTY

For the fiscal year ending June 30, 1938, the rate of taxation imposed for the District of Columbia on real and tangible personal property shall not be less than 1.7 percent on the assessed value of such property.

The amendment was agreed to.

The next amendment was, on page 60, after line 18, to insert:

TITLE V—ADDITIONAL TAX ON LAND

SECTION 1. For the fiscal year ending June 30, 1938, there is hereby levied for the District of Columbia upon all real estate in the District of Columbia subject to taxation a tax of 1 percent upon the assessed value of the land, exclusive of any improvements thereon. Such tax shall be in addition to all other taxes upon real estate, and shall be levied and collected in the same manner as such other taxes.

SEC. 2. The Commissioners of the District of Columbia are authorized to extend for not to exceed 90 days the time for payment of all installments of real-estate taxes payable in September 1937.

The amendment was agreed to.

The next amendment was, on page 61, after line 6, to insert:

TITLE VI—LUXURIES SALES TAX

SEC. 1. When used in this title, unless the context otherwise requires:

(a) The term "District" means the District of Columbia.

(b) The term "Commissioners" means the Commissioners of the District of Columbia.

(c) The term "collector" means the collector of taxes of the District of Columbia.

(d) The term "assessor" means the assessor of the District of Columbia or any of his assistants.

(e) The term "corporation counsel" means the corporation counsel of the District of Columbia or any of his assistants.

(f) The term "person" includes any individual, firm, copartnership, joint adventure, association, corporation, estate, trust, business trust, receiver, syndicate, personal representative of a decedent, or any other group or combination acting as a unit, and the plural as well as the singular number.

(g) The term "sale" means any transfer of title or possession, or both, exchange, barter, lease, or rental, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property, for a consideration, and includes the fabrication of tangible personal property for consumers who furnish either directly or indirectly the materials used in the fabrication work and the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property. A transaction whereby the possession of property is transferred but the seller retains the title as security for the payment of the price shall be deemed a sale.

(h) The terms "retail sale" or "sale at retail" mean a sale to a consumer or to any person for any purpose other than for resale in the form of tangible personal property, except that the terms "transfer of possession", "lease", and "rental" as used in subsection (g) of this section shall mean and include only such transactions as are in lieu of sales as defined in subsection (g) of this section without the words "lease or rental."

(i) The term "business" includes any activity engaged in by any person or caused to be engaged in by him with the object of gain, benefit, or advantage, either direct or indirect.

(j) The term "retailer" includes every person engaged in the business of making sales at retail, except a person selling newspapers, magazines, and periodicals, or any of them, whose sales are not made from a fixed location.

(k) The term "gross receipts" means the total amount of the sale or lease or rental price, as the case may be, of the retail sales of retailers, including any services that are a part of such sales, valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property of any kind or nature, and also any amount for which credit is allowed by the seller to the purchaser, without any deduction therefrom on account of the cost of the property sold, the cost of the materials used, labor or service cost, interest paid, losses, or any other expense whatsoever: *Provided, however,* That cash discounts allowed and taken on sales shall not be included, and "gross receipts" shall not include the sale price of property returned by customers when the full sale price thereof is refunded either in cash or by credit, nor shall "gross receipts" include the price received for labor or services used in installing, applying, remodeling, or repairing the property sold.

(l) The term "tangible personal property" means personal property which may be seen, weighed, measured, felt, touched, or is in any other manner perceptible to the senses, and shall be taken to include also all sales of admissions to any place of amusement, including moving pictures, theaters, theatrical performances, shows, circuses, athletic events, boxing and wrestling contests, concerts, amusement parks, piers, swimming pools, bathing establishments, and fairs.

SEC. 2. For the privilege of selling tangible personal property at retail a tax is hereby imposed upon retailers at the rate of 2 percent of the gross receipts of any such retailer from sales of tangible personal property sold at retail in the District on and after the first day of the calendar month following the date of enactment of this act and prior to July 1, 1938. Such tax shall be paid at the time and in the manner hereinafter provided and shall be in addition to any and all other taxes.

SEC. 3. There are hereby specifically exempted from the provisions of this title and from the computation of the amount of tax levied, assessed, or payable under this title the following:

(a) The gross receipts from sales of tangible personal property which the District is prohibited from taxing under the Constitution or laws of the United States.

(b) The gross receipts from the sale of food products for human or animal consumption. "Food products" as used herein includes cereals and cereal products, milk and milk products, oleomargarine, meat and meat products, fish and fish products, sea food and sea food products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products (other than candy and confectionery), coffee and coffee substitutes, tea, cocoa and cocoa products (other than candy and confectionery). "Food products" does not include spirituous, malt, or vinous liquors, soft drinks, sodas, or beverages such as are ordinarily dispensed at bars and soda fountains or in connection therewith, nor does the term "food products" include the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property.

(c) The gross receipts from the sale of all medicines.

(d) The gross receipts from the sale of wearing apparel for any part of the body.

(e) The gross receipts from the sale of motor vehicle fuels subject to taxation under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended.

SEC. 4. It shall be unlawful for any retailer to advertise or hold out or state to the public or to any customer, directly or indirectly, that the tax or any part thereof imposed by this title will be assumed or absorbed by the retailer or that it will not be added to the selling price of the property sold, or if added that it or any part thereof will be refunded.

SEC. 5. The tax hereby imposed shall be collected by the retailer from the consumer insofar as the same can be done.

SEC. 6. The tax levied hereunder shall be a direct obligation of the retailer. On or before the 10th day of each month, beginning with the second calendar month after the date of enactment of this act, each retailer shall furnish to the assessor, on a form prescribed by the Commissioners, a statement under oath showing the gross receipts of the retailer during the preceding calendar month, the amount of the tax for the period covered by such return, and such information as the Commissioners may deem necessary for the proper administration of this title. The tax imposed by this title shall be paid to the collector of taxes on or before the 15th day of each month on the gross receipts of such retailer during the preceding calendar month. Returns shall be signed and verified by the retailer or his duly authorized agent. The Commissioners, if they deem it necessary to insure the collection of the tax imposed by this title, may provide by rules and regulations for the collection of said tax by the affixing and canceling of revenue stamps and may prescribe the form and method of such affixing and canceling.

SEC. 7. Any person failing to pay any tax, except taxes determined by the assessor under the provisions of sections 13 and 14 hereof, within the time required by this title shall pay in addition to the tax a penalty of 10 percent of the amount thereof, plus interest at the rate of one-half of 1 percent a month, or fraction thereof, from the date at which the tax becomes due and payable until the date of payment.

SEC. 8. The assessor for good cause may extend for not to exceed 30 days the time for making any return or payment required under the provisions of this title.

SEC. 9. After 30 days after the date of enactment of this act and until July 1, 1938, it shall be unlawful for any person to engage in or transact business as a retailer within this District, unless he is the holder of a permit issued to him as hereinafter prescribed, and which has not been revoked or suspended. Every person desiring to engage in or conduct business as a retailer within this District shall file with the assessor an application for a permit or permits. Every application for such a permit shall be made upon a form prescribed by the Commissioners and shall set forth the name under which the applicant transacts or intends to transact business, the location of his place or places of business, and such other information as the Commissioners may require. The application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner thereof; in the case of a corporation, by an executive officer thereof or some person specifically authorized by the corporation to sign the application, to which shall be attached the written evidence of his authority.

SEC. 10. At the time of making such application, the applicant shall pay to the collector of taxes a permit fee of $10 for each permit, and the applicant must have a permit for each place of business.

SEC. 11. Upon the payment of the permit fee or fees herein required, the assessor shall grant and issue to each applicant a permit for each place of business within the District. A permit

shall not be assignable and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated therein. It shall at all times be conspicuously displayed at the place for which issued.

SEC. 12. Whenever the holder of a permit fails to comply with any of the provisions of this title or any rules or regulations made by the Commissioners hereunder, the assessor upon hearing after giving 10 days' notice in writing of the time and place of the hearing to show cause why his permit should not be revoked, may revoke or suspend the permit. In any case where a permit is revoked or suspended by the assessor the permittee may, within 5 days after the order of revocation or suspension is entered, appeal in writing to the Commissioners to review said action of the assessor, the hearings on said appeal to be submitted either orally or in writing at the discretion of the Commissioners and the Commissioners shall not be required to take evidence either orally, written, or documentary. Such appeal shall operate as a supersedeas unless the Commissioners shall otherwise order. The Commissioners may as a condition to setting aside the order of the assessor require such permittee to furnish a bond on a form to be prescribed by the Commissioners, executed by such permittee, with corporate surety approved by the Commissioners in a penal sum sufficient in the judgment of the Commissioners to insure the collection of the taxes and penalties imposed by this title, said bond to run to the District and be conditioned upon the payment by such person of any and all taxes and penalties due the District under this title.

SEC. 13. The burden of proving that a sale of tangible personal property was not a sale at retail shall be upon the person who made it, unless such person shall have taken from the purchaser a certificate signed by and bearing the name and address of the purchaser to the effect that the property was purchased for resale. For the purpose of the proper administration of this title and of preventing evasion of the tax hereby imposed it shall be presumed that all gross receipts are subject to the tax hereby imposed until the contrary is established. If the assessor is not satisfied with the return and payment of tax made by any retailer, he is hereby authorized and empowered to make an additional assessment of tax due from such retailer based upon the facts contained in the return or upon any information within his possession or that shall come into his possession. All additional assessments shall bear interest at the rate of one-half of 1 percent per month, or fraction thereof, from the fifth day after service of notice of such additional assessment. If any part of the deficiency for which the additional assessment is imposed is due to negligence or intentional disregard of the title or authorized rules and regulations, a penalty of 10 percent of the amount of the additional assessment shall be added, plus interest as above provided. If any part of the deficiency for which the additional assessment is imposed is due to fraud or an intent to evade the tax, a penalty of 25 percent of the amount of the additional assesment shall be added, plus interest as above provided. The assessor shall give to the retailer written notice of such additional assessment. Such notice may be served upon the retailer personally or by registered mail and addressed to the retailer at his address as the same appears in the records of the assessor.

SEC. 14. If a retailer neglects or refuses to make a return as required by this title, the assessor shall make an estimate based upon any information in his possession or that may come into his possession of the amount of the gross receipts of the delinquent for the month or months in respect of which he failed to make return and upon the basis of said estimated amount compute and assess the tax payable by the delinquent, adding to the sum thus arrived at a penalty equal to 10 percent thereof. If the neglect or refusal of a retailer to file a return as required by this title was due to fraud or an intent to evade the tax, there shall be added to the tax a penalty equal to 25 percent thereof in addition to the 10 percent penalty as above provided. All assessments and penalties levied under this section shall bear interest at the rate of one-half of 1 percent per month, or fraction thereof, from the fifth day after service of notice of such assessment. Promptly after assessing the tax, the assessor shall give to the delinquent written notice of such estimate, tax, and penalty, the notice to be served personally or by registered mail in the same manner as prescribed for service of notice by the provisions of the preceding section.

SEC. 15. If the assessor believes that the collection of any tax or assessment imposed by this title will be jeopardized by delay, he shall immediately levy a jeopardy assessment for the tax, interest, and penalty provided herein. The amount so assessed shall be immediately due and payable. Promptly after the levy of the assessment, the assessor shall give to the retailer written notice of such assessment, the notice to be served personally or by registered mail in the same manner as prescribed for service of notice by the provisions of section 13 hereof. If the amount of the tax, interest, and penalty specified in the jeopardy assessment is not paid within 10 days after the service upon the retailer of notice of the assessment the delinquency penalty and interest provided in section 7 hereof shall attach to the amount of the tax specified therein.

SEC. 16. (a) Any retailer against whom an assessment is made by the assessor under the provisions of section 13 or 14 hereof may petition for a reassessment thereof within 15 days after service upon the retailer of notice thereof. If a petition for reassessment is not filed within said 15-day period, the amount of the assessment becomes final at the expiration thereof.

(b) If a petition for reassessment is filed within said 15-day period, the assessor shall reconsider the assessment, and if the retailer has so requested in his petition, shall grant said retailer an oral hearing and shall give the retailer 10 days' notice of the time and place thereof. The assessor shall have power to continue the hearing from time to time as may be necessary.

(c) The action of the assessor upon a petition for reassessment shall become final 10 days after service upon the retailer of notice thereof unless the retailer files an appeal within such period to the Board of Personal Tax Appeals of the District.

(d) All the assessments made by the assessor under the provisions of section 13 or 14 hereof shall become due and payable at the time of service of notice thereof. If the amount of the tax, interest, and penalty, if any, specified in any assessment is not paid prior to the time the assessment becomes final, there shall be added thereto a penalty of 10 percent of the amount of the tax.

(e) Any notice required by this section shall be served personally or by registered mail in the same manner as prescribed for service of notice by the provisions of section 13 hereof.

SEC. 17. Except in the case of a fraudulent return, or neglect or refusal to make a return, every notice of additional tax proposed to be assessed hereunder shall be mailed to the retailer within 2 years after the return was filed.

SEC. 18. All taxes not paid by the retailer on the date when the same become due and payable shall bear interest at the rate of one-half of 1 percent per month, or fraction thereof, from and after such date until paid.

SEC. 19. (a) If the assessor determines that any tax, penalty, or interest has been paid more than once, or has been erroneously or illegally collected or computed, the same shall be credited on any taxes then due from the retailer under this title and the balance shall be refunded to the retailer, or his successors, administrators, executors, or assigns, but no such credit or refund shall be allowed after 3 years from the date of overpayment.

(b) Any refund or any portion thereof which is erroneously made and any credit or any portion thereof which is erroneously allowed, may be recovered in an action brought by the corporation counsel in a court of competent jurisdiction in the name of the District.

(c) In the event that a tax has been illegally levied against a retailer the assessor shall authorize the cancelation of the tax upon the records.

SEC. 20. The taxes levied hereunder and penalties may be collected by the collector of taxes of the District in the manner provided by the law for the collection of taxes due the District on personal property in force at the time of such collection.

SEC. 21. If any retailer liable for any tax, interest, or penalty levied hereunder shall sell out his business or stock of goods or shall quit the business, he shall make a final return and payment within 15 days after the date of selling or quitting business. His successor, successors, or assigns, if any, shall withhold sufficient of the purchase money to cover the amount of such taxes, interest, or penalties due and unpaid until such time as the former owner shall produce a receipt from the assessor showing that they have been paid, or a certificate stating that no taxes, interest, or penalties are due. If the purchaser of a business or stock of goods shall fail to withhold purchase money as above provided, he shall be personally liable for the payment of the taxes, interest, and penalties accrued and unpaid on account of the operation of the business by any former owner, owners, or assignors.

SEC. 22. The assessor or any person authorized in writing by him is hereby authorized to examine the books, papers, records, and equipment and to investigate the character of the business of any person selling tangible personal property in order to verify the accuracy of any return made, or if no return was made by such person, to ascertain and assess the tax imposed by this title.

SEC. 23. (a) Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the assessor, or any person having an administrative duty under this title to divulge or to make known in any manner whatever, the business affairs, operations, or information obtained by an investigation of records and equipment of any retailer visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person other than an authorized representative of the District, of the United States, or of any State.

(b) Any violations of the provisions of this section shall be punished by a fine not exceeding $1,000 or by imprisonment not exceeding 1 year or both, at the discretion of the court. Prosecution under this section shall be on information filed by the corporation counsel in the Police Court in the name of the District.

SEC. 24. At any time within 3 years after the delinquency of any tax, the corporation counsel may bring an action in any court of competent jurisdiction in the name of the District to collect the amount delinquent, together with penalties. In such action a certificate by the assessor showing the delinquency shall be prima-facie evidence of the levy of the tax, of the delinquency and of compliance by the assessor with all the provisions of this title in relation to the computation and levy of the tax.

SEC. 25. Any retailer violating any of the provisions of this title or of any rules or regulations made by the Commissioners hereunder shall be punished by a fine of not exceeding $500 for

each such offense. Prosecution under this section shall be on information filed by the corporation counsel in the Police Court in the name of the District.

SEC. 26. Any retailer aggrieved by any action of the assessor in levying a tax or in imposing a penalty hereunder may, within 10 days after notice of the action complained of, file an appeal to the Board of Personal Tax Appeals who shall grant said retailer an oral hearing if the same be requested and shall give the retailer 5 days' notice of the time and place thereof. The Board of Personal Tax Appeals shall review the action of the assessor and may affirm, reverse, or modify the action of the assessor and such action of the Board of Personal Tax Appeals shall become final 5 days after service upon the retailer of notice thereof given in accordance with section 13 of this title. No ground of complaint need be considered by the Board of Personal Tax Appeals not specifically set forth in the appeal.

Mr. BORAH. Mr. President, I understand the Senate is now considering the sales-tax provision.

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Idaho?

Mr. McCARRAN. I yield.

Mr. BORAH. I desire to say a word about the sales tax. I think the District of Columbia is a very good illustration of what the United States will be in the course of a very short time if we continue our present system. We are now at the place in the history of the District where it is claimed that it is necessary to adopt a sales tax in order to keep out of a state of bankruptcy. We are approaching that point in the Nation. I am opposed to the sales tax, and I desire to state why.

I read from page 63 of the bill, subdivision (l):

The term "tangible personal property" means personal property which may be seen, weighed, measured, felt, touched, or is in any other manner perceptible to the senses, and shall be taken to include also all sales of admissions to any place of amusement, including moving pictures, theaters, theatrical performances, shows, circuses, athletic events, boxing and wrestling contests, concerts, amusement parks, piers, swimming pools, bathing establishments, and fairs.

All those are subject to the sales tax. Any tangible property which may be seen, weighed, measured, such as are described here in the way of exemptions, are subject to the sales tax.

I read further:

SEC. 2. For the privilege of selling tangible personal property at retail a tax is hereby imposed upon retailers at the rate of 2 percent of the gross receipts of any such retailer from sales of tangible personal property sold at retail in the District on and after the first day of the calendar month following the date of enactment of this act and prior to July 1, 1938. Such tax shall be paid at the time and in the manner hereinafter provided and shall be in addition to any and all other taxes.

SEC. 3. There are hereby specifically exempted from the provisions of this title and from the computation of the amount of tax levied, assessed, or payable under this title the following:

(a) The gross receipts from sales of tangible personal property which the District is prohibited from taxing under the Constitution or laws of the United States.

(b) The gross receipts from the sale of food products for human or animal consumption. "Food products" as used herein includes cereals and cereal products, milk and milk products, oleomargarine, meat and meat products, fish and fish products, sea food and sea food products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products (other than candy and confectionery), coffee and coffee substitutes, tea, cocoa and cocoa products (other than candy and confectionery). "Food products" does not include spirituous, malt, or vinous liquors, soft drinks, sodas, or beverages such as are ordinarily dispensed at bars and soda fountains or in connection therewith, nor does the term "food products" include the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property.

Mr. CONNALLY. Mr. President, will the Senator yield at that point?

Mr. BORAH. I yield.

Mr. CONNALLY. That language would exempt the purchase of food articles, but the man who went into a restaurant or a hotel would have to pay, would he not?

Mr. BORAH. I understand so.

Mr. CONNALLY. The servicing and the preparing would be exempt.

Mr. McCARRAN. Mr. President, I wish to say to the Senator from Texas, if the Senator from Idaho will yield, that I have an amendment prepared, and now on the desk, which would exempt food served in restaurants and other eating places.

Mr. BORAH. Mr. President, I read further from the bill:

(c) The gross receipts from the sale of all medicines.

(d) The gross receipts from the sale of wearing apparel for any part of the body.

(e) The gross receipts from the sale of motor-vehicle fuels subject to taxation under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, as amended.

SEC. 4. It shall be unlawful for any retailer to advertise or hold out or state to the public or to any customer, directly or indirectly, that the tax or any part thereof imposed by this title will be assumed or absorbed by the retailer or that it will not be added to the selling price of the property sold, or, if added, that it or any part thereof will be refunded.

SEC. 5. The tax hereby imposed shall be collected by the retailer from the consumer insofar as the same can be done.

May I ask those in charge of the bill what is the exact meaning and the supposed effect of section 4 providing that—

It shall be unlawful for any retailer to advertise or hold out or state to the public or to any customer, directly or indirectly, that the tax or any part thereof imposed by this title will be assumed or absorbed by the retailer.

What will be the effect of that provision?

Mr. KING. Mr. President, experience has demonstrated, in the places where sales taxes are in effect, that frequently the vendor, when the tax was imposed, would say to the vendee, "Do not blame me, just blame the Government for this", or he would make some representation that was unfair and unjust. It was to anticipate such things, to guard against evils which it has been disclosed exist in other places, that this provision was inserted.

Mr. BORAH. It was not hoped that it would prevent the passing on of the tax?

Mr. KING. Oh, no.

Mr. BORAH. It is rather remarkable how rapidly the sales-tax idea is spreading in this country. I will call attention to some figures. In a press dispatch from Berkeley, Calif., dated June 29, it is stated:

The sales tax is becoming an ever-increasing source of revenue in American taxation, according to a survey completed by the bureau of public administration of the University of California.

The public, the survey found, seems to prefer the sales tax to the income-tax system.

In 1930 it has been found there were only two States collecting the sales tax, but in 1935 this number had increased to 25.

General sales taxes in the United States produced $284,358,000 in 1935 as against only $1,122,000 in 1930, the survey established.

Five States alone, namely, California, Illinois, Michigan, New York, and Ohio, collected three-fourths of the sales-tax revenues in 1934 and two-thirds in 1935.

The university study showed that Indiana offers an excellent example of the superiority of the sales tax over the income tax. In the fiscal year ending June 1935, according to the survey, the gross income tax in Indiana was the third largest individual source of State revenue, but nevertheless furnished only 22 percent of the total State revenue receipts for that year.

It is also found, Mr. President, that in proportion to the spread of the sales tax there is a reduction in the income tax. That is true, apparently, the country over. The sales tax is being substituted for income tax.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. McCARRAN. I think the Senator and myself are in entire accord, that as the sales tax increases the income tax is certain to decrease.

Mr. BORAH. Yes; and that is one of the moving forces behind the sales tax on the part of those who are interested in curtailing the income tax. That is where the great source of propaganda for the sales tax originates.

In these days we are constantly berating poor old Andrew Mellon; yet we are following, the country over, shamefacedly, but nevertheless doing it, in the very footsteps of Mr. Mellon with reference to the question of taxation. Under his dynasty it was proposed in the very beginning to reduce the upper brackets of the income tax, and all the taxes were reduced which related to those who were more able to pay taxes; and finally there came the time when he recommended a national sales tax.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. McKELLAR. Can the Senator give us the figures as to what this particular sales tax will produce?

Mr. BORAH. I have not been furnished any figures with reference to that subject, and I have not seen any such figures; but I am opposed to a sales tax on principle.

Mr. McKELLAR. I hope we can have the figures. However, whatever the sales tax may produce, I am utterly opposed to it, for the reason that if the sales tax produces a small amount now, next year we shall be asked to increase the tax in one way or another, either through an increase in the rate of the tax or by applying it to other articles to which it does not apply in this bill. I think a sales tax is the poorest way in the world in which to tax people, and I do not believe the people of Washington ought to be taxed in that way.

Mr. BORAH. Neither do I.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Idaho yield to the Senator from Nevada?

Mr. BORAH. I yield.

Mr. McCARRAN. The sales tax, with the exemptions which are provided in the bill, would produce in the District of Columbia approximately $2,500,000.

Mr. BORAH. Mr. President, I was about to say that the usual process by which a sales tax is established is to exempt in the first instance food and clothing, and so forth, and generally it also begins as a very small tax. Take the case of California as an illustration. In that State they started with a 2-percent sales tax. I see that the Governor has now recommended a 3-percent sales tax. They started with exemptions covering foodstuffs and clothing, and now they are including those items in the tax. Those are the gradual processes by which the sales tax is made to reach the entire consuming public.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. TYDINGS. In order that the Senate may get the background of this proposed legislation, I wish to say that the Senate Committee on the District of Columbia voted unanimously for an income tax in place of a sales tax, and we instructed the experts to draw such an amendment for us. However, because of the peculiar condition that exists here of people working in the District and living outside the District, it was not possible to perfect that provision; and it was only when the income-tax provision could not be perfected that the sales tax was turned to, with food, clothing, and medical supplies exempted. I think the Senate ought to know that we approached the sales tax reluctantly.

Mr. BORAH. The Senator will agree with me, I think, that if we establish the sales tax this year at 2 percent, exempting food, clothing, and so forth, next year, or the year following that we will not exempt those items, and we will likely raise the tax from 2 percent to 3 percent.

Mr. TYDINGS. Mr. President, there is a great deal of force in what the Senator from Idaho has just said. However, the committee's thought was as I have stated; and the committee stipulated that this provision should apply during the coming year only, and provided for the appointment of a commission to revise the tax laws of the District of Columbia, so that when the new bill shall come before the committee, as it will have to come—because the act now proposed will expire automatically—we can drop the present provision in favor of a more studied and better thought-out system of taxation. It is only a stopgap.

Mr. CAPPER. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. CAPPER. Many of us do not agree with the Senator from Maryland [Mr. TYDINGS] that an income tax cannot be devised which will be suitable to the District of Columbia. I, myself, believe that in the District of Columbia we ought to have an income tax instead of a sales tax.

Mr. KING. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. KING. Supplementing what was stated by the Senator from Kansas [Mr. CAPPER], I will say that the committee did have before it the question of an income tax. We took the precaution—probably that is not the right term—of inviting the representatives of the House District Committee to come before us and explain their views, and explain why an income tax was not provided for in the bill in the House. They made it very clear that it was absolutely impossible to obtain the passage of an income-tax bill in the House. As a matter of fact, they said they could get the bill on the floor for the purpose of considering it only by agreeing with the Committee on Rules that the question of an income tax should not be raised.

I may say, however, that the Commissioners, in presenting their views to the House Committee, had included this sales-tax provision. Bear in mind, as stated by the Senator from Maryland [Mr. TYDINGS], that the provision is made for just 1 year. The tax is not to be a continuing tax. Provision is made for a study of the subject with a view to recommending a system of taxation which will be entirely just.

I will say frankly that I voted against the sales-tax provision in the committee, and many other Members of the committee voted against it. However, under all the circumstances, in view of the conditions in the District of Columbia, the District being without any money, and the fiscal year having begun on the first day of this month, it seems to me that the tax may be applied. Unless that is done, I think we shall soon have thousands of men and women here without funds, and the District government will not be able properly to function. So this is an emergency measure.

Mr. BORAH. Yes; I understand; and, as usual, the emergency measure is put upon the shoulders of the man who cannot be heard. As usual, the burden is put upon the man who is least able to pay under the plea of an emergency measure. Let me say to the Senate that there is another emergency in this country, and that is that we are taxing the man down at the bottom until we are destroying the purchasing power of the great masses of the American people. That is the emergency which we are producing by our system of taxation. We are impoverishing the great body of the people, and that undermines the very foundation upon which all free institutions rest—the foundation of economic health and security.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. McKELLAR. If it is an emergency matter, why cannot the income tax be made temporary for 1 year, just as it is said that the proposed sales tax is to be applicable only for a year? Why can we not have an income tax for 1 year, and then proceed with a studied form of taxation? I am willing to do that, but I am not willing to let the tax burden fall on the poorest class of people as against putting it on those who are better able to pay.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. TYDINGS. As I stated before, I believe the committee was unanimously in favor of an income-tax bill. The Commissioners of the District of Columbia themselves favored it when appearing before our committee. We had experts appear before us who attempted to draft an income-tax bill. Because of the fact that there are so many people working in the District of Columbia who live in Virginia and in Maryland, it is very difficult to fix the locus of the tax.

Mr. BORAH. I understand also that another thing entered into consideration, and that was that some of the salaried officials were afraid they might have their salaries taxed.

Mr. TYDINGS. Mr. President, I do not know that we heard any criticism of that kind; but I wish to say that the income tax was abandoned with reluctance by our committee when we were confronted with the difficulty of preparing in a few days an adequate income-tax bill, and it was only because of our inability to do that and because of the imminent need that this proposition was substituted.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. OVERTON. I wish to say that I voted against the incorporation of the sales tax in this bill. As to the emergency, I was of the opinion that since we were confronted with an emergency so far as the District of Columbia is concerned, it was best to adopt, with a few clarifying amendments if necessary, the bill as prepared by the House, and not undertake to impose an almost entirely different system of taxation.

As the Senator from Idaho well knows, the trouble about a sales tax, which contains exemptions, as this one does, is that it is very difficult of enforcement. The door is open to fraud. It costs a great deal more to make the collections, and the revenues derived from the tax are not nearly what was contemplated by the actual provisions of the measure. Besides that, it is a tax which rests upon the masses of the people, no matter what exemptions may be provided.

Mr. BORAH. Precisely. A sales tax is paid by those least able to pay.

Mr. OVERTON. I think the record shows that notwithstanding the exemptions, 40 percent of what the poor man buys will be subject to this sales tax.

Mr. BORAH. Is it not also true that a plan for an income tax was presented to the House?

Mr. OVERTON. That is very true.

Mr. BORAH. Now we are facing the question whether we will inconvenience ourselves a little in regard to adopting the income tax or whether we will just throw the matter over onto the shoulders of persons who cannot resist.

Mr. OVERTON. Mr. President, in my opinion it would have been just as easy to draft an income tax as it was to draft this sales-tax provision.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. McCARRAN. In reply to what has been observed by the Senator from Louisiana [Mr. OVERTON], I wish to say that the question of income tax was entirely disposed of by the House, and when the committee had this problem presented to it the committee was advised that the House would not consider an income tax.

Mr. BORAH. Mr. President, have we surrendered, or are we a legislative body?

Mr. McCARRAN. No; we have not surrendered, but we are confronted with a situation where there must be a meeting of minds so that we can get through a tax bill which will provide for the necessary expenditures of the District. I wish to say, further, that there is not a member of the committee who is more opposed to a sales tax than am I. I have been opposed to it in the past, and I am now opposed to it. I was one of those who tried to bring the sales tax down to a point where it might not, at least by presumption, touch the little man. I realize that what the Senator from Idaho is saying is absolutely true, and that we are headed in a direction that is destructive to the lowly and the humble in this country. I am opposed to it from beginning to end. But can we work it out on some other basis? If Senators will suggest another plan whereby the emergency may be met, the members of the committee will be entirely willing to go along with it.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wisconsin?

Mr. BORAH. I yield.

Mr. LA FOLLETTE. I should like to call the attention of the Senator from Idaho to the fact that when this bill was originally introduced by Mr. KENNEDY of Maryland, it contained title IX, income tax, which ran from page 52 to page 79 in the original bill. It, therefore, cannot be contended that language has not been worked out to embody the principle of the income tax for the District of Columbia.

Mr. McCARRAN. That is correct.

Mr. McCARRAN, Mr. TYDINGS, and Mr. HUGHES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Idaho yield; and if so, to whom?

Mr. BORAH. I will begin with the Senator from Nevada.

Mr. McCARRAN. Mr. President, I wish to make merely one observation. My information is—and I think it is correct—that the income-tax proposal was entirely ruled out in the other body. They would not even permit it to come on the floor of the House, and it was never considered on the floor.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Maryland?

Mr. BORAH. I yield.

Mr. TYDINGS. I do not contend that we cannot write an income tax law for the District of Columbia, and I do not wish my remarks to be so construed. What I was contending was that a great many of the people who make their money in the District of Columbia live in Maryland or Virginia; they reside in the suburbs; and we wanted to get a law which would include the people who live outside the District, yet who make their incomes within the District. As I understand, under the bill introduced by Mr. KENNEDY that condition would not prevail. Yet we have the spectacle of people making huge incomes from large businesses in the District of Columbia, who do not live in the District. So in the case of merchants, one doing business next door to the other, one paying a tax and the other going scot free. We tried to cure that defect, but we could not, in the short time we had, devise a plan that would be satisfactory and sound, and rather than tax merely some people and allowing others to escape we abandoned the income-tax proposal.

Mr. LA FOLLETTE. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. I yield.

Mr. LA FOLLETTE. I should like at this point to state that it seems to me a perfectly untenable position for members of a committee of the United States Senate to come here and say that this body has no responsibility, that it has got to abdicate its legislative function simply because a committee of the House of Representatives or even the House of Representatives itself has declined to consider a proposition.

Mr. McCARRAN. Mr. President, will the Senator from Idaho yield to me?

The PRESIDING OFFICER. Does the Senator from Idaho yield further to the Senator from Nevada?

Mr. BORAH. I yield.

Mr. McCARRAN. In reply to the observation of the able Senator from Wisconsin, I wish to say that the committee of the Senate of the United States having to do with District of Columbia affairs have not abdicated and have not abandoned their functions. But when a bill is held over in the other House for weeks and weeks and then sent over to the Senate, within only a few days—or, perhaps to be fair, within a week or so—of the time in which it must become effective, and we are told, "You have got to put this through now, otherwise the District of Columbia will have to borrow money", so far as the members of the District Committee are concerned, they have got to act very promptly and with the best means available.

I will speak only for myself, but I am not in favor of this phase of the bill; I never have been, and I will not be in favor of it in conference, if I should be there; but I have got to work out as best I can a tax bill that will have some degree of equity in it.

Mr. MALONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Connecticut?

Mr. BORAH. I yield to the Senator from Connecticut.

Mr. MALONEY. I quite agree with the viewpoint of the Senator from Idaho, and I cannot bring myself to vote for a bill that taxes practically everything that those in humble circumstances have to buy. I wonder if the Senator from Idaho is in accord with the opinion of the Senator from Maryland that we cannot reach the incomes in the District of Columbia just because some people doing business there happen to reside in Maryland or Virginia.

Mr. BORAH. I have not investigated the legal proposition sufficiently close to pass on it hurriedly, but it seems to me the situation can be reached.

Mr. LA FOLLETTE and Mr. TYDINGS addressed the Chair.

Mr. BORAH. I yield first to the Senator from Wisconsin, and then I will yield to the Senator from Maryland.

Mr. LA FOLLETTE. My information is that the original income-tax proposal was based upon the principle that the tax would be levied against every person deriving his income in the District of Columbia, but if any such person paid an income tax in his State or in the locality where he resided, it would be a deductible item as against the income tax levied against him in the District of Columbia.

Mr. TYDINGS. That is true.

Mr. LA FOLLETTE. And such a tax was estimated to yield $5,000,000, instead of the $2,000,000 which the nefarious sales-tax provision is estimated to yield.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. TYDINGS. I will offer a suggestion to which I have not given much thought, but which may give those who entertain the viewpoint held by some Senators on this question a chance. Why not vote the income-tax provision into this bill without taking the sales-tax provision out of the bill, and take both to conference?

Let me say just a word as to the reason why I make that suggestion. The gross-receipts tax which the Senate voted out was, in my judgment, worse than the sales tax, because it applied to everything. It even taxed a man who lost money and did not make a penny. But if we could take all four of these propositions to conference, it might be possible there to perfect the income tax, in which event these other taxes could be eliminated. I make that suggestion in the best of faith.

Mr. BORAH. I do not feel I should want to put that burden on the conferees.

Mr. CAPPER. Mr. President, let me ask the Senator why not substitute the income tax for the sales tax now provided for in the bill, and then let the bill go to conference in that form?

Mr. BORAH. That sounds better.

Mr. TYDINGS. The only difficulty with that is that the sales tax was not in the bill as it came from the House and the gross receipts tax was in the bill. If we should accept the income tax obviously the Senate conferees would try to have it adopted, but if we should leave the sales tax out and the income tax could not be perfected, then it would be necessary to fall back on the gross-receipts tax, which is even more vicious than the sales tax.

Mr. LA FOLLETTE. Mr. President, I am sorry to have to ask the Senator from Idaho to yield further. I am not going to interrupt him further.

Mr. BORAH. I have no objection to yielding to the Senator.

Mr. LA FOLLETTE. The proposition is a simple one: If we substitute section 9 of the original bill for the sales tax section, then the conferees will have an opportunity to work out any imperfections that may be in that section of the bill. I may say that the income tax proposal was not presented without consideration. It was drafted carefully, according to my information; and I would rather, so far as I am concerned, take a chance on the conferees being able to work out any inequalities or deficiencies that there may be in this draft of the income-tax provision than to see them come back here with a sales tax, which is going to fall heaviest upon those least able to pay within the District of Columbia, which has no redress and has no representation in the Congress.

Mr. TYDINGS. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. TYDINGS. I would have no objection to the sales tax going out in line with the suggestion of the Senator from Wisconsin, but this is what would happen: My recollection is that it is necessary to provide both the gross-receipts tax and the income tax in order to raise the seven or seven and a half million dollars of revenue necessary for the District. If the sales tax should go out completely, and the income tax should take its place, the sales tax would not be in conference, and as between the sales tax and the gross-receipts tax I would prefer, as the gross-receipts tax is now written, to vote for a sales tax. I do not wish to take the time now to say why; but I think the whole committee, even those who are opposed to the sales tax, would take the same position. So unless we have all these proposals in conference the conferees may be forced, because of there being no sales-tax provision in conference, to come back to the gross-receipts tax, which would impose a severe burden on every little-business man in the city of Washington.

Mr. LA FOLLETTE. Mr. President, will the Senator from Idaho yield to me once more?

Mr. BORAH. I yield.

Mr. LA FOLLETTE. Has the Senator from Maryland considered the possibility of "jacking up" the rates in the upper brackets of the income tax to take up any deficiency that may be involved?

Mr. TYDINGS. Mr. President, if I may answer that question, of course, we can "jack up" the rates, and I have no objection to "jacking up" the rates fairly; but I am trying to explain to the Senator that I am not in opposition to the income tax, but I am offering a plan to get it before the conferees. I do not think, however, we ought to be caught in a position where, if the conferees cannot get it or if it would not raise the required amount, we would have to come back to the gross-receipts tax for a part of the necessary revenue. That is all.

Mr. BORAH. Mr. President, I do not think that the sales tax would be in very safe hands with the conferees on this bill. I think, in the first place, they would meet the conferees from the other side, who, in all probability, would not be so interested in defeating the sales tax as they would be in defeating another tax. I am not permitted to criticize the other body, but I understand that certain reasons were assigned for not adopting an income tax; I think those reasons would still prevail; and that the sales tax would finally be accepted just as an emergency tax.

Mr. TYDINGS. That may be possible, but may I point out to the Senator that while the committee was in session a delegation of the House Members, as I recall, waited on us and served notice that they would not take either the income tax or the sales tax; that the only tax they would take was the gross-receipts tax. I think we received word that they would be more strongly against the sales tax than they would be against an income tax.

Mr. BORAH. Of course, I do not know what took place in the communications referred to by the Senator.

Mr. President, I called attention a few moments ago to the widespread growth of the sales tax and the constant decrease, accordingly, in the use of the income tax. That is the issue now before us. Here in the Capital of the Nation we will be establishing a precedent for the entire country, in that the Senate of the United States, rather than take the trouble of working out an income tax, prefers to levy a sales tax. Thus an example is set for the entire country. In other words, the Capital of the Nation has gone on record in favor of a sales tax instead of an income tax. We are not simply discussing and considering here a sales tax for 1 year. This is a part of a great program of eliminating the income tax and putting the great tax burden of the Nation upon the common people of the country. It ought not to be encouraged in the Capital of the Nation. If it requires more time, then let us take more time. The masses of the people of this city are not able to pay a sales tax. If Senators will go about over the city they will find a condition which is almost a disgrace to the Nation, and yet we are proposing to impose upon the people of the District a sales tax rather than an income tax.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. HUGHES. I am a member of the District Committee and was present at the hearings. It is not my understanding

that we could not draft an income-tax provision. In fact, I understood, as has been suggested here, that a provision probably covering the subject very well was presented to the House. That is not why it was left out, as I understand, and the sales tax substituted. It was left out because of Members of the House coming to the Senate committee and informing the Senate committee that such a provision would be thrown out the window virtually as fast as it came there; that they would not touch it; that they would not have anything to do with it.

I am opposed to a sales tax just as much as is the Senator from Idaho. I have never consented to it. I do not like it at all. I do not like it in this bill. I wish it were out of the bill. But we were confronted in the District Committee by the District Commissioners and others who insisted that we must do something and do it speedily.

As has been suggested by the Senator from Maryland [Mr. TYDINGS] the gross-receipts tax is what came to us from the House. The gross-receipts tax, to my mind, would be a great injustice to the people of the District and ought not to have been placed in the bill at all. But we either had to accept that to be in accord with the House or put something else in the bill.

The suggestion was made that, if it were necessary to obtain this additional revenue for the District of Columbia, then there was one other alternative, and only one, and that was to increase the real-estate tax, putting heavier and heavier taxes on real estate. That is what the Senator from Nevada [Mr. MCCARRAN] and I talked about, and I think we agreed that that was a good deal better than the sales tax. I am bitterly opposed to a sales tax.

Mr. BORAH. I am delighted to find the entire committee is opposed to the sales tax, and I wonder how it got in the bill. [Laughter.]

Mr. McCARRAN. Mr. President, may I interrupt the Senator from Idaho again?

Mr. BORAH. I yield.

Mr. McCARRAN. I think I may be guilty of repeating, but I am opposed to the pending bill. I had hoped we might be able to work out a bill under circumstances which would give us sufficient time to work it out properly. If we go into the realm of the gross-receipts tax as sent to us from the House, we will go into the question of more unjust and inequitable taxation than is embraced in the pending bill. That is the fear I have as a member of the committee.

Having reported the bill and being in charge of it on the floor of the Senate, I may say that if an amendment is offered embracing an income tax, I for one shall accept such an amendment and hope to work it out in conference, and to fight for it in the hope of finally obtaining a measure that will be more just and equitable than that which is embraced in the bill now before us.

From the very beginning I have said that this is not an equitable tax bill; that it does not place its burdens equitably upon the people of the District; that there is no tax bill that should be more carefully studied than a tax bill for the people of the District of Columbia because they have no voice, and we must therefore give such a bill more than ordinary careful consideration.

Mr. BORAH. We can adopt an income-tax amendment before we get through with the bill here. As I understand, if such an amendment is offered, the committee is willing to accept it instead of a sales tax. If that is true, the debate need not continue very long.

Mr. LA FOLLETTE and Mr. KING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Idaho yield; and if so, to whom?

Mr. BORAH. I yield first to the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, it is my intention to offer an amendment, which will contain the original income-tax provision as offered in the House by Representative KENNEDY, as a substitute for title IV, beginning on page 61 of the bill.

Mr. BORAH. I yield now to the Senator from Utah.

Mr. KING. Mr. President, there was no disposition whatever upon the part of the District Committee not to enact an income-tax law. Indeed, I think all of us favored it. We were quite satisfied—at least I was—after examining the bill, which had been prepared by the District Commissioners under the auspices of Mr. Seal, corporation counsel, to accept that bill.

The committee considered the sales tax, and I think most of the members were opposed to it. I know I was, and therefore I voted against it in the committee. The reason why I myself did not report the bill was that I was opposed to that provision of the bill. I would very much prefer an income tax. I have always been opposed to a sales tax. The Senator from Wisconsin [Mr. LA FOLLETTE] knows I have always opposed the sales tax in the Finance Committee, notwithstanding the pressure which had been brought to bear to enact a Federal sales tax. I am opposed to it now. But——

Mr. BORAH. Let us cut out the "but." [Laughter.]

Mr. KING. Wait until I get through. But I say to the Senator that we were—I will not say coerced, but we did pay some attention to the adamant position of the Members of the House who said they would be put in such an embarrassing position that it would be impossible to get an income-tax provision through, and so we reluctantly accepted their suggestion.

Mr. BORAH. It may have put us where we will accept even a sales tax or an income tax.

Mr. KING. But between the two I favor the income tax and always have. I have always been against a sales tax.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. HUGHES. May I suggest that I think a good many of us fell for one suggestion, and that was that the tax was to be imposed for a limited time; that it was an experiment, and would be rectified before the year was up?

Mr. BORAH. The Senator knows that has been the history of the sales tax in this country. It is put on for a year, food and raiment excluded, at a small rate. The next year the income-tax payers ask that it be continued, and it is continued for another year at an increased rate and covering all things that the average person has to buy. That is ordinarily the history of the sales tax.

Mr. McCARRAN. Mr. President, will the Senator from Idaho yield?

Mr. BORAH. I yield.

Mr. McCARRAN. In keeping with what I said a few moments ago as to accepting an amendment, I urge that the amendment be offered without eliminating anything in the bill, thereby giving us a chance; otherwise we are going to conference to be confronted with another tax provision which is more obnoxious and more inequitable than either of the ones with which we are now dealing.

Mr. BORAH. If the amendment to be offered by the Senator from Wisconsin [Mr. LA FOLLETTE] should be adopted, the Senate conferees would go to conference confronted with the tax which they have now presented; but there would also be an income tax before the conferees for consideration. It does not seem to me that we who are opposed to the sales tax ought to be asked to leave it in the bill, because I would vote against the passage of the bill rather than have the sales tax incorporated. Therefore, I hope the Senator will be satisfied to have the amendment adopted as a substitute for the sales tax.

Mr. McCARRAN. If we can work it out, I am entirely content to do that, because I am opposed to the sales tax.

Mr. BORAH. I yield now to the Senator from Wisconsin [Mr. LA FOLLETTE] to enable him to offer his amendment.

Mr. BORAH subsequently said: Mr. President, in connection with the remarks which I made previously on this bill, I desire to have printed in the RECORD as part of my remarks a statement made by the distinguished Boston merchant, Mr. Filene, on the question of income taxes and sales taxes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

STATEMENT OF EDWARD A. FILENE BEFORE THE COMMITTEE ON TAXATION, MASSACHUSETTS LEGISLATURE, MARCH 7, 1935

Mr. Chairman and gentlemen of the committee, to save your time in the pressure of a busy legislative session, I have reduced my statement to writing; but at the risk of seeming, perhaps, to be wandering from the subject, I wish to urge at the outset that you approach this problem of taxation not merely with the thought of how the necessary State funds can most easily be raised, but in the light of the present great crisis in American affairs.

I have just returned from another coast-to-coast, first-hand study of conditions in our country, and I confess that I am not only alarmed but appalled. The way is still open for a solution of our economic problems, and for the achievement of such prosperity as our country has never known before. But there are attitudes, points of view—commonly accepted points of view—which are keeping us as a Nation from taking that way, and this has led to the mobilization of many millions of Americans in strange, economically unsound campaigns which if successful can lead only to the collapse of our economic system and the possible destruction of our present political system.

I am speaking in part out of a rich experience in the State of Louisiana where there is a movement which amounts virtually to war between the rich and poor. Yes; I have met Huey Long and have watched him for hours successfully dictating as to what shall be done to the legislature and the highest executives of Louisiana. Huey does not hesitate to call it war. Four and a half million Americans, he tells me, are already enrolled in his "share the wealth" campaign. Father Coughlin, of Michigan, boasts of an enrolled following of eight and a half million; and 21,000,000 Americans, including the "conservative" Governor of California, have enrolled under the leadership of Dr. Townsend in a Utopian drive to restore prosperity by paying $200 a month to everybody as a reward for becoming 60 years old.

I am not blaming Townsend, Coughlin, Long, and the others for this movement of Americans away from safe and sane economic principles. I look upon them all as results, not causes, of what is wrong with America; and what is wrong is definitely a wrong attitude, both in business and in government, toward the problem of mass misery in a Nation abundantly able to produce mass prosperity.

These movements, all told, already claim to have the balance of power in the next election. Nothing will more surely make this true than if these leaders can tell their people that we who have escaped the acute poverty of the depression now propose to reduce or do away with income taxes and, by sales taxes, make them carry the burden of government.

I shall not here enter into any criticism of organized wealth in America; but this attitude that I speak of is nowhere more apparent than in the action of many sincere, well-meaning, and patriotic legislatures in preparing what they believe to be fair bills of taxation. You gentlemen, I know, do not wish to solve the tax problem by merely "soaking the rich"; and it might appeal to your sense of justice and your economic reasoning, if I were to come before you with a plea for a reduction of income taxes, especially in the higher brackets. I might plead that I am already turning over approximately half of my annual income for the support of government, and urge you to widen the base of the tax burden so as to bring more Americans into an understanding of their responsibility as citizens and arouse their interest in the reduction of governmental expenditures.

I beg of you, however, not to be misled by such appeals; for if, in a national crisis, you have to choose between "soaking the rich" and soaking the most helpless elements of our population, I beg of you, in the name of justice and fair play to "soak the rich"—if, remember, there is no alternative than to soak the poor.

And you are in a position, gentlemen, where you will have to make some such choice. You've got to raise money. You've got to do it by one means or another; and the chances are that your choice has already narrowed down to a choice of a higher income tax or the imposition of a sales tax. I am not here in behalf of any particular bill; but if that is your dilemma, I urge you, as a businessman, to increase the income tax, especially in the higher brackets and especially on the unearned incomes.

You cannot look at this matter solely in terms of present conditions in Massachusetts. You must think of it in the light of what is happening in America at large, and which, from the present outlook, may soon infect Massachusetts. The reason that you must raise more money is because of a condition of business depression throughout our country. What caused that depression? It cannot be denied that this depression was due, and is due, to the fact that organized business in our country did not organize business, and still hesitates to organize business, in such a way as to keep everybody profitably employed.

I do not mean to scold. Let us say that we businessmen did not know how to effect such an organization of business, because such an organization of business had never been necessary before. Let us say that we could not understand the President's recovery program and that we couldn't realize the necessity for any "new deal."

Let us say that we believed that every American had a right to make all the money that he could and to keep the rewards of his industry and business enterprise. The fact remains, however, that organized business failed to cope with this crisis when it came, and millions of Americans whose very lives depended upon their being employed were thrown out of employment and, through no fault of their own, were compelled to look to government for relief.

We who had been business leaders could still live. We could still buy enough to supply all our bodily wants; but our incomes nevertheless went down and down, while the demand for relief went up and up; and it was only natural of us under the circumstances to cry for a reduction in taxes, or at least for a tax which would be spread to include the masses of our people.

Hence, many began to agitate for the sales tax. It seemed so sweetly reasonable. People would only have to pay, they said, according to their means. Those who lived in luxury would have to pay much, and those who lived in poverty would have to pay but little. And since the average American was likely to think of wealth in terms of the luxury enjoyed by the wealthy, there was never any great organized opposition to such a plan. The flaw in the argument, however, was that a man with a large income had to use but a small fraction of that income for his living expenses, whereas a man with a small income had to use it all to keep himself and his family alive.

The sales tax practically eliminates the wealthy from its taxation and places the burden of government upon those least able to bear it; and yet, from the moment that the first sales tax was introduced, there has been a definite movement everywhere to substitute the sales tax for the income tax, on the claim that the sales tax is so much more easily collected.

The Legislature of Massachusetts, like the legislatures of all the States, must face this problem. Call it "soaking the rich" if you like, to increase the income tax in the higher brackets, but will this legislature prefer to soak the poor on the ground that the poor can be soaked so much more conveniently?

There are reasons, however, and excellent business reasons, why taxation should be rated according to income rather than to the purchase of commodities, and when organized business throughout America once grasps the imminent danger of the present crisis, there will be little agitation for the sales tax as opposed to the income tax excepting on the part of those who are entrenched in special privilege and have no other thought of government excepting the desire to use it to keep their special privileges intact.

For this depression, we must recognize, was brought about by just one basic cause. That was that the masses of Americans could not buy the ever-increasing volume of American industry. Our machines had become so productive that, if the masses could not buy their products, they could not be sold at all.

How much the masses could buy, however, depended mainly upon two things. First, upon how much they received in wages. Second, upon the price demanded for the goods. The sales tax obviously increases prices to the consumer, and thus restricts the market for all legitimate business at a time when the great business necessity is for an increase of that market. I do not claim any unselfishness, then, in urging the Legislature of Massachusetts to shun the sales tax as an economic plague. You will not only be doing your duty by the consuming public of Massachusetts if you remember this but you will be serving business, in the last analysis, in the best way that business can possibly be served.

It is not necessary for me to tell you that I do not personally welcome any increase in my income tax, any more than do those who are interested in this agitation to shift the tax burden to the shoulders of the weak. I will agree, if you wish, that our present income taxes are almost unbearable, and that the base of the income tax should be made much wider. But the way to widen the base of the income tax is not to impose taxes upon those who have no income more than enough to keep their families alive. The way to broaden the base of the income tax is to provide income—taxable income—to the masses of American people; and, when American business is sufficiently alive to its business responsibilities, it will see that this is done. In the meantime, I urge upon your committee, and upon the Legislature of Massachusetts, that you do not add your contribution to the forces that are tearing America apart, and that are producing this despair—this mass sense of injuries endured, which is causing our millions to enroll in all these utterly chaotic drives. Despair, we must remember, is not a matter of logic, and there is no logical answer to it. Despair is brought about by wrong economic conditions which result from wrong economic thinking. I believe that I am playing the part of a true conservative, then, when I urge you against any step which will further increase the rapidly growing power of this organized and so dangerous wrong thinking.

Do not imagine for a moment that the evils of the sales tax can be avoided by exempting a list of articles which are supposed to be the bare necessities of life. For the sales tax, in the first place, will raise the cost of living generally. It will increase prices generally; and business, to be on the safe side, will not only pass the tax on to the consumer, but will pass the tax plus what is decided to be a safe margin on to the consumer. There are times also when those who are living close to the line of poverty need things which legislators generally would class as luxuries, but which, for the time being, become necessities as genuinely as are milk and bread. A sick child, for instance, may have to be taken to the hospital in a hurry, and may, therefore, have to be taken in a taxicab, although we are inclined to think of taxicabs as luxuries. It is the circumstance which creates necessity; and no sales tax can be devised which will not strike at the weakest and most helpless element of our population. If, on the other hand, you do impose a seemingly intolerable burden upon the rich, it will only spur them to the kind of action to

which they should be spurred. It will spur them to see, for instance, that waste and graft and special privilege in government have to be paid for out of their pockets; and they will throw their influence, as they have never heretofore thrown their influence, toward really reducing taxation by the effective fighting of all tax-increasing graft and special privilege. In this way, eventually, income taxes may also be reduced.

And finally, I beg to remind you that you cannot keep the sales tax from becoming an intolerable burden upon those least able to bear it, by making the tax small and seemingly insignificant. Once let the principle be established, and legislators, under the necessity of raising more funds, will certainly increase the tax. Already, the State of California has a 2-percent sales tax, and the Governor of California is definitely proposing in his budget message to raise it to 3 percent. And already, in the same State, bills are before the legislature to abolish the income tax. Similar things are happening in other States. Within the past week, according to the newspapers, a campaign in this same direction has been launched in New York State.

That is something which is bound to happen; and the same influences which are causing it to happen in California and elsewhere will soon be hard at work in Massachusetts. I know of no other point at which the issue, which is tearing our Nation apart, is more clearly set forth than in this issue of taxation. In this crisis, I hope that Massachusetts will do her part for mass prosperity—toward healing the wounds which the masses have received and avoiding the peril inherent in these mass movements of today—by placing the burden of taxation upon those of us who are best able to bear it.

Mr. BORAH. I also ask to have printed as part of my remarks certain remarks made by me on this same subject on May 31, 1932.

The PRESIDING OFFICER. Without objection it is so ordered.

The matter referred to is as follows:

Mr. BORAH. Mr. President, I do not think we need be surprised that the able Secretary of the Treasury has at last openly advocated a sales tax. It was perfectly clear to me, from reading the report of the hearings before the Finance Committee, beginning weeks ago, that the Secretary was an advocate of the sales tax. The only reason why he did not recommend it in the beginning was, as I understood, that he did not think it was practical, that he could not at that time secure its adoption. Of course, I am not using his exact language; I am using what I understand clearly to be the legitimate deduction from what he did say. The Secretary has at all times, in my judgment, been an advocate of the sales tax. His theory of taxation would naturally lead him to the sales tax.

From the time the Mellon dynasty, which is being continued in the present Secretary, took charge of the finances of this country, until the present time, the fundamental principle upon which they have based their system of taxation has been to lower the taxes on the wealthier people, on the greater incomes, and place them gradually but more distinctly upon the average person or what we might call the common people. They were early after the war for cutting the higher brackets, they were for repealing the excess-profits tax, they were for everything which took the burden of the load from those most able to pay, and were disposed to place it upon those least able to pay. This bill as recommended by the Secretary of the Treasury is full of proof of this policy.

They have finally reached the culmination of their doctrine. They have finally reached the sales tax, which would be laid in violation of the most fundamental principle of taxation; that is, according to ability to pay. The sales tax, if laid, is laid not according to ability to pay, but it is exacted regardless of the ability to pay of those who are taxed. The sales tax had its origin in this country in an effort to relieve the higher incomes.

There need be no surprise at this situation. It is the logical conclusion from the tax system which was inaugurated at the close of the war, and has been carried on with remorseless purpose ever since.

It is my view, Mr. President, that the laying of a sales tax would further aggravate and accentuate the conditions now prevailing in this country. This tax would be passed fully and completely to the consuming public. The moment we could lay a sales tax we would serve notice on at least 70,000,000 of the people of the United States to curtail their purchases. They would be warned that they must do with less of the things they really need or at least desire.

It will do little good in rescuing the country from the present situation, to increase the purchasing power of the few. Before we start back on the road to prosperity we must increase the purchasing power of the masses, the millions. We must augment their purchasing power before it will have its effect upon our present situation.

The moment we lay a sales tax, that moment we would press down more heavily upon the millions of people who are now living close to the border line of denial of things they need, and notify them that if they were to get through the year, they must curtail and cut expenses still further. Instead of aiding in the present situation, instead of starting upon the road to recovery, we would be laying a tax which would sterilize the very activities which are necessary in order that we may recover.

While I do not propose at this time to enter upon a discussion, I want to say now as emphatically as I can that no arguments which the Secretary can produce, no condition which he can paint, no situation which his language could porttray would induce me for a moment to consider favorably the sales tax. It is unjust. It is economically unsound. It will retard the restoration of the purchasing power of the masses. And it is not necessary in order to balance the Budget. We can do that with other taxes. And, furthermore, it will undermine still further the basis upon which prosperity must be rebuilt.

Mr. LA FOLLETTE. Mr. President, I offer an amendment in the nature of a substitute for title VI, which begins on page 61, line 8.

The PRESIDING OFFICER (Mr. CONNALLY in the chair). The Chair suggests that the amendment being in the nature of a substitute, any other amendments would be preferential and should be offered and considered before the adoption or rejection of the proposed substitute.

Mr. LA FOLLETTE. I did not understand there were any amendments pending to Title IV.

The PRESIDING OFFICER. The Chair is merely advising Senators of their rights. Other amendments should be considered before the proposed substitute is considered.

Mr. HUGHES. Mr. President, I understand the Senator from Maryland [Mr. TYDINGS], who has been called from the Chamber for a moment, has an amendment which he desires to offer.

Mr. McCARRAN. Mr. President, I have an amendment pending.

The PRESIDING OFFICER. The Chair was merely calling the attention of Senators to the parliamentary situation. If the proposed substitute amendment is adopted, then all of title VI is out of the bill.

Mr. LA FOLLETTE. Mr. President, I think I have the floor.

Mr. KING. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. KING. The Senator from Nevada [Mr. McCARRAN] has a perfecting amendment which might be disposed of, on page 65, to strike out the words:

Nor does the term "food products" include the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property.

That amendment might be accepted, and those words eliminated, and then, if the whole provision goes out, that amendment will go with it.

Mr. LA FOLLETTE. May I ask the Senator from Nevada whether he feels that he is in position to accept the amendment I have offered, or whether he intends to resist it?

Mr. McCARRAN. I do not intend to resist it, because my own inclination is against the present provision.

Mr. LA FOLLETTE. Then, it would seem to me that if the amendment is to be accepted, it would not be necessary to perfect the part of the text which will be eliminated in case the amendment is adopted; but I am perfectly willing to withhold my amendment until the Senator's amendment shall have been disposed of.

Mr. McCARRAN. I should like to offer the amendment and have it acted upon.

Mr. LA FOLLETTE. Very well; I will withhold my amendment.

Mr. McCARRAN. Then, I offer my amendment.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Nevada.

The CHIEF CLERK. On page 65, line 8, in the committee amendment, it is proposed to strike out all after the word "therewith" down to and including the word "property", in line 12, in the following words:

Nor does the term "food products" include the furnishing, preparing, or serving for a consideration of any tangible personal property consumed on the premises of the person furnishing, preparing, or serving such tangible personal property.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I now offer an amendment in the nature of a substitute for title VI. I ask unanimous consent that the reading of the amendment may be dispensed with and that it may be printed in the RECORD,

because by reference to the report of Mrs. NORTON in connection with the bill in the House I can very much more briefly inform the Senate as to the general provisions of the amendment.

The PRESIDING OFFICER. The Senator from Wisconsin asks unanimous consent that the amendment may be considered without reading it in detail, but that it may be printed in the RECORD. Is there objection? The Chair hears none, and it is so ordered.

Mr. LA FOLLETTE's amendment was, on page 61, beginning with line 7, to insert the following:

TITLE VI—INCOME TAXES

DEFINITIONS

SECTION 1. The following terms in this title are for the purpose hereof defined as follows:

(a) The term "taxpayer" includes any person, corporation, partnership, trust, or estate subject to a tax imposed by this title.

(b) The term "person" shall mean all natural persons, whether married or unmarried, and also all trusts, estates, and fiduciaries acting for natural persons; it does not include corporations or partnerships acting for or in their own behalf.

(c) The term "corporation" includes foreign or domestic corporations, joint-stock companies, associations, and all enterprises operated by trustees, the interest in which is evidenced by shares of stock, whether with or without par, face, or nominal value.

(d) The term "engaged in business" as applying to corporations shall mean, if the entire business of the corporation be transacted within the District, the tax imposed by this title shall be upon the entire net income of such corporation for each taxable year, subject, however, to any correction. If the business of such corporation be transacted both within and without the District, the tax imposed by this title shall be upon the portion of such entire net income for each taxable year as is derived from sales, wherever made, of goods, wares, and merchandise, manufactured, or which originated, in this District, and from other business done or property located within this District, which may be determined by an allocation and separate accounting when the books of the corporation show income derived from business done and property located within this District; otherwise the tax imposed by this title shall be on such proportion of the entire net income of such corporation as the fair market value of the real estate and other physical assets in this District on the date of the close of the taxable year and the amount of the gross receipts in this District during that year, of such corporation, bears to the total fair market value of all the real estate and other physical assets within and without this District on the date of the close of the taxable year and the amount of the total gross receipts within and without the District during that year, of such corporation. The term "gross receipts in this District" shall include all receipts from persons, firms, corporations, partnerships, and associations, who or which are in the District, wherever paid, and all receipts from sales, wherever made, of goods, wares, and merchandise manufactured, or which originated in this District.

(e) The term "partnership" includes a syndicate, group, pool, joint venture, or other incorporated organization, through or by means of which any business, financial operation, or venture is carried, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term "partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

(f) The term "District" means the "District of Columbia."

(g) The term "resident" in its application to individuals shall mean any natural person who is either domiciled in the District of Columbia or one who maintains a permanent place of abode within the District of Columbia and spends in the aggregate more than 3 months of the taxable year within the District of Columbia. When a person domiciled without the District of Columbia maintains a place of permanent abode within the District of Columbia, and spends more than 3 months of the taxable year within the District of Columbia, he is a resident for the entire period during which he maintains said permanent place of abode. But any person who, on or before the last day of the taxable year, changes his place of abode to a place without the District of Columbia, with bona-fide intention of continuing actually to abide permanently without the District of Columbia, shall be taxable the same as a nonresident is taxable under this law. The fact that a person who has so changed his place of abode, within 6 months from so doing, again abides within the District of Columbia, shall be prima-facie evidence that he did not intend permanently to have his place of abode without the District of Columbia.

(h) The term "gross income" wherever it appears in this title shall mean and include gains, profits, and income derived from salaries, wages, or compensation for personal service, of whatever kind and in whatever form paid, or from professions, vocations, trades, business, commerce or sales or dealings in property, whether real or personal, growing out of the ownership, or use of or interest in such property, also from interest, rent, dividends, securities, or the transaction of any business carried on for gain or profit or gains or profits, and income derived from any source whatever, unless exempt from tax by law: *Provided*, That if a nonresident or a partnership with nonresident members carries on business both within and without the District of Columbia, the income therefrom must be apportioned so as to allocate to the District of Columbia a proportion of such income on a fair and equitable basis, in accordance with approved methods of accounting.

SEC. 2. The term "net income" as herein used shall mean the gross income less the following deductions:

(a) All interest paid during the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations or securities the interest upon which is exempt from taxation under this title.

(b) Debts ascertained to be worthless and charged off within the taxable year.

(c) Taxes paid during the taxable year, except inheritance taxes, taxes on intangible personal propery paid the District, taxes paid under the provisions of this title, Federal taxes on income and profits, and special taxes imposed for property betterments.

(d) All ordinary and necessary expenses paid or incurred during the taxable year in carrying on business, or a profession or occupation, including a reasonable allowance for salaries of personal service actually rendered; also rentals or other payments required to be made as a condition to the continued use or possession for business purposes of property to which the taxpayer has not taken or is not taking title or in which the taxpayer has no equity: *Provided*, That the provisions of this subdivision shall not be construed to include payment as a premium to an occupant to vacate such property for the benefit of the taxpayer wishing possession of such premises.

(e) Losses sustained during the taxable year and not compensated for by insurance or otherwise: *Provided*, That no loss resulting from the operation of business conducted without the District may be allowed as a deduction unless the income derived from the operation of business without the District is subject to taxation: *And provided further*, That no loss may be allowed on the sale of property purchased and held for pleasure or recreation and which was not acquired or used for profit, but this proviso shall not be construed to exclude losses due to theft or to the destruction of property by fire, flood, or other casualty.

(f) A reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in the transaction of business may be deducted from gross income, provided such depreciation is actually charged off.

(g) Contributions or gifts made within the year to the United States or the District of Columbia, or to corporations operating within the District of Columbia and organized and operated exclusively for religious, charitable, scientific, benevolent, or educational purposes, or to societies operating within the District conducted exclusively for the prevention of cruelty to children or animals, no part of the net income of which inures to the benefit of any private stockholder or individual.

(h) Dividends or incomes received by any persons from stocks or interest in any corporation the income of which shall have been assessed under the provisions of this title: *Provided*, That when only part of the income of any corporation shall have been assessed under this title only a corresponding part of the dividends or income received therefrom shall be deducted.

(i) The gains and profits of a nonresident from the sale, exchange, or other disposition of stocks, bonds, and other securities, except to the extent to which the same shall be a part of the income from a business carried on in the District of Columbia.

ITEMS NOT DEDUCTIBLE

In computing net income no deduction shall in any case be allowed in respect of—

(a) Personal, living, or family expenses;

(b) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate;

(c) Any amount expended in restoring property for which an allowance is or has been made; or

(d) Premiums paid on any life-insurance policy covering the life of any officer or employee or of any individual financially interested in any trade or business carried on by the taxpayer, when the taxpayer is directly or indirectly a beneficiary under such policy.

TAX ON CORPORATE INCOME

SEC. 3. Upon every corporation a tax is levied upon the net income as defined by this title. The rate of taxation shall be 5 percent per annum upon the net income. The net income shall be the gross income less the following deductions:

(a) All ordinary or necessary expenses paid or incurred during the taxable year in the operation and maintenance of its business, including a reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in the transaction of its business: *Provided*, That such depreciation is actually charged off.

(b) All moneys disbursed within the taxable year for personal service and salaries of officers: *Provided*, That such disbursements shall be reasonable in amount and that such services have been actually rendered in producing the income of the taxpayer: *Provided further*, That there be reported to the assessor of the District the name, address, and amount paid each employee and officer who receives a compensation of $1,000 or more during the taxable year.

(c) Losses sustained during the taxable year and not compensated for by insurance or otherwise: *Provided*, That no loss resulting from the operation of business conducted without the District, or the ownership of property located without the District, shall be allowed as a deduction unless the income derived from the operation of business without the District is subject to taxation.

(d) Taxes paid during the taxable year, except inheritance taxes, taxes on intangible personal property paid the District, taxes paid

under the provisions of this title, Federal taxes on income, and profits and special taxes imposed for property betterments.

(e) Contributions or gifts made within the year to the United States or the District of Columbia or to corporations operating within the District of Columbia and organized and operated exclusively for religious, charitable, scientific, benevolent, or educational purposes, or to societies operating within the District conducted exclusively for the prevention of cruelty to children or animals any part of the income of which inures to the benefit of any private stockholder or individuals.

(f) Debts ascertained to be worthless and charged off within the taxable year.

(g) Dividends or incomes received from stocks or interest in any corporation the income of which shall have been assessed under the provisions of this title: *Provided*, That when only part of the income of any corporation shall have been assessed under this title only a corresponding part of the dividends or income received therefrom shall be deducted.

SEC. 4. Net income shall be computed on the basis of the taxpayer's annual accounting period, fiscal or calendar year, as the case may be, in accordance with the method of accounting regularly employed in keeping the books of the taxpayer; but if no such method of accounting has been so employed, or if the method employed does not clearly reflect the income, the computation shall be made in accordance with such method, as shall, in the judgment of the assessor of the District, clearly reflect such income.

ASCERTAINMENT OF GAIN OR LOSS

SEC. 5. For the purpose of ascertaining the gain derived or loss sustained from the sale or other disposition of property, real, personal, or mixed, the basis shall be, in case of property acquired on or after January 1, 1937, the cost thereof, or the inventory value if the inventory is made in accordance with this title.

(2) In case of property acquired prior to January 1, 1937, and disposed of thereafter—

(a) No profit shall be deemed to have been derived if either the cost or the fair market price or value on January 1, 1937, exceeds the value realized.

(b) No loss shall be deemed to have been sustained if either the cost or the fair market price or value on January 1, 1937, is less than the value realized.

(c) Where both the cost and the fair market price or value on January 1, 1937, are less than the value realized, the basis for computing profit shall be the cost or the fair market price or value on January 1, 1937, whichever is higher.

(d) Where both the cost and the fair market price or value on January 1, 1937, are in excess of the value realized, the basis for computing loss shall be the cost or the fair market price or value on January 1, 1937, whichever is lower.

Whenever in the opinion of the assessor of the District the use of inventories is necessary in order to determine clearly the income of any taxpayer, inventories shall be taken by such taxpayer upon such basis as the assessor may prescribe as conforming as nearly as may be to the best accounting practice in the trade or business and as most clearly reflecting the income.

PARTNERSHIPS

SEC. 6. Individuals carrying on business in partnerships shall only be liable in their individual capacity for the income tax provided in this title. There shall be included in computing the taxable income of each partner his distributive share, whether distributed or not, of the net income of the partnership for the taxable year, or for any fractional part of a taxable year; or, if his taxable income for such taxable year is computed upon the basis of a period different from that upon the basis of which the net income of the partnership is computed, then his distributive share of the net income of the partnership for any accounting period of the partnership ending within the fiscal or calendar year upon the basis of which the partner's income is computed.

INFORMATION AT THE SOURCE

SEC. 7. Every person, corporation, or partnership, in whatever capacity acting as withholding agent, including lessees, or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the Federal or municipal Government, having the control, receipt, custody, disposal, or payment of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income taxable under this title shall, when required by the Commissioners of the District, file with the assessor, at such time or times as the Commissioners may designate, a statement showing the amount of salaries, wages, or compensation in any form whatever, as outlined above, paid to any person during any taxable year in excess of $1,000, such statement to be in such form as the Commissioners may prescribe.

SEC. 8. The following individuals, whether residents or nonresidents, having income subject to taxation under this title, shall each make, under oath, a return stating specifically the items of his or her gross income, and the deductions and credits allowed by this title.

(a) Every individual having a net income for the taxable year of $1,000 or over, if single, or if married and not living with husband or wife;

(b) Every individual having a net income for the taxable year of $2,500 or over, if married and living with husband or wife; and

(c) If the taxpayer is a minor or a person under legal disability, the return shall be made by the guardian, committee, duly authorized agent, or other person charged with the care of the person or property of such taxpayer.

Every corporation, trust, or estate, joint-stock company, partnership, or association organized for profit (except these herein specifically exempted) shall make a return, stating specifically the items of its gross income and the deductions and credits allowed by this title. The return shall be sworn to by the president or other principal officer and by the treasurer or assistant treasurer.

The assessor of the District of Columbia may grant a reasonable extension of time for filing income-tax returns whenever in his judgment good cause exists and shall keep a record of every extension. No such extension shall be granted for more than 3 months.

If any taxpayer, subject to this title, shall fail to make and file a sworn return to the assessor's office within the time prescribed by law, unless the time for filing such return be extended by the assessor of the District of Columbia, and upon all returns filed with or assessed by the assessor of the District of Columbia after the time herein prescribed for filing returns, the assessor shall assess a penalty equal to 20 percent of the amount of the tax assessed thereon, but in no case shall such penalty be less than $2. Any penalty imposed shall be collected at the same time and in the same manner as a part of the tax, unless the tax has been paid before the discovery of the neglect, in which case the amount so added shall be collected in the same manner as the tax. When the time for payment of any tax is postponed at the request of the taxpayer interest at the rate of 6 percent per annum is added from the original due date to the date of payment, but not beyond the due date under such extension.

EXEMPTIONS

SEC. 9. The following items shall be exempt from taxation under this title:

(a) The income of a single person or a married person not living with husband or wife, up to but not in excess of $1,000; the income of a married person living with husband or wife, or a single person who is the head of a family, up to but not in excess of $2,500: *Provided*, That if a husband and wife make separate returns or have separate incomes the exemption for each shall be $1,000; plus $400 for each person (other than husband or wife) who is actually supported by and entirely dependent upon the taxpayer for his support.

(b) The credit for dependents shall be determined by the status of the taxpayer on the last day of his taxable year. The personal exemptions (other than those for dependents) allowed by subsection (a) of this section shall, in case the status of a taxpayer changes during his taxable year, be the sum of an amount which bears the same ratio to $1,000 as the number of months during which the taxpayer was single bears to 12 months, plus an amount which bears the same ratio to $2,500 as the number of months during which the taxpayer was a married person living with husband or wife, or was the head of a family, bears to 12 months. For the purposes of this paragraph a fractional part of a month shall be disregarded unless it amounts to more than half a month, in which case it shall be considered as a month.

(c) In the case of an individual who dies during the taxable year, the personal exemption and the credit for dependents shall be determined by his status at the time of his death, and in such case full credits shall be allowed to the surviving spouse, if any, according to his or her status at the close of the taxable year.

(d) Amounts received under a life-insurance contract paid by reason of the death of the insured, whether in a single sum or in installments (but if such amounts are held by the insurer under an agreement to pay interest thereon, the interest payments shall be included in gross income). Amounts received (other than amounts paid by reason of the death of the insured and interest payments on such amounts) under a life-insurance, endowment, or annuity contract, but if such amounts (when added to amounts received before the taxable year under such contract) exceed the aggregate premiums or consideration paid (whether or not paid during the taxable year) then the excess shall be included in gross income.

(e) The value of property acquired by gift, bequest, devise, or descent received in 1 year the aggregate of which does not exceed $5,000.

(f) Any amount received through accident or health insurance or under Workmen's Compensation Acts, as compensation for personal injuries or sickness, plus the amount of any damages received, whether by suit or agreement, on account of such injuries or sickness, or through the War Risk Insurance Act or any law for the benefit or relief of injured or disabled members of the military or naval forces of the United States.

IMPOSITION OF TAX

SEC. 10. A tax is hereby annually levied for each taxable year upon every legal resident of the District of Columbia, as herein defined, upon and with respect to his entire net income as herein defined for the purposes of taxation, at the following rates:

(a) One percent of the amount of net income not exceeding $2,000.

(b) One and one-half percent of the amount of net income in excess of $2,000 but not in excess of $5,000.

(c) Two percent of the amount of net income in excess of $5,000 but not in excess of $10,000.

(d) Two and one-half percent of the amount of net income in excess of $10,000 but not in excess of $15,000.

(e) Three percent of the amount of net income in excess of $15,000 and not in excess of $20,000.

(f) Three and one-half percent of the amount of net income in excess of $20,000 but not in excess of $30,000.

(g) Four percent of the amount of net income in excess of $30,000 but not in excess of $50,000.

(h) Five percent of the amount of net income in excess of $50,000.

(i) If, for any taxable year, it appears upon the production of evidence satisfactory to the assessor that a taxpayer has sustained a net loss, the amount thereof shall be allowed as a deduction in computing the net income of the taxpayer for the succeeding taxable year, and if such net loss is in excess of such net income (computed without such deduction), the amount of such excess shall be allowed as a deduction in computing the net income for the next succeeding taxable year, the deduction in all cases to be made under regulations prescribed by the Commissioners.

(j) A like tax is hereby imposed and shall be levied, collected, and paid annually at the rate specified in this section upon and with respect to the entire net income as herein defined, except as otherwise herein provided, from all property owned and from every business, trade, or profession carried on and salaries and wages received for services rendered in the District of Columbia by persons not residents of the District.

Whenever a nonresident taxpayer of the District of Columbia has become liable to income tax to the State where he resides upon his net income for the taxable year, derived from sources within the District of Columbia and subject to taxation under this title, the assessor shall credit the amount of income tax payable by him under this title with such proportion of the tax so payable by him to the State where he resides, as his income subject to taxation under this title bears to his entire income upon which the tax so payable to such other State was imposed: *Provided*, That such credit shall be allowed only if the laws of said State (1) grant a substantially similar credit to the residents of the District, subject to income tax under such laws, or (2) impose a tax upon the personal incomes of its residents derived from sources within the District, and exempt from taxation the personal incomes of residents of the District. No credit shall be allowed against the amount of the tax on any income taxable under this title which is exempt from taxation under the laws of such other State.

SEC. 11. The tax herein provided shall be computed and levied under direction of the assessor of the District of Columbia, and the collections made by the collector of taxes of the District of Columbia and the revenue derived therefrom shall be turned over to the United States Treasury for credit to the District in the same manner as other revenues are turned over to the United States Treasury for credit to the District.

TIME AND PLACE OF FILING RETURNS

SEC. 12. The tax herein provided shall be first levied, collected, and paid in the year 1938 upon and with respect to the taxable income for the calendar year 1937, or for any fiscal year ending during the year 1937. Returns of income due in the year 1938 shall be made to the assessor of the District of Columbia on or before the last day of April 1938. Thereafter annual returns of income as provided in this title shall be made to the assessor of the District of Columbia on or before the last day of April of each year. One-half of the tax computed on the net income by the taxpayer shall be paid at the time of filing the return, and the second half of the tax shall be paid in the following month of October. Blank forms of returns shall be furnished by the assessor upon application, but failure to secure the form shall not relieve any taxpayer from the obligation of making any return herein required.

SEC. 13. Upon the filing of the income-tax return provided herein, it shall be the duty of the assessor of the District to examine it, or cause it to be examined, as soon as it is practicable to do so. If upon such examination it shall be disclosed that the amount of tax is more or less than the amount shown in the return, a proper adjustment shall be made upon final payment by the person taxed.

SEC. 14. If a return required by this title is not filed or if a return when filed is incorrect or insufficient, and the maker fails to file a corrected or sufficient return within 20 days after the same is required by notice from the assessor, the assessor shall determine the amount of the tax due from such information as he may be able to obtain. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax, unless the person against whom it is assessed shall file a protest with the Board of Personal Tax Appeals in accordance with the provision of section 19 hereof.

SEC. 15. If any tax imposed by this title or any portion of such tax be not paid within the time prescribed herein or within such additional time as may be allowed by the assessor, the same shall bear interest at the rate of 1 percent per month or fraction thereof until paid. The taxes levied hereunder, together with interest and penalties thereon, may be collected by the collector of taxes of the District of Columbia in the manner provided by the law for the collection of taxes due the District of Columbia on personal property, in force at the time of such collection.

FIDUCIARIES

SEC. 16. Every person acting in a fiduciary capacity shall make, under oath, a return, during the period prescribed in this title, for the individual or estate or trust for whom he acts, of all taxable income received by him on his fiduciary capacity for the preceding taxable year, or for any fractional part thereof.

The income paid or accrued to estates of deceased persons before a fiduciary shall have been appointed for such estate, or before he has qualified to act in such capacity, shall be assessed to the estate.

If an estate has more than one fiduciary and any one of them shall be a resident of the District of Columbia such assessment shall be made to the fiduciary who is a resident of said District, and he shall be liable for that proportion of the tax on the net income as is paid to beneficiaries who are or were during the taxable period residents of the District of Columbia.

A fiduciary shall, in all cases where an estate extends over one taxable period, give the names and addresses of each beneficiary and the amount paid to each since the last return was made. Upon termination of his duties as a fiduciary he shall furnish the assessor of the District, in such form as said assessor may prescribe, a complete list of the names and addresses of the beneficiaries and the amounts paid, or ordered to be paid, by him to each beneficiary.

If an estate is to be distributed and terminated before the date set for making returns, the fiduciary may request from the assessor of the District permission to make a return for the expired portion of the taxable year and, if such request is granted, shall file with the assessor of the District a return for such unexpired portion of the taxable year. After verification as to the correctness of the return a bill may be rendered for the amount of tax due, which tax shall within 30 days after the bill is rendered be paid to the collector of taxes.

STATUTE OF LIMITATIONS

SEC. 17. Except in the case of a willfully false or fraudulent return with intent to evade the tax, the amount of tax due under any return shall be determined by the assessor within 3 years after the return was made and no proceeding in court without assessment for the collection of such taxes shall be begun after the expiration of such period. In the case of a willfully false or fraudulent return or where no return has been filed the amount of tax due may be determined and collected at any time.

If within 3 years after the payment of taxes it appears from the records of the assessor that moneys have been erroneously or illegally collected from any taxpayer or other persons, pursuant to the provisions of this title, the Commissioners shall have power upon making a record of the reasons therefor in writing, to cause such moneys to be refunded.

RECORDS OF INCOME TO BE KEPT

SEC. 18. Every person liable to any tax imposed under this title, or for the collection thereof, shall keep such records, render under oath such statements, make such returns, and comply with such rules and regulations as the Commissioners may reasonably require.

SPECIFICATION OF APPEAL PROCEDURE

SEC. 19. The Board of Personal Tax Appeals of the District of Columbia shall have power to hear and determine controversies arising in connection with taxes imposed under this title. Within 60 days after the notice of the determination of the tax liability shall have been mailed by the assessor (not counting Sunday or a legal holiday as the 60th day) the taxpayer may file a protest in writing with said Board requesting a hearing: *Provided*, That the grounds of the appeal must be stated in the protest. The Board of Personal Tax Appeals shall, after affording a hearing to the taxpayer, ascertain the correct tax, whether greater or less than the amount determined by the assessor. If the taxpayer is aggrieved by the decision of said Board, he may thereafter appeal to the District Court of the United States for the District of Columbia.

ADMINISTRATION

SEC. 20. The Commissioners of the District shall have the power to prescribe such rules and regulations as may be necessary to carry out the purpose of this title.

The assessor or his designated agent, or the Board of Personal Tax Appeals, or any member thereof, for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return when none has been made, is authorized to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return, and may summons any person to appear before him to produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the said assessor or his designated agent, and the Board of Personal Tax Appeals or any member thereof, shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person, having been personally summoned, shall neglect or refuse to obey the summons herein issued as provided, then, in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

SEC. 21. Any individual, corporation, or partnership, or any officer or employee of any corporation or member or employee of any partnership, who with intent to evade any tax or any requirement of the law, or lawful requirement of the assessor of taxes for the District of Columbia thereunder, shall fail to pay the tax, or to make, render, sign, or verify any return, or to supply any information within the time required, or with like intent shall make, render, sign, or verify any false or fraudulent return or statement, or shall supply any false or fraudulent information, shall be liable to a penalty of not more than $1,000 and shall be

guilty of a misdemeanor, and shall upon conviction be fined not to exceed $1,000 or be imprisoned not to exceed 1 year, or both, at the discretion of the court.

PENALTIES

SEC. 22. Any taxpayer as herein defined whose duty it is to file the income-tax return required hereby and who shall refuse or neglect to file such income-tax return shall be liable to a penalty of not to exceed $1,000 which may be recovered in an action brought by the corporation counsel of the District in the name of the District.

SECRECY REQUIRED OF OFFICIALS AND EMPLOYEES

SEC. 23. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner whatever the amount or source of income, profits, losses, expenditures, or any particulars thereof set forth or disclosed in any income-tax return filed with the said assessor by any person subject to taxation under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court except on behalf of the United States or the District of Columbia, or on behalf of any party to any action or proceeding under the provisions of this title when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District or any of his assistants of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for 3 years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be punished by a fine of not more than $500 or by imprisonment for not more than 90 days, or both. This section shall not apply to any authorized representative of the United States Government or any authorized representative of any State government. Such representatives upon written request shall be permitted to examine such returns at such times as the assessor of the District may designate provided a like privilege is granted to representatives of the government of the District of Columbia.

BUREAU OF INTERNAL REVENUE AUTHORIZED TO SUPPLY INFORMATION

SEC. 24. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

EXEMPT CORPORATIONS

SEC. 25. All corporations or associations organized and operated exclusively for benevolent, charitable, religious, and eleemosynary purposes, mutual savings banks, building and loan associations, insurance companies, and railroad companies which report to and are subject to regulation by the Interstate Commerce Act of 1887, as amended, shall be exempt from the tax imposed under this title.

TAX ON INTANGIBLE PROPERTY CREDITED

SEC. 26. Any tax levied by the District of Columbia upon intangible personal property owned by a taxpayer on July 1 of any year and paid by such taxpayer shall be credited upon the income tax due hereunder by such taxpayer for the following year.

SAVING CLAUSE

SEC. 27. If any section or provision of this title shall be declared to be invalid or unconstitutional, such adjudication shall not affect the validity of this title as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

Mr. LA FOLLETTE. Mr. President, the amendment now pending provides a carefully prepared income tax for the District of Columbia. It was prepared under the direction of the Commissioners of the District, with the aid of tax experts. It is predicated upon the New York State income-tax law, which has been on the statute books for a number of years, and is, therefore, so far as its terminology, definitions, and other technical questions of drafting are concerned, a piece of legislation which is in excellent form.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. What amount of money would the amendment bring in? Would it bring in enough to take care of the local situation?

Mr. LA FOLLETTE. Mr. President, my information is that the amendment now pending was estimated to yield more than $5,000,000 in revenue, and that it therefore would yield more than twice as much as the sales-tax provision.

The report of Mrs. NORTON, in the House of Representatives, describes this proposed income tax as follows:

Section 1 and section 2 are devoted to definitions. Section 2 defines "net income" as the gross income less certain deductions which are enumerated therein. Section 2 also indicates the items not deductible.

Section 3: Levies a tax on corporate incomes of 5 percent. The net income of corporations is defined as gross income less certain deductions enumerated therein.

Section 4: Provides that the net income shall be computed on the basis of the taxpayer's annual accounting period, fiscal or calendar year, as the case may be.

Section 5: Provides the method of ascertaining the gain derived or loss sustained from the sale or other disposition of property.

Section 6: Relates to partnerships and requires that the distributive share of the net income of a partnership be reported, and shall be included in computing the taxable net income of each partner.

Section 7: Requires that source information be given to the Commissioner showing the salaries, wages, or compensation, in whatever form paid, earned by any person during a taxable year.

Section 8: Requires a return from (a) every individual having a net income for the taxable year of $1,000, or over if single, or if married and not living with husband or wife; and (b) every individual having a net income for the taxable year of $2,500 or over, if married and living with husband or wife. If the taxpayer is a minor or a person under legal disability, the return shall be made by the guardian, committee, etc.

Section 8: Gives the assessor power to grant reasonable extension of time for the filing of income-tax returns limiting the time of extension, however, to 3 months. In case the taxpayer fails to file a sworn return within the time prescribed by law or within the time permitted by the extension the assessor must under this title assess a penalty equal to 20 percent of the amount of the tax assessed thereon, but in no case shall such penalty be less than $2.

Section 9: Sets up the exemptions permitted under this title, these exemptions being $1,000 for a single person or married person not living with husband or wife, $2,500 for the head of a family, and also provides that if the husband and wife make separate returns or have separate incomes the exemption for each shall be $1,000. This section also provides for an exemption of $400 for each person (other than husband or wife) who is actually supported by and entirely dependent upon the taxpayer for his support.

Thus far it will be observed that the pending amendment is in conformity with the Federal income tax insofar as net income and dependents are concerned.

Mr. McCARRAN. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Nevada?

Mr. LA FOLLETTE. I do.

Mr. McCARRAN. The Senator has in his hand the report of the House committee. I am wondering if one living in the District, drawing a salary in the District, but a resident of another State, paying an income tax in the other State, is to be also taxed in the District.

Mr. LA FOLLETTE. He would be, as I understand the draft of the amendment; but, of course, he could set up as a deduction any tax he paid, either to the Federal Government under the Federal income tax or to his State under the State laws.

Mr. McCARRAN. I am wondering whether he would not be caught with a different rate, perhaps, and therefore have to pay double taxation.

Mr. LA FOLLETTE. If the rate in his State were different than the one imposed under the pending amendment, the taxpayer, of course, would have to pay the tax provided in his own State law; but whatever he paid under his State law could be set up as a deduction against the tax for which he would be liable under the District law.

Mr. McCARRAN. I do not want the Senator to understand that I am opposing his amendment, but I wish to clarify the matter.

Does not the Senator see this possibility involved in his amendment? Those who are in Federal employment in this city are compelled to live in the District of Columbia; they cannot serve their Government unless they live in the District of Columbia, so any tax of that kind, if it were in excess of what is paid in the home State, as I term it, would be a penalty imposed for serving the Government

where the Government actually demands that its employees live.

Mr. LA FOLLETTE. Mr. President, I cannot see any inequality in that situation. It is analogous to the situation which now confronts the taxpayer living in a State which has a State income tax in relation to the tax which he pays under the Federal income-tax law. In the case of the tax imposed by the Federal income-tax law, whether or not it is in excess of that imposed under the law of the taxpayer's own State, he has, of course, to pay to the Federal Government the full amount of the tax, although he is permitted to set up the amount of tax paid to his own State as a deduction in computing the tax paid to the Federal Government. We must not forget that the District government is in much the same situation, so far as its responsibilities and its government are concerned, as is any State or municipality. It has all the services to render that States and municipalities must perform; and therefore, it is only just that the District of Columbia should have revenue from those who live within its borders and who enjoy the services which it provides, as does every other municipality.

The report continues:

The taxpayer's status is determined on the last day of the taxable year. Amounts paid under a life-insurance contract are exempt regardless of whether this amount is paid in a lump sum or installments.

The value of property acquired by gift, bequest, devise, or descent is exempt where the gift does not exceed $5,000.

Also exempt from tax is any amount received from accident or health insurance, workmen's compensation acts, damages received by suit or agreement on account of injuries or sickness, or through the War Risk Insurance Act, or any law for the benefit or relief of injured or disabled members of the military or naval forces of the United States.

Section 10: Provides for the imposition of tax at the following rates:

(a) One percent of the amount of net income not exceeding $2,000.

(b) One and one-half percent of the amount of net income in excess of $2,000 but not in excess of $5,000.

(c) Two percent of the amount of net income in excess of $5,000 but not in excess of $10,000.

(d) Two and one-half percent of the amount of net income in excess of $10,000 but not in excess of $15,000.

(e) Three percent of the amount of net income in excess of $15,000 and not in excess of $20,000.

(f) Three and one-half percent of the amount of net income in excess of $20,000 but not in excess of $30,000.

(g) Four percent of the amount of net income in excess of $30,000 but not in excess of $50,000.

(h) Five percent of the amount of net income in excess of $50,000.

So it will be observed that the rates provided compare with those imposed by other States employing the income tax and are not onerous.

This section also imposes a tax upon the entire net income as defined by title VIII on all property owned and from every business, trade, or profession carried on and salaries and wages received for services rendered in the District of Columbia by persons not residents of the District. The assessor, however, is authorized to credit the amount of tax payable by the taxpayer under this title with such proportion of the tax so payable by him to the State where he resides, provided, however, a substantially similar credit is allowed residents of the District subject to income tax under such laws of other States.

Section 11: Provides that the tax shall be computed and levied under the direction of the assessor and that the collection shall be made by the collector of taxes.

Section 12: Provides the time and place of filing the returns.

Section 13: Requires the assessor to examine the income-tax returns for the purpose of determining whether the tax is correct.

Section 14: Permits the assessor, where no return is filed, or the return when filed is incorrect or insufficient and the maker fails to file a corrected or sufficient return, to determine the amount of tax from such information as may be obtainable. This determination becomes final unless appeal is made to the Board of Personal Tax Appeals.

Section 15: Where the tax, or any portion thereof, is not paid within the time prescribed interest of 1 percent per month or fraction thereof is added. The tax levied hereunder, and the interest and penalties thereon, may be collected by the collector of taxes in the manner provided by the law for the collection of personal-property taxes.

Section 16: Requires every fiduciary to make returns.

Section 17: Prescribes the application of the statute of limitations in all cases except where there is a willfully false or fraudulent return with intent to evade the tax.

Section 18: Requires records to be kept by the taxpayer under reasonable rules and regulations prescribed by the Commissioners.

Section 19: Empowers the Board of Personal Tax Appeals to hear and determine controversies arising.

Section 20: Places the administration in the hands of the Commissioners and provides that the Commissioners may prescribe rules and regulations necessary for the carrying out of title VIII.

Section 21: Deals with the evasion of any tax as required by law and provides a penalty of $1,000.

Section 22: Deals with general penalties and limits the fine to $1,000.

Section 23: Requires that the Commissioners or any person acting under them must keep secret the information pertaining to income-tax returns.

Section 24: Authorizes the Bureau of Internal Revenue to supply the Commissioners with information relative to any person subject to the tax.

Section 25: Exempts from the title all corporations or associations organized and operated exclusively for benevolent, charitable, or religious purposes, mutual savings banks, building and loan associations, insurance companies, and railroad companies which report to and are subject to the regulations of the Interstate Commerce Commission under the provisions of the Interstate Commerce Act of 1887.

Section 26: Permits a credit to be given for any taxes paid on intangible personal property.

Section 27: Separability clause.

Mr. McKELLAR. Mr President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. As I understand, under the bill a sufficient sum would be raised in the form of additional taxes to provide for the expenses of the city.

Mr. McCARRAN. Yes; the bill would raise sufficient revenue.

Mr. LA FOLLETTE. The bill in its entirety, if the proposed income-tax section were included, would raise the amount estimated to be necessary to meet the deficit.

Mr. McKELLAR. Would it raise that amount if the sales-tax provision were included? The idea which occurs to me is that the income tax would result in raising $5,000,000, whereas it is estimated that the sales tax would bring in two and a half million. I thought that if two and a half million were all that was necessary, the rates might be cut in two.

Mr. LA FOLLETTE. It is my understanding, Mr. President, that the committee amendment, providing a sales tax also, under the committee's plan eliminates another tax which was provided in the bill as it passed the House. If I am mistaken about that, the Senator from Nevada can correct me.

Mr. McCARRAN. The Senator is correct.

Mr. LA FOLLETTE. It is my understanding that the revenue to be derived from the income tax would be required if the taxes which the committee planned to eliminate should be eliminated.

Mr. McKELLAR. Mr. President, will the Senator permit me to ask the Senator in charge of the bill a question?

Mr. LA FOLLETTE. Certainly.

Mr. McKELLAR. Is $5,000,000 required? If only two and a half million dollars are required and the sales tax will bring in two and a half million; if the income tax should be substituted for the sales tax, why could not the rates be cut in two and produce the $2,500,000?

Mr. McCARRAN. The rates would undoubtedly be cut down; but there is an adjustment which will have to be worked out by the statisticians.

I now desire to read into the RECORD a statement of the taxes collected in the District.

Mr. LA FOLLETTE. I shall be delighted to have the information.

Mr. McCARRAN. This is a statement showing revenues of the general fund of the District of Columbia collected during the fiscal year ended June 30, 1937:

Statement showing revenues of the general fund of the District of Columbia collected during the fiscal year ended June 30, 1937

Tax on real estate (assessment $1,144,457,153)	$17,489,320
Tax on tangible personal property (assessment, $69,451,075)	1,066,686
Tax on intangible personal property (assessment, $524,977,870)	2,666,117
Tax on public utilities, banks, building associations, etc	2,024,825

Personal tax on motor vehicles	$622,437
Interest and penalties on taxes	344,454
Alcoholic beverages, tax and licenses	1,975,352
Insurance, tax and licenses	579,005
Occupational and business licenses	416,048
Police court fines	469,336

I should like to draw the attention of the Senator from Wisconsin to this, inasmuch as he is interested:

Police court fines	$469,336
Motor vehicles, registration and permits	557,665
Miscellaneous items, including rents, permits, fees, etc.	1,696,232
Total general-fund revenues collected by the District of Columbia in the fiscal year 1937	29,907,477
To which add:	
Federal contribution for the fiscal year 1937	$5,000,000
Revenue surplus brought over from the fiscal year 1936	2,845,785
Revenue credits arising from unexpended balances of appropriations	850,000
	8,695,785
Total general-fund revenue availability, fiscal year 1937	38,603,262
Total appropriation charges, general fund	40,133,410

Mr. LA FOLLETTE. Mr. President, I thank the Senator from Nevada for this statistical information. But, recurring to the point raised by the Senator from Tennessee, it seems to me—and I am sure the members of the committee will agree to the statement—that it would be very much better to let these rates remain as provided in the amendment, in order that when the conferees meet there may be a possibility of eliminating some of the other taxes which the Senate committee desired to have eliminated; and if there is any necessity for an adjustment of rates, that can be undertaken, either upward or downward, in conference, as the situation may require.

Mr. McCARRAN. Mr. President, I should like to draw the attention of the Senator from Wisconsin, who has very ably presented this matter, and the Senator from Idaho to the fact that it seems to me, in view of the statute which I read at the outset, that the realty of the District of Columbia is not bearing its share of the burden necessary for the Government of the District of Columbia. I think that statute was enacted with a purpose in mind, and I think that purpose has been forgotten.

I wish to say, if I may in the time of the Senator, that I come from a State which has neither an income tax, an inheritance tax, nor a sales tax. We have a modern, progressive form of government, which compares with that of any other State in the Union, without any one of these taxes, and I believe the District of Columbia can do the same if someone will take the time to sit down and work it out; but it has not been worked out, and the Committee on the District of Columbia, in the time that was allotted to it, a week or two, could not work it out. I say frankly that I do not believe a conference committee is going to work this problem out.

Frankly, I wonder whether the Senator from Wisconsin would not rather see the bill go back to the committee and let the committee work it out through months and months of work, which it must put into it, rather than have the bill go to conference. I leave that as a suggestion.

Mr. LA FOLLETTE. It is my understanding that the chairman of the committee believes that the bill should go to conference, and I would defer to his judgment in the matter.

Mr. KING. Mr. President, with all due deference to the suggestion made by my dear friend the Senator from Nevada, in view of the fact that the government of the District of Columbia is now without funds and that the taxing year has already commenced, it seems to me it would be rather impolitic to send the bill back, because if we sent it back we would have the question of the income tax to consider and we would have to include it in the report—and I am in favor of it, as I have been all along—and we would have to omit the sales tax. So that we would then be confronted with the alternative of an income tax or an increase in the tax upon real estate. It seems to me that the better way is to pass the bill with the amendment offered by the Senator from Wisconsin included; and if the other House should refuse to accede to an income tax—I cannot believe it would, but if it should, and should remain adamant—the burden would rest upon the House and not upon the Senate. We should then have done our duty, and I am sure we should be vindicated by the country and vindicated by the fine people of the District of Columbia. So I should prefer to accept the amendment.

Mr. LA FOLLETTE. Mr. President, I wish to express my gratification at the support of the able Senator from Utah [Mr. KING] and the Senator in charge of the bill [Mr. McCARRAN]; and I think great credit should be given to the Senator from Idaho [Mr. BORAH] because of his able speech in connection with this subject matter. I think it would be a great victory if the Senate today were to go on record and reaffirm its traditional policy that taxes should be levied in accordance with the ability of the taxpayer to pay.

Mr. BORAH. Mr. President, do I correctly understand that the amendment has been accepted?

Mr. McCARRAN. Yes, Mr. President.

The PRESIDING OFFICER. The question is on the amendment in the nature of a substitute offered by the Senator from Wisconsin [Mr. LA FOLLETTE] to the amendment reported by the committee on page 61, line 7.

Mr. McCARRAN. Mr. President, in view of the fact that I have charge of the bill on the floor and that when the Senator from Wisconsin offered his amendment to the committee amendment I stated that I would accept it, I now carry out that promise and accept the amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment as amended, was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 77, after line 14, to insert:

TITLE VII—MISCELLANEOUS

AUTHORIZATION FOR ADVANCE OF FUNDS

SECTION 1. Until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary, from time to time, during said fiscal year to meet the general expenses of said District, as authorized by Congress, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of the taxes and revenue collected for the support of the government of the said District of Columbia.

SURVEY OF TAX STRUCTURE OF THE DISTRICT

SEC. 2. There is hereby authorized to be appropriated out of the revenues of the District of Columbia the sum of $20,000, for a survey and study of the entire tax structure of the District of Columbia, to be made under the direction of the Commissioners of said District. Such sum shall be available for expenditure for personal services without regard to the civil-service laws or the Classification Act of 1923, as amended, and for other necessary expenses. A report of such survey, with recommendations, shall be made by the Commissioners to Congress not later than January 15, 1938.

REGULATIONS

SEC. 3. The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

SEPARABILITY OF PROVISIONS

SEC. 4. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

The amendment was agreed to.

The next amendment was, at the top of page 79, to insert:

TITLE VIII—AMENDMENT TO THE ANTITRUST LAWS

Section 1 of the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, is amended to read as follows:

"SECTION 1. Every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among

the several States, or with foreign nations, is hereby declared to be illegal: *Provided*, That nothing herein contained shall render illegal contracts or agreements prescribing minimum prices for the resale of a commodity which bears, or the label or container of which bears, the trade mark, brand, or name of the producer or distributor of such commodity and which is in free and open competition with commodities of the same general class produced or distributed by others, when contracts or agreements of that description are lawful as applied to intrastate transactions, under any statute, law, or public policy now or hereafter in effect in any State, Territory, or the District of Columbia in which such resale is to be made, or to which the commodity is to be transported for such resale, and the making of such contracts or agreements shall not be an unfair method of competition under section 5, as amended and supplemented, of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes', approved September 26, 1914. Every person who shall make any contract or engage in any combination or conspiracy hereby declared to be illegal shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by fine not exceeding $5,000, or by imprisonment not exceeding 1 year, or by both said punishments, in the discretion of the court."

Mr. TYDINGS. Mr. President, I offer an amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 80, line 1, after "1914", it is proposed to insert a colon and the following:

Provided further, That the preceding proviso shall not make lawful any contract or agreement, providing for the establishment or maintenance of minimum resale prices on any commodity herein involved, between manufacturers or between producers or between wholesalers or between brokers or between factors or between retailers or between persons, firms, or corporations in competition with each other.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. TYDINGS] to the amendment reported by the committee.

Mr. TYDINGS. Mr. President, I am not going to make a speech now; but I should like to say that the amendment which I have just offered has been worked out by certain administration leaders and myself and is entirely satisfactory to me; and I think I am authorized to say that with that amendment the administration is not now opposed to this title of the bill.

Mr. KING. Mr. President, may I inquire of the Senator from Maryland for whom he speaks when he says "the administration"?

Mr. TYDINGS. The Attorney General's Department.

Mr. KING. Will the Senator explain the purpose of the amendment and its significance?

Mr. TYDINGS. In my judgment, Mr. President, the amendment is unnecessary because the provision as now found in the bill allows none of the things which the amendment specifically eliminates; but, in order that there may be no misunderstanding and that the element of competition may be kept forward throughout the process projected in this measure, the amendment has been offered. I took up the matter with the Attorney General and we worked out this amendment; and so far as I know and believe, it is an accurate statement that forces which were formerly opposed to this title of the bill have no particular objection to it at the present time.

Mr. KING addressed the Senate. After having spoken for about 20 minutes,

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

Adams	Borah	Capper	Ellender
Ashurst	Bridges	Caraway	Frazier
Austin	Brown, Mich.	Chavez	George
Bailey	Brown, N. H.	Clark	Gerry
Barkley	Bulkley	Connally	Gibson
Berry	Bulow	Davis	Gillette
Bilbo	Burke	Dieterich	Glass
Black	Byrd	Donahey	Green
Bone	Byrnes	Duffy	Guffey
Hale	Logan	O'Mahoney	Thomas, Okla.
Harrison	Lonergan	Overton	Thomas, Utah
Hatch	Lundeen	Pepper	Townsend
Herring	McAdoo	Pope	Truman
Hitchcock	McCarran	Radcliffe	Tydings
Holt	McGill	Reynolds	Vandenberg
Hughes	McKellar	Russell	Van Nuys
Johnson, Calif.	McNary	Schwartz	Wagner
Johnson, Colo.	Maloney	Schwellenbach	Walsh
King	Minton	Sheppard	Wheeler
La Follette	Moore	Shipstead	White
Lee	Murray	Smathers	
Lewis	Neely	Smith	
Lodge	Nye	Steiwer	

The PRESIDING OFFICER. Eighty-nine Senators having answered to their names a quorum is present. The question is on the amendment offered by the Senator from Maryland [Mr. TYDINGS].

Mr. KING resumed his speech. After having spoken for about 30 minutes, he yielded to Mr. SMITH, and the following debate ensued:

PRICES OF AGRICULTURAL COMMODITIES

Mr. SMITH. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. SMITH. From the Committee on Agriculture and Forestry, I report favorably an original resolution which has been unanimously approved by the committee.

The resolution is a departure from the old custom. In the committee we decided that we would have hearings on the agricultural bill during the recess of Congress, but that we would have a subcommittee visit the different regions and get in contact with the actual farmers, rather than call them to Washington. For that reason I ask leave now to report this resolution, which has already been favorably acted upon by the Committee on Agriculture and Forestry, in order that it may go to the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER (Mr. HATCH in the chair). Without objection, the resolution will be received and read.

The resolution (S. Res. 158) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to conduct investigations and draft legislation to maintain both parity of prices paid to farmers for agricultural commodities marketed by them for domestic consumption and export and parity of income for farmers marketing such commodities; and, without interfering with the maintenance of such parity prices, to provide an ever-normal granary for each major agricultural commodity; and to conserve national soil resources and prevent the wasteful use of soil fertility; and, in particular, so to consider S. 2787, the committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. BLACK. Mr. President, I should like to ask a question.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Alabama?

Mr. KING. I yield to the Senator from Alabama.

Mr. BLACK. We are not to understand, are we, that the adoption of this resolution would prohibit action by the Senate Committee on Agriculture and Forestry within the next week or 10 days if the committee should see fit to make a report on the bill?

Mr. SMITH. Mr. President, this matter is of such importance that, without a single objection, the Committee on Agriculture and Forestry this morning thought it would better serve the purpose to have this matter taken directly

to the farmers themselves, and have them thoroughly acquainted with all the terms of the bill, and bring back to the committee when we reconvene next January the substance of the investigation and hearings.

As to whether or not any other bill is to be introduced and considered, I am not advised; but, so far as the committee of which I am chairman is concerned, we do not anticipate trying to pass any general farm legislation at this time.

Mr. BLACK. Mr. President, I wish to say that at the proper time I shall offer an amendment to the resolution. Is the resolution in question to be referred to some other committee?

Mr. SMITH. It is simply to be referred to the Committee to Audit and Control the Contingent Expenses of the Senate. I think I can say without any immodesty that I have at heart the welfare of the farmers, "of which I am one of whom" [laughter], and I think other members of the committee are just as zealous as is the Senator from Alabama, and I think we have the farmers' welfare as completly at heart as he has. I do because farming is my living. I make my living out of the field and the little I get as my salary as United States Senator. I can sit on my piazza and throw a brickbat into the cottonfield. I think I know something of the needs of the farmers. I have been in the Senate for 30 years, and every year we have been legislating for the farmer, and just how far we have gotten the Senate knows. It is now time to get down to the fundamentals and accomplish something constructive and permanent. I think other members of the committee who collaborated this morning and took the major part in this proposition should have something to say about it. We, the members of the committee, are charged with this responsibility, and so long as I am chairman, we will shoulder it.

Mr. BLACK. Mr. President, will the Senator from Utah yield for just a moment?

Mr. KING. I will yield for just a moment. When I yielded originally I did not know so much controversy would be involved in this matter.

Mr. BLACK. Neither did I, Mr. President. I do not intend to engage in any controversy as to the farming abilities of my friend from South Carolina [Mr. SMITH], nor as to his loyalty to the farmer. I am interested not only in one farmer but in a great many of them who are not making a living. I am glad to know that my friend from South Carolina is making a good living out of farming.

Mr. SMITH. I did not say "good living", Mr. President.

Mr. BLACK. I wish to place on record at this time the belief that the Congress ought to act on farm legislation before it adjourns, and that at the proper time I shall offer an amendment to the resolution providing for action before we adjourn.

The PRESIDING OFFICER. The Chair will state that the request was simply that the resolution be received and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, and it has been so ordered.

Mr. POPE. Mr. President, will the Senator from Utah yield to me for just a moment?

Mr. KING. I yield, but not for any controversial discussion.

Mr. POPE. As I understand the present situation, the report of the resolution has nothing to do with the matter of time when the Committee on Agriculture and Forestry may act upon the bill which has been referred to, or any other bill. In the session of the committee this morning, no discussion was had as to the effect of this resolution upon the time when the committee may act upon any bill before it. That was my understanding all the time. In the committee there was considerable discussion as to the desirability of holding sectional meetings of the subcommittee in order to find out what the farmers in the various localities think of this particular proposed legislation; but no statement was made and no action was taken by the committee in reference to the time when action may be had upon the so-called general farm bill, except such as may be inferred from any general discussion concerning the holding of the sectional meetings.

Mr. BARKLEY. Mr. President, will the Senator from Utah yield?

Mr. KING. I yield.

Mr. BARKLEY. I wish to ask the Senator from Idaho whether the appointment of the subcommittee this morning was for the specific purpose of considering the bill introduced by him and by the Senator from Kansas [Mr. MCGILL].

Mr. POPE. Yes.

Mr. BARKLEY. And whether the regional or sectional hearings provided for are to be had upon that bill, or upon the subject covered by that bill.

Mr. POPE. Upon the subject covered by the bill.

Mr. BARKLEY. The general agricultural situation with reference to legislation, I presume?

Mr. POPE. Yes; and the resolution which has been offered refers to the general subject matter covered by the bill, and has as well a specific reference to the bill itself.

Mr. BARKLEY. So that the resolution that was adopted, and the discussion that was indulged, would not preclude the consideration of legislation at this session if the subcommittee and the committee should decide to report a measure before the Congress shall have adjourned?

Mr. POPE. That is my understanding.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Carolina?

Mr. KING. I will yield for a moment.

Mr. SMITH. I will take only a moment.

My clear understanding, as chairman of the committee, was that it would be better to have this matter thoroughly investigated during the recess of Congress, and a report submitted when Congress shall reconvene in January. I am not trying to block any legislation; I am trying to get good, common-sense legislation. As chairman of the committee, I have no purpose, and I do not think any other Senator has a purpose, to delay merely for the purpose of delay. We want to get good, common-sense, permanent legislation, and we are going to take our time to get it.

DISTRICT OF COLUMBIA TAXES

The Senate resumed the consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes.

Mr. KING. Mr. President, I am opposed to the amendment offered by the Senator from Maryland [Mr. TYDINGS]. Even if it possessed merit, it would have no place in the measure now under consideration. It is a rider upon a District of Columbia revenue bill, and it deals with a subject of great importance, affecting the entire Nation. It is a measure which seeks to nullify in many important respects the antitrust laws and to aid in the creation and maintenance of monopolies. I repeat that it is a rider, and riders are universally condemned. Unfortunately, efforts are not infrequently made to attach to measures of importance—measures which are absolutely necessary for the public welfare—riders, so-called, which have no relation whatever to pending legislation, or to the measures to which they are sought to be attached. Advantage is taken of a situation, which it is believed will secure legislative approval of propositions which, standing alone, would not obtain the approval of Congress. Occasionally important and necessary legislation is marred and disfigured by including therein propositions entirely foreign and alien, and which, as I have indicated, if compelled to rest solely upon their own merits, would fall.

I repeat that riders are universally condemned. They have been employed to obtain approval of unjust, unsound, and often obnoxious legislation. In some legislative bodies, amendments in the form of riders to measures under consideration, are not permitted. To be considered they must

be germane, and logically connected with the bill to which they are offered as amendments. In other words, they must be legitimately connected with the subject under consideration. I need not further elaborate the point that riders are deformities which cannot be defended. They often defeat sound and wise measures, and introduce foreign and extraneous matters into the legislative arena.

We have before us a bill dealing exclusively with District of Columbia affairs. It relates solely to taxation, and its purpose is to obtain revenue to meet the expenses of the Capital of the Nation.

The Committee on the District of Columbia, after due deliberation, agreed upon a bill exclusively dealing with revenue matters. However, as an amendment to the bill the Senator from Maryland [Mr. TYDINGS] offered the rider which has just been read, and which everyone conceded was a rider and had no place upon the bill, and which could not be defended upon the ground that it was proper legislation. I opposed the rider, but it was adopted. I filed a minority report which dealt only with the rider, and in that report I stated that the amendment—

> • • • is wholly irrelevant and improper. It is not intended to provide revenue for the District of Columbia, or to meet the tax situation or to aid the District in meeting its deficits. It is an indefensible provision which has no place upon H. R. 7472, and should be stricken from the bill.

I further stated:

> There can be no justification in my opinion for attaching riders to revenue measures, and for that matter to any form of legislation. • • • Apparently it is thought that by attaching this rider to the bill, which must be passed within a short time to meet the imperative demands of the District of Columbia, there is a chance to secure its passage. Certainly the measure, if it has merit, can be brought before the Senate upon motion and there stand or fall according to its merits; but it is improper to take advantage of the desperate condition of the District of Columbia, which will be without funds within a few days, and employ this proposed tax bill as a vehicle to secure the passage of a measure which seeks to repeal the Sherman antitrust law and to permit price fixing in many States and thus to affect business and economic conditions throughout the United States.
>
> The amendment seeks to repeal the antitrust laws and so, in my opinion, by legalizing price fixing, will result in monopolistic practices.
>
> Under the misleading titles of a "fair-trade practice" bill, or an "enabling act" to enable the States to enact so-called State fair-trade-practice acts, but always under the representation that it is merely a measure to prevent loss-leader selling, we are now confronted with a demand that the Sherman Antitrust Act be rendered innocuous, if not repealed in part, and that certain types of trade, based upon price-fixing, be legalized in interstate commerce.

In my report I further stated that for a number of years an aggressive campaign had been waged to secure congressional legislation which would permit price fixing and material changes in the antitrust laws. I further added that these efforts had failed, but that during the past few years demand had been made by some organizations to attain the objectives which had been heretofore prevented by Congress.

I further pointed out the fact that a bill was pending before the Senate, known as S. 100, and that it had been offered as a rider to the revenue bill under consideration. In the minority report I pointed to the fact that the Sherman antitrust law declared illegal every contract, combination in the form of trust, or otherwise, or conspiracy in restraint of trade or commerce among the several States, or with foreign nations; and that this rider seeks to amend such law by providing that contracts or agreements prescribing minimum prices for the resale of certain commodities shall not be illegal.

The purpose of S. 100, as I indicated in the minority report, and the rider which is attached to the bill under consideration, was to permit price fixing in connection with the sale of various commodities. I stated that the Federal Trade Commission, and other Federal agencies, national consumers' organizations, farm and labor organizations, and economists of note understand the basic unsoundness of the rider and of the hidden attack on consumers, and have indicated their disapproval of the measure.

A number of States have enacted laws under the terms of which, as I interpret them, contracts may be made which will permit monopolies and the fixing of prices.

As stated by the Federal Trade Commission, many of these State laws are directly and irreconcilably in conflict with the present Federal laws in respect of resale-price maintenance. In other words, S. 100 and the Tydings rider permit resale-price maintenance and, as stated, the fixing of prices. If the antitrust laws are repealed, then it is believed by some manufacturers and many retailers that the way will be clear for resale-price maintenance, which, I may add, would inevitably mean that monopolistic practices would become numerous.

I am repeating when I state that the Senator from Maryland offered some time ago a measure (S. 100) which is now upon the calendar, the purpose of which was to repeal all antitrust laws insofar as they apply to price-fixing agreements in those States in which State legislation permits such agreements. That bill has not been acted upon by the Senate and it is now offered in the form of an amendment as a rider to the tax bill relating solely to the District of Columbia.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. McKELLAR. Does not the amendment provide that the Sherman antitrust law and Clayton Act shall be applicable to all the rest of the country except the District of Columbia?

Mr. KING. No, Mr. President.

Mr. McKELLAR. Does not the amendment make an exception? The amendment offered by the Senator from Maryland provides—

> That the preceding proviso shall not make lawful any contract or agreement, providing for the establishment or maintenance of minimum resale prices on any commodity herein involved, between manufacturers or between producers or between wholesalers or between brokers or between factors or between retailers or between persons, firms, or corporations in competition with each other.

That does away with the Sherman antitrust law and the Clayton Act here in the District of Columbia.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BARKLEY. Title VIII applies not merely to the District of Columbia. The provision with respect to the Sherman antitrust law applies to the whole country. The amendment offered by the Senator from Maryland, if it shall be adopted, will apply to the whole country, and not alone to the District of Columbia.

Mr. KING. Mr. President, the Senator from Tennessee's [Mr. McKELLAR] position, if I understand it correctly, is not correct. I think the Senator from Kentucky [Mr. BARKLEY] has correctly stated that the amendment attached to the pending measure by the Senator from Maryland [Mr. TYDINGS] would in effect repeal the antitrust laws in all States in which legislation had been enacted permitting agreements authorizing the fixing of prices of commodities insofar as the antitrust laws related to such agreements. In other words, in a number of States, laws have been enacted which permit contracts and agreements prescribing minimum prices for the resale of commodities. As a result of these enactments, contracts are made and prices fixed without being subject to the antitrust laws unless such contracts are entered into between corporations or individuals in different States. There has been a powerful movement, largely promoted by the National Association of Retail Druggists, to repeal the antitrust laws to the extent that price fixing might be permitted in those States which enacted laws legalizing combinations and agreements fixing minimum prices and providing for price maintenance.

As I was saying when interrupted by the Senator from Tennessee [Mr. McKELLAR], the Senator from Maryland [Mr. TYDINGS] introduced S. 100—which is in effect the amendment now under consideration—and a similar bill was introduced in the House. The Senate bill has not been acted upon by the Senate, though it has been on the calendar for some time.

Mr. President, I do not agree with the Senator from Maryland [Mr. TYDINGS] in the statement which he made a few moments ago that forces which were formerly opposed to the provisions of the amendment—being S. 100—have no particular objection to it now. As a matter of fact, I know there are strong, indeed, violent objections to this measure by consumers' organizations, agricultural and labor organizations, and many groups of our citizenship. The Senator states that the subject was taken up with the Attorney General and "we worked out the amendment which has been offered."

Mr. President, my information is not in harmony with the statements of the Senator. Even if the Attorney General had assented to the amendment I would question his right to do so; and certainly I would not feel that the Senate, or any Member of the Senate, was bound thereby. I deny the right of the Department of Justice to consent to the repeal of antitrust laws, or to adopt any course that would permit monopolistic practices. The evils of monopoly have been experienced by the American people, and years ago they determined to enact legislation to protect trade and commerce against unlawful restraints and monopolies. The Sherman law was supplemented by the Clayton Act, and upon a number of occasions Congress has declared its purpose to prevent monopolies or monopolistic practices. I cannot believe that the Government, or any responsible officer of the Government, will approve of any measure that weakens or impairs the Federal antitrust laws. Indeed, I believe the sentiment in the executive departments, as well as throughout the country, is to strengthen such laws, to the end that there may be free competition and full opportunity for private persons and private interests to engage in trade and commerce, without apprehension that the heavy hand of monopoly will be laid upon them.

Mr. President, as I have stated, S. 100 is in substance the rider attached to this bill. With respect to S. 100 the President of the United States has expressed his disapproval of the same. On the 24th of April of this year the President sent a communication to the Vice President expressly dealing with S. 100, the so-called Tydings bill. His communication is as follows:

The PRESIDENT OF THE SENATE.

SIR: My attention was called to S. 100, which would render legal certain contracts for the maintenance of resale prices now illegal under Federal law. I requested the Chairman of the Federal Trade Commission to give me a recommendation on this bill, and I attach his reply on behalf of the Commission.

The present hazard of undue advances in prices, with a resultant rise in the cost of living, makes it most untimely to legalize any competitive or marketing practice calculated to facilitate increases in the cost of numerous and important articles which American householders, and consumers generally, buy. You will note that the Federal Trade Commission has made no study of the effect of resale-price maintenance on consumers since 1929, but the Commission does mention a reputable body of informed opinion to the effect that such control of resale prices would be harmful to the consuming public. Indeed, the Commission says: "There is great probability that manufacturers and dealers may abuse the power to arbitrarily fix resale prices by unduly increasing prices, resulting in bitter resentment on the part of the consuming public, especially in this period of rising prices."

Since we seem to be in a period of rising retail prices, this bill should not, in my judgment, receive the consideration of the Congress until the whole matter can be more fully explored. Conceivably, the Congress might approve having the Commission bring down to date the study which it made 8 years ago by examining the economic effects of resale-price maintenance under the novel and rapidly changing conditions now attending business in this country.

Faithfully yours,

FRANKLIN D. ROOSEVELT.

Senators will perceive that the President refers to a report submitted by the Federal Trade Commission dealing with price fixing and cognate evils. The Chairman of the Commission addressed a communication to the President under date of April 14, 1937, in which the so-called Tydings bill, or the Tydings-Miller bill, which is the same, was reviewed. The communication is as follows:

FEDERAL TRADE COMMISSION,
April 14, 1937.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: Receipt is hereby acknowledged of your memorandum of April 7, 1937, transmitting Secretary Morgenthau's letter of April 6, 1937, and requesting a recommendation on the Tydings-Miller bill. The Commission has not heretofore expressed an opinion as to the merits of this bill for the reason that it deemed it to be a matter of legislative policy for determination by yourself and the Congress.

The Tydings-Miller bill would amend the antitrust laws so as to legalize contracts and agreements fixing minimum resale prices for goods sold in interstate commerce and resold within the jurisdiction of any State where such contracts or agreements as to intrastate commerce have been legalized. A number of States now have such statutes.

Many of these State laws and the Tydings-Miller bill are directly and irreconcilably in conflict with the present Federal law on resale-price maintenance. Public policy since the passage of the Sherman Antitrust Act in 1890 has been opposed to resale-price maintenance. Numerous court decrees have been entered under the Sherman Act and numerous orders to cease and desist have been issued by this Commission and affirmed by the courts in conformity with the public policy expressed in the Sherman Act and in the Federal Trade Commission Act. Enactment of the Tydings-Miller bill would in its practical effect void such decrees and orders and constitute a reversal of what has been public policy for many years.

Since State laws legalizing resale-price maintenance differ in the various States, and since under the proposed Federal legislation Federal exemption from the antitrust laws would be conditioned upon the legality of similar contracts in intrastate transactions, the Tydings-Miller bill would modify the antitrust laws in differing degrees in different States. Thus not only would it leave the Federal antitrust laws in full force and effect as to those States which do not legalize resale-price maintenance, but there would be divergent policies as to those States which legalize resale-price maintenance, because of the differing terms of the different statutes in the respective States. Thus the Federal Government would be under the necessity of attempting to enforce divergent regulatory policies toward shipments made by the same manufacturer to dealers located in different States, because of the differences in the respective State statutes.

A peculiar feature of many of the State laws which would, under a recent decision of the Supreme Court, speaking through Mr. Justice Sutherland (57 S. Ct. 147), thus be made binding upon interstate commerce is that they require wholesalers and retailers to conform to the provisions of private resale price maintenance contracts to which they are not parties. Thus a private contract, the provisions of which are determined without public hearing and apart from any public supervision as to reasonableness, is made binding upon all dealers and the consuming public.

With respect to the economic phase of this matter, the Commission has not made a recent study of resale-price maintenance. However, in 1929 the Commission did undertake such a study, reporting to the Congress thereon in 1931 (H. R. 546, 70th Cong., 2d sess.). In that report the Commission said:

"The position taken by both proponents and opponents of resale-price maintenance are based on the belief that such maintenance of prices will limit retail competition. * * * The real crux of the question, therefore, is whether injury done to the consumers' interests through the elimination of dealer competition with respect to price-maintained articles would be greater than the damage now alleged to be done to the interests of manufacturers and distributors of trade-marked, nationally advertised brands when they are used as leaders. Neither injury is capable of exact measurement, but, in the opinion of the Commission, the potential damage to consumers through price fixing would be much greater than any existing damage to producers through this form of price cutting."

The general opposition of economists and consumers to this type of legislation is noteworthy. A questionnaire sent to members of the American Economic Association some years ago, by Carroll W. Doten professor at the Massachusetts Institute of Technology, resulted in a vote of 401 to 87 that the manufacturer should not have the legal right to control the retail prices of his products.

There is great probability that manufacturers and dealers may abuse the power to arbitrarily fix resale prices by unduly increasing prices, resulting in a bitter resentment on the part of the consuming public, especially in this period of rising prices.

Replying to your inquiry as to the five complaints issued against certain distillers by this Commission, referred to by Secretary Morgenthau, there are enclosed herewith, for your information, copies of those complaints. In substance, these dealers are charged with maintaining uniform minimum resale prices in interstate commerce and with enforcing agreements with respect thereto by unlawful methods, such as the use of blacklists, boycott, threats of boycott, and other coercive methods incidental to the enforcement of their resale-price policies.

With great respect, I am,
Very truly yours,

W. A. AYRES, *Chairman.*

The President in his letter correctly appraises the purposes and the effect of this amendment, which, as I have stated, is the Tydings-Miller bill. He states that it would render legal certain contracts for the maintenance of resale prices now illegal under Federal law.

As I have indicated, the Sherman antitrust law was to protect trade and commerce against unlawful restraints and monopolies; but it is now designed by this amendment to

permit contracts and agreements which are in restraint of trade and which permit the maintenance of resale prices. Retail druggists' organizations and certain other organizations have maintained an active lobby for a number of years to secure the repeal of the antitrust laws in order that they might with impunity fix and maintain prices within their respective States. They were successful, as I have indicated, in a number of States in obtaining legislation legalizing contracts and agreements to fix prices and create monopolies. These State statutes have been effective in promoting price-fixing and monopolistic practices, so long as they were intrastate; but there was hanging over the transactions the Federal antitrust laws, which afforded some protection to the consumers in such States. It was believed by the organizations just referred to that if they could secure the enactment of a Federal statute that would lift the antitrust laws from those States in which price fixing and monopolies were legalized they would be able to carry out their purposes and fix prices and entrench themselves behind monopolistic bulwarks. If the rider is adopted and becomes law, it will permit manufacturers and distributors in New York, for instance, to enter into contracts with retailers in California, and to fix and maintain retail prices, though monopolies in the commodities referred to might result. And I might add that in California and other States it has been held that if the retail vendee gives notice to the public of his price-fixing contract with the distributor or manufacturer in New York no other person in the State may sell the commodity at a price below that fixed in such contract.

I might add, in passing, that the Federal antitrust laws would not have the same meaning in all States. In those States where laws are passed permitting resale price fixing the efficacy of the Federal statutes would be impaired, but in those States which have not legalized price fixing the antitrust laws would be effective. In the communication of the Chairman of the Federal Trade Commission it is clearly indicated that the enactment of the rider would modify the antitrust laws in differing degrees in different States. It would leave such laws in full force and effect in those States which did not legalize resale-price maintenance; but there would be divergent policies in those States which legalize resale-price maintenance; and the result would be that the Federal Government would be under the necessity of attempting to enforce divergent regulatory policies toward shipments made by the same manufacturer to dealers located in different States.

Mr. President, I affirm in all seriousness that the provisions of the rider, if enacted into law, will legalize price fixing and further monopolistic practices, the consumers of the country will be penalized, and inordinate profits reaped by manufacturers and retailers.

I refer again to the communication of Commissioner Ayres to the President, in which he states that the enactment of S. 100 would, in its practical operation, modify, if not render inoperative, existing court consent decrees and orders of the Commission against price fixers, and thus practically terminate present Federal Trade Commission proceedings against a number of distillers. It would seem, Mr. President, wholly unjustifiable to repeal or modify the antitrust laws; to legalize price fixing; to make possible, indeed certain, the increase of commodity prices; to nullify court decrees entered for the protection of consumers against monopolies; and, in my view, it is more reprehensible to bring about such results without due consideration and by a rider attached to a revenue measure dealing solely with the District of Columbia.

If the antitrust laws are to be repealed or modified, if monopolies are to be validated and legalized, then there should be a searching investigation made and all available information weighed and considered in order to determine the advantages and disadvantages that would follow such legislation.

I repeat when I say that it is not fair to the residents of the District of Columbia to have their tax bill made the vehicle of general legislation which will affect the economic and industrial life of the entire country.

May I again refer to the letter of the President to the Vice President wherein he states that—

> The present hazard of undue advances in prices, with a resultant rise in the cost of living, makes it most untimely to legalize any competitive or marketing practice calculated to facilitate increases in the cost of numerous and important articles American householders and consumers generally buy.

The President further refers to the statement of the Commissioner of the Federal Trade Commission, which in substance states that the effect of resale-price maintenance would be harmful to the consuming public; and he quotes from the Federal Trade Commission report, which states that—

> There is great probability that manufacturers and dealers may abuse the power to arbitrarily fix resale prices by unduly increasing prices, resulting in bitter resentment on the part of the consuming public, especially in this period of rising prices.

Mr. President, a number of Senators who were detained from the Senate by committees have returned to the Senate Chamber, and I may, therefore, be pardoned for briefly covering a few points already discussed.

There is, as I have indicated, upon the calendar S. 100. This measure has not been acted upon, though it has been on the calendar for some time. That bill seeks to legalize price maintenance and to permit contracts and agreements which I believe to be in restraint of trade. A number of States have enacted laws under which these price-fixing agreements and contracts which are in restraint of trade are legalized, as a result of which those entering into such contracts and agreements are free from prosecution under any State laws dealing with monopolies and price-fixing agreements. I have indicated that there are groups of manufacturers and retailers who are determined to have the Federal antitrust laws repealed or modified in order that they may engage in monopolistic practices and enter into contracts which in effect constitute restraint of trade. I should state, however, that many manufacturers are opposed to the so-called Tydings bill and the amendments under consideration. They do not favor monopolistic practices or price fixing. They believe in fair and legitimate competition and look with disfavor upon State laws which legalize monopolistic practices, and, as I have stated, upon the movement to nullify Federal antitrust laws. They appreciate the fact, as indicated in the communication of the President to the Vice President, that there would be an undue advance in prices, with a resultant rise in the cost of living, if the Federal antitrust laws should be repealed or devitalized in the manner permitted by this rider.

Mr. FRAZIER. It seems to me hardly fair that the manufacturers of products should say to retailers to whom they sell their products how much the consumer must pay for the products.

Mr. KING. The Senator's view is I think generally approved by the American people, but it is the purpose of the Tydings amendment to permit that to be done. To illustrate, if a Michigan manufacturer contracts at the present time to sell his commodities in the State of North Dakota, or any other State in which price-fixing laws have been enacted, the antitrust laws would be applicable; but if the Tydings amendment is enacted into law, then the antitrust laws would not be operative to prohibit price-fixing and other monopolistic practices in such States. In that event in those States prices could be fixed so high as to be oppressive, and monopolistic practices encouraged and developed.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. FRAZIER. I should like to ask the Senator from Utah if he understands that this amendment—title VIII—would allow manufacturers to fix the prices at which retailers must sell their products to consumers.

Mr. KING. In reply may I say that if this amendment shall be enacted into law, it would seriously weaken the antitrust laws in all States which have enacted laws permitting the fixing of minimum prices for the resale of commodities.

In fact, the enactment of the amendment would permit manufacturers and distributors to fix prices at which retailers must sell their products to consumers in those States which have enacted laws permitting minimum prices for the resale of commodities.

Mr. VANDENBERG. Mr. President——

Mr. KING. I yield to the Senator from Michigan.

Mr. VANDENBERG. I suggest that the Senator might offer an even more fundamental complaint. Regardless of the merits of this amendment, it is perfectly obvious that not 5 percent of the membership of the Senate will know anything whatever about the amendment when the Senate votes upon it. It is perfectly obvious that the Senate has reached the point of exhaustion in respect of the consideration of legislation; and if the Senate has any prudent consideration whatever for the country, instead of trying to do some of these intricate things it will quit and go home.

Mr. KING. Mr. President, I think the Senator is substantially correct. The tax bill before the Senate has many important and complex features and complicated provisions, and the amendment now before the Senate is pregnant with difficulties and dangers which I fear are not comprehended by some Senators. Certainly any measure that modifies or repeals or changes the antitrust laws should receive most serious consideration at the hands of committees of the Senate, as well as the Senate itself. Too little consideration is being given to this amendment and its implications and the consequences, I again affirm, are not fully realized by many Members of this body.

Mr. McCARRAN. Mr. President, will the Seantor yield?

Mr. KING. I yield to the Senator from Nevada.

Mr. McCARRAN. Would the Senator consent to a unanimous-consent request at this time that the pending business be laid aside, and that Senate bill 69 be taken up by the Senate at this time?

Mr. KING. What is Senate bill 69?

Mr. McCARRAN. It is the car-limit bill with regard to interstate commerce. Would the Senator consent to that if a unanimous-consent agreement to that effect were asked for?

Mr. KING. Mr. President, does the Senator in charge of the bill, the Senator from Nevada, think it would be fair to the District and to the country to put aside the pending bill?

Mr. McCARRAN. I desire to say to the Senator what I really believe. I may be mistaken in my belief, but I really believe that the consideration of Senate bill 69 will not take more than a few hours.

Mr. KING. Since the Senator from Nevada has charge of the bill, I do not know whether I could properly interpose an objection, although I call his attention to the fact that it is imperative that this tax bill be enacted into law at the earliest possible moment.

Mr. TYDINGS. I call for the regular order.

Mr. KING. I have the floor, Mr. President.

The PRESIDING OFFICER (Mr. HATCH in the chair). The regular order is called for. The Senator from Utah has the floor.

Mr. McCARRAN. Mr. President, while the Senator from Utah has the floor, out of courtesy to me I ask the privilege of saying that when this bill shall have been disposed of I shall move for the consideration by the Senate of Senate bill 69.

Mr. KING. Mr. President, I think it would be a mistake to lay aside the pending bill, and certainly if this were done, and intervening measures occupied the time of the Senate for several weeks, the District of Columbia would be in a most unfortunate situation. It is known that there is a large deficit and that within a few days its funds will be exhausted and current obligations will remain unpaid.

I am repeating when I protest against the amendment which is under consideration, believing as I do that it will interfere with the enactment of needed tax legislation. I again protest against it because of the impropriety and unfairness of attaching riders to appropriation bills.

Mr. McCARRAN. Will the Senator yield?

Mr. KING. I yield.

Mr. McCARRAN. In view of all the concessions that have been made here this afternoon, I desire to say with reference to this amendment that I am not in accord, and I have not been in accord, with this bill from beginning to end. I only hope we may work out a bill that will be worth while. It is unfortunate to have to work it out in a conference committee. I do not believe that is the function of a conference committee, but it looks as though we shall be forced to do it in this instance.

In order to have this matter concluded, so as to go to conference, while I do not disagree with the Senator from Utah, I believe this tax matter should be worked out for the District, and the conference committee can cut off this amendment just as well as any other. It seems to me that if we destroy this amendment now we may destroy the whole bill. Let us go to conference with the whole bill and then take out that which is objectionable.

Mr. KING. Mr. President, with all due respect to my friend, I cannot follow his conclusion.

Mr. BORAH. Mr. President, does the Senator yield?

Mr. KING. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I should like to ask whether it would be possible to reach an agreement to fix a definite time to dispose of the bill on the calendar. The trouble is that the Senator from Maryland has not had an opportunity to be heard. If there could be an understanding or agreement that the bill would be taken up at a certain time and disposed of, I myself would feel that that was the best way to dispose of it.

Mr. BARKLEY. Mr. President, in that connection I wish to state that it is impossible at this time to enter into any agreement as to when the bill might be taken up. Of course, we all understand that it cannot be disposed of on a call of the calendar. This sort of bill cannot be disposed of with the limited debate that is permitted when the calendar is being called. I am certain that it would be possible within the near future for the Senator from Maryland to move to proceed to the consideration of the bill, and while I am not for the bill—not that I am opposed to it, but I have never been enthusiastic about the type of legislation which it embodies—I shall be glad to cooperate with the Senator in an effort to arrange for a definite time in the near future when he may move to proceed to the consideration of the bill on the calendar, if that is any satisfaction or consolation to the Senator.

Mr. TYDINGS. Mr. President, will the Senator from Utah yield to me while I answer?

Mr. KING. I yield.

Mr. TYDINGS. That would not be satisfactory to me, because the proposal is purely nebulous. For 5 or 6 months this measure has been on the calendar, and every time it has been reached the clarion voice of the Senator from Utah has said "Over." So I have been unable to secure consideration of the bill, and it is a matter of poetic justice that finally it finds itself on a bill in charge of a Senator who happens to be the Senator from Utah.

Every Member of this body knows where he stands on this bill, and if the Senator from Utah will cease filibustering and give me an opportunity to make a few remarks about the bill, I shall be glad to have a vote, and there will be no delay.

Mr. KING. Mr. President, if the Senator were more accurate, his position would be more tenable. The fact is that this amendment has never been on the calendar. It is true that although the Tydings bill has been upon the calendar for some time, no motion has ever been made by the Senator to have the bill considered. He could have moved at any time to take the bill up for consideration; but he did not do so. Many measures which were placed upon the calendar subsequent to the Tydings bill being reported have been, by motion, taken from the calendar, considered, and passed by the Senate. But, as stated, the Senator has not availed himself of the opportunity to move for consideration of his measure. He has been content to remain silent. Perhaps

the President's communication, dated April 24 of this year, to the President of the Senate, has deterred the Senator from making a motion to take the bill up for consideration. As I have shown, the President's letter is a powerful argument against the bill; and the report of the Federal Trade Commission constitutes an almost invincible argument against its being enacted into law. It is true that upon two or three occasions during the morning hour, and under the 5-minute rule, the Tydings bill, as well as many other bills, were reached; but as Senators know, it is an almost universal rule that important measures—measures which call for discussion and consideration—are passed over when called during the morning hour. Senators frequently object to the consideration of measures which they have introduced, and which are reached upon a call of the calendar during the morning hour, because they believe due consideration during the limited period available is not possible. Upon two or three occasions during the morning hour when the Tydings bill was reached I asked that it be passed; but, as stated, no motion was made to take the bill up for consideration, notwithstanding the request made. May I say that I will join with the Senator in requesting that the so-called Tydings bill now on the calendar be taken up for consideration at an early date. While I am opposed to the bill, I shall not object to its being brought before the Senate at a time when it can be fully and adequately considered. I am objecting, however, to its being considered as an amendment to a revenue bill vital to the District of Columbia, and which must be passed within the next few days if the officials of the District of Columbia shall have funds with which to meet current obligations.

Mr. BARKLEY and Mr. TYDINGS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. KING. I yield first to the Senator from Kentucky.

Mr. BARKLEY. Time and time again the argument is made that it is unwise to attach substantive legislation such as the bill of the Senator from Maryland to a tax bill or some other bill. I am not out of harmony with the Senator from Utah on this question. But the bill is here, it is a part of the measure now before us, and we have to vote on it before the tax bill can be disposed of, because I take it that it will be impossible to eliminate it by unanimous consent, or by any other method except by a vote. That being true, and the proposal in title 8 being well understood, I express the hope that we may arrive at a vote on it without unnecessary delay, so that Senators may express their feelings about it. If it is stricken out on a vote, that will eliminate it and simplify the bill, and if it is left in the bill by a vote, it will then go to conference, where it can be disposed of.

Mr. TYDINGS. Mr. President, I have no objection to the conferees taking such action as the conferees may deem wise, but if I may make an observation——

Mr. KING. I yield to the Senator.

Mr. TYDINGS. The Senator from Utah in the committee made the same objections to the bill being attached as an amendment that he is now making on the floor of the Senate. The vote was 11 to 1 in favor of putting it on the bill. The only vote against it in the committee was that of the Senator from Utah, who was present either in person or by proxy. With that overwhelming majority in the committee the Senator from Maryland thinks he is well within his rights in insisting that the Senate vote the amendment up or down. If the Senator from Utah had not objected so many times when the bill was reached on the calendar, it would not now be here in the shape against which he complains.

Mr. KING. Mr. President, I regret that the Senator is not accurate in the statement just made. I say again that I objected two or three times only and then during the morning hour, as we all object to bills, even our own measures, when we know it is impossible to consider proposed legislation of great importance during the morning hour. I suggest now that I shall be glad to join with the Senator in having the bill taken up at as early a day as possible, to be fixed by the leader and by the Senator.

My protest is first against the bill itself. I think the President was right in pointing out its evils, and the Federal Trade Commission was right in its objections, as stated in the letter to the President. Farm organizations of the country and many of the consumers' leagues are right in protesting against it, because they perceive its effects in increasing prices because of the virtual repeal of antitrust laws and the fixing of prices by manufacturers and retailers.

Legislation of this kind, to my mind, is inherently wrong. But the Senator from Maryland, or any other Senator, has the right, of course, to have the bill considered on its merits, under proper auspices and at a proper time, when debate upon it may reveal its virtues and disclose its vices.

Mr. President, I have evidence to show unjustifiable increase in prices which have taken place in those States which have by their laws made inoperative the antitrust laws. I desire, however, to call attention to the report made by Professor Grether, who made a careful study of the effect of the minimum-price law enacted in California. Professor Grether is connected with one of the universities of California. His report, made after extensive research and study, may be found in the California Law Review for December 1936. In his report he refers to a survey made by him showing the prices of 134 advertised drug items. I may say in passing that the protagonists of the Tydings amendment are some of the drug manufacturers and retail druggists. For a number of years they have carried on an aggressive campaign for the modification of the antitrust laws and the legalization of contracts made between manufacturers and distributors and retailers specifying prices at which their products must be sold. Professor Grether states in the Law Review referred to that the—

> * * * 1934 contractual prices were approximately one-third above the average of advertised prices for the first 6 months of 1933.

The data compiled by Dr. Grether showed price variations ranging from increases of 50 percent on hospital supplies, salts, and soaps; 33⅓ percent on cosmetics, cod-liver oils, deodorants, food tonics, laxatives, liniments, pills, and tablets to slightly smaller increases on many other articles.

While the California fair-trade laws were more or less suspended during the N. R. A. regime, the National Association of Retail Druggists endeavored to establish minimum prices under the codes which would prevent sales below cost plus heavy mark-ups. However, after careful investigation, the N. R. A. officials refused to accede to this demand, finally only a minimum resale price which was set at the delivered wholesale price of dozen lots, or practically invoice cost. Further discussing the effects of the California law, Professor Grether says:

> There can be no doubt that resale-price maintenance under the California Fair Trade Act has made for higher prices on advertised products sold through cut-rate and chain-store institutions. The evidence presented above, in the discussion of price conditions in 1933 in comparison with 1934 and 1935 contractual prices, is conclusive on this point.

The data presented by Dr. Grether show clearly the effect of the California Fair Trade Act on prices in that State. The data show that the independent drug stores, which for years had been on a high-price level, did not materially increase their prices. The same situation exists in other States where there are similar so-called fair-trade-practice acts. But they also show that the chain stores and other popular-price stores were compelled to raise their prices to the higher levels fixed by resale-price contracts with manufacturers. In other words, the manufacturers fixed resale prices at about the same figure as the relatively inefficient independent dealer, or credit-and-delivery service dealer had always charged, but such prices were in many cases far above the prices at which the efficient store and the popular-price stores theretofore found profitable. It is clear that the California plan deprives consumers of cosmetics and drugs of the opportunity to buy these commodities at lower costs.

If these popular-price stores are forced to sell at approximately the same price as the full-service, high-cost neighborhood drug stores, they will lose volume to the small

stores and the consumer will be permanently deprived of the opportunity to buy at lower prices through an efficiently operated distribution system. Commenting on this phase of the situation, Professor Grether states—page 697:

Without doubt those consumers, who wish to buy standard drug products with a minimum of professional attention and merchandising services, are harmed by resale-price maintenance, except insofar as they are able to obtain equivalent quality under private brands.

The Federal Trade Commission reached the same conclusion. It reported in part II, page 160, of its report on resale-price maintenance that—

The fact is that consumers live on different economic levels and have varying standards of living. To the housewife purchasing on the basis of $10,000 family income, fine store fixtures, roomy aisles, beautiful displays, courteous salespeople, credit, and frequent and expensive delivery services may be worth the additional cost. To ask the wife of the day laborer to pay the price necessary to cover the additional cost on any goods that both families use may be asking her to pay for service which she cannot afford and which, therefore, she does not desire, because every cent saved in buying may mean ability to satisfy, to some extent, wants that otherwise would remain ungratified.

In California, at least, manufacturers have attempted to benefit by reason of this situation by demanding larger profits. Professor Grether says, in speaking of the California laws:

* * * it is not merely a loss limitation device, but allows the guaranteeing of margins to dealers.

He shows a table on page 681 which indicates minimum retail margins on over 1,000 drug items on which he was able to obtain wholesale quotations on the July 1934 list of contractual items. This list shows an arithmetical average minimum margin of 31.02 percent—of contractual price—which hits fairly close to the 33⅓-percent margin on the selling price—equivalent to a 50-percent mark-up on the cost—which the National Association of Retail Druggists has set as its immediate objective. And this 31.02-percent margin was in 1934. Margins have widened since that time. Professor Grether says—page 682:

It is rather surprising that so high an average [margin] should appear with a plan but recently introduced, for some manufacturers were loathe to raise prices sufficiently from the cut-rate levels to allow wide margins.

Mr. President, New York has enacted a so-called fair-trade practice statute, and it has resulted in an unwarranted increase in prices to the injury of consumers. Under this act, known as the Feld-Crawford Act, there has been a mark-up on costs of cosmetics of 65 percent; drugs, 57 percent; liquors, 56 percent; books, 70 percent; and miscellaneous articles, 60 percent.

In other words, the efficient distributor, who does not need any such margin on these items to make a satisfactory profit on a satisfactory volume of sales, is required by law to take this additional profit. Naturally the increased price to the consumer may result in a reduced volume of sales and no more than his present total of profit for the year's business. But the consumer must pay the increased price, and particularly the consumer who thinks it worth while to make his purchases at the popular-price chain stores throughout New York City and the downtown popular-price department stores.

I invite attention to a statement made by Professor Grether in connection with his investigation which shows the intimidation and coercion which were resorted to in order to accomplish certain results favorable to those who favored the price-fixing plan. He states:

* * * through meetings, called usually at night after store hours so all might attend, personal discussions and informal contacts, the druggists often developed a collective attitude of cooperation with friendly manufacturers as well as the negative one of opposition to those who did not meet the demands of the dealers. There can be little doubt that the plan was an effective element in the whole movement for resale-price control. * * *

The amount of strength that was demonstrated by retail druggists through the organized devices discussed in the preceding pages may best be illustrated by two very famous cases. First, early in August 1934 a well-known aspirin manufacturer was requested by a petition of signatures 20 feet in length to operate under the act.

He did not want to engage in price fixing and take advantage of the State law.

When the petition did not seem to receive the reception that the dealers expected, the published statements in the Northern California Drug News became increasingly antagonistic in tone. It was made clear in these statements that the dealers had the power of substitution even in this case. The slogan was "No Fair Trade Act—No Orders."

That is, unless you accept the Fair Trade Act you get no orders.

The most terse statement of attitude was the following:

"This aspirin is a sort of Napoleon in the patent-medicine army, but then, even the great Frenchman met his Waterloo when the rest of Europe got together, decided that they had enough of him, and cooperated against him."

The outcome of the controversy was that the company issued fair-trade contracts early in 1935.

The company was compelled to issue fair-trade contracts because the opposition was so great and the combination so powerful. If it had not capitulated it would have lost its entire trade in California. Profressor Grether continues:

The second case was publicized nationally and had repercussions throughout the entire country. It is peculiarly well adapted to reflect the state of mind of retail druggists throughout the Nation as well as in California.

In the January 1, 1935, issue of the Northern California Drug News there is an editorial lauding a well-known national dentifrice and antiseptic manufacturer for finally issuing fair-trade contracts after months of request, including a formal petition, on the part of retailers. The company was praised particularly because it guaranteed minimum margins of 18.4 percent, 26.5 percent, and 34.2 percent—depending upon the quantity purchased. However, on July 13, 1935, dealers in California received letters from this firm advising them that it was necessary to withdraw from operation under the Fair Trade Act, since they were making shipments directly from Chicago and hence were involved in interstate commerce.

Immeditely a storm broke loose in California which swept into other States before it had spent itself. On July 17 the northern association passed a resolution condemning the company and urging and advising its members to "discontinue the sale of the products of any and all companies which cancel fair-trade contracts." Similar action was taken in the southern association. The response of the trade was amazing; an almost universal boycott was raised against the firm. For a period it was possible to obtain the products of the firm only from a few cut-rate outlets. An interesting aspect was that a number of large wholesale houses also cooperated by refusing to deliver the items of the company.

It appears that the company had a startling decline in sales in California. Worse still, the antagonism spread into other States and affected sales and attitudes nationally. The outcome was that the company capitulated completely, again issuing contracts in California, and likewise, so it is stated, giving a check of $25,000 to the National Association of Retail Druggists to be used in its fight for price-maintenance legislation.

Mr. President, pressure was brought by various retailers who were availing themselves of the provisions of price-fixing State laws to compel not only retailers but manufacturers and distributors to accept contracts that were issued pursuant to the so-called fair-trade laws. If this amendment is enacted into law, then, in every State in which the so-called fair-trade measures are enacted, the antitrust laws will be superseded, contracts will be forced upon retailers who may not desire to avail themselves of opportunities to increase and fix prices, and also upon manufacturers and distributors who likewise are opposed to such price-fixing measures.

In my opinion, the evidence is conclusive that already in those States which have enacted the so-called fair-trade acts prices have been materially increased and the consumers have been penalized. I predict that there will be a revolt among consumers against measures and policies which create monopolies and which bear oppressively upon the consuming public.

Mr. President, in conclusion, I renew my protest against this amendment. I am advised that there are sufficient votes to secure its passage. I cannot help but believe its evils and dangers are not fully understood by Senators, but I am persuaded that sooner or later there will be an aroused public sentiment against State or Federal laws which encourage or permit monopolies and monopolistic practices and increase prices until they bear oppressively upon the consuming public.

Mr. McCARRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Capper	Johnson, Colo.	Reynolds
Bailey	Caraway	La Follette	Schwellenbach
Barkley	Chavez	Lodge	Sheppard
Bilbo	Donahey	McCarran	Smith
Bone	Ellender	McGill	Steiwer
Borah	Frazier	McKellar	Thomas, Okla.
Brown, Mich.	Gerry	Maloney	Thomas, Utah
Brown, N. H.	Gibson	Minton	Truman
Bulow	Hale	Moore	Tydings
Burke	Hatch	Nye	Vandenberg
Byrd	Herring	O'Mahoney	White
Byrnes	Hughes	Pope	

The PRESIDING OFFICER. Forty-seven Senators have answered to their names. A quorum is not present. The clerk will call the names of absent Senators.

The Chief Clerk called the names of absent Senators, and Mr. BULKLEY, Mr. CONNALLY, Mr. HARRISON, Mr. HITCHCOCK, and Mr. MCNARY answered to their names when called.

The PRESIDING OFFICER. Fifty-two Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the bill (S. 2067) to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes.

The message also announced that the House had disagreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy; that the House further insisted upon its amendments to the bill, asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON of Georgia, Mr. DREWRY of Virginia, and Mr. MILLARD were appointed managers on the part of the House at the further conference.

DISTRICT OF COLUMBIA TAXES

The Senate resumed the consideration of the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes.

Mr. TYDINGS. Mr. President, I wish to make a very brief statement in explanation of the pending amendment.

There is on the calendar Senate bill 100, sometimes called the Miller-Tydings bill, the text of which now appears on the District of Columbia tax bill as an amendment. The bill was first introduced in the House and later in the Senate. Long and extensive hearings by the Judiciary Committee of each branch were held. Many witnesses appeared pro and con on the measure, and finally it was reported favorably both by the Judiciary Committee of the Senate and by the Judiciary Committee of the House.

Because of my inability to get the bill up sooner and the fact that this is the second session of the Congress in which it has appeared on the calendar, I took the liberty of offering it in the committee as an amendment to the District of Columbia tax bill. It is a very short bill.

Forty-two States of the Union have already adopted the provisions of the amendment which I hold in my hand, and it is a law in those States. Only six States in the Union have not enacted such a fair-trade act. Forty-two States already have it. The action upon it is almost unanimous, and will be unanimous, in my judgment, as soon as the remaining six legislatures meet.

This is not an effort to tear down the antitrust law. It is an effort to strengthen the antitrust law, to make it apply so that the small businessman shall enjoy the same privileges which larger businessmen have enjoyed under the Sherman antitrust law through all the years. The bill is against monopoly. It is in behalf of the small and independent business. Those who ask for it are the small businessmen, the Independent Retail Grocers' Association, the independent druggists of America, the book sellers of America. Why do they ask for it? It is because the practices of monopoly have tended more and more to drive the small concerns out of business. Let me give one illustration and for the purpose I will take books.

A book such as Gone With the Wind is published. It sells for a particular price. All the big department stores buy it, and all the independent book stores buy it. The independent book stores sell nothing but books. The large department stores sell a variety of articles, and Gone With the Wind can be bought in those particular stores for less than the stores paid for it from the publisher. The result is that practically all the sales of the book are made at less than cost, and are not made by the book stores of America but by stores dealing in other commodities. As a consequence the book store soon finds it has lost its biggest opportunity to do a good business at a reasonable profit, while the other stores obviously could not stay in business and sell things at less than the price paid for them but make up the loss on the book by the sale of other articles. So in the end the public pays the full price of the book in that fashion.

There is not a line in the amendment which would permit manufacturers to combine with other manufacturers, wholesalers with other wholesalers, or retailers with other retailers.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Kentucky?

Mr. TYDINGS. I prefer to finish my statement, and then I shall be glad to yield. I shall only speak a moment or two longer.

Mr. BARKLEY. I merely desired a little information.

Mr. TYDINGS. What does the amendment do? It permits a man who manufactures an article to state the minimum resale price of the article in a contract with the man who buys it for ultimate resale to the public, provided—and this "provided" is mountain-high—that the article about which the contract is written is in free and open competition with other articles. If it is not in free and open competition with other articles, no such contract may be written.

For example, to show that the adoption of the amendment would not result in price increases, let us take the case of a tube of tooth paste. There are on the market 25 or 30 varieties of tooth paste. Under the amendment, manufacturers may not combine with each other for the purpose of price maintenance; but if a manufacturer wishes to say that his particular kind of tooth paste may not be sold by a retailer at less than a certain minimum price, and that minimum price is high, other tooth-paste manufacturers will come in and take his business. The very language of the amendment says that such contracts shall be legal only as to articles which are in open and direct competition with other articles. The element of competition is never absent in a single line of this measure. This is a measure for the small businessman; and the persons who appeared before the Judiciary Committee in opposition to the proposed legislation were not little-business men. They were big-business men. Those who appeared for the proposed legislation were small-business men or their representatives.

Mr. BARKLEY rose.

Mr. TYDINGS. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I am asking purely for information. I find here that after stating that every contract, combination in the form of trust or otherwise, and so forth, is illegal, the proviso goes on to say:

> That nothing herein contained shall render illegal, contracts or agreements prescribing minimum prices for the resale of a commodity which bears, or the label or container of which bears, the trade mark, brand, or name of the producer or distributor of such commodity and which is in free and open competition with commodities of the same general class produced or distributed by others, when contracts or agreements of that description are lawful as applied to intrastate transactions.

I desire to ask the Senator if that is to be interpreted to mean that the contracts which are permitted under this proviso are permitted so long as the articles are in free

and open competition, and so long as the State in which they are sold permits that sort of contract to be entered into and enforced.

Mr. TYDINGS. That is correct.

Mr. BARKLEY. What would be the effect of a law of this kind in a State where there was no such authority to enter into contracts of this kind?

Mr. TYDINGS. The State law would prevail.

Mr. BARKLEY. So the proposed legislation would not in any way infringe upon State laws that might prohibit that sort of contract?

Mr. TYDINGS. Not in the slightest degree.

Mr. BARKLEY. I will say to the Senator that of course that is quite different from the provisions which have been contained in similar legislation which has been pending in Congress ever since I have been here.

Mr. TYDINGS. That is true.

Mr. BARKLEY. And, in my judgment, the change very much improves the proposed legislation.

Mr. TYDINGS. What we have attempted to do is what 42 States have already written on their statute books. It is simply to back up those acts, that is all; to have a code of fair trade practices written not by a national board such as the N. R. A. but by each State, so that the people may go to the State legislature and correct immediately any abuses that may develop. We are trying to decentralize fair trade practices rather than to have the matter dealt with as it was dealt with under the old N. R. A., which tried to put one blanket over the whole country, and which, in my judgment, allowed manufacturers to combine with other manufacturers, wholesalers with wholesalers, and retailers with retailers. Under the pending amendment it is illegal for manufacturers to combine, for wholesalers to combine, or for retailers to combine. The transaction is purely a vertical one from the manufacturer to the retailer.

I could talk longer on the subject. I think, however, every Senator is familiar with it. I believe every Senator has had opportunity to examine into it, because I feel that in every State of the Union many, many of the constituents of Senators have written to them about it, either pro or con. I have never voted for a price-fixing bill in my life so far as I can recall.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes.

Mr. SCHWELLENBACH. As I understand, the Senator has an amendment on the desk.

Mr. TYDINGS. That is true.

Mr. SCHWELLENBACH. Will the Senator explain just what the amendment does as compared to what is printed in the bill?

Mr. TYDINGS. Originally, as the Senator from Washington will recall, there was a message from the administration in opposition to this measure. I may say that I have been in consultation with the Attorney General's office, and the amendment I have offered was suggested by me and accepted by the Attorney General as curing the objections of the administration; and before I explain it briefly, I think I am now in a position to say that the original objections have been eliminated.

The amendment provides that nothing in this particular provision shall permit manufacturers to combine with manufacturers, wholesalers with wholesalers, factors with factors, or retailers with retailers. That is made absolutely certain. I do not think it was necessary, but I was glad to put it in to place the matter beyond the peradventure of a doubt.

As this is the small-business man's measure, as it is not a price-fixing measure, as the element of competition is always present, and as 42 States have already enacted similar legislation, I ask, on the further ground of State rights and decentralized government, that the action of these 42 States be supported.

Mr. AUSTIN. Mr. President, I am in favor of this measure. I sat in the subcommittee which considered it in conjunction with the Robinson-Patman bill and other similar bills, and which took much testimony, at a former session of Congress. Afterward, I acted with the present presiding officer [Mr. HATCH in the chair] and another Senator whose name I do not recall as a subcommittee, to consider the Miller-Tydings bill; and the committee reported it unanimously. It was afterward favorably reported to the Senate; but, for reasons which are well known, it never has had an opportunity to be considered.

I am for this measure for two particular reasons. One of them is the broad reason that it is in the right direction with respect to fundamental government. That is to say, it is exactly the reverse of centralization of authority in Washington to fix prices.

This Congress has passed the Guffey-Vinson Act, enabling the central Government to fix prices of coal. This Congress has passed the amendment to the Agricultural Adjustment Act giving the sanction of the Department of Agriculture and of the Federal Government to licenses and contracts for the sale of milk which fixes a minimum price to producers of milk. In effect, the Robinson-Patman law now in force is a price-fixing law which finds its authority here in Washington. My primary objection to all those bills was that they ran counter to our theory of a dual system of government in which the control of production, manufacture, and mining was expressly reserved to the several States, and that they reached over State boundaries and undertook to regulate intrastate commerce.

This proposed legislation is in just the opposite direction. Here is a measure which recognizes our form of government. Here is a measure which says, "We will not go into the State of Vermont with a regulation of prices from any other State in the Union, or from Washington, unless the State of Vermont is willing to have it done." It is that freedom which is left by this measure and expressly sanctioned by it—that freedom of every State in the Union to declare its own policy with respect to its own domestic affairs which appeals to me most strongly.

I have already seen the effect of it. That independence has already been exercised by States of the Union in anticipation of the passage of this or some similar legislation. As has been pointed out, 42 States have enacted similar statutes declaring what they call fair-trade practices with respect to prices, and preventing price cutting, which is unfair and which tends to drive little men out of business. On the other hand, my own State, the State of Vermont, has exercised its independence and its right as a sovereign State to say, "We do not want price fixing in this State." Therefore, the State of Vermont can declare its own policy and have it effective with the cooperation of the Federal Government if this measure is enacted, because, if that is done, no manufacturer doing business in another State and transporting his goods into the State of Vermont can say there that the resale price of his product shall be so much and no less. Whether or not that is wise I am not undertaking to argue. The point is that it is more important to the people of the United States of America to save fundamental institutions than it is to declare themselves upon a mere matter of economic policy. I am more in favor of preserving the independence of the several States, and their right to manage their own affairs than of fixing prices or not fixing prices.

The other reason why I am in favor of this measure is that I think its effect would be to remove a vice in our economic system. It would remove protection to the price cutter. Notwithstanding the marvelous wisdom of the United States Congress, of course, we cannot expect that their laws will operate wisely in all cases and upon all people. That is true of the Sherman antitrust law, that is true of the Federal Trade Commission Act, that is true of the Clayton Act, that is true of the Guffey-Vinson law, that is true of the amendment of the A. A. A., that is true of the Robinson-Patman law. Any law passed by the Federal Congress attempting to apply one uniform, horizontal rule all over the

great continent and upon all the different States, with their different types of resources, is bound to have inequities and inequalities and hardships in its operation.

Mr. President, I intend to detain the Senate for only a few more moments. I am for the measure because it restores fair competition, and because it removes protection to the price cutter.

On this question I call attention to the fact that high authority has commented upon price cutting as not a virtue but a vice which is harmful to the consumer. I read an extract from an opinion of Mr. Justice Holmes in a case decided in 1911, as follows:

> I cannot believe that in the long run the public will profit by this Court permitting knaves to cut reasonable prices for some ulterior purpose of their own, and thus to impair, if not destroy, the production and sale of articles which it is assumed to be desirable that the public should be able to get.

I quote from another Justice, Mr. Justice Brandeis, this being from an opinion rendered before he was elevated to his present dignified position:

> The evil results of price cutting are far-reaching. * * * The process of exterminating the small independent retailer, already hard pressed by capitalistic combinations, would be greatly accelerated by such a movement (meaning permissive price cutting) * * *. Shall we, under the guise of protecting competition, further foster monopoly by creating immunity for the price cutters? Americans should be under no illusions as to the value or effect of price cutting. It has been the most potent weapon of monopoly—a means of killing the small rival to which the great trusts have resorted most frequently. It is so simple, so effective. Far-reaching organized capital secures by this means the cooperation of the short-sighted unorganized consumer to his own undoing.

Mr. President, I refrain from further comment upon the measure. I am for it. I think it is a grand step in the right direction.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. TYDINGS] to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. KING. Mr. President, I ask unanimous consent that the bill as passed be printed in the usual form, with the amendments adopted by the Senate numbered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KING. I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. KING, Mr. MCCARRAN, Mr. TYDINGS, Mr. CAPPER, and Mr. AUSTIN conferees on the part of the Senate.

Mr. THOMAS of Oklahoma subsequently said: Mr. President, I ask unanimous consent that the votes by which the House bill 7472 was ordered to a third reading and passed be reconsidered. I had two amendments printed, and I thought those in charge of the bill knew about them, but evidently they had forgotten about them. I was called from the Chamber for a few moments, and when I returned the bill had been passed.

Mr. MCCARRAN. Mr. President, if it be the consensus of the other Members of the Senate, I am entirely content that the amendment proposed by the Senator from Oklahoma may be considered as having been offered and having been agreed to.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the votes by which the bill was ordered to a third reading and passed be reconsidered in order that the Senator from Oklahoma may offer his amendment and have it accepted by the chairman of the committee.

Mr. MCCARRAN. I have no objection.

The PRESIDING OFFICER. The Senator from Kentucky has asked unanimous consent that the votes by which the District tax bill was ordered to a third reading and passed be reconsidered. Is there objection? The Chair hears none, and it is so ordered.

Mr. THOMAS of Oklahoma. Mr. President, during the past two winters the Appropriations Committee has reported an amendment to the District appropriation bill. Last year the Senate accepted the amendment. The House conferees objected because it was a taxation amendment. I now offer the amendment to the District tax bill, because it had hitherto been objected to when offered to the District appropriation bill and I ask that the amendment be agreed to and go to conference.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

> The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to secure and to install, at no expense to the said District, mechanical parking meters or devices on the streets, avenues, roads, highways, and other public spaces in the District of Columbia under the jurisdiction and control of said Commissioners; and said Commissioners are authorized and empowered to make and enforce rules and regulations for the control of the parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the privilege of parking vehicles where said meters or devices are installed.
>
> The Commissioners are further authorized and empowered to pay the purchase price and cost of installation of the said meters or devices from the fees collected, and thereafter such meters or devices shall become the property of said District and all fees collected shall be paid to the collector of taxes for deposit in the Treasury of the United States to the credit of the revenues of said District.

Mr. KING. Mr. President, my information is that the amendment is not very agreeable to the District of Columbia Commissioners; but I do not object. Let it go to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LIMITATION OF THE SIZE OF TRAINS

Mr. MCCARRAN. Mr. President, I move that the Senate proceed to the consideration of Senate bill 69, limiting freight or other trains to 70 cars.

Mr. MCNARY. Mr. President, I have no special reason for objecting to the motion made by the able Senator from Nevada. However, I should like to have it understood that the bill will not be considered this afternoon or tomorrow, and not before Monday.

Mr. BARKLEY. Mr. President, it is not contemplated that the bill will be disposed of this afternoon. It is desirable that it be made the unfinished business and that we go as far as we can in an explanation and exposition of the bill. It is my purpose then to move a recess until Monday.

Mr. MCNARY. Mr. President, a number of Senators have left in the belief that the Senate would not take up the bill today, or even consider it. It is called up rather unexpectedly. I am not objecting to that particularly, but I think that if it is made the unfinished business we will have gone far enough for the day. We will have a few days next week without any pressing legislation, so far as I know, and I feel that after the bill is made the unfinished business the Senate should take a recess.

Mr. BARKLEY. The Senator from Nevada advises me that he does not wish to proceed with the bill this afternoon, and after it is made the unfinished business it will be entirely satisfactory that the Senate take a recess.

Mr. MCNARY. That is conformable to my suggestion, and I shall not object.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars, which was read, as follows:

Be it enacted, etc., That the act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, be further amended by the addition thereto of a new section, designated as "Section 26a", reading as follows:

"SEC. 26a. After July 1, 1937, it shall be unlawful for any common carrier subject to the provisions of this chapter to run, or permit to be run, over its line or road, or any portion thereof, any train consisting of more than 70 freight or other cars, exclusive of caboose: *Provided*, That this act shall not apply in cases of engine failures between terminals."

OPERATIONS OF HOME OWNERS' LOAN CORPORATION IN PENNSYLVANIA

Mr. DAVIS. Mr. President, I ask unanimous consent that I may offer a brief resolution, and have it read.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that he be allowed to offer a resolution.

Mr. DAVIS. And I ask for its immediate consideration.

The PRESIDING OFFICER. The Senator asks for immediate consideration of the resolution?

Mr. DAVIS. Yes.

The PRESIDING OFFICER. The clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 157) as follows:

Resolved, That the chairman of the Federal Home Loan Bank Board is directed to transmit to the Senate at the earliest practicable date the following information: (1) The total number of home mortgages and other obligations and liens secured by real estate acquired by the Home Owners' Loan Corporation in the Commonwealth of Pennsylvania during the fiscal years ending 1934, 1935, and 1936; (2) the total value of such mortgages, obligations, and liens; (3) the total number of defaults in such Commonwealth in each such fiscal year; (4) the total number of foreclosures in such Commonwealth by such Corporation during each such fiscal year and the amount of money involved; (5) the total number of homes in such Commonwealth acquired by the Corporation during each such fiscal year, the total amount of the loans made thereon, and the amount paid by the Corporation in acquiring such homes; (6) the total number of such homes resold by the Corporation each such fiscal year and the amount realized therefor; (7) the number of agencies or offices maintained by the Corporation in such Commonwealth and their addresses; (8) the name, address, position, and salary of all officers and employees (including permanent and part-time attorneys) employed by the Corporation in such Commonwealth during each such fiscal year, grouping together all said persons employed in each such agency or office.

Mr. BARKLEY. Mr. President, may I ask the Senator whether this is the type of resolution which has been adopted and upon which reports have been made with respect to other States?

Mr. DAVIS. The resolution is similar to one offered by the junior Senator from California [Mr. McADOO]. This is the only way by which we can get the information from the Home Owners' Loan Corporation, namely, through a resolution of the Senate.

Mr. BARKLEY. I do not know about that; I have never had any difficulty obtaining information from them.

Mr. GUFFEY. I object to the immediate consideration of the resolution.

The PRESIDING OFFICER. Objection is heard.

Mr. DAVIS. I have a letter here from the Chairman of the Home Owners' Loan Corporation, Mr. John H. Fahey, who informs me in effect that he would like to have the matter handled in this way if they are to give the information.

The PRESIDING OFFICER. Objection is heard to immediate consideration.

Mr. McNARY. Who made the objection?

The PRESIDING OFFICER. The junior Senator from Pennsylvania [Mr. GUFFEY] objected.

Mr. GUFFEY. Mr. President, I should like to have an opportunity to read the resolution before I consent to its adoption.

Mr. McNARY. That is always fair, of course. I was going to say to the Senator that I have no interest in the matter other than that a few days ago a similar resolution was adopted, to which I consented, offered by the junior Senator from California [Mr. McADOO], and the resolution now offered follows the exact language used in the resolution heretofore adopted.

Mr. BARKLEY. Mr. President, in view of the fact that the junior Senator from Pennsylvania did not know this matter was to be brought up, I think he should have an opportunity to read the resolution.

Mr. GUFFEY. Mr. President, the resolution asks for information covering several years, and it would result in a duplication and triplication of work. I have no objection except to the necessity of the Home Owners' Loan Corporation going over the records for 3 or 4 or 5 years.

Mr. DAVIS. Mr. President, a similar resolution was adopted by unanimous consent when it was offered by the Senator from California [Mr. McADOO] on May 13.

Mr. BARKLEY. I suggest that the Senator let the matter go over until Monday.

Mr. GUFFEY. If it were calling for information as to 1 year only, I would see no objection, but I do see objection to requesting information extending over a period of 4 or 5 years, and having a comparison made, because of the duplication which would result.

Mr. DAVIS. Inasmuch as my colleague objects, I ask that the resolution go over.

The PRESIDING OFFICER. The resolution will go over, under the rule.

INTERIOR DEPARTMENT APPROPRIATION BILL—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate and House amendments to Senate amendments to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 74 and 121.

The committee of conference report in disagreement Senate amendment numbered 89.

The committee of conference also report in disagreement Senate amendments numbered 93 and 95, and the amendments of the House thereto.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
ALVA B. ADAMS,
GERALD P. NYE,
FREDERICK STEIWER,
Managers on the part of the Senate.

JED JOHNSON,
J. G. SCRUGHAM,
EMMET O'NEAL,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
ROBERT F. RICH,
W. P. LAMBERTSON,
Managers on the part of the House.

The report was agreed to.

WAGES AND HOURS OF LABOR

Mr. BLACK. Mr. President, it was my intention to move that the Senate proceed to the consideration of the wages-and-hours bill. However, upon conference with the Senator from Nevada [Mr. McCARRAN] and the Democratic leader, the Senator from Kentucky [Mr. BARKLEY], we agreed that I would not make that motion; but it is my intention to ask that that bill be taken up immediately after the disposition of the bill which the Senate has just agreed to make the unfinished business.

In that connection I may state—and I am sure it is satisfactory to the Senator from Nevada—that we understood

that probably it would not take long to consider the bill which the Senator from Nevada has asked to have taken up; and it is also agreed between us that if there should be any effort to bring about an unreasonable delay in taking action upon that bill, it will be satisfactory to the Senator from Nevada to let it be laid aside and have it follow the wage and hour bill, instead of having it passed upon first.

Mr. McNARY. Mr. President, I always like to accede so far as I can to understandings between Senators; but the Senate controls its own business.

Mr. BARKLEY. Mr. President, all that the Senator from Alabama is doing is to give notice that that sort of arrangement has been made.

Mr. McNARY. If a bill is made the unfinished business, of course it may be displaced by vote of the Senate, but not by another measure being taken up upon an understanding between two Senators. Upon that proposition I stand.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BLACK. I did not intend to leave the genial Senator from the State of Oregon under the impression that I had attempted to usurp any of his prerogatives or any of the prerogatives of the Senate, but I thought the Senator from Oregon would be interested in knowing the idea we had and the agreement that we would call upon the Senate to act upon the matter, upon which the Senate alone would have the power to act.

Mr. McNARY. That is true.

Mr. BLACK. I would not have it understood that I thought the Senator from Nevada or my friend the Senator from Oregon would have that power.

Mr. McNARY. I am simply advising the Senator.

Mr. BLACK. I appreciate the counsel and advice of the Senator from Oregon upon that point, but I still insist that we should endeavor to follow the course suggested, if necessary.

Mr. McCARRAN. Mr. President, in order that the record may be complete, I desire to say that I concur in the expressions of the Senator from Alabama.

DEVELOPMENT OF USES OF SOUTHERN AGRICULTURAL PRODUCTS

Mr. BILBO. Mr. President, I ask unanimous consent that Senate Bill 2789 be acted upon at this time. I think no Senator will object to it. It is an emergency measure.

Mr. McNARY. Mr. President, may the clerk state the title of the measure?

The PRESIDING OFFICER. The bill will be read by title.

The CHIEF CLERK. A bill (S. 2789) to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for southern agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional units to be provided for the study of other crops as additional funds are provided.

Mr. BILBO. Mr. President, this bill has run the gantlet of the Bureau of the Budget and the Department of Agriculture. A special letter was written by the President endorsing the measure. It was unanimously favorably reported by the Committee on Agriculture and Forestry. The bill authorizes an appropriation to be made next year. It is necessary that the bill shall be passed at this session, because it provides for donations to be made by the 1st of March by 1 out of the 14 Southern States set out in the bill. For that reason I ask immediate consideration of the measure.

Mr. McNARY. Mr. President, I am advised that the Committee on Agriculture and Forestry favorably reported the bill. The measure seems to be one which conforms to the general desires of the Senators from the cotton States. It is merely an authorization, and I have no objection to it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments, in section 5, page 4, line 14, after the word "other", to strike out "southern"; in line 17, after the words "peanut hulls", to insert "sweet and Irish potatoes"; and in line 18, after the word "other", to strike out "southern"; so as to make the bill read:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed (1) to establish and maintain a regional research laboratory within one of the following Southern States: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia; (2) to conduct at such laboratory research, experiments, investigations, tests, and demonstrations with respect to the chemical, physical, and physiological properties and utilization and preservation of cotton and its byproducts, including cottonseed, cottonseed meal, cottonseed oil, cotton hulls, moats, cotton lint and linters, and cotton stalks; and the collection, harvesting, preservation, and industrial utilization of whole cotton as a raw material for the manufacture of cellulose, cellulosic materials, lignin and lignin derivatives, etc., with a particular view to the development of wider uses of cotton by industry; and (3) to make public the results of such research, experiments, investigations, tests, and demonstrations. This shall constitute the first unit.

SEC. 2. Such laboratory shall be established only upon the condition that the State in which it is to be located shall provide suitable lands without expense to the United States and shall provide the sum of $250,000 to defray the expenses of the construction of suitable buildings. The Secretary of Agriculture shall within 60 days after the enactment of this act transmit to the Governor of each of the said States information with respect to the lands necessary to provide a suitable site for such laboratory. If thereafter any of the said States, on or before March 1, 1938, submits to the Secretary of Agriculture an offer to provide the lands and money required by this section, with such guaranties for the performance thereof as may be satisfactory to the Secretary, he shall accept from among the offers submitted the offer of the State deemed by him to be most desirable for the location of such laboratory. Upon the acceptance of the offer of any State, the Secretary of Agriculture shall as soon thereafter as practicable accept, in the name of the United States, title to the land offered by such State and the money offered by such State shall be covered into the United States Treasury as a special fund to be used for the purpose of this act.

SEC. 3. The Secretary of Agriculture is authorized and directed to construct, on any lands acquired under this act for the purpose of establishing such laboratory, suitable buildings and appurtenances thereto at a cost not in excess of $250,000. The Secretary is further authorized, for the purposes of this act, to acquire such equipment, apparatus, and supplies as he deems necessary and to cooperate with other branches of the Department of Agriculture, other departments or agencies of the Federal Government, States, State agricultural experiment stations, universities and other State agencies and institutions, counties, municipalities, business or other organizations, corporations, associations, scientific societies, and individuals upon such terms and conditions as he may prescribe.

SEC. 4. Any money received from a State under this act is hereby made available solely for the construction of buildings and appurtenances for such laboratory; and, in addition thereto, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000 for each fiscal year, beginning with the fiscal year ending June 30, 1939, to carry out the purposes of this act. Ten percent of the appropriations may be expended for administrative purposes in the District of Columbia.

SEC. 5. The Secretary of Agriculture is further authorized to establish from time to time as funds are provided, other than the funds available under this act, additional units on the land acquired under this act for research in other farm products and byproducts such as rice, straw, rice hulls, tung nuts, tung hulls, tung oil, peanuts, peanut oil, peanut hulls, sweet and Irish potatoes, sugar cane bagasse, palmetto fiber, and any other crop and its byproducts that offer promising possibilities for new and wider industrial outlets for agricultural products.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products, additional units to be provided for the study of other crops as additional funds are provided."

MARION SHOBER PHILLIPS

Mr. REYNOLDS. Mr. President, on May 10 the Senate passed Senate bill 108, for the relief of Marion Shober Phillips. A similar bill (H. R. 2093) was passed in the House

on July 20. The bills are precisely alike. I ask unanimous consent for the immediate consideration of the House bill.

Mr. WHITE. Mr. President, may we have the bill read?

The PRESIDING OFFICER. The bill will be read.

The bill (H. R. 2093) for the relief of Marion Shober Phillips was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marion Shober Phillips the sum of $2,500, the payment of such sum being in full satisfaction of all claims against the United States by reason of injuries sustained by the said Phillips on May 27, 1934, while assisting Government officers, under their orders, in seizing and destroying an illicit liquor distillery: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WHEELER, from the Committee on Interstate Commerce, reported favorably the nomination of Joseph B. Eastman, of Massachusetts, to be an Interstate Commerce Commissioner for a term expiring December 31, 1943. (Reappointment.)

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion, and also the nominations of sundry officers for appointment, by transfer, in the Regular Army.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state in order the nominations on the calendar.

POSTMASTER'S NOMINATION REPORTED ADVERSELY

The legislative clerk read the nomination of Charles I. Davis to be postmaster at Leesville, La., which had been reported from the Committee on Post Offices and Post Roads adversely.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination?

The nomination was rejected.

POSTMASTERS

The Legislative Clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. Mr. President, I ask that the remaining nominations of postmasters on the calendar may be confirmed en bloc.

Mr. O'MAHONEY. Mr. President, I observe that there is a long list of postmasters who have been nominated, and the confirmation of whose nominations is requested. Some months ago the House of Representatives passed a bill placing the appointment of postmasters under the Civil Service. A similar measure has been introduced in the Senate, and, as I understand, is now pending before the Civil Service Committee. May I ask the chairman of the Committee on Post Offices and Post Roads what progress is being made with that proposed legislation?

Mr. McKELLAR. Very little progress is being made in regard to it, for the reason that a canvass of the Senate—not of every Member of the Senate but of about 50 or 60—has disclosed that but 3 Senators were mildly in favor of the bill. I think its strongest advocate was the Senator from Wyoming [Mr. O'MAHONEY]; another Senator who favored the bill was the Senator from Idaho [Mr. POPE]. The Senator from Maine [Mr. WHITE] also endorsed it.

Mr. MALONEY. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. MALONEY. I should like to say at this point that I was not canvassed.

Mr. McKELLAR. I am very sorry. I will canvass the Senator right now.

Mr. MALONEY. I am in favor of the bill.

Mr. McKELLAR. That makes four Senators in favor of the bill.

Mr. KING. I will try to neutralize that by saying that I am opposed to it.

Mr. McKELLAR. I am quite sure that the Senate is overwhelmingly opposed to it. However, we are trying to work out another bill that we hope will be satisfactory. I do not know whether or not we will be able to do so.

Mr. O'MAHONEY. May I ask the Senator whether in each case the name of the person nominated to be postmaster was first upon the civil-service list?

Mr. McKELLAR. I have not the slightest idea. When post-office nominations are sent in, according to the usual rule, the clerk of my committee takes the nominations for a given State to the two Senators from that State, and if there is no objection on the part of the Senators, the nominations are reported and placed on the calendar. We made no investigation as to whether or not the nominees whose names are now on the calendar were the highest on the civil-service list.

Mr. O'MAHONEY. Have the Senators from each of the respective States where are located the post offices to which these nominees have been appointed been canvassed with respect to the nominations?

Mr. McKELLAR. Oh, yes; all of them. I will say that I believe the nomination for postmaster at Leesville, La., which was sent in, was rejected at the request of the two Senators from Louisiana.

Mr. O'MAHONEY. Mr. President, I may say that, of course, it is common knowledge that the President of the United States several years ago recommended that the appointment of postmasters be made under civil-service rules, and from time to time, during the past 4 years, there has been consideration of that suggestion made by the President. I am curious to know whether the chairman of the Committee on Post Offices and Post Roads and the chairman of the Committee on Civil Service can give us any idea as to whether or not the bill to which the Senator from Tennessee just a moment ago referred will be reported at the present session of Congress?

Mr. McKELLAR. I will be very glad to answer the Senator, so far as I am concerned. I am opposed to the bill.

Mr. O'MAHONEY. I understand that that is the attitude of the Senator.

Mr. McKELLAR. And, so far as I have gone, I think my colleagues on the subcommittee are not in favor of it.

Mr. O'MAHONEY. I think that is very likely to be true.

Mr. McKELLAR. I think it is true, and I doubt very much whether that bill goes through at the present session. Does that answer the Senator's question?

Mr. O'MAHONEY. No; it does not.

Mr. McKELLAR. Well, I am ready to answer, if I can.

Mr. O'MAHONEY. What I am anxious to know is whether the committee in charge of the bill will give Members of the Senate an opportunity to vote upon it by reporting the bill.

Mr. McKELLAR. Does the Senator mean by reporting it adversely?

Mr. O'MAHONEY. By reporting the bill.

Mr. McKELLAR. I think the subcommittee will report that particular bill adversely. That is my judgment. I may be mistaken; I have been mistaken very recently.

Mr. O'MAHONEY. I will not pursue the matter any further this afternoon, except to express the hope that the Committee on Civil Service, with the assistance of the chairman of the Committee on Post Offices and Post Roads, will report the bill and have it placed on the calendar, so that Members of the Senate may express their opinions with respect to the matter.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee that the nominations of postmasters on the calendar, with the exception of the one which was rejected, be confirmed en bloc? The Chair hears none, and the nominations are confirmed en bloc.

COAST GUARD

The legislative clerk read the nomination of Albert A. Lawrence to be professor (temporary) with the rank of lieutenant.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Anthony F. Glaza to be district commander with the rank of lieutenant.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotion in the Navy.

The PRESIDING OFFICER. Without objection, the nominations in the Navy are confirmed en bloc.

That concludes the calendar.

RECESS TO MONDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 5 minutes p. m.) the Senate took a recess until Monday, July 26, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 23 (legislative day of July 22), 1937

SOLICITOR FOR THE DEPARTMENT OF LABOR

Gerard D. Reilly, of Massachusetts, to be Solicitor for the Department of Labor.

ACTUARIAL CONSULTANT, SOCIAL SECURITY BOARD

William R. Williamson, of Connecticut, to be an actuarial consultant in the Social Security Board.

COLLECTOR OF CUSTOMS

Fred G. Pabst, of Galveston, Tex., to be collector of customs for customs collection district no. 22, with headquarters at Galveston, Tex. (Reappointment.)

APPOINTMENTS AND PROMOTIONS IN THE NAVY

MARINE CORPS

First Lt. Russell Lloyd to be a captain in the Marine Corps from the 1st day of July 1937.

The following-named citizens to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July 1937:

Zedford W. Burriss, a citizen of Iowa.
James A. Embry, Jr., a citizen of Oklahoma.
Lawrence C. Hays, Jr., a citizen of Georgia.
Sidney M. Kelly, a citizen of Kentucky.
William W. Lewis, a citizen of Virginia.
Austin C. Shofner, a citizen of Tennessee.
McDonald I. Shuford, a citizen of South Carolina.

POSTMASTERS

ALABAMA

Lewis A. McLean to be postmaster at Livingston, Ala., in place of W. P. Tartt, resigned.

Henry Leland Cummins to be postmaster at Opp, Ala., in place of G. C. Nix, resigned.

CALIFORNIA

Clarence R. Pierce to be postmaster at Gridley, Calif., in place of D. B. Robb, deceased.

FLORIDA

Paul E. Mahan to be postmaster at Hobe Sound, Fla. Office became Presidential July 1, 1936.

IDAHO

William Newman to be postmaster at Warren, Idaho. Office became Presidential July 1, 1936.

ILLINOIS

Jerome A. Borkovec to be postmaster at Berwyn, Ill., in place of J. J. Janda, resigned.

Bernice Irene Bryant to be postmaster at Browning, Ill. Office became Presidential July 1, 1936.

Thomas Edward Mostyn to be postmaster at Midlothian, Ill., in place of Frank Ohlhausen. Incumbent's commission expired March 17, 1936.

Earle E. Bower to be postmaster at Richmond, Ill., in place of J. H. Ryan, removed.

INDIANA

Jerome F. Shandy to be postmaster at Terre Haute, Ind., in place of J. W. Wood. Incumbent's commission expired January 25, 1936.

IOWA

John H. Petersen to be postmaster at Sabula, Iowa, in place of H. M. Mohr, deceased.

KANSAS

Blanche Jacobs to be postmaster at Gorham, Kans., in place of A. A. Weigel, removed.

Frederick A. Leith to be postmaster at Sharon, Kans. Office became Presidential July 1, 1936.

LOUISIANA

Edward J. LeBlanc to be postmaster at Abbeville, La., in place of P. O. Broussard. Incumbent's commission expired February 21, 1935.

Amos V. McLanahan to be postmaster at Florien, La. Office became Presidential July 1, 1936.

J. Wiley Miller to be postmaster at Many, La., in place of H. M. Clark. Incumbent's commission expired June 23, 1936.

Laverna O. Ramsey to be postmaster at Pleasant Hill, La., in place of J. R. Ramsey, deceased.

MASSACHUSETTS

Irene C. Alward to be postmaster at Lynnfield Center, Mass. Office became Presidential July 1, 1936.

MICHIGAN

Ralph H. Premo to be postmaster at Amasa, Mich., in place of J. H. Nowell. Incumbent's commission expired December 18, 1933.

Waldo Whitehead to be postmaster at Atlanta, Mich., in place of Hance Briley. Incumbent's commission expired June 17, 1934.

Bernice M. Young to be postmaster at Twining, Mich. Office became Presidential July 1, 1936.

MINNESOTA

Alphonse J. Koelzer to be postmaster at Waterville, Minn., in place of W. G. Gish. Incumbent's commission expired January 25, 1936.

MISSISSIPPI

Lloyd C. Hopkins to be postmaster at Walnut, Miss., in place of W. T. Byrd, transferred.

MISSOURI

William H. Fleahman to be postmaster at Jonesburg, Mo., in place of J. R. Thompson, removed.

Basil V. Jones to be postmaster at Pleasant Hill, Mo., in place of F. L. Mertsheimer. Incumbent's commission expired April 14, 1936.

MONTANA

Clayton S. Hall to be postmaster at Poplar, Mont., in place of R. A. Hoerr, resigned.

NEBRASKA

Nels L. Nelson to be postmaster at Lynch, Nebr., in place of E. G. Miller. Incumbent's commission expired March 29, 1936.

NEW YORK

Cornelius J. O'Connell to be postmaster at Chestertown, N. Y., in place of E. E. Carpenter. Incumbent's commission expired July 13, 1936.

Walter B. Jaynes to be postmaster at Greene, N. Y., in place of O. J. Hoag. Incumbent's commission expired March 22, 1936.

Richard J. Longtin to be postmaster at Paul Smiths, N. Y. Office became Presidential July 1, 1934.

NORTH CAROLINA

William A. Allison to be postmaster at Troutmans, N. C., in place of C. G. Smith, resigned.

OKLAHOMA

Robert J. Morrow to be postmaster at Pawhuska, Okla., in place of Vernon Whiting. Incumbent's commission expired December 18, 1934.

OREGON

Dewey D. Horn to be postmaster at Bonanza, Oreg., in place of E. E. Puddy, resigned.

SOUTH DAKOTA

James M. Stanford to be postmaster at Midland, S. Dak., in place of S. N. Dorwin, deceased.

TEXAS

Ruth Berger Reeves to be postmaster at Boling, Tex., in place of G. E. Berger, resigned.

John A. Blasdel to be postmaster at Richmond, Tex., in place of G. A. Reading, resigned.

Hattie M. Sims, to be postmaster at Ropesville, Tex. Office became Presidential July 1, 1936.

WASHINGTON

Easton L. Mudgett, to be postmaster at Coupeville, Wash., in place of W. T. Howard. Incumbent's commission expired January 28, 1936.

Harry A. Mykrantz, to be postmaster at Twisp, Wash., in place of Edward Johnson, deceased.

WEST VIRGINIA

Peter J. Groseclose, to be postmaster at Hemphill, W. Va., in place of N. W. Joyce, removed.

Earl Wesley Alley, to be postmaster at Jenkinjones, W. Va., in place of E. L. Head, resigned.

Edward R. Christian, to be postmaster at Quinwood, W. Va., in place of J. W. Bell, deceased.

WISCONSIN

Ray L. Truskowski, to be postmaster at Sobieski, Wis. Office became Presidential July 1, 1936.

WYOMING

Robert W. Macy, to be postmaster at Moorcroft, Wyo., in place of A. J. Macy, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 23 (legislative day of July 22), 1937

COAST GUARD OF THE UNITED STATES

Albert A. Lawrence to be a professor (temporary) in the Coast Guard of the United States with the rank of lieutenant.

Anthony F. Glaza to be a district commander in the Coast Guard of the United States with the rank of lieutenant.

PROMOTIONS IN THE NAVY

TO BE CAPTAINS

Harold T. Smith (an additional number in grade)
Penn L. Carroll
Benjamin V. McCandlish
Mark L. Hersey, Jr.
Max Burke De Mott
Wallace L. Lind
Marion C. Robertson
Edward C. Raguet
Williams C. Wickham
Claude S. Gillette (an additional number in grade)
Thomas E. Van Metre
John H. S. Dessez
Sherman S. Kennedy

TO BE COMMANDERS

Henry R. Oster (an additional number in grade)
Edward B. Rogers
Harold B. Sallada
George R. Fairlamb, Jr.
Joseph W. Gregory
Felix B. Stump
Walter C. Calhoun
Carl F. Holden
Lester J. Hudson
Samuel B. Brewer
Allen I. Price
Merrill Comstock
William F. Dietrich
John B. Heffernan
Edward J. Moran
Elliott M. Senn
Thomas R. Cooley
Francis T. Spellman
Ben H. Wyatt
Robert L. Porter, Jr.
Ward P. Davis
Earl W. Morris
Robert W. Fleming
Robert E. Keating
Allen R. McCann
William G. Ludlow, Jr.
Leonard B. Austin
Andrew R. Mack
Guy W. Clark
John V. Murphy
Francis A. Smith
Douglas A. Spencer
Charles W. Weitzel
Laurence E. Kelly
Forrest P. Sherman
Ernest B. Colton
James Fife, Jr.

TO BE LIEUTENANT COMMANDERS

George C. Miller
George H. Lyttle
Robert W. Berry
Lorenzo S. Sabin, Jr.
Donald T. Giles
Campbell D. Emory
Arthur H. McCollum
Harold R. Parker
Arnold E. True
Keith R. Belch
Wakeman B. Thorp
Charles F. Macklin, Jr.
Lawrence E. Divoll
William A. Griswold
Edward P. Moore
Donald L. Erwin
William C. Gray
Peter M. Moncy
Frederick I. Entwistle
Burtnett K. Culver
Clinton A. Misson
Thomas L. Lewis
William D. Johnson, Jr.
Joseph R. Barbaro
Leslie K. Pollard
Charles R. Lamdin
Henry T. Wray
Philip G. Nichols
Alex M. Loker
Robert E. Jasperson
James V. Carney
Harold A. Houser
Leo J. McGowan
John P. Heath
Francis J. Bridget
Robert F. Hickey
Theodore R. Wirth
James A. Roberts
Charles R. Brown
John M. Hoskins
Lionel L. Rowe
Floyd F. Ferris
Jefferson D. Beard
Ruthven E. Libby
Clarence E. Voegeli
Nicholas A. Draim (an additional number in grade)
John J. Pierrepont
Robert N. Hunter
Harvey T. Walsh
Wilson P. Cogswell
John S. Harper
Peter G. Hale
Adelbert F. Converse
William S. Parsons
Robert E. Blue
Harold D. Baker
Bruce B. Adell
Raymond A. Hansen
Bradford E. Grow
Alvin I. Malstrom
Edwin A. Taylor
John C. Lester
Armand J. Robertson
John H. Shultz
James E. Craig
Roger E. Nelson
Herbert E. Regan
Thomas M. Stokes
Warren K. Berner
Alan R. McCracken
Omer A. Kneeland
Hyman G. Rickover
Paul H. Wiedorn

TO BE LIEUTENANTS

Harper D. Scrymgeour
Carroll H. Taecker
Edwin J. S. Young
John A. Williams

Frank McD. Nichols
Jack C. Renard
Earl H. Pope
Joseph P. Canty
Albert C. Perkins
Charles T. Fitzgerald
Herman L. Ray
Roy Jackson
Roy L. Johnson
John F. Davidson
Bruce A. Van Voorhis
Charles O. Triebel
Reynold D. Hogle
Richard R. Ballinger
William T. Easton
Granville C. Briant
Charles H. Crichton
William M. Walsh
Seraphin B. Perreault
Finley E. Hall
Robert N. S. Clark
William I. Darnell
David J. Welsh
William E. Pennewill
Lloyd K. Greenamyer
Robert H. Wilkinson
Daniel Carlson
Robert W. Denbo
Jacob W. Britt
Albert D. Lucas
Charles R. Fenton
Robert J. Connell
Whitmore S. Butts
George L. Kohr
James H. Flatley, Jr.
William S. Stovall, Jr.
Thurlow W. Davison
Carl E. Giese
Frank A. Brandley
John H. McElroy
William J. Richter
Dominic L. Mattie
James H. Howard
William B. Moore
Donald W. Gladney, Jr.
William E. Gentner, Jr.
Frederick V. H. Hilles
Paul L. de Vos

TO BE LIEUTENANTS (JUNIOR GRADE)

Robert H. Isely
Clarence A. Keller, Jr.
George T. McCutchan
Francis A. Dolan
Robert S. Camera
Jamie E. Jones
Edward H. C. Fredericks
Glover T. Ferguson
James D. Ferguson
Irvin L. Dew
Stanley M. Barnes
George D. Gregor
Reuben E. Stanley
Elliott L. James, Jr.
George P. Unmacht
William M. Rakow
William A. Hunt, Jr.
David R. Stephan
Maurice B. Brown
Frank A. Nusom
James P. Craft, Jr.
Richard F. Kane
Spencer M. Adams
Fred D. Pfotenhauer
Melvin W. Woods
Robert D. Risser
Homer H. Nielsen
Lester S. Chambers
Robert K. Johnston
Edwin S. Lee, Jr.
Edwin H. Schantz
Leslie M. Slack
Grayson Merrill
Clyde J. Van Arsdall, Jr.
John J. Hyland
Richard R. Boutelle
William E. Sweeney
Robert L. Townsend
William L. Guthrie
James R. Compton
Otto C. Schatz, Jr.
Hugh M. Maples
Howard T. E. Anderson
John A. Horton, Jr.
William C. Murphy
Willard J. Bain
Charles W. Brewer
Frederic W. Hawes
James S. Tyler
Marvin I. Rosenberg
Carl W. Middleton, Jr.
Arthur E. Krapf
Eric L. Barr, Jr.
Allan G. Schnable
John C. Nichols
Arden Packard
Statton R. Ours, Jr.
Joseph B. Tibbets
Edward N. Blakely
Barton E. Day
Earl K. McLaren
Howard E. Day, Jr.
Lewis Freedman
Thomas B. Oakley, Jr.
Marshall W. White
Terry L. Watkins
Robert Donaldson
Francis O'C. Fletcher, Jr.
Thompson C. Guthrie, Jr.
James M. Clute
William J. Drumtra
Cecil K. Harper
Robert R. Williams, Jr.
Herman H. Kait
James W. Brock
Philip H. Torrey, Jr.
Frank K. Upham
George W. Lautrup, Jr.
Charles H. Clark
Walker Ethridge
Richard E. Bly
Charles Antoniak
Jackson D. Arnold
Frank M. Whitaker
William M. Collins, Jr.
James H. Newell
Henry C. Spicer, Jr.
James E. Owers
Carlyle Ingram
Stuart Stephens
Mark A. Grant
William A. Dean, Jr.
Leslie K. Taylor
James E. Johnson
Samuel R. Brown, Jr.
Wendell H. Froling
Clarence T. Doss, Jr.
William W. Stark, Jr.
George F. Davis
Frank C. Bolles, Jr.
Arthur L. Benedict, Jr.
Craig R. Garth
Lester J. Stone
Joseph W. Stivers
Malcolm C. Reeves
Willie M. Dickey
Sidney D. B. Merrill
William A. Stevenson
George F. Stanish
Robert M. Milner
Isaiah M. Hampton
Gordon P. Chung-Hoon
Charles E. Thurston, Jr.

TO BE MEDICAL INSPECTORS

John M. McCants
Richard C. Satterlee
Herbert L. Shinn
John R. Poppen
Carl J. Robertson
Lea B. Sartin
William H. Funk
George W. Wilson
Wendell H. Perry
Joseph B. Logue

TO BE SURGEONS

John M. Bachulus
Harry D. Templeton
Walter F. J. Karbach
Dwight J. Wharton
Arthur P. Morton
Oliver R. Nees
Harvey E. Robins
Robert K. Y. Dusinberre
Carl D. Middlestadt
John Q. Owsley, Jr.
Arra B. Chesser
John R. Smith
Thomas F. Cooper
John R. Lynas
Walter G. Kilbury
Carl M. Dumbauld

TO BE PASSED ASSISTANT SURGEONS

William L. Engelman
Paul K. Perkins
Howard K. Sessions
Victor G. Colvin
Donald O. Wissinger
Harold J. Cokely
William T. Booth
James J. Sapero
George R. Hogshire, Jr.
Charles D. Bell
Stephen E. Flynn
Frank R. Urban
Edgar Ricen
Clarence R. Pentz
Alton R. Higgins
Luther G. Bell

TO BE A DENTAL SURGEON

Francis W. Lepeska

TO BE PAY INSPECTORS

David P. Polatty
Carlton R. Eagle
Wilson S. Hullfish
Percy C. Corning
Frank C. Dunham
Walter A. Buck
Thomas E. Hipp
Ray C. Sanders

TO BE PASSED ASSISTANT PAYMASTERS

Charles A. Meeker
John K. Chisholm
William J. Laxson

TO BE A NAVAL CONSTRUCTOR

Thomas B. Richey

POSTMASTERS

ALABAMA

James Harold Long, Guntersville Dam.

CALIFORNIA

Richard G. Power, Colusa.
Nina N. Chamberlain, Durham.
Elizabeth T. Schellenberg, Palos Verdes Estates.

CONNECTICUT

Paul Louis Hebert, Somersville.

GEORGIA

Frank S. English, Gordon.
Frank H. Moxley, Wadley.

ILLINOIS

Clarence C. Franke, Algonquin.
Emmert M. Reeser, Orangeville.
Kate M. Weis, Teutopolis.
Lawton C. Spangler, Woodlawn.

IOWA

Max L. Barton, Salem.

KANSAS

Henry Burden, Cawker City.

LOUISIANA

Pollard Hugh Mercer, Winnfield.

MARYLAND

Earla V. Newman, Beltsville.
Grover C. Kirn, Jessups.

MASSACHUSETTS

George Arnold Rice, Pepperell.

MICHIGAN

Helen B. Martin, Indian River.
Audrey J. Filley, Michigan Center.
Charles P. Murray, Pellston.
John W. Corrigan, Union Pier.
Rex. J. Tuttle, Walled Lake.

MINNESOTA

Alta R. Dickson, Big Falls.
Leonard N. Riley, Ellsworth.
Maurice A. Marchand, Rice.

MISSOURI

Christian E. Kleck, Wheatland.

MONTANA

Grover Cleveland Dowen, Chinook.

NEBRASKA

William Earl Goodhard, Elkhorn.

NEW YORK

John Rewey Ford, Berkshire.
Marion S. Tower, East Moriches.
John J. Scherer, Jr., Montrose.
Rosemary Hearn, Port Byron.
Edward D. Bradley, Pottersville.
Thomas W. Smith, West Winfield.

NORTH CAROLINA

Paul E. Rickman, Arden.
W. Reid Howe, Cramerton.
Mae S. Ray, Whitakers.

NORTH DAKOTA

Anders G. Hagburg, Gladstone.
Arlen D. White, San Haven.
Celeste M. Reiman, White Earth.

OHIO

Vern C. Wallace, East Canton.
Carl W. Gerig, Smithville.

OKLAHOMA

John C. Affholder, Blackwell.
Frank Ferguson, Camargo.
Ivan E. Wallace, Snyder.

PENNSYLVANIA

Richard Armstrong, Allenwood.
Lillian M. Tierney, Hallstead.
Kenneth F. Eakin, Harrisville.
Mary Joan Ingram, Woodville.

SOUTH CAROLINA

Earle M. Wharton, Ware Shoals.

TENNESSEE

Johnnie F. Moore, Donelson.

WEST VIRGINIA

Myrtle Blackman, Parsons.

WISCONSIN

Theodore J. Helmke, Hamburg.
Lawrence H. Hardebeck, Lakewood.

REJECTION

Executive nomination rejected by the Senate July 23 (legislative day of July 22), 1937

POSTMASTER

LOUISIANA

Charles I. Davis to be postmaster at Leesville, in the State of Louisiana.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 23, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art our life and light, we pray Thee to come through the deep blue vault of Thy eternal dwelling place and hear our prayer. Be Thou with us, urging us to find and use our best powers; blend our beings with Thine and make us one with Thee. We praise Thee for the Voice proclaiming, "This is My beloved Son in whom I am well pleased." By kindly word and brave example may we be a most helpful influence in the lives and homes of men. Impress us more and more with the sacredness of our tasks. Oh that every possessor of wealth and every wielder of power and authority would kneel at the altar of our God and pray: "Thy kingdom come, in earth as it is in heaven." O lift the curtain of our country and show Thyself good and just. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 1086. An act for the relief of Weymouth Kirkland and Robert N. Golding;

H. R. 1420. An act for the relief of Dewey Jack Krauss, a minor;

H. R. 1561. An act for the protection of oyster culture in Alaska;

H. R. 1961. An act to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Twin River Point Lighthouse Reservation, and for other purposes;

H. R. 3251. An act for the relief of Joseph A. Rudy;

H. R. 3408. An act to amend the Civil Service Act approved January 16, 1883 (22 Stat. 403), and for other purposes;

H. R. 4246. An act for the relief of N. C. Nelson;

H. R. 4896. An act to authorize a preliminary examination and survey of Cayuga, Buffalo, and Cazenovia Creeks, N. Y., with a view to the control of their floods;

H. R. 5040. An act to provide for the establishment of a Coast Guard station at or near Beaver Bay, Minn.;

H. R. 5140. An act to provide for the establishment of a Coast Guard station at or near St. Augustine, Fla.;

H. R. 5552. An act to provide for the relinquishment of an easement granted to the United States by the Green Bay & Mississippi Canal Co.;

H. R. 6358. An act to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities;

H. R. 6402. An act for the relief of Emory M. McCool, United States Navy, retired;

H. R. 6496. An act granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River, at or near Poplar, Mont.;

H. R. 6636. An act granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across the Wabash River at or near Lockport, Ind.;

H. R. 6899. An act to repeal the limitation on the sale price on the old post office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.;

H. R. 6916. An act to amend the laws relating to enlistments in the Coast Guard, and for other purposes;

H. R. 6920. An act granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the

city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell;

H. R. 7017. An act to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 Stat. 1380, 1383; U. S. C., 1934 edition, title 46, sec. 239);

H. R. 7401. An act to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes;

H. R. 7611. An act to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war;

H. R. 7641. An act to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Madison, Wis., September 5 to 10, inclusive, 1937; and

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 449. An act for the relief of Earl Hill;

H. R. 3551. An act for the relief of Hans Everson;

H. R. 4688. An act to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed during a hurricane in Samoa on January 15, 1931; and

H. R. 6906. An act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 126. An act authorizing the President to present a Distinguished Service Medal to Harold R. Wood;

S. 537. An act to provide suitable accommodations for the district court of the United States at Glasgow, Mont.;

S. 606. An act for the relief of Mabel F. Hollingsworth;

S. 607. An act to authorize improvement of navigation facilities on the Columbia River, and for other purposes;

S. 608. An act to authorize the leasing of certain Indian lands subject to the approval of the Secretary of the Interior;

S. 744. An act for the relief of Lulu M. Peiper;

S. 840. An act to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev.;

S. 1168. An act for the relief of Joseph W. Bollenbeck;

S. 1514. An act for the relief of the Corbitt Co.;

S. 1774. An act to authorize the purchase of certain lands adjacent to the Turtle Mountain Indian Agency in the State of North Dakota;

S. 1880. An act to amend an act entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippit, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. McCallib, J. J. Beckham, and John Toles", approved June 28, 1934;

S. 1971. An act to provide for the recognition by the Government of the United States of the academic standing of military and naval schools under its jurisdiction;

S. 2060. An act to amend the Wisconsin Chippewa Jurisdictional Act of August 30, 1935 (49 Stat. L. 1049);

S. 2067. An act to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes;

S. 2091. An act for the relief of Ada Saul, Steve Dolack, and Marie McDonald;

S. 2115. An act to amend section 77 of the Judicial Code, as amended, to transfer Clinch County from the southern district of Georgia to the middle district;

S. 2159. An act for the relief of George R. Slate;

S. 2215. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

S. 2232. An act for the relief of E. Sullivan;

S. 2261. An act for the relief of Scott Hart;

S. 2263. An act providing for per-capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury;

S. 2273. An act to authorize the consideration of the recommendation of an award for distinguished service to Col. John A. Lockwood, United States Army, retired, and for other purposes;

S. 2299. An act for the relief of M. M. Twichel;

S. 2305. An act for the relief of William F. Kimball;

S. 2317. An act for the relief of Robert L. Summers;

S. 2383. An act to amend the act authorizing the Attorney General to compromise suits on certain contracts of insurance;

S. 2387. An act to authorize certain officers and employees of Federal penal correctional institutions to administer oaths;

S. 2417. An act for the relief of Samuel L. Dwyer;

S. 2444. An act for the relief of William C. Willahan;

S. 2473. An act to provide that individual tax returns may be made without the formality of an oath, and for other purposes;

S. 2557. An act for the relief of William T. J. Ryan;

S. 2619. An act to amend paragraph (1) of section 22 of the Interstate Commerce Act, as amended;

S. 2751. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the West Point Military Reservation, N. Y., for the construction thereon of certain buildings, and for other purposes;

S. J. Res. 153. Joint resolution providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased; and

S. J. Res. 158. Joint resolution to provide for the appointment of a delegate to the First Pan American Congress of Deaf Mutes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 534. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for diversion of the waters of the Yellowstone River;

S. 1143. An act for the relief of G. L. Tarlton;

S. 1144. An act for the relief of the Frazier-Davis Construction Co.; and

S. 2521. An act to authorize the assignment of officers of the line of the Marine Corps to assistant quartermaster and assistant paymaster duty only, and for other purposes.

NATIONAL CANCER INSTITUTE

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2067) to provide for, foster, and aid in coordinating research relating to cancer, to establish the National Cancer Institute, and for other purposes, and consider the same.

The Clerk read the title of the bill.

Mr. SNELL. Mr. Speaker, reserving the right to object, I do not know that I have any objection to taking up this bill, but it is a new proposition, and I think the House should be thoroughly informed on it. I would not want this bill to go through without a full explanation to the House or what it is supposed to do, with some estimate of its probable cost.

Mr. BULWINKLE. I may say to the gentleman from New York that I and the members of the subcommittee shall be pleased to make a full explanation to the House.

Mr. SNELL. With that understanding, Mr. Speaker, I have no objection.

Mr. RANKIN. Mr. Speaker, reserving the right to object, how much time will the consideration of this bill take?

Mr. BULWINKLE. I imagine it will take 30 minutes.

Mr. RANKIN. Not over 30 minutes?

Mr. BULWINKLE. No.

The SPEAKER. The gentleman from North Carolina [Mr. BULWINKLE] informed the Chair that he understood there would be practically no controversy on the matter; and, based on that assurance, the Chair agreed to recognize the gentleman for a unanimous-consent request, with the understanding there would not be prolonged debate on the matter.

Mr. BULWINKLE. I think it will take only 10 minutes to answer the request of the gentleman from New York for an explanation. I want to give the gentleman full information.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of conducting researches, investigations, experiments, and studies relating to the cause, diagnosis, and treatment of cancer; assisting and fostering similar research activities by other agencies, public and private; and promoting the coordination of all such researches and activities and the useful application of their results, with a view to the development and prompt widespread use of the most effective methods of prevention, diagnosis, and treatment of cancer, there is hereby established in the Public Health Service a division which shall be known as the National Cancer Institute (hereinafter referred to as the "Institute").

SEC. 2. The Surgeon General of the Public Health Service (hereinafter referred to as the "Surgeon General") is authorized and directed for the purposes of this act and subject to its provisions, through the Institute and in cooperation with the National Cancer Advisory Council hereinafter established—

(a) To conduct, assist, and foster researches, investigations, experiments, and studies relating to the cause, prevention, and methods of diagnosis and treatment of cancer;

(b) To promote the coordination of researches conducted by the Institute and similar researches conducted by other agencies, organizations, and individuals;

(c) To procure, use, and lend radium as hereinafter provided;

(d) To provide training and instruction in technical matters relating to the diagnosis and treatment of cancer;

(e) To provide fellowships in the Institute from funds appropriated or donated for such purpose;

(f) To secure for the Institute consultation services and advice of cancer experts from the United States and abroad; and

(g) To cooperate with State health agencies in the prevention, control, and eradication of cancer.

SEC. 3. There is hereby created the National Advisory Cancer Ccuncil (herein referred to as the "Council"), to consist of six members to be appointed by the Surgeon General with the approval of the Secretary of the Treasury, and of the Surgeon General, ex officio, who shall be chairman of the Council. The six appointed members shall be selected from leading medical or scientific authorities who are outstanding in the study, diagnosis, or treatment of cancer in the United States. Each appointed member shall hold office for a term of 3 years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the members first taking office shall expire, as designated by the Surgeon General at the time of appointment, two at the end of the first year, two at the end of the second year, and two at the end of the third year after the date of the first meeting of the Council. No appointed member shall be eligible to serve continuously for more than 3 years, but shall be eligible for reappointment if he has not served as a member of the Council at any time within 12 months immediately preceding his reappointment. Each appointed member shall receive compensation at the rate of $25 per day during the time spent in attending meetings of the Council and for the time devoted to official business of the Council under this act, and actual and necessary traveling and subsistence expenses while away from his place of residence upon official business under this act.

SEC. 4. The Council is authorized—

(a) To review research projects or programs submitted to or initiated by it relating to the study of the cause, prevention, or methods of diagnosis and treatment of cancer, and certify approval to the Surgeon General for prosecution under section 2 (a) hereof any such projects which it believes show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis and treatment of cancer;

(b) To collect information as to studies which are being carried on in the United States or any other country as to the cause, prevention, and methods of diagnosis and treatment of cancer, by correspondence or by personal investigation of such studies, and with the approval of the Surgeon General make available such information through the appropriate publications for the benefit of health agencies and organizations (public or private), physicians, or any other scientists, and for the information of the general public;

(c) To review applications from any university, hospital, laboratory, or other institution, whether public or private, or from individuals, for grants-in-aid for research projects relating to cancer, and certify to the Surgeon General its approval of grants-in-aid in the cases of such projects which show promise of making valuable contributions to human knowledge with respect to the cause, prevention, or methods of diagnosis or treatment of cancer;

(d) To recommend to the Secretary of the Treasury for acceptance conditional gifts pursuant to section 6; and

(e) To make recommendations to the Surgeon General with respect to carrying out the provisions of this act.

SEC. 5. In carrying out the provisions of section 2 the Surgeon General is authorized—

(a) With the approval of the Secretary of the Treasury, to purchase radium from time to time without regard to section 3709 of the Revised Statutes; to make such radium available for use in carrying out the purposes of this act; and, for such consideration and subject to such conditions as the Secretary of the Treasury shall prescribe, to lend such radium to institutions, now existing or hereafter established in the United States for the study of the cause, prevention, or methods of diagnosis or treatment of cancer, or for the treatment of cancer;

(b) To provide the necessary facilities where training and instruction may be given in all technical matters relating to diagnosis and treatment of cancer to such persons as in the opinion of the Surgeon General have proper technical training and shall be designated by him for such training or instruction; such persons while receiving training or instruction may, with the approval of the Surgeon General, receive a per-diem allowance to be fixed by the Surgeon General but not to exceed $10;

(c) To establish and maintain, with the approval of the Secretary of the Treasury, research fellowships in the Institute with such stipends or allowances (including traveling and subsistence expenses) as the Surgeon General may deem necessary to procure the assistance of the most brilliant and promising research fellows from the United States or abroad;

(d) To secure for the Institute, from time to time and for such periods as may be advisable, the assistance and advice of experts, scholars, and consultants from the United States or abroad who are learned and experienced in the problems involved in accomplishing the purposes of this act;

(e) To make grants in aid for research projects certified by the Council pursuant to section 4 (c); and

(f) To adopt, upon recommendation of the Council and with the approval of the Secretary of the Treasury, such additional means as the Surgeon General may deem necessary or appropriate to carry out the provisions of sections 1 and 2 of this act.

SEC. 6. The Secretary of the Treasury is authorized to accept on behalf of the United States gifts made unconditionally by will or otherwise for study, investigation, or research into the cause, prevention, and methods of diagnosis and treatment of cancer, or for the acquisition of grounds or for the erection, equipment, and maintenance of premises, buildings, and equipment for the Institute. Conditional gifts may be accepted by the Secretary if recommended by the Surgeon General and the Council. Any such gifts, if in money, shall be held in trusts and shall be invested by the Secretary of the Treasury in securities of the United States, and the principal or income thereof shall be expended by the Surgeon General, with the approval of the Secretary of the Treasury, for the purposes prescribed by this act, subject to the same examination and audit as provided for appropriations made for the Public Health Service by Congress. Donations of $500,000 or over in aid of research under this act shall be acknowledged permanently by the establishment within the Institute of suitable memorials to the donors.

SEC. 7. (a) There is hereby authorized to be appropriated a sum not to exceed $750,000 for the erection and equipment of a suitable and adequate building and facilities for the use of the Institute in carrying out the provisions of this act. The Secretary of the Treasury is authorized to acquire, by purchase, condemnation, donation, or otherwise, a suitable and adequate site or sites in or near the District of Columbia for such building and facilities, and to erect thereon, furnish, and equip such buildings and facilities when funds are made available.

(b) There is hereby authorized to be appropriated the sum of $700,000 for each fiscal year, beginning with the fiscal year ending June 30, 1938, for the purpose of carrying out the provisions of this act (except subsection (a) hereof). Sums appropriated pursuant to this subsection may be expended in the District of Columbia for personal services, stenographic recording and translating services, by contract if deemed necessary, without regard to section 3709 of the Revised Statutes; traveling expenses (including the expenses of attendance at meetings when specifically authorized by the Surgeon General); rental, supplies and equipment, purchase and exchange of medical books, books of reference, directories, periodicals, newspapers, and press clippings; purchase, operation, and maintenance of motor-propelled passenger-carrying vehicles; printing and binding (in addition to that otherwise provided by law); and for all other necessary expenses in carrying out the provisions of this act.

SEC. 8. (a) There is hereby authorized to be appointed in the Public Health Service, in accordance with applicable law, such commissioned officers as may be necessary to aid in carrying out the provisions of this act.

(b) This act shall not be construed as superseding or limiting (1) the functions, under any other act, of the Public Health Service or any other agency of the United States relating to the study of the prevention, diagnosis, and treatment of cancer; or (2) the expenditure of money therefor.

(c) The Surgeon General with the approval of the Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

(d) The Surgeon General shall include in his annual report for transmission to Congress a full report of the administration of this act, including a detailed statement of receipts and disbursements.

(e) This act shall take effect 30 days after the date of its enactment.

(f) This act may be cited as the "National Cancer Institute Act."

Mr. BULWINKLE. Mr. Speaker, this bill is the result of three bills introduced in the House and one bill introduced in the Senate. The gentleman from Washington [Mr. MAGNUSON], the gentleman from Texas [Mr. MAVERICK], and the gentleman from Ohio [Mr. HUNTER] had introduced bills in the House and Senator BONE had introduced a similar bill in the Senate. Ninety-four Senators joined in introducing the Senate bill.

This bill provides for a cancer institute here in Washington. It does not provide for hospitalization. To begin with, the bill authorizes an appropriation of $750,000 for a building and equipment for the institute, and an annual appropriation thereafter of $700,000. Of this $700,000, $200,000 is to be spent annually for 5 years for the purchase of radium, which is to be lent or rented, under certain restrictions and with the authorization of the Secretary of the Treasury and the Public Health Service, to various communities and to the medical associations.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from California.

Mr. COLDEN. Would it not be better to locate this institution near the geographic center of the country in order to make it more accessible to a greater number of people?

Mr. BULWINKLE. The medical experts and the Public Health Service asked to have it here.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. How many patients will be cared for in this clinic?

Mr. BULWINKLE. This will be a research institution, not a clinic. If the clinic and the research institution were together, the clinical part would overbalance the research part. This is strictly and purely for research.

Mrs. ROGERS of Massachusetts. I am heartily in favor of it. I know the Women's Field Army, under the leadership of Mrs. Grace Morrison Poole, of Massachussetts is doing a great work in arousing interest in the eradication of the terrible disease of cancer. They are working under the guidance of Dr. Clarence C. Little, of Maine. It is not necessary to speak of his great contribution in cancer research work. I shall vote for the bill with the greatest pleasure. I commend the gentleman from North Carolina and the committee for their fine achievement in bringing this bill to a vote.

Mr. BULWINKLE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. MAVERICK].

CANCER INSTITUTE BILL HAS MAGNIFICENT AND WORTHY PURPOSES

Mr. MAVERICK. Mr. Speaker, this cancer institute bill which is now before us is something that ought to give happiness to the heart of every Member of Congress. I hope it will pass unanimously, because it is such a grand and glorious thing. From every viewpoint—scientific, emotional, and common sense—it is worthy legislation.

Cancer has been known to the civilized races of the world for 3,000 years, but the cause is still unknown. We must find the cause, for over 150,000 people yearly die of cancer in the United States alone. Every year there are 275,000 new cases.

One out of every eight persons past the age of approximately 40 years dies of cancer. This means that 60 Members of the present Congress will die of cancer. In other words, I estimate about 25 of the gentlemen here today will die of cancer. This is not very pleasant, but true.

ANIMAL AND VEGETABLE RESEARCH—WHY NOT HUMAN?

At the present time the Federal Government is spending nearly $900,000 for the investigation of problems relating to cotton; on forest products, $500,000; and on dairy cattle around $400,000. In addition, untold millions are spent in private endeavor along such lines and in connection with the Government.

My cancer bill, when first introduced, provided an authorization of $2,400,000 for the establishment of a cancer hospital. But that provision is not in this bill, which has been entirely rewritten, and which relates solely to research. Instead of the $2,400,000 carried in my bill, this bill provides $750,000 for the establishment of the institute, and the annual expenditure of $1,000,000 has been cut down to $700,000.

BILL—RESEARCH, CAUSE, DIAGNOSIS, TREATMENT

This new bill rewritten by the committee, and introduced by the distinguished gentleman from North Carolina [Mr. BULWINKLE], provides for conducting research activities, experiments, and studies with relation to the cause, diagnosis, and treatment of cancer. This is the fundamental purpose of the bill.

However, the purpose is also to assist research agencies, both private and public, all over the United States, which is very important. An attempt will be made to coordinate the cancer activities in the United States. As everyone knows, there are private foundations, but it is estimated that they are doing only 10 to 20 percent of the necessary amount of cancer research work. The activities authorized in this bill will not in any way interfere with private research but will cooperate with it.

APPROVED BY DOCTORS; NOT STATE MEDICINE

This is in no way state medicine. The project has been approved by every doctor I know of in the United States. I know of no doctor who disapproves. The hearings before the joint Senate and House committee were attended by the men most eminent in this field in the country.

This institute would also lend radium to the various hospitals over the United States, which is a commendable thing. My friends, radium does not depreciate and can be used over and over again, year after year. This activity will, therefore, be of little annual cost to the country. The original cost of the radium will be the main cost. There is both romance and real scientific achievement in all this.

It will also provide for fellowships. Methods for training technicians will be established, and the study and research with respect to this disease will be promoted.

NATIONAL ADVISORY COUNCIL, CANCER INSTITUTE

There will be a national advisory council of six members, on which will sit the Surgeon General. Their duty will be to review research projects, collect information and make it available to the public, to review applications of all kinds, and to work with the universities and laboratories of the country.

Mr. Speaker, I believe this is the most commendable bill we have had under consideration this year. It is nonpolitical and will be under the United States Public Health Service. I hope the bill will receive your unanimous support.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. MAVERICK. I yield to the distinguished gentleman from New York.

Mr. SNELL. I notice that the first appropriation is $750,000 for a building and $700,000 for annual expenses. Was it brought out in the hearings that $750,000 would provide proper buildings for such an institute as is planned, and what will be the ultimate expense of running such an institute?

Mr. BULWINKLE. Mr. Speaker, if the gentleman from Texas will permit, I may say that the ultimate expense will be less than $700,000 per year, because $200,000 of that amount, for a period of 5 years, is to be used for the purchase of radium, and the ultimate expense will not be over

$500,000 per year. At the present time approximately $140,000 is being appropriated to the Public Health Service for this purpose.

Mr. SNELL. And that will be taken into consideration?

Mr. BULWINKLE. Yes; that will be considered by the Appropriations Committee.

Mr. MAVERICK. And, Mr. Speaker, I want to again call attention to the fact that this is not going to provide for a hospital, as originally provided in my bill. I had hope for a small hospital, at least for research purposes, but that has been eliminated. So it might be called simply a central cancer institute for research and training. The Veterans' Administration states that they are going to have over 400,000 cases of cancer within the next 20 or 30 years.

Mr. SNELL. How do they know that?

Mr. MAVERICK. They know that from their actuarial statistics. They know what the figures have been for the last 100 years, and they know there will be a certain number in the future. The number is no doubt reasonably accurate, just as the figures of insurance companies are reasonably accurate in reference to life and death.

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I would like to ask the gentleman from Texas whether in the research work they expect to do they are going to work in harmony with the medical colleges of the country and with the many research bureaus and foundations that have been set up for the same purpose?

Mr. MAVERICK. Mr. Speaker, I may say to the gentleman from Pennsylvania that I went to see Dr. James Ewing in New York, who is considered the most eminent authority on cancer in the United States and the dean of the cancer specialists. He told me that the purposes of this legislation are good and that he would be pleased to cooperate.

The leading cancer men and university professors have come here to testify at the hearings, and it is understood that this is to be a central cancer institute which is to cooperate with the universities and private foundations. I assure you it will in no way interfere with them but helps them.

I believe, on account of what has been said about cancer in Congress in the last few weeks, that it helped toward creating a private foundation at Yale of $10,000,000. In other words, this is going to increase private research instead of decreasing it. The fight on this deadly disease will be greatly benefited by the passage of this bill.

I may also state that in California and in the West, generally, there is a comparably small amount of radium. Most of the radium in this country is in New England and in New York. This will greatly increase the benefits in the western part of the United States.

Mr. RICH. I believe this will be a fine thing if they will cooperate with the medical centers; and if there is anything this measure can accomplish that will help to conquer this disease, it will be the wisest money we could spend.

Mr. MAVERICK. I may say to the gentleman that this matter has been discussed for at least a period of 3 years with all kinds of reputable doctors and specialists, and they have substantially agreed on this measure. They think it is all right and look forward to its passage.

Mr. RICH. As I understand, the men who are to have charge of this institute have made up their minds as individuals that they will cooperate with the foundations and colleges of the country. So we will not have duplication of effort and money unnecessarily spent for information already at hand.

Mr. MAVERICK. The gentleman is right. Those in charge want to cooperate with the colleges and foundations. Also there will be no duplication of effort and unnecessary expenditure of money; on the contrary, the establishment of the institute will have a tendency to eliminate those bad features.

Mrs. ROGERS of Massachusetts. I think this is one of the most meritorious measures that has come before Congress. It will bring hope and aid to thousands of sufferers. The doctors have all been unanimous in their approval. And the gentleman, I understand, has not received a single objection to the bill. I sincerely trust it will become law. Anyone who has visited the big cancer ward in a hospital such as Hines well knows that all possible should be done for cancer.

Mr. MAVERICK. Not one objector. I have sent it to thousands of doctors and have spoken over the radio. I have received several hundred letters from doctors over the country, and none have made objection.

I want also to tell you another thing that this bill will do. It will stop the work of a lot of crooked cancer "doctors" and quacks operating up and down the border of the United States and Mexico. It will expose fraud everywhere. This is one of the benefits that will result from this bill. It will promote proper research, coordinate activities, will give the benefit of science to the people, and protect them from crooks. This is really a great thing.

[Here the gavel fell.]

Mr. MAGNUSON. Mr. Speaker, I want to be brief in adding my endorsement to this bill.

I was one of the introducers in the House of the cancer bill following the Senate bill. This bill has been amended by the able subcommittee which considered it. They have ironed out some of the difficulties, and this is a composite bill that meets the approval of every person interested in cancer bills in the House.

In answer to the gentleman from Pennsylvania [Mr. RICH], with regard to the medical profession, if he will examine the record of the cancer hearings he will find that every eminent physician, every eminent cancer specialist in the entire United States has endorsed the principles of the Senate bill, in substance, and, as a matter of fact, all of these bills are very nearly the same.

I have inserted in the RECORD an excellent testimonial from the Mayo brothers in regard to this measure. The cancer specialist at Johns Hopkins University testified in favor of it. The bill is very broad in its scope; it is not perfect; it does not meet the problem, probably, as we should like to meet it, but it is certainly a start in the right direction. It means that the United States Government is today, for the first time, taking cognizance of this cancer problem, which, as we all know, is one of the greatest medical problems in the United States. I endorse this bill. I do not think it has been referred to—I came into the Chamber a little bit late—but it is the first time in the history of the Congress that 94 Senators put their names on one bill. That will give you some idea of the nonpartisan character of the legislation, and how we should support it and endorse it.

Mr. WADSWORTH. Mr. Speaker, it is with genuine regret that I rise to ask the House to consider the implications of this measure. I fear my voice will be as one crying in the wilderness. The bill, of course, will pass. It appeals to the sympathy of everybody. But perhaps it will not be objectionable if I ask your consideration of this situation from the standpoint of broad public policy. As the gentleman from Washington [Mr. MAGNUSON] has said, this is the first time that the Government of the United States has undertaken to embark upon such a course. Once we start, the Government must continue.

Mr. MAVERICK. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. MAVERICK. I do not think the gentleman from Washington exactly meant that. This is not the first time the Government has gone into this type of work.

We have worked on syphilis, typhoid, tuberculosis, tropical diseases, and on hundreds of other maladies. Some have been practically eliminated. We have been spending from $35,000 to over $100,000 a year on cancer itself for several years.

The use of the words "cancer institute" is new, and it is a great extension of activities. There ought to be a great extension.

Mr. WADSWORTH. I mean where we have an institute for the study of any particular disease.

Mr. MAVERICK. Yes, we have; under the National Public Health Institute. They study all kinds of diseases, and they have been working on them for years. This is a drive on cancer.

Mr. WADSWORTH. But this is a special and separate institute that is proposed, under a separate board of managers. I cannot yield further. Assurance is given that the establishment of this institute will not finally result in the establishment of a hospital. Members will pardon me if I describe my own experience in that connection. The State of New York maintains at the city of Buffalo an institute for the study of cancer. It has done so for many years. For several years I was a member of the board of managers of that institute. I am no longer such. It was established with the assurance that it would merely be a research institute. But it was pointed out at the beginning or very nearly the beginning of our efforts that in order that the institute should be as effective as possible it was necessary that the institute be able to house patients within its borders. As I recollect, we started with 25 beds. Of course, the treatment was free. That institute has gone along through the years, amply and generously supported by the Legislature of the State of New York in annual appropriations. The clamor for treatment, however, from these poor unfortunates, heard at the institute, has finally resulted in Governor Lehman this year, as I recall, in an official utterance, stating that the time has come when it is the moral obligation of this State institute at Buffalo to treat all patients that may present themselves, free of charge, and a recommendation has been made for the erection of a 100-bed hospital. That is the future I see for this measure, Mr. Speaker, and I ask the House seriously to consider it. We have had this same experience in New York. True, the hospital, as I understand it, has not yet been provided for by the legislature, but it is on the way, and we might just as well face the facts. The pressure becomes irresistible. When Government undertakes the establishment of an institute for the study of a disease, and the presence of patients is regarded as necessary, there can be no limit fixed eventually on the number of those patients.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. O'CONNOR of New York. How does the gentleman discriminate between his fear of the Government going into the hospital business and cities pretty generally taking care of their sick people?

Mr. WADSWORTH. I make this discrimination, that this is not a Federal function. It is a function of the municipality or of the State.

Mr. O'CONNOR of New York. Does not the gentleman think that health is a very important asset so far as the people are concerned?

Mr. WADSWORTH. If that is true, and we are to follow that argument, then the Federal Government might well establish hospitals of a general nature all over the country for everybody to come to.

Mr. O'CONNOR of New York. Of course, the Government does it for its soldiers.

Mr. WADSWORTH. The Government does it for disabilities incurred in war, but the States and the cities might well take care of these other people.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. MAGNUSON. I think possibly this issue on cancer is being somewhat confused because of this one exception: One of the main purposes of this bill is the hope that somewhere some place out of this money some grant-in-aid, whether it is a hospital or not, there will become known to the people of the United States the cause of cancer and the cure of cancer. Most all other diseases have known cures. That is what we are striving at for cancer.

Mr. WADSWORTH. I understand the motive behind the introduction of the bill. It is a very worthy one. I yield to no one in my desire that this mystery shall be solved, but I merely want to lay before the House the picture presented to us. This is not the only disease in connection with which there is mystery. Infantile paralysis is another. I can see great possibility and indeed probability that the establishment of one Federal institute to study a given disease will be followed by the establishment of another and then another and then another. This is a new Federal function that is being proposed, on a small scale, to be sure, but it proposes to put the Federal Government into a field never before occupied by the Government. Thus far great efforts have already been made. For example, the New York laboratory which has been operating for years, distributes its publications to the medical profession all over the United States.

There is a great institute at Princeton University, financed by the Rockefeller Institute. Another one has been provided for at Yale University by a bequest of $10,000,000. There are foundations, committees, and organizations for the study of these things, including cancer, scattered all over this country. Consider the Mayo establishment in Minnesota. Discoveries coming out of any one of them are immediately made available to the whole medical profession.

Now, we must make up our minds whether the establishment of this institute will so hasten the solution of this mystery as to justify us in putting the Government into a new field which will expand, without any doubt whatsoever, in many directions not contemplated by the authors of this bill.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. PHILLIPS. Does the gentleman not think it is worth a try?

Mr. WADSWORTH. I would say so if no one else were trying, but there are hundreds and hundreds of people trying. The best minds in America are working on this thing.

Mr. PHILLIPS. It is true, is it not, that the problem has not yet been solved?

Mr. WADSWORTH. That is perfectly true.

The SPEAKER. The time of the gentleman from New York has expired.

The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

CONSTRUCTION OF CERTAIN AUXILIARY VESSELS FOR THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I call up the conference report on the bill (S. 2193) to authorize the construction of certain auxiliary vessels of the Navy; and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree

to the same with an amendment, as follows: At the end of the matter inserted by said amendment, insert the following: ": *Provided*, That such amount may be exceeded by not more than 20 per centum, subject to the approval of the President"; and the House agree to the same.

CARL VINSON,
P. H. DREWRY,
CHARLES D. MILLARD,
Managers on the part of the House.

DAVID I. WALSH,
HOMER T. BONE,
G. M. GILLETTE,
FREDERICK HALE,
JAMES J. DAVIS,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendment no. 1: Provides for an equal division, subject to $50,000,000, proposed by the House, may be increased to not exceeding $60,000,000, subject to the approval of the President.

On amendment no. 2: Provides for an equal division, subject to the public interests, of construction between Government and private establishments; applies the provisions of the 10-percent profit law applying to the construction of presently authorized combatant naval vessels; and provides for a differential of 6 percent in favor of private west coast establishments in the award of construction contracts, all as proposed by the House.

CARL VINSON,
P. H. DREWRY,
CHARLES D. MILLARD,
Managers on the part of the House.

Mr. VINSON of Georgia. Mr. Speaker, for the benefit of the Members of the House, I desire to make a short statement to the effect that when the bill passed the Senate there was no limitation of cost. When the bill passed the House we put a limitation of $50,000,000. In conference we agreed to the limitation with this proviso:

Provided, That such amount may be exceeded by not more than 20 percent, subject to the approval of the President.

That came about due to the reason that the Navy Department estimates were made in December 1936 and they are apprehensive, on account of the increased cost of labor and material, that it will be impossible to construct the ships within the $50,000,000.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. VINSON of Georgia. I yield.

Mr. SNELL. What information came to you whereby you would expect it would cost 20 percent more than it did in December?

Mr. VINSON of Georgia. In a letter from the Acting Secretary of the Navy, Admiral William D. Leahy, which I will read to the gentleman if he desires.

Mr. SNELL. I would like to hear it. What is the date of the letter?

Mr. VINSON of Georgia. It is dated July 3. It reads as follows:

MY DEAR MR. CHAIRMAN: Bill S. 2193, authorizing the construction of certain auxiliary vessels for the Navy, as reported to the House by the Committee on Naval Affairs, contains a limitation of cost of $50,000,000. This limitation was based on the figure of $48,206,050 which was presented by the Navy Department at the hearings before your committee. This figure of $48,206,050 is based on estimates prepared in December 1936.

Information of recent date indicates that a large increase in the cost of engineering material has taken place, and from all indications this increase will continue above the present level. At the present time it is necessary to increase the estimates for the cost of these vessels.

In view of uncertainty as to future costs of construction, and in order that these vessels essential to naval efficiency may be constructed, it is recommended that the bill as it passed the Senate be approved by the House of Representatives without a limit of cost, or, if it is the will of the House of Representatives that a limit of cost be fixed, that the limit be set at $60,000,000.

Sincerely yours,

WILLIAM D. LEAHY,
Admiral, United States Navy,
Acting Secretary of the Navy.

Mr. SNELL. What time did the House pass the bill?

Mr. VINSON of Georgia. I do not know at the moment, but I refused when they sent this to my committee to ask that the bill be changed when the bill was presented to the House.

Mr. SNELL. Does not the gentleman think that he should have done that when the estimates had already been revised 20 percent upward?

Mr. VINSON of Georgia. No. I was hoping that we could convince the Senate that we could construct these vessels within $50,000,000. I was unwilling, therefore, even in conference, to raise it to $60,000,000. We agreed upon the proviso which leaves it discretionary with the President, if the exigencies of the occasion demand it, to ask Congress to increase it by an additional $10,000,000.

Mr. SNELL. Is there any doubt in the gentleman's mind what will happen if we leave it discretionary?

Mr. VINSON of Georgia. Yes; there is considerable doubt, because it may be that they can still build these vessels within $50,000,000. The testimony before the committee was that they hoped to build them within the $50,000,000. I was desiring to hold down this appropriation to $50,000,000, and was so desirous in conference with my other conferees of holding it down to $50,000,000.

Mr. SNELL. But the gentleman did not make any statement to the House that the vessels had been estimated to cost more than $50,000,000.

Mr. VINSON of Georgia. No; because I was still hopeful that the vessels might be built within the $50,000,000.

Mr. SNELL. Does not the gentleman think he ought to have stated that he had a communication from the Navy Department stating that they could not build the vessels within the original estimate?

Mr. VINSON of Georgia. In conference the Senate insisted on raising the amount. I insisted that it should remain at $50,000,000. We finally compromised by making it discretionary with the President to increase the amount by 20 percent if necessary.

Mr. SNELL. Does not the gentleman know that when he leaves it that way the ships will cost $60,000,000?

Mr. VINSON of Georgia. I doubt it. I hope not. Let me call this language to the gentleman's attention: It is provided that such amount may be exceeded by not more than 20 percent, subject to the approval of the President. I assume that the President is not going to approve an additional $10,000,000 unless the bids are so high that it is impossible to get the ships built for the $50,000,000.

Mr. SNELL. Can the gentleman point to any definite act on the part of the President that shows he has ever cut down an appropriation or made any definite move to keep them down?

Mr. VINSON of Georgia. Oh, yes.

Mr. SNELL. I wish the gentleman would point out one.

Mr. VINSON of Georgia. I am not going to get into that phase of the matter, I am not going to enter into a partisan discussion of the Budget system. We are all very anxious to hold this cost down to $50,000,000.

Mr. SNELL. I am very anxious to, also, but I think you have opened the door to raise the cost to $60,000,000.

Mr. VINSON of Georgia. I do not agree with the gentleman.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. SABATH. Does this apply to the two battleships?

Mr. VINSON of Georgia. No; not at all.

Mr. SABATH. What is included in the $50,000,000 to $60,000,000?

Mr. VINSON of Georgia. This includes six ships that are known as auxiliary ships; that is, not fighting ships. It does not apply to battleships.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. O'CONNOR of New York. The bill passed the House on the 9th of July.

Mr. VINSON of Georgia. That is probably true.

Mr. O'CONNOR of New York. Why did not the gentleman come in at that time for an increased amount?

Mr. VINSON of Georgia. For the simple reason that I was hoping to be able to convince the Senate that $50,000,000 should be the limit because the facts, in my opinion, justified a limitation of $50,000,000. Being unable to convince the Senate I accepted this proviso.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. TABER. Does not the gentleman feel that instead of discretion being delegated to the President that the House should keep that authority itself?

Mr. VINSON of Georgia. It is an authorization only. It does not follow that it will be exercised. The Appropriations Committee of the House has got to make the appropriations. This merely permits the Appropriations Committee to make appropriations of $10,000,000 more than the bill carries if recommended by the President.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. SCOTT. This increase in the amount does not mean that they can build additional ships.

Mr. VINSON of Georgia. Not at all.

Mr. SCOTT. This was included merely to be able to build the ships should prices advance to that extent.

Mr. VINSON of Georgia. Yes.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. BOILEAU. In view of the fact that the gentleman and his committee were advised before this bill was on the floor of the House on July 9 that in the opinion of the Navy Department these ships would cost $60,000,000 instead of $50,000,000, does not the gentleman think that the Members were entitled to have that information before they voted upon the bill?

Mr. VINSON of Georgia. I may say to the gentleman that the Committee on Naval Affairs thought that these vessels should have been built within $50,000,000.

Mr. BOILEAU. Yes; but in view of the fact those who will be charged with letting the contracts and building the ships were of the opinion they would cost $60,000,000, does not the gentleman think the House should have had that information before it passed this bill

Mr. VINSON of Georgia. I may say we were striving to hold this Budget down, and it is purely a guess today as to whether or not these ships can be built for forty, fifty, or fifty-five million dollars, because there is a period of 3 years involved. Conditions may be such that these ships can be built for less than $50,000,000 or they may be built for $55,000,000 or $60,000,000.

Mr. BOILEAU. What estimate did the gentleman have other than from the Navy Department?

Mr. VINSON of Georgia. When the testimony was heard by the Committee on Naval Affairs it was thought they could be built for $50,000,000, so I put $50,000,000 in the bill.

Mr. BOILEAU. But before the House took action the same source that gave the gentleman the opinion modified its figures and said they would cost $60,000,000 instead of $50,000,000. May I ask the gentleman whether he has received any additional information from any other source since the bill passed the House?

Mr. VINSON of Georgia. No. The matter went over to the Senate and the Senate insisted on the amendment after receiving information that probably the Department would have to come to the Congress and ask for an additional authorization. Therefore we accepted this proviso, which places it in the discretion of the President.

Mr. BOILEAU. Does not the gentleman think we ought to insist on our disagreement to the Senate amendment and leave it at $50,000,000, as the House was advised in the first instance they would cost only $50,000,000?

Mr. VINSON of Georgia. I may say to the gentleman the testimony justified without a shadow of doubt the committee putting a limitation of $50,000,000 in here.

Mr. BOILEAU. Then let us vote down the Senate amendment.

Mr. VINSON of Georgia. Contracts will have to be awarded, and if they are over $50,000,000, then the contracts cannot be awarded and the whole thing will have to come back to the Congress for an authorization of probably more than $60,000,000.

Mr. BOILEAU. The House of Representatives should have had that information before a department comes in here and asks for an authorization to build warships or anything else.

Mr. TABER. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from New York.

Mr. TABER. I am going to tell the gentleman what I think will happen as a result of the acceptance of this amendment. Those who are designing the ships will design them with the idea that they will come within a $60,000,000 limitation rather than a $50,000,000 limitation, and the Department will come over to the Appropriations Committee and ask for authority to begin the ships, and when we get into the construction of the ships we will find they will cost $60,000,000 instead of $50,000,000 unless we stick to the $50,000,000 right now. If the $60,000,000 is put in there, it will be there for good.

Mr. VINSON of Georgia. May I tell the gentleman what will happen? When the bids are called for and opened and it is found they are over $50,000,000, you cannot let a contract. Then they will have to come back to the Congress and say, "We cannot let the contracts unless we have an authorization of $60,000,000."

Mr. RICH. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Pennsylvania.

Mr. RICH. When we take the estimates that are given for the construction of these ships, we take the estimates of the Government navy yards and we take estimates of shipbuilding yards, which are under private control. We find there is a difference of about 25 percent in connection with some of the bids that have been opened between Government yards and private yards. Who is correct? If you take the Government bids and it comes within the $50,000,000 estimate, you do not know whether it is going to be $60,000,000 or $75,000,000, because the Government in figuring its cost does not figure the interest on the money it has invested in these shipbuilding yards. It does not figure interest on money and it does not figure overhead, which a private yard would have to consider. If you are going to take the Government bids, as you now have the bids, for the construction of these ships, they may cost a hundred million dollars; then the Department will come back here and say it needs $100,000,000 to construct the ships because it took the estimates of the Government shipbuilding yards. And the taxpayer foots the bills just because we are not cautious enough in determining cost in Government shipbuilding yards.

Mr. VINSON of Georgia. I may say that the bill provides that one-half of the ships shall be constructed by private yards and one-half by Government yards.

Mr. UMSTEAD. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from North Carolina.

Mr. UMSTEAD. If, as the gentleman stated a moment ago, when the bids are asked for and opened, it is found that these ships cannot be built by contract for $50,000,000, the gentleman states that the Navy Department would have to come back and ask for an additional authorization. Why would it not be possible some time for the Navy Department to modify its plans so as to bring the costs within the prices bid? [Applause.]

Mr. VINSON of Georgia. I may say to the gentleman in reply to the question, we do not care to put a round peg in a square hole. These ships are being designed for specific military reasons. They must have certain characteristics. They must have a certain speed. They must have a certain cruising radius and a certain capacity, and all that, which makes

it necessary that they meet a certain pattern in order to perform a certain military mission.

Mr. UMSTEAD. I am quite certain that the gentleman is not committed to the philosophy that the Navy Department ought to be permitted to be the sole judge of what it should accept in the way of authorization as to every item which it presents to the Congress.

Mr. VINSON of Georgia. I may say to the gentleman from North Carolina that I do not consider I am qualified, nor do I consider there is any Member of this House qualified, to advise the Navy Department as to the characteristics of any type of ship it is going to construct. I have implicit confidence in the engineering ability of the officers of the Navy Department, and as one Member I am going to be compelled to rely upon their viewpoint as to the type of ship to be constructed.

Mr. UMSTEAD. I am delighted to see that the chairman of the legislative Committee on Naval Affairs has completely shifted his position since he brought out the bill for an additional naval air base at Tongue Point. On that occasion the gentleman was differing from the Navy Department about everything.

Mr. VINSON of Georgia. If the gentleman from North Carolina as well as the gentleman from New York [Mr. TABER] had followed my suggestion when that bill, with reference to building an air base, was here, it would have saved the construction of one ship which will cost the taxpayers of the country $12,000,000.

Mr. UMSTEAD. That matter was pretty well thrashed out on that day, and the evidence was not convincing that a seaplane tender would be needed at Tongue Point.

Does not the gentleman believe the vessels mentioned in this bill can be built for $50,000,000?

Mr. VINSON of Georgia. I may say to the gentleman that the testimony of Admiral DuBose was along this line. I asked him the point-blank question, "Your estimate is $48,000,000. Can you build it for $48,000,000?" He stated that under the estimates made in December they thought they could. I said, "I am opposed to carrying into the House a bill without a limitation, and so far as the committee is concerned, we will give you a leeway of $2,000,000 additional on account of the uncertainty regarding prices of materials." The admiral and the other witnesses were perfectly satisfied. However, it developed after the hearings that they are apprehensive that they cannot do the engineering work in connection with construction within the estimate of $50,000,000, and they asked for this additional $10,000,000 in case the facts and circumstances in the bids justify such an increase.

Mr. UMSTEAD. They now wish for a 25-percent leeway?

Mr. VINSON of Georgia. No; they want a 20-percent leeway.

Mr. UMSTEAD. The difference between $48,000,000 and $60,000,000 is $12,000,000, which is 25 percent of $48,000,000.

Mr. VINSON of Georgia. The gentleman is correct. However, the gentleman will bear in mind that he controls the purse strings. If he is not satisfied, then the bill would not carry the money.

Mr. UMSTEAD. That excuse may be offered as to every bill authorizing appropriations.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Illinois.

Mr. SABATH. In view of the gentleman's experience with the Navy Department and the engineers, he should realize that if the engineers realize they can go up to $60,000,000 on these vessels, they will provide specifications allowing for the most luxurious fittings, fixtures, and everything else.

Mr. VINSON of Georgia. May I say to the gentleman from Illinois that I have a higher regard for the men that man the United States Navy than to think they will spend the taxpayers' money simply because they have the opportunity to do so.

Mr. SABATH. I have nothing against the men who man the Navy; it is the engineers to whom I refer.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. LUDLOW. Does the gentleman think it is absolutely necessary to build all these auxiliary ships now? Could we not go at it a little more gradually, and in this way come within the $50,000,000?

Mr. VINSON of Georgia. It will take 3 years years to build these ships, and the Navy Department is apprehensive that slowness will increase the cost. The more ships you build at one time the cheaper you can build them. The longer you string them out the higher the cost runs.

Mr. LUDLOW. I do not think the gentleman understood my question. Does the gentleman think it is absolutely necessary to build all of these auxiliary ships now?

Mr. VINSON of Georgia. Yes; I think it is absolutely necessary.

Mr. THOM. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. THOM. Is the cost of construction of these auxiliary ships covered by the cost plus 10 percent feature of the general building program?

Mr. VINSON of Georgia. Yes; it is.

Mr. BEAM. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. BEAM. If I understood the statement of the chairman of the Committee on Naval Affairs, the testimony before that committee showed that $48,000,000, as stated by Admiral Du Bose, would be sufficient to build these ships. However, in addition to this amount, in the House bill an additional $2,000,000 has been allowed.

Mr. VINSON of Georgia. The gentleman is correct.

Mr. BEAM. We voted on that and passed it. According to the statement of the gentleman from New York [Mr. O'CONNOR], this bill was passed on July 9. The gentleman had in his possession a letter dated July 3, stating that an additonal $10,000,000 was necessary, but no Member of the House had this information. During the meetings of the conferees of the House and the Senate was any additional evidence taken which would justify the Navy Department or the Committee on Naval Affairs in coming here and asking the House to vote an additional $10,000,000, when we had no information of that at the time we passed the House bill?

Mr. VINSON of Georgia. May I state to the gentleman the information set forth in this letter was all the information that was before the conferees. This was the information the committee had when we presented the bill, but we were hoping we could convince the Senate to stand with us in building these ships for $50,000,000.

Mr. BEAM. As long as the chairman of the Committee on Naval Affairs is satisfied that $50,000,000 is sufficient, I suggest that the membership of the House stand with the chairman of the Committee on Naval Affairs and vote down this additional $10,000,000. [Applause.]

Mr. VINSON of Georgia. I may say to the gentleman that the chairman of the Committee on Naval Affairs is satisfied that the Navy Department, on account of the uncertainty about the cost of material and labor, together with the responsibilities with reference to carrying out of the provisions of the Walsh-Healey law, believes it is almost impossible for it to reach a conclusion that it can build these ships within the $50,000,000 cost. The thing that will happen will be that contracts will not be awarded if the bids exceed $50,000,000. We will come right back here and ask for additional legislation to increase the amount $10,000,000. Therefore, we put in this provision, the responsibility to rest with the President, that if the facts justify it the President is authorized to permit the Navy Department to come before Congress and ask for an additional $10,000,000. If the facts do not justify it, they will not ask for it.

Mr. BEAM. Will further hearings be held concerning the additional $10,000,000?

Mr. VINSON of Georgia. Not at all.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. MASSINGALE. May I ask the gentleman this question? Is the urgency for the immediate letting of these contracts so great, in the gentleman's estimation, that the House cannot afford to stand upon what it has done in order that the Government may save, perhaps, $10,000,000 or $12,000,000 on these ships?

Mr. VINSON of Georgia. Let me say to the gentleman you will not be saving one dollar. It is only a question of legislative procedure as to whether you want to authorize it now or whether you want to come back here next fall or before this session adjourns and ask that these contracts be extended not to exceed $60,000,000.

Let me make this statement to the House: This is an administration bill, and this is requested in a communication I have from the President. This is a Senate bill. The House sought to save $10,000,000 by holding the amount down to $50,000,000. The Navy Department is apprehensive that it cannot be built within the $50,000,000. Now, it is up to the House to say whether you want to try to build these ships within the $50,000,000, and if you cannot, to leave it discretionary with the President to go before the Appropriations Committee and ask for the additional $10,000,000. This is all there is to the bill.

Mr. UMSTEAD. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. UMSTEAD. Is it not a fact that the letter of the President to which the gentleman has referred applied to the original bill and not to this conference report?

Mr. VINSON of Georgia. Yes; it applied to the bill, which carried no limitation whatsoever.

Mr. UMSTEAD. Is it not a fact also that the Navy Department is in no better authoritative position now to say that these ships cannot be built for $50,000,000 than they said they could be, and as the gentleman informed us they could be, less than 30 days ago?

Mr. VINSON of Georgia. When the bill passed the Senate there was no limitation whatsoever. The sky was the limit. They could go before the Appropriations Committee and say it would cost $75,000,000 to build these ships; and that is the bill with respect to which the Chief Executive, in a communication dated June 8, said:

> As you are aware, the bill authorizing the auxiliary building program for the Navy passed the Senate a few days ago.
>
> May I express the hope that this bill, together with the other naval authorization bills which have already received my approval through the Bureau of the Budget, including the bill for the new naval hospital and hospital site, be passed during the present session of Congress?

The action of the House was in the interest of economy in limiting the amount to $50,000,000.

Mr. ENGEL. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman.

Mr. ENGEL. The statement was made the other day that it would cost $20,000,000 more to build a battleship in a Government yard than in a private yard.

Mr. VINSON of Georgia. I may say to the gentleman that if he will read the record of the debate on this bill he will find a statement covering that matter, and I beg the gentleman to excuse me from going into that matter at this time.

Mr. ENGEL. Can the gentleman give us any information as to the difference in cost of construction in private yards and in Government yards?

Mr. VINSON of Georgia. Suffice it to say that in a great many instances you can build them as cheaply in private yards as in navy yards, and in some instances they are higher in private yards than in Government yards, but, as one Member of Congress, I am unwilling to destroy the private yards and have all the work done in the navy yards.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. Does not the gentleman realize that the way the matter now stands, so far as action by the House is concerned, if these contracts are let or if bids are called for, nobody is going to bid over $50,000,000, because they know that the award will not be made? If we say to them that they will be given a leeway of $10,000,000 or $12,000,000, that means the Government of the United States will have to pay $10,000,000 or $12,000,000 more.

Mr. VINSON of Georgia. Not at all, because if the Navy is not satisfied, it has the discretion to build them itself.

Mr. ENGEL. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. ENGEL. Upon what was the estimate based with respect to the estimated cost of construction in private yards as compared with Government yards?

Mr. VINSON of Georgia. The comparison was made in the Navy Department comparing the cost of construction in the navy yards with industrial yards and all of that information is in the RECORD.

Mr. Speaker, the other two amendments were agreed to by the Senate.

Mr. Speaker, I move the previous question on the final adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

Mr. TABER. Upon that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 86, nays 224, not voting 121, as follows:

[Roll No. 121]

YEAS—86

Bacon	Ferguson	Lea	Pierce
Bland	Fitzgerald	Lewis, Colo.	Ramsay
Boland, Pa.	Forand	McCormack	Ramspeck
Bradley	Ford, Calif.	McFarlane	Sanders
Brooks	Gambrill	McGehee	Scott
Brown	Gearhart	McGrath	Secrest
Buck	Green	McGroarty	Sparkman
Carter	Gregory	Magnuson	Spence
Casey, Mass.	Griswold	Mansfield	Tarver
Chapman	Hamilton	Martin, Colo.	Tinkham
Clark, Idaho	Hart	Moser, Pa.	Tolan
Colden	Havenner	Norton	Vinson, Fred M.
Costello	Healey	O'Connell, R. I.	Vinson, Ga.
Cummings	Higgins	O'Connor, N. Y.	Wallgren
Curley	Hobbs	O'Toole	Welch
Deen	Izac	Owen	West
Delaney	Jarman	Pace	Whelchel
Dempsey	Jenckes, Ind.	Patrick	Wigglesworth
Dockweiler	Keller	Peterson, Fla.	Wilcox
Dorsey	Kennedy, N. Y.	Peterson, Ga.	Wolverton
Elliott	Keogh	Pettengill	
Farley	Kramer	Phillips	

NAYS—224

Aleshire	Cooper	Halleck	Lesinski
Allen, Ill.	Cravens	Hendricks	Luce
Allen, La.	Crawford	Hildebrandt	Ludlow
Allen, Pa.	Creal	Hill, Okla.	Luckey, Nebr.
Amlie	Crosser	Hill, Wash.	Luecke, Mich.
Anderson, Mo.	Crowe	Honeyman	McAndrews
Andresen, Minn.	Daly	Hook	McLaughlin
Andrews	DeMuth	Hope	McLean
Arends	DeRouen	Houston	McSweeney
Arnold	Dingell	Hull	Mahon, S. C.
Ashbrook	Dirksen	Hunter	Mahon, Tex.
Atkinson	Disney	Imhoff	Maloney
Barden	Ditter	Jacobsen	Mapes
Barry	Dixon	Jarrett	Martin, Mass.
Bates	Dondero	Jenkins, Ohio	Massingale
Beam	Doughton	Jenks, N. H.	Maverick
Beiter	Dowell	Johnson, Luther A.	May
Bell	Dunn	Johnson, Minn.	Mead
Biermann	Eberharter	Johnson, Okla.	Merritt
Binderup	Eckert	Johnson, W. Va.	Michener
Boileau	Edmiston	Jones	Miller
Boren	Eicher	Kee	Mills
Boykin	Engel	Kelly, Ill.	Mitchell, Tenn.
Buckler, Minn.	Evans	Kerr	Mott
Burdick	Faddis	Kinzer	Mouton
Cannon, Mo.	Fitzpatrick	Kirwan	Murdock, Ariz.
Carlson	Flannery	Kitchens	Murdock, Utah
Cartwright	Fletcher	Kleberg	Nelson
Case, S. Dak.	Ford, Miss.	Knutson	Nichols
Champion	Frey, Pa.	Kocialkowski	O'Brien, Ill.
Church	Garrett	Kopplemann	O'Brien, Mich.
Citron	Gehrmann	Kvale	O'Connell, Mont.
Clark, N. C.	Gildea	Lambertson	O'Connor, Mont.
Claypool	Gingery	Lamneck	O'Day
Cluett	Gray, Ind.	Lanham	O'Neal, Ky.
Cochran	Greever	Lanzetta	O'Neill, N. J.
Coffee, Nebr.	Griffith	Larrabee	Oliver
Coffee, Wash.	Guyer	Leavy	Patman
Colmer	Gwynne	Lemke	Patterson

Patton	Rogers, Okla.	Smith, Wash.	Treadway
Pearson	Romjue	Snell	Turner
Poage	Sabath	Snyder, Pa.	Umstead
Polk	Sadowski	South	Vincent, B. M.
Powers	Sauthoff	Steagall	Voorhis
Rabaut	Schaefer, Ill.	Stefan	Wadsworth
Randolph	Schneider, Wis.	Sumners, Tex.	Warren
Rankin	Schulte	Sutphin	Wearin
Reed, Ill.	Scrugham	Swope	Weaver
Rees, Kans.	Seger	Taber	Wene
Reilly	Shafer, Mich.	Terry	Whittington
Rich	Shanley	Thom	Williams
Rigney	Shannon	Thomason, Tex.	Wolcott
Robertson	Sheppard	Thompson, Ill.	Wolfenden
Robinson, Utah	Short	Thurston	Wood
Robsion, Ky.	Simpson	Towey	Woodrum
Rogers, Mass.	Smith, Conn.	Transue	Zimmerman

NOT VOTING—121

Allen, Del.	Drewry, Va.	Johnson, Lyndon	Reece, Tenn.
Bernard	Driver	Kelly, N. Y.	Reed, N. Y.
Bigelow	Duncan	Kennedy, Md.	Richards
Bloom	Eaton	Kenney	Rutherford
Boehne	Ellenbogen	Kloeb	Ryan
Boyer	Englebright	Kniffin	Sacks
Boylan, N. Y.	Fernandez	Lambeth	Schuetz
Brewster	Fish	Lewis, Md.	Sirovich
Buckley, N. Y.	Flannagan	Long	Smith, Maine
Bulwinkle	Fleger	Lord	Smith, Va.
Burch	Fries, Ill.	Lucas	Smith, W. Va.
Byrne	Fuller	McClellan	Somers, N. Y.
Caldwell	Fulmer	McGranery	Stack
Cannon, Wis.	Gasque	McKeough	Starnes
Celler	Gavagan	McMillan	Sullivan
Chandler	Gifford	McReynolds	Sweeney
Clason	Gilchrist	Maas	Taylor, Colo.
Cole, Md.	Goldsborough	Mason	Taylor, S. C.
Cole, N. Y.	Gray, Pa.	Meeks	Taylor, Tenn.
Collins	Greenwood	Millard	Telgan
Cooley	Haines	Mitchell, Ill.	Thomas, N. J.
Cox	Hancock, N. Y.	Mosier, Ohio	Thomas, Tex.
Crosby	Hancock, N. C.	O'Leary	Tobey
Crowther	Harlan	O'Malley	Walter
Culkin	Harrington	Palmisano	White, Idaho
Cullen	Harter	Parsons	White, Ohio
Dickstein	Hartley	Peyser	Withrow
Dies	Hennings	Pfeifer	Woodruff
Douglas	Hill, Ala.	Plumley	
Doxey	Hoffman	Quinn	
Drew, Pa.	Holmes	Rayburn	

So the conference report was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Meeks (for) with Mr. Hancock of New York (against).
Mr. Sullivan (for) with Mr. Reece of Tennessee (against).
Mr. Drewry of Virginia (for) with Mr. Thomas of New Jersey (against).
Mr. Cullen (for) with Mr. Mason (against).
Mr. Stack (for) with Mr. Tobey (against).
Mr. Pfeifer (for) with Mr. Eaton (against).
Mr. Bloom (for) with Mr. Cole of New York (against).
Mr. Byrne (for) with Mr. Douglas (against).
Mr. Gavagan (for) with Mr. Withrow (against).
Mr. O'Leary (for) with Mr. Telgan (against).
Mr. Kelly of New York (for) with Mr. Reed of New York (against).
Mr. Kenney (for) with Mr. Plumley (against).
Mr. Sirovich (for) with Mr. Lord (against).

General pairs until further notice:

Mr. McReynolds with Mr. Crowther.
Mr. Boylan of New York with Mr. Taylor of Tennessee.
Mr. Cox with Mr. White of Ohio.
Mr. Driver with Mr. Smith of Maine.
Mr. Burch with Mr. Holmes.
Mr. Fuller with Mr. Fish.
Mr. Smith of Virginia with Mr. Clason.
Mr. Rayburn with Mr. Hartley.
Mr. Parsons with Mr. Woodruff.
Mr. Hennings with Mr. Rutherford.
Mr. Lambeth with Mr. Maas.
Mr. Hancock of North Carolina with Mr. Gifford.
Mr. Starnes with Mr. Brewster.
Mr. Greenwood with Mr. Culkin.
Mr. Flannagan with Mr. Hoffman.
Mr. Gasque with Mr. Millard.
Mr. Doxey with Mr. Gilchrist.
Mr. Cooley with Mr. Englebright.
Mr. McClellan with Mr. Bernard.
Mr. Bulwinkle with Mr. Ellenbogen.
Mr. Boehne with Mr. Allen of Delaware.
Mr. Hill of Alabama with Mr. Mosier of Ohio.
Mr. Celler with Mr. Quinn.
Mr. McMillan with Mr. Fleger.
Mr. Harter with Mr. Duncan.
Mr. Dickstein with Mr. Mitchell of Illinois.
Mr. Taylor of Colorado with Mr. Chandler.
Mr. Collins with Mr. Gray of Pennsylvania.
Mr. Dies with Mr. Ryan.

Mr. O'TOOLE changed his vote from "no" to "aye."

Mr. PATTON changed his vote from "aye" to "no."

Mr. COX. Mr. Speaker, I cannot qualify. If I could, I would vote "no."

The result of the vote was announced as above recorded.

Mr. VINSON of Georgia. Mr. Speaker, I move that the House insist upon its disagreement to the Senate amendment and ask for a further conference.

The SPEAKER. The question is on the motion of the gentleman from Georgia that the House insist upon its disagreement to the Senate amendment and ask for a further conference.

The motion was agreed to.

The Chair appointed the following conferees: Mr. VINSON of Georgia, Mr. DREWRY, Mr. MILLARD.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent that all Members of the House have 5 legislative days within which to extend their remarks on the cancer bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by my colleague, Mr. WITHROW, on the subject of automobile manufacturer-dealer relation.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUCK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial by a late editorial writer.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by myself.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE ON LABOR—PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Committee on Labor may be permitted to sit during the session of the House on Monday next.

The SPEAKER. Is there objection?

There was no objection.

PROPOSED MARCH OF UNEMPLOYED ON WASHINGTON

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection?

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, I shall not object to the gentleman's address, but I shall be compelled to object to any further addresses.

The SPEAKER. Is there objection?

There was no objection.

Mr. HALLECK. Mr. Speaker, the national jamboree of the Boy Scouts of America which was recently held in Washington came to an end on Friday, July 9. It was an eventful and successful gathering of the flower of this Nation's youth. The boys conducted themselves while in the National Capital in a manner which reflects credit on them, their organization and their leaders.

As a contribution to the success of the Jamboree, the Federal Government made available, in addition to public parks and grounds for camping purposes, thousands of tents and much other Army equipment. The Boy Scouts used this equipment well, conserved it, and left their camp grounds in perfect order. We in Washington are all happy that they

came to visit us and proud of the record they made while here.

But, Mr. Speaker, what is the picture today? Two weeks after the Boy Scouts departed, Army tents still dot the scenery from Hains Point up to and around the Washington Monument. Very few have been removed, although some have blown down. An inspection of the camp reveals a recent accumulation of newspapers, packing boxes, and other rubbish. There is every evidence that vagrants are taking possession of the camp and that they are rapidly undoing the good order in which the Boy Scouts left the camp.

An inspection, made as recently as last night, reveals that many of the tents have been heaped in piles under other tents, there to mildew and deteriorate. These tents and other equipment cost the taxpayers of this Nation a large sum of money. While no one will complain of the use of the equipment by the Boy Scouts, it is fair to say that the equipment is now being very carelessly handled. What would seem to be unnecessary damage to the equipment and the grounds, since the Scouts left, has occurred.

All of which gives rise to the question, "Why has this huge amount of Army equipment been left standing for such a length of time?"

Possibly we can find the answer to this and some other current questions in a news release from the Workers' Alliance of America, issued from their Washington headquarters under date of July 22. According to this release—

> The largest gathering of unemployed in Washington in recent years will be seen on August 23, when the national job march, sponsored by the Workers' Alliance of America, arrives here.

The release further states that—

> Four main columns and 10 auxiliary columns of auto caravans, leaving cities from the Atlantic to the Pacific, will move across the country to converge in Washington.

And further along in the release it is stated that—

> Practically all of the job marchers will travel in old cars, the finances being raised by the 2,500 local units of the alliance, from trade unions and other friendly organizations, and contributions from merchants, city and State official bodies. Many of the units will have special children's detachments, others will have women's and youth detachments.

And then there is found in the release a possible explanation of why the tents and other Army equipment have not heretofore been removed. This explanation is in the paragraph which reads:

> To house the marchers in Washington an appeal will be made to the Quartermaster Department of the United States Army for use of the tents and other equipment used by the Boy Scouts Jamboree. This equipment is still in Potomac Park in Washington. An appeal will also be made for Army rations in order to feed the thousands of job marchers.

None of us can deny to any citizen of this country his right to petition Congress for a redress of grievances. But it must be borne in mind that the relief appropriation for the coming year has already been made by Congress. The amount provided in the bill as finally passed was suggested by the President of the United States as being adequate. The Congress fixed the amount after long and careful investigation and debate.

Further than that, it is safe to say that the overwhelming sentiment in Congress is for an adjournment before August 23. By that time it is almost certain that this session will have adjourned and the Members will have gone home.

That unemployed men and women, together with their children, should be encouraged to come to Washington by the thousands under the circumstances as they exist is well-nigh unthinkable.

The release heretofore referred to by me indicates that many of the persons making the trip will be without funds to maintain themselves, either on the way or after they arrive in Washington. If they should arrive in Washington as contemplated by the press release, an unsafe and possibly dangerous situation would be presented. Once before a rather similar occupation of Washington took place, and it ended with tragic results.

While all of us are sympathetic with those who are so unfortunate as to be unemployed, we certainly cannot sympathize with nor can we afford to encourage an effort to bring thousands of unemployed men with their wives and children to Washington in an attempt to force Congress to make increased appropriations at this time.

In spite of the fact that everyone knows that there are no jobs available in Washington, the press release states:

> If you want your W. P. A. job back, march with us. If you are unemployed and want a job, march with us. If you are sympathetic to our desire for jobs, contribute and help us.

If communications reaching me from farmers of my State, and reaching other Members of Congress from the farmers of other States, are true, there are more jobs available in the harvest fields of the West and Midwest than there are in Washington. Many of us have received communications from farmers complaining of the shortage of farm help. They say that the W. P. A. and other governmental activities are keeping men from the farms. While farm work may not, in the eyes of some, be the most desirable work in the world, it has always, and will today, provide honest employment at reasonable wages for a great and substantial number of our people.

Mr. Speaker, the tents are still up in Potomac Park. The marchers will soon be here in Washington to put the pressure on the President and Congress, although it is probable that Congress will not be here.

Is it possible that someone in authority has permitted these tents to remain in Potomac Park so that they might be available for the use of the marchers; or, in fact, to encourage the marchers to come to Washington? I present this question in all seriousness and in the earnest hope that undue and unnecessary hardship and privation shall be avoided, trouble prevented, and the integrity of the Government maintained. [Applause.]

ADJOURNMENT OVER

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object. What business will come up for consideration during the remainder of the afternoon before we adjourn?

Mr. O'CONNOR of New York. It is my understanding that we will take up nothing but the Bonneville Dam matter, with 1 hour under the rule and 2 hours of general debate upon the bill.

Mr. SNELL. Mr. Speaker, the gentleman states his understanding. Is that the understanding of everyone?

The SPEAKER. The Chair has no present intention of recognizing anyone for any further business this afternoon.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I shall ask unanimous consent to bring up the conference report upon the Interior Department appropriation bill. There was just one controversial matter, and that has been settled. It is a unanimous report.

The SPEAKER. With that exception, the Chair knows of no additional legislative business to come up this afternoon. Is there objection to the request of the gentleman from New York that when the House adjourns today it adjourn to meet on Monday next?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate agrees to the amendments of the House to the amendments of the Senate nos. 35, 37, 53, 97, 98, 124, 125, and 133 to the bill (H. R. 6958) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes"; disagrees to the amendments of the House to Senate amendments nos. 93 and 95; further insists upon its amendments nos. 93, 95, 74, 89, and 121 to said bill; agrees to a further conference with the

House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. ADAMS, Mr. NYE, and Mr. STEIWER to be the conferees on the part of the Senate.

FORMER REPRESENTATIVE ANNING S. PRALL

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, it is a matter of great personal grief to me to announce the death this morning of a former Member of this House, Hon. Anning S. Prall, chairman of the Federal Communications Commission. Many of the Members here served with Representative Prall during the five terms that he served in this House, which he entered in the Sixty-eighth Congress. He was outstanding in his ability. He was exceptional in his courtesy, and the aspect of a gentleman radiated from him. In his death we, who knew him intimately and loved him, have lost a friend, and the administration has lost one of its outstanding leaders.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I join with the gentleman from New York [Mr. O'CONNOR] as we all do in expressing our grief over the passing of our former distinguished colleague, Hon. Anning S. Prall.

I wish to call to the attention of the House one practice that has been neglected of late. It was the practice here for more than 100 years that whenever a former Member of the House passed away, some sitting Member from his State arose and announced his death. We try to keep a compiled directory of the records of all men who have served in the American Congress. In 1927, when the last directory was compiled, there were more than 100 men, I think possibly 200 men, the record of whose death could not be found, because in recent years they have been neglecting to make these announcements. So I trust that whenever a former Member passes away some Member from his State will do as the distinguished gentleman from New York [Mr. O'CONNOR] has done today, arise and announce his passing, and let it go in the RECORD in order that it may help to keep the history of this country and the history of the Congress and the history of the Members of the House for future generations.

I sincerely trust that whenever a former Member passes from your State you will do as the gentleman from New York [Mr. O'CONNOR] has done today, rise and respectfully announce his passing to the House, tell where and when he died, in order that this record may be accurately kept.

[Here the gavel fell.]

BONNEVILLE DAM

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 277.

The Clerk read as follows:

House Resolution 277

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7642, a bill to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rivers and Harbors, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from New Jersey [Mr. MCLEAN].

Mr. Speaker, this is an open rule for the consideration of the so-called Bonneville Dam project, providing for 2 hours of general debate. As represented to the Rules Committee, this bill pertains to the disposition of the surplus power generated by that project.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. CANNON of Missouri. This rule provides for the waiving of all points of order in the bill. The bill contains a provision, at page 16, section 10, which is subject to a point of order and which is objectionable for two reasons: In the first place, it carries a direct appropriation; and, in the second place, it provides for a permanent appropriation. There has been considerable discussion recently, both in the House and in the Committee on Appropriations, of this character of appropriations; and I would be glad if the gentleman from New York will yield to the gentleman from Texas [Mr. MANSFIELD], chairman of the Committee on Rivers and Harbors, who reported this bill, to tell us whether he expects to insist on consideration of that provision in the form in which it now appears in the bill.

Mr. O'CONNOR of New York. Let me say first to the gentleman there has grown up in this House a practice which should be curtailed as far as possible; that is, for the legislative committees to include appropriations in their bills; and it is always with reluctance that the Rules Committee provide in the rule to waive points of order. On the other hand, the great Committee on Appropriations, of which the gentleman from Missouri [Mr. CANNON] is acting chairman, is rapidly developing a sort of violation of the rules of the House by including legislation in appropriation bills. Those two matters should be stopped as far as possible. It usually happens that after appearance before the Rules Committee and after the hearing is had the legislative committee says, "We have a matter in here which we think may be subject to a point of order", and because of the necessity for expedition the Rules Committee reluctantly, in some instances, includes a waiver of points of order. But the legislative committees should not have appropriations in their bills, and the Appropriations Committee should not have legislation in its bills.

Mr. CANNON of Missouri. I am glad to have the gentleman from New York make that statement, because I am in hearty accord with it. It is important that for the sake of expedition and in order to maintain the integrity of our proceedings appropriations be excluded from legislative bills and no legislation be included in any appropriation bill.

It is the policy of our committee to adhere strictly to the rule prohibiting the consideration of legislation in appropriation bills.

Mr. O'CONNOR of New York. In the District of Columbia appropriation bill there were only 32 pieces of legislation, as I recall it. [Laughter.]

Mr. CANNON of Missouri. To be exact there are 17, which fall largely into two classes—limitations effecting retrenchments under the Holman rule which are always in order on an appropriation bill and which are really fiscal rather than legislative, and standardized forms which have been carried in the bill from time immemorial, and which had their origin back in the days before appropriating authority was confined to one committee. The fact is the policy of excluding legislative provisions of any importance has been more rigidly insisted on this year than in previous sessions. I would be glad if the gentleman would yield to the gentleman from Texas and give us an opportunity to have his views on the subject.

Mr. O'CONNOR of New York. Mr. Speaker, I yield to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Speaker, in reply to the gentleman from Missouri [Mr. CANNON] let me say that after conversation with him over the telephone today I drafted a proposed amendment which I believed will be entirely satisfactory to the gentleman from Missouri. It was not the intention of the Committee on Rivers and Harbors to include an

appropriation in this bill, but there was a provision which was copied from the T. V. A. bill which could be construed as an appropriation, and when it was called to the attention of the committee we gladly agreed to yield upon the point.

I submit to the chairman of the Committee on Appropriations this amendment and ask whether or not that form will be satisfactory to him?

Mr. CANNON of Missouri. It is the intention of the gentleman from Texas to offer this as a committee amendment?

Mr. MANSFIELD. Yes. The committee has authorized me to offer that as an amendment, and I expect to do so when that is reached under the 5-minute rule.

Mr. CANNON of Missouri. The amendment brings the section within the rule and removes any grounds for objections to the special order proposed by the gentleman from New York.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, this bill is a part of the administration's power program and is one of the most important measures of its kind ever presented to the Congress of the United States, especially insofar as it affects the people of the Far West.

Bonneville is one of the largest power dams now in the world. They will soon be generating power at this dam and have it ready for distribution. This will mean for that great Western country a yardstick such as we have in the Tennessee Valley and such as they have in the Province of Ontario, Canada. This bill, with one or two exceptions, meets with the approval, I believe, of an overwhelming majority of those Members who believe as I do, in using the public power resources of America for the benefit of the American people in order to bring electricity to the ultimate consumer at the lowest possible rates, based upon the cost of production, transmission, and distribution.

One of the changes that will be proposed is for a unified control in order that the Administrator may have complete control of the dam, complete control of the generating facilities, and deliver to the Army Engineers a sufficient amount of power to operate the locks and also the fishways at all times. We believe that amendment is necessary in order to promote harmony in the organization and to prevent friction in the years to come.

Another amendment I shall propose is that where power is sold to a private power company to be resold for profit the administrator shall fix the retail rates. The measure as it now stands reads that he may fix the retail rate. I want to strike out the word "may" and insert the word "shall" so that there can be no question in the future about this power being delivered to the ultimate consumers of that area at the proper rates.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MANSFIELD. That amendment has already been agreed upon as a committee amendment.

Mr. RANKIN. I thank the chairman of the committee, the distinguished gentleman from Texas [Mr. MANSFIELD]. He informs me that that amendment has already been agreed to.

Mr. Speaker, we have here a chart prepared under the direction of our distinguished colleague from Oregon [Mr. PIERCE]. I trust that every Member of Congress will study it carefully. You will see that where rates are high consumption is low. For instance, you will notice in one Arizona City where the rates are 11½ cents a kilowatt hour the average annual domestic consumption is only 150 kilowatt hours. In the next Arizona city where the rates are 10½ cents the average annual use is only 300 kilowatt hours a year. In Tacoma, Wash., however, where the average kilowatt hour rate is 1.68 cents the annual domestic use is 1,565 kilowatt hours. In Tupelo, Miss., under the T. V. A. rates of 1.78 cents per kilowatt hour the domestic annual use of electrical energy averages 1,864 kilowatt hours a year.

Let us take up the Canadian situation. You will notice that in the Ontario section under the Ontario Power Commission, taking in this particular instance Fort William, Ontario, the average cost is 0.75 cent, or 7½ mills, a kilowatt-hour. How much do they use? They use 5,240 kilowatt-hours a year on an average. Those people have been heating their homes for years with electricity. They call it white coal, because it is the cheapest fuel they can find.

It has been said here, and was said to me before the committee, that Ontario's rates were cheap because they got their power from Niagara Falls and did not have to build a dam. It is just as much trouble to chisel a sluiceway and a penstock in that rock at Niagara Falls as it is to build a dam across one of these rivers.

Surely they cannot make that charge as to Winnipeg. Winnipeg has no Niagara Falls, yet their rate is 9 mills a kilowatt-hour on an average. They use an average of 4,250 kilowatt-hours a year. How does that compare with the average in the United States? The average in the United States is more than five times the Winnipeg rate, and we find the average use is 710 kilowatt-hours annually, or approximately one-sixth of the quantity used in Winnipeg.

Is there a Member of the House who cannot see what it means to bring these rates down in order to enable the American people to use electricity and electrical appliances, to enjoy the blessings of this modern civilization, to lift from the shoulders of the housewife the interminable drudgery under which the women of this Nation have struggled in the days gone by? Can any man look at that chart and fail to see that the greatest thing we can do for the American people is to develop hydroelectric power on our navigable streams and transmit it to the homes of our people at rates based upon the cost of production, transmission, and distribution?

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. BIERMANN. To what kind of use do these average figures apply?

Mr. RANKIN. These are domestic rates.

Mr. BIERMANN. They do not apply to business at all?

Mr. RANKIN. No. The commercial rates, however, run along parallel with them.

Mr. BIERMANN. But these figures are strictly for domestic use?

Mr. RANKIN. These are for homes; these are residential rates.

Mr. Speaker, when we were paying 10 cents a kilowatt-hour for electricity a few years ago, we were using on an average of 35 kilowatt-hours a month. Today we are using about 160 kilowatt-hours a month, and I believe a month ago it ran up to as much as 180 kilowatt-hours a month.

Our people are beginning to realize what electricity is for.

I will give you another figure. The average saturation point for the use of electrical refrigerators in this country is 29 percent, which covers the big cities of the Nation. In my own home town today it is 80 percent. The other day I sent out questionnaires to the farmers who are receiving electricity throughout the area I represent. I received back 89 questionnaires and of those 89 farmers 66 had electric refrigerators. The money they had been previously spending on gasoline and accessories, and so forth, they are now spending on their homes and building places for their children to live in.

Mr. Speaker, this is the greatest movement of modern times, certainly the greatest movement ever started in this country by any administration. It means that we will not only bring this relief to the people of the cities but we will electrify the farm homes of America. For the last few years our farmers' children have been rushing through school to get away from home. Today that picture is being reversed. Wherever a power line goes into a farm home and delivers electricity at the proper rate, it makes that home and farm more profitable and more attractive. We find their children rushing through school now to get back home instead of rushing through school to get away from home.

We are building a civilization for the future in order that throughout the centuries to come this country may take its

place and maintain it as the leading Nation of the earth in the onward march of progress. A good deal has been said about what we are spending. This dam will add hundreds of millions of dollars to the wealth of that western country. If you electrify every farm home in America at the rate at which this power will be sold, at the T. V. A. rate or at the Winnipeg rates, or the Ontario rates, you will add $100,000,000,000 to the value of the farm property of America, and you will add inestimably to the happiness and prosperity of the American people. [Applause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein the table shown on the blackboard.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Utah [Mr. ROBINSON].

Mr. ROBINSON of Utah. Mr. Speaker, I want to assure my colleagues I do not often rise in this House to speak and I would not on this occasion were it not for the fact I feel that a serious injustice will be done not only to this Congress but to all people concerned if this bill is passed in its present language.

I call attention to one feature only of the bill. The title reads, "To authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes." One would assume from an examination of that title that this was a Bonneville Dam bill and I have no objection to that feature of the bill. However, the committee for some unaccountable reason has dragged into this Bonneville proposition a matter that should in nowise be brought into the discussion. I refer to page 12 of the bill wherein it provides that—

> The President shall direct the holding of public hearings by such agency or agencies as he may designate and the preparation prior to December 31, 1937, of a report to the President.

For what? It has nothing to do with the Bonneville project. It states the report shall include—

> The findings of such agency or agencies respecting any unreasonable discrimination against the Boulder Canyon project.

That is the only reference to the Boulder Canyon project there is in this bill. What does that mean? It means that here is a project from 1,000 to 1,200 miles away from the Boulder Dam project, not connected in any way on earth with the Boulder Dam project, which was authorized by Congress after 6 years of debate in Congress.

Mr. Speaker, under the Boulder Dam project a solemn agreement was entered into as to how the money should be paid, under what circumstances it should be paid, what deductions should be made, and this argument fixed the rights of the parties. The States involved accepted that contract, feeling that it was a solemn and binding obligation.

What happened? On June 1 of this year some of the parties to that contract must begin to perform. This is the first time they have had any obligations under the contract. The contract provides that if there is any discrimination or wrong being done, the parties will meet every 15 years and adjust the discriminations. There is a provision in the contract that in 1945 there will be an adjustment made of any discriminations that may at that time exist. But here comes one of the parties to the contract who wants to have the interest rate reduced from 4 percent to 3 percent, although the contract provides for 4 percent and although that interest is being paid partly by private concerns. I say "partly." Twenty-six percent of it is being paid by the Southern California Edison Co.

Mr. COLDEN. Will the gentleman yield?

Mr. ROBINSON of Utah. I will if the gentleman will secure some more time for me.

Mr. COLDEN. Just merely for a correction. It is 8 percent.

Mr. ROBINSON of Utah. It is 26 percent, and not only that but the California Edison Co. and the city of Los Angeles underwrote the whole project. They are responsible for every dollar of it. There is no question about that. I cannot yield to the gentleman any further. If the gentleman has any questions to ask about these facts, I can produce them. There is no question about the facts I am giving out.

Mr. CARTER. Will the gentleman yield? I will see that the gentleman gets a few minutes more time.

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. ROBINSON of Utah. I yield to the gentleman from California.

Mr. CARTER. The gentleman has stated that the President calls these public hearings.

Mr. ROBINSON of Utah. Yes.

Mr. CARTER. Is the gentleman afraid that the President and the men he appoints will not render a just and fair decision in this matter?

Mr. ROBINSON of Utah. I am glad the gentleman mentioned that. I think it is absolutely wrong for the Congress to enter into a solemn obligation after spending 6 years working on the matter, then saying to any one man, "You go ahead and fix this contract up any way you want." I do not approve of that. I am for the President. I think he has done a fine job. I am for Secretary Ickes, too, but I would like to call attention to a statement made by Secretary Ickes on this very thing. Mr. Merriam, speaking for Secretary Ickes, stated:

> I may say that Secretary Ickes, because he regards the problems of Boulder Dam and Bonneville as entirely dissimilar, does not favor such a rider.

Meaning the rider referring to Boulder Dam.

I think the time has come when we must call a halt to this kind of a proposition. Surely this Congress is not going to permit a committee to come in here and authorize someone to change a contract just as soon as the parties who are to perform under that contract must begin to pay. The only purpose of this is to give an advantage to California of some $78,000,000 in interest. They are obligated to pay this sum. In giving the city of Los Angeles this advantage you give the same advantage to the utility companies who have signed contracts and obligated themselves to make these payments. [Applause.]

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, no one can deny that the conservation of our natural resources insofar as it surmounts State lines is a national problem, and we have always recognized it as such. We have maintained our navigable waters, and our reclamation program has been under way for a great many years. The rapid development of the uses of electricity has brought the use of electricity very prominently into our everyday life. The only difference between us is one of management, and that is most important.

I read this Bonneville Dam bill and learn from it that it is a temporary measure, that it is to remain in force only until other means are provided for handling this situation. If we proceed the way we are now going with this alleged program, as I pointed out 2 or 3 years ago, Congress is going to have a great many things to answer for. It is going to have to answer for all of the incompetence, extravagance, and inefficiency of not only the Tennessee Valley Authority, but the Bonneville administrator and every other similar agency which we set up and give authority which Congress itself should exercise.

The Tennessee Valley Authority has at least one virtue which the authority to be set up under this act does not have. In the Tennessee Valley Authority there is safety in numbers. At least there is some check on their activities by their criticism of each other. They are now in a wrangle from which some good may result. Under this proposal the Congress will turn over not to three men, each a check on the other, but to one individual, all of its prerogatives, and give him exclusive power over the operation of the Bonneville project, with full power to build an organization, create jobs, and fix rates for power sold. There will be

nobody to question any of his acts or performances. Under this act he will be appointed at a salary of $10,000 per year for an indeterminate term.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. McLEAN. I yield.

Mr. MANSFIELD. Is not the gentleman mistaken regarding the powers of the administrator who is to be appointed? He has nothing to do except transmit and sell the surplus power.

Mr. McLEAN. I do not so understand the act. This bill confers upon the administrator the right to purchase land, the right to build transmission lines, the right to exercise the power of eminent domain, to take real and personal property in the name of the United States, and for that purpose the act confers upon him full authority provided by existing condemnation statutes. The bill gives him authority to acquire and condemn lands and provides that to carry out the purposes of this act he may file suits, and in all litigation he shall be represented by such counsel as he may select. The Department of Justice and law enforcement officers of the Government are to be ignored.

Mr. MANSFIELD. That is only for the purpose of transmitting and selling the power.

Mr. McLEAN. I may say, with all due deference, that if the chairman of the committee will read the act carefully he will find we have put all this authority into the hands of this administrator, a single individual. The things I have stated are so. This administrator will have these exclusive rights under the language of this bill.

In confirmation of this, may I read section 11, as follows:

> The administrator may, in the name of the United States, bring such suits, at law or in equity, as he may find necessary in carrying out the purposes of the act; and he shall be represented in all litigation affecting the status or operation of Bonneville project by such counsel as he may select.

In another section it is provided that—

> The administrator, the Secretary of War, and the Federal Power Commission, respectively, shall appoint and fix the compensation of such attorneys, engineers, and other experts as may be necessary for carrying out the functions entrusted to them under this act, without regard to the provisions of other laws applicable to the employment, compensation, and classification of officers and employees of the United States; and they may, subject to the civil-service laws, appoint such other officers and employees as may be necessary to carry out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McLEAN. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman realizes this dam is practically finished?

Mr. McLEAN. I do.

Mr. RANKIN. Would the gentleman abandon it?

Mr. McLEAN. I would not.

Mr. RANKIN. What would the gentleman do with the power which is to be generated there?

Mr. McLEAN. I have sufficient confidence in the Corps of Engineers of the United States Army to allow them to operate this project temporarily until such time as we have a proper board or body set up to handle it.

Mr. RANKIN. Would the gentleman increase the number of administrators from one to three?

Mr. McLEAN. I am not prepared to answer that now. I am criticizing the bill before me.

This bill, like most of the New Deal measures which have been submitted to Congress, comes to us without mature deliberation, and from another source. I call attention to page 148 of the hearings, which shows that this bill came here from the Secretary of the Interior, or the Power Policy Committee, and we are asked to pass it on that recommendation.

This bill creates another T. V. A. The only difference is that this is a one-man T. V. A. with exclusive power.

Mr. SMITH of Washington. Mr. Speaker, will the gentleman yield?

Mr. McLEAN. I yield.

Mr. SMITH of Washington. May I call the gentleman's attention to section 2 on page 3 of the bill, commencing at line 11 and continuing to line 15, referring to the administrator, which reads as follows:

> He shall act in consultation with an advisory board composed of a representative designated by the Secretary of War, a representative designated by the Secretary of the Interior, and a representative designated by the Federal Power Commission.

Does not the gentleman think in view of this provision he is in error when he claims the administrator has the autocratic powers in administering this project which the gentleman has been attributing to him?

Mr. McLEAN. I do not, because section 2 gives the administrator the exclusive power to build up and he will build up an organization just as strong and powerful as the T. V. A., and will fix all the rates, just as the T. V. A. is doing, but he will not be reporting to Congress in an understandable way. The T. V. A. is not doing it.

Mr. SMITH of Washington. The gentleman has referred to the matter of rates. May I call the attention of the gentleman to section 5 and the provision on page 11, beginning in line 3 and continuing to line 7, that—

> Rate schedules and revisions thereof shall from time to time be prepared and submitted by the administrator to the Federal Power Commission and shall become effective as approved by the Federal Power Commission.

In other words, the administrator does not have final jurisdiction as to rates and cannot say what the rates shall be. That is a matter that is subject to the final approval of the Federal Power Commission.

Mr. McLEAN. That may be the gentleman's opinion, but as I read the bill, this administrator will become a czar over the Bonneville operation. Read, for instance, the provision in section 1:

> The Secretary of War shall provide, construct, operate, maintain, add to, and improve at Bonneville project such machinery, equipment, and facilities for the generation of electric energy as may be necessary to develop salable electric energy as rapidly as markets may be found therefor by the administrator.

[Here the gavel fell.]

Mr. McLEAN. Mr. Speaker, I yield myself 10 minutes more.

The administrator is given power to dictate to the Secretary of War to what extent power shall be developed there without any authority from the Congress.

I object to placing all this power in the hands of this one individual, making him a czar and a T. V. A. authority for the Columbia River operation.

This act is called a Bonneville Dam Act. It is more than that. I have the word of Secretary Ickes in the hearings that the object and purpose of this act is to establish a national power policy. If this is so, this matter is of sufficient importance, particularly in the light of the program which has been introduced providing for seven authorities similar to the T. V. A. and which we understand is to be brought forward soon, to have more mature consideration than the bill can possibly have at this time.

Much has been said about yardsticks, and the statement has been made that this Bonneville operation will be a yardstick for all the operations in the Northwest. We are also told that the T. V. A. is a yardstick for all the operations in the territory where it exists.

It may interest some of you gentlemen to know how much the T. V. A. has cost the United States up to this point. The program as outlined to the Committee on Appropriations at the last session of the Congress indicated a total cost of all projects of development of $479,000,000, and the total cost, as revised at the present session, is $520,000,000. In other words, the T. V. A. had revised its estimates of its operations upward $30,000,000 since the last session of Congress. It does not appear anywhere of record that they have in anywise, in fixing their rates, included any part of the cost of their operation or allocated any particular part of the expense to the fixing of the rates which they charge.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McLEAN. Their rates are more or less guesswork and in no part of any of their reports and at no point in any hearings I have read do I find any reference whatever to the theorem which they have followed in allocating, as is just

and proper, a portion of the cost to flood control, a portion to navigation, and a reasonable and fair charge against the cost of the development of electricity.

Furthermore, the report of the T. V. A. shows that their receipts from the sale of electric power are only very slightly in excess of the cost of operation of their electrical department, which does not take into account any of the expense of operation.

I venture to say—and I say this with confidence—the T. V. A. rates will not stand the test of examination when all of the charges which are proper are included in the rates which they charge. I do not say this in criticism of the T. V. A.; I do not say this in support of any rates previously charged; I do not say it in support of any electric company or power trust; I say it for the information of the Congress. We are not informed as to how the T. V. A. rates are fixed, and until we know the substance of the rates, until we know the basis upon which they are formulated, and until we know the elements that enter into such rates, we are not in position to know whether or not those rates are fair and reasonable and commensurate with the cost of production, and any ex-parte statement that is made about the rates that are charged in other portions of the country, using T. V. A. rates as a comparison or as a yardstick, is not in keeping with proper business and legal practice.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McLEAN. Yes.

Mr. RANKIN. The gentleman talks about the T. V. A. costing so much and their spending $500,000,000. As a matter of fact the gentleman knows if he has kept up with the appropriations that he is including all the prospective expenses in the future, all of the prospective appropriations in the future, and not what has been spent.

Mr. McLEAN. That is where we differ. Is it not perfectly proper for the Congress of the United States to anticipate the ultimate cost of a public improvement, and in this T. V. A. proposition the Congress of the United States has been deceived as to the ultimate cost. When this program was outlined there was an entirely different viewpoint. The act under which the T. V. A. was created provides for a method of financing the proposition. It provided that they should have $50,000,000 to begin their operations, and that they should make a report of their ultimate operations to the Congress or the President in order that we could determine what the future activity was to be, and that report was to aid and assist us in directing their operations. What happened? Such a report has never been made, and the money which they were allocated in the bond issue has never been used, they never intend to use it, they never intend to make the examination and report contemplated by the Tennessee Valley Act, and if the gentleman will read their reports he will see the ridiculous reason given as to how they construe that provision of the law, and instead of following the dictates and mandate of Congress there was allocated to them $75,000,000 out of the relief fund and other emergency relief appropriations, and what Congress thought ought to be done was ignored, and since that time they have gone along freely by themselves, doing just as they please, ignoring Congress except when some excuse was necessary for some mistake that they had made, or there was some difference of opinion which existed between them, and then they came to Congress and asked Congress to settle their differences.

Mr. RANKIN. Mr. Speaker, will the gentleman yield further?

Mr. McLEAN. Let me ask the gentleman this. Does not the gentleman think that Congress ought to know what the ultimate cost of any public improvement is going to be?

Mr. RANKIN. Let me say to the gentleman from New Jersey that we know about as accurately as it could be known. The gentleman cannot tell us what the Navy will cost in the future or what any other governmental enterprise will cost in the future. Here is the point I want to ask the gentleman: The gentleman talks about the T. V. A. yardstick being inaccurate. Let him turn around and look at that blackboard, and he will find that Tacoma, Wash., Windsor, Ontario, Ottawa and Winnipeg, Canada, all have lower rates than the T. V. A. has, all of them paying out, all of them doing sound business, and look at the use of power that those people have.

Mr. McLEAN. Oh, there is no difference between the gentleman and me in that respect. It is fundamental, elemental that the cheaper the rate the more will be consumed. We have no difference as to that. That is no great discovery or anything unique about that.

Mr. RANKIN. Then how does the gentleman stand here and say that the T. V. A. rates are too high?

Mr. McLEAN. I did not say that. I said that to use the T. V. A. rates as a comparison or yardstick is inaccurate as we understand them at the moment, because we have no way of determining whether those elements which ought to go into the making of a rate have been used by the T. V. A. I have read their reports and I have read their testimony and I have tried to find out, without success. I read in some newspaper that Dr. Morgan said that he was not prepared to tell how much of the cost of the dam went into the making of electric rates.

Mr. RANKIN. I agree with the gentleman on one thing and that is that the T. V. A. rates are wrong; they are too high and ought to be reduced and will be reduced as the years go by, and these rates at Bonneville will be lower than the present T. V. A. rates.

Mr. McLEAN. How does the gentleman reach the conclusion that they are too high?

Mr. RANKIN. Because we take the results at Tacoma, Wash., Winnipeg, Canada, and the rates of the Ontario Power Commission, where they have done the same thing.

Mr. McLEAN. And the gentleman disregards the investment of the United States, which ought to be considered.

Mr. RANKIN. All that investment is charged to power, every dollar of it, and all of them have cheaper rates than the T. V. A.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McLEAN. Yes.

Mr. RICH. I want to make an observation here in reference to the statement of the gentleman from Mississippi [Mr. RANKIN]. The gentleman from Mississippi told me that he could prove that power rates produced by coal could be produced as cheaply as they could by water, but he has failed up to this time to produce that information.

Mr. McLEAN. We are going too rapidly in establishing different bodies and boards. We ought to respond more readily to the suggestion of the President that our Government ought to be reorganized, boards and agencies should be coordinated and consolidated, and before we create other agencies, we ought to have some definite program and scheme as to how this power-development program is going to be regulated and managed.

Let us not talk anymore about surplus power. The words "surplus power" have lost their efficacy. The phrase need no longer to be used as a delusion and a snare calculated to induce the courts to circumvent constitutional limitations. The Government of the United States is in the electrical power business. It is the purpose of the administration to produce all the power we can possibly produce and it is our purpose to find markets for it. Let us be honest with the people about it, but let us organize a body or a board that can scientifically guide and direct the activity so that we will have a real yardstick. The T. V. A. yardstick was lost 2 or 3 years ago. It may be you will find it in one of the vacant houses up at the town of Norris or somewhere else, but as far as having a value in comparison of rates is concerned, it does not exist.

I sometimes think I will soon have to sit on the Democratic side of this House. A few days ago I had to vote to sustain the President when the members of his own party were walking out on him. I heard the gentleman from California say the other day that we were passing a bill which the President would probably veto. I do not see how the President can consistently approve of the bill that was passed yesterday, if he insists on his program of economy and efficiency. It would seem as if Members of Congress

do not see or they do not want to see what is going on. They are disregarding a program of economy for one of personal interest. They are either blind or they do not care. Let us be fair in our efforts to effect a legislative program and not horse traders. Not like a fellow up in my territory who thought he was swindled in a deal for a mule he bought. As the bargain was closed the mule dashed away and smashed his head against the side of the barn and liked to kill himself. The purchaser said to the seller: "The deal is off; I didn't buy a blind mule." The seller replied, "That mule ain't blind. He just don't give a damn." [Laughter and applause.]

Mr. RANKIN. You should have had an electric light in that barn.

The SPEAKER. The time of the gentleman from New Jersey [Mr. McLEAN] has expired.

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. MANSFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7642) to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7642, with Mr. WILCOX in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with and the bill will be printed in the RECORD at this point.

There was no objection.

The bill is as follows:

Be it enacted, etc., That for the purpose of improving navigation on the Columbia River, controlling floodwaters, promoting the national defense, and for other purposes, the dam, locks, power plant, and appurtenant works now under construction at Bonneville, Oreg., and North Bonneville, Wash. (hereinafter called Bonneville project), shall be completed, maintained, and operated under the direction of the Secretary of War and the supervision of the Chief of Engineers, subject, however, to the provisions of this act relating to the power and duties of the Columbia River Administrator provided for in section 2 (a) (hereinafter called the Administrator) respecting the sale and distribution of surplus electric energy generated at said project. So far as may be consistent with the purposes aforesaid, and to effect such purposes with the greatest possible public benefit and to avoid the waste of water power, the Secretary of War shall provide, construct, operate, maintain, add to, and improve at Bonneville project such machinery, equipment, and facilities for the generation of electric energy as may be necessary to develop salable electric energy as rapidly as markets may be found therefor by the Administrator. The electric energy thus generated and not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith, shall be delivered to the Administrator, at a switchboard to be installed in or near the power plant, for disposition as provided in this act.

SEC. 2. (a) The surplus energy generated in the operation of the Bonneville project shall be disposed of by and through the Administrator as hereinafter provided. The Administrator shall be appointed by and be responsible to the Secretary of the Interior, shall receive a salary at the rate of $10,000 per year, and shall maintain his principal office at a place selected by him in the vicinity of Bonneville project. No Administrator shall during his continuance in office have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935. The Administrator shall, as hereinafter provided, make all necessary or appropriate arrangements for the disposition of electric energy generated at Bonneville project not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith. He shall act in consultation with an advisory board composed of a representative designated by the Secretary of War, a representative designated by the Secretary of the Interior, and a representative designated by the Federal Power Commission. The form of administration herein established for Bonneville project is intended to be provisional pending the establishment of permanent administration for Bonneville and other projects in the Columbia River Basin.

(b) In order to encourage the widest possible use of all electric energy that can be generated and marketed and to provide reasonable outlets therefor, and to prevent the monopolization thereof by limited groups or localities, the Administrator is authorized and directed to provide, construct, operate, maintain, and improve such electric transmission lines and substations, and facilities and structures appurtenant thereto, as he finds necessary, desirable, or appropriate for the purpose of transmitting electric energy, available for sale from the Bonneville project to existing and potential markets, and for the purpose of interchange of electric energy to interconnect the Bonneville project with other Federal projects.

(c) The Administrator is authorized, in the name of the United States, to acquire, by purchase, lease, condemnation, or donation, such real and personal property, or any interest therein, including lands, easements, rights-of-way, franchises, electric transmission lines, substations, and facilities and structures appurtenant thereto, as the Administrator finds necessary or appropriate to carry out the purposes of this act. Title to all property and property rights acquired by the Administrator shall be taken in the name of the United States.

(d) The Administrator shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purposes of this act, by the exercise of the right of eminent domain and to institute condemnation proceedings therefor in the same manner as is provided by law for the condemnation of real estate. In respect of condemnation of any property or property rights, the Administrator shall have the rights conferred by the act of February 26, 1931 (46 Stat. 1421, ch. 307, secs. 1 to 5, inclusive), as now compiled in sections 258a to 258e, inclusive, of title 40 of the United States Code.

(e) The Administrator is authorized, in the name of the United States, to sell, lease, or otherwise dispose of such personal property as in his judgment is not required for the purposes of this act and such real property and interests in land acquired in connection with the construction or operation of electric transmission lines or substations as in his judgment are not required for the purposes of this act: *Provided, however*, That before the sale, lease, or disposition of real property or transmission lines, the Administrator shall secure the approval of the Secretary of the Interior.

(f) Subject to the provisions of this act, the Administrator is authorized, in the name of the United States, to negotiate and enter into such contracts, agreements, and arrangements as he shall find necessary or appropriate to carry out the purposes of this act.

SEC. 3. (a) As employed in this act, the term "public body", or "public bodies", means States, public power districts, counties, and municipalities, including agencies or subdivisions of any thereof. As employed in this act, the term "cooperative", or "cooperatives", means any form of non-profit-making organization or organizations of citizens supplying, or which may be created to supply, members with any kind of goods, commodities, or services as nearly as possible at cost.

(b) In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the Administrator shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

(c) To preserve and protect the preferential rights and priorities of public bodies and cooperatives as provided in subsection (b), not less than 50 percent of the energy which the electric generating facilities, installed or readily installable, at the Bonneville project are capable of producing, shall be reserved for sale to said public bodies and cooperatives until January 1, 1941: *Provided*, That the electric energy so reserved for but not actually purchased by and delivered to such public bodies and cooperatives prior to January 1, 1941, may be disposed of temporarily so long as such temporary disposition will not interfere with the purchase by and delivery to such public bodies and cooperatives at any time prior to January 1, 1941: *Provided further*, That nothing herein contained shall be construed to limit or impair the preferential and priority rights of such public bodies or cooperatives after January 1, 1941; and in the event that after such date there shall be conflicting or competing applications for an allocation of electric energy between any public body or cooperative on the one hand and a private agency of any character on the other, the application of such public body or cooperative shall be granted.

(d) An application by any public body or cooperative for an allocation of electric energy shall not be denied, or another application competing or in conflict therewith be granted, to any private corporation, company, agency, or person on the ground that any proposed bond or other security issue of any such public body or cooperative, the sale of which is necessary to enable such prospective purchaser to enter into the public business of selling and distributing the electric energy proposed to be purchased, has not been authorized or marketed, until after a reasonable time, to be determined by the Administrator, has been afforded such public body or cooperative to have such bond or other security issue authorized or marketed.

(e) It is declared to be the policy of the Congress, as expressed in this act, to preserve the said preferential status of the public bodies and cooperatives herein referred to, and to give to the people of the States within economic transmission distance of the Bonneville project reasonable opportunity and time to hold any

election or elections or take any action necessary to create such public bodies and cooperatives as the laws of such States authorize and permit, and to afford such public bodies or cooperatives reasonable time and opportunity to take any action necessary to authorize the issuance of bonds or to arrange other financing necessary to construct or acquire necessary and desirable electric distribution facilities, and in all other respects legally to become qualified purchasers and distributors of electric energy available under this act.

(f) The Administrator, insofar as practicable, shall consult and cooperate with the States and citizens thereof, and with public bodies and cooperatives, within economic transmission distance of Bonneville project, in the furnishing of such information, advice, and recommendations as the Administrator deems necessary or appropriate to enable public bodies and cooperatives to avail themselves of the preferential rights and priorities afforded by this act.

SEC. 4. (a) Subject to the provisions of this act and to rate schedules approved by the Federal Power Commission as hereinafter provided, the Administrator shall negotiate and enter into contracts for the sale at wholesale of electric energy, either for resale or direct consumption, to public bodies and cooperatives and to private agencies and persons. Contracts for the sale of electric energy to any private person or agency other than a privately owned public utility engaged in selling electric energy to the general public shall contain a provision forbidding such private purchaser to resell any of such electric energy so purchased to any private utility or agency engaged in the sale of electric energy to the general public and requiring the immediate canceling of such contract of sale in the event of violation of such provision. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate 20 years from the respective dates of the making of such contracts. Contracts entered into under this subsection shall contain (1) appropriate provisions, to be agreed upon by the Administrator and the purchaser, for the equitable adjustment of rates at appropriate intervals, not less frequently than once in every 5 years, and (2) in the case of a contract with any private purchaser engaged in the business of selling electric energy to the general public, appropriate provisions authorizing the Administrator to cancel such contract upon 5 years' notice in writing if in the judgment of the Administrator there is reasonable likelihood that any part of the electric energy purchased under such contract will be needed to satisfy the requirements of public bodies or cooperatives, and authorizing such cancelation in respect of all or any part of the electric energy so purchased under the contract, to the end that the preferential rights and priorities accorded public bodies and cooperatives under this act shall at all times be preserved. Contracts entered into under this subsection shall contain such terms and conditions, including among other things stipulations concerning resale and resale rates, as the Administrator may deem necessary or appropriate to effectuate the purposes of this act and to insure that resale of electric energy to the ultimate consumer shall be at rates which are reasonable and nondiscriminatory. Such contract shall also require such utility to keep on file in the office of the Administrator a schedule of all its rates and charges to the public for electric energy and such alterations and changes therein as may be put into effect by such utility.

(b) The Administrator is authorized to enter into contracts with public or private power systems for the mutual exchange of unused excess power upon suitable exchange terms for the purpose of economical operation or of providing emergency or break-down relief.

SEC. 5. It is the intent of the Congress that rate schedules for the sale of electric energy which is or may be generated at the Bonneville project in excess of the amount required for operating the dam, locks, fishways, and appurtenant works shall be determined with due regard to, and predicated upon, the fact that such electric energy is developed from water power created as an incident to the construction of the dam in the Columbia River at the Bonneville project for the purposes set forth in section 1 of this act. Rate schedules and revisions thereof shall from time to time be prepared and submitted by the Administrator to the Federal Power Commission and shall become effective as approved by the Federal Power Commission. The Federal Power Commission in fixing rates for power on amortization costs on all major Federal power projects shall establish a rate of interest which shall be uniform throughout the United States. From time to time the Administrator may, and upon the request of the Federal Power Commission shall, prepare and submit new revised or modified rate schedules to the Federal Power Commission; and such rate schedules shall become effective as approved by the Federal Power Commission. If any rate schedule submitted by the Administrator is not approved by the Federal Power Commission, the Federal Power Commission may revise such schedule in conformity with the standards prescribed by this act and, as so revised, such schedule shall become effective. Rate schedules shall be fixed with a view to encouraging the widest possible use of electric energy, having regard to the recovery, upon the basis of the application of such rate schedules to the capacity of the electric facilities of Bonneville project, of the cost of producing and transmitting such electric energy, including the amortization of the capital investment, including interest, over a reasonable period of years. Rate schedules shall be based upon an allocation of costs prepared by the Administrator and submitted to the Federal Power Commission for its approval. In computing the cost of electric energy developed from water power created as an incident to, and a byproduct of, the construction of Bonneville project, the Administrator shall allocate to the costs of electric facilities such a share of the cost of facilities having joint value for the production of electric energy and other purposes as the power development may fairly bear as compared with such other purposes. In order to distribute the benefits of an integrated transmission system and to encourage the equitable distribution of electric energy, the rate schedules may provide for uniform rates or rates uniform throughout prescribed transmission areas.

SEC. 6. (a) The President shall direct the holding of public hearings by such agency or agencies as he may designate and the preparation prior to December 31, 1937, of a report to the President which shall include—

(1) The findings of such agency or agencies respecting any unreasonable discrimination against the Boulder Canyon project with respect to charges against power for construction costs, amortization, and interest on the basis of the standards prescribed in this act and in view of the physical, financial, and economic conditions surrounding each project; and

(2) The recommendations of such agency or agencies concerning changes, if any, in charges and rates at Boulder Dam necessary to correct and remove such discrimination, and the effective dates thereof.

(b) The Secretary of the Interior, subject to the approval of the President and notwithstanding the provisions of any other statute, shall correct and remove such discrimination and adjust charges and rates to the extent that he deems necessary and appropriate as a result of the report submitted pursuant to paragraph (a) hereof.

(c) Nothing shall be done under this section which will delay the date at which the separate fund referred to in section 5 of the Boulder Canyon Project Act will become available or reduce the amount thereof, or which will impair the rights of the States of Arizona and Nevada to the payments provided for in paragraph 4 (b) of said act, but either or both of said States may elect by appropriate legislative action within 2 years from June 1, 1937, to receive in lieu thereof annually during and after the fiscal year in which such election is made the sum of $300,000 each until 1987. Rates fixed under paragraphs (a) and (b) shall include increments to the extent necessary to provide revenue to meet payments required by this paragraph (c).

SEC. 7. Notwithstanding any other provision of law, all purchases and contracts made by the Administrator or the Secretary of War for supplies or for services, except for personal services, shall be made after advertising, in such manner and at such times, sufficiently in advance of opening bids, as the Administrator or Secretary of War, as the case may be, shall determine to be adequate to insure notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed $500; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the administrator or the Secretary of War, as the case may be, may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

SEC. 8. (a) The Administrator, subject to the requirements of the Federal Water Power Act, shall keep complete and accurate accounts of operations, including all funds expended and received for the account of Bonneville project.

(b) The Administrator may make such expenditures for offices, vehicles, furnishings, equipment, supplies, books, periodicals, attendance of meetings, and for such other facilities and services as he may find necessary or appropriate for the proper administration of this act.

(c) In December of each year, the Administrator shall file with the Congress, through the Secretary of the Interior, a financial statement and a complete report as to the operation of Bonneville project during the preceding governmental fiscal year.

SEC. 9. The Administrator, the Secretary of War, and the Federal Power Commission, respectively, shall appoint and fix the compensation of such attorneys, engineers, and other experts as may be necessary for carrying out the functions entrusted to them under this act, without regard to the provisions of other laws applicable to the employment, compensation, and classification of officers and employees of the United States; and they may, subject to the civil-service laws, appoint such other officers and employees as may be necessary to carry out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

SEC. 10. All receipts on account of Bonneville project shall be covered into the Treasury of the United States to the credit of miscellaneous receipts, save and except that the Treasury shall set up and maintain from such receipts a continuing fund of $500,000, to the credit of the Administrator and subject to check by him, to defray emergency expenses and to insure continuous

operation. There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

SEC. 11. The Administrator may, in the name of the United States, bring such suits, at law or in equity, as he may find necessary in carrying out the purposes of the act; and he shall be represented in all litigation affecting the status or operation of Bonneville project by such counsel as he may select.

SEC. 12. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

The CHAIRMAN. The gentleman from Texas [Mr. MANSFIELD] is recognized for 1 hour.

Mr. MANSFIELD. Mr. Chairman, I shall consume but a very few minutes of your time. I do not know and I do not care what you think about the yardstick of the T. V. A. It has nothing whatever to do with this bill as it has been reported. The bill before us is for the distribution and sale of power produced at a navigation dam, built in the Columbia River, which will go to destruction and waste before another session of Congress unless we pass some provision for its sale and salvage. Now, the question is, Are we in favor of that? Are we in favor of saying we will not pass a bill and permit millions of dollars worth of power to go to destruction? You are not called upon to make an appropriation to produce this power. That has already been done. The money has been paid. More than 90 percent of the construction work has been completed. We are advised that power will be produced in the fall, before the next session of Congress.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. LUTHER A. JOHNSON. How much money has the Government spent on this project already?

Mr. MANSFIELD. Approximately $50,000,000.

Mr. LUTHER A. JOHNSON. And what will be the additional cost if this bill is passed?

Mr. MANSFIELD. It is impossible to tell. This bill authorizes an appropriation of $500,000 to start. It will be necessary to construct two short trunk lines of distribution in order to reach the market. One of those will be about 40 miles down the river to the city of Portland. Another one will be a line in the opposite direction for about the same distance, where it is proposed that counties, cities, farm organizations, and others will be organized to meet the Government lines and take charge of the power at that point.

Mr. LUTHER A. JOHNSON. And the purpose of this bill is to cash in on some of the money we have already spent?

Mr. MANSFIELD. Absolutely; to cash in on the money that has already been expended.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. SNELL. Is there not a still further purpose in connection with this bill; that is, to make the Congress approve of what has been done by the P. W. A., without authorization by Congress, and also a further establishment of the policy of Congress with reference to this proposition?

Mr. MANSFIELD. I know of nothing in the bill that calls upon us to endorse or to criticize the T. V. A. or the P. W. A. It is a law within itself. It is true that this follows the lines for distribution and sale of this power similar to those that were adopted in the T. V. A. I do not know how to contrive a better means of disposing of it. If the gentleman from New York can point out a better way, I will be glad to give it consideration.

Mr. SNELL. It seems to me that the real purpose of this bill, in addition to selling the power that we shall generate and own up there, is to establish a Federal policy along the line of manufacturing, distributing, and selling electrical energy. That, honestly, it seems to me is the purpose of the bill.

Mr. MANSFIELD. This does not set the precedent. The precedent was set when the project was authorized.

Mr. SNELL. But all these projects were not originated by Congress, they were originated outside of Congress. In passing this bill, however, we set our stamp of approval on them.

Mr. MANSFIELD. This project was approved by Congress in the rivers and harbors bill of 1935. It was put in the bill as a Senate amendment. The House by a record vote instructed the House conferees to accept it, by a majority vote and a fair majority in the House. The House conferees declined to accept the Senate amendment, if the gentleman recalls.

Mr. SNELL. That is just what I had in mind, that the House did not accept it.

Mr. MANSFIELD. The House instructed us to accept it and the conferees had to accept it by order of the House. There was where the precedent was established.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. WADSWORTH. I may be mistaken in my recollection, but is it not a fact that the Bonneville project was started by Executive order before 1935 and not approved by the Congress?

Mr. MANSFIELD. The actual construction was.

Mr. WADSWORTH. But had it received congressional approval at the time it was started?

Mr. MANSFIELD. It is the understanding that river and harbor projects originate when the survey is authorized. The survey was authorized in 1927, I believe, in what was known as the 308 program, when approximately 200 rivers were authorized to be surveyed for various purposes, including power, irrigation, navigation, flood control, and other useful purposes. The engineers had made a report on this project and on this entire river and watershed. Under that survey, then, the Public Works Administration adopted it as its project in about 1933 and started construction.

After the decision of the Supreme Court in the case of the United States against Arizona, in which the Parker Dam action was nullified by the decision of the Court, this and other projects amounting to approximately $200,000,000 were considered in jeopardy of the law, and they were placed in the river and harbor bill for ratification and approval by the highest authority known to man, the Senate of the United States, of which the distinguished gentleman from New York was a former and an honored Member.

Mr. SNELL. Mr. Chairman, will the gentleman yield for one further question?

Mr. MANSFIELD. I yield.

Mr. SNELL. Along the line of the questions I asked the gentleman a few minutes ago, I find in the hearings on this matter, page 148, that Secretary Ickes, in reply to a question by the gentleman from New York [Mr. CULKIN], said:

> After all, it was necessary to draft this particular bill to agree, if we can, upon a national power policy regardless of the T. V. A.

Mr. MANSFIELD. That is true, Mr. Ickes made that statement before the committee.

Mr. SNELL. That is what I was trying to bring out in my former questions, and the gentleman thought that this was not a policy bill.

Mr. MANSFIELD. That was the viewpoint of Mr. Ickes, perhaps.

Mr. BEITER. Mr. Chairman, will the gentleman from Texas yield?

Mr. MANSFIELD. I yield.

Mr. BEITER. The gentleman from New York is not opposed to that policy, is he?

Mr. SNELL. I am absolutely opposed to that policy, and always have been.

Mr. BEITER. I know the gentleman from New York is for the St. Lawrence seaway. That would be included in the national policy.

Mr. SNELL. That is an entirely different proposition. Certainly I am for the St. Lawrence seaway. If the gentleman wants to discuss the St. Lawrence seaway, I will be glad to discuss it with him at any time, at any place.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. RANDOLPH. Following the questioning of the gentleman from New York of the chairman of the committee, is it not a fact that this dam was built primarily as an aid to navigation, and that now use of the surplus water will help return to the Government the money that has been used for this purpose?

Mr. MANSFIELD. The gentleman is entirely correct. Bonneville Dam is a navigation project.

Mr. SNELL. Will the gentleman tell us how much navigation there ever has been there or ever will be above that dam?

Mr. MANSFIELD. No; I cannot, although otherwise I am quite familiar with the situation. The Bonneville Dam is about 40 miles above the city of Portland on the Columbia River, our second largest and most important river in the United States. Ocean ships will pass through this lock at this dam. It is a 30-foot project for ocean ships as an outlet for lumber and wheat, wheat being the principal farm product of the interior of that country, to enter into the export trade and the coastwise trade of the United States. In the recent river and harbor bill we adopted the project as a 30-foot depth project. Up to this dam from Portland the project depth will be 30 feet. Below Portland the depth is 35 feet. Portland is one of the deepest ports in the United States. This dam will carry navigation through the Cascade Range. Ships drawing 27 feet of water can sail 43 miles above the dam to what is known as The Dalles.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield further?

Mr. MANSFIELD. I yield.

Mr. RANDOLPH. Then, according to the statement of the chairman of the committee, from the standpoint of a dam strictly for navigation, it is needed?

Mr. MANSFIELD. Absolutely.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. RANKIN. The two gentlemen from New York suggested debating the St. Lawrence waterway proposition. I wonder if it ever occurred to the gentleman on my right to go into the rates the people of the State of New York are paying in comparison with Ontario, which is right across the river. According to the Ontario rates the people in the State of New York were overcharged in 1936 $190,237,810 for electric light and power.

Mr. SNELL. Will the gentleman yield?

Mr. RANKIN. The gentlemen from New York have been critizing the T. V. A. rates.

Mr. SNELL. Let me ask the gentleman a question.

Mr. RANKIN. Wait a minute.

Mr. MANSFIELD. Mr. Chairman, I cannot yield for this discussion out of my time.

Mr. SNELL. May I say to the gentleman that the power company of New York sells its power for less per kilowatt-hour than does the Ontario Power Co.

Mr. RANKIN. They do not sell it to the people for less. They sell it to the Aluminum Co. of America at cheap rates, but not to the people.

Mr. SNELL. They sell it for less and the figures will bear me out. The gentleman is mistaken.

Mr. MANSFIELD. Mr. Chairman, I reserve the balance of my time, and I now yield 5 minutes to the gentleman from New York [Mr. BEITER].

Mr. BEITER. Mr. Chairman, the gentleman from Mississippi [Mr. RANKIN] has repeatedly pointed out that the Hydroelectric Commission of Ontario, Canada, is a model organization and that their rates are the yardstick by which all other hydro plants should be governed. Let us be fair. During the hearings that have been conducted recently by the Rivers and Harbors Committee he repeatedly referred to the Ontario rates and I became a little bit suspicious then because of the low rate we have in the State of New York. So I asked for information with reference to a comparison of rates as between the Ontario Power Co. and the Niagara Hudson Power Co. which serves the State of New York. This is the information they gave me:

The latest available comparison between the average revenue per kilowatt-hour received by Niagara Hudson system operating companies and the Hydro-Electric Power Commission of Ontario, was made by Mr. Floyd L. Carlisle, chairman of the board of directors of Niagara Hudson Power Corporation, before the Commission on Revision of the Public Service Law of New York State in December 1929. At that time Mr. Carlisle testified that in 1928 the average revenue per kilowatt-hour for electric sales in the Province of Ontario for all classes of service was 10.6 mills, while the average revenue per kilowatt-hour for the Niagara Hudson system, with taxes deducted, was 9.3 mills. As you undoubtedly know, the Hydro-Electric system pays practically nothing in taxes. The above, as far as we know, is the latest comparison made. However, I believe that any analysis made today would show virtually the the same comparable results.

It might be interesting to learn of the taxes paid yearly by Niagara Hudson system companies. For the year 1936 Niagara Hudson paid in Federal, State, and local taxes $12,287,231.93, an increase of $1,253,923.78 over 1935. An idea of the relative size of the system's 1936 taxes may be had from the following breakdown. Out of every dollar received from our electric and gas customers in 1936, 15.3 cents were set aside for the payment of taxes. Our tax bill was more than double the 1936 net income and more than 70 percent of the wages and salaries paid during the year to our 10,600 employees.

The record of Niagara Hudson system rate reductions speaks well for the company's policy of passing on savings to customers. In 1936 the average residential electric consumer's bill was 22.2 percent less than it was in 1929—the year of the formation of Niagara Hudson. At the same time the average cost represented a considerably less average than that of the Nation as a whole. In that year the United States average price for residential electric use was 4.69 cents a kilowatt-hour, whereas Niagara Hudson's price was 3.01 cents, or 16.6 percent lower. Since 1929 rate reductions to all classes of customers (gas and electric) have aggregated more than $8,040,000. Rate reductions of approximately $453,000 were made effective last year.

As plans mature for further simplification of existing rate structure and of consolidation of operating companies, it is the plan of the company to pass on any savings that may be accomplished in further rate reductions to its customers.

Mr. RANKIN. Will the gentleman yield? He made a reference to me in speaking of the Niagara Hudson Power Co.

Mr. BEITER. Permit me to complete my statement first. It has been pointed out that $195,000,000 has been spent by the T. V. A., and one-third of that is charged for soil conservation, one-third for flood control and transportation, and the other one-third for hydropower. In the set-up of any private utility there is soil conservation, there is flood control, and there is navigation, but those companies are not permitted in any case to charge off a certain portion to some other agency. While I have not made a study of the T. V. A. operations, so far as I know the benefits derived by the people of that section in low power rates have been tremendous, and I approve of the Government's maintaining a public power authority there so long as these benefits to the consumers continue. I merely want to bring out in this statement that unless and until it is definitely shown that a Federal power authority can benefit the people of the section involved by bringing about lower rates and service equal to or better than that provided by a private company, then there is no need for creating any such governmental agency.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. COLDEN.]

Mr. RANKIN. Will the gentleman yield for a suggestion?

Mr. COLDEN. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from New York [Mr. BEITER] overlooked telling the House that from 75 to 90 percent of the electricity produced by the Niagara Hudson Co. is gobbled up by the Aluminum Co. of America at rates far below those existing in the rest of the country.

Mr. SNELL. That statement is not true. It is not 90 percent.

Mr. RANKIN. About 90 percent.

Mr. SNELL. No. It is not anywhere near 90 percent.

Mr. RANKIN. The gentleman from New York [Mr. SNELL] is wrong as usual.

Mr. SNELL. They do not begin to take 90 percent of the power.

Mr. COLDEN. Mr. Chairman, I am going to direct my remarks to the Boulder Dam project.

The Boulder and the Bonneville Dams are two of the Nation's greatest public power projects. Both are built on the largest rivers of the Pacific States which flow on the western slope of the Rocky Mountains. These two outstanding power developments are not only linked together from the geographical standpoint, but coincide in time. Firm power at Boulder Dam became available on June 1, and the opening of the Bonneville project is but a few months in the future. These twin servants of present civilization become the masters of two turbulent streams and convert their energies to the use of man. They will not only reduce the toil of industry but they will greatly lessen the drudgery of the farm.

A BLESSING TO THE FARM

These harnessed rivers will pump the water, saw the wood, grind the feed, turn the grindstone, and even milk the cows, relieving the farmer of endless chores and labors, contributing to his welfare and adding to his hours for recreation. In addition, the light and power afforded by these great dams will give luster and brilliancy to the great marts of merchandise, bring a glow of sunshine to midnight streets, and add to the comfort and the good cheer of a million hearthstones. They will relieve the housewife in both the city and on the farm of backaches over the washtub, of sweat drops over steaming irons, the toil of the broom and the churn, and during heated days of summer will bestow the blessings of the icebox and of the cooling fan. And in wintertime, their warmth will drive away the chill of winter and the biting frost.

SOME INTERESTING HISTORY

On Monday, January 13, 1823, 114 years ago, Mr. Colden, a Representative in Congress from the city of New York, and its former mayor, made a speech on the floor of the House in support of a bill making provision for the occupation of the mouth of the Columbia River. In a lengthy discussion, he made this statement:

> According to official representations on our files, the harbor is safe and capacious—accessible to the largest merchant vessels—peculiarly defensible. The climate is so mild that frost is rare. The soil is fruitful and produces luxuriantly.

This was a typical viewpoint of the proponents who favored the extension of the boundaries of the United States from the Rocky Mountains to the shores of the Pacific in the Northwest.

On the same day, Mr. Tracy, also a Representative of New York, was stirred to reply to the remarks of his colleague, Mr. Colden. In his discussion, among other objections, he stated:

> The coast in the vicinity of the mouth of the Columbia is high, rugged, and, to use the technical phrase of sailors, iron-bound. The entrance into the river, or rather into the estuary into which the river disembogues, is difficult and dangerous, owing to the bars or shoals * * *. The climate, instead of being as I have heard it described, bland and salubrious, is bleak and inhospitable. It is true that deep snows or severe frosts are seldom known during 4 or 5 months of the year, but the vapor arising from the ocean, which is driven by the constantly prevailing west winds on the high mountains, is condensed by the cold and descends in drenching rains almost unremittingly. A dry day at this season is a luxury rarely enjoyed, and the cheering ray of a sunbeam scarcely ever experienced.

These two contradictory opinions expressed by these two gentlemen from New York demonstrate the then uncertain information of what is known as the great empire of the Northwest. It affords me some degree of pride that the opinion of an earlier Member of Congress and of my family has been vindicated, and that he contributed his support to the planting of the American flag on the then far Pacific shores. The establishment of American sovereignty at the mouth of the Columbia River was a great factor in the later extension of American government over the territory of the south, including California, the State which I now have the honor to represent.

PROGRESS OF PACIFIC STATES

The three States of the Pacific coast—California, Oregon, and Washington—afford this Nation an open door to Russia, the Orient, the South Seas, the Pacific shores of Latin America, and to the populations of the East Indies and Australia. Planting the American flag at the mouth of the Columbia River not only extended the frontiers of our country but it moved our boundaries to the West to the natural lines of national defense and endowed the citizenship of America with untold riches in fish and gold and ores, immeasurable resources of petroleum, the grandest forests under the canopy of heaven, fields of golden wheat, vineyards that yield the golden and gladdening spirits, a great variety of fruits, including the finest citrus fruits grown in the world, Florida not excepted.

What would Mr. Colden and Mr. Tracy of New York say today? One of the objections to the extension of our domain to the Columbia shores was slow transportation. The steamboat at the time was working miracles in the transfer of the traveling public and of merchandise. But today the Atlantic is bound to the Pacific by less than 24 hours of flight by air; the steam engine shoots across the continent from shore to shore in approximately 3 days, and many make the trip in an automobile within a period of 5 days. Such has been the miracle of progress in the past 114 years. The growth of the Pacific Coast States is one of the marvels of our country. Its resources, its productivity, is a most inspiring theme. I regret that time does not permit for me to elaborate and to expatiate on the marvels of the Pacific coast, and particularly the unparalleled attractions and progress of the great State of California. I have made this reference to the historical background merely to prepare you, my colleagues, for a discussion of section 6 of H. R. 7642, which pertains to the Boulder Dam in which southern California is deeply concerned.

THE SEVEN-STATE COMPACT

Mr. Chairman, there are three great river basins in the Pacific States and the western slope of the Rocky Mountains—the Columbia River, the basin of the Sacramento and San Joaquin Rivers, one of the most fertile sections of the Nation, then the Colorado River basin that covers a considerable area in seven States, namely, California, Arizona, Nevada, Utah, Colorado, Wyoming, and New Mexico. It was these seven States whose representatives signed, subject to legislative ratification, the so-called Colorado River compact at Santa Fe, N. Mex., in 1922. Six years later the Swing-Johnson bill, named after Representative Philip Swing and Senator HIRAM JOHNSON of California, passed Congress and was approved by President Coolidge in the year 1928.

AN EPIC OF PEACE

Previous to the signing of this compact between the seven States, brave souls with a vision of the future battled for the building of the Boulder Dam. This struggle, which took a militant form, was born in the hearts of the struggling farmers principally in the Imperial Valley of Southern California. Much of their land was below the level of the sea and all of it below the flood levels of the Colorado River and all periodically threatened by destruction by the floods of the wild Colorado and again by the lack of water in the dry season. These farmers were face to face with the problem, Shall we control the river and survive or shall we succumb, lose our livelihood and our hearthstones, and become wandering families on the face of the earth? It was a battle of the spirit of brave men and women against the uncertainties, the handicaps, and the uncontrolled and merciless tempers of an incorrigible river.

It was a bitter conflict against skepticism and prejudice and the suspicion of private utility interests. It was the pioneer movement in a new field of Government enterprise and the first extensive effort to provide large quantities of power for public use by a governmental agency. Some day this struggle will afford the novelist or the poet the theme for a great American epic. It is one of the stern, persistent, and

patient battles of man against nature, a conquest won by the arms and tools of peace.

LOS ANGELES A BIG FACTOR

The unparalleled growth of Los Angeles was one of the contributing factors in the solution of this problem. About the year 1900, when the city of Los Angeles had a population of 100,000 people, the water supply became a question of grave concern. Since financiers and private corporations feared the hazards of such an undertaking the bungalow owners voted $25,000,000 in bonds and built the famous aqueduct to the north of the Sierra Nevadas and brought water from 240 miles away. This was deemed sufficient for a population of somewhere between a million and a million and a half people. Many there were who thought that this would provide the city of Los Angeles with water for domestic purposes for a century to come, but the optimistic prophets were too modest.

The census of 1930 gave Los Angeles approximately one and one-quarter million population, with nearly 1,000,000 more in the surrounding territory. Los Angeles was faced with the problem of providing water for a million more. Foresighted citizens had long since conceived plans for the utilization of waters from the Colorado River, with the result that the metropolitan water district was organized by 13 cities of southern California for the purpose of augmenting their domestic supply. These cities are, namely, Los Angeles, Pasadena, Glendale, Long Beach, Torrance, Santa Monica, Burbank, Beverley Hills, Compton, San Marino, Santa Ana, Anaheim, and Fullerton.

THE COSTS AND MAGNITUDE

Mr. Chairman, the cost of the Boulder Dam project is estimated at approximately $165,000,000, including about $38,000,000 for the All-American Canal. The cost of the dam and powerhouse has amounted to about $100,000,000, including interest during construction at the rate of 4 percent per annum. Of this amount $25,000,000 was allocated by Congress to flood control. The cost of the generating machinery will probably equal the remaining $27,000,000. The costs against power may be tabulated as follows:

Direct charges to power:	
Cost of dam directly allocated to power	$75,000,000
Cost of machinery	27,000,000
Total direct charges to power	102,000,000
Indirect charges to power:	
Cost of dam allocated to flood control but payable out of excess earnings from power	25,000,000
Total charges to power	127,000,000

The hard-driven contracts for the sale of water for the generation of electricity, which made possible the construction of Boulder Dam, provides that the cost of the generating machinery shall be repaid to the United States in 10 years with interest at 4 percent.

From the foundation to the top the dam is 726 feet, the highest in the world. The height of the river will be raised 584 feet. The reservoir will contain 30,500,000 acre-feet when full. The water of the reservoir would cover the State of New York to the depth of 1 foot. The dam will stop the entire average flow of the river for 2 years, and would supply about 5,000 gallons of water for every inhabitant on the earth, or 80,000 gallons for each person in the United States. It is estimated that the Boulder Dam will irrigate more than a million acres of desert and will produce about 1,700,000 horsepower.

The mean annual run-off of the Colorado River Basin States was estimated at 16,000,000 acre-feet. In the Colorado River compact 7,500,000 acre-feet were allocated to the upper basin States—Colorado, Utah, Wyoming, and New Mexico—and an equal amount was allotted to the lower basin States, with a proviso that the lower States might increase their consumptive use of such water by an additional 1,000,000 acre-feet per annum. Although California by prior rights in the use of water for irrigation was entitled to a larger proportion, our State agreed to limit its use to 4,400,000 acre-feet plus one-half of the surplus waters available. Nevada obtained a comparatively small amount of 300,000 acre-feet per annum and Arizona 2,800,000 acre-feet from the main river. Arizona never ratified the compact but the other six did ratify it on a six-State basis.

FLOOD CONTROL AND THE IMPERIAL VALLEY

The flood-control factor of the Boulder Dam is of great importance. The irrigated lands lie below this point. In addition to the control of the floods the stored water affords a uniform and permanent supply of water for irrigation for a large area of exceedingly fertile land that is particularly adapted to the growing of alfalfa, long-staple cotton, winter and early spring vegetables, and fruits. About 30,000 carloads of cantaloups are shipped from the Imperial Valley each season, and the alfalfa affords from 7 to 10 cuttings per season and averages about 1 ton per cutting.

A POOR PROPHET

Incidentally, I might say that I saw the northern part of the Imperial Valley from the windows of a Southern Pacific train for the first time in the year 1902. As a publisher of a country newspaper in northwest Missouri, I wrote to my readers that I was now in southern California, that as I gazed out of the window, I could see nothing but sand and sage brush and barren mountains in the distance; that I would rather own 100 acres of the blue-grass land in northwest Missouri than all of California I could see at the moment. Since that date, I have traversed this route many times, and it has proven to be one of the most fertile and productive sections of California and one of the outstanding garden spots of the world. There is no doubt that Congressman Colden of New York of 1823 was a better prophet than the Representative of California who bears the family name in 1937.

SUCCESS OF PUBLIC OWNERSHIP

There are two additional dams below Boulder Dam neither of which compare in size to the latter. Parker Dam, the first below Boulder, is being built by the Metropolitan Water District of Southern California as a feature of its project of supplying 13 cities of southern California with a domestic would rather own 100 acres of the bluegrass land in north- of Yuma, the Imperial Dam will supply the All-American Canal with the water for irrigation required by the Imperial Valley.

The development of power early became a controversial factor in the building of the Boulder Dam. It was urged by many that this dam should be built for flood control only and that a low dam would suffice. Others, seeeing the possibilities of power development, urged a high dam, and around this controversy the battle raged for many years.

The success of the bureau of power and light of the city of Los Angeles contributed much to the building of the high dam for production of power. In building the Los Angeles aqueduct, the production of power developed naturally in the fall of the water from an altitude of 4,000 feet to the floor of Los Angeles, which lies but a few hundred feet above sea level. The success of the bureau of light and power of Los Angeles is marked. It not only has saved millions in reduction of rates to the local consumers, while at the same time creating a municipal equity of over $50,000,000, but it has been a big factor in attracting industries to Los Angeles. With a heavy transient flow of citizens within the State it was impossible to find work for these newcomers, so Los Angeles launched one of the most successful industrial programs in the history of modern cities.

The growth of the city, and the surrounding territory, made new demands for more cheap power. In addition, it will be necessary for the Metropolitan Water District to elevate water to a height of 1,700 feet in order to bring it to Los Angeles and neighboring cities. So the Metropolitan Water District united with the city of Los Angeles and placed its influence behind the high-dam project and the development of light and power.

ONLY GUARANTEED PUBLIC POWER PROJECT

Mr. Chairman, under the Swing-Johnson Act, the Government did not expend a dollar until the payment of the

cost of Boulder Dam and the machinery for generating power was underwritten by Los Angeles and other cities, the Metropolitan Water District, and other local private companies. The Metropolitan Water District agreed to take 36 percent of the firm power available.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. COLDEN. I yield.

Mr. MURDOCK of Utah. The gentleman knows that the Metropolitan Water District had nothing whatever to do with the original contracts, and that the original contracts were underwritten by the city of Los Angeles and the Southern California Edison Co.

Mr. COLDEN. May I say to the gentleman from Utah that the Metropolitan Water District has assumed very largely the responsibility of the city of Los Angeles, and still remains by far the largest consumer and taxpayer in that district.

Mr. MURDOCK of Utah. If the gentleman will yield further, I admit that, but when the gentleman talks about the persons or the institutions which underwrote the original contracts, he will find this great public-utility corporation looming very large in the picture, and that power company will be one of the large beneficiaries under the modification of contracts asked.

Mr. COLDEN. Under this proposal the private power companies utilize about 8 percent of the power, and 92 percent goes to public agencies.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. COLDEN. Yes; I yield to my chairman.

Mr. MANSFIELD. Is it not a fact that at the time this contract was entered into Boulder Dam had no competition from other places nearby in the production of power, and that it brought about a great change in conditions?

Mr. COLDEN. The statement of my chairman is correct.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield? The gentleman has referred to me.

Mr. COLDEN. I cannot yield further now.

The States of Arizona and Nevada are each allocated 18 percent of the power, which they are permitted to take upon notice at any time during the 50-year period. So far neither State has assumed any large responsibility for the purchase of power. Nevada is taking some and has plans to take more. Los Angeles and a private company agree to use and pay for the portion allocated to Arizona and Nevada until these States are ready to use it. The cities of Los Angeles, Pasadena, Glendale, and Burbank, all of which have successful municipally owned light and power plants, are allocated 20 percent of the Boulder power. Private utilities are allocated the 8 percent remaining. The result is that the major portion of power is allocated to public agencies which serve the consumer at approximate cost. The guaranty of this huge project was only possible because of the publicly owned utilities of southern California.

POWER ESSENTIAL TO PACIFIC STATES

It might be said, in this connection, that the Pacific coast is more power conscious, more interested in public ownership of light and power than any other section of the Nation. The Pacific Coast States are denied large areas of coal, such as are found in Pennsylvania, West Virginia, Kentucky, and Illinois, for example. The Pacific coast has great resources in minerals, in fisheries, in timber, and in agricultural and horticultural products that yield themselves to manufacturing, processing, and canning. Many of the products, particularly of California, are unique in that they find a wide market reaching beyond the boundaries of our own country. Canning products of the Pacific coast, fisheries, fruits, vegetables, seek the markets of the world. Light and power lend themselves to this sort of enterprise. So light and power are absolutely essential to the industry and the progress of the Pacific coast. China and Japan, and other parts of the Orient furnish the greatest potential market in the world. The keen business foresight of the Pacific coast has long cast its vision of profitable trade toward other nations sharing the shores of this great ocean.

PAYS FOR FLOOD CONTROL

Southern California has not only agreed to pay for the construction of the Boulder Dam and generating machinery for light and power within a period of 50 years, including interest at 4 percent, but also $25,000,000 for flood control. These funds come from the revenues derived from the light and power consumers in southern California. Every bungalow owner, every business house, every factory, help carry this load. The money comes from the pockets of the people of Southern California. No other Government light and power project has the guarantee that its cost will be defrayed by an iron-bound contract such as exists regarding Boulder Dam. The flood-control burden serves Arizona and other parts of California.

Mr. FORD of California. Mr. Chairman, will the gentleman yield to me?

Mr. COLDEN. I yield.

Mr. FORD of California. Does the gentleman know any other power project which has $25,000,000 of flood control saddled on its back?

Mr. COLDEN. Absolutely not.

Mr. MANSFIELD. And they get no more benefit from that flood control than any other section of the United States.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. COLDEN. I shall yield in just a moment.

BUILDS OWN TRANSMISSION LINES

Not only has southern California guaranteed the payment of this immense improvement with 4-percent interest but, in order to avail itself of the light and power produced at Boulder Dam, the city of Los Angeles has built two transmission lines a distance of 270 miles, at a cost of approximately $23,000,000, to bring the power to the users and consumers within the city. The Metropolitan Water District has expended $3,400,000 to build a transmission line to its pumping stations. Thus not only the burden of paying for the dam and its electric equipment but the additional burden of operating the transmission lines falls upon the consumers of southern California.

Since the signing of the Boulder Dam Act of 1928 the Government's policy toward public power projects has decidedly changed. Today we have the great Tennessee Valley Authority building a number of projects without any ironclad guaranty of payment from the consumers. Bonds have been authorized at an interest rate of not to exceed 3½ percent, but no bonds have as yet been issued. Funds are supplied by the Treasury, with no specific obligation for repayment. Transmission lines are built by the T. V. A., and no initial cost is assumed by the consumers in that territory.

BOULDER DAM DISCRIMINATED AGAINST

The same liberal policy is being pursued toward Bonneville Dam. Here again the Government is building a great power project with transmission lines, and also Grand Coulee. The favored citizens at these dams assume no responsibility as to payment; they merely may purchase and use such light and power as they find convenient. It may safely be assumed that the rate of interest on these investments will be on a par with the T. V. A. and much less than is now being paid at Boulder Dam. It is assumed that the same provisions will prevail at the Fort Peck Dam on the upper Missouri. In addition, it is the current opinion that at Bonneville more than $25,000,000 will be charged off to navigation and will form no part of the capital investment upon which the consumers of light and power will base their rate of payment. The T. V. A. will undoubtedly charge off large amounts for navigation, flood control, and other purposes in their many projects. Southern California desires the Boulder Dam project to be kept on a sound financial basis, but it feels it should not be charged a higher interest than at other projects, and that in view of the present policy of the Government the cost of flood control should be treated differently and more in line with the present policy.

So the Boulder Dam project finds itself threatened with discrimination on two very vital points. One is the rate of interest of repayable advances; the other is that power at

Boulder Dam is charged with payment with interest of a $25,000,000 charge for flood control. Consequently, the representatives of southern California ask that the Congress, in its deliberations, place them on a parity with competing governmental projects. This discrimination is far reaching in its final effect. Many major and basic industries of this country are seeking locations or are planning branches. Like all good businessmen, they shop around to see where they can obtain the most favorable location and the most economical cost of light and power, which is more and more becoming a vital factor in every aspect of industry.

GOVERNMENT MAKES PROFIT AT BOULDER

If we should place Bonneville Dam on the basis of the Boulder Dam, we would first require the citizens of municipalities and other political organizations and private utilities and industries, to underwrite the entire cost of the project with an agreement to repay the entire cost within 50 years, including interest at 4 percent. Bonneville would be required to pay 37½ percent of its surplus revenues to the States of Washington and Oregon in lieu of taxes. It would further load the consumers of the Northwest with the cost of navigation on the Columbia River. To place these onerous obligations on the people of the Northwest would, in all probability, defeat the entire proposition and deny the citizenship of that territory the tremendous benefits to be derived from the present program.

So the citizens of southern California merely ask that so far as the Government is concerned, the financial conditions be equalized as nearly as possible. Under present conditions the consumers of light and power in southern California are paying a profit to the Government of approximately $1,000,000 annually since the Government borrows at less than 3 and receives 4 percent on its advances for Boulder Dam.

DISCRIMINATION AGAINST PUBLIC POLICY

Congress created the Interstate Commerce Commission in order that there should be no discrimination in railway rates. Congress established the Federal Communications Act to protect the public from discriminations by telephone, telegraph, and radio companies. Congress created the Federal Power Commission to prevent unreasonable differences in rates, charges, service, facilities, or in any other respect, either as between localities or as between classes of services and to prevent undue preference or advantage to any person, or the subjection of any person to any undue prejudice or disadvantage. Thus, it is clearly the policy of the Federal Government to prevent discrimination against the citizens of any section of the country. And all that the consumers of light and power are asking in southern California is that this policy be extended to the Boulder Dam power project.

PUBLIC HEARINGS TO BE HELD

Section 6 empowers the President to direct the holding of public hearings by such agency or agencies as he may designate for the consideration of any unreasonable discrimination against the Boulder Canyon project with respect to charges against power for construction costs, amortization, and interest. Also that the agency conducting these hearings is authorized to recommend changes in charges and rates at Boulder Dam necessary to correct and remove such discriminations. The Secretary of the Interior, subject to the approval of the President, shall correct and remove such discriminations and adjust charges and rates to the extent that he deems necessary and appropriate. This section, we believe, provides a procedure that will remove the discriminations that exist against Boulder Dam.

We ask your support of this bill and the Boulder amendment, in order that southern California may stand upon a parity with its competitors, in order that our people may not be discriminated against; the southern California may enjoy a square deal along with the manifold blessings of the New Deal. We are not asking that rates be the same as at other projects, and we do not believe that rates should be made uniform at all projects, but according to the physical and financial conditions that control the production of light and power. What we ask is, that so far as the Government is concerned, from its standpoint, it will treat all projects alike.

UPPER BASIN STATES PROTECTED

At one time in the hearings the upper basin States injected some objections to this bill. The question was raised concerning the payment of $300,000 per year to the States of Nevada and Arizona in lieu of an 18¾ percent of the surplus to each State after cost of operation and also the Government financial requirements are paid. Nevada has unofficially indicated a desire to have a stated and uniform annual amount instead of uncertain revenues to be derived from the 18¾ percentage. So far Arizona has not indicated its intention respecting this option. It is a matter to be determined by the legislatures of the States.

A further provision in paragraph C of section 6, reemphasizes that the rights of the upper basin States shall not be impaired in the separate fund which will be created after the other liabilities are liquidated. The Boulder Dam Act provides that after the Boulder Dam, its equipment and the $25,000,000 for flood control are paid for, then the revenues are to be appropriated by Congress for other projects in the Colorado River Basin. Thereby the people of southern California are deprived of the ownership of the project they will have paid for but will continue to contribute to the development of other areas some of which will be far removed from its boundary and trade territory.

UPPER BASIN STATES BENEFITED

Because this bill in no manner impairs the rights of the upper basin States, there is no reason for any objection from that territory. The fact is that the upper basin States have been greatly benefited by the compact. The use of the waters of the Colorado is governed by priority. The Imperial Valley of Southern California, before the construction of the Boulder Dam and previous to any considerable development of irrigation in the upper basin States, was using practically all of the normal flow of the Colorado River during the irrigation season.

If the Colorado River compact had not been entered into and Boulder Dam not built, the upper basin States, because of the previous use of the waters in southern California, would have had very limited use of the Colorado River and its tributaries. The seven-State compact conserved practically half of these waters for the use of the upper-basin States, which were utilizing but a fraction of the amount. California conceded this liberal allowance because of the necessity of flood control and the advantages of a normal flow of water from storage and from the benefits of cheap light and power. So, instead of complaint, the upper basin States should rejoice and give their hearty support to the Boulder Dam amendments in the Bonneville bill.

CALIFORNIA HAS BEEN AND IS FAIR

So far as I am informed, there has never been any attempt on the part of the State of California, or of the political organizations in southern California, in any way to impair the rights of other States in the Boulder Dam compact. California has pursued a fair and neighborly policy. We recognize the rights of the neighboring and other States of the Colorado basin. We are prepared to carry out this contract in good faith. If the Federal Government had not afforded competitive projects more liberal provisions, this issue involved in section 6 of H. R. 7642 would probably not have arisen. But time and conditions have changed since southern California assumed the enormous obligation of reimbursing the Government for the building of Boulder Dam. We simply ask that the Government shall not deal harshly with us and not place burdens upon our consumers that are not shared by the people who enjoy the benefits and the blessings of the other Federal projects. We believe that we are justified in making this appeal. I submit the issue to the fair judgment of my colleagues. [Applause.]

Mr. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, just as the gentleman from New York [Mr. BEITER] took the floor the gentleman from Mississippi [Mr. RANKIN] interjected a remark to the

effect that 90 percent of the power produced up in the Niagara region is sold to the Aluminum Co. of America. No doubt what the gentleman had in mind was the T. V. A., where they have sold 100 percent of the power produced at the Norris Dam to the Aluminum Co. of America, and the output of another dam has been contracted to the Monsanto Chemical Co. of St. Louis. The gentleman has stated he does not approve of the low rates the T. V. A. has made to these large corporations, and I do not wonder, because the price the T. V. A. is receiving for the power furnished these two gigantic corporations—and the Aluminum Co. of America is one of the largest of organizations—is far below the cost of production.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. WHITE of Idaho. How does the gentleman reconcile the facts stated in the letter read by the gentleman from New York [Mr. BEITER] when the people of Canada pay less for power and the Commission receives more and the people of New York pay more and the Niagara Hudson Co. receives less?

Mr. KNUTSON. I am coming to that, if the gentleman will permit.

For many years we have had held out to us statements of the wonderful benefits that were being derived from public ownership of power in Ontario. I have some very interesting figures here.

In 1896 the public debt of the Province of Quebec, which operates under private ownership, was $32,207,000, while the debt of Ontario was only $33,644. In 1911 the people of Ontario embarked on a program of public ownership, and their debt jumped to $24,765,000, whereas the public debt of the Province of Quebec had decreased to $28,170,000. In 1932, which is the latest year for which figures are available as contained in the Canadian Yearbook, the public debt of the Province of Ontario, which operates under public ownership, was $577,705,000, whereas in Quebec, where they have private ownership and derive taxes from the utilities, the debt was only $108,188,700.

I here insert the table of indebtedness.

It is not difficult to appreciate the protest Ontario's taxpayers are making against the tremendous increase in their tax burden. The following statement from the Canada Yearbook of 1933, official publication of the Dominion of Canada, compares the indebtedness in two Provinces—Quebec and Ontario—from 1896 to 1932:

	Page index	Quebec, private ownership	Ontario, public ownership
Capital invested	6	$567, 218, 230	$367, 701, 419
Primary power (horsepower)	18	2, 914, 070	1, 395, 914
Output (kilowatt-hours)	24	8, 449, 936, 000	2, 931, 850, 000
Revenue	8	$43, 508, 546	$40, 303, 483
Expenses, total	10	$13, 686, 380	$36, 496, 900
Taxes	10	$3, 083, 265	$292, 293
Number of employees	12	3, 275	5, 893
Pay roll	10	$4, 625, 974	$9, 930, 206
Revenue (excluding taxes)		40, 425, 281	40, 011, 190
Capital invested per horsepower		194	263
Revenue per horsepower (excluding taxes)		13. 87	28. 66

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I prefer not to, as my time is limited. The gentleman disagreed with the remarks I made on T. V. A. sometime ago, but I notice in the extension of the remarks he subsequently inserted he denounced the very things I denounced—the contracts which were made between T. V. A. and the Aluminum Co. of America and the Monsanto Chemical Co. of St. Louis. Therefore, I assume the gentleman and I are in accord, at least to that extent, although the gentleman did not so indicate when I first took the floor to speak on the operation of T. V. A.

Mr. RANKIN. Now, will the gentleman yield?

Mr. KNUTSON. No; I cannot yield now.

Mr. RANKIN. Do not point at me then.

Mr. KNUTSON. In Quebec they had, according to the Canadian Yearbook, $567,000,000 invested in utilities which were under private ownership, whereas in Ontario there is but $367,000,000.

Quebec produces, in round figures, 2,900,000 horsepower as against 1,395,000 horsepower produced in Ontario.

The revenue received by Quebec is $43,508,000 as against $40,303,000 in Ontario.

Now, get this: The number of employees in Quebec is about half as large as the number employed in Ontario, although Quebec produces twice as much power. In other words, in Ontario, they use the public utilities as a place to unload all their hacks and worn-out politicians.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a brief question there?

Mr. KNUTSON. Yes.

Mr. SNELL. I would like to add to the gentleman's statement that two of the largest power companies in Quebec have some of their best contracts with the Ontario Power Commission.

Mr. KNUTSON. Yes, that is true. The report so states.

Mr. SNELL. They are selling power to them at a profit and then, in turn, they are reselling it at another profit.

Mr. KNUTSON. The Canadian Yearbook gives that information, I may say to the gentleman from New York.

Now, get this! The pay roll in Quebec, privately operated, is $4,625,000, and notwithstanding the fact that Quebec produces twice as much power as Ontario, the pay roll of Ontario is $9,930,000 or more than twice as much.

Now, let us see how the prices have been jigged up to the people in that Province. In Ontario the cost per horsepower in 1917 was $14.50, in 1933 it was $26.59, or an increase of 54.5 percent.

I will now give the increases as shown by the following table:

Municipality	Population	1917	1933	Percent increases, 1917–33
Toronto	621, 596	$14. 50	$26. 59	83
Hamilton	150, 063	14. 00	25. 84	85
Brantford	30, 153	19. 00	27. 28	44
St. Catharine's	25, 645	14. 00	24. 02	72
Peterborough	22, 798	17. 70	33. 36	88
Fort Arthur	19, 430	20. 75	26. 28	27
Niagara Falls	18, 678	11. 50	21. 78	89
Welland	10, 338	14. 00	24. 65	76
Midland	7, 802	19. 00	33. 54	77
Preston	6, 173	19. 00	28. 31	49
Dundas	5, 137	14. 00	27. 09	93
Arthur	993	45. 00	73. 28	63
Wyoming	475	38. 32	52. 61	37
Coldwater	641	28. 00	42. 92	55
Chatsworth	263	30. 18	48. 16	60

The last report of the Ontario Hydroelectric Commission, for the year ending October 31, 1933, shows a deficit of $4,221,000. In addition, T. Stewart Lyon, new chairman of the hydro commission, points out that during the next 2½ years the commission must accept additional deliveries of $260,000 horsepower on contracts made with the Beauharnois and Maclaren companies of Quebec before he took office.

Apparently the people of Toronto are thoroughly aroused. The Toronto Globe of March 17, 1934, quotes the mayor of Toronto as follows:

> My first duty is to the citizens of Toronto. I am not entering into political controversy with the Provincial Hydro. The rate for power to the local commission was fixed at $17.44 per horsepower when present rates to the consumer were decided upon. The rate has steadily increased and the amount which the system has paid over and above the price of $17.44 without an increase to the consumer is in the neighborhood of $18,000,000.
>
> An increase in rates to the local consumer appears likely—I am protesting against this bill—the 1933 hydro commission bill to the city. If we accept this burden an increase in rates appears unavoidable.

The Toronto Globe of March 19, 1934, declares that the city has practiced every economy to offset the increasing wholesale cost, but despite that fact shows a deficit of $729,000 for the years 1932 and 1933.

Toronto is not the only city hit by wholesale rate increases. The reports of the hydro commission for the years 1917 and 1933 reveal that the commission has made drastic

increases in its charges to the municipalities. The above table shows the boost to towns of all sizes.

The last available report of the Ontario Hydroelectric Commission, which is for the year ending October 31, 1933, shows a deficit of $4,221,000.

Of course, they can sell power below a private utility where they do not pay taxes, where they can pile up deficits for the people to pay that run to $4,000,000 or $5,000,000 a year, and where they lay nothing aside for depreciation. Under such circumstances, it is a wonder to me they cannot give it away. Do you call it a yardstick where they do not pay taxes, where they lay aside nothing for depreciation and replacement, and where they are allowed to pile up a deficit of $4,221,000 in 1 year? Is that a yardstick? Yes; just like T. V. A. is a yardstick.

Oh, the gentleman from Mississippi inserted a lot of figures on rates in Minnesota——

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. No; I will not yield. The gentleman can take the RECORD in his own time and put in all the information he wants to, but I do not want any more of that kind in mine.

Mr. RANKIN. I cannot put in any more misinformation than the gentleman is putting in now.

Mr. KNUTSON. Of course, that is a matter of opinion, largely, and also of veracity.

Mr. RANKIN. I would have the advantage in either case.

Mr. KNUTSON. It has been the case wherever they have had public operation or public ownership that the whole set-up merely becomes an adjunct to some political machine. That is going to be the case down in Tennessee, as has been the case in Ontario and as has been the case all over the world, wherever they have tried public ownership, and I am not even excepting Russia.

I am not opposed to public ownership where they can at least break even after deducting for depreciation and interest on investment, but I am unalterably opposed to these quasipublic operations where huge deficits are piled up that must be liquidated in higher taxes. It is time we stopped kidding ourselves.

[Here the gavel fell.]

Mr. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, in considering this bill, H. R. 7931, it seems to me the wise thing to do, until this project is put into operation and it is determined where this power is to be distributed, would be to retain control in the Army engineers. They are able and capable of handling it without additional cost to the Government. There is no use of our coming in here and setting up another board, another new department of government. If there ever was a party that said it was going to try to cut down Government organizations and consolidate departments, it is the party of this administration, which made that promise to the American people, yet hardly a bill comes before the House of Representatives that does not set up something new, some new body, some new organization. It seems to me that we should stop these new set-ups, new organizations, and the only way to stop is to stop now; do not set up any more bureaus. We talk about building these great, large power dams. We are building one up on the Columbia River, the Grand Coulee, 400 or 500 feet high, and this dam at Bonneville will soon be completed. We think that they are a blessing to the people of the Columbia River country. Bills have been passed in the House in the last 2 or 3 months providing for the construction of dams on the Sacramento River and on the San Joaquin River in California and on the Colorado River, and you are going to build many dams in the Northwest. These dams may rise up some day to damn all of you who think they are going to be of much benefit to your people; I hope, however, it will not be the case. Just this week up at Fairbanks, Alaska, there was a tremor in the earth, and when it subsided there was a crevice 6 or 8 inches wide into the bowels of the earth. You gentlemen know of the earthquakes you have had in California, you know of the tremors that you have had in Oregon and Washington and Montana and all through the Middle West, and if something like that should happen in the not distant future and it should break asunder these great dams that you are building for power purposes, the waters that are held back might rush down through these valleys and annihilate the people of these States. It may drown thousands of people and do untold damage to millions of dollars' worth of property. What a catastrophe that would be! I hope it never happens. You men here talk about flood control, and we are not doing these things we ought to do for the purpose of flood control. Gracious goodness, you are talking more about building power plants and putting the Government in business and putting private individuals out of business than you are about conserving the natural resources and doing the things of real benefit to the people.

If you want to build flood-control propositions, you ought to go to the headwaters, or to the tributaries of these streams, and build small dams so that if one did go, if one should break, you would not annihilate all of the people who live in its vicinity, for whom you are trying to do some real good. The blessings that you think are coming to you may annihilate all of the people who live in these valleys. These earthquakes have happened before, and in the Northwest section of the country where they are prevalent, they are liable to happen again. If you are going to take care of these people in flood control in these localities, you will stop this idea of trying to get the Government into all kinds of business; you will stop trying to set up these power plants, to put all the people in these States out of business who do an honest, legitimate business, so that they have to get on the Government pay roll to find a job. You are building up the greatest socialistic organization in this country, and by setting out these six or seven great power zones that the President talks about, before you have completed one, you are building another somewhere else. It seems incredible that men who are supposed to be men of common sense would start other projects before they finish one—before they know the actual results of the experiment. You talk about the T. V. A. and the yardstick it is supposed to be. If some of these men who talk about the cost of power knew what they are talking about, they would not talk as they do in the House of Representatives. They do not know how to figure costs as was revealed a few minutes ago by Mr. KNUTSON, of Minnesota. He is right.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. RICH. I should be glad to yield if the gentleman will give me some more time.

Mr. MANSFIELD. I am sorry, but I have no time to give.

Mr. RICH. I need all of my time. I want to finish this statement, and then I shall be glad to yield to the chairman of the committee. Three or four weeks ago you heard the whiz of an airplane that came from Russia over the North Pole and over the Grand Coulee and the Bonneville dams and by all the dams in California. What a time we would have in that country providing we were at war with some of the nations in Asia and they had a 5-ton bomb tied on the tail of that airplane. What would happen if they dropped one bomb on one of those big dams? They would annihilate all of the people in those valleys. The onrush of water would drown them all. What destruction we would have. What pity we would have for the people of Washington and Oregon and California if such a thing should happen, and you say it is not possible? Three weeks after the first plane came over, another plane with three fine Russian gentlemen came along and went on down to San Diego. Suppose the first plane might have missed its objective, and the second plane had a bomb and it had dropped it on the Bonneville Dam, what would happen to all those towns that are down near the coast? They would annihilate your people and wreck them, and the gentleman from Oregon [Mr. PIERCE] would be the most sorrowful man in this country if anything like that should happen.

Mr. PIERCE. Will the gentleman yield?

Mr. RICH. I yield.

Mr. PIERCE. The gentleman is making more of a tremor and more noise than we ever heard out there. [Laughter.]

Mr. RICH. The trouble with you people out there is that you come in here. You do not make enough tremor for yourselves, and you get money out of the Federal Treasury to do things that are not reasonable. That is what we complain about in the East. Now, if you had some men out there who would get down to work and try to do something for themselves, instead of coming to the Federal Government to get the Federal Government to do everything for you, then I would take my hat off to you fellows in Washington, Oregon, and California. But when you come in here and want the Federal Government to do all these things I do not think that is proper. If it is so good, why compel us to do something for you? I will have to yield now to the chairman of the committee.

Mr. MANSFIELD. The gentleman called attention to the fact that a large number of dams were being constructed by the Federal Government near the western coast, especially in the Northwest. I will ask the gentleman if it is not a fact that the Government has constructed more dams in the State of Pennsylvania than it has west of the Mississippi River. [Applause and laughter.]

Mr. RICH. Now, the gentlemen on this side seem to snicker and laugh at that statement made by the genial chairman of this committee. They not only laughed at the things I said about these dams being destroyed and killing people, but the fact is what I have said may be a most serious realization to you and your people. I hope, however, the day will never come. I do not want any floods to visit you, much less any more earthquakes.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. RICH. Oh, I have to answer the chairman of the committee. [Laughter.] Now, you talk about dams in Pennsylvania. I have traveled over Pennsylvania from west to east and north to south. I know of two or three lakes in Pennsylvania and I know several of them have been artificially made. When it comes to building dams I could not tell you for the life of me what the chairman is referring to about building dams in Pennsylvania. Grand Coulee Dam in Washington will cost 10 times more than all the dams combined that were ever built in Pennsylvania.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RICH. Will the gentleman give me some more time?

Mr. SEGER. I am sorry, but I do not have any more time.

Mr. RICH. I would like to have shown to the chairman of the committee that where they build 1 dam in Pennsylvania they build 40 in the West. Where $1 is spent in Pennsylvania $50 is spent for dams west of the Mississippi River.

Mr. SEGER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. CARTER].

Mr. CARTER. Mr. Chairman, some question has been raised as to whether or not this is a legitimate navigation project. I think the chairman of the Committee on Rivers and Harbors has cleared that up very well. In addition, I want to say that in my opinion it is a legitimate navigation proposition. A survey was made under the direction of the Chief of Army Engineers. Commerce, to the extent of nearly 1,000,000 tons per annum, originates in this district. The total value of that tonnage for the year 1935, according to the report of the Chief of Engineers, was upward of $12,000,000. So I think there is no doubt whatever about this being a legitimate navigation proposition.

The Chief of Engineers not only surveyed this river and suggested improvements, but under his direction was carried on the construction of this vast dam and power-house that are now nearing completion.

I intend to vote for this bill, but there are some things in it which I do not like. One of the features of the bill with which I am not in accord is the fact that it does not put under the Chief of Army Engineers the entire operation of this plant. This bill, as the membership of this committee knows, provides for the appointment of an administrator to sell the power. I would like to have seen authority given to the Army engineers to sell this power, in addition to operating the plant and producing the power. I do not believe there is a finer body of men in the world than the Corps of Army Engineers. I have had an opportunity to observe their work for the past 12 or 14 years. They are competent. They are efficient. My humble opinion is that they not only would most splendidly operate the plant, but could very efficiently handle the disposition of the power.

Now, we say the T. V. A. is a yardstick; that we are experimenting there, more or less. We have a commission in control down there. Why not experiment a little out here on this Bonneville proposition and give the engineers a chance and see what they could do in the sale and distribution of that power? I think it would be a sane, reasonable, and sensible thing to do and I believe the Army engineers would demonstrate they could do it in a splendid way.

There is another provision of this bill, found on page 14, section 7, that has to do with the buying of supplies by the administrator whom it is anticipated to appoint. We have in our Revised Statutes, section 3709, which provides the manner of purchasing supplies, which very briefly is that bids shall be advertised for and then the contract awarded to the lowest responsible bidder. The opening of this section 7 attempts to repeal section 3709 in these words, "notwithstanding any other provision of law all purchases and contracts made by the administrator shall be made after advertising in such manner and at such times as the administrator or Secretary of War may decide is sufficient."

I believe that section should be amended. I do not believe that this administrator in the sale and distribution of the electricity, or the Secretary of War in operating the power-house and creating this electricity, should be permitted to go out and advertise for bids in any manner they choose.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SEGER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CARTER. Nowhere in that section does it provide that the contract shall be awarded to the lowest responsible bidder.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield for a brief question.

Mr. MAY. Has the gentleman considered the fact that under this act this administrator to be appointed is accountable to nobody at all except the Secretary of the Interior? He does not even have to report to the Congress, and may go out and buy anything and everything he wants to, without limit.

Mr. CARTER. Yes; I am mindful of that fact, and along that line I desire to call attention to paragraph (b), section 8, on page 15, under which the gentleman from Kentucky has just suggested that the administrator may make such expenditures for various matters as he desires. There is absolutely no limit on his power. I think that is a very bad provision to be carried in any bill. He can employ legal counsel for $100,000 a year. He can go into the market and buy 10 Lincoln cars if he wants to.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. CARTER. In just a minute. He has more authority than the President of the United States has in the purchasing of supplies.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. MURDOCK of Utah. I call the gentleman's attention to section 11, which also delegates power to him to sue in the name of the United States without any limitation whatever.

Mr. CARTER. I now yield to the chairman of the committee.

Mr. MANSFIELD. The committee—I believe the gentleman was not present—adopted an amendment providing that the attorneys should be assigned from the Department of Justice. That is to be offered as a committee amendment. The administrator will not be authorized to employ attorneys.

Mr. SNELL. How does that affect the other powers granted to the administrator?

Mr. CARTER. It places no limitation whatsoever on his other powers. If it be a good thing in the matter of the attorneys to curb his power, certainly his power should be curbed in these other matters. The fact that the committee adopted that amendment indicates that they were afraid he had too much power.

Mr. MANSFIELD. No; it was done at the request of the Attorney General because he wanted all that litigation to be handled through his department.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. MAY. The suggestion of the chairman of the committee is exactly what is meant by this bill, that it is always the intention of every head of every bureau to get all the authority he can. The Attorney General even wants these lawyers in his department, wants to take them away from the administrator.

Mr. MANSFIELD. The attorneys are already in the Department of Justice. Why pay for them twice?

Mr. CARTER. Mr. Chairman, I cannot yield further at this time.

In closing let me repeat what I stated in the beginning, that I am for this bill but that I think some amendments are necessary. I think this is a most unusual grant of power, a greater grant of power than is given under ordinary circumstances and conditions, a greater grant of power than I know of in connection with any other activity of the Government. While the dam is an actuality—it is there—and while the power-house soon will be completed and legislation is necessary to provide for the disposition of this power, I do believe that the disposition of the power should be put under the Secretary of War so that the Corps of Army Engineers can carry on this work. It is my feeling that the office of administrator should be done away with entirely.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the gentlewoman from Oregon [Mrs. HONEYMAN].

Mrs. HONEYMAN. Mr. Chairman, during the administration of Thomas Jefferson, what is known as the Lewis and Clark Expedition went to the Pacific Northwest with these words of the President in its ears:

> Go to the Columbia River and lay the foundation for a great empire.

In 1932, Franklin Roosevelt made a Nation-wide broadcast in Portland, Oreg., in which he outlined his power policy. It was considered an appropriate place to make such a broadcast because of the possibilities of developing power on the Columbia River, just as he outlined his railroad and farm policies in other parts of the country.

The Seventy-third Congress enacted the legislation which authorized the construction of Bonneville Dam on the Columbia River. This dam will be completed late this year and ready to go into operation. This is what makes the pending legislation so necessary at this time. When it does go into operation two great services will be inaugurated—navigation and power. The gentleman from New York asked what navigation is already carried on on the Columbia River to and above Bonneville. It has been impossible for such navigation in the past because ships could not be taken over the rapids at Bonneville. The locks constructed as part of Bonneville Dam will take ocean-going vessels. Cargoes of raw materials can be brought to the industrial plants which it is contemplated will be established just below the site of the dam. The dam has created a basin which extends 43 miles above Bonneville to the great inland wheat empire of both Oregon and Washington.

Mr. MANSFIELD. And Bonneville is 143 miles from the ocean. That will make 186 miles of the river navigable.

Mrs. HONEYMAN. Yes; and it means not only that the river will be navigable for more than 175 miles from the ocean but it means also that ocean rates can be enjoyed 175 miles inland from the sea. Secondly comes the question of power. I cannot too strongly stress what this will mean to the people of that entire area. We know what the agricultural and rural elements mean to this country. We cannot ask or expect these people to remain in the rural areas to carry on the farming industry without the benefits and conveniences of modern improvements, without the modern comforts that come through the use of electrical appliances and are enjoyed by those in metropolitan districts. But they cannot use electrical appliances unless they can get cheap electric power that is to be developed at Bonneville and, after all, is developed by a natural resource which really belongs to them. [Applause.] For this reason I favor the distribution of power over the widest possible area to the ultimate consumer at lowest possible cost.

In the matter of operation at Bonneville Dam we hear much about a divided authority. This can occur in two places—between the navigation and power aspects of the project or divide the power department in two, between the generators and transmission lines. I think it is only practical to have the power under one authority who is responsible to only one Government department.

I do not question the ability of the United States Army engineers, nor their splendid record of efficiency and integrity as construction and navigation engineers, but power is another field. Therefore I intend to support an amendment which will be offered and which will put the power aspects of Bonneville under the civil administrator, who is responsible to the Secretary of the Interior. This divides the distribution in what seems to me the only practical place and that is between navigation and power. When this legislation is enacted by the passage of H. R. 7643 it will be the fulfillment of what may be called a prophecy of Thomas Jefferson and the realization of the dreams and hopes of the people of Oregon. [Applause.]

Mr. MANSFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. SMITH].

THE BONNEVILLE PROJECT—VICTORY FOR THE PEOPLE AFTER 5 YEARS OF CONTINUOUS EFFORT

Mr. SMITH of Washington. Mr. Chairman, it is a source of real gratification and no little personal satisfaction and pride to me that this legislation providing for the administration of the Bonneville Dam navigation and electric-power project has been advanced to the point where it is about to be passed by this body and sent to the Senate and the White House. The Bonneville project now in the course of construction and nearing completion is located on the Columbia River at Bonneville in the State of Oregon and North Bonneville in southwestern Washington, in my district.

For many years I have advocated the development of hydroelectric power on the Columbia River to serve southwestern Washington and have actively participated in the fight which has been waged in behalf of Bonneville from its very inception, long before I was elected to Congress in 1932. During the past 5 years, while I have been a Member of this body, I have been active in initiating and promoting this project, which is outstanding among all the electric-power projects undertaken by the Federal Government.

In the last Congress I sponsored one of the first bills for the administration of the project. As a member of the Committee on Rivers and Harbors I collaborated with our beloved chairman, Judge JOSEPH J. MANSFIELD, and my colleagues on the committee, in reporting out a bill, which was not enacted into law owing to the failure of the Senate to act thereon.

On the opening day of this session of Congress, on January 5, 1937, I reintroduced the bill which our committee reported out last year, H. R. 92, in order to again start

the legislation on its course through the Congress. Subsequently, when the matter was referred by President Roosevelt to his Committee on National Power Policy, I appeared before that Committee during the hearings held by it. In February 1937 the Committee completed its report and recommendations, and I was one of a group of Members of Congress from the Pacific Northwest who were called into conference by President Roosevelt regarding the same. Following this conference, the President submitted the report and recommendations of the Committee to the Congress, and I introduced the bill embodying the recommendations, H. R. 4948, on February 19, 1937, which resulted in the legislation being referred to the Committee on Rivers and Harbors, on which Washington and Oregon are both represented, instead of its going to another committee on which neither State was represented. This action also had the effect of expediting hearings and action on the legislation during this session, which is imperative and highly desirable. The Committee on Rivers and Harbors held very complete hearings on my bill, H. R. 4948, introduced February 19, 1937, and H. R. 6151, introduced by Mrs. HONEYMAN, of Oregon, on April 5, 1937, and H. R. 6387, introduced by Mr. PIERCE, of Oregon, on April 14, 1937, and H. R. 6973 and H. R. 7010, introduced by Mr. MOTT, of Oregon, on May 11–12, 1937, all of which were very similar, and with some slight modifications, followed very closely the provisions of the bill recommended by the President's National Power Policy Committee. The Committee on Rivers and Harbors concluded its hearings and reported favorably the pending committee bill, introduced by Chairman MANSFIELD, on June 24, 1937, which contains substantially the same provisions.

Mr. McLEAN. Will the gentleman yield?

Mr. SMITH of Washington. I yield to the gentleman from New Jersey.

Mr. McLEAN. There is in the bill the suggestion that the surplus power, not including what will be necessary to operate dams and the locks and fishery, be sold. Will the gentleman in his observations explain to us what effect the Bonneville Dam will have on the salmon industry out there on the Columbia River?

Mr. SMITH of Washington. I may say to the gentleman from New Jersey that the salmon industry is one of the leading industries in the Pacific Northwest and the matter of adequate protection for the salmon industry has been considered and given serious study by the Army engineers. Fishways and fish ladders have been constructed and it is the opinion of the Army engineers that the salmon industry will not suffer any damage. I think the ultimate cost of the fishways will be about $7,000,000.

Mr. McLEAN. Of course, the salmon industry is a very interesting industry. As I understand the gentleman from Washington, the only knowledge we have that this will not in any way affect the salmon industry is the opinion of the Army engineers?

Mr. SMITH of Washington. And other experts, including the Bureau of Fisheries.

Mr. McLEAN. I would be interested in knowing who the other experts are and upon what they base their judgment. As I understood it, the Director of the Biological Survey resigned because he did not feel that this development was proper on account of the fact it would destroy, so he thought, the salmon industry. He is a great naturalist.

Mr. SMITH of Washington. I think the gentleman from New Jersey is not correctly informed in regard to the attitude of the Chief of the Biological Survey. The Bureau of Fisheries has also made a very extensive study of this problem and they feel that with all the precautions that have been taken there will be no damage result to the salmon industry.

Mr. MANSFIELD. Will the gentleman yield?

Mr. SMITH of Washington. I yield to my chairman, the gentleman from Texas.

Mr. MANSFIELD. I may say that the salmon industry in Washington and Oregon in 1935 amounted to $11,142,407. This included the catch and the canning industries. It is the largest branch of our fishing industry in the United States, oysters being second. Provision in the way of fish ladders has met with the entire approval of the Bureau of Fisheries and these fish ladders were placed in there in accordance with the suggestion and advice of that Bureau, as the gentleman from Washington [Mr. SMITH] has stated.

Mr. McLEAN. The ingenuity of the American people should be entitled to great praise if we can claim credit for having taught salmon how to climb an artificial ladder.

Mr. MANSFIELD. They are having no trouble.

Mr. SMITH of Washington. There is no apprehension in our part of the country at all in regard to the proper protection and preservation of the salmon industry at the Bonneville Dam.

Mr. MAGNUSON. Will the gentleman yield?

Mr. SMITH of Washington. I yield to my colleague from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. The salmon have been climbing artificially in that part of the country for the last 45 years and spawning in the upper stream.

Mr. SMITH of Washington. My colleague is correct. There is nothing in that situation which alarms the people of the Pacific Northwest.

May I have the attention of the distinguished minority leader, the gentleman from New York [Mr. SNELL]? In his remarks earlier this afternoon the gentleman expressed some fear that this project might not be self-liquidating.

Mr. SNELL. I still have a great deal of fear along that line.

Mr. SMITH of Washington. I assume that he has confidence in the judgment and ability, as I know we all have, of General Markham, Chief of the United States Army Engineers?

Mr. SNELL. I thought he had a lot of good ideas until he approved of the Florida Canal. Since then my opinion has not been so high.

Mr. SMITH of Washington. Mr. Chairman, during the hearings on this bill General Markham testified before our committee that the power side of the project would be amortized in 50 years, and it is his opinion, as expressed before our committee, that the Bonneville project is financially and economically sound and will be self-liquidating.

Mr. SNELL. I do not know whether it is in his testimony or not before the committee, but he said it would require 7 percent for depreciation, and in his own figures he uses about three-quarters of 1 percent. How can I have any confidence in that kind of a man?

Mr. SMITH of Washington. I do not have time to pursue this matter further.

SECTIONAL ANALYSIS OF THE BILL

Mr. Chairman, section 1 carries the reference to the Bonneville project, which is to be completed for the purpose of improving navigation on the Columbia River, and grants jurisdiction of the dam, locks, and power plant to the Secretary of War and the Chief of Army Engineers, who shall deliver the electric power to the administrator at the switchboard.

Section 2 states that the administrator shall dispose of surplus energy. The administrator is to be appointed by and be responsible to the Secretary of the Interior. He shall act in consultation with an advisory board composed of a representative designated by the Secretary of War, another by the Secretary of the Interior, and a third by the Federal Power Commission. The administrator is authorized to transmit electric energy so as to encourage the widest possible use and to prevent monopolization by limited groups or localities. He is authorized in the name of the United States to acquire, by purchase, condemnation, or otherwise, real and personal property, including lands, franchises, transmission lines, substations, and patent rights. The administrator is authorized to sell or dispose of property, except that in the case of real property or transmission lines he must secure the approval of the Secretary of the Interior. He is authorized to enter into such contracts as are necessary to carry out the purposes of the act.

Section 3 defines the terms "public bodies" and "cooperatives" as used in the act and establishes a preference in the disposal of electric energy for public bodies and cooperatives. To preserve these preferential rights, not less than 50 percent of the electric energy at Bonneville shall be reserved for sale to public bodies until January 1, 1941. Public bodies and cooperatives are to be given every opportunity to perfect their legal organization and vote bonds and market them.

The policy of Congress is declared in section 3 to be the preservation of the preferential status of the public bodies and cooperatives and to give the residents of States within economic transmission distance of the Bonneville project reasonable opportunity to take any action necessary to become fully qualified purchasers and distributors of electric energy available under the act. Further, the administrator, insofar as practicable, shall cooperate with States and public bodies and cooperatives within economic transmission distance of the Bonneville project to enable them to avail themselves of the preferential rights and priorities afforded by the act.

Section 4 authorizes the administrator to negotiate contracts for the sale at wholesale of electric energy for resale or direct consumption, provided that private persons or agencies other than privately owned public utilities are forbidden to resell electric energy to a private utility; contracts shall be for not more than 20 years, with provisions for equitable adjustment of rates not less frequently than once in 5 years, and in the case of a private utility contracts shall be cancelable upon 5 years' notice in writing if there is reasonable likelihood that any part of the electric energy sold under the contract will be needed for a public body. Contracts shall also contain stipulations concerning resale and resale rates to insure that the ultimate consumer shall pay rates which are reasonable and nondiscriminatory.

Section 5 prescribes that the administrator shall fix rates for surplus electric energy subject to the approval of the Federal Power Commission. If any rate schedule so submitted is not approved, then the Federal Power Commission may revise such schedules in conformity with standards prescribed by the act, and as so revised such schedule shall become effective. Rate schedules shall be fixed with a view to encouraging the widest possible use of electric energy, having regard, however, to the recovery of the costs of producing and transmitting electricity, including amortization of the capital investment, including interest, over a reasonable period of years in order to distribute the benefits of an integrated transmission system and to encourage the equitable distribution of electric energy. The rate schedules shall provide for uniform rates or rates uniform throughout prescribed transmission areas.

This is an important proviso because it contemplates and permits the establishing of certain rates within certain prescribed areas at and adjacent to the switchboard and also within prescribed transmission areas. This proviso is carried over from my bill, H. R. 4948, introduced on February 19, 1937.

Mr. Chairman, of course, this legislation could not and does not fix rates or establish these areas, this being the duty of the administrator, subject to the approval of the Federal Power Commission. The communities and industries closest to the switchboard in Vancouver, Camas, Washougal, North Bonneville, Stevenson—Clark, Skamania, and Cowlitz Counties—will naturally derive the largest benefits and experience great industrial development as a result of the low rates which will prevail in those areas. However, low-cost electric power can and will be generated to meet the needs of other areas in Lewis, Pacific, Wahkiakum, Grays Harbor, Mason, and Thurston Counties as well.

It is estimated that the Bonneville project will supply an abundance of low-cost electric power sufficient in quantity to meet all possible market demands for many years to come.

I am happy that I have succeeded in my efforts to make Bonneville a two-State project instead of allowing Portland and Oregon to "bottle it up" for their aggrandizement, to serve only one or two big industries in Portland. None of the bills in the House and Senate, excepting mine, even mentioned the State of Washington, but described and located the project as an Oregon project only.

This great Bonneville project, costing $55,000,000 with the first 2 units completed for the present project and ultimately over $100,000,000 when 10 units are completed to attain its full capacity, is one of the greatest hydroelectric power projects in the world. It will bring low-cost electricity within the reach of thousands of citizens in the homes and on the farms and give much employment in small and large factories. Bonneville will prove a benefit and a blessing to the men, women, and children of southwest Washington for generations to come. I am deeply grateful and happy that I have been privileged to have a humble part with President Franklin D. Roosevelt in making this beneficial project a reality. [Applause.]

The following telegrams and letters refer to the early history of the Bonneville Dam project and its progress:

HOQUIAM, *September 20, 1933.*

President FRANKLIN D. ROOSEVELT,
Washington, D. C.:

Hope you will not allow efforts to cripple Bonneville Dam project to succeed, as we are counting on your friendship as expressed in campaign last year to overcome conspiracy of power interests, railroads, and other special interests to have size of dam reduced so as to be practically useless for power, navigation, and flood control. Our people here in southwestern Washington are solidly behind you and will back you to the limit.

MARTIN F. SMITH, M. C.,
Member Committee on Rivers and Harbors.

HOQUIAM, *September 20, 1933.*

Hon. HAROLD L. ICKES,
Public Works Administrator, Washington, D. C.:

Bonneville Dam as originally contemplated is strongly favored in southwestern Washington as reemployment measure to relieve acute distress, especially in western portion of State, and the people are very much opposed to any change in the project. We are counting on your continued support.

MARTIN F. SMITH, M. C.,
Member Committee on Rivers and Harbors.

HOQUIAM, *September 20, 1933.*

Congressman CHARLES H. MARTIN,
Washington, D. C.:

Have just wired President Roosevelt, Ickes, and Senator Dill that our people here in southwest Washington are strongly opposed to changing original Bonneville Dam project. You can count on me for my active support and hope you will advise me of exact situation there along with any suggestions for putting Bonneville over.

MARTIN F. SMITH, M. C.

WASHINGTON, D. C., *September 21, 1933.*

Hon. MARTIN F. SMITH, M. C.,
Hoquiam, Wash.:

Your statement much appreciated and very heartening. Some aggressive underhanded work is being done to wreck Bonneville project, which is greatest opportunity for navigation and cheap power yet presented. Hope you will impress upon President profound interest of half the State of Washington in this great undertaking. Many thanks and kindest regards.

CHARLES H. MARTIN, M. C.

[Extract from Vancouver Chamber of Commerce letter, Oct. 31, 1933, signed by Secretary E. S. Lindley]

I want to thank you again for the fine work you did on Bonneville dam and I think I can say that if it had not been for your work, it is entirely possible that we might have lost the dam, at least for some time to come. The people of southwest Washington generally are quite cognizant of your work in this connection and are deeply appreciative.

[Extract from Portland Chamber of Commerce letter, signed by Arthur J. Farmer, manager of maritime commerce department, Oct. 2, 1933]

We are jubilant over the outcome of Bonneville and know that your powerful expressions to the President and to Public Works Administrator Ickes were a potent factor in this early decision on the part of the President and the Public Works Board. As you have unquestionably noticed in the press, $31,000,000 were allotted and $20,000,000 were made immediately available for the construction of a 72-foot dam involving 6 of the potential 10 power units. We know that you agree that this project will give a decided impetus to the Third Congressional District of Washington and this part of Oregon.

THE WHITE HOUSE,
Washington, March 18, 1936.

HON. MARTIN F. SMITH,
House of Representatives, Washington, D. C.

MY DEAR MR. SMITH: In considering the situation concerning the distribution and marketing of the power from the Bonneville Dam for which we should be making arrangements during the next few months, the need is apparent for some legislation at this session of Congress. While it is probably too early to make final recommendations concerning any general arrangements for the marketing of Bonneville power in relation to other major projects in the Pacific Northwest, we can establish an agency to deal temporarily with the Bonneville situation.

It is my opinion that a new agency for this purpose would be desirable, involving the appointment by the President of three individuals to serve as a Northwest power agency. Such an organization should have authority to enter into necessary arrangements for the distribution and marketing of the power.

I am writing to other Senators and Representatives from the area concerned and hope that it may be possible for you to agree together on some suitable procedure along these lines.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

[Here the gavel fell.]

Mr. SEGER. I yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, we are considering a bill which involves the sum of $70,000,000. Fifty million dollars has thus far been expended on Bonneville project, and there will be required about $20,000,000 more to finish the project.

The bill is administrative in character. It does not appropriate any money. However, I question the wisdom of section 2 of the bill. I am going to support the bill and will vote for it.

Under section 2 we are launching on a program which involves the turning over of the administration of the power developed at this dam to an entirely new agency never before established by this Government. We are adopting a national power policy. Before the T. V. A. was created the Board of Army Engineers conducted and operated the power plants located in the Tennessee Valley. They did the job so well that when they turned it over to the T. V. A. they did so with an income of something like $600,000. A splendid, efficient job was completed by that Board.

Mr. PIERCE. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Oregon.

Mr. PIERCE. I would like to have the gentleman insert right there the exact figures. He will find the Army Engineers did not turn over anything, practically, as compared with what is being done at the present time.

Mr. DONDERO. I base that statement upon the testimony of General Markham, which will be found on page 44 of the hearings held in connection with this bill.

Mr. Chairman, we are about to turn this over to an administrator who will be appointed by and who will be responsible to the Secretary of the Interior. What reason exists for not turning this over to the Board of Army Engineers so that they may sell the power which is generated at this dam the same as they did in the Tennessee Valley?

Mr. COLDEN. Will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from California.

Mr. COLDEN. I know the gentleman from Michigan wants to be eminently fair. He will remember that General Markham testified they really do not want this responsibility. The gentleman also knows that the Army engineers are technicians, not salesmen.

Mr. DONDERO. I will quote what General Markham had to say on this particular subject. He stated:

We will do it if Congress asks us to do it, but we do not want the headache of marketing the power.

Mr. COLDEN. That is right.

Mr. DONDERO. That is exactly his testimony.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from New York.

Mr. SNELL. The gentleman means that the receipts were $600,000 a year, not the profit?

Mr. DONDERO. The gentleman is correct.

Mr. SNELL. Let me read the testimony:

I cannot give you precisely the figures, but I think the income amounted to six-hundred-thousand-and-odd dollars a year.

That is the income. Certainly there would never be a profit of $600,000 a year on T. V. A., under the Army engineers or God or anybody else.

Mr. DONDERO. If we turn this back to the Army engineers, it would prevent the employment of an Administrator at $10,000 a year, and there would be practically no additional expense, or very little expense, to the Government of the United States.

Much has been said in the House for the last 3 or 4 years about the Tennessee Valley yardstick. May I quote what Dr. Morgan stated about that some time ago? I ask the Members of the House to pay particular attention to this, because what I am going to say may apply to your State equally as well as to the State of Michigan. Dr. Morgan said this:

The President wishes that somewhere in America there should be a case of public generation, distribution, and sale of power. He is of the opinion that power development in this country ought not everywhere to be a public project; that private development of power has decided advantages and ought not to be abandoned.

Still quoting the President, Dr. Morgan stated:

But he feels there ought to be, here and there, cases of public ownership which can serve as comparisons. And if they are to serve as comparisons, they must be open and aboveboard, with nothing hidden. They must be fair, with no special arbitrary advantages. They must pay taxes, just as private utility companies must do, and every other reasonable charge, if they are to provide us with a fair comparison.

Sometime ago the gentleman from Mississippi [Mr. RANKIN] stated that the people of my State of Michigan were overcharged some $34,000,000 a year based upon the Tennessee Valley yardstick. May I say in answer to that statement that 44 municipally owned electric-light plants in Michigan served the people of that State at an average cost of $27 annually for every domestic user, while the private utilities in the same State served the people of Michigan at $28 a year for every domestic user. This would make it appear that municipally owned plants really showed a saving of a dollar per customer per year. However, they paid no taxes, while the private utilities paid $12.30 in taxes for every domestic user in the State. Therefore, what appeared to be a dollar of saving was really a loss of $11.30 for each domestic user, because the people of the State lost this amount in taxes which the public utilities did not pay.

If there is to be a yardstick, let it be a fair yardstick—36 inches long in all cases, and let the 36 inches include taxes and all other proper costs. If we are going to measure the T. V. A. against private utilities, include in the T. V. A. cost the same taxes and costs private utilities pay, or exclude these costs from the private utilities and apply all of that difference against their domestic rates. As far as Michigan is concerned, the resulting rates would be materially lower than the T. V. A. rates.

The fact is that we have long had, and have at the present moment, a yardstick for rates. That test is whether the rates are cheap as compared with the value of the service which the consumer gets. The real test of the cheapness of electric rates is whether more and more people buy electricity, that is, become new customers of the industry, and whether they increase their use of electric energy after they begin taking the service.

By both these tests, electricity has been cheap for many years and is cheap now. The growth of the industry has been phenomenal, and it has continued for domestic service even during the 6 years since 1929. The number of kilowatt-hours sold to homes was 43 percent greater in 1935 than in 1929. The amount consumed by each home rose from 500 kilowatt-hours in 1929 to 673 in 1935. During the present year it is running about 700 kilowatt-hours. And this increase occurred during a period of depression when people cut down their purchases of almost every other commodity and service. Despite the fact that the people were driven to these curtailments and economies in every other

line, they increased their purchases of electricity constantly. It is a testimonial to the cheapness of the product which the electric industry produces and sells which stands unsurpassed in industry.

The growth in consumption and use has been accompanied by a steady reduction in the price of electricity. Since 1929 it has fallen from 6.33 cents per kilowatt-hour for the country as a whole, to less than 5 cents at the present time. All of these reductions have occurred under State regulation and private ownership.

A recent survey of domestic electric rates made by the Federal Power Commission shows that only three States have a lower average domestic rate for electricity than Michigan. The average monthly bill of the residential consumers in Michigan is one of the lowest in the United States. For a use of 25 kilowatt-hours per month there are only four States with a lower monthly bill. For 100 kilowatt-hours' use per month Michigan domestic customers pay $3.70. In only one State is the bill lower and that by only 1 cent per month. For 250 kilowatt-hours' use per month Michigan domestic customers pay $7.02. Only two States have lower bills, the lowest being only 4 cents per month below Michigan. Yet Michigan has only 24.7 percent water-power generation of electricity while the other two States, Washington and Oregon, generate over 93 percent of their electricity by water power. In this connection let it be noted that the majority of the farmers in Michigan using electricity pay the same rates as the customers in the cities.

Michigan has led the country during the depression in the extension of electricity to the farms. I quote from the Michigan Manufacturer and Financial Record of March 21, 1936:

> Michigan leads all States in the country in rural electrification, with 47,000 farms equipped with light and power, according to H. J. Gallagher, extension specialist in agricultural engineering at Michigan State College, East Lansing, Mich.
>
> The 47,000 electrically equipped farmhouses represent 27 percent of Michigan's farms, as compared to 13 percent for the entire United States. In addition, Michigan has been the leading State in the total number of farms connected to power lines annually for the last 4 years.

The American spirit of fair play and a square deal should manifest itself in the T. V. A. yardstick as expressed by Dr. Morgan, its director. Let its yardstick be an honest yardstick in which all of the citizens of the Nation can compete on an equal basis, then no one can be heard to complain, be it private or public ownership. The business of Government is not Government in business, and it should not set itself up as an example of economy and saving when it is known that within the last two decades the cost of electric current has been reduced 38 percent to domestic users while the cost of government has increased 830 percent.

Mr. SEGER. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, the Bonneville Dam will be completed and ready for operation in December of this year, and this is the reason the present bill, H. R. 7642, is before us at this time.

This bill creates an authority for the operation of the Bonneville project. It is in the nature of a compromise bill. In formulating it, the committee took what it thought to be the best features of the several individual bills introduced upon this subject, and I believe that in H. R. 7642 the committee has carefully drawn and thoroughly considered a bill, which will prove to be satisfactory not only to the people of Oregon and Washington but to all the people of the United States.

Something has been said here regarding the policy of the United States with respect to the development of hydroelectric projects. Whatever may be the opinion of some in this regard, I think it is now definitely settled that this is the policy of our Government, and I think, moreover, it will continue to be the policy no matter what may be the political complexion of future administrations. It has become the settled conviction of the people of this country that hydroelectric power and energy in our public streams, which belong to the people, should be publicly developed and used for the benefit of the people. That is my own belief and conviction, and it always has been. The Bonneville project is one of such hydroelectric developments, and it is the purpose of this bill to make the power from Bonneville immediately available to the people at as low a rate as may be consistent with sound financial principles.

This bill provides that the Corps of Army Engineers shall have jurisdiction of the dam and of the generation of the power up to the switchboard, after which jurisdiction is placed in the hands of an administrator to be appointed by the Secretary of the Interior. This administrator has authority to build transmission lines and sell the power. The bill provides that until 1941, 50 percent of this power shall be reserved for sale to public bodies, cooperatives, rural communities and municipalities, and that after that time these public bodies, cooperatives, and rural communities shall be given preference in all applications for power, whether those applications exceed 50 percent of the power available or not. The policy and the purpose of this bill is to obtain the widest possible distribution of this power and to make it available to the greatest number of people at the lowest rate possible.

This bill, of course, does not completely meet the views of everyone. As I have stated, it is a compromise bill. My own idea, for example, has been that it would be better to have the Army engineers operate the entire project, including the sale and distribution of power as well as the generation of it; in other words, that the adminstrator should be appointed from the Engineer Corps. On the other hand, it was the idea of some of my colleagues, particularly the gentleman from Oregon [Mr. PIERCE], that the entire jurisdiction should be given to the Secretary of the Interior. The committee evidently felt that neither of us was entirely right. So this bill is in the nature of a compromise, and my opinion is that it is a good compromise. As I have stated, I think it will work out to the best interests of all of our people and that it will be reasonably satisfactory to everyone.

Now, in this connection, Mr. Chairman, may I say a word in behalf of the engineers? I understand an amendment will be offered upon the reading of the bill proposing to take away from the Corps of Army Engineers what little jurisdiction has been given to them in the present bill and to give the entire jurisdiction to the administrator to be appointed by the Secretary of the Interior. In my opinion this would be a very grave mistake and could serve no useful purpose whatever. The engineers built this dam, as they have built practically every other great hydroelectric project as well as most of the other great public projects of this country. They have an unblemished record of more than 100 years, not only of unquestioned competency and efficiency but also a record of being absolutely free from politics. This is one of the reasons I suggested before the committee that as much jurisdiction as possible should be given to the Engineer Corps, who, by the way, are already on the Government pay roll and who have a thoroughly experienced personnel who are completely equipped now to commence the operation of the project.

The gentleman from Michigan [Mr. DONDERO] mentioned a moment ago the experience of the Engineer Corps in the operation of the Wilson Dam and the other dams on the Tennessee River which are now being operated by the T. V. A. In my opinion, the Army engineers made a wonderful record in the operation of that project prior to the time the T. V. A. Act was passed. During the 5 or 6 years of their operation, without any cooperation either from the administration or from the Congress, they operated the plant and sold five and one-half million dollars' worth of power at a total expense of $1,700,000.

Mr. MANSFIELD. And without any authority to put in transmission lines.

Mr. MOTT. Yes; they had no authority under the law at that time to put in transmission lines and sell it to pri-

vate individuals. They were obliged to sell it to large operators and to power companies.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield to my colleague from Oregon.

Mr. PIERCE. Will the gentleman give us the figures of $25,000,000 that the utilities that bought that power got for it when the Army engineers sold it to them?

Mr. MOTT. I cannot give the gentleman those figures, but the record is that the Army engineers sold the power to the only customers they were permitted to sell to under the law; that they sold that power for $5,500,000; that it cost $1,700,000 to generate and sell it and that they turned in the balance to the Government, and that is a record for efficiency that no agency of the Government has ever duplicated.

Mr. PIERCE. It was practically 10 times what they paid the Government.

Mr. MOTT. That is not the point I am making. I simply stated, as a matter of record, that the Engineer Corps, which built the Wilson Dam, without the cooperation of anyone, undertook the operation of that project and sold the power to the only available customers there were, and in the years they operated it they sold $5,500,000 worth of it, and the total cost of operation was $1,700,000, and I repeat that that is a record for sound business efficiency and competency that no department of the Government has ever equaled.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield.

Mr. SNELL. Does not the gentleman think in connection with that statement he should add that that was simply the cost of operating the plant, with the plant given to them, and there was nothing allowed for expense of maintenance or upkeep or depreciation or interest.

Mr. MOTT. That, perhaps, is true, but that was not the fault of the engineers. They had to take the situation as they found it and work within the very narrow limitations of existing law.

Mr. SNELL. And that is quite important.

Mr. MOTT. If that project had been under the operation and control of some political agency of this Government, it probably would have spent more for the operation of the plant than it received from the sale of power.

Mr. SNELL. I admit that the Army engineers did a good job, so far as that is concerned, but I do not want it to go out that they made money out of it.

Mr. MOTT. Those are the figures, and they are of record, and I contend it is a record which has not been duplicated.

The Army engineers also built the Madden Dam and the Panama Canal, and they operate that project now. They operate it very successfully, furnishing all the light and power to the Canal Zone.

Mr. MANSFIELD. And they are also operating the railroad down there.

Mr. MOTT. There are a great many business projects that have been built and are now operated by the Engineer Corps, comparable in size with the Bonneville Dam. I merely say this apropos of the effort which I understand will be made here this afternoon to take what little jurisdiction remains with the Engineers Corps away from them and turn it over to an agency of the Government which has had no experience in the operation of power plants. I think the Congress would make a great mistake in doing that. The committee has restricted the jurisdiction of the engineers solely to the operation of the power plants, and that jurisdiction should not be disturbed.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield.

Mr. MAY. Would it not be more in keeping with the contention of the President with respect to economy and more in line with recent platforms of the Democratic Party with respect to the abolishment of bureaus, to let the Army engineers handle all of our river problems?

Mr. MOTT. That was the idea I advanced before the committee, and I still think I am right about it. However, let me say that the Committee on Rivers and Harbors of the House had this matter under consideration for many weeks, they heard a great number of witnesses, and their hearings cover several hundred pages of testimony. All of these matters were carefully considered and threshed out in committee, and, as a result, they reported, by a unanimous vote, the Mansfield bill which we are now considering.

Mr. Chairman, I trust the House will not seek to change in any material respect the bill which the committee has reported or try to undo the painstaking work the committee has put upon it.

The Committee on Rivers and Harbors is held in very high esteem and confidence by the general membership of the House. It is a hard-working, conscientious, and thoroughly competent body. Furthermore, it has always had the reputation of being extremely liberal. None of its members are of the so-called reactionary type, as some who have written to me apparently seem to think. All members of the committee favor public ownership of hydroelectric-power projects. None of them want private power companies to receive any benefit from this or any other Federal hydroelectric power project. All of them favor the widest distribution of power from Bonneville that is economically feasible, and they have all repeatedly expressed the opinion that this power should be sold at as low a rate as is consistent with good business and the safety of the taxpayers' investment in the project. They are also in favor of the rates being as nearly uniform as possible so that the territory immediately adjacent to the plant will not receive an undue share of the benefits to the detriment of the more remote territory. They believe, finally, that this huge Federal investment should be safeguarded by as competent and experienced a management as can be obtained, and that its administration should be divorced as much as possible from politics.

Mr. Chairman, after months of study this great committee has reported a good bill, a fair and a just bill, and I trust in considering and voting upon it, particularly in view of the fact the report of the committee is unanimous, the House will make no material amendments to the bill and that it will pass the measure virtually as it is now written. [Applause.]

Mr. SEGER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, the part of this bill that interests me is the fact that we are moving in a direction which puts our people in a position, through the use of electric power, to mix agriculture and industry.

It seems to me that national defense must always consist largely of privately owned property, privately operated, and privately fought for. The most discouraging thing I find in the entire power program is the fact that it is so impossible to get accurate foundations for a determination of operating costs and capital costs.

I can appreciate that in the legal field an attorney would not have very much patience with a case which came into court if there were no facts on which to proceed. At the same time, in a discussion of a measure of this kind, it is most difficult to make progress unless you have accurate cost figures to determine a basis of comparison. The situation which governs here today as evidenced by the absence of certified accurate figures and absolute fair play on the part of those charged with the responsibility of presenting the figures for the guidance of Congress, is further proof of the difficulty of securing accurate information from political and Federal administration. I am satisfied in my own mind that we shall have to go through years of experience and disappointment before we will learn to place all comparisons, as between Federal administration and private ownership and administration, on a fair and square basis. In political matters it is entirely too easy to demagogue, ignore facts, and get away with it for "the time being." Sooner or later,

however, long-term debt increases, unsatisfactory operating results show up the absence of efficiency, the public wrath becomes operative and then we go on our way wiser and with more experience and less money, and a greater tax burden. This is all perhaps a cost of constitutional democracy in a country with such vast resources, expanse of territory, and the slow operation of such a democracy.

As one experienced in cost, I can appreciate why it is so difficult to get that foundation of fact. While construction is under way, who knows what the total cost will be with construction running over a long period of time and with direct labor and material costs rapidly advancing as they have during the past several years and months in particular. Before the organization is set up, who knows what the operating cost will be to perpetuate and carry on that organization, both from the standpoint of direct labor costs and material cost? We have these different projects under way being carried on with public funds and by Federal operation. Throughout the United States, everywhere you go, you find all types of jobs being carried on by the Federal Government. The private operator is almost passing out of the picture. To me that is highly destructive, and I think in due course we shall have to learn by experience that that, in turn, will destroy itself, and perhaps destroy the people of this country and our whole economic policy.

This is a Government of private ownership. It seems to me that if the other plans which we are carrying out and working on are to succeed, eventually we must stop financing with public funds, and get back to private ownership and private financing.

Going back to the thought of national defense, I hope some day that I may live to see electricity in all the farm homes of the country, so that those farm homes can some time participate in the fabrication of the industrialized products which, in turn, may move into the great stream of finished goods to supply the needs of our own people as well as to enter the channels of export to the other parts of the world.

Through visitation and research, I find that other countries of the world not nearly so well supplied with capital as we are, have undertaken such projects, and put them into operation, and that the farmers who are poverty stricken compared with that class of people in this country, in other countries have electricity in their homes, and are contributing to the great flow of industrialized products. I see no way whereby the farmers of this country can make such contribution in the absence of electricity in the farm home, and I hope we will not overlook that fact when we come to the time where we are discouraged with the financing of these products with public funds and are trying to get back to private initiative.

Mr. HILL of Washington. In those countries the gentleman mentioned which have electrified their rural districts was it done under private or public ownership?

Mr. CRAWFORD. The project was initiated by the so-called federal or central government.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SEGER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I think when we are considering this bill we should have in mind some of the facts that the hearings show about what the result will be for the Government if we go ahead with the same kind of figuring that we have presented to us here. On page 15 of the hearings you will find that General Markham stated toward the bottom of the page that 7 percent is the proper figure for depreciation. If you go over to page 17, you will find that when they came to figure the unit cost in figuring up the cost of electricity that they used $197,200 depreciation on a cost of upward of $30,000,000 which is a little less than two-thirds of 1 percent. All the way down the line in figuring up that cost they have left out substantial items. It is proposed by this bill to pay an administrator $10,000 a year. They figure that administration at only $20,000. The result of that situation is going to be that that cost will be $75,000, and that they are at least $50,000 out of line. On page 18 they figure the cost per kilowatt of the electricity which is to be produced, and instead of it being 4.6 mills as it shows at the top of the page for 2 units, the actual figure is a little over 1 cent, and instead of it being 2.196 mills, with 6 units in operation, the actual figure is upward of a half cent. Instead of its being with 10 units, the complete set-up, 1.737 mills, the actual figure is 4.4. When they come to you with that kind of a set-up and propose that they shall charge 3 mills a kilowatt for electricity and have the project pay for itself, the figures just do not go together and they are not there, and we ought not to authorize any more expenditures for this operation.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes.

Mr. MAY. I think section 2 of this bill is the most vicious thing in it, because it authorizes the appointment of an administrator at $10,000 who is responsible to nobody except the Secretary of the Interior, and without confirmation by the Senate.

Mr. TABER. It is a tremendously dangerous proposition and it ought not to be allowed. If these people in the Northwest wanted to operate two units already in operation, let them put it under the Army engineers and have it done honestly, and let them pay what it costs for electricity and see if it will work.

In the T. V. A., as far as I can figure, the cost of electricity which we are selling for a peak of about a half a cent a kilowatt is somewhere around 4 or 5 cents a kilowatt. That is using honest figures, depreciation and interest on the investment. If we are going to do this thing and call it a yardstick, let us do it honestly and fairly to the people of the United States and the taxpayers, and not on a subterfuge and set-up which deceives the people. That is what I do not like about this bill, aside from some of the things that other Members have referred to, like this continuing appropriation and the appointment of this administrator, without any control by Congress, without any report to Congress, without any control whatever by the people, but just running absolutely hog wild. Is it not about time that we consider these bills on their merits? Let us amend this bill so that it will not be a menace to the people of the United States.

[Here the gavel fell.]

Mr. MAY. Mr. Chairman, I make the point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count.

Mr. RANKIN. Mr. Chairman, I move that the Committee do now rise, and on that I demand tellers.

The CHAIRMAN (after counting). One hundred and one Members are present, a quorum.

Mr. RANKIN. Mr. Chairman, I withdraw my motion.

Mr. SEGER. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, since this Congress has assumed leadership, then responsibilities greater than they have ever had before fall upon this Congress. Before this Congress adjourns, in my judgment, the American people demand of the Congress that they take action on certain measures now pending. Before this Congress adjourns that should be done. While I am not officially connected with any advisory committee as to what this House should do, I ask unanimous consent to revise and extend my remarks and indicate, in my opinion, what action this Congress should take before it adjourns. [Applause.]

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

CONGRESSIONAL RESPONSIBILITY

Mr. BURDICK. Mr. Chairman, since Congress has conclusively demonstrated that it is not a rubber-stamp Congress, but on the contrary, is an active, coordinate branch of the Federal Government, new responsibilities appear which this Congress must assume. Certain legislation is

now pending which will bring some measure of relief to the people, and we cannot blame the President for not carrying out this program. We are in control of our own business and therefore we must accept full responsibility for what is done or what we fail to do before adjournment.

At this late hour, we cannot hope to pass measures that involve a new philosophy of Government; we cannot hope to pass measures that are not only highly controversial among Members of Congress but the people generally. There are, however, a few things we can do before adjournment, and if we fail to act, this Congress alone must assume the responsibility. No Member of this Congress should vote for an adjournment before we have accomplished this task. Without saying whose fault it is, the fact remains that we have accomplished very little during the six and one-half months we have been in session. The people do not care whose fault it is; they want and demand action.

If I occupied a position in the Congress where I could officially suggest what measures we should consider, at this late hour, I would suggest the following:

First. In the last deficiency appropriation bill, I would include another billion-dollar appropriation to continue the work of the P. W. A., W. P. A., and the enlargement of the activities of the Resettlement Administration.

Second. Pass the moratorium resolution, House Joint Resolution 27, which provides that in the drought area all forced collections of debts due the Government or any agency thereof be suspended for the next 12 months.

Third. Pass a workable crop-insurance bill to sustain the farming operations of the country without driving farmers on the general relief rolls. Such a plan is a money saver, as we have spent, since 1927, $600,000,000 on this general relief program for farmers, which a crop-insurance law would have avoided.

Fourth. Pass a new farm bill that will recognize that farmers are entitled to a living wage while engaged in a business that is a national necessity. Acts of this character are now before this Congress in the form of the Eicher and the Massingale cost-of-production bills.

Fifth. Since the time is too short to hope to pass the Townsend recovery act or any of the similar measures before Congress, we can at least make amendments to the Social Security Act, that will make the act more than a mere abject dole. I would suggest amendments to the Social Security Act to provide incomes for the aged wherever located without regard to legal residence as long as they are citizens of the United States, and increase the amount to $50 per month without regard to the contributions made by State governments. Any contribution made by State governments shall be in addition to the income provided by the Congress and that in the distribution of the said $50 it shall be done under rules and regulations that will not require the aged to deed over their property in order to secure such aid. We should provide in this act that no Indian citizens should be excluded from the benefits of the act. The Bigelow bill, and several others now before Congress, would, with proper amendments, accomplish this purpose. On no account should we adjourn and leave this Social Security Act to function as it is. The dire fact stares us in the face that the present act gives no more relief to the aged of this country than they would secure on the general relief rolls. Can we afford to adjourn and have this program continued?

Sixth. Pass the Peterson farm-tenant bill, as the act already passed pertaining to tenants only suggests the relief of one tenant in each of the 3,000 counties in the United States. What about the rest of the tenants? In many States the title to the land cultivated remains with only 23 percent of those who till the soil, therefore, do we not need to give some attention to the other 77 percent? The Peterson bill will give relief to all, not merely one out of every hundred.

Seventh. The Black-Connery bill providing for maximum hours of labor and minimum wages and the eradication of child labor, offers an opportunity to do something for labor. Properly amended, this bill would come close to doing the job, as far as we are able to do it. The bill should be so amended as to make it certain that there is an exact equality between men and women. Women want no protection not given to the men, but they do demand equal rights, which they are entitled to.

Eighth. Prohibit the Government from purchasing gold of the world at $35 per ounce or at any price, since we do not use this gold as a medium of exchange. This program of gold purchase at $35 per ounce, when countries like Russia can produce gold at $1 per ounce, enriches the Russian Government at the expense of the taxpayers of the United States.

Ninth. Refinance the farm mortgages of the United States and save 2,000,000 farm homes that are now in danger of being foreclosed. The Frazier-Lemke bill offers a solution, but by all means pass some bill.

I do not want to be understood as saying this program will adjust our economic affairs—none of these acts or all of them will make a final adjustment—but these acts offer needed repairs to a badly run-down system. I do want to be understood as saying that until we change our monetary system, we can expect no permanent improvement. Private persons must be completely barred from any control over the Nation's money. Interest must be abolished and the Nation's money used for all the people, or we cannot hope to extricate ourselves from financial bondage. With a public and private debt, created by private control of public money, of $300,000,000,000 drawing an annual interest charge of $15,000,000,000, where is there anyone who can say that this debt can be paid? A fair valuation of all our property today, both public and private, would not amount to the debt we owe.

In other words, we are worth nothing and our only outlook is to pay interest. Every dollar spent today does not buy a dollar's worth of merchandise, as 33⅓ percent of every dollar has to be expended for interest. Taxes take another 16⅔ percent, so actually our dollar is worth only 50 cents. This means that our purchasing power is cut, and we are purchasing only half of what we could and should purchase. I mean on this one score of interest and taxes alone we have reduced our purchasing power one-half. That is the trouble with us. We have had no overproduction, as Secretary Wallace thinks we have. We have had underconsumption. We could and should purchase annually in this country at least three times what we are purchasing. We cannot purchase what we want because we have no adequate means of exchange. We have permitted private persons to control our money, and they can, at a single meeting, determine whether credit should be extended or withdrawn. When credit is extended our national business expands, when it is withdrawn, as it was in 1920 by the Federal Reserve Board, we experience panics and ruined business. If I had my way, this private control of the Nation's medium of exchange would cease at this session of Congress. I realize how difficult it is to get the people of the country to see this. Not enough people in this country are yet aroused to this money situation.

In suggesting this outline of what we can do I am predicting that with this legislation, we can continue with a minimum of relief until the next session of Congress when we should tackle this money question and free the entire people of the United States from the clutches of a privately controlled money system that will eventually destroy the Government or continue it under the direction of money dictators while the people will live as financial slaves.

It is now up to the Congress to act. Especially it is the duty of the House of Representatives to act. We are close to the people. We more directly represent the American people than any other branch of the Government. Do we want to go home and face the people with a record such as we have made to date? This Congress has assumed leadership. Are we capable of it? [Applause.]

Mr. SEGER. Mr. Chairman, I have no further requests for time.

Mr. COLDEN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Chairman, I am supporting H. R. 7642 for the following reasons:

First, I am in full accord with the Federal Government's power-development policy, because I believe it is for the benefit of the American people, and will be for the conservation and proper use of the national water-power resources of the country.

The Bonneville Dam will shortly go into operation, and it is a natural conclusion that when that event occurs, machinery ought to be set up for the proper operation of that utility, so that it may begin a proper return, through the sale of electricity, to the United States Government of some of the funds that have gone into its construction. I do not believe any man would say that is not a wise policy at this time.

Furthermore, I want to say a word about section 6. Section 6 of this bill merely authorizes the President of the United States to appoint an agency for the purpose of investigating the set-up at Boulder Dam with a view to ascertaining whether or not all conditions surrounding that proposition are fair to that proposition, in the light of the new policy that the Government is carrying out in regard to Government-owned power projects. We do not ask for any specific thing. We merely ask that the question be gone into by a competent body, and if we are entitled to modification in any shape or form, that we should get it. If we are not, we do not ask for it.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield.

Mr. MURDOCK of Utah. In the Boulder Canyon Act it is specifically provided that the Government shall not have anything to say about the resale rate of electricity under power contracts, if there is a State set-up controlling that within the State where power is delivered. Under the Bonneville Act you have just the reverse of that, and it is specifically provided that the administrator shall not only control the rate at which he sells, but that he shall also control the resale rate. This act says that any modification of the Boulder Canyon contracts will be the standards of the Bonneville Act. I am wondering if the gentleman from California [Mr. FORD] is willing to go as far with the California contracts on the resale control as the Bonneville bill goes?

Mr. FORD of California. Our distribution system in the city of Los Angeles is publicly owned, and we sell the power at just exactly what it costs us to get it from the dam and deliver it to our customers.

Mr. MURDOCK of Utah. But it is controlled, is it not, by the Utilities Commission of California?

Mr. FORD of California. No, sir. It is controlled by the city of Los Angeles, under this charter.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I yield.

Mr. VOORHIS. It is also true that the city of Los Angeles is the largest city in America that does own its own power distributing system?

Mr. FORD of California. Yes. It has the most successful municipally owned power system in the United States.

The CHAIRMAN. The time of the gentleman from California [Mr. FORD] has expired.

Mr. COLDEN. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. MAY] 2 minutes.

Mr. MAY. Mr. Chairman, I do not desire to use the 2 minutes but will get what time I can under the 5-minute rule.

Mr. COLDEN. Mr. Chairman, I yield 4 minutes to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, I preface my remarks by stating that I will reply to the gentlemen from Minnesota and New York who spoke so eloquently about the Canadian system some time within a week. Whether I get time to deliver it in the House does not matter; I will put it in the RECORD if I get the opportunity.

In regard to the Bonneville Dam, there is to be ready for delivery in January about 86,000 kilowatts of electrical energy. The question has been asked, What are you going to do with it? I am looking at my colleague now from the adjoining district on the west. If the lady will look at the chart on the blackboard, she will notice that Portland takes 1,110 residential kilowatt-hours per person annually; Tacoma, 1,565. If Portland would use electricity as freely as they use it in Tacoma, it would take 40 percent more than the 200,000 kilowatts now used, or 80,000 kilowatts, practically the output of these two units at Bonneville. Why does Tacoma use more than Portland? Because it is cheaper. If they would use as much electricity in Portland as they use in Winnipeg or Fort William, it would take the entire ultimate capacity of Bonneville to supply Portland alone. It is just a question of the price of the electricity. I have been an owner; I have been a manager of an electric power plant. I came out of the private game thoroughly convinced that the only solution was public ownership, and it is.

I am going to offer an amendment to this bill—but I shall vote for it as it stands if I am not successful in improving it—an amendment providing for unified control. I do not want two generals on the battlefield; I do not want two men running a threshing machine around me; I do not want two sources of responsibility, a divided responsibility between the agency that makes the electricity at Bonneville and the agency that sells it. One hand should direct all. My amendment takes out the language on pages 1 and 2 and down to line 19, on page 3, and provides unified control—one man in charge, one man responsible. To whom is he responsible, you ask. To the Secretary of the Interior, and he to whom? To the President of the United States.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. McSWEENEY. Is it not true that in private industry we find one group producing an article and another group selling it? Would not the gentleman's proposal throw the Army engineers into a field they have never been in before T. V. A.? And would we not be going against the best business experience?

Mr. PIERCE. The Army engineers will never stand for public ownership. They are private ownership adjuncts, helpers, and assistants.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. MOTT. The gentleman said that the Army engineers would never stand for public ownership.

Mr. PIERCE. No; they do not believe in public ownership.

Mr. MOTT. Is it not a fact that every project operated by the Army engineers is a publicly-owned project?

[Here the gavel fell.]

Mr. COLDEN. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, criticism was offered a little while ago by the gentleman from Minnesota to the effect that the Ontario power system is showing a deficit, but in his argument he did not even attempt to show that he had even heard from Ontario since 1932. As a matter of fact, I have on my desk the report of the Ontario Power Commission for 1936. It is true they had a little trouble sometime ago, caused by the power interests. They tried to give them trouble, but they got rid of that influence and today they are on a sound basis. If the people of Minnesota and of every other State in the Union got power at the rates enjoyed by the people of Ontario they would save about $1,400,000,000 a year.

My distinguished friend from New York, the minority leader [Mr. SNELL], criticized my figures because I said that an overwhelming majority—I said I thought 90 percent—of the power generated by the Niagara-Hudson Co. was sold to a monopoly up there that uses most of it for the produc-

tion or manufacture of aluminum. That is true. By the time the power gets down to Potsdam, where the gentleman from New York lives, one of his constituents pays $1.91 for the same power for which we in the city of Tupelo pay 75 cents, under the T. V. A. rates.

My distinguished Republican friends shed a lot of tears about the fact that we were getting power so much cheaper. Let me tell you what was happening when they were in control of Muscle Shoals. You were selling power to the Power Trust at 1.56 mills per kilowatt-hour and they were selling it to the average domestic consumer at 10 cents a kilowatt-hour. The average domestic consumption in the tri-city area of Tuscumbia, Florence, and Sheffield was only 30 kilowatt-hours a month. A thousand kilowatt-hours that you were selling to the Power Trust for $1.56 cost those householders $100. Then you undertake to compare that condition with the condition we have today.

All kinds of irrelevant statements are made here in order to try to disparage public ownership of power facilities.

Why did not some of you have the courage to attack Tacoma, Wash.? Do you not know anything about this subject? Why did not you gentlemen who criticized public ownership attack the Tacoma, Wash., rates or her public power system? They have $23,000,000 invested and have it paid down to $7,000,000. This utility serves a population of 110,000, and the city has the cheapest power rates of any city in the continental United States. If all other points in the United States secured their power at the same rates they are getting in Tacoma, Wash., the American people would save approximately $1,300,000,000 a year, enough to pay the national debt in 20 years.

Oh, no, Mr. Chairman; this insidious influence that undertook to destroy the Ontario power system has attempted to destroy the Tennessee Valley Authority and is now attempting, and will continue to attempt, to destroy the Bonneville project.

Mr. McSWEENEY. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Ohio.

Mr. McSWEENEY. The gentleman from New York [Mr. TABER] and the gentleman from Michigan [Mr. CRAWFORD] spoke about the fact we had no real way of getting at the actual cost of developing power at the T. V. A. and other places. Are there not private groups that have gone into the cost of furnishing power by water and coal and did they not find the cost of one about equals the other?

Mr. RANKIN. Certainly.

[Here the gavel fell.]

Mr. COLDEN. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. COSTELLO].

Mr. COSTELLO. Mr. Chairman, I am very much interested in the passage of this legislation and intend to vote for it. As others of my colleagues will discuss at length the provisions of this bill concerning the Bonneville project, and since the Members from the Northwest are directly interested in that project, I shall confine my remarks to section 6 of the bill. This section is exclusively concerned with the Boulder Canyon development and so is a matter of direct concern and deep interest for the people of southern California.

The purpose of this section is to allow the President to appoint an agency, before which hearings can be held, looking to a readjustment of some of the provisions of the existing Boulder Dam contract. Due to the fact that the Boulder Dam contracts were entered into in the year 1930, and because certain binding obligations have been incurred in keeping with the policy of the Federal Government at that time, it now appears that an unwarranted hardship is placed upon the people of southern California. Were it not for a complete change in the policy of the Federal Government regarding flood control and power projects, and were it not for the more beneficial terms of contracts made in connection with more recent power developments, we would not now be asking for this opportunity for a hearing and possible revision of some of the provisions of our contract.

The changes which we would like to have made, are briefly the following: First, a reduction of the interest rate from 4 percent to 3 percent, or else in keeping with the approximate cost of money to the United States or in line with what is being charged on other major power projects. While this may mean a considerable saving to the people of southern California of possibly $1,000,000, it is not an unreasonable request, since it is not the intention of the Government to make a profit for itself from the money loaned for the original development of this project, but merely to secure to the Government the repayment of the cost of the project together with the repayment of such interest thereon as the Government has had to pay out on the money which it has borrowed for this purpose.

Secondly, we should like to have the charge for interest on the cost of the flood-control features of the project eliminated. Again we stand on firm ground in making this request, as the Boulder Dam project is the only development of this type to which the Government has even made a charge for flood-control costs. In every other case the Government has itself stood the entire cost of flood control and has not charged this item against the project. We are not asking, and do not intend to ask at the hearing, that this cost of $25,000,000 be written off, as has been done everywhere else, but merely are seeking to eliminate the 4 percent interest charge on this sum. Also in this connection, it would be desirable to have the repayment of this flood-control cost deferred until after the other costs have been completely reimbursed, thus allowing the other costs of the dam construction and the power development to be paid off first.

The third matter to have considered at the hearing would be the question of rates to be charged. As the present rates were established in 1930, and since there is no provision for any revision thereof before 1945, it is only equitable that a reconsideration of these rates should be made at this time in view of the changed economic conditions and to have the rates in keeping with those charged at other power projects of this kind. Identical rates cannot be had, as we in southern California have the cost burden of transporting our power over a great distance in order to bring it to the point of distribution and use. But comparable rates should be permitted, so that this one project will not be entirely out of line with like developments. In this connection it should be kept in mind that 92 percent of all the power generated and used is being sold to public agencies, hence a reduction of rates will be a direct benefit to consumers, and only of benefit to private corporations in regard to 8 percent of the power developed. Moreover one of these private power companies is required to pay for one-half of the power allocated to the States of Arizona and Nevada and which they fail to use. The heavy expense of providing the necessary transmission facilities for this power, which is subject to withdrawal by the States at any time, really makes of this privilege an arduous obligation, so far as the private corporation is concerned.

The fourth item to be considered would be the proposal to allow the States of Arizona and Nevada to receive a fixed annual payment of $300,000 in lieu of their present right to receive 18¾ percent of any surplus revenues remaining after meeting the normal annual charges for amortization. This would be left up to the legislatures of each State to determine under which procedure they would prefer to operate. Since the amount of the surplus revenues is an indefinite item, this would make it possible for each State to know in advance the exact amount which they could anticipate receiving each year. The sum of $300,000 is the anticipated 18¾ percent to which they would be entitled, and while in some years the percentage amount might vary, it is estimated that it would approximate this sum.

That is all that is sought under the terms of section 6 of this bill, and it will be noted therein that no reference is made to any of the upper-basin States, although in one or other instances there appears to be some opposition on the part of these upper-basin States to this section. The reason that the upper-basin States are not mentioned in this

section is that they are in no way affected by it, since they do not in any way share in the Boulder Dam project other than very indirectly. The only possible interest which these States can have in the financial operations of Boulder Dam would be an expectancy to receive something from the separate fund that would be created from surplus revenues. But whatever interest the upper-basin States might have, it cannot assume material form until after the complete amortization of this entire project.

The upper-basin States have been guaranteed under the terms of the Colorado River compact that they will be entitled to approximately 50 percent of the waters of the river. The question of prior rights due to usage have thus been waived on the part of the three lower-basin States, although they might have been in a position to acquire title by usage to a greater amount of the water than 50 percent. This matter is definitely settled, and is not of concern to us in this instance.

Thus it will be seen that as far as this legislation is concerned, the only possible effect it can have on the States of the upper basin would be in connection with the surplus revenues. Section 5 of the Boulder Canyon Project Act states:

> After the repayments to the United States of all money advanced with interest, charges shall be on such basis and the revenues derived therefrom shall be kept in a separate fund to be expended within the Colorado River Basin as may hereafter be prescribed by the Congress.

What the Congress may hereafter prescribe to have done with any such surplus funds some 40 or 50 years hence is entirely a matter of conjecture. So, likewise, the direct interest of the upper-basin States is extremely remote and will depend entirely upon what the Congress may determine at such time as the amortization has been entirely disposed of and the Government fully repaid the moneys it has advanced with interest thereon.

No opposition to section 6 of the pending bill comes from any one of the three lower-basin States. What little opposition does appear originates in one or more of the upper-basin States, States which have no rights nor direct interest in the matter, but which seemingly would attempt by their opposition to force the granting to them of some special benefits or privileges to which they are not now entitled. The enactment of this section, will work no hardship upon any of the States of the Colorado River Basin, but instead will relieve from certain inequalities those who have underwritten the complete cost and financing of this project. These inequalities and discriminations have occured by reason of the change in policy on the part of the Federal Government in regard to such projects, a change which has occurred since the signing of the contracts relating to Boulder Dam. Had the same contracts and the same provisions and obligations been required in connection with the Tennessee Valley Authority, the Grand Coulee or the Bonneville projects, as were required in the case of Boulder Dam, we would not now be asking for any revision of the terms of our contract. But since the Government itself has not pursued the course established in developing Boulder Dam, we feel that we have a right to ask for equal treatment along with these other projects, especially since it is but a matter of time before the Federal Government will be repaid every dollar of cost that it has incurred in connection with this very splendid and worth-while project. I do hope that the members will defeat any attempt to eliminate this provision of the bill or to modify it in any way. I urge the retention of section 6 in the bill and also a favorable vote on its passage.

Mr. SEGER. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, I want the Members to know this bill is not the result of one mind. The committee had before it four or five bills submitted by different interests in that section of the country, and we have recommended here what the majority of the Members thinks is a sound bill. I am going along with the bill, although I am not at all in accord with the administration features of the bill. I hope an amendment will be offered which will put the Army engineers in charge of the building of this project and its administration.

[Here the gavel fell.]

Mr. COLDEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. MAVERICK].

HARRY HOPKINS—LOST IN THE BILLIONS CONGRESS UNLOADED

Mr. MAVERICK. Mr. Chairman, Harry Hopkins, until just a short while ago, has been much in our mouths and on our minds. We have not heard much of him lately. We seem to have lost sight of him in the billions of dollars we have turned over to him.

Several weeks before and during the debate on the relief appropriations I suggested, along with others, that we have an investigation of the W. P. A.; that we definitely establish some policy, and have congressional committees for the purpose. So far Congress has done nothing about it.

We have failed to act on this issue for 5 years. If we leave Congress without doing anything, it will be a reflection on all parties and every Member of Congress.

And, my colleagues, strangely enough, this is something on which we can all agree, so pray let us do something about it!

Around $2,000,000,000 we hand out every year; a billion dollars every 6 months, and five hundred million every 3 months, and we do not know what is being done with it. We do not know what it is all about; we do not understand it; we do not know whether our money is going down a political rat hole or a social sewer—or, on the other hand, whether the expenditure is doing good and rebuilding the Nation.

Why, my colleagues, this situation is really ridiculous. For a few weeks before each term we have a relief bill, violent accusations are made against the W. P. A. We swear by the beard of the prophet that we are not going to vote any more money unless it is earmarked, and unless we know what is going to be done with it. Then the relief bill is brought on the floor, we have all kinds of antagonism and ill feeling—and then we always end up by giving Harry Hopkins all the money just the same, just as we did before, and still without knowing what is going to be done with it. I know of no better man to give it to than Hopkins, but what I say is still true.

WE SHOULD START PLANS NOW TO AVERT A FARCE

If we wish to really know what we are doing and intend to earmark funds, why not start right now making plans? If we ignore the problem now, and pass it over until the last minute, we will have the same farce next year as this year.

A worse thing may happen, for all I know, and that is without adequate information we may next time, in an election year, earmark relief funds for everything but relief, thereby diverting the fund from its real purpose. Or, still worse, we may get tied up in a big wrangle and do nothing.

The time to act is now.

BITTERNESS AND STRIFE CAN BE ELIMINATED

I wish again to make it plain that I am not criticizing Harry Hopkins. I have always believed he is doing an excellent job. But I believe Congress ought to know what is going on; that Congress ought to make the policies; and then something can be accomplished for the Nation, and, moreover, much of the bitterness and strife can be eliminated.

People are still making protests by the thousands about being taken off the W. P. A. roll. In my own city all groups of the American Federation of Labor have asked that W. P. A. be abolished. I do not understand all this, because at the same time, those who oppose the W. P. A. and the New Deal, some of our leading businessmen and industrialists, demand that the W. P. A. be continued.

I still get letters saying there is graft; I still get letters from people saying that the W. P. A. is causing people to refuse good jobs. We have spent billions and billions of dollars—the exact number of billions not mattering very much, since there have been billions enough—yet we do not know how this matter is being conducted.

THREE SPECIFIC PROPOSALS TO MEET SITUATION

Mr. Chairman, I have proposed three specific things by the introduction of bills and House resolutions.

One, is to have an investigating committee; that is, a House select committee. (For more detailed discussion, see below, I, to investigate unemployment, House Resolution 224.)

Two, is to have an unemployment commission composed of three Senators, three Congressmen, and six citizens, and all to serve without pay. (See below, II, United States Unemployment Commission, H. R. 7503.)

Three, is to establish, as soon as possible, a permanent committee on unemployment, public works, public health, social security, and old-age pensions. (See below, III, standing committee, "Public Works and Welfare.")

PUBLIC OPINION FAVORS ACTION—HUNDREDS OF EDITORIALS APPROVE

I have made an analytical study of public opinion of the United States, and I can report that in general hundreds of newspapers have editorialized in favor of action in line with the bills and resolutions I have introduced. Thousands of newspapers have written stories about the matter.

All of these editorials and news stories seem to indicate a genuine interest in the matter, and not a partisan or political one. Nothing has been written in a spectacular manner. (See below, IV, Press Comment of Nation.)

All groups, of whatever political faith, conservative, liberal, or radical, seem to agree that the idea is good, and should be adopted by Congress. All seem to be in approval.

Of all the hundreds of newspapers in America which I have checked, I have not found one single paper which is opposed.

SELECT COMMITTEE TO INVESTIGATE, REPORT IN JANUARY

Now, let me discuss the investigating, or select committee first. My idea is for it to go to work at once and report its findings the 3d of next January when we return.

This committee should go into the whole question of unemployment and relief, the number of employables and those unemployed, and also the number of those who cannot work, and need relief. Also the general situation as to how the Government should handle the situation, and how much money is really necessary.

UNITED STATES UNEMPLOYMENT COMMISSION—12 MEMBERS

The second is the United States Unemployment Commission, on which I have introduced a bill and which may be superior to the special committee. I say this because it will have six citizens, three Senators, and three Representatives, and therefore, generally representative.

It seems to me this committee would be preferable, because it could present a coordinated job to both Houses simultaneously, and in which the six citizens will represent the people of the United States.

This commission would have broad authority of general study and investigation concerning the whole situation of unemployment security, its nature, the matter of rural and urban destitution and ill-health, and the problems of youth and old age. In addition to this, the question of relief and unemployment insurance could be studied.

Mr. Chairman, I have described the special investigating committee of the House, to be accomplished by simple House resolution, and unemployment commission of mixed membership, to be created by a bill.

Considered opinion indicates we should establish one, or both.

SENATE HAS PROVIDED COMMISSION—BILL BEFORE LABOR COMMITTEE

The Senate has provided for an investigation and has passed a bill for a commission somewhat similar to that provided in my bill, and it is now before the House Committee on Labor. I believe the most important thing for us to do in reference to relief and unemployment is to be ready for the next term of Congress rather than facing it without any knowledge of what we are going to do.

Looking into the very near future, and that is the third thing I mentioned, we ought also to establish a permanent committee to deal with the problem of unemployment, relief, and disasters of all kinds which must be dealt with by the Government of the United States. If we have the other committees first, we can then create this new standing committee, which will be a permanent one like that of the Naval Affairs, Public Lands, Agriculture, or what not.

NEW STANDING COMMITTEE—PUBLIC WORKS AND WELFARE

In the House resolution which I have introduced this standing committee would be called the Committee on Public Works and Welfare, and would concern itself with the following:

All proposed legislation concerning public works, public health, social security, the relief of unemployment, and the relief of destitution caused by floods, drought, and other emergencies.

It might be said that there is no committee to handle any of these matters now. That is, no policy-making or standing committees as in other matters.

The new standing committee would handle public works, which is now only handled by the Appropriations Committee; it would also handle public health, a specialized subject now rapidly developing. This latter subject is now handled by the Committee on Interstate and Foreign Commerce, which is very faithful, but greatly burdened by this extra work which they are not equipped to handle. It was before Interstate and Foreign Commerce that we had the cancer bills which we passed today. There is certainly no similarity between cancer and interstate commerce.

Mr. Chairman, at the present time the Committee on Ways and Means handles social security and old-age pensions—and everyone knows that committee is burdened enough with the problems of taxation. As for relief of unemployment and emergencies, no committee handles them now—except the matter goes before a Subcommittee on Appropriations. I think it quite plain that we must develop proper committees for all these recent and rapidly developing functions of government.

Mr. Chairman, the matters which I have discussed today are absolutely nonpartisan and in the interests of honest management, intelligent spending, and efficiency. Are we to make the same old mistakes year after year? Are we to shut our eyes and wait until next year and, just as the relief bill comes up, have some acrimonious discussions, and then unload some more billions with our eyes still blindfolded?

I tell you, my colleagues, that this is something the best friend or the worst enemy of W. P. A., the Republican, Democrat, Farmer-Labor, or Progressive, can support. I ask the Members of this House to give these matters their sympathetic consideration. [Applause.]

I. TO INVESTIGATE UNEMPLOYMENT, HOUSE RESOLUTION 224

For study by House alone; select committee

This committee would be composed of Members of the House alone, appointed by the Speaker. The idea would be to begin a study and investigation now, reporting at the very first of the next term.

The studies should include all phases of W. P. A. and unemployment. The report should include present-day practices, recommendations as to future policies, and the recommendation for a standing committee to be established.

Authority of committee for broad powers

Excerpts from the House resolution are as follows:

The committee is authorized and directed to conduct an investigation of unemployment within the United States with a view to determining—

(1) The number of employables who are unemployed;

(2) The number of unemployables who are in need of relief;

(3) The distribution of each of the foregoing among the several States; and

(4) Generally the manner in which the relief of unemployment shall be handled by the Government of the United States.

The committee shall also investigate from time to time the extent of any destitution caused by floods, drought, and other emergencies with a view to determining the manner in which the relief of such destitution shall be handled by the Government of the United States.

Political connections, administrative costs shall be investigated

The committee shall also conduct a thorough investigation of the Works Progress Administration with a view to determining—

(1) The extent, if any, to which relief is granted or denied because of political affiliations;

(2) The extent to which appointments to positions in the Works Progress Administration are governed by political affiliations;

(3) The administrative costs of furnishing relief and work relief through such offices of the Works Progress Administration throughout the United States as in the opinion of the committee are representative; and

(4) Such other matters connected with the administration of relief and work relief as in the opinion of the committee will furnish Congress with useful information in the formulation of a relief policy by the United States.

Mr. Chairman, the above matter explains in detail the purposes. This resolution has only been submitted after research and consultation with many different groups of people. I believe I prefer the "Unemployment Commission" for reasons I will submit under subhead II. But either committee would assist greatly in establishing permanent policies and of leading to the solution of our serious problems.

II. UNITED STATES UNEMPLOYMENT COMMISSION, H. R. 7503

Twelve members—three each House and Senate, six citizens

The establishment of a Commission by legislative enactment seems to me to be the best of the various approaches submitted. I say this because the Members of both Houses will have an opportunity of studying together, as in joint committees, with the further benefit of the advice and experience of citizens, probably businessmen, labor, religious, and professional leaders, directly representing the public.

Here are some of its provisions:

The Commission is authorized and directed to make a study and investigation of the problem of unemployment and insecurity throughout the United States with a view to determining—

(1) the nature and extent of unemployment;

(2) the nature and extent of rural and urban destitution, of ill health, of insecurity of youth, and of the aged and other destitute groups caused by or related to the problem of unemployment; and

(3) the relation between relief and unemployment insurance.

The Commission is required to report to the President and Congress immediately at the beginning of the second session of this the Seventy-fifth Congress. The submission of the report will at the same time give the matter to the public, who will be informed by the press. Also, no doubt several thousand copies of the report would be available for citizens throughout the Nation.

Recommendations—relief, financial, creation of employment

The report to be filed requires that it shall include "recommendations with respect to a comprehensive and permanent policy", with reference to the following:

(1) The relief of unemployment and destitution by means of work relief, direct relief, or otherwise;

(2) The division of the financial burden of relief, and the division of the responsibility for the administration thereof, between the United States and State and local governments;

(3) The coordination of a long-term relief and security program with various governmental agencies concerned; and

(4) The means of creating greater private employment.

Cost, $75,000—and not wasted

I make reference to the bill for further detail; but in order to give the worst, I have set out the amount as necessary for the investigation as $75,000. This may seem an extraordinarily large amount to spend, but considering the fact that billions upon billions have been, and will be, spent on relief, this is small in comparison; and, as I have already said, the members serve without pay.

When the grave importance of this question be considered, the money can be spent in good conscience. Moreover, it may lead to the solution of important problems, and the saving, rather than wasting, of huge sums of money. It may therefore be termed good business, too.

III. STANDING COMMITTEE, PUBLIC WORKS AND WELFARE

In line with Navy, Public Lands, and others

A committee for a designated purpose is naturally fitted to develop and carry out its own policies. This committee, charged with public health, social security, and old-age pensions, would soon become expert, and, what is just as important, would be sympathetic to such problems.

The members of this committee would also have the matter of relief destitution when caused by floods, drought, and other emergencies.

Supreme Court decisions—New power, new committees

All of the present committees in the House were created before the recent decisions of the Supreme Court on the Wagner labor relations bill, social security, and others. Previous to that time the conduct of Federal affairs was upon a narrow definition of the commerce power. This power of the Federal Government has been greatly widened.

Hence new committees are necessary to meet these new concepts.

IV. PRESS COMMENT OF NATION

Unanimously approve permanent policies relief

Mr. Chairman, several hundred editorials, as I mentioned before, have been written in recent weeks, principally during June and July, concerning the resolution and bills which I have introduced concerning unemployment, relief, the W. P. A., and the establishment of permanent policies in reference to those subjects.

Naturally, I would not place all these editorials in the RECORD, because it would take too much space. They have appeared in Republican, Democratic, and nonpartisan newspapers, besides industrial trade journals, farm and labor weeklies. I have haphazardly picked up a few of the editorials from the daily press, merely to indicate opinions as shown in every part of the United States.

For instance, the St. Joseph (Mo.) News Press approves of investigation in an editorial entitled "Billions Spent Blindly", and adds that there should likewise be an unemployment census.

Grand Rapids (Mich.) Press says:

Since policy making is the function of Congress, it should equip itself to declare policies intelligently and effectively.

The Middletown (Conn.) Press ends an editorial entitled "Wanted, Facts on Relief" as follows:

Those who desire completely disinterested inquiry favor the Maverick proposal.

SOUTHERN NEWSPAPERS STRONGLY FAVOR PERMANENT POLICIES

But let me quote some of the editorials from southern newspapers, and start with a small newspaper in Texas, the San Benito Light, which says, in part, as follows:

Right there the Congressman from San Antonio was talking horse sense. If his very active mind and lively energy can persuade his fellow Congressmen to dive intelligently into the muddy relief puddle and come out with some accurate information, he will have done the country a big service.

No two bureaus of the administration make the same guesses on unemployment. Harry Hopkins' guesses on relief requirements vary as his master's voice is devoted to announcement that recovery is here and "happy days are here again", or denouncing economic royalists (those citizens with incomes large enough to be taxed.)

The Cleveland (Tenn.) Banner says there should be a permanent agency; the Atlanta (Ga.) Constitution says that the relief policy should not be determined by a small group in an emergency administration, but by Congress with all possible information at its command. Likewise it is approved by the Birmingham (Ala.) Post, and concerning the situation the Birmingham (Ala.) News says that the sooner the country knows that (necessity for permanent policies) the better, ending with the statement that the proposal for a commission is timely.

Going back to Texas again, I read the following from the Dallas (Tex.) Journal:

MAURY MAVERICK, Texas Representative, is on the right track in demanding a real and impartial investigation of the country's relief needs and a clear-cut policy in dealing with them.

NEW JERSEY PAPERS URGE END OF CONFUSION

Here is another from the Hackensack (N. J.) Record, which says:

The present committee set-up of the Congress was established years ago, and a few changes have been made to meet altered circumstances. The result of this is much confusion, such as referring Mr. MAVERICK's own cancer bill to the Interstate and Foreign Commerce Committee, coupled with a situation in which there is no stated committee to deal with what is probably the greatest of current long-range problems.

And then to make the point clear this New Jersey newspaper says that the committee set-up suggested is genuinely necessary. Numerous other New Jersey newspapers approve.

We find the Springfield (Ill.) Journal starting out by saying in reference to me:

While we would be happy to think that he is all wrong about this, the chances are that he is right.

The editorial is ended by saying that in the present situation we are all guessing, and demands that definite policies be adopted.

RANDOM EDITORIALS FROM ALL OVER UNITED STATES

It would be impossible in the time allotted to read even the excerpts of the dozens of editorials which I hold in my hand. At random I see one from the Minneapolis (Minn.) Journal, Nashville (Tenn.) Banner, Boston (Mass.) Christian Science Monitor. The Suffolk (Va.) Herald says any sane person knows we will have this problem for generations; another from Staunton, Va., urges attention; there are especially good editorials from Oklahoma papers. Various western papers are also included.

From the Miami (Fla.) News it is stated that these resolutions are an attempt "to cut straight through the fog that has enveloped all our estimates about relief."

SOUND PUBLIC OPINION FAVORS STANDARDIZED PRACTICES

Mr. Chairman, I have not checked every State in the Union, but I think I can safely say that several editorials have been written in every State in the Union urging permanent policies and the adoption of the resolutions I have submitted, or similar measures. I do not mean that Congress should adopt this merely because newspapers have printed editorials. But as well as I can judge, all of the editorials are without bias and, although I have had diligent search made of the newspapers in the country, we have found no paper that opposes. All seem to agree that in relation to unemployment and relief we should at least know what we are doing.

Mr. Chairman, when an enemy of Harry Hopkins rises on the floor to denounce him we can consider that there is some personal bias in the statement. When a member of the minority party rises and makes a blast against the W. P. A., Harry Hopkins, and the "brain trusters" it may be only an opposition speech.

But when specific resolutions or bills are offered which can be projected as a nonpartisan, congressional duty, and accepted by all, it seems to me that we should do something about it. If I am any judge of sound public opinion, the people favor at least knowing what we are doing, along with permanent policies. I do not say that all the American people are storming Congress to pass these resolutions. There is no march on the Capital. But I do say that whatever thoughtful persons have given the matter any consideration favor the proposals (or at least generally the ideas involved), as far as I have been able to find.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That for the purpose of improving navigation on the Columbia River, controlling floodwaters, promoting the national defense, and for other purposes, the dam, locks, power plant, and appurtenant works now under construction at Bonneville, Oreg., and North Bonneville, Wash. (hereinafter called Bonneville project), shall be completed, maintained, and operated under the direction of the Secretary of War and the supervision of the Chief of Engineers, subject, however, to the provisions of this act relating to the power and duties of the Columbia River Administrator provided for in section 2 (a) (hereinafter called the Administrator) respecting the sale and distribution of surplus electric energy generated at said project. So far as may be consistent with the purposes aforesaid, and to effect such purposes with the greatest possible public benefit and to avoid the waste of water power, the Secretary of War shall provide, construct, operate, maintain, add to, and improve at Bonneville project such machinery, equipment, and facilities for the generation of electric energy as may be necessary to develop salable electric energy as rapidly as markets may be found therefor by the Administrator. The electric energy thus generated and not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith shall be delivered to the Administrator, at a switchboard to be installed in or near the power plant, for disposition as provided in this act.

Mr. MAY. Mr. Chairman, I make the point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and ten Members are present, a quorum.

Mr. BEITER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEITER: Page 1, line 10, strike out the comma after the word "Engineers" and insert a period. Strike out the remainder of line 10 and all of line 11, and, on page 2, strike out all of lines 1, 2, and 3, and line 4 down to and including the word "project."

Mr. BEITER. Mr. Chairman, if the amendment I have just offered is adopted, of course it will be necessary to offer perfecting amendments throughout the entire bill, particularly wherever reference is made in the bill to the administrator.

During the general debate on this bill much has been said with reference to the administration of the Board of Engineers. In my opinion, a division of power would be a detriment rather than an asset to the project. In view of the splendid reputation of the Board of Army Engineers on all projects they have handled in the past, if the matter were placed in the hands of the Board of Army Engineers from the time construction started until the time power is delivered, including control of switchboards and everything else that has to do with the project, we would have a better administration of the whole business. Furthermore, there would be a saving to the Government in that a salary of $10,000 a year, the cost of maintenance of the office, and so forth, would be saved.

I hope the amendment will be agreed to, and if it is, the other perfecting amendments will be offered.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, one of the worst mistakes we could make at this time would be to adopt the amendment offered by the gentleman from New York.

In the first place, this is not a military proposition. It is a question of the operation of a dam for the purpose of the generation and transmission of electric energy throughout that area. Further, I do not think the Army engineers want to operate this project, but even if they did, I feel that the administration is right in asking that we have a civilian administrator to carry out the program with reference to the Bonneville project.

I sincerely trust the amendment offered by the gentleman from New York [Mr. BEITER] will be voted down.

Mr. CARTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am very much in sympathy with the amendment offered by the gentleman from New York. So far, this entire project has been carried on under the direction of the Secretary of War by the Chief of Engineers, and I think it should continue to be carried on by these same men. They are experienced engineers, electrical as well as civil.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield.

Mr. VOORHIS. I think all of us will agree with that statement, but is it not a little different question when you come to administering the matter of the sale and distribution of power?

Mr. CARTER. No; I do not think there is much difference in efficiency. Wherever you may meet it, it is the same. There is not a gentleman here who can rise on the floor of this House and dispute the efficiency of the Corps of Engineers.

Mr. WHITE of Idaho. Will the gentleman yield at that point?

Mr. CARTER. I decline to yield.

Mr. WHITE of Idaho. The gentleman asked for a gentleman to rise, and I rose.

Mr. CARTER. I did not ask any gentleman to rise, and I hope the next time this particular gentleman does rise he will rise in a parliamentary manner.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I decline to yield.

It is not necessary to establish another commission in order to administer the affairs of the Bonneville powerhouses and dam. We are talking about economy here, and

I think the time has about come in the history of this country when we should begin to practice economy. I am just as eager as anybody to see this project carried on in an efficient manner. I am just as eager as anybody to see that this plant is administered in the interest of all of the people in that section of the United States. Because I believe the Corps of Engineers will administer it more efficiently than any administrator we can possibly get, I favor the amendment.

Mr. Chairman, there is already an argument brewing out there, and it has reached the floor of the House, with regard to who this administrator is going to be. May I say that the man who handles this job should be removed from politics entirely, and therefore, I shall be happy to support the amendment of the gentleman from New York.

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the proposed amendment.

Mr. Chairman, this proposition is not new to the committee, which has been working on this matter for more than a year. It may be new to a great many Members of the House.

The Secretary of the Interior has recommended that this entire operation be put under an administrator. The Secretary of War has recommended that the entire operation be under the War Department, which this amendment would provide. The committee, after weeks and weeks of trying to iron out these controversies and differences, not only between individuals out there in the several States but also between officials in our Government, decided that the proper thing to do was for the engineers to complete the navigation project, to have complete control of that operation as they have today, and as they have for 120 years had control of all navigation projects, to let them continue to operate the locks and dams, the fish elevator, and everything in connection with the dam itself, but turn the power over at the switchboard at the top of the river bank to the administrator to be appointed under the Secretary of the Interior. If you have two types of engineers operating together on this project, you are going to create more trouble than has ever been created before at any time.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Kentucky.

Mr. MAY. Can the gentleman from Texas, as chairman of the committee, tell us anything about the amount of money this administrator may spend without reporting to the Congress or anybody except the Secretary of the Interior?

Mr. MANSFIELD. He would expend the same amount that would be expended if this amendment is agreed to.

Mr. MAY. How much will that be?

Mr. MANSFIELD. He will spend what is necessary to distribute and sell this power to be appropriated by Congress. Neither one of them would expend more.

Mr. MAY. Did the gentleman determine in the hearings anything about the distance or the remoteness of the market for power from this dam? How far away is the market?

Mr. MANSFIELD. This bill does not provide, but the Army engineer in charge out there estimates that it will be necessary to put a trunk line down to Portland, about 40 miles, and another short trunk line in another direction, which would go to a place where the lines of the cooperatives are expected to meet the trunk line and take the power from it. The distribution and sale of this power is not a proper function of the Army engineers. They can do it, and they can do it efficiently, so far as that is concerned.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from New York.

Mr. BEITER. Does not the Corps of Engineers handle the entire power project in the Panama Canal Zone?

Mr. MANSFIELD. They handle the entire power project there, but they do not sell power to the public. They provide power to the Government and provide power for the operation of the Canal as well as the railway. They sell a portion of the power to ship lines which operate through the Panama Canal. They sell no power to the public. They are doing a good job. There is no question about their efficiency, their honor, or their integrity. No man has ever defended the Corps of Engineers more than I have on the floor of this House and elsewhere. I will do it again whenever and wherever it is necessary, because I will not allow any slander to go unchallenged that may be brought against them. However, I consider that this is out of their line.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from California.

Mr. COLDEN. Did not General Markham himself state that he did not care for this job?

Mr. MANSFIELD. General Markham himself wrote that provision in this bill, and he brought it in with the assurance that it had the approval of the President of the United States. After considering all these controversies, it is the best solution we can possibly work out.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Utah.

Mr. ROBINSON of Utah. Is it not possible to strike section 6 from this bill without in any way interfering with the bill insofar as the Bonneville project is concerned?

Mr. MANSFIELD. The gentleman is entirely correct. That would not affect Bonneville.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BEITER].

The question was taken; and on a division (demanded by Mr. BEITER) there were—ayes 17, noes 68.

So the amendment was rejected.

Mr. MAY. Mr. Chairman, I offer a preferential motion.

Mr. Chairman, I move that the Committee do now rise.

The question was taken, and the Chair announced that the noes had it.

Mr. MAY. Mr. Chairman, on that I demand tellers.

Tellers were refused.

So the motion was rejected.

Mr. MAY. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. MAY moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. MAY. Mr. Chairman, I hope that my colleagues in the House will understand my purpose in this matter. This is one of the most important measures that has been presented to the House during this session. It involves the most serious question this Congress has been called upon to consider. It involves the simple question of whether or not the United States Government and this country, built upon the capitalistic system, have definitely decided by vote of the representatives of the people to depart from that principle and become a socialistic nation.

The question at issue is whether or not the Government of the United States shall become a business concern rather than a governmental concern, and go into the business of producing and selling electricity indiscriminately.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. MAY. I do not yield, as I have not the time.

The next most serious thing is passing upon the various features of this bill. Within the last 2 hours the House voted overwhelmingly to prohibit the United States Navy from being given a blank check to spend an additional $10,000,000 on some battleships because they said it was bad policy to open the door and let any agency of the Government spend money without restriction, and yet under the provisions of section 2 of this bill you authorize an Administrator, appointed by the Secretary of the Interior, without even the consent of the Senate, on a salary of $10,000 to go out and acquire land, acquire transmission lines, acquire substations, acquire systems of transmission lines, and do anything and everything he wants to do without limit as to expense.

You not only do this, but you issue a blank check and put in his hands $500,000 a backlog to check against, and then say, "Now, get all of the earnings of this concern and do as you please with them, and you have a checking account here to do whatever you want to do." He can go out and divest a citizen of his property by condemnation proceedings, a thing unauthorized and unheard of in this country. He can do this under section 46 of the Judicial Code, which authorizes him to pay the money into the county court and then say to the land owner, "Get off—I have your property and you will get the money when you can show what it is worth", when everybody in this House knows that the soundest and most fundamental principle of law known to American jurisprudence is that the property of a citizen, for public purposes, is exempt from the hands of the Government or anybody else until he is paid for it. Yet this legislation does that very thing, and there is a spirit here this evening to push it through this House without consideration, with a mere handful of the Members present—less than a quorum of the House.

I say this is unwise and unnecessary, and so long as I live, so help me God, I shall never vote to turn this Government over to a bunch of irresponsible bureaucrats, without bond and without accountability to the appropriating authorities of this Government. In other words, you bring in a bill here that provides that a man can spend $1,000,000,000 if he wants to, without ever having seen the Appropriations Committee, of which you are a member.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. MAY. Certainly; I shall be pleased to yield to the gentleman from Texas.

Mr. MANSFIELD. Would the gentleman from Kentucky go further and undertake to oust all the bureaucrats we have now?

Mr. MAY. I would like to oust 101 percent of them that we do not need.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment. We have just listened to the argument of the gentleman from Kentucky [Mr. MAY] to the effect that this is socialism. It is the very antithesis of socialism. It is taking to the individual home the resources of America, building up the individual, growing up a generation of responsible individuals.

Mr. Chairman, there was not any complaint from certain sources when the Power Trust attempted to regiment the American people and rob and plunder them in every conceivable manner, when it flooded the country with watered securities and at the same time controlled elections and even attempted to control the Congress of the United States.

No; Mr. Chairman, this is not socialism. This is Americanism. We are saving the resources of America for the American people, for the common people, the masses, and not for certain utilities that are now trying to control every phase of American life.

The gentleman from Kentucky [Mr. MAY] complains because this bill gives the right to this administrator to go out and under the right of eminent domain secure rights-of-way. That same privilege has been exercised by the utilities, the power companies, the railroads, and every other so-called public utility.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. No; I cannot yield, but I will answer the gentleman without yielding. I know what he wants to ask. It is said that the administrator can go and take property and then pay for it. Oh, we made the Power Trust sick when we placed that provision in the T. V. A. Act. They wanted the T. V. A. to first go out and sue, and then they could drag them into the Federal court under the law, where there is a diversity of citizenship, because the power utilities are now incorporated in Delaware or Maine or in distant States in order to dodge responsibility in the State courts. So they wanted T. V. A. to have to sue for these rights-of-way, and for cutting down trees, and for taking the right to build a line across a 10-acre field. Then they could have gone and employed high-powered lawyers with whom they had been trying to deceive the courts for 2 or 3 years, and could have dragged T. V. A. into interminable litigation and kept it from building any lines at all. Of course, they would like to do that at Bonneville.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. No; I must decline to yield. They would like to do the same thing at Bonneville, in order to prevent the Bonneville project from succeeding. But we have had some experience along this line. My Republican friends have been accusing the T. V. A. of paying people more than their property was worth. Every foot of ground, every right-of-way, everything the Bonneville project takes in order to extend this program will be paid for and the people will be satisfied. But, of course, the Power Trust will not be.

Mr. DOCKWEILER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. DOCKWEILER. It has been intimated that whatever is spent by the Administrator, it would not have to be accounted for to the Appropriations Committee. Of course, he has to account for it.

Mr. RANKIN. Of course, and everybody seems to know that except my distinguished friend from Kentucky [Mr. MAY]. They have to go before the Committee on Appropriations and get the money before it can be expended.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. MAY. Is the gentleman from Mississippi in favor of the T. V. A. or the Bonneville or myself or anybody else taking a citizen's property without trial before a jury?

Mr. RANKIN. No.

Mr. MAY. That is what the T. V. A. Act does.

Mr. RANKIN. It does not. Nor I am not in favor of the power trust taking it in the corrupt manner they have been taking it, and that is what we are fighting against here, and that is what we want to end by the passage of this character of legislation. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired. The question is on the motion of the gentleman from Kentucky.

Mr. MAY. Mr. Chairman, I ask unanimous consent to withdraw my motion.

The CHAIRMAN. Without objection, the motion of the gentleman from Kentucky is withdrawn.

There was no objection.

Mr. PIERCE. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. PIERCE: Strike out all of section 1 and insert the following:

"That for the purpose of maintaining, operating, and improving the hydroelectric-power facilities now owned by the United States in the vicinity of Bonneville, Oreg., and North Bonneville, Wash. (hereinafter called Bonneville project), such facilities, (subject to the completion of the construction of the dam, locks, lifts, fishways, power plant, and appurtenant works by the Secretary of War, and the continued operation of the locks, lifts, and fishways by the Secretary of War), shall be administered by the Columbia River Administrator, as hereinafter provided. The Columbia River Administrator (hereinafter called the administrator) shall be appointed by, and responsible to, the Secretary of the Interior, shall receive a salary at the rate of $10,000 per year, and shall maintain his principal office at a place selected by him in the vicinity of Bonneville project. No administrator shall, during his continuance in office, have any financial interest in any public-utility company, holding company, or subsidiary company of a holding company, as such terms are defined in the Public Utility Holding Company Act of 1935. The form of administration herein established for Bonneville project is intended to be provisional pending the establishment of permanent administration for Bonneville and other projects in the Columbia River Basin.

"SEC. 2. (a) The administrator is authorized to operate, maintain, and improve the Bonneville project, as hereinafter provided. So far as may be consistent with the promotion of navigation and the control of floods, the administrator shall provide, construct, operate, maintain, and improve at Bonneville project such machinery, equipment, and facilities for the generation of electric energy as may be necessary to develop salable electric energy as rapidly as markets may be found therefor. The administrator shall, as hereinafter provided, make all necessary or appropriate arrangements for the disposition of electric energy generated at Bonneville project not required for the operation of the dam,

locks, lifts, and fishways, and the navigation facilities employed in connection therewith. Upon the requisition of the Secretary of War, the administrator shall allot and deliver to the War Department without charge so much electric energy as in the judgment of the War Department is necessary for use in the operation of such locks, lifts, and fishways, and the navigation facilities employed in connection therewith."

Mr. TABER. Mr. Chairman, I rise to a point of order. The amendment that has been offered is an attempt to amend sections that have not been read, and to strike out sections that have not been read. It is not a motion to strike out all after the enacting clause.

The CHAIRMAN. As the Chair understands the amendment offered by the gentleman from Oregon, he offers to substitute two sections for two original sections of the bill. He moves to strike out section 1, and serves notice that if his amendment is adopted he will then move to strike out section 2.

Mr. TABER. But the gentleman from Oregon did not do that, as I understood it, when he offered his amendment.

The CHAIRMAN. The gentleman has the opportunity of stating his position. Does the gentleman from Oregon offer his amendment as a substitute for the two sections, with the intention of moving to strike out the second section in the event his amendment is agreed to?

Mr. PIERCE. Yes; that is the idea.

The CHAIRMAN. That being the case, the Chair overrules the point of order and recognizes the gentleman from Oregon for 5 minutes.

Mr. MAY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MAY. As I understood the amendment, it changed all of the sections down to section 4?

The CHAIRMAN. The motion is to strike section 1 at this time and substitute two sections for sections 1 and 2 of the bill, with notice that a motion will be made to strike section 2 when read.

Mr. MAY. I may be under a misapprehension, but I thought it undertook to strike section 3, down to section 4.

The CHAIRMAN. The Chair does not so understand.

Mr. MAY. Section 1 is the only section that has been read.

The CHAIRMAN. The Chair does not so understand the motion. The point of order is overruled.

The gentleman from Oregon is recognized for 5 minutes.

Mr. PIERCE. Mr. Chairman, this is just opposite to the amendment offered by the gentleman from New York. It is my belief that this is what should be done. This is what I call unified control. This puts the administrator in charge not only of the generation but of the sale of electric current at Bonneville. I think it should be so. The hand that controls the levers that let the water in and out should be the same hand that sells the energy to the people who are to buy it. I do not believe in divided authority. I am willing to admit the chairman of the Committee on Rivers and Harbors has gone some distance with us in taking the Army engineers out of the sale part. I think he did so because the Army engineers did not want the job, but I want them to retire now from the management of the wheels, and when they want power to operate the locks or any of the facilities that they need for navigation, they can easily get it from the man who is operating the electric plant.

Just think for a moment: Electricity moves at the speed of light, 186,000 miles a second. Water moves slowly. When the administrator wants to sell power he wants to know that he can have it on the spot. He does not want to have to wait and figure out whether he can get it or not. He does not want to take the telephone to call up Washington to beg for more current. He wants to be able to say, "Deliver it", and to know that it will be delivered. It does not matter so much with the men who want power for the locks. They can wait, if necessary. It is a matter of minutes or hours, but the man who operates a factory down at Portland wants it immediately, and it is all-important that delivery can be made as he wants it, and smoothly and continuously.

As a man who has operated a small plant, I can affirm that I would not want to have the Army engineers or any other group of men tell me what power I could have or when I could have it. I do not want to criticize the Army engineers. I know of their efficiency. I know what they have done; but, as I said before, they are not public-ownership people. They do not drift that way. A man who is in charge of Bonneville should be sold on public ownership in order to make a success of it. If he is, he can make as much of a success as they have in Tacoma.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. RANKIN. This will leave the Army engineers in charge of navigation, in charge of the locks and in charge of the fishways, will it not, just as they are along the Tennessee River, if this amendment is adopted?

Mr. PIERCE. Yes; that is so. The same man who sells the electricity, who contracts for the sale of it, should be the man who directs the amount that is being made. You understand that at this big dam a time will come when, instead of generating 86,000 kilowatts in these two units, that may drop down one-third, when the tailrace fills with the floods of the Columbia River. The administrator must be ready to face that, and provide a continuous supply of firm power. He does not want a man in there directing how much juice is going to be generated. He wants to make his own arrangements for leveling up. Perhaps he will run a line to some of the public-ownership plants where the rivers are in flood at the time he is short, and can generate extra power for him; for instance, on the Mackenzie or on the Skagit. But that operation must be in the hands of a unified control if it is going to be a success. You cannot divide authority on a battlefield. This is a battlefield.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. PIERCE] has expired.

Mr. HILL of Washington. Mr. Chairman, I move to strike out the last word.

Bonneville! Just about to be completed. The first dam to be completed in that wonderful river, the Columbia. I have told you before that one-sixth of the potential water power of the United States is in our State of Washington. Now we have completed the Bonneville project. There was a group that was and is fighting the building of any dams on the Columbia or anywhere, and that group now is fighting to place control of these dams, when completed, in the hands of those who favor private power companies instead of favoring the ultimate consumer. I have voted consistently in favor of these power dams, but I shall never vote again for any appropriation for any dam unless I am convinced that this power will go to the ultimate consumer at cost, and not through the hands of private companies unless they will observe the yardstick as explained and urged by the President since he first assumed the duties of his office in 1933. I have nothing against private companies as long as they are compelled to compete with municipal or other public utilities as in Tacoma and Seattle, Wash. There they must reduce their rates as often as the municipal plants, and the people of those cities are getting electric power at one-third of rates charged in the Yakima Valley, where the power companies have a monopoly.

Much is made of the taxes paid by power companies. They pay no taxes. They are paid by the ultimate consumer in overhead expenses. Moreover, in the State of Washington the valuation of all our private electric utilities for taxation purposes is only one-thirtieth of the valuation for rate-making purposes and hence the tax is insignificant.

In Tacoma, Seattle, and other cities of Washington that have municipal ownership, the city governments which generate the power also distribute it to the ultimate consumer. Of course the dams were built by engineers but the distribution is in the hands of civil authorities. So at Bonneville Dam, although it has been built by the Army engineers, the distribution to municipalities, power districts, cooperatives, and any surplus, if there is any, to private companies, should be under supervision of some civil administrator of the Federal Government in compliance with the section of the law which provides for cost of production.

My friend from Kentucky calls this socialism. I would ask him who owns the Army and the Navy of the United States? Is that socialism?

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. HILL of Washington. No; I cannot yield. The gentleman can answer in his own time. I would ask also who owns and operates the post offices in the United States? I ask any Member of this House if they think that the rural communities of this country would get their letters today if the post office was owned and operated by private companies?

My friend from Michigan [Mr. CRAWFORD] mentioned the fact that the rural people of certain foreign countries were getting all these fine electrical conveniences in abundance in their homes. I asked him and he admitted the fact that the public utilities were owned and operated by the countries themselves. I am proud to come by descent from old Norway, which has used her streams for the people of that country, and that is all we are asking for in the State of Washington, in the Northwest, and in the United States. I might add that the gentleman from Minnesota [Mr. KNUTSON], who berated public ownership on the floor of this House yesterday, to just remember the land of his birth, Norway.

The pending question is, Who shall operate Bonneville Dam? We believe that there should be an administrator. They ask, To whom is he responsible? He is responsible to the Secretary of the Interior, and the Secretary is responsible to the President of the United States. Others say that it should be in the hands of the Corps of Army Engineers. To whom are they responsible? They are responsible to the Secretary of War and he is responsible to the President of the United States, and in the final analysis, Congress alone has the authority to appropriate the funds provided for in this bill. What difference is there? None whatever as far as responsibility is concerned. The only thing is what has been established here and has been emphasized, that the administrator would administer this so that the ultimate consumer would get it at cost. We do not believe that the Army engineers would do that, and in support of our contention we ask you to consider what the Army engineers did at Muscle Shoals for 15 long years before one of the finest Americans in the United States, Senator Norris, and such men as Allman and Quinn, and my friend Rankin, here in the House, got the Muscle Shoals bill through. [Applause.]

[Here the gavel fell.]

Mr. MOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope this amendment may not prevail. In my opinion, if the Committee should adopt this amendment it would be one of the most unfortunate things that the Congress has done.

The gentleman from Washington seemed to be arguing against putting the Army engineers in charge of this project as administrator. There is no question of that kind before the House. The amendment offered by the gentleman from Oregon [Mr. PIERCE] was to take the operation of the power plant itself away from the Corps of Army Engineers and place it in the hands of the civil administrator—a political appointee of a political agency of this Government. Let me call attention to the fact that the House Rivers and Harbors Committee has reported out this bill giving to the Corps of Army Engineers jurisdiction to operate the power plant. The Commerce Committee of the Senate has reported out a bill giving jurisdiction over operation of the power plant to the Corps of Army Engineers. No committee of this Congress has ever suggested to the Congress that the operation of the power plant itself be placed in the hands of a civilian administrator or in the hands of anyone except the Army engineers who built it.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I cannot yield in my very limited time. I am sorry.

This proposal was thoroughly threshed out before both the Senate and House committees. The gentleman from Oregon [Mr. PIERCE] offered his amendment before the House committee. It was thoroughly considered there, and I do not believe I am violating any confidence when I say that it received no support whatever from any single member of that committee.

This dam was built by the Corps of Army Engineers. A great many technical problems had to be met and solved. They were all met and solved by the Army engineers alone. When the dam is completed this year the greatest volume of water will flow over the spillway that flows over any dam in the world. The engineers built that dam under the authority of Congress with the thought and upon the supposition that they would operate it, as they have always operated all of our great dams with one or two exceptions. No one had any idea that the engineers would not operate it. It is necessary that an agency of this Government having an experienced personnel should operate this power plant up to the switchboard and then turn it over to the administrator.

That is what the bill as it stands before you now proposes to do. That is the considered judgment and the unanimous recommendation of the committee.

I told you when I took the floor an hour or so ago that when the proposal was before the committee I offered a bill which would place the entire jurisdiction in the Corps of Engineers. I did this because I thought they were the most competent, the most experienced, and the most free from politics. The committee did not concur in my point of view and likewise it did not concur in the point of view of my colleague from eastern Oregon. It has recommended this compromise bill, with which I am satisfied, and I think all the people of the States of Oregon and Washington are satisfied with this bill. I believe we should accept the judgment of the committee and pass this bill as it is written.

[Here the gavel fell.]

Mr. COFFEE of Washington. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am one of the six Members of the House from the State of Washington. All of us favor this bill.

Personally I am in favor of the amendment offered by the gentleman from Oregon because I believe it will incorporate a principle which is almost universally supported by the people of my State. Most of the Members of the House from the State of Washington have received resolutions and letters asking that the principle incorporated in the amendment offered by the gentleman from Oregon be written into this law.

Mr. Chairman, I come from the city of Tacoma, Wash., which is an outstanding example of the success of municipally operated light and power in America. We do not have to apologize to the gentleman from New York [Mr. SNELL] for the operation of the Tacoma light and power plant. I think it was significant that in the discussion today when reflections were cast upon the operations of publicly owned plants in the Province of Ontario, no statements were made reflecting upon the city of Tacoma's operation of the power plant.

Public ownership is a big issue in the State of Washington and any man who aspires to office as either a Member of the House or Senate from the State of Washington cannot, with impunity, oppose public ownership of power. The city of Tacoma sells power at a rate lower than any other city in the United States. The city of Tacoma sells power to its citizens at a rate so low it is universally used night and day by the residents, in great abundance. The record stands by itself.

Mr. MAY. Will the gentleman yield?

Mr. COFFEE of Washington. I have not the time. The lowest rate shown on the chart for any city in the United States is that of Tacoma, Wash.

Mr. Chairman, the municipally owned power plant of the city of Tacoma turns into the coffers of the public treasury more than a million dollars a year in the form of profit. It also pays in 7½ percent of its gross earnings to the city of Tacoma, which averages more than $200,000 a year.

How is that for taking property off the tax rolls? In lieu of taxation, it turns into the city's treasury more than $200,000 a year.

Mr. MAY. Will the gentleman yield?

Mr. COFFEE of Washington. Mr. Chairman, we feel very strongly about public power and any man who has the political philosophy of the gentleman from Kentucky [Mr. MAY] in my State would not last 5 minutes in the Democratic Party. [Applause.]

The President of the United States in 1932 and 1936 favored publicly operated power plants, and the gentleman from Kentucky [Mr. MAY] should be loyal enough to his President to back him up when he is fundamentally right. [Applause.]

Mr. MAY. Will the gentleman yield?

Mr. COFFEE of Washington. I am sorry, I cannot yield to the gentleman.

Mr. MAY. The gentleman mentioned my name.

Mr. COFFEE of Washington. I have not the time within 5 minutes.

Mr. Chairman, I want the Members of the House to realize that under public ownership of power we can have operation free of politics. In the city of Tacoma the light and power plant is run exclusively from the top to the bottom by employees under the civil service. We do not know whether they are Republicans or Democrats who operate our light and power plant. We have had the same general manager—the commissioner of public utilities—for 20 years. He is still there. In the city of Seattle they have had Jim Ross for more than 18 years running the city's light plant.

I know about the success of public ownership of power in the city of Tacoma. The arguments advanced by the gentleman from Pennsylvania [Mr. RICH] about earthquakes in the State of Washington do not carry weight with us, because there are more earthquakes in New York City than in our section of the country, particularly the State of Washington, and we are not worrying much about that. [Applause.]

[Here the gavel fell.]

Mr. McSWEENEY. Mr. Chairman, I rise in opposition to the amendment offered by my distinguished friend, feeling that if the Army engineers construct this dam it is only a matter of good husbandry on the part of the Government to allow those same engineers to have control of the intricate operations of a great dam of that kind. I have had experience myself as a civil engineer. I can remember right after the war America had interned a number of German ships. The best engineering ability in America was unable to go into the intricate operations of some of those ships, even though they had the blueprints, because in the construction of any great enterprise you will always meet with difficulties that only the ones who did the actual constructing know about. I say to my distinguished friend the gentleman from Oregon [Mr. PIERCE] that the Army engineers should be the men to maintain and operate this dam and bring the power to the switchboard.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. McSWEENEY. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Does the gentleman think the men who build the locomotives ought to be hired by the railroads to run them?

Mr. McSWEENEY. I do not think that is a comparable proposition at all. This is a great dam that will meet different emergencies. There may be flood problems. There may be a shifting of soil. Breaks may occur. The walls may not stand the pressure. Under the plan of Governor PIERCE he admits he will have to have a batch of engineers to cooperate with the administrator. The engineers who do cooperate with the administrator are much better operating men and they ought to have something to say about the enterprise.

Mr. MOTT. Will the gentleman yield?

Mr. McSWEENEY. I yield to the gentleman from Oregon.

Mr. MOTT. The gentleman who spoke just previously stressed the fact that the Members should support the President. May I ask the gentleman if it is not a fact there is contained in the testimony of General Markham given before the Rivers and Harbors Committee of the House a statement and a letter in which the President himself recommends the operation of the power plant at this dam by the Army engineers? That is in the record.

Mr. McSWEENEY. Yes. The gentleman is correct.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, what I said awhile ago against the other amendment applies with even greater force to the present amendment. If this amendment is adopted, we shall be in the attitude of taking a navigation dam project out of the hands of the Secretary of War, where such projects have been for 120 years. With more than 400 waterway projects in this country, Alaska, Puerto Rico, the Virgin Islands, and in Hawaii, this will be the only one which will have been taken out of the hands of the War Department by an act of Congress.

Mrs. HONEYMAN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentlewoman from Oregon.

Mrs. HONEYMAN. If this amendment is adopted it would mean the taking of a navigation project out of the hands of the engineers, when the navigation aspects of the dam, the sea locks, and so forth, are left with the Army engineers.

Mr. MANSFIELD. I do not know about that, but it would be preferable to do that than to put these two engineers in there on the operation of the same dam. Whenever you put an engineer of the War Department and an engineer of the Department of the Interior on the same project so that they are messing around together with the same dam and the same machinery and the same locks, you are going to cause more Kilkenny stuff in this country than you ever heard of before. [Applause.]

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. PIERCE. Who will operate Grand Coulee when it is completed? Will it not be the Secretary of the Interior?

Mr. MANSFIELD. That is not a War Department project. It is a reclamation project.

Mr. PIERCE. Will it not be the Secretary of the Interior?

Mr. MANSFIELD. Yes.

Mr. PIERCE. Why should it not be the Secretary of the Interior at Bonneville? Give us unified control on the Columbia River.

Mr. MANSFIELD. Who operates the navigation locks and dams on the Ohio River and on the Allegheny and all other navigation projects?

Mr. PIERCE. We are not generating power there.

Mr. MANSFIELD. We are generating power at a half dozen dams on the Ohio River, and we are generating power on the Mississippi River at Keokuk and at Rock Island. We are generating power at various other places all over the country. The War Department has jurisdiction over all of them at the present time.

Mr. KELLER. Who operates them?

Mr. MANSFIELD. The War Department does and always has.

Mr. KELLER. And administers them? Who owns the one at Keokuk?

Mr. MANSFIELD. That was built by a private corporation, but the Government has taken it over.

Mr. KELLER. The Government is not administering the price and the sale of that power.

Mr. MANSFIELD. I do not know whether the Government administers the sale there or not. In this bill we are putting it in the hands of an administrator, but we are not putting another engineer on the dam, with two engineers operating on the same proposition.

Mr. PIERCE. Oh, no.

Mr. MANSFIELD. Yes; the gentleman's amendment does that.

Mr. PIERCE. No; my amendment provides that the administrator provided by Congress is the sole administrator.

Mr. MANSFIELD. Then the gentleman's amendment takes the operation of the locks and dam out of the War Department, as I stated at first.

Mr. PIERCE. Yes; and places it in the hands of the administrator.

Mr. MANSFIELD. That is the gentleman's amendment?

Mr. PIERCE. Yes.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. McSWEENEY. Would it not be necessary to have a corps of engineers to advise this administrator, anyway? They will be private engineers.

Mr. MANSFIELD. What reason is there for taking one of more than 400 projects out of the hands of the War Department and putting it in the hands of a temporary official?

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. O'CONNOR of Montana. Will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Montana.

Mr. O'CONNOR of Montana. If this amendment carries, would there be a duplication of the work of these various engineers?

Mr. MANSFIELD. The power facilities in the Bonneville Dam consist of 10 units, 2 of which are practically completed now. There are eight more to be installed, if and when the sale of power will justify it. If you put one set of men in there under the Corps of Engineers and another set under another department of the Government, one operating a portion of the turbines and the other a portion of the machinery, there will be trouble. It is all the same machinery. You can hardly divide the functions. It is a far better one to operate to the switchboard, and the other from that point to the consumer. The line of responsibility would be at the switchboard.

Mr. O'CONNOR of Montana. Then there would be duplication of work there?

Mr. MANSFIELD. Absolutely; there would be duplication of work and duplication of costs if this amendment is adopted. The Army engineers there now are costing the Government nothing, because their salaries and their work go on just the same whether they are there or anywhere else.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. FITZPATRICK. Will it not be absolutely necessary to keep the Army engineers there as far as navigation is concerned?

Mr. MANSFIELD. It is absolutely necessary, unless you amend all of our laws.

Mr. FITZPATRICK. If this amendment is adopted, then, you will have to have the engineers anyway?

Mr. MANSFIELD. Absolutely.

Mr. FERGUSON. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. Is it not true that in the gentleman's own experience with the Corps of Engineers he has found that it has always been a body that carries out the dictates of Congress and never has established any policies whatsoever?

Mr. MANSFIELD. No man can point to any act by which the Chief of Engineers of the United States Army has ever violated a mandate of Congress, and I defy any man to show me such an act. [Applause.]

Mr. PIERCE. Mr. Chairman, will the gentleman yield for one further question?

Mr. MANSFIELD. I yield to the gentleman from Oregon.

Mr. PIERCE. Did not Scattergood, who is the manager of the Los Angeles plant and the most eminent authority in the United States on public ownership of utilities, say before the gentleman's committee that it would cost him $1,000,000 a year if they had divided control at Boulder Dam?

Mr. MANSFIELD. I do not recall that.

Mr. COLDEN. But navigation is not the primary purpose at Boulder Dam.

Mr. MANSFIELD. Neither did the Army engineers construct Boulder Dam. It was constructed under the authority under which the gentleman from Oregon now wants to put this dam.

[Here the gavel fell.]

Mr. KRAMER. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. PIERCE].

The question was taken; and on a division (demanded by Mr. PIERCE and Mr. RANKIN) there were—ayes 47, noes 67.

Mr. RANKIN. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chair appointed as tellers Mr. PIERCE and Mr. COLDEN.

The committee again divided and the tellers reported that there were—ayes 50, noes 79.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. (a) The surplus energy generated in the operation of the Bonneville project shall be disposed of by and through the Administrator as hereinafter provided. The Administrator shall be appointed by and be responsible to the Secretary of the Interior, shall receive a salary at the rate of $10,000 per year, and shall maintain his principal office at a place selected by him in the vicinity of Bonneville project. No Administrator shall during his continuance in office have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935. The Administrator shall, as hereinafter provided, make all necessary or appropriate arrangements for the disposition of electric energy generated at Bonneville project not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith. He shall act in consultation with an advisory board composed of a representative designated by the Secretary of War, a representative designated by the Secretary of the Interior, and a representative designated by the Federal Power Commission. The form of administration herein established for Bonneville project is intended to be provisional pending the establishment of permanent administration for Bonneville and other projects in the Columbia River Basin.

(b) In order to encourage the widest possible use of all electric energy that can be generated and marketed and to provide reasonable outlets therefor, and to prevent the monopolization thereof by limited groups or localities, the Administrator is authorized and directed to provide, construct, operate, maintain, and improve such electric transmission lines and substations, and facilities and structures appurtenant thereto, as he finds necessary, desirable, or appropriate for the purpose of transmitting electric energy, available for sale from the Bonneville project to existing and potential markets, and for the purpose of interchange of electric energy to interconnect the Bonneville project with other Federal projects.

(c) The Administrator is authorized, in the name of the United States, to acquire, by purchase, lease, condemnation, or donation, such real and personal property, or any interest therein, including lands, easements, rights-of-way, franchises, electric transmission lines, substations, and facilities and structures appurtenant thereto, as the Administrator finds necessary or appropriate to carry out the purposes of this act. Title to all property and property rights acquired by the Administrator shall be taken in the name of the United States.

(d) The Administrator shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purposes of this act, by the exercise of the right of eminent domain and to institute condemnation proceedings therefor in the same manner as is provided by law for the condemnation of real estate. In respect of condemnation of any property or property rights, the Administrator shall have the rights conferred by the act of February 26, 1931 (46 Stat. 1421, ch. 307, secs. 1 to 5, inclusive), as now compiled in sections 258a to 258e, inclusive, of title 40 of the United States Code.

(e) The Administrator is authorized, in the name of the United States, to sell, lease, or otherwise dispose of such personal property as in his judgment is not required for the purposes of this act and such real property and interests in land acquired in connection with the construction or operation of electric transmission lines or substations as in his judgment are not required for the purposes of this act: *Provided, however,* That before the sale, lease, or disposition of real property or transmission lines the Administrator shall secure the approval of the Secretary of the Interior.

(f) Subject to the provisions of this act, the Administrator is authorized, in the name of the United States, to negotiate and enter into such contracts, agreements, and arrangements as he shall find necessary or appropriate to carry out the purposes of this act.

Mr. MANSFIELD. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WILCOX, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7642) to authorize the completion, maintenance, and operation of the Bonneville project for navigation, and for other purposes, had come to no resolution thereon.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Crockett, its Chief Clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6958) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes."

PERMISSION TO FILE A REPORT

Mr. KELLER. Mr. Speaker, I ask unanimous consent to have until midnight tonight to file a report from the Library Committee on the Jefferson Memorial bill.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object, simply to find out when the Bonneville bill will be taken up again. Can the gentleman from Texas tell us?

Mr. MANSFIELD. I think the gentleman will have to ask the Speaker.

The SPEAKER. The majority leader is not on the floor, but I think it is quite proper for the Chair to state that although we have made arrangements for the consideration of another bill on Monday, the Chair would be inclined to recognize this bill first after the disposition of District of Columbia business.

Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks made this afternoon on the Bonneville bill and to insert certain telegrams and a letter from the President of the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. EICHER. Mr. Speaker, I ask unanimous consent to extend my remarks upon the cancer research bill.

The SPEAKER. Is there objection?

There was no objection.

CONFERENCE REPORT—INTERIOR DEPARTMENT APPROPRIATION BILL, 1938

Mr. LEAVY. Mr. Speaker, I submit a conference report and statement upon the bill (H. R. 6958) making appropriations for the Department of the Interior, for printing under the rule.

LEAVE TO ADDRESS THE HOUSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that on Monday after the disposition of all business on the Speaker's desk and other special orders I may address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. DUNN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. DEMUTH, for July 26 to 28, inclusive, on account of attending to conferences on flood control at Pittsburgh.

To Mr. MAAS, for 1 week, on account of illness.

To Mr. ARNOLD, for 1 week, on account of public business.

To Mr. BULWINKLE, for 15 days.

To Mr. HOFFMAN, on account of illness.

To Mr. DEEN, for 10 days, on account of important business.

EXTENSION OF REMARKS

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection?

There was no objection.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 126. An act authorizing the President to present a Distinguished Service Medal to Harold R. Wood; to the Committee on Naval Affairs.

S. 537. An act to provide suitable accommodations for the district court of the United States at Glasgow, Mont.; to the Committee on Public Buildings and Grounds.

S. 606. An act for the relief of Mabel F. Hollingsworth; to the Committee on Claims.

S. 607. An act to authorize improvement of navigation facilities on the Columbia River, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 608. An act to authorize the leasing of certain Indian lands subject to the approval of the Secretary of the Interior; to the Committee on Indian Affairs.

S. 744. An act for the relief of Lulu M. Peiper; to the Committee on Claims.

S. 840. An act to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev.; to the Committee on Indian Affairs.

S. 1168. An act for the relief of Joseph W. Bollenbeck; to the Committee on Military Affairs.

S. 1514. An act for the relief of the Corbitt Co.; to the Committee on Claims.

S. 1774. An act to authorize the purchase of certain lands adjacent to the Turtle Mountain Indian Agency in the State of North Dakota; to the Committee on Indian Affairs.

S. 1880. An act to amend an act entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippit, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. McCallib, J. J. Beckham, and John Toles", approved June 28, 1934; to the Committee on Indian Affairs.

S. 1971. An act to provide for the recognition by the Government of the United States of the academic standing of military and naval schools under its jurisdiction; to the Committee on Military Affairs.

S. 2060. An act to amend the Wisconsin Chippewa Jurisdictional Act of August 30, 1935 (49 Stat. L. 1049); to the Committee on Indian Affairs.

S. 2091. An act for the relief of Ada Saul, Steve Dolack, and Marie McDonald; to the Committee on Claims.

S. 2115. An act to amend section 77 of the Judicial Code, as amended, to transfer Clinch County from the southern district of Georgia to the middle district; to the Committee on the Judiciary.

S. 2159. An act for the relief of George R. Slate; to the Committee on Military Affairs.

S. 2215. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

S. 2232. An act for the relief of E. Sullivan; to the Committee on Claims.

S. 2261. An act for the relief of Scott Hart; to the Committee on Claims.

S. 2263. An act providing for per-capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury; to the Committee on Indian Affairs.

S. 2273. An act to authorize the consideration of the recommendation of an award for distinguished service to Col. John A. Lockwood, United States Army, retired, and for other purposes; to the Committee on Military Affairs.

S. 2299. An act for the relief of M. M. Twichel; to the Committee on Claims.

S. 2305. An act for the relief of William F. Kimball; to the Committee on Claims.

S. 2317. An act for the relief of Robert L. Summers; to the Committee on Military Affairs.

S. 2383. An act to amend the act authorizing the Attorney General to compromise suits on certain contracts of insurance; to the Committee on World War Veterans' Legislation.

S. 2387. An act to authorize certain officers and employees of Federal penal correctional institutions to administer oaths; to the Committee on the Judiciary.

S. 2417. An act for the relief of Samuel L. Dwyer; to the Committee on Claims.

S. 2444. An act for the relief of William C. Willahan; to the Committee on Claims.

S. 2473. An act to provide that individual tax returns may be made without the formality of an oath, and for other purposes; to the Committee on Ways and Means.

S. 2557. An act for the relief of William T. J. Ryan; to the Committee on Military Affairs.

S. 2619. An act to amend paragraph (1) of section 22 of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

S. 2751. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the West Point Military Reservation, N. Y., for the construction thereon of certain buildings, and for other purposes; to the Committee on Military Affairs.

S. J. Res. 153. Joint resolution providing for consideration of a recommendation for decoration of Sgt. Fred W. Stockham, deceased; to the Committee on Military Affairs.

S. J. Res. 158. Joint resolution to provide for the appointment of a delegate to the First Pan American Congress of Deaf Mutes; to the Committee on Foreign Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1086. An act for the relief of Weymouth Kirkland and Robert N. Golding;

H. R. 1420. An act for the relief of Dewey Jack Krauss, a minor;

H. R. 1561. An act for the protection of oyster culture in Alaska;

H. R. 1961. An act to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Twin River Point Lighthouse Reservation, and for other purposes;

H. R. 3251. An act for the relief of Joseph A. Rudy;

H. R. 3408. An act to amend the Civil Service Act approved January 16, 1883 (22 Stat. 403), and for other purposes;

H. R. 4246. An act for the relief of N. C. Nelson;

H. R. 4896. An act to authorize a preliminary examination and survey of Cayuga, Buffalo, and Cazenovia Creeks, N. Y., with a view to the control of their floods;

H. R. 5040. An act to provide for the establishment of a Coast Guard station at or near Beaver Bay, Minn.;

H. R. 5140. An act to provide for the establishment of a Coast Guard station at or near St. Augustine, Fla.;

H. R. 5552. An act to provide for the relinquishment of an easement granted to the United States by the Green Bay & Mississippi Canal Co.;

H. R. 6358. An act to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities;

H. R. 6402. An act for the relief of Emory M. McCool, United States Navy, retired;

H. R. 6496. An act granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River, at or near Poplar, Mont.;

H. R. 6636. An act granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across the Wabash River at or near Lockport, Ind.;

H. R. 6899. An act to repeal the limitation on the sale price on the old post office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.;

H. R. 6916. An act to amend the laws relating to enlistments in the Coast Guard, and for other purposes;

H. R. 6920. An act granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell;

H. R. 7017. An act to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 Stat. 1380, 1383; U. S. C. 1934 edition, title 46, sec. 239);

H. R. 7401. An act to authorize the Secretary of Commerce to convey to the commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes;

H. R. 7611. An act to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war;

H. R. 7641. An act to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Madison, Wis., September 5 to 10, inclusive, 1937; and

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 534. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

S. 1067. An act for the relief of Asa J. Hunter;

S. 1143. An act for the relief of G. L. Tariton;

S. 1144. An act for the relief of the Frazier-Davis Construction Co.; and

S. 2521. An act to authorize the assignment of officers of the line of the Marine Corps to assistant quartermaster and assistant paymaster duty only, and for other purposes.

ADJOURNMENT

Mr. MANSFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.), in accordance with the order heretofore adopted, the House adjourned until Monday, July 26, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

The Committee on Naval Affairs will hold open hearings on the bill H. R. 5529, to replace the airship *Los Angeles*, Monday, July 26, 1937, at 10:30 a. m.

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation at 10 a. m., Monday, July 26, 1937. Business to be considered:

H. R. 6091, to provide for a preliminary examination and survey to determine the feasibility and cost of diverting the surplus waters of the Green River, Wyo., to the Bear River, for the purpose of irrigating the lands in the Bear River Basin.

H. R. 7567, to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes.

H. R. 3786, providing for the allocation of net revenues of the Shoshone power plant of the Shoshone reclamation project in Wyoming.

H. R. 5960, to provide for studies and plans for the development of a reclamation project on the Cimarron River in Cimarron County, Okla.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Wednesday, July 28, 1937, at 10 a. m., eastern standard time, on H. R. 7486, known as the bill to increase the efficiency of the Coast Guard.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

737. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, House of Representatives, for the fiscal year 1938, in the sum of $7,315 (H. Doc. No. 308); to the Committee on Appropriations and ordered to be printed.

738. A communication from the President of the United States, transmitting a deficiency estimate of appropriation for the Treasury Department for the fiscal year 1937 and prior years, amounting to $276.36, together with drafts of proposed provisions pertaining to existing appropriations (H. Doc. No. 309); to the Committee on Appropriations and ordered to be printed.

739. A communication from the President of the United States, transmitting a deficiency estimate of $100,000 for contract Air Mail Service, 1936, for the Post Office Department, transmitted to Congress on January 11, 1937 (H. Doc. No. 106, 75th Cong., 1st sess.), is hereby reduced to $82,000 (H. Doc. No. 310); to the Committee on Appropriations and ordered to be printed.

740. A communication from the President of the United States, transmitting deficiency estimates of appropriations for the fiscal years 1931 and 1932 in the sum of $483.40, and a supplemental estimate of appropriation for the fiscal year 1938 in the sum of $70,000, amounting in all to $70,483.40, for the Department of Justice (H. Doc. No. 311); to the Committee on Appropriations and ordered to be printed.

741. A communication from the President of the United States, transmitting supplemental estimates of appropriations for the fiscal year 1938 in the sum of $15,000, and for the fiscal years 1937 and 1938 in the sum of $55,000, amounting to $70,000, for the Department of State (H. Doc. No. 312); to the Committee on Appropriations and ordered to be printed.

742. A letter from the Mine Inspectors' Institute of America, transmitting a report of a committee to recommend plans for practical experience for mine rescue crews and a resolution adopted by the Mine Inspectors' Institute of America, assembled at Columbus, Ohio, June 21, 22, and 23, 1937, which is self-explanatory; to the Committee on Appropriations.

743. A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and independent offices to pay claims for damages to privately owned property in the sum of $36,215.45, which have been considered and adjusted under the provisions of the act of December 28, 1922 (U. S. C., title 31, sec. 215), and which require appropriations for their payment (H. Doc. No. 313); to the Committee on Appropriations and ordered to be printed.

744. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury, and which require an appropriation for their payment, amounting to $27,814.89 (H. Doc. No. 314); to the Committee on Appropriations and ordered to be printed.

745. A communication from the President of the United States, transmitting for the consideration of Congress, in compliance with section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), a schedule of claims amounting to $282,897.09, allowed by the General Accounting Office, as covered by certificates of settlement and for the services of the several departments and independent offices (H. Doc. No. 315); to the Committee on Appropriations and ordered to be printed.

746. A communication from the President of the United States, transmitting estimates of appropriations submitted by the Navy Department to pay claims for damages by collision or damages incident to the operation of vessels of the Navy, in the sum of $1,431.58 which have been considered and adjusted under the provisions of the act of December 28, 1922 (U. S. C., title 34, sec. 599), and which require appropriations for their payment (H. Doc. No. 316); to the Committee on Appropriations and ordered to be printed.

747. A communication from the President of the United States, transmitting a schedule of a claim allowed by the General Accounting Office, as shown by certificate of settlement transmitted to the Treasury Department in the sum of $95.27 (H. Doc. No. 317); to the Committee on Appropriations and ordered to be printed.

748. A communication from the President of the United States, transmitting a schedule of claims allowed by the General Accounting Office, as shown by certificates of settlement forwarded to the Treasury Department for payment, covering judgments rendered by the United States District Court for the Southern District of New York against the collector of customs, as provided under section 989 of the Revised Statutes (U. S. C., title 28, sec. 842), amounting to $7,597.53 (H. Doc. No. 318); to the Committee on Appropriations and ordered to be printed.

749. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury and require an appropriation for their payment, amounting to $343,471.58 (H. Doc. No. 319); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HEALEY: Committee on the Judiciary. H. R. 6961. A bill to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries; without amendment (Rept. No. 1289). Referred to the House Calendar.

Mr. HEALEY: Committee on the Judiciary. House Joint Resolution 321. Joint resolution granting the consent of Congress to the minimum-wage compact ratified by the Legislatures of Massachusetts, New Hampshire, and Rhode Island; without amendment (Rept. No. 1290). Referred to the House Calendar.

Mr. PALMISANO: Committee on the District of Columbia. H. R. 7950. A bill to amend the District of Columbia Alcoholic Beverage Control Act; without amendment (Rept. No. 1291). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMACK: Committee on Ways and Means. H. R. 7948. A bill providing for the promotion of employees in the Customs Field Service; without amendment (Rept. No. 1292). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of Montana: Committee on Indian Affairs. S. 1622. An act authorizing the Arapahoe and Cheyenne Indians to submit claims to the Court of Claims, and for other purposes; with amendment (Rept. No. 1293). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 2249. An act providing for the manner of payment of taxes on gross production of minerals, including gas and oil, in Oklahoma; without amendment (Rept. No. 1294). Referred to the Committee of the Whole House on the state of the Union.

Mr. GEHRMANN: Committee on Indian Affairs. H. R. 4544. A bill to divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe; with amendment (Rept. No. 1295). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 5170. A bill authorizing an appropriation for payment to the Sac and Fox Tribe of Indians in the State of Oklahoma; with amendment (Rept. No. 1296). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 7187. A bill to amend section 12B of the Federal Reserve Act, as amended; with amendment (Rept. No. 1297). Referred to the Committee of the Whole House on the state of the Union.

Mr. PIERCE: Committee on Agriculture. H. R. 7836. A bill to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable; without amendment (Rept. No. 1298). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. S. 68. An act authorizing the Western Bands of the Shoshone Nation of Indians to sue in the Court of Claims; without amendment (Rept. No. 1299). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLAR: Committee on the Library. House Joint Resolution 337. Joint resolution relating to the site to be selected for the memorial to Thomas Jefferson; with amendment (Rept. No. 1301). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 6024) for the relief of Annie Riley Hale, and the same was referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ELLENBOGEN: A bill (H. R. 7980) providing for the payment of salaries to bailiffs of the United States Court, during their absence from service by reason of illness, and during their vacation period; and also providing for payment of pensions on retirement after 10 years of service, and for other purposes; to the Committee on the Judiciary.

By Mr. HILL of Washington: A bill (H. R. 7981) to authorize improvement of navigation facilities on the Columbia River, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PALMISANO: A bill (H. R. 7982) to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia; to the Committee on the District of Columbia.

By Mr. THURSTON: A bill (H. R. 7983) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of Iowa Territory; to the Committee on Coinage, Weights, and Measures.

By Mr. RANDOLPH: A bill (H. R. 7984) to authorize transportation of mail by airplane upon star routes over difficult terrain; to the Committee on the Post Office and Post Roads.

By Mr. MAY: A bill (H. R. 7985) to promote air commerce by providing for the enlargement of Washington Airport; to the Committee on Military Affairs.

By Mr. KRAMER: Resolution (H. Res. 284) authorizing a special committee to investigate the campaign expenditures of the various candidates for the House of Representatives, and for other purposes; to the Committee on Rules.

By Mr. WOODRUM: Joint resolution (H. J. Res. 454) making appropriations for participation by the United States in the New York World's Fair and in the world's fair to be held by the San Francisco Bay Exposition, Inc., both in 1939; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARTWRIGHT: A bill (H. R. 7986) granting an increase of pension to Mary E. Lee; to the Committee on Invalid Pensions.

By Mr. CHAPMAN: A bill (H. R. 7987) for the relief of Ben L. Kessinger and M. Carlisle Minor; to the Committee on Claims.

By Mr. CLARK of Idaho: A bill (H. R. 7988) granting an honorable discharge to James B. Kilbourne; to the Committee on Military Affairs.

By Mr. CROWE: A bill (H. R. 7989) for the relief of Thomas Lewellyn and Drusilla Lewellyn; to the Committee on Claims.

By Mr. DIMOND: A bill (H. R. 7990) to extend the Metlakahtla Indians Citizenship Act; to the Committee on Indian Affairs.

By Mr. KELLY of New York: A bill (H. R. 7991) for the relief of Anna Mattil and others; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 7992) for the relief of Ray Hale; to the Committee on Military Affairs.

By Mr. KOCIALKOWSKI: A bill (H. R. 7993) for the relief of Alex Weisz; to the Committee on Military Affairs.

By Mr. MILLS: A bill (H. R. 7994) for the relief of sundry claimants; to the Committee on Claims.

Also, a bill (H. R. 7995) for the relief of R. B. Garrison; to the Committee on Claims.

Also, a bill (H. R. 7996) for the relief of Marvin Turnage; to the Committee on Claims.

Also, a bill (H. R. 7997) for the relief of Mrs. B. L. Upton; to the Committee on Claims.

By Mr. SHAFER of Michigan: A bill (H. R. 7998) for the relief of the First National Bank & Trust Co. of Kalamazoo, Kalamazoo, Mich.; to the Committee on Claims.

By Mr. TARVER: A bill (H. R. 7999) granting a pension to John R. Longwith; to the Committee on Pensions.

By Mr. WOOD: A bill (H. R. 8000) for the relief of the Welfare Finance Co., of Springfield, Mo.; to the Committee on Claims.

Also, a bill (H. R. 8001) for the relief of Charles B. Long; to the Committee on Claims.

By Mr. WOODRUM: A bill (H. R. 8002) extending the time for filing a claim for reimbursement for the funeral expenses

of Harold P. Straus; to the Committee on World War Veterans' Legislation.

By Mr. LUDLOW: Joint resolution (H. J. Res. 455) conferring jurisdiction on the Court of Claims to hear and determine the claim of Guy D. Sallee; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3012. By Mr. ANDREWS: Resolution adopted by the Common Council of the City of Tonawanda, N. Y., on July 19, opposing ratification of a treaty by the Senate of the United States having to do with construction of the St. Lawrence Seaway; to the Committee on Rivers and Harbors.

3013. Also, resolution adopted by the Common Council of the City of Tonawanda, N. Y., on July 19, opposing House bills 7365 and 7392, having to do with establishment of seven regional planning boards and to create seven regional conservation authorities; to the Committee on Rivers and Harbors.

3014. By Mr. CURLEY: Petition of the Niagara Frontier Planning Board, endorsing the proposal to improve the barge canal from Three Rivers to the Niagara River; to the Committee on Rivers and Harbors.

3015. Also, petition of the Niagara Frontier Planning Board, Niagara Falls, N. Y., regarding the restoration and preservation of the beauty of the Falls; to the Committee on Ways and Means.

3016. Also, petition of the Jewish Social Service Bureau, St. Louis, Mo., regarding nonresidents who are in need; to the Committee on Labor.

3017. Also, petition of the New York County Lawyers Association, opposing House Joint Resolution 383, introduced by Congressman GEARHART, regarding regulating the terms of office of Justices and the age at which they must retire; to the Committee on the Judiciary.

3018. By Mr. FORAND: Petition of local 198, American Federation of Musicians, urging reinstatement to Works Progress Administration rolls those former Works Progress Administration workers unable to secure employment in private industry; to the Committee on Ways and Means.

3019. By Mr. HART: Memorial of the Board of Commissioners of the City of Newark, N. J., urging that the Works Progress Administration discontinue reduction of personnel and that reinstatements be made as quickly as possible; to the Committee on Appropriations.

3020. By Mr. LUTHER A. JOHNSON: Petition of H. J. Kent, president, and L. R. Hall, vice president, Navarro County Texas Agricultural Association, and also Mrs. S. B. Watson, H. P. McCuiston, J. C. Park, H. M. Marrish, J. M. Beckham, W. P. Thorp, W. C. Roberts, and H. C. Barlow, members and executive officers of said association, favoring agricultural adjustment legislation at this session of Congress; to the Committee on Agriculture.

3021. By Mr. LANHAM: Petition of Mrs. Zuma Kidd and others, of Cleburne, Tex., endorsing House bill 2257; to the Committee on Ways and Means.

3022. By Mr. THOMAS of New Jersey: Letter from Frank L. Halstead, Sussex County, N. J., commander, the American Legion, and signed by Charles M. McKeeby, commander, Post No. 86; James A. Wilson, commander, Post No. 157: F. J. Lawrence, commander, Post No. 213; David W. Goble, Jr., county vice commander; V. O. Walters, State executive committeeman; John Coates, past county commander; Leon C. McKeon, past county commander, vigorously requesting a congressional investigation of the activities of the German-American Bund Auxiliary who are operating a camp in Andover Township, Sussex County, N. J., known as Camp Norland; to the Committee on Rules.

3023. By Mr. THOMASON of Texas: Petition of residents of Fort Bliss, Tex., urging passage of House bill 2257; to the Committee on Ways and Means.

SENATE

MONDAY, JULY 26, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, July 23, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. In view of the bill which is pending, I ask for a roll call in order to secure a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	King	Radcliffe
Andrews	Dieterich	La Follette	Reynolds
Ashurst	Donahey	Lee	Russell
Austin	Duffy	Lewis	Schwartz
Bailey	Ellender	Lodge	Schwellenbach
Barkley	Frazier	Logan	Sheppard
Bilbo	George	Lonergan	Shipstead
Black	Gerry	Lundeen	Smathers
Bone	Gibson	McCarran	Smith
Borah	Gillette	McGill	Steiwer
Brown, Mich.	Glass	McKellar	Thomas, Okla.
Brown, N. H.	Green	McNary	Thomas, Utah
Bulkley	Guffey	Maloney	Townsend
Bulow	Hale	Minton	Truman
Burke	Harrison	Murray	Tydings
Byrd	Hatch	Neely	Vandenberg
Byrnes	Herring	Nye	Van Nuys
Capper	Hitchcock	O'Mahoney	Walsh
Caraway	Holt	Overton	Wheeler
Chavez	Hughes	Pepper	White
Connally	Johnson, Calif.	Pittman	
Copeland	Johnson, Colo.	Pope	

Mr. LEWIS. I announce that the Senator from Tennessee [Mr. BERRY], the Senator from Missouri [Mr. CLARK], the Senator from California [Mr. MCADOO], the Senator from New Jersey [Mr. MOORE], and the Senator from New York [Mr. WAGNER] are necessarily detained from the Senate.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is unavoidably detained.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 534. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

S. 1067. An act for the relief of Asa J. Hunter;

S. 1143. An act for the relief of G. L. Tarlton;

S. 1144. An act for the relief of the Frazier-Davis Construction Co.;

S. 2521. An act to authorize the assignment of officers of the line of the Marine Corps to assistant quartermaster and assistant paymaster duty only, and for other purposes;

H. R. 1086. An act for the relief of Weymouth Kirkland and Robert N. Golding;

H. R. 1420. An act for the relief of Dewey Jack Krauss, a minor;

H. R. 1561. An act for the protection of oyster culture in Alaska;

H. R. 1961. An act to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Twin River Point Lighthouse Reservation, and for other purposes;

H. R. 3251. An act for the relief of Joseph A. Rudy;

H. R. 3408. An act to amend the Civil Service Act approved January 16, 1883 (22 Stat. 403), and for other purposes;

H. R. 4246. An act for the relief of N. C. Nelson;

H. R. 4896. An act to authorize a preliminary examination and survey of Cayuga, Buffalo, and Cazenovia Creeks, N. Y., with a view to the control of their floods;

H. R. 5040. An act to provide for the establishment of a Coast Guard station at or near Beaver Bay, Minn.;

H. R. 5140. An act to provide for the establishment of a Coast Guard station at or near St. Augustine, Fla.;

H. R. 5552. An act to provide for the relinquishment of an easement granted to the United States by the Green Bay & Mississippi Canal Co.;

H. R. 6358. An act to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities;

H. R. 6402. An act for the relief of Emory M. McCool, United States Navy, retired;

H. R. 6496. An act granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River, at or near Poplar, Mont.;

H. R. 6636. An act granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across the Wabash River at or near Lockport, Ind.;

H. R. 6899. An act to repeal the limitation on the sale price on the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.;

H. R. 6916. An act to amend the laws relating to enlistments in the Coast Guard, and for other purposes;

H. R. 6920. An act granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell;

H. R. 7017. An act to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 Stats. 1380, 1383; U. S. C., 1934 edition, title 46, sec. 239);

H. R. 7401. An act to authorize the Secretary of Commerce to convey to the commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes;

H. R. 7611. An act to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war;

H. R. 7641. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Madison, Wis., September 5 to 10, inclusive, 1937; and

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939.

CHOCTAW AND CHICKASAW LANDS, OKLAHOMA—RESERVATION OF MINERALS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize the reservation of minerals in future sales of tribal lands of the Choctaw-Chickasaw Indians in Oklahoma, which, with the accompanying paper, was referred to the Committee on Indian Affairs.

ORDINANCES, ETC., OF MUNICIPAL COUNCILS IN VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, copy of an ordinance passed by the Municipal Council of St. Thomas and St. John, and also copies of several ordinances, resolutions, etc., passed by the Municipal Council of St. Croix, all approved by the Governor of the Virgin Islands, which, with the accompanying papers, were referred to the Committee on Territories and Insular Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following memorial of the Legislature of the State of Florida, which was referred to the Committee on Finance:

Whereas agriculture is one of the most important industries of the State of Florida; and

Whereas the growing of cigar leaf tobacco is an important part of the agriculture of this State; and

Whereas the cheap competition of this product in the markets is the cigar leaf tobacco imported from the East Indies, which is produced by labor which has a standard of living so low that the production of these countries can be sold much cheaper than American products produced under the American standard of living unless the American product is given ample protection in the form of tariff; and

Whereas the continuation and development of the tobacco-growing industry in the State of Florida is of vital importance to the State and furnishes employment to large numbers of farm laborers as well as large numbers of laborers in the packing and processing plants: Now, therefore, be it

Resolved by the Legislature of the State of Florida, That the President and the Congress of the United States are hereby memorialized to enact such laws and promulgate and enforce such regulations as will afford ample tariff protection to the American growers, packers, and shippers of cigar leaf tobacco and such protection as will enable them to maintain the American standard of living and at the same time compete with the foreign producers of these commodities.

That the Secretary of State of the United States, the Secretary of Agriculture of the United States, and the Secretary of Commerce of the United States, and the United States Tariff Commission are urged to take such action as to effectuate these results.

That the secretary of state of the State of Florida is hereby directed to transmit a copy of this memorial, under the great seal of the State, to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, to the Secretary of State of the United States, to the Secretary of Agriculture of the United States, to the Secretary of Commerce of the United States, to the Chairman and each member of the United States Tariff Commission and to each member of the Florida delegation in the Congress of the United States.

Mr. LODGE presented petitions of sundry citizens of Springfield and East Braintree, Mass., praying for the enactment of legislation to abolish the Federal Reserve System as at present constituted and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which were referred to the Committee on Banking and Currency.

Mr. COPELAND presented a resolution adopted by the Fiftieth Annual Convention of the New York State League of Savings and Loan Associations, at Saranac Inn, N. Y., protesting against the enactment of the so-called Federal mortgage bank bill, which was referred to the Committee on Banking and Currency.

He also presented a resolution adopted by the Commercial Telegraphers' Union, Eastern Broker Division, New York City, N. Y., endorsing the so-called Schwellenbach resolution, being the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by Branch No. 186 of the Workmen's Sick and Death Benefit Fund of Woodhaven, Long Island, N. Y., favoring the placing of embargoes against Germany and Italy in connection with the present civil strife in Spain, and also revision of the existing embargo against the present Government of Spain so as to allow that Government to buy all commodities necessary for its defense, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the New York Board of Trade, of New York City, protesting against the enactment of legislation providing for the establishment of a Labor Standards Board, and so forth, which was ordered to lie on the table.

SAFEGUARDING WELFARE OF APPRENTICES

Mr. WALSH. Mr. President, I have received a letter from the Commissioner of Labor and Industries for the State of Massachusetts with respect to the bill (H. R. 7274) to enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the States in the promotion of such standards, and I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the letter was referred to the Senate Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS,
DEPARTMENT OF LABOR AND INDUSTRIES,
State House, Boston, July 20, 1937.

Hon. DAVID I. WALSH,
Senate Office Building, Washington, D. C.

DEAR SENATOR: I have for many years been keenly interested in the apprentice question. I have felt that the training of mechanics for the skilled trades was one of the most important questions facing both labor organizations and employers, particularly in the construction industry.

During the last few years considerable progress has been made in Massachusetts in arriving at a common understanding of the desirability of a stable system of apprenticeship. The National Youth Administration and the State committee on apprentice training have done some very effective work along these lines. It was my privilege as commissioner of labor and industries to assist these efforts by calling employer and labor groups to separate conferences at the State house for the purpose of interesting them in cooperating with the Federal and State agencies. The attendance at these sessions was very representative, and both groups expressed themselves as ready to go ahead on cooperative efforts for an adequate and substantial apprentice system.

The city of Boston has during this school year assigned a man as apprentice coordinator to devise a school program for the allied education of the apprentices, and, in general, to work with the interested trades in meeting their apprenticeship problems. This condition is significant also, as it is the first time to my knowledge that organized labor in this community and the vocational education system have been able to find a common ground of procedure and cooperation.

I am strongly of the opinion that labor departments, both State and Federal, have a responsibility in this apprentice question, insofar as standards of wages and working conditions and the protection of both apprentices and journeymen are concerned.

I am gratified, therefore, to learn that a bill is now before the Senate, having passed the House, providing for lodging in the Department of Labor responsibility for supervision of such labor and employment phases of apprenticeship.

While not entirely familiar with all the terms of the bill in question, I thoroughly endorse it in principle, and write you my views in the hope that they may be of some service to you in deciding your position on this legislation.

Sincerely,

JAMES T. MORIARTY, *Commissioner.*

FEDERAL SOCIAL SECURITY ACT

Mr. WALSH. Mr. President, I have also received a letter from the executive secretary of the Massachusetts Unemployment Compensation Commission with respect to taxation of certain instrumentalities of the Government under titles VIII and IX of the Federal Social Security Act, and ask unanimous consent that it be printed in full in the CONGRESSIONAL RECORD and referred to the Committee on Finance.

There being no objection, the letter was referred to the Senate Committee on Finance and ordered to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS
UNEMPLOYMENT COMPENSATION COMMISSION,
Boston, July 22, 1937.

Hon. DAVID I. WALSH,
Senate Chamber, Washington, D. C.

DEAR SIR: Your attention is respectfully directed to the necessity of legislation relative to taxation of certain instrumentalities of the Government under titles VIII and IX of the Federal Social Security Act.

Under the rulings of the Commissioner of Internal Revenue, national banks members of the Federal Reserve System, members of the Federal Savings and Loan Insurance Corporations, and members of the Federal Credit Union are all instrumentalities of the Federal Government. By a ruling of the Commissioner of Internal Revenue it has been held that where a company manages improved real estate as agent for the owner, hires employees on behalf of the owner, and pays employees with the owner's funds the owner is the employer within the meaning of titles VIII and IX of the Federal Social Security Act. Under the provisions of chapter 151A employers who are subject to the Federal Social Security Act are subject to the Massachusetts unemployment compensstion law; consequently, owners of realty held to be employers under titles VIII and IX are employers under the Massachusetts unemployment compensation law. It is necessary for the practical administration of the Massachusetts law for the commission to follow the rulings of the Internal Revenue Commissioner so long as these are in force and effect.

The commission has submitted to the Commissioner of Internal Revenue two questions:

1. Whether an instrumentality of the Government which owns real estate used exclusively in connection with its banking business and which supervises, pays, and discharges employees is an employer under title IX.

2. Whether instrumentalities which employ agents under a typical agency contract to manage property owned by the instrumentalities, said property not being used in the banking business, are employers under title IX.

The Commissioner has held in both cases that where the relationship of employer and employee exists, as is generally the case, between the instrumentality of the Government and the individual rendering services in connection with the property, such individual is an employee of the Government instrumentality, and his services are excepted under the provisions of titles VIII and IX of the Federal Social Security Act.

The result is this: Instrumentalities of the Government, of which there are several hundred, including national banks members of the Federal Reserve System, cooperative banks, etc., in the Commonwealth pay no excise tax and are not subject to contributions under the Massachusetts law and under the rules of the commission. These instrumentalities have acquired in recent years, in consequence of the depression and other causes, an amount of improved realty unprecedented in the history of the Commonwealth.

Under title VIII, in 1937 the employees pay a Federal tax of 1 percent and the employers pay a tax of 1 percent. Under title IX and under the Massachusetts law, in 1937 the employers pay a Federal tax and a State contribution amounting to 2 percent; under the Massachusetts law, in 1937 the employees pay a State contribution of 1 percent. There is at the present time a differential of 5 percent on the total pay roll against the private owner of real estate, which differential will steadily increase until, in time, it will amount to a total of approximately 10 percent.

If the Federal Social Security Act is not amended as to the instrumentalities of the Government we shall experience a situation in which private owners of realty will seek the opportunity, and in many instances will be forced, to throw the ownership of improved realty over to instrumentalities of the Government. The continuance of the law on the books in its present form will, in a brief period of time, practically eliminate the ownership of improved realty from private ownership. The illustration given as to ownership of improved realty by Government instrumentalities may, under present operation of the law, be experienced by private employing units in other fields of activity.

The need of legislation to correct the above situation is urgent.

Respectfully yours,

MASSACHUSETTS UNEMPLOYMENT COMPENSATION COMMISSION,
By LAURENCE P. HARRINGTON, *Executive Secretary.*

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2676) to amend the act approved August 24, 1935, entitled "An act to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone", reported it without amendment and submitted a report (No. 941) thereon.

He also, from the same committee, to which was referred the bill (S. 2639) to authorize the Secretary of War to lease the Fort Schuyler Military Reservation, N. Y., reported it with amendments and submitted a report (No. 944) thereon.

Mr. LOGAN, from the Committee on Mines and Mining, to which was referred the joint resolution (S. J. Res. 183) consenting to an interstate oil compact to conserve oil and gas, reported it without amendment and submitted a report (No. 942) thereon.

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (H. R. 6453) to increase the minimum salary of deputy United States marshals to $2,000 per annum, reported it without amendment and submitted a report (No. 943) thereon.

Mr. McGILL, from the Committee on the Judiciary, to which was referred the bill (H. R. 6295) to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments, reported it without amendment and submitted a report (No. 945) thereon.

Mr. MALONEY, from the Committee on Commerce, to which was referred the bill (S. 2708) to declare Burr Creek, from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., a nonnavigable stream; reported it with amendments and submitted a report (No. 946) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 879) to carry out certain obligations to certain enrolled Indians under tribal agreement, reported it without amendment and submitted a report (No. 947) thereon.

He also, from the same committee, to which was referred the bill (S. 558) amending acts fixing the rate of payment of irrigation-construction costs on the Wapato Indian irrigation project, Yakima, Wash., and for other purposes, reported it with an amendment and submitted a report (No. 949) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (H. R. 6547) to authorize the Secretary of the Navy to proceed with the construction of certain public works in or in the vicinity of the District of Columbia, and for other purposes, reported it without amendment and submitted a report (No. 948) thereon.

Mr. WHEELER, from the Committee on Indian Affairs, to which was referred the bill (S. 2774) to authorize the Secretary of the Interior to relinquish in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., the interest in certain land acquired by the United States under the Federal reclamation laws, reported it without amendment and submitted a report (No. 950) thereon.

Mr. O'MAHONEY, from the Committee on Indian Affairs, to which was referred the bill (H. R. 6914) to authorize the acquisition by the United States of certain tribally owned lands of the Indians of the Shoshone or Wind River Indian Reservation, Wyo., for the Wind River irrigation project, reported it without amendment and submitted a report (No. 951) thereon.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on July 23, 1937, that committee presented to the President of the United States the following enrolled bills:

S. 455. An act for the relief of J. R. Collie and Eleanor Y. Collie;

S. 1284. An act to change the name of the Chemical Warfare Service; and

S. 2086. An act to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GUFFEY:

A bill (S. 2831) to approve a compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; to the Committee on Commerce.

By Mr. BAILEY:

A bill (S. 2832) authorizing the adjustment of the claims of Frank Pashley and Brown Garrett; and

A bill (S. 2833) conferring jurisdiction upon the Court of Claims to rehear and enter judgment upon the claim of Cohen, Goldman & Co., Inc.; to the Committee on Claims.

By Mr. BARKLEY (for Mr. HAYDEN):

A bill (S. 2834) to add certain lands to the Papago Indian Reservation in Arizona; to the Committee on Indian Affairs.

By Mr. AUSTIN:

A bill (S. 2835) granting a pension to Janafarah W. Palmer; to the Committee on Pensions.

By Mr. GIBSON:

A bill (S. 2836) to provide for a Federal building in Agana, Guam; to the Committee on Public Buildings and Grounds.

By Mr. KING:

A bill (S. 2837) to regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 2838) to establish a public airport in the vicinity of the National Capital; to the Committee on Commerce.

By Mr. BLACK:

A bill (S. 2839) for the relief of Thomas E. Grier; to the Committee on Claims.

By Mr. GREEN:

A bill (S. 2840) granting a pension to Viola May Snow; to the Committee on Pensions.

A bill (S. 2841) for the relief of Charles E. Wilson; and

A bill (S. 2842) authorizing the President to appoint Francis R. Kerr a lieutenant colonel, Infantry, United States Army; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 2843) for the relief of E. L. MacLean; to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 2844) relating to the disposition of certain funds held by the State of Mississippi on behalf of veterans of the Spanish-American War; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 2845) to amend the first paragraph of subsection (a) of the first section of the act entitled "An act to supplement the naturalization laws, and for other purposes", approved March 2, 1929, as amended; to the Committee on Immigration.

A bill (S. 2846) to promote air commerce by providing for the enlargement of Washington Airport in the public interest; to the Committee on Commerce.

BONNEVILLE PROJECT, OREGON—AMENDMENT

Mr. BONE and Mr. SCHWELLENBACH submitted an amendment intended to be proposed by them to the bill (S. 2092) to authorize the completion, maintenance, and operation of the Bonneville project for navigation, and for other purposes, which was ordered to lie on the table and to be printed.

IMPROVEMENT OF RIVERS AND HARBORS—AMENDMENT

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 25, lines 8 and 9, in the committee amendment reading as follows: "Colorado River, Tex., with a view to its improvement in the interest of navigation and flood control", insert after the words "Colorado River" the words "and its tributaries."

CONSERVATION AND UTILIZATION OF AQUATIC LIFE—REFERENCE OF RESOLUTION

On motion by Mr. SCHWELLENBACH, the resolution (S. Res. 117) creating a special committee to investigate and report on matters pertaining to aquatic life of the United States, its Territories, and waters adjacent thereto (submitted by Mr. SCHWELLENBACH on Apr. 15, 1937), was taken from the calendar and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ADDRESS BY HON. JAMES A. FARLEY AT TOLEDO, OHIO

[Mr. BULKLEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. James A. Farley, chairman of the Democratic National Committee, at a Democratic gathering at Toledo, Ohio, July 24, 1937, which appears in the Appendix.]

NEW ENGLAND INTERSTATE FLOOD COMPACT

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an editorial published in the Hartford (Conn.) Times of Thursday, July 22, 1937, and an editorial published in the Hartford Courant of Friday, July 23, 1937, dealing with the New England interstate flood-control compact, which appear in the Appendix.]

DEDICATION OF OBEAR PARK, BEVERLY, MASS.—ADDRESS BY CALVIN PIERCE

[Mr. LODGE asked and obtained leave to have printed in the RECORD an address delivered by Calvin Pierce at a Fourth of July celebration at Beverly, Mass., on the occasion of the dedication of Obear Park, which appears in the Appendix.]

151A employers who are subject to the Federal Social Security Act are subject to the Massachusetts unemployment compensation law;

of Bridgeport, Conn., a nonnavigable stream; reported it with amendments and submitted a report (No. 946) thereon.

WHEELER-HOWARD LAW—STATEMENT BY AMERICAN INDIAN FEDERATION

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article from the Christian Advocate (Pacific edition), issue of June 24, 1937, being excerpts from a statement by the American Indian Federation, Washington, D. C., relative to the proposed repeal of the Wheeler-Howard law, which appears in the Appendix.]

REORGANIZATION OF FEDERAL JUDICIARY—LETTER FROM PATRICK HOGAN

[Mr. MINTON asked and obtained leave to have printed in the RECORD a letter addressed to him by Patrick Hogan, of Columbus, Ind., with reference to the proposed reorganization of the Federal judiciary, which appears in the Appendix.]

CONSIDERATION OF JUDICIAL PROCEDURE BILL BY JUDICIARY COMMITTEE

Mr. ASHURST. Mr. President, I do not know that I am in order, but I should like to make a statement.

The VICE PRESIDENT. By unanimous consent, the Senator from Arizona may proceed. The Chair hears no objection.

Mr. ASHURST. Mr. President, it will be remembered that on July 22 the Senate recommitted to the Committee on the Judiciary Senate bill 1392, proposing to reorganize the judicial branch of the Government, and the Senate, as it had a right to do, instructed its Committee on the Judiciary to report another bill within 10 days.

I take pleasure in advising the Senate and the country that a meeting of that committee was called the next day. A subcommittee of eight Senators, composed of the Senator from Nevada [Mr. MCCARRAN] as chairman, the Senator from Indiana [Mr. VAN NUYS], the Senator from Illinois [Mr. DIETERICH], the Senator from Kansas [Mr. MCGILL], the Senator from Texas [Mr. CONNALLY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Idaho [Mr. BORAH], and the Senator from Vermont [Mr. AUSTIN] was appointed. Within 24 hours after that order of the Senate, that subcommittee addressed itself, with assiduity and ability, to the subject of perfecting a so-called compromise bill strictly within the agenda or program announced and in accordance with the instructions given by the Senate to the Committee on the Judiciary. The members of that subcommittee have requested me, as chairman of the Senate Committee on the Judiciary, to convene that committee tomorrow morning at 10:30 o'clock, which will be done.

Although I do not wish to attempt to prophesy, I am of opinion that the bill which will be reported to the Senate will receive the approval of practically all the Senators. Unanimity is, perhaps, impossible with such a subject matter.

I ought further to say that the Senator from Idaho [Mr. BORAH], who is a member of the subcommittee, brought to our attention, as, indeed, he has done before, the need for some correction of the glaring abuses that have been perpetrated in connection with unnecessary and improvident receiverships and bankruptcy proceedings. The subcommittee considered that subject, although the subject was not upon the agenda which the Senate instructed the committee to consider. Therefore any one Senator could, by his objection, for all practical purposes, prevent the incorporation into the new or compromise bill of any legislation as to bankruptcies or receiverships, even though we are all eager to correct this undesirable situation as to receiverships, which is a disgrace to those of our Federal judiciary who have assisted in perpetuating it. So it does not seem to me possible at this time to embody in the compromise bill legislation as to receiverships and bankruptcy, much as we should like to do so.

Mr. CONNALLY. Mr. President——

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Texas?

Mr. ASHURST. Certainly.

Mr. CONNALLY. With all due respect to the able Senator from Arizona, it is not exactly a "compromise" bill. It is simply a bill to carry out the instructions of the Senate, confined to particular matters.

Mr. ASHURST. No, Mr. President; it is not a "compromise" bill. The word was unfortunate.

Mr. CONNALLY. In fact, I do not believe the bill will compromise anybody! [Laughter.]

Mr. ASHURST. It will not.

Mr. President, in conclusion, allow me to say that for some time I served as chairman of the special committee to investigate receivership and bankruptcy proceedings, but owing to the pressure of my duties as chairman of the Senate Committee on the Judiciary, I resigned the chairmanship of and membership on that special committee. I was succeeded as such chairman by the Senator from California [Mr. MCADOO], who addressed himself to that subject with much ability and diligence. I give the Senate the assurance that not only the Senator from Idaho [Mr. BORAH], but also the Senator from California [Mr. MCADOO] and the members of his special committee, as well, have given that subject, which is a difficult one, their best attention.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a copy of the report of the Special Committee to Investigate Receivership and Bankruptcy Proceedings and the Appointment of Receivers and Trustees, which report was submitted to the Senate on February 26, 1934, by Senators Ashurst, McAdoo, Van Nuys, Herbert, and Austin.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Pursuant to Senate Resolution No. 78 of the Seventy-third Congress, your special committee convened at Los Angeles, Calif., on Monday, October 30, 1933, and, with the exception of Saturdays and Sundays, continued in session there through Thursday, November 16, 1933. Thereafter, on November 20, the committee met in San Francisco, Calif., and sat in that city 3 days until the close of the hearings, on November 22, 1933. This report is upon the evidence so far taken.

There are two Federal district courts in California—the northern, with its headquarters at San Francisco; and the southern, with headquarters at Los Angeles. Three United States district judges sit at San Francisco and four at Los Angeles. San Francisco has two referees in bankruptcy; Oakland, one; and Los Angeles, four. No receivership or bankrupt estate whose principal business was located outside of these three cities was considered.

The committee heard several of the Federal judges, most of the referees in bankruptcy, many lawyers engaged in receivership and bankruptcy practice, a number of equity receivers, some trustees in bankruptcy, and other witnesses.

EQUITY RECEIVERSHIPS

Two hundred and seventy equity receiverships were examined by your committee. They were all cases arising during the period of approximately 3 years next preceding the time when the hearings began. With few exceptions they were of the "consent" type, brought into being by the managements of the corporations. For the most part, creditors had no voice in the appointment of receivers and were accorded little, if any, consideration after their appointment. In order to create diversity of citizenship and bring some of the cases within the jurisdiction of the Federal courts, fictitious nonresident creditors were brought into being, and thus pseudo jurisdiction was had.

Coincident with the agreement of interested parties for a receiver, attorneys were selected to file the bill and the answer, and usually all the papers in the case were drawn before the presentation of the petition for receivership to the judge, such presentation being made invariably in chambers. Once a determination to have a receiver was reached, the receiver selected, and his attorney agreed upon, the court was merely asked to give the arrangement the stamp of judicial approval by affixing his signature to the documents presented to him. In no case brought to our attention was this program upset. Immediately the appointment of of receiver was had, then upon the application of the attorney for the petitioners, the judge invariably approved as the attorneys for the receiver those who had participated in the arrangements for the receivership. In many important cases these proceedings resulted in the continued control of that management under which the corporation had been brought to ruin, and afforded protection, if not relief, from improvident contracts theretofore entered into by such managment.

In the bills in equity praying for the appointment of receivers for the period examined, the value of the assets of the companies for which receivers were appointed, was alleged to amount to $473,313,877.39, and the debts were $161,051,114.11. The recklessness with which the assets were alleged in the bills of complaint, and the total disregard of any reasonable scale of values set up on the books of the companies at the time of the application for the appointment of receivers, are shown in the final reports of those officials of the court where they are given a book value of $199,977,648.13—a decrease of $279,336,229.26, or 59 percent in process of receivership, revealing either an utter contempt for the truth of the allegations set out in the petitions, which were verified under

oath, an attempt to prove solvency in order to secure the appointment of receivers, or wasteful and incompetent management. The evidence adduced does not favor one of those theories of decline over the other. It showed them all to exist in approximately equal degree.

In the cases which we examined the secured obligations amounted to $121,898,368.49. Total general claims amounted to $214,653,646.26. Secured obligations and general claims together totaled $336,552,014.75, against which there were assets as shown in the final reports submitted for our consideration having a book value of $199,977,646.13, or about 58 percent of the secured and general claims, thus showing a condition of absolute insolvency justifying, if not requiring, immediate liquidation to avoid the additional and unnecessary dissipation of a large part of those assets in the receivership proceedings.

The operating loss of the receiverships examined amounted to $12,992,000.21. In many cases receivers who appeared before our committee to testify contended that there had been an operating profit, but no evidence was offered to prove that any receiver considered there had been a profit for income-tax purposes, or that any such tax was ever paid.

The total general claims approved for the period under inquiry amounted to $74,582,670.09. Total dividends to creditors, both secured and unsecured, amounted to 8.46 percent of their aggregate claims. The general creditors received 6.17 percent of the total of their claims.

Purely administrative expenses, including the fees of receivers, attorneys, auditors, and appraisers, totaled $4,494,622.42. These expenses account for 34 percent of the operating loss of $12,992,000.21. The total amount paid general creditors in all these cases together was $4,664,153.34. For every dollar that was paid to a general creditor 96 cents was paid in fees. In the case of the receiverships arising before one of the Federal judges, the sum of $4.97½ was paid in fees for every dollar paid to general creditors.

Secured creditors whose claims aggregated $121,898,368.49 received 7.1 percent of their claims in the way of dividends. Strictly speaking, secured claims are not involved in a receivership proceeding, except that the proceeding usually operates as a permanent brake to all movements looking toward their collection and settlement.

The above are the facts disclosed from an examination of 207 receiverships for the period named. During the last 5 years there have been altogether 283 receivership proceedings brought in the two districts of California. With the exception of 1 of some magnitude and 5 minor ones, the 207 cases examined all originated subsequent to January 1, 1930.

The statutes of many of the States prohibit the conveyance by the board of directors of all the property rights and franchises of a corporation without the consent of two thirds of the stockholders. The appointment of receivers, however, at any rate in the manner in which it has been done in the Federal courts of the State of California, has been tantamount to a transfer of all of the property of the corporations involved, including their franchises and their right to do business, and in legal effect has brought about their dissolution. Under State laws this cannot be done without the consent of two thirds of the stockholders. Under the laws of some States this consent is not required, it is true, but in those cases such a provision is made a part of the articles of incorporation.

We found in the cases which we examined that the corporations in receivership had first lien liabilities consisting largely of first mortgage bonds in the amount of $121,898,368.49. The general form of the mortgages given as security for those bonds provide that in the event of a default in the payment of interest or of sinking fund, or upon the appointment of a receiver for the corporation, foreclosure proceedings could be had. The bonds were largely held by investors of moderate means. In some instances life savings were invested in them.

The conditions of the indentures securing these bonds justified the owners of them in believing that in the event of a default, a recovery of the principal could be had through foreclosure proceedings, and the sale of the property held as security. Through receivership proceedings, however, these secured creditors are prevented from a recovery to which they are entitled, through interminable delays and the continuance of receiverships. In no case coming under our observation did a court permit a bond issue to be foreclosed and the property sold for the benefit of the bondholders. The bondholders had to stand by and see the properties which they thought were held as security for the payment of their bonds, shrink to the vanishing point under the wasteful, inefficient, and protracted management of receivers. All efforts to sequester the property for the benefit of the bondholders were restrained under the "general equity powers" of the Federal courts by the application of blanket injunctions.

True, there were some foreclosures by way of sale of all of the property of the receivership estates. In the few cases in which this was done it was resorted to for the purpose of coercing nonconsenting creditors into a reorganization. The results of reorganization have been universally disappointing. The largest one has gone back into receivership. The next largest is, after 2 years, still striving to pay the fees of the attorneys for the receiver of the old corporation which were made a lien on the new corporation's property by order of the judge, though the new corporation was never a party to the receivership action.

The first great failure of recent times in California occurred in May 1927. It involved the affairs of the Julian Petroleum Co. A receiver was appointed for the concern in the Federal court. This failure was brought about by a tremendous overissue of stock, said to amount to $51,000,000. Under the law of California then in force, the holders of this spurious stock could make claim against the corporation for the amount paid for the securities. They also had the right to sue the holders of the valid outstanding stock of the corporation under an unlimited stockholders liability, in the proportion of the number of shares held. Since receivership proceedings were had, this corporation has undergone a reorganization and has again been petitioned into receivership, where it remains at the present time. No creditor, secured or unsecured, has ever been paid a dollar.

The exhorbitant fees paid to the receivers and their attorneys in this case appear to have the standard for those that were allowed in cases which followed. The receivers were allowed compensation of $210,000 for a period of 18 months, and their attorneys received the sum of $178,250 for their services. Whether or not these services have been of benefit either to the corporation or to its creditors, the fact remains that the creditors received not 1 cent by way of dividends, and the reorganized corporation is itself now in the custody of receivers appointed by the courts.

The Supreme Court of the United States, in a recent decision (*Shapiro* v. *Wilgus*, 387 U. S. 348), held that the appointment of receivers by the Federal courts must conform to the public policy of the State in which the appointment is made. It might well be that the situation as it was disclosed to us in our investigation in the State of California could be solved there by an act of Congress which would prohibit a Federal court from appointing a receiver in equity except where the laws of the State would permit an appointment in the State court.

The Federal courts in California have ignored the force and effect of the decision in *Shapiro* v. *Wilgus*. They have appointed receivers for all classes of corporations, including purely State organizations, such as building and loan associations, for which, in California, a complete scheme of liquidation is provided by statute.

Under California law it is provided that a building and loan association of that State, in the event of insolvency, shall be liquidated under the direction of the State building and loan commissioner, who may employ deputies as liquidating agents and fix their compensation at not to exceed $8 per day. This law also provides that the attorney general of the State shall render all the legal services required without any compensation other than his usual salary. This statute of the State of California has been absolutely ignored, and the Federal courts there have appointed receivers for a number of building and loan associations. In one case the fees allowed to one receiver amounted to $40,000 and to his attorneys $125,000. In the case of *Bank* v. *Hawkins* (C. C. A., 5th Cir., 42 Fed. (2d) 209) it was held that a Federal court has no jurisdiction to appoint a receiver for such an organization. It was claimed in the case of the Guaranty Building & Loan Association that the lack of jurisdiction was supplied by consent, but such consent in the large majority of cases is found to have been given without ostensible authority and always without legal right. It follows then that the Federal courts in the State of California have failed to follow the rule laid down in *Bank* v. *Hawkins*, supra.

Most of the receiverships into which we made inquiry were found to have been inefficiently operated. The receivers were, for the most part, inexperienced. In some cases, attorneys without executive training or any considerable knowledge of business were appointed receivers, and the effect was nothing more than the imposition of a highly expensive superstructure upon the business.

There is no Federal statute or rule of the Supreme Court of the United States affecting the appointment of receivers in equity. Such receivers have been appointed in the two districts in California, ostensibly for the conservation of estates having an aggregate book value of more than half a billion dollars, and they have been administered under the direction of the Federal courts in pursuance of that vague and uncertain authority called the "general equity powers." Prior to the time of our hearings there were no rules in the United States district courts in southern California regulating either the appointment of receivers or the management of estates. Each judge administered the receiverships coming before him in his own discretion by the exercise of his "general equity powers." In one case (Richfield) where such discretion was exercised and the receivership continued over a period of 2 years and 8 months (and which still continues) no creditor, secured or otherwise, received any part of his claim. The book value of the assets showed a shrinkage during that period from $130,000,000 to $41,949,009.14. A subsequent appraisal made for foreclosure purposes disclosed assets of $23,821,000, against which there is a first-mortgage bond issue of $35,000,000, in addition to which there is an accumulation of interest amounting to more than $6,000,000. In the 2 years and 8 months of this receivership the receiver incurred an operating loss of $10,594,210.38. In the meantime, there was paid on account as fees to the receiver, his attorneys, auditors, and appraisers the huge sum of approximately $1,500,000.

In the consideration of these receiverships the judges of the Federal courts in those cases which we have examined appear to have disregarded the principles laid down by the Supreme Court and the circuit court of appeals in the matter of the limitation of jurisdiction as well as the allowance of fees. Their disposition of the cases has in practically all instances been based upon consent agreements of attorneys for the receivers and the parties to the action who were not real parties, except through the interposition of legal fiction.

We are not unmindful of the possible disturbing influence upon business recovery of the operation of corporations in receivership. Under the protecting arm of the courts, receivers are not amenable to any cooperative plan and are free from all restraints imposed upon competitors. A business in receivership is not under obligation to pay any fixed charges on its invested capital, including the interest upon any bonded indebtedness, and thus it is in a position to take unfair advantage of others engaged in similar lines of business.

The theory of receiverships is that they will enable a business temporarily embarrassed to recover to such an extent that the entire proceedings will result beneficially to the owners of the concern placed in the custody of the court, as well as to those having claims against it. Like bankruptcy, it voids preferences at least temporarily as between persons who hold claims. It is always possible that during the process of receivership a composition may be brought about with the creditors and then the business may be permitted to continue on its way. In practically all the cases which we examined in the Federal jurisdictions in California this theory amounts to nothing but a hope which we believe will be long deferred. At any rate, such a hope has not been realized. In bankruptcy, on the other hand, while compositions are possible, the usual result is the winding up of the business of the bankrupt and the liquidation of its affairs. Seldom in those cases is there ever a rehabilitation.

If we are to continue the practice of appointing receivers in the Federal courts and placing about concerns the protecting arms of the injunctive process, then it is our conclusion that the proceedings should be surrounded by proper safeguards, sufficient, at any rate, to prevent a recurrence of the abuses which have come to our attention.

In the course of our investigation most of the judges in the Federal courts in California voluntarily appeared before us and afforded us the benefit of their experience and observations in the conduct of receivership proceedings. One of them recommended what he admitted might be considered rather a radical change. He would restrict by act of Congress the jurisdiction of the Federal courts. He would provide by a uniform rule for a schedule of fees to be paid to receivers. He suggested that one corrective would be by affording relief to the Federal courts in the State of California, which, he stated, are overloaded. These receiverships, Judge James said, impose a tremendous amount of work, and then he concluded (p. 137, hearings):

"Think of the judge being placed in the position of a business manager for all the diversified businesses that come in here of varied kinds. It is impossible to gain comprehension of the real inside of that business as it goes along. No human being can do it. The receivers have to be relied upon. We try to see that they are at least honest, straight men in the first place. Then their qualifications. They may work out successfully and they may not. One receiver may be a better man alongside of another, and yet make a failure, while the other man may make a success."

Judge Hollzer testified to the same effect, saying (p. 439, hearings):

"I knew this much, that our court was not equipped to keep track of receiverships, either this one or any other; we have no experts to assist us; we have no investigators who go around finding out what is happening within a receivership; we are in no position to supervise the management, if you please, of any business organization."

It is our conception of the duties of a judge who grants a petition for the appointment of a receiver to ascertain by whatever means at his disposal—and they are many—the condition of the business the conduct of which he is about to assume and supervise, its nature, if possible the cause of its failure to prosper, and whether, in his judgment, one can reasonably anticipate that receivership proceedings will be beneficial both to the owners of, and those who have legitimate claims against the concern. Manifestly, to do this intelligently, the judge must do more than listen to what, in the cases we have examined, at least, were the observations of men wholly unfamiliar with the conditions which then obtained, or, on the other hand, of suppliants less regardful of the interests of others than of their own.

Our view is that in such proceedings the court might well say, in substance, to those who come before them:

"The court is wholly unfamiliar with the details of this business. The court does not feel justified in taking the action you desire taken in the absence of a disclosure of all the facts. A temporary order may be entered for, say, 10 days, but you must at the expiration of that time be prepared to outline in detail the status of your affairs, the causes which brought about its condition, the remedy you desire to apply, and the means at your disposal for doing what you propose, and how much it will cost."

With the facts adduced in this way and to this extent, the court would then be in position to give directions for future management, at least with some knowledge of the problems to be solved, and some estimate of the probable outcome of the undertaking. At any rate, we venture to say that any court would, under such circumstances, hesitate to command the doing of what, to our minds, has resulted so disastrously to the interests of so many citizens who, justifiably or otherwise, have been led to place their confidence in the wisdom, the prudence, and the good sense of the judges of our courts.

Your committee is not impressed by the attitude of the judges when they say they are not equipped to handle such matters as receiverships. They have the power to supervise. The appointment of receivers is one of their inherent functions. To admit that they cannot meet the exigencies of such proceedings is, to our minds, tantamount to an admission of inability to function at all. One familiar with court procedure and with the trial of cases cannot conceive of a situation where a judge might be heard to say to litigants that the time at the disposal of the court cannot admit of a full and fair hearing of the issues involved, and then proceed to make findings upon a mere ex-parte statement. Yet that is about what, in the opinion of your committee, has been the course of action in most of the receivership cases we have examined.

Unfortunate as this experience has been, and however much the course of action of the courts in handling receiverships has fallen below our conception of the accepted standards of jurisprudence, it is yet less reprehensible than has been that conduct of a bankruptcy proceeding brought to our notice in the course of our investigation, and to which reference is made elsewhere in this report.

As we review in perspective the tortuous course of that proceeding, we are led to pause and to wonder how long a system of laws so administered can endure or continue to have or to merit the confidence of the people.

Several of the judges testified that certain rules had been adopted a short time previous to the date of our investigation, and which were to go into effect on the day following the date of the appearance of the judge before your committee. Briefly, those rules provide that no receiver shall be appointed without notice to all known creditors; that an order to show cause shall issue, returnable on the first law date after 20 days of the issuance of the order to show cause. The rules further provide for notice to creditors and other interested parties upon petitions for allowances to be made to receivers and for counsel fees and expenses.

All the judges who appeared before your committee were interrogated upon these points and they all agreed that the rules adopted for their guidance would be salutary. However, those rules, as we analyze them, do not go to the root of the difficulty. To our minds, there is much more to the problem than to adopt and follow mere rules of procedure. We realize that schedules of fees may not be adhered to in every case, that discretion might be reposed in the judge who is called upon to fix the compensation of receivers and the fees of counsel, and others performing duties in connection with receiverships. But we submit that the responsibility rests upon the judges and upon no one else, and it does not relieve the judges of that responsibility merely to consider the testimony of so-called experts who are brought before them, who, for the most part, are not disinterested, and who, in our judgment, have been willing to recommend the payment of fees wholly out of reason, compared with the services that have been rendered. It is not a sufficient excuse for those judges to say that they have not the time to familiarize themselves with the nature of the work involved in any particular case, to know about the business which has been transacted by a concern in receivership, to visualize the problems that have been met and which receivers and their counsel have endeavored to solve; and then divest themselves of responsibility on the testimony of persons called on behalf of those seeking remuneration.

To our minds, the judges should make it clear to those citizens of whatever rank in life, who are considered as competent to become receivers, and hence officers of the court, that theirs is a public duty and that there are other than money compensations in the performance of that duty. It is not unlike in principle to jury service—a duty which every citizen has to perform when called upon to do so. The Federal Government and the governments of every State impose that duty upon their citizens and fix their compensation at a very moderate figure, much less in most instances, than the men who are called would be willing to accept in compensation for their services in everyday life. But there is some compensation in performing the duties of citizenship, aside from the money that may be received; and public-spirited citizens realize that is so, and willingly devote their time and their best thought and most mature judgment to the consideration of cases arising between person and person, without thought of money compensation. Such an attitude of mind on the part of those who assume the obligations of a receiver appointed by a court, whether Federal or State, thus showing that our judicial tribunals repose implicit confidence in them, since they are made officers of the court, would merit and receive the commendation of their fellow citizens.

We regret to report that in our investigation of the cases in the courts of California, we have observed little, if any, such disposition on the part of those charged with receivership functions, or on the part of those acting as counsel for receivers.

BANKRUPTCY

In the course of our investigations in California some of the evils attendant upon proceedings in bankruptcy were brought to our attention. In the main, they were not such as to lead to the conclusion that they are unique in their nature, though it may be said they are unusual in their effects, to say the least.

As an example, one case which came to our notice appears to have been instituted to relieve the corporation involved, by what may be described as unconscionable means, from obligations the validity of which could not be questioned, and the results of which effectively destroyed and made impossible of enforcement the rights of a large group of citizens. Lessors looked on helplessly and saw their obligations made void and of no effect. Holders of preferred stock were denied that security of investment which they had been led to believe they had safeguarded and made to suffer losses which they could ill afford to bear. In fact, in some instances it meant the loss of their entire life savings. These proceedings which brought about such results, deplorable in themselves, are yet more

to be criticized than deplored, since they were instituted by men who were unscrupulous, aided by attorneys who, to our minds, had little, if any, regard for their obligations of citizenship, much less for the canons of legal ethics, and were prosecuted with the full knowledge and at least the tacit acquiescence of the judge whose duty it was to pass judgment upon the merits of the objects sought to be attained.

In the particular case we have in mind, through the device of holding companies, by the organization of subsidiary corporations which functioned throughout the proceedings and thus maintained the separate entities as going concerns, and finally by the forced sale of the bankrupt estate in its entirety, the former owners have again come into possession of all the assets of which they divested themselves in the bankruptcy court, though relieved of real-estate leases which the interests formerly in control considered onerous or disadvantageous, and freed of the obligation of accounting to the holders of six millions of dollars of their preferred stock which has literally been wiped out.

The cost of bankruptcy proceedings at least in those cases which we examined, all of which arose in California, was brought forcefully to our attention. From the examination made thus far, we are convinced the expense with which estates are burdened cannot be justified, since it amounts virtually to a confiscation of the rights of creditors.

In the counties of Los Angeles and San Francisco for the period of 2 years from July 1, 1931, to July 1, 1933, for example, the total of claims allowed in bankruptcy cases considered was $47,468,846.65; trustees received $10,882,895.14 and paid to creditors $6,134,149.76. The balance, or $4,748,745.38, or 43 percent of all receipts, was disbursed for expenses of administration, including fees of referees, trustees, and attorneys.

As a result of the fee and commission system in effect in the bankruptcy courts, instances were brought to our attention where the income of referees exceeded the salary of judges of the United States district courts. In San Francisco the total fees of one referee amounted to more than $12,000 for 1 year; in Los Angeles they rose to as much as $30,000, or three times the salary of a United States district judge.

In some cases in bankruptcy not only have the referees passed upon the validity of claims of creditors, but in cases of involuntrary bankruptcy they have acted as masters to determine whether petitions should be granted, thus passing upon matters in the outcome of which they themselves had a pecuniary interest.

In the consideration of the cases which came under our observation we were impressed by the relatively enormous cost involved in receivership and bankruptcy cases.

A comparison will illustrate more forcefully the existing situation.

The total fees and expenses paid on account of such proceedings in the three cities in California for a period of 2½ years were $9,243,407.

As compared with this total, the salaries paid to the President of the United States, the Vice President, the 10 members of the Cabinet, the 96 Senators, the 9 members of the Supreme Court, the 37 justices of the circuit courts of appeal, and the 145 justices of the district courts of the United States, for the like period amounted in the aggregate to $7,782,500, or but 84 percent of the amount disbursed on account of receiverships and bankruptcy fees in those three cities of the United States.

CONCLUSIONS

To disregard the conditions existing elsewhere, and about which we are not informed, might work serious injustice if drastic remdies were to be applied, as we believe we would be justified in proposing from what we have already learned.

We believe that your committee should pursue its investigations into conditions in other parts of the country, as authorized by Senate Resolution 78, under which we are acting, and which specifically authorizes and directs your committee "to make investigation of the administration of receivership and bankruptcy proceedings in the courts of the United States." When these investigations shall have been concluded a final report of our findings will be submitted, together with recommendations for such modifications of existing law and practice as the entire survey may justify.

Respectfully submitted.

HENRY FOUNTAIN ASHURST.
W. G. MCADOO.
FREDERICK VAN NUYS.
FELIX HEBERT.
WARREN R. AUSTIN.

FEBRUARY 26, 1934.

Mr. SCHWELLENBACH. Mr. President, I was interested in the statement of the Senator from Arizona with reference to the situation under which any Senator could object to any matter being considered which was not in the so-called agenda. It was not my understanding that the matter was recommitted to the Judiciary Committee under the unanimous-consent rule. I am wondering if there is not some misconception on the part of the Senator from Arizona in that respect.

Mr. ASHURST. The Senator from Washington is correct, as usual. When I spoke of one objection keeping out of the new bill any particular matter, I had reference to the "common law" of the Senate and not to any specific agreement. It was understood in the Committee on the Judiciary that any one member of that committee who objected to the consideration of new matter, not within the agenda, might offer his objection and the objection would be valid and would be supported by his fellow members of the committee. For all practical purposes, the only subject which the new bill could embrace would be that comprehended within the so-called agenda which was approved at the time of the agreement.

Mr. SCHWELLENBACH. The Senator was referring merely to the Committee on the Judiciary and not to the Senate?

Mr. ASHURST. That is correct.

Mr. LEWIS. Mr. President, I desire to address myself to the statement of the Senator from Arizona. If the able Senator, chairman of the Committee on the Judiciary, meant to leave the impression that there is any understanding of this body anywhere that a certain set of gentlemen, Members of the Senate, can make an agreement limiting subjects which may be incorporated in a bill relating to the judiciary, and that such agreement is to forego or obstruct any Senator from making any allusion to any other subject or introducing any subject matter apart from that which is in the bill, I cannot give that understanding my approval.

I wish to have the able Senator understand, when he says he feels that what will come out of the committee will meet the approval of the Senate, that it will not meet my approval. If what I read in the press is correct as to the purported contents of the bill, I am opposed to such. If the newspaper statements be correct, the bill will not meet with my approval. I desire the Senator now to understand my position, lest my silence might mislead him.

Mr. ASHURST. Mr. President, I thank the Senator from Illinois for his statement. When I tell him that his able colleague the junior Senator from Illinois [Mr. DIETERICH] has cooperated as a member of the subcommittee, and, with his learning and experience, has approved the new bill, I believe the senior Senator from Illinois will withdraw any objection he may have.

Mr. LEWIS. Not because my colleague may have approved it. Much as I may respect my colleague and his judgment, I must let the judgment of JAMES HAMILTON LEWIS, commissioned agent from the State of Illinois, guide me. [Laughter.]

Mr. ASHURST. The whole country, indeed, the whole world, has learned to respect not only the brilliancy but also the judgment of the learned senior Senator from Illinois [Mr. LEWIS]. Brilliant men, as a rule, are not men of judgment, but the brilliancy of the Senator from Illinois is eclipsed only by the judgment he possesses and has exercised for the good of his country in the House and the Senate during the last 30 years. In fact, one may not easily have brilliancy and at the same time have good judgment, but the able Senator from Illinois is an exception to that rule.

Mr. LEWIS. It is perfectly clear the Senator from Arizona is showing excellent judgment and great brilliancy in his immediate observations as to me. [Laughter.]

WORK OF THE SESSION

Mr. McNARY. Mr. President, the press this morning carried a very interesting statement issued by the senior Senator from Wisconsin [Mr. LA FOLLETTE], who is a powerful and influential force in the present administration, to the effect that we are to have a rather ambitious program during the remaining days of this session of the Congress. I doubt not that he spoke the voice of the President.

Accompanying the President with the Senator from Wisconsin [Mr. LA FOLLETTE] was the able Senator from Kentucky [Mr. BARKLEY], our new leader. I am very anxious to know about this situation. I shall be distressed to learn that we are to follow the leadership of the Senator from Wisconsin and remain much longer in session. I have felt, since the capitulation which occurred last week under the management of our able Vice President, that we would probably adjourn soon, at any rate by the 5th of August. I see

no reason to remain longer in session. Whether victor or vanquished, neither side is able to perform services at this session for physical reasons and on account of the emotional state of mind which has kept us here since February 6 until this time.

There are several bills which may be called major in character which should go over until the next session of Congress. I want to make my reservation for home; indeed I expect to do so. I think we are all going to be humanitarian toward each other. In expressing the view that we might conclude our session, which I not only hope but believe could be done by the middle or latter part of next week, I should like to have an expression from the able Senator from Kentucky, our new majority leader, in regard to the statement made by the Senator from Wisconsin after leaving the President on his yacht last evening.

Mr. BARKLEY. Mr. President, I have nothing to say concerning the statement issued by the Senator from Wisconsin [Mr. LA FOLLETTE] in the morning newspapers, except to say that in that statement he said he was speaking for himself alone and for nobody else. I assume that to be true.

With respect to the matter of final adjournment, I recognize the desire of many Members of both Houses to adjourn at the earliest possible date consistent with the performance of our duty. The question of the program for the remainder of the session, of course, has to be canvassed not only by those responsible in this body, but also by those responsible in the other body, in cooperation, of course, with the President, in undertaking to work out the whole matter. Conversations on that subject are in progress, I will say to my friend from Oregon. I am not now prepared to make any definite statement with reference to it, but hope to do so within the next few days.

Further than that, I do not feel at liberty to speak at this time.

Mr. BORAH. Mr. President, before this matter is closed I hope, when the Senator from Kentucky [Mr. BARKLEY] is considering the question of the program to be adopted before we adjourn, he will not overlook the question of sugar legislation. The Senator will recall that early in the session the President sent a message to Congress in which he stated that the Jones-Costigan Act had worked satisfactorily and had been helpful, and that he favored a reenactment of that act.

The sugar-beet growers accepted the President's statement as indicating with some degree of certainty what the legislation would be on that subject at this session, and they proceeded to the planting and preparing of their crops upon the basis that the present law would be reenacted. A bill looking to that end has now been reported to the House from the House Committee on Agriculture and Forestry. They have been unable thus far to secure a rule for the consideration of the measure.

Let me suggest to the Senator from Kentucky that it is, in my opinion, within the power of the administration to see that that legislation is enacted. There is no opposition to it upon the part of the producers or those most interested. They are satisfied with the measure proposed in the message of the President, and there is no opposition in Congress. The opposition comes from sources over which the administration is supposed to have some influence.

If that measure is not passed, due to the fact that the Jones-Costigan Act expires on the 31st of December 1937, great loss and great injury will result to the sugar-beet growers of the United States, not only because of the fact that they will be injured without any exceptional circumstances but, owing to the fact of the message being sent in and their action upon it, their loss would be much greater than it would have been under other circumstances. So I trust the Senator from Kentucky, in considering matters of legislation, the bills which are to be considered, and especially the matter of aid to the agricultural interests of the United States, will remember that we need some specific legislation of this kind much more than we need this "every empty granary" proposal that is being talked about. I trust the Senator will bear that in mind when he is considering the program.

Mr. HARRISON. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. I yield.

Mr. HARRISON. The Finance Committee of the Senate has taken no steps with reference to sugar legislation, because a tax feature is involved. I may say to the Senator, as I have already advised others who are interested in sugar legislation—and I know of nothing that is more important to the sugar producers both in the West and in Louisiana and in Florida—that just as soon as the House of Representatives shall have passed legislation on this subject, the Committee on Finance will begin hearings, or will have no hearings unless they are demanded, and will expedite the measure in every possible way, and report it to the Senate, and try to have it enacted into law. I may say further that it seems to me that if the House should fail to act, a joint resolution ought to be passed extending the law for at least 1 year, so that it will be one of the first matters to be taken up at the next session of Congress.

Mr. BORAH. I greatly appreciate what the Senator has to say. I shall rely on his statement.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. BORAH. I yield.

Mr. BARKLEY. The Senator realizes how impossible it is for the Senate to have a program with reference to a bill that must originate in the House of Representatives, and that has not as yet passed that body, but I have today talked with Members of this body as well as the other with reference to the matter. I am in sympathy with the desire to secure action upon it, and I am very hopeful that an accommodation may be arrived at which will result in action on that proposed legislation before we shall adjourn.

Mr. BORAH. Mr. President, of course, the Senate itself cannot outline a program where the House is concerned, but I assume that in making up a program the leaders of the House will be in consultation with the leaders of the Senate. I assume both Houses will seek to reach an agreement on a program on the bills to be considered. I earnestly urge that sugar legislation be included.

LIMITATION OF THE SIZE OF TRAINS

The Senate resumed the consideration of the bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars.

Mr. McCARRAN obtained the floor.

Mr. HARRISON. Mr. President——

Mr. McCARRAN. I yield to the Senator from Mississippi.

Mr. HARRISON. I observe that the pending bill is to go into effect after July 1, 1937. In common with the other Members of the Senate, I am sure none of us want to lay an undue burden upon any industry in this country. Recently Congress passed what is known as the railroad retirement bill, which imposes a tax on the railroads as well as on the employees of the railroads. They will have to bear that tax. I think, from the reports I have seen, that the railroads are beginning to "come back." I believe, however, that we ought not to do too much at one time, but ought gradually to play the matter along.

I was wondering if, instead of making the bill effective July 1, 1937, the Senator wolud not be willing to make it effective July 1, 1938, so as to give the railroads at least an opportunity somewhat to adjust themselves to it. The ultimate result would be the same, and we should have the law upon the statute books.

Mr. McCARRAN. Mr. President, I will say that if that amendment is offered——

Mr. WHITE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield; and if so, to whom?

Mr. McCARRAN. I have yielded to the Senator from Mississippi, and I am about to answer the question which the Senator asked.

Mr. WHITE. Will the Senator yield in order to enable me to ask a question to be answered in connection with the question propounded by the Senator from Mississippi?

Mr. McCARRAN. I yield for a question.

Mr. WHITE. Of course, the Senator realizes that there have been no hearings on this bill during the present Congress. There were hearings something over 2 years ago upon a different bill. If the effective date of this proposed legislation is to be postponed for a year, why should we not postpone the consideration of the bill itself in order that there may be hearings upon the merits of the matter?

Mr. McCARRAN. Mr. President, I will reply to that question by saying that hearings were held on this bill by a different number. The bill on which there were hearings was identical in language in all respects with the bill now before the Senate, excepting the date, as referred to by the Senator from Mississippi [Mr. HARRISON]. Hearings were conducted on that bill, together with another bill, by the Senator from New Hampshire [Mr. BROWN]. Hearings were conducted and both bills were considered together. These hearings were printed and extensively published. The entire country, the Senate, and the legislative body at the other end of the Capitol have had an opportunity to study and to understand the entire question.

Together with that——

Mr. WHITE. Mr. President, will the Senator yield right there?

Mr. McCARRAN. Let me finish the sentence, and then I will yield. Together with that, the Senate Committee on Interstate Commerce at that time published a most comprehensive report, which has been before the Senate during all this session.

I yield further to the Senator from Maine.

Mr. WHITE. Will the Senator inform me what other bill was heard at the same time this bill was heard?

Mr. McCARRAN. Senate bill 27 and Senate bill 344.

Mr. WHITE. What is Senate bill 344?

Mr. McCARRAN. Senate bill 344 corresponds to Senate bill 69 of this session; and Senate bill 27 corresponds to Senate bill 1108 of this session.

Mr. WHITE. What is Senate bill 1108 of this session?

Mr. McCARRAN. It provides for a limitation in the number of cars in freight and passenger trains. It goes further than Senate bill 69 in that a passenger train, as I recall, would be limited to 14 cars.

Mr. WHITE. The Senator says this matter was heard by the Senator from New Hampshire.

Mr. McCARRAN. Senate bill 27 was introduced by the Senator from New Hampshire.

Mr. WHITE. I may say that this is the first intimation I have had that a hearing was held on this bill at this session. When I went to the committee room and undertook to obtain copies of the hearings, I was given the hearings of something over 2 years ago, and was told that those were the only hearings on this proposed legislation.

Mr. McCARRAN. I hope the Senator did not understand me to say that hearings were held during this session. What I intended to convey, and hoped I did convey, was that hearings were had on this bill in its present form, except as to the date at which it would become effective; and that bill, which is now Senate bill 69, was then Senate bill 344.

Mr. WHITE. When were the hearings held?

Mr. McCARRAN. They were held from June 4 to June 19, 1935.

Mr. WHITE. That was over 2 years ago.

Mr. McCARRAN. Yes, sir.

Mr. WHITE. And those hearings were on a bill which not only limited the number of cars in a train, but limited the length of the train without relation to the number of cars.

Mr. McCARRAN. I will say to the Senator that that was one of the bills; but Senate bill 344 is the identical bill we now have before us, with the exception of a change in date of effectiveness.

Mr. President, in order that the Senate may have this matter fully and fairly presented, I desire the attention of the Senate while I present it as concisely and as briefly as possible. I assure the Senate that I shall not take up a minute longer than I think is essential to enable the Senate to understand the measure.

At the outset I desire to make myself understood that this is, in my judgment, a beneficial bill for the railroads. In my judgment it is a bill which looks to the promotion of the welfare and upbuilding of the railroad service. When I use the term "railroad service" in this connection I use it in reference to the railroads themselves; and I use that expression as the result of a study made by the Committee on Interstate Commerce of the Senate and from an examination of records furnished to the committee which are a part of the committee hearings.

In the first place, let me lay the picture before the Senate. Today we have what is known under the law as the air brake, essential to every car in freight service traveling between States on the class A railroads. The air brake is a mechanical device, each car being a separate unit unto itself for its operation. The average length of a freight car is 42 feet 6 inches. Between each two cars is slack—a slack action—due to the drawbar extension. Some claim that it is but 7½ inches; but the brotherhoods, the railroad train service men, claim that it is 12 inches, and that contention is not disputed by the Interstate Commerce Commission in any respect. So I am going to take as the basis for my remarks the assumption that there is a 12-inch slack action between every two freight cars in a train on class A roads.

Let us take as a standard a hundred-car train. We have, then, the slack action of 100 feet between the first car and the last car in a hundred-car train. In other words, when the air is applied to the first car, just back of the engine, the last car in the train is still in full motion, and whatever may be the speed of the train, that car is carrying that speed forward, while the first car has received the effect of an immediate application of the air.

Again, the second car receives the application of the air an instant behind, and so on down, until we find that in a hundred-car train there is a difference of some 38½ seconds between the time when the air is applied to stop the forward motion of the first car and when the rear car receives the effect of the air. During that time the rear car is going up on a dead end, so to speak, and whatever may be the speed of the train, the momentum of the rear car is coming up against an impeded car ahead of it.

What is the effect of that? I do not intend to deal at first with the destruction of life and limb which is involved in this subject, but I shall deal with the destruction of property involved, because, as I said at the outset, if the bill can be enacted it will be most beneficial for the railroads themselves. Slack action in railroad trains has resulted in the destruction of property valued at many millions of dollars each year, and that expense has all been borne by the railroads themselves.

Let me inject another thought at this point, lest, perchance, it might be said that I am running counter to the welfare of the railroads. Today the average train of freight cars in America numbers less than 47 cars. The railroads themselves have seen the result of resorting to short trains. In other words, the railroads themselves appreciate that the short train is the economic train, that the short train is the speedy train, that the short train is the train on which property is least likely to be destroyed. When there is a wreck of a freight train, not only is private property in custody destroyed, but the equipment itself is destroyed.

Mr. President, I go back again to the thought which I desire to emphasize, growing out of the hearings, that the average train in freight service in this country numbers 47 cars. So the long train, the train of 150 cars, on which there is such destruction of life and limb and such destruction of property, is the exception and not the rule. If we were endeavoring here so to curtail railroad activity that

it would be revolutionary, then, perchance, a valid argument might be made against the bill. But the bill merely seeks to put into law that which the best minds in the study of railroading have already conceded is the best process for the operation of railroads.

Let me say something more, to meet an argument which has been advanced. The railroad is handling the greatest quantum of perishable goods from the west coast to the Middle West and to the East, and handling it most efficiently, is the railroad which has limited its trains to less than 70 cars, and it is today handling the bulk of perishable commodities coming from the west coast, from southern California, and other parts of the west coast to the Middle West and to the East. Why is that? It is because that road has realized that today, in order to compete with bus lines, they must of necessity bring speed into their operations, and a train of less than 70 cars is a train which may go with speed all the way through. In other words, a train of 70 cars passes over a line more promptly, more speedily, more efficiently, than a train of 140 cars. There is less opportunity for breakage, there is less chance of a wreck, there is less opportunity for destruction of property. So those railroads which have looked to an advancement of their own worth in competition with the ever-increasing number of trucks and busses in competition with high-grade Government-aid constructed highways, have seen to it that their trains are curtailed in car number.

Mr. President, if I were to stand here for a week, I could not more tersely or clearly or emphatically place before the Senate the facts behind the bill than they will be found in the report submitted by the Committee on Interstate Commerce. That report deals with cold facts as disclosed before the committee, and if Senators will but give attention to the terse statements which appear therein, those who are favoring the pending bill will indeed be assisted.

Mr. President, I now come to that phase of the bill which has to do with human life as it is engaged in the railroad service. I first tried to bring to the attention of Senators what slack action was in railroad operation. I now desire to bring to their attention the result of slack action.

A train traveling at 45 miles an hour with 140 cars suddenly comes to a dead stop by reason of a broken axle, by reason of a broken wheel, or by reason of the immediate application of the air, we will say. The air is applied to 140 cars ahead of the caboose. Remember that the American Railroad Association in making tests determined that with 100 cars the air took some 38½ seconds to get from the first car to the last; in other words, the application of brakes was retarded in its effect on the last car to the extent of half a minute. If that be true as to 100 cars, what must be true as to 140 cars, what must be true with a train of 200 cars? Must it not be concluded that the slack action which took place in 100 cars has been augmented when it comes to 140 or 150 cars?

The real effect is demonstrated by the fact that men who work in the caboose are killed. They are killed because, without warning, they are catapulted against the sides of their caboose, hurled from one end of it to the other, thrown off trains, maimed, bruised, killed, as disclosed by the records of the railroads and the records of the Interstate Commerce Committee, which held the hearings.

I noticed in the hearings one significant statement which innocently grew into it. A superintendent on a division had it drawn to his attention that one in custody of livestock on a freight train, riding on a caboose, had been injured because of slack action because the train was brought to a sudden unexpected stop. He wrote to his men stating to them that from then on those in custody of stock must be advised to protect themselves against slack action. In other words, that which men employed every day must face every day the public must be warned against. The joke is that the railroads recognize that this condition prevails, that it is ever present, and that their men must be advised of it, but that a shipper should be advised by the men. This is the statement:

All Trainmen, McAlester District:

We recently had an accident where a caretaker with a shipment of stock, riding in the caboose of one of our freight trains, was injured while lying down asleep on the bunk. When the train stopped the slack ran in causing this man to be skidded against the partition, injuring his head. This accident was due to the lack of experience of stock shippers, with reference to what happened to our long trains in stopping and starting, and in the future you will please caution the caretakers of stock the way to ride in your caboose in order that they may not be injured by such occurrences as this.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. COPELAND. Has the Senator ever been in a Pullman car when the train came to a sudden stop, and has he had his head bumped against the top or side of the berth by reason of the sudden stopping of the train?

Mr. McCARRAN. Oh, yes. However, I have never been in a Pullman car when my head was crushed in by reason of a sudden stopping of the train.

Mr. COPELAND. How much less slack would there be than in a train of 70 cars?

Mr. McCARRAN. In a train composed of 10 or 12 cars there would certainly be less than a tenth of the slack action there is in a train of 100 cars.

Mr. COPELAND. Does the Senator mean there is that much difference in ratio?

Mr. McCARRAN. Yes. It would be 10 times greater in a train of 100 cars than in a train of 10 cars.

Mr. COPELAND. Yes; but how much is the difference in the slack action spoken of by the Senator from Nevada in a train of 70 cars as compared with a train of 100 cars? The Senator is contending for a limitation of trains to 70 cars. Would there not be the same slack action and the same danger in almost the same degree in a 70-car train as in a 100-car train?

Mr. McCARRAN. Mr. President, my answer is based on tests made by the American Railroad Association. Some years ago the American Railroad Association, in order to determine the best method of overcoming this slack action, held a series of tests, and a testing rack was set up at Purdue University; but, by reason of the fact that the testing rack did not adequately test all the equipment, it was finally concluded to hold tests on a division affording the greatest opportunity for a diversity of grades. These tests were all witnessed by a representative of the Interstate Commerce Commission.

They selected what is known as the Shasta Division on the Southern Pacific Railroad. That is in northern California and southern Oregon. They selected that division because it had a certain percentage of flat track, a certain percentage of easy grade, and a certain percentage of more precipitous grade.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. SMATHERS. If this bill is written into law, can the Senator from Nevada tell us how many additional employees the railroad companies throughout the Nation will be required to take on in order to provide for the difference in the number of cars?

Mr. McCARRAN. Mr. President, I shall answer that question somewhat at length later, and I hope the Senator will bear with me. I wanted to come to a discussion of that phase as I proceeded with my statement. I hope the Senator will permit me to answer it as I proceed with my statement. I wish to answer it from the records if I can.

I now wish to return to my answer to the question propounded by the Senator from New York [Mr. COPELAND].

Mr. OVERTON. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Nevada yield to the Senator from Louisiana?

Mr. McCARRAN. I yield.

Mr. OVERTON. I understand that the Senator from Nevada is going to give us a statement as to the additional number of employees that will be required if this bill is enacted into law.

Mr. McCARRAN. Yes.

Mr. OVERTON. Will the Senator also give us an estimate of the additional cost of railroad operation?

Mr. McCARRAN. I will so far as it is possible.

I am now going back to the question asked by the Senator from New York [Mr. COPELAND] as to the effect of the slack action. The Senator will find a statement in the report of the Committee on Interstate Commerce of the Senate concerning tests made on a train of 100 cars, on which were placed a number of dynamometers at various points in the train for the purpose of testing the shock resulting from slack action when a sudden stoppage of the train occurred. When such a stoppage took place, the shock was so great in a number of cases that the dynamometers, which are gauged to register a shock of over 1,000,000 pounds, were unable fully to register the shock. One can appreciate what the shock is when a train of loaded cars is traveling 45 miles an hour, we will say, and the tenth car in the train comes to a sudden stop, and behind it there are 90 cars or 60 cars or 140 cars. As one would anticipate, so great a shock results that the dynamometer, the instrument created for the purpose of registering the shock, cannot record it.

In that test it was determined that the least shock occurred in trains of 50 cars or under. Tests made of trains of 100 or more cars disclosed the inability of present braking facilities adequately and safely to control the train. No tests were made of trains of 70 cars, but the representative of the Interstate Commerce Commission who observed all tests stated that in his judgment the present brakes could probably control a train of 70 cars.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. COPELAND. I desire to be fully informed. What would be the reason for the sudden stoppage of the train? Would it be some accident to the air system, or because of the desire of the engineer to stop before going through a crossing somewhere?

Mr. McCARRAN. Any number of conditions may cause a sudden stoppage. The Senator will remember that the air appliances are individual to each car. A broken axle on a car may instantly apply the air to that car. The application of the air may not come from any act on the part of the engineer at all, but the air line may break, and on the car on which the air line breaks immediately the air is applied, and immediately it comes to a dead stop.

Mr. COPELAND. From some defect in the system?

Mr. McCARRAN. That would affect everything behind it. That is one reason for such action. Another reason is that the engineer, having charge of the air on the whole train, may see something ahead of him because of which he must bring about an emergency stop; so he applies the air. That is another reason for applying the air.

Mr. COPELAND. The engineer may do that in order to avoid killing a family in an automobile at the crossing. Is that true?

Mr. McCARRAN. That is true.

Mr. COPELAND. Is it the contention of the Senator that the taking up of the slack, as he has described it, is responsible for a great many accidents to trainmen? Has the Senator statistics to show how many have been injured or killed from that cause?

Mr. McCARRAN. I have statistics covering railroad accidents which I will present to the Senate.

Mr. COPELAND. I shall be very happy to know about that. I have it in mind at a later time, in what I may say, perhaps, to contrast the accidents to trainmen with the thousands of fatalities which take place at grade crossings in the United States.

Mr. McCARRAN. Mr. President, I continue with the subject, because I desire to enlarge upon the matter opened up by the question of the Senator from New York.

When emergency applications of air take place, whether by reason of application of the air from the engine, or by reason of a breaking of the air line, or by reason of something else mechanical in the train, remember that the men riding in the caboose, where they must ride under the rules, have no knowledge of what is about to occur. The result is that these men are hurled off the train, they are hurled against the stove, they are broken in limb, and frequently some of them are killed. The records are replete with cases of death and injury growing out of this slack action.

Mr. President, it is not to be said, and I am not going to mislead the Senate, that slack action does not to some extent take place in 70-car trains; but it is believed by representatives of the Interstate Commerce Commission that in trains of 70 cars and less there is a minimum of accidents and a minimum of breakage and destruction of property consistent with the most economic movement of goods by rail.

Let me discuss another phase which grows out of the question arising from the question asked by the Senator from New York. We will take the case of a train of 140 cars passing a passenger train, either going in the same direction or in an opposite direction. For some reason or other, either by reason of a break in the air line or other mechanical defect, or by reason of the application of the air from the engine, there is a sudden application of the air. Immediately there is slack action, which may cause a buckling in the freight train, and cars are piled up and thrown across the tracks, and the passenger train is wrecked and destroyed, and passengers are killed as a result. So often do such accidents occur that an order has been issued limiting the application of air in emergency cases where a freight train in passing a passenger train, since it is known that there is always danger that the freight train may buckle and throw the cars across the tracks, with the result of wrecking the passenger train.

A Senator asked whether all this affects the employees. Most assuredly it affects the employees. Thousands of them have been compelled to leave the service because they were no longer capable of serving, being broken of limb and of body. The proof of that, aside from the records of the Interstate Commerce Commission, is found in the fact that the insurance companies which have been established by the railroad brotherhoods as a method of caring for their members year after year are increasingly paying insurance benefits and taking care of those who have been injured and maimed or the families of those killed by reason of slack action on trains.

Mr. POPE. Mr. President——

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Does the Senator from Nevada yield to the Senator from Idaho?

Mr. McCARRAN. I yield to the Senator from Idaho.

Mr. POPE. Does the Senator intend to discuss the matter of the shipment of perishable fruit or vegetables in those regions where such fruits and vegetables are raised? I have received a number of letters and some resolutions from the shippers in my State raising that question.

Mr. McCARRAN. Has the Senator finished his question?

Mr. POPE. Yes. I want to know if the Senator is going to discuss that phase of the matter.

Mr. PEPPER. Mr. President, I, too, am interested in the inquiry made by the Senator from Idaho, and I hope I may hear the reply of the Senator from Nevada.

Mr. COPELAND. Mr. President, will the Senator from Nevada yield to me?

Mr. McCARRAN. I yield.

Mr. COPELAND. I know the importance of the questions asked by other Senators, but I hope the Senator from Nevada will not be diverted, because I am regarding this matter as one of life and limb, and I hope the Senator from Nevada will be very specific if he has statistics, gleaned from the reports of the Interstate Commerce Commission or any other authoritative body, showing definitely the number of persons

who have been killed or injured, due to the taking up of the slack in exceedingly long trains.

I am sure the Senator from Idaho will forgive me if I ask that this particular argument be completed.

Mr. McCARRAN. I will be glad to pursue that point now.

Mr. POPE. That will be agreeable to me, but I wish to be sure that the Senator from Nevada is going to discuss the point raised by me, since it is very important to some of my constituents.

Mr. McCARRAN. I hope the Senator from Idaho will not permit me to forget the question he has raised, and I will be very glad to discuss it later.

Mr. President, in partial reply to the Senator from New York, I desire to read from page 2 of the report of the Interstate Commerce Committee, in which it is stated:

> The Interstate Commerce Commission in its most recent report on railway accidents, Accident Bulletin 104, for the calendar year of 1935, states on page 1 thereof:
>
> "In the calendar year of 1935 the steam railways reported to the Interstate Commerce Commission 6,551 collisions, derailments, locomotive boiler, and other train accidents. Each of these was of sufficient importance to involve damage to railway property exceeding $150. Of the total number, 6,093 involved no reportable casualties to persons, while in 458 train accidents, 239 persons in the aggregate were killed and 1,056 were injured.
>
> "In addition to these persons killed or injured in accidents to trains there were 4,650 fatalities and 15,535 injuries connected with the movement of trains, locomotives, or cars without damage to railway property of more than $150. These are called train-service accidents.
>
> "Compared with the corresponding figures for 1934 the number of train accidents for 1935 increased 8.8 percent. The change was chiefly in the number of derailments, which increased 15.5 percent."
>
> From official Interstate Commerce Commission reports and from statistics furnished by other reliable sources, we must reach the conclusion that accidents and injuries to employees have been substantially reduced during the period extending from 1922 to 1933. During that decade the railroads achieved a greater degree of safety in operation than ever before, but during the years of 1933, 1934, 1935, and 1936 they have made little if any progress, and the actual number of injuries and deaths suffered by employees on duty increased. However, in the light of above data and in view of the fact that in 1935 railroad employees on duty suffered 6,351 temporary injuries with a resulting loss of 200,088 working days and 221 permanent, though not fatal injuries, it is submitted that there is definitely a vital need for further safety measures in the operation of railroads. One such measure, your committee feels, is this bill. A demand for man-power, an emergency requiring labor or services of men would make the Nation conscious of the tremendous economic loss, both labor and property, it suffers from train accidents, collisions, and derailments. The public is not generally aware of the injuries suffered by railway employees, and this obtains partially because now and for the past few years the supply of railroad labor far exceeds the demand therefor, and partially from the wide publicity given by the railroads to the increased safety of passengers, without mention of the 282 deaths and 6,018 injuries to trainmen on duty resulting from train and train-service accidents in 1935.

Mr. President, in further answer to the inquiry of the Senator from New York, I invite his attention to the last paragraph in the report:

> Improvements in equipment have not kept pace with the increased speed, train length, and tonnage of today. It is important to remember that injuries and deaths caused by railway accidents in 1935 were greater than in 1934, and the Bureau of Statistics of the Interstate Commerce Commission shows that for the year of 1936 there was still another marked increase in the number of trainmen and enginemen so killed and injured. In 1936 there were more than 29 percent trainmen and enginemen killed than in 1935, and paralleling this marked increase in deaths is the more than 31 percent increase in injuries suffered by trainmen and enginemen for the year past.

Mr. President, we find that the Interstate Commerce Commission, to which the pending bill was referred, did not see fit to report against the bill, but very cautiously said that it was a matter as to which it was for Congress to establish a policy. That is true; and the Congress can readily establish a policy in the light of an abundance of need, as shown by the record reaching back through the years.

I shall partially reply now to the Senator from New Jersey [Mr. SMATHERS], and then I will refer to the matter suggested by the Senator from Idaho [Mr. POPE] and the Senator from Florida [Mr. PEPPER].

In reply to the Senator from New Jersey, I make the statement—and I do so without fear of successful contradiction—that this bill, if put into effect, will not increase the number of employees in the railroad service. It will increase the speed and efficacy of the service, but a train of 70 cars passing over a division at a sped of 47 miles an hour does not require additional employees.

Remembering that the average length of freight trains in 1935 and 1936 was less than 47 cars, enactment of this bill limiting the length of trains to 70 cars would result in trains of a more uniform length.

The argument is made—and I know the Senator from New Jersey propounded his question based on that argument—that the passage of this bill will require the railroads of the country to double the number of employees now engaged in railroad service. I might answer that argument by the statement that if by this bill we are to preserve the life and limb of those engaged in that service, there can be nothing to the argument. If it is sought to place the possibility of a greater number of employees being needed against the idea of preventing death which now stalks in trains of 140 cars or 150 cars, there is nothing to the argument that the railroads may have to employ a greater number of employees, because we propose to put a stop to the destruction of lives and health of those engaged in this all-important public service. But that is not all.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Kentucky.

Mr. BARKLEY. Can the Senator tell us what proportion of trains engaged in interstate commerce are composed of more than 70 cars?

Mr. McCARRAN. In answer to the Senator's question I can only give the figures taken from the records of the Interstate Commerce Commission, which show that the average of trains moving in interstate commerce on class A roads are composed of 47 cars. That is the general average.

Mr. BARKLEY. I was told recently that about 25 percent of trains actually engaged in commerce among the States, moving across State lines, were over 70 cars in length. I wonder if the Senator knows whether that statement is accurate?

Mr. McCARRAN. I cannot say whether it is entirely accurate, but it is approximately true. In other words, we are dealing with the exception and not the rule. The long train is the exception. The long train is not the rule. More and more it is becoming the exception, because the service demands that something of this kind shall take place. Those roads which have keen competition realize that they must put speed into their service; they realize that in order to handle perishable commodities they must pass them over their lines promptly.

It is also true—and I state it in reply to the question of the Senator from Delaware—that, if enacted into law, the bill would reduce the cost of operation of the railroads. How? First of all, it would reduce the per-diem charge for foreign cars on rail lines. What do I mean by that? I mean the charge for the average foreign car running over a given railroad is $1 per day. Whether it be in service or out of service, the railroad company pays $1 per day for that car. By the use of short trains, speedy trains, these cars will be passed over the lines promptly and thus that element of expense caused by the necessary use of foreign cars will be reduced.

If enacted into law, the bill would reduce the expense which is entailed by the frequent damage to property which results by reason of the wrecks which are brought about by slack action. That damage runs into the millions of dollars.

Mr. HUGHES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Delaware?

Mr. McCARRAN. Certainly.

Mr. HUGHES. I do not know very much about railroads and I do not know that I have followed the Senator's argument closely, but, as I understand, the Senator said it would not increase the expense of the railroads, but might save some money for them.

Mr. McCARRAN. That is my contention. In other words, I answer the Senator that it would reduce the ex-

pense along some lines, and whatever tendency there might be to increase the expense would be met in other ways. I have tried to enumerate some of the items of expense, as, for instance, the charge for foreign cars, the damage which results by reason of wrecks on long trains, and other elements which I have mentioned.

Mr. HUGHES. I have received a number of communications in relation to the bill. The statements which are made—whether correct or not correct, I do not know—are that it would increase very largely the number of employees and would also increase the expense for equipment, and in that way would be a heavy burden on the railroads.

Mr. McCARRAN. I am going to answer the Senator's question from two angles, and I hope the Senator will bear with me, as my answer is a little involved.

When Congress was considering the bill which for years has been the law, requiring that every car used in interstate commerce should be equipped with air brakes, the railroads declared it would cost $90,000,000 so to equip their cars and that it would destroy the railroads. Today not a railroad would come here and advocate a bill that would take that law off the statute books.

Again, when Congress was considering the automatic coupler law requiring every car moving interstate commerce to be equipped with automatic couplers, the railroads came before the committees of the Congress and said it would cost hundreds of millions of dollars and would destroy them. Today not a railroad would advocate a bill that would repeal the statute requiring automatic couplers, because the automatic coupler has so reduced accidents and the destruction of property that it is now recognized to be an all-important essential. We no longer have men's arms snapped off by the old link-and-pin coupling device, bodies maimed and destroyed because men have to go in between the cars. We no longer have long hospital lists of men who had to go in and about the cars in order to make the couplings.

All such problems have been met as time went on. We are now dealing with a measure which proposes to lessen another great hazard. If we should have to apply it to every train in interstate commerce the argument which is behind the question of my good friend from Delaware would indeed have great force, but we are dealing, as the Senator from Kentucky [Mr. BARKLEY] suggested, only with a small percentage of the trains moving in interstate commerce. The greater percentage of trains in interstate commerce are today accommodating themselves to the provisions of this bill without it being a law, because a very large percentage of trains operating in interstate commerce are not under 70 cars, but under 50 cars, in fact, in the neighborhood, on the average, of 47 cars, showing that the railroads themselves realize they cannot longer operate under a system which destroys the lives of their employees and destroys railroad property. They have come to realize that fact, and, coming to realize it, they themselves have reduced the train length so far as cars are concerned.

I say again if we are dealing with the great majority of trains in the country there would be an argument against the bill that might be serious, because then it could be said that we were proposing something which would increase the cost to the railroads in such a way that it would be impossible for them to operate. However, on the small percentage of trains involved the increased cost would not be very great. If the large majority of trains in the freight service now consist of less than 50 cars, where can there be any force in the argument against providing by law with reference to the smaller percentage of trains that they shall be reduced to 70 cars, and that thereby we will greatly increase the employment necessary? Again I say if an increase should be made necessary, it would be a minor increase and not a major increase, such as has been referred to in the propaganda which is behind the opposition to the bill.

Secondly, I say if there is an increase, then it is an increase of opportunity for those who seek employment along a given line, and it is a decrease in that element which destroys life, destroys limb, fills hospitals with injured men, and makes railroading a business into which men do not desire to enter as a vocation.

Mr. POPE. Mr. President, will the Senator yield?

Mr. McCARRAN. I am coming to the Senator's question in just a moment.

Mr. POPE. On the point the Senator is now discussing I desire to ask a question. Is the Senator familiar with the case which was decided in Nevada in which the court expressly stated that the element of safety had nothing to do with the length of trains? Will the Senator comment on that decision of the court?

Mr. McCARRAN. Mr. President, let me give the history of that case first so that it may be thoroughly understood. The Legislature of Arizona——

Mr. POPE. If the Senator will yield for a moment I should like to read a part of the decision of the court so that his comments may refer to it.

Mr. McCARRAN. Is that the master's decision or is it the decision of the court?

Mr. POPE. It is from the court findings of fact in the Nevada case known as the Nevada train link case. This is the language used in the decision:

> A careful review of all the evidence warrants the conclusion that, from the standpoint of safety to the public, to travelers on railroads, and to railroad employees, the Nevada train-limit law bears no reasonable relation to safety, but, if enforced would impair and lessen the safety of plaintiffs' present method of freight-train operation in Nevada.
>
> The frequency of train and train-service accidents is directly related to the number of train units operated, and when more train units are run than are necessary to handle a given amount of traffic the hazard of accidents in handling such traffic is correspondingly increased.

The Senator also is probably familiar with the Arizona case, and I will quote from the decision in that case.

Mr. McCARRAN. Is the Senator quoting from the decisions, or is he quoting from a pamphlet which deals with the decisions?

Mr. POPE. I am quoting from the decision itself in a pamphlet which quotes from the court.

In the Arizona case this is the quotation:

> We are convinced from the evidence that the law—

Referring to the State train-limit law—

> bears no resonable relation to safety of persons or property.

That has confused me. Apparently, the court has taken the position that the increased number of trains threatens the safety both of the public and of the employees, and particularly the public, rather than the increased number of cars in the trains; and on that point I should like to have the comment of the Senator from Nevada.

Mr. McCARRAN. Mr. President, regarding the Nevada case, the Senator undoubtedly is dealing with the decision of the master in chancery and not the decision of the court, for the matter was submitted to a master in chancery, and he wrote the findings or decision. The conclusion was afterward confirmed by a three-judge court; but I may say to the Senator that the case turned on the question of whether or not the Legislature of Nevada had a right to enact that statute in view of the interstate-commerce clause. Whatever the master may have found in that case has no bearing, as I view it, upon the question before the Senate at this time.

Mr. POPE. In order to make that matter clear, I will say that the quotation I gave was from the decision of a court consisting of three judges, sitting as a District Court of the United States for the District of Nevada.

Mr. McCARRAN. Very well.

Mr. POPE. That is a quotation from the decision of the court, and not from the chancellor.

Mr. COPELAND. Mr. President, will the Senator yield for just a moment?

Mr. McCARRAN. I yield.

Mr. COPELAND. As I understand, what the Senator from Idaho has quoted from the master was included in the decision of the court itself.

Mr. McCARRAN. I take that to be true.

First of all, that whole case could only have come before the court by reason of the fact that an injunction was sought and granted on the ground that, under the interstate-commerce clause, the State had no authority to enact that statute. Further than that, any finding the court may have made has no bearing here and no place in this consideration. That is my view of the matter. The court may have made any kind of finding it saw fit. It seems to me that now we are establishing a policy that we propose to write into law to be enacted by the one authority which, under the Constitution of the United States, has the right to enact this particular kind of legislation.

Mr. POPE. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. POPE. In the State statute of Nevada was there a 70-car limitation upon trains?

Mr. McCARRAN. This bill is copied verbatim from the State statute of Nevada.

Now, I desire to answer another question that the Senator from Idaho asked, and also the Senator from Florida. I wish the Senator would again draw my attention to it. I have forgotten the language of the question. It was with reference to perishables.

Mr. POPE. Mr. President, I have a number of letters and resolutions from shippers in my State stating that the shipment of farm products, and particularly perishable products, would be seriously affected by the passage of this bill. Also, I suppose, the Senator from Nevada will deal with the question of increased freight rates that may result to shippers in our States if the bill shall be passed.

Mr. McCARRAN. Mr. President, the facts answer that inquiry better than I can answer it. The more speedily perishables pass over the country to the point of destination the better the commodities are preserved. What shippers of perishable freight want is speed in transportation. They want to have their products speedily transported from the point of shipment to the point of destination. That the short train is the speedy train, that the short train passes over division after division more speedily than the long train, is not to be gainsaid. It will not be denied.

As to cost to the shipper, again I say that the actual example set today by the railroad which carries the greatest bulk of perishables from the west coast to the East is that it is in direct and keen competition with other railroads, and yet it is resorting to the short train, and is carrying perishables from California to the Middle West and to the East by means of the short trains; so that if there should be an increase of freight rates as a result of the enactment of a short-train law, certainly those resorting to that method of transportation would be up against a competition they could not meet.

Mr. POPE. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. POPE. The Senator probably is aware that the Union Pacific is the only railroad that runs throughout the entire southern and central portion of my State of Idaho.

Mr. McCARRAN. Does not the Oregon Short Line also operate in the Senator's State?

Mr. POPE. The Oregon Short Line is the Union Pacific Railroad.

Mr. McCARRAN. Very well.

Mr. POPE. So we do not have in Idaho the competition in railroad service which exists in some other States. I find from an examination of my mail that a number of shippers' associations and livestock associations in my State, and the president of the State grange, are all protesting because of their fear that our freight rates will be increased and because of the fear that perishable farm products will not be taken care of; and I am very much concerned about that matter.

Mr. McCARRAN. In reply to that statement, I desire to say that I have had the same letters and the same telegrams, and I have been in a quandary as to why the persons who sent them should take the position they do. There is only one answer, and that is the old answer of a desire to placate somebody from whom special service will be asked in times to come. This whole propaganda has been put forward by the railroads in an effort to defeat this bill. They have gone to stock-shipping organizations and perishable-shipping organizations and sought to induce them to send on these messages, so as to turn the minds of Senators against the real aim and purpose of the pending bill.

Let me go a little further into that subject. I repeat that what a shipper of perishables wants is special service, fast service, and the short train is the agency that will supply such service. What the shipper of livestock wants is a speedy train, because he is up against limitation of hours, as the Senate knows; he is up against everything there is, and he wants to put his livestock over the line as fast as possible. If he has only 10 cars to ship, he would rather see those 10 cars move along as an individual unit, than to see, on the other hand, the 10 cars of livestock stand on a siding hour after hour, waiting for a long train to be made up to go out over division after division. If that is done, who is the loser? The man who is shipping the livestock is the loser; and I do not care whether he comes back the next day and endorses the long-train service or not. If he does, he does it by reason of something in the way of pressure that has been put on him.

I know these letters have come in, and I know the Senator has them; but I want to say that not all the farm organizations have attempted to say that this bill would work a hardship on them.

Mr. POPE. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. POPE. The letters and resolutions of protest are not limited to farm organizations, of course.

Mr. McCARRAN. No; I know that.

Mr. POPE. The cattlemen's association, the sheepmen's association, and the mining interests of my State have all protested against the bill.

Mr. McCARRAN. We could expect that, because naturally the railroads have been reaching out to get in touch with all the big shippers of commodities. Every one of those big shippers has come to the railroads and asked for something in the way of unusual service where it was possible to obtain it; and naturally the railroads, in a time of stress, go to those shippers and say, "Here, come on, now. We have accommodated you in times past. Now we look for you to back us up in this protest"; and so the protests have come in. But in the nature of things, as the Senator himself will admit, with all the facts that he knows to prevail with reference to the shippers of perishable commodities and with all the facts that he knows to apply to the shippers of livestock, they cannot be those who would protest against a method of operation that would render the best service to that particular class of shippers.

Mr. POPE. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. POPE. In one of the letters which I have received it is estimated that the increased annual cost to the railroads from the enactment of this bill would be something like $90,000,000 a year. Can the Senator give any figures as to the additional cost which the enactment of the bill would entail?

Mr. McCARRAN. I will answer the Senator's question in this way: My recollection is that the record will show that when the railroads first started out to protest against the enactment of this bill, they claimed that it would cost in excess of $200,000,000 annually to carry out the provisions of the bill. They then came down to $100,000,000.

The latest statement I have heard was that it would cost $90,000,000 annually to put the bill into operation. The fallacy of that claim is so apparent that it does not require an answer. The railroads themselves have already put the proposed service into operation in all but a small percentage of their trains. There is only a small percentage, approximately 25 percent, of the trains in interstate commerce that are not now short trains. So if it would cost $90,000,000 annually to put in 20 percent of the service, what would it

cost to put in 100 percent of the service? The statement falls by its own weight. There is nothing to it.

The same argument was made when Congress sought to enact the air-brake law. The same argument was made when Congress sought to enact the automatic-coupler law.

Mr. POPE. Mr. President, will the Senator yield for one more question?

Mr. McCARRAN. Certainly.

Mr. POPE. What is the judgment of the Senator as to the effect the bill would have upon freight rates to the farm producers in the West? There seems to be a fear in the minds of the farmers and shippers that is very real, and I am wondering whether there is any basis on which we could determine the effect of the measure in that respect. The Senator knows that perhaps the greatest problem in my State, and in other States in the West, is the freight-rate problem.

Mr. McCARRAN. I understand that.

Mr. POPE. We sometimes cannot ship our fruit and other farm products because of the high freight rates.

Mr. McCARRAN. That is correct.

Mr. POPE. If this bill means an increase in the freight rates, it is a very serious matter. I happen to be sympathetic with this type of legislation. I think I have voted for legislation of benefit to organized labor as often as has any other Member of the Senate. At the same time, the interests of the farmers and the shippers are always very close to my heart. Therefore, I have been having difficulty with the pending bill for that very reason. This matter of increase of freight rates is a very serious problem in my mind, and in the minds of other Senators, and certainly of the people of my State.

Mr. McCARRAN. Mr. President, the Senator from Idaho almost answered his own question when he said we have been having difficulty; and as a resident of a neighboring State to his, I know it well. Because of freight rates, we could not ship our perishables. That condition has prevailed with the long train. So there is nothing to be feared if we reduce the length of the train and bring about speed in shipment.

If I thought for a moment that the bill would increase freight rates on commodities upon which the life of my State depends, I would not be favoring the bill; but from an example which has been set by one of the most efficient railroads in this country, which is today hauling perishable fruit in keen competition from the west coast to the East, and resorting only to short trains, I know that it will not do anything of the kind.

Furthermore, I know that freight rates have been reduced as the short trains have been increased in number. In the past 10 years there has been a constant, gradual, careful, systematic reduction of freight rates. True, that was in the hands of the Interstate Commerce Commission, but there has been that reduction, and during that very period, as the able Senator from Idaho will find, the length of the trains has been gradually reduced. So that, from precept and example, I take entire consolation to myself that there is nothing in the preachment that the short-train system will increase freight rates. I say again, if there were any danger, I would not be fostering something which would destroy the life of my own State.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. OVERTON. I have been absent from the Senate Chamber for a while, and I ask the Senator from Nevada as to whether or not the effect of the bill will be to increase the number of employees in the railroad service; and if so, to what extent? Has he any reliable information along that line?

Mr. McCARRAN. I come back to the record, and that is the most reliable information I can have, or that anyone can have. I say frankly that I believe there will be some increase in the number of railroad employees, but not to the extent that has been claimed.

If the Senator will consider the facts as they are and then draw his own conclusion, he will answer his own question. I again refer to the fact that in only a small percentage of the trains of this country are there over 70 cars—approximately less than 25 percent—so that already the question has been answered by a constant increase of short trains. Yet that has not resulted in an increase in the number of railway employees, because the record shows that there are fewer railroad employees today than there were 10 years ago. I think I have the figures here, and I should like very much to put them into the RECORD. They might be of interest also to another Senator who propounded a question a while ago. I will go back 5 years.

In 1931 the number of employees in the railroad service was 1,258,719; in 1932 it was 1,031,703; in 1933 it was 971,196; in 1934 it was 1,007,702; in 1935 it was 994,371.

I will say to the Senator from Louisiana that during all that time there was a continuous, gradual reduction in train length. Today less than 25 percent of the trains in interstate commerce are running in excess of 70 cars. The Senator will find that during the past 10 years there has been a gradual reduction in train lengths. So that while the number of trains has been increased and the number of cars has been lessened, nevertheless, the number of employees has been decreased.

Mr. OVERTON To what does the Senate attribute the decrease in the number of railroad men employed?

Mr. McCARRAN. To more efficiency, and more speed in transportation.

Mr. BAILEY. Mr. President, may I interrupt the Senator?

Mr. McCARRAN. I yield.

Mr. BAILEY. Is the Senator saying that there would be very little if any increase in employment upon the enactment of the bill?

Mr. McCARRAN. That is my judgment.

Mr. BAILEY. Then the Senator is basing his argument altogether on safety?

Mr. McCARRAN. On safety, and on the uplift and welfare of transportation facilities; but principally on safety to life and limb of employees.

Mr. BAILEY. That is the basis of the argument?

Mr. McCARRAN. That is correct.

Mr. BAILEY. Is the Senator satisfied with the finding by the supreme court of his own State that safety would not be aided by an act similar to the pending bill? That was brought out in response to a question by the Senator from Idaho.

Mr. McCARRAN. The decision was not in the supreme court; it was in the Federal court, by a master. Undoubtedly, from what the Senator read to me, the court adopted the findings of the master, because apparently that decision came from the master. Whatever they may have decided, the point before the court was whether or not the State legislature had the right to enact the law. The question was one of constitutionality, and the court held squarely against the right of the State to enact the law. Any finding beyond that is without the record, and unsupported by the record.

Mr. BAILEY. I should think two trains would increase the danger of operation more than one. Am I right about that?

Mr. McCARRAN. I should say the Senator is in error in that respect, and I will give the reason. We will say there are 2 trains of 50 cars each to supplant or replace a train of a hundred cars. Is that what the Senator has in mind?

Mr. BAILEY. The measure before us would increase the number of trains?

Mr. McCARRAN. Let us put it another way. Say 2 trains of 70 cars each take the place of a train of 140 cars. Let us go back to what I tried to bring out in the first instance: The destruction to property is three times more likely, and occurs in three times as many cases, with trains of 140 cars than with trains of 70 cars. There is more destruction to human life by tenfold on trains of 140 cars than

on trains of 70 cars. Yet trains of 70 cars deliver commodities more promptly, pass over divisions more speedily, and result in more efficiency.

Mr. BAILEY. Let me ask the Senator another question. Two trains pass grade crossings twice as many times as one train. That is clear, is it not? The liability to injury at grade crossings is doubled by doubling the number of trains.

Mr. McCARRAN. But we have eliminated grade crossings by the investment of some billion and a half dollars.

Mr. BAILEY. I am sorry to say that that is not as fully true as we could wish. I see grade crossings everywhere I go. There are some overpasses, but there are a great many grade crossings. There are more grade crossings now than there are overpasses or underpasses. I believe it would be admitted that twice as many trains would increase the danger due to grade crossings twofold. Then there are two engines, and twice as many engines would tend to increase—I would not say by a hundred percent, but to a very great extent—the accidents from the operation of the engines.

Mr. McKELLAR. Increase what?

Mr. BAILEY. The danger of break-downs, the danger of blow-ups, the danger of collisions. That will all be increased. I am just getting at the fact that twice as many trains will increase certainly the danger in those respects. Then there is the other feature, when a wreck occurs of a freight train, say, of 40 cars, or 50 cars, or a hundred cars, the wreck will be rather complete in any event, will it not? The property damages on a train of 50 cars, in the event of collision or derailment, would be practically as great, in proportion to the number of cars, as with a hundred.

Mr. McCARRAN. Yes; but the Senator takes a false premise to begin with. The facility of handling a short train is so much greater, the control over the short train is so much more perfect, that there is only a small percentage of possibility of wreck in a short train when compared with a long train because of the lack of control in the case of the long train.

Mr. BAILEY. I did not say it would come in the direct ratio to length. I would not say that two 40-car trains would do as much damage as one 80-car train. There would be some difference; but my point is that the danger is increased. I take it the argument for increased employment has been abandoned, and we are now wholly arguing the question of safety. We will match the question of safety by the use of shorter trains over against convenience, and we will debate the question on that basis.

There is absolutely no plea here for labor. That is gone. It will not affect the labor situation. The increased employment resulting from the passage of the proposed legislation will be very small. Only 21 percent of the persons who work for railroads work in the operation of trains, and only 25 percent of that number, according to the Senator's figures, work on trains having as many as 100 cars or in excess of 70 cars; and that will bring us down to a discussion affecting only about 5 percent of the railway employees. I think the Senator is right about that.

Mr. McCARRAN. The Senator misstates the fact. Less than 25 percent of the trains operating in interstate commerce are trains of over 70 cars in length.

Mr. BAILEY. That is correct; and only 21 percent of the total number of persons employed by the railroads work in the operation of trains. Take the 21 percent and the 25 percent, and I believe we come down to the point where this bill could not possibly affect over 5 percent so far as labor is concerned. Would not the passage of this proposed legislation increase the danger at least 5 percent by doubling the number of trains? That is the point I was driving at.

Mr. McCARRAN. In the first place, Mr. President, it would immeasurably decrease the danger of accident.

Mr. BAILEY. It might if only one train were involved, but there would be two trains to deal with.

Mr. McCARRAN. I shall answer the Senator's question when he has concluded. I did not wish to interrupt him.

Mr. BAILEY. I have concluded.

Mr. McCARRAN. In the first place, when a train is under complete control, as it may be in the case of a train of 70 cars and under, the opportunity or possibility for accident by way of wreck or through the slack-action process is minimized. That has been proven by tests made by the Interstate Commerce Commission, on which tests we have a perfect right to rely.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. McCARRAN. I do not know whether I have gone far enough in my answer to the question asked by the Senator from North Carolina.

Mr. TYDINGS. I assumed that the Senator had answered that question. If not, I do not wish to interrupt the Senator.

Mr. McCARRAN. I yield.

Mr. TYDINGS. Would the 70-car limitation apply to trains of empty cars as well as trains of loaded cars?

Mr. McCARRAN. It would apply to all trains.

Mr. TYDINGS. Would the argument be substantially the same in both cases?

Mr. McCARRAN. The argument would be substantially the same in both cases; and I will say to the Senator that the tests show the same results in the case of trains of empty cars as in the case of trains of loaded cars.

For instance, the tests made on the Shasta division involved trains of varying lengths, some with loaded cars, some with empty cars, and some mixed. Some trains had loaded cars and empties in the same train. The tests in all cases showed the same results. In other words, a train of 140 cars of empties would have the same slack action, because the run-in between the two cars is 1 foot. The drawbar extends a foot, giving 1 foot to each car in addition to its own length; so in a train of 100 cars there is a difference of slack of 100 feet run-in, and it is because of that run-in that destruction of life and limb occurs.

In regard to that, I desire to read a short report of tests made with power brakes. I think what I am about to read is also in answer to the question asked by the Senator from North Carolina [Mr. BAILEY]; at least, I hope it will be. I shall try to answer it further later on. I desire to read, from page 152 of the American Railway Association's volume on power brakes and appliances for operating power-brake systems, the following:

The road tests—

These were the tests made on the line—

developed the following features of the standard K equipment—

That is the usual air-brake equipment—

which should be improved in any new brake equipment considered for adoption:

1. The quick-service feature is not sufficiently positive to insure a service reduction being propagated through a long train, especially light service reduction with a tight brake pipe.

2. When quick service was propagated through a train of 150 cars with minimum brake-pipe leakage the propagation time was slow and not uniform.

3. Undesired emergency quick action was obtained in 27 different cases when a service rate of reduction in brake-pipe pressure was made at the locomotive. * * *

4. Emergency quick action failed to carry beyond the first few cars when emergency application was made following service reduction of 7 pounds or greater.

5. The distances required to stop the 150 empty-car train with minimum leakage with service reductions were irregular due to the failure of part of the brakes to apply.

6. Practically all service application stops of the 150 empty-car train with 7-pound brake-pipe leakage resulted in excessive shocks.

7. Emergency application at 26.2 miles per hour with 150 empty-car train resulted in heavy shock which buckled the train and derailed 3 cars. This was the only emergency application attempted with the K equipment and the 150 empty-car train.

8. * * *.

9. Emergency applications with a train of 150 loaded cars resulted in severe shocks.

10. * * *.

11. Emergency applications gave heavy shocks with a train of 100 empty cars. The maximum shock recorded was 3.96 inches, and during one trial in which the emergency was made at 10.5 miles per hour, car no. 97 telescoped car no. 98 due to the heavy shock.

12. * * *.

13. * * *.

14. It was necessary to make an emergency application to control the speed of the train of 100 loaded cars on the 2-percent

grade, when 7 light service reductions totaling 20 pounds failed to apply the brakes in the rear portion of the train.

Remember that during all of this we must deal with the imperfections of mechanism. The air-brake system is not perfect; and, as perfect as we can make it, still we find some imperfections. We find imperfections occurring along the line of a train carrying air brakes. An application of the air may take place in the middle of the train; and if it takes place in the middle of a train composed of 140 cars, if it takes place at the seventieth car, the other cars are affected by the slack action, and the slack action runs from the seventieth car back to the caboose. We find again that the same conditions arise, not due to emergencies that come about by reason of grade crossings, not due to the fact that wrecks take place at grade crossings, but due to the fact that in a long train there is less possibility of having the train under control. Nine times out of ten grade-crossing accidents occur where a long train is not under control, and therefore the engineer cannot bring his train to a stop in sufficient time to save life at the grade crossing.

Mr. BAILEY. Mr. President, I was thinking about the matter of safety to the public. It occurred to me that people who are killed and injured these days are not being killed and injured on the railroads. They are killed on the highways. As I recall the statistics, some 36,000 people were killed last year on highways by automobiles and trucks. That is a serious matter. I should like the Senator to give me the comparative figures as between injuries on railroads and injuries on the highways.

If we are going to deal here with the matter of transportation with a view to safety, what will the Senator say to bringing in a bill to meet the whole situation? It would be a great pity to turn trucks and automobiles loose, killing 36,000 persons a year, and cause the railroads to go to the great expense involved by the proposed legislation, when the number of persons injured on railroads is far less than the number injured on highways. The railroads are insurers of property, and the courts always award damages for injuries and for death resulting from negligence by the railroads.

What would the Senator say about that? If we are dealing with safety here, should we not deal with the highways rather than with the railroads? Is it not on the highways where the danger now is?

Mr. McCARRAN. My good friend the Senator from North Carolina has a very happy faculty every now and then of begging the question, and this is one of the instances in which he resorts to that very tactful method. His interruption really is not a question at all. What he is doing is begging the question. The matters to which he refers are not involved in this proposition. We cannot do everything at once. We are trying to save the lives and protect the limbs of those engaged in this line of industry. When we get through with that we will take another step in another direction, and try to save the lives of those engaged in other industries where the interstate-commerce clause will permit our doing so.

Mr. BAILEY. Mr. President, I am willing to have my good friend think I was begging the question, and I will leave to him the decision as to the merit of that statement; but, since the argument here is based on safety and injury to limb and death to some extent, and since automobiles cause 35,000 or 36,000 deaths a year, I thought that, inasmuch as automobile accidents created the major premise, we might proceed by going in the direction of the greatest injury and the greatest danger.

I do not think that is begging the question. I am taking up the Senator's question. It is a question now of safety to the public. It is not a question of transportation. It is not a question of employment. It is a question of the public safety.

Mr. McCARRAN. It is a question of safety to the employees in this industry. That is what is involved.

Mr. BAILEY. Yes; but we are thinking about safety to the American citizen, and in that connection there is no special class that we look at. When we begin to think about safety for our fellow citizens, we must think about safety for all of them.

Can the Senator give me the relative number of deaths resulting from accidents on railroad trains carrying more than 70 cars as compared with the number of deaths occurring on the highways? That is the real question here. We are dealing with the public safety.

Mr. McCARRAN. As a result of railroad accidents more than 5,000 people were killed.

Mr. BAILEY. That is, more than 5,000 as a result of all railroad operations. How many were killed by reason of the operations of trains of more than 70 cars?

Mr. McCARRAN. A high percentage of those who were killed in the service were killed on the longer trains.

Mr. BAILEY. That is as far as the Senator can go?

Mr. McCARRAN. That is as far as I can go at this moment.

Mr. BAILEY. Very well; a high percentage. That would be, say, 3,000 killed by the operation of such trains?

Mr. McCARRAN. That argument would not stand, because the Senator's percentage is wrong.

Mr. BAILEY. And over against that we are faced with a situation where we know that 36,000 are killed every year on the highways. Why not address ourselves to that situation if we want to safeguard the lives of the people?

Mr. McCARRAN. The Senator knows that there are two bills now on the calendar to protect life and limb in bus transportation and truck transportation, and the Senator may employ his useful argument in furtherance of those bills. They, however, have nothing to do with rail transportation.

Mr. POPE. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. POPE. I have certain figures, which purport to come from the record of the Interstate Commerce Commission, to the effect that between 1923 and 1935 the number of cars on the average freight train was increased 16 percent, and that during the same period the frequency of injuries and deaths to freight conductors and brakemen caused by sudden stops, lurches, and jerks of trains was reduced 61 percent on a train-mile basis. Does the Senator have any comment to make on that?

Mr. McCARRAN. Yes; I have. Those figures are computed on a train-mile basis. Into that train-mile basis comes the short train, and the train-mile basis is increased whenever the number of short trains is augmented. So, considering the effect of short trains, of course, there is a reduction of fatalities computed on a train-mile basis.

Mr. POPE. Does the Senator have in the record some facts to show what increase in hazard is due to longer trains, trains over 70 cars in length?

Mr. McCARRAN. I tried to make myself clear. If I have not done so, I am sorry. If I were to deal with the record, I could stand here for days and discuss it. The tests show—I think perhaps the tests made under governmental supervision would be more conclusive to the Senator—that in trains of 110 cars there is by far a higher percentage of wrecks and a higher percentage of opportunity for injury. That was shown by the tests conducted in cooperation with the Interstate Commerce Commission on the Shasta division, to which I have made reference. That being true, the rule applies right down the line, so that in a train of 150 or 200 cars, where the lack of control is ever present, the opportunity for injury increases by leaps and bounds.

Mr. POPE. Does the increase in injuries apply to trainmen, conductors, and others working on the trains and also to the public?

Mr. McCARRAN. No; I am dealing almost exclusively with the injury to those working on the trains. I referred in the beginning of my presentation to one phase of injury to the public that grows out of the long train, namely, that sometimes when the air is applied suddenly the train "buckles", as it is called, and if at the time it is passing a passenger train on a double track an accident results. Many accidents of that kind have occurred. The "buckled" train

is immediately thrown over on the tracks on which the passenger train is passing, and injury results, not only to the train service itself, but to those traveling on the passenger train. That has occurred any number of times, to such an extent that the railroads have now issued orders directing their engineers not to make emergency application of the air where a long freight train is passing a passenger train.

Mr. PEPPER. Mr. President——

Mr. McCARRAN. I will yield to the Senator in a moment. Nevertheless such accidents occur by reason of mechanical defects, such as a broken spindle, a broken wheel, or, as I have said, a broken air line while a freight train is passing a passenger train. In such an event the engineer has no control of the train; there is a "buckling" of the train; and the result is a wreck.

Mr. POPE. Mr. President, just one other question. Would the Senator agree that the statement is correct that the frequency of casualties to passengers has decreased 71 percent during the period from 1923 to 1935? I have figures showing that the injuries to passengers have decreased 71 percent during that period. The figures which I have here also show that the frequency of casualties to train-service employees decreased 66 percent on a man-hour basis and 73 percent on a car-mile basis. I am wondering if those figures are correct or if the Senator or his assistant could give us the correct figures if the ones cited by me are not correct?

Mr. McCARRAN. Mr. President, the statistics are all in the hands of the statistician. An ingenious statistician can juggle statistics so as almost to make black appear to be white. I think I heard once of a statistician who sought to prove that a cat had 10 tails, and I think he went about it in this way: No cat has 9 tails; 1 cat has 1 more tail than no cat; therefore 1 cat has 10 tails. [Laughter.] With the same degree of accuracy, I think the Senator's figures may be considered.

I desire now to read again from the report, and I refer to the bottom of page 2:

> The public is not generally aware of the injuries suffered by railway employees, and this obtains partially because now and for the past few years the supply of railroad labor far exceeds the demand therefor, and partially from the wide publicity given by the railroads to the increased safety of passengers, without mention of the 282 deaths and 6,018 injuries to trainmen on duty resulting from train and train-service accidents in 1935. Typical of such publicity is a statement made by the Committee on Public Relations of the Eastern Railroads in their Yearbook of Railroad Information, 1936 Edition, which reads as follows:
>
> "In none of their achievements do the railways take more pride than in their record of safety. In the calendar year 1935 only one passenger was killed in a train accident on the railways of the United States. This single fatality occurred in November, in a freak accident which was in no way connected with the actual movement of train; it resulted from the explosion of a heater in a passenger coach, while the train containing this coach was standing motionless."
>
> However, the Interstate Commerce Commission, in Accident Bulletin 104, states:
>
> "The railways had no reportable passenger fatalities in collisions and derailments in 1935. This fact was interpreted by some persons to mean that no passengers were killed in accidents on steam railways during the year. One passenger was killed in the explosion of a heater in a passenger coach of a standing train and as the resulting damage exceeded $150, the occurrence is classifiable under the rules as a 'train accident.' In addition to this fatality, there were 17 pasengers on trains killed in train-service accidents * * *."

This is an example of how some persons seek to discredit or to detract from the necessity of this bill through statistics.

I make mention of that to show the Senator that some well-wishing person has undoubtedly placed in his hands statistics which if taken in one light will mean one thing and if viewed in another light will mean another thing.

I am going further even than the report which the Senator had in his hand. I am going to say that the railroads of the country have put forth a splendid effort during the past 20 years to reduce fatalities. They have been successful to the point that passengers now traveling on passenger trains may look forward to a very high degree of safety.

I am not willing to say that the railroads of the country are blind to the safety of their employees. They are not blind to it, for on every hand we see the sign "Safety first"; everywhere we see appliances for safety; and with the idea in mind of bringing about safety, the railroads of the country have reduced the length of their trains from year to year, from month to month, and from time to time, and now they—and when I say "they" I mean a high percentage of them, if not all of them—realize that if the length of trains could be shortened the trains would be brought under better control, and with the trains brought under better control there would be overcome in great degree that element which all too frequently has caused the destruction of human life in the railroad service.

Mr. PEPPER. Mr. President——

Mr. McCARRAN. I yield to the Senator from Florida, and apologize to him for not yielding sooner.

Mr. PEPPER. Apropos the safety feature of the bill, I should like to call the attention of the Senator from Nevada to the last proviso on page 2, reading as follows:

> *Provided*, That this act shall not apply in cases of engine failures between terminals.

I am not a railroad man, and I have no peculiar railroad information, but it strikes me that possibly there may be some kind of mechanical failure between terminals on a line of railroad other than engine failures giving rise to an emergency which arises in spite of the exercise of good faith by the railroad, and that if a showing of the bona fides of such an emergency were required to be imposed upon the railroads that that would be an adequate safeguard. Therefore I should like to inquire of the Senator from Nevada if he would consent to an amendment to strike out the period after the word "terminals", at the end of line 3, page 2, and to insert the following:

> or to other mechanical failure on the line of road: *Provided*, That in claiming an exception for such an emergency the burden shall be upon the railroad to show that it has acted in the exercise of diligence and good faith.

Mr. McCARRAN. Would the Senator do me the courtesy of reading the proposed amendment again? My attention was diverted for a moment. I apologize to him for making the request.

Mr. PEPPER. At the end of line 3, after the word "terminals", on page 2, I propose to strike out the period and to insert the following:

> or to other mechanical failure on the line of road: *Provided*, That in claiming an exception for such an emergency the burden shall be upon the railroad to show that it has acted in the exercise of diligence and good faith.

So that if the amendment were adopted, the proviso would read:

> *Provided*, That this act shall not apply in cases of engine failures between terminals or to other mechanical failure on the line of road: *Provided*, That in claiming for an exception for such an emergency the burden shall be upon the railroad to show that it has acted in the exercise of diligence and good faith.

Mr. McCARRAN. Mr. President, after listening to the amendment, I think it is in keeping with fairness, and I am willing to accept it.

I have taken more of the time of the Senate than I intended.

The PRESIDING OFFICER. Does the Senator desire to accept the amendment of the Senator from Florida?

Mr. McCARRAN. I accept the amendment offered by the Senator from Florida.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, in order that the record may be straight, permit me to say that this morning the Senator from Mississippi [Mr. HARRISON] offered an amendment which I accepted. I should like to inquire if the amendment has been adopted?

The PRESIDING OFFICER. It was suggested, but not adopted.

Mr. McCARRAN. Then I ask for the adoption of the amendment.

Mr. WHITE. Mr. President, what is the amendment?

Mr. BARKLEY. Mr. President, I suggest that the amendment be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 7, it is proposed to strike out "1937" and insert "1938", so as to make the section read:

SEC. 26a. After July 1, 1938, it shall be unlawful for any common carrier subject to the provisions of this chapter to run, or permit to be run, over its line of road, or any portion thereof, any train consisting of more than 70 freight or other cars, exclusive of caboose: *Provided*, That this act shall not apply in cases of engine failures between terminals.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi [Mr. HARRISON].

Mr. WHITE. Mr. President, has the Senator from Nevada concluded his remarks?

Mr. McCARRAN. I am just concluding them.

Mr. WHITE. Is the Senator discussing the amendment or the bill?

Mr. McCARRAN. I have been discussing the bill in my opening remarks. I now ask the adoption of the amendment of the Senator from Mississippi.

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Mississippi.

Mr. WHITE. I desire to be heard on the amendment.

Mr. BARKLEY. Does the Senator desire to proceed before the Senate acts on the amendment changing the effective date of the measure?

Mr. WHITE. I do not think it makes any practical difference.

Mr. BARKLEY. I suggest that we vote on the amendment first and then that the Senator proceed.

Mr. WHITE. I am perfectly willing to do that.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi [Mr. HARRISON].

The amendment was agreed to.

Mr. WHITE. Mr. President, I am reluctant in the extreme to speak in opposition to a bill denominated a safety measure. If I believed the proposed legislation conduced to the safety of the employees upon the railroads of the United States I think it would be impossible to bring myself to oppose it, notwithstanding other important considerations which are raised by the bill.

Mr. President, I think the bill in its origin was a device for spreading employment on the railroads of the United States. I think its garb has been changed and it has become a safety measure principally because of the fact that as we emerged from the depression men were again being employed upon the railroads of the country in increasing number. It is called a safety bill, but I think all the evidence before the committee 2 years or more ago, and such information as one can glean now from other sources, demonstrate that the bill will not bring about increased safety to our employees engaged in this hazardous employment.

I invite attention, in the first place, to the fact that there have been no hearings in this Congress on the proposed legislation. There were hearings more than 2 years ago upon a bill almost identical in terms with the pending bill and upon another bill which proposed both a limitation upon the number of cars in a train and a limitation upon the length of the trains—a limitation in feet, a limitation providing that a train should not exceed one-half mile in length. Notwithstanding the fact of the pendency of a bill practically identical with this, I think an examination of the hearings of 2 years ago discloses that the testimony was in large part directed to that other bill which limited the length of trains to one-half mile.

Mr. President, that bill very much more contributed to the safety of employees than does the present bill, if there is any basis at all for the suggestion that a limitation upon the length of the train adds to the safety of the employees.

The proponents of the measure make two principal claims in its behalf. One is that as the length of trains is increased there follows increased difficulty in properly interpreting and understanding the visual signals used in the operation of trains. That is one contention in its behalf.

The second contention is that as the trains are increased in length there comes difficulty in the braking of the trains and that, as a result, through the slacking and jerking and sudden starting and stopping due to braking of the train, injury results to the employee.

As to the second reason asserted for the introduction of the bill, I submit that in the hearings there is no testimony of real probative force that these accidents occur more frequently or with more serious results in long trains than in the shorter trains. On the contrary, the investigations of train accidents show that for 10 years of time there has been an almost continuous decline in accidents involving slack surges and jerks and starts and stops of trains, while at the same time there has been a constantly increasing length of trains. Such accidents in 1933 were not one-third in number of those in 1923.

As bearing on this question I wish to read somewhat from the testimony taken more than 2 years ago. In the hearings appears a table taken from the Interstate Commerce Commission's own statistics dealing with casualties in all train and train-service accidents, involving sudden stops, starts, jerks, and slack surges from all causes, including negligent handling of air brakes. That is one of the reasons advanced by the proponents of the pending measure—accidents of that general character—for the presence of the bill here.

The statistics show very clearly that from 1923 up to and including 1933 there has been a marked decrease in the number of casualties. There are the casualties resulting fatally to the men and there are those resulting in injuries which did not prove fatal.

The total of casualties dropped from 3,299 in 1923 to only 650 in 1933. In other words, in 1933 casualties of this character were approximately one-fifth of the number in 1923.

The testimony goes on and says:

Inspection of this column 6—

In the table to which I have just been referring—

reveals a rapid and almost uninterrupted decrease in the yearly casualty rates, the rate for 1933 being 68 percent less than that for 1923. These very casualties, which proponents of this legislation would lead you to believe are aggravated by the modern practice of hauling more cars per train, are actually not one-third as prevalent as they were in 1923. These casualties include all the men in train service, yardmen, and switchmen, as well as road trainmen, and include those on short trains or cuts of cars in switching, as well as those on longer ones. It constitutes the whole picture of the stop, start, jerk, and slack surge situation from the standpoint of personal injuries to trainmen.

Those are the figures compiled from the statistics of the Interstate Commerce Commission itself; and it seems to me they effectually do away with and overcome the suggestion urged in behalf of the proposed legislation on this phase of the matter.

It is also said that another cause of accidents is the difficulty of distinguishing the visual signals, and that it is necessary to reduce the length of trains in order that the signals of the brakemen may be made clear and may be understood by others in charge of the operation of a train.

In the testimony of 2 years ago there was evidence that the length of cars in use on our railroads averaged 44 feet. There was evidence that tests had been conducted as a result of which it appeared that on a train of 60 cars—that is, a train of the length of 2,640 feet—33 out of 35 signals were seen and were understood by the crew charged with the operation of the train; in other words, there were 2 errors out of 35 tests.

The same tests indicated that on a train of 70 cars—that is, a train of the length of 3,080 feet—13 signals were understood, and 22 signals were misunderstood; and that with 90 cars, or a train of a length of 3,960 feet, out of 25 tests only 1 was understood, and 24 were misunderstood. Yet, those who rely upon this evidence are sponsoring a bill

which permits a train of a length of approximately 4,900 feet, or a train 1,000 feet longer than was referred to in the last test, where only 1 signal out of 25 was understood by the trainmen.

I submit that if there is any merit at all in the proposition that the length of the train has anything to do with the understanding of the signals, we have disregarded in the proposed legislation the impact of that testimony, because here we are authorizing 70 cars in a train. Those cars may run to a length of 70 feet each. That is, by the proposed legislation we are permitting a train at least 4,900 feet in length, which is a thousand feet more than the length of the train in these tests where it is said that only one signal out of 25 was understood. I say to the Senate that that just does not make sense, and that alone condemns the proposed legislation.

The railroad executives say, furthermore, that there is nothing to this claim of not understanding visual signals from the rear of a train anyway, because they say that when a train is moving there is just one signal that a brakeman on the rear of the train is authorized to give, and that is a signal to stop the train; and whether they see the signal clearly or do not see it clearly, the operators of the train know, when any kind of signal at all is given from the rear of the train, that the train must stop. That is the rule of the railroads of the United States in the operation of their trains.

More than that, Mr. President, there is some further testimony to be read in this connection.

In the hearings there is a table dealing with train accidents caused by misunderstanding of or inability to see hand signals. These are the visual signals which it is said cannot be seen as the train increases in length, and therefore that it is a dangerous thing to increase the length of the train. The facts are that in the 3 years 1931, 1932, and 1933 there was just one casualty due to a failure to understand visual signals. The testimony is—and I read briefly from the testimony:

> By totaling the accidents and casualties from these lines in both tables—

These figures relate, I think, to some particular railroads—

> By totaling the accidents and casualties from these lines in both tables we get all cases of train accidents recorded as involving misunderstanding of hand signals or inability to distinguish them, whether due to negligence or poor visibility.

It will be noted that there was not a single casualty in 1931 or 1933, and only one in 1932. It is obvious, therefore, that misunderstanding of hand signals seldom results in accidents in actual practice.

In the 482 accidents investigated by the Interstate Commerce Commission in a period of some 6 years, running from 1928 to 1933, there were only eight where transmission of hand signals was a contributing cause. All of these eight occurred in station and yard-switching moves. Not one involved a road freight train; and there was not a single instance of misinterpretation of the meaning of a signal or inability to pass signals because of distance.

There is the testimony, taken from the records of the Interstate Commerce Commission, dealing with this phase of the question, and, in my judgment, it completely refutes the suggestion which has been made that as train lengths increase it becomes impossible or in any event difficult to see and to interpret hand signals.

The fact is that, over the years, accidents have decreased. From 1923 to 1935 the number of cars had increased by 16 percent, and the number of accidents had decreased 61 percent. In the face of that record of increasing car lengths and decreasing accidents, I ask, what is the necessity for this legislation at all?

The railroad executives contend that the enactment of this bill would increase accidents at crossings, and would increase accidents through collisions. As bearing on that subject, let me read something from the hearings.

In the testimony there appears this analysis of the situation and this comment on the possibility of increased accidents through collisions from the operation of shorter trains:

> If you are running on a single-track railroad one train in each direction, you have one train-meet. If you are running two trains in each direction you do not have two train-meets, but four train-meets, and if you are running three you have nine train-meets. If you are running four trains you have 16 train-meets, and if you increase that by just one train each way during the same period of time to five trains, you would have 25 train-meets.
>
> This bill would increase the number of freight trains about 25 percent, so that where we are running three such trains we would run four. The meeting of trains is a productive source of accident. I speak in that connection not only of the possibility of collision. When two trains meet one must take the siding. That means it must stop and start, and in connection with those stops and starts which require that men get off the train to flag, and in connection with other incidents of a train-meet, there is a source of accident which is much more important, I think, than slack surges.
>
> * * * * * * *
>
> During the last 10 years—I think my figure is correct; if it is not, it will be corrected by a later witness—the frequency rate of injuries to trainmen from this type of accident has decreased some 68 percent. Looking at the bill from the point of view of the employees only, these additional train units would make a much more hazardous operation.

Mr. President, it also appears from the testimony that the proposed legislation would add substantially to the operating costs of the railroads of the United States. There are various estimates as to this. They range all the way from $125,000,000 up to almost $300,000,000 as an additional cost to the railroads of the country if this proposed legislation is put into effect; and it is proposed that we add that burden to the railroads of the United States at the very time when from 25 to 28 percent of all the railroad mileage of America is in the hands of receivers.

The railroads further contend that it will add vastly to their expense through the necessity of scrapping much of their equipment of today. There is in the hearings something rather interesting on that question, and I shall read a part of it:

> The progress of the railroad industry, as I previously mentioned, has been developed to its present degree of efficiency only through the constant study of experienced railroad men over a long period of years, and the purchase of modern and powerful locomotives, increased car capacity, the construction of large terminals and engine houses, improved rail, roadbed, bridges, block signaling, and so forth, which involved the expenditure of hundreds of millions of dollars. To limit train lengths by law would greatly impair the usefulness of the larger part of these great improvements.
>
> For example, large freight locomotives, capable of handling long, heavy trains, could not be used to handle light trains without an extravagant waste in fuel, maintenance cost, and wages. Higher wages are paid on heavier locomotives. The railroads very generally would find it necessary to retire such locomotives from service. To take care of power requirements under such conditions would require an enormous expenditure for new and smaller locomotives. It would be necessary to purchase such small locomotives in large numbers, since it would require two and possibly three of them to carry the tonnage now being carried by one heavy locomotive. This is a concrete illustration of the tremendous loss in investment which would follow if the bill became a law and of the corresponding necessity for additional capital investment.
>
> Our present engine-house facilities and repair shops could by no means house and repair the additional number of locomotives that would be necessary. This, then, would mean that engine houses would have to be enlarged to provide additional engine stalls and ash-pit facilities, also repair shops to take care of the additional repair work necessary. Water tanks, that supply water to locomotives, would have to be enlarged and new ones installed, and added to all this would be the tremendous increase in costs for fuel, water, and lubricants.
>
> The power question, and facilities for handling and repairing, by no means, however, comprise the only large expenditure necessary, should this bill become a law. It would affect practically every phase of our operating costs. For instance:
>
> Yard tracks at our principal classification terminals have been designed to hold long trains. Such a layout would not properly take care of the more numerous short trains that it would be necessary to run. These trains would necessitate a greater number of short tracks rather than the present long tracks; in other words, breadth rather than length, with the result that yard facilities would have to be greatly enlarged, and in some cases completely reconstructed. The physical characteristics of some yards are such as to prohibit their enlargement, and in such cases, where possible, it will be necessary to build additional yards at intermediate

points in order to properly care for the volume of traffic. Coincident to the enlarged yard operations, of course, would be the additional yard engines and switching service it would be necessary to furnish.

This witness said further:

The immediate and direct cost of operating additional trains, as provided by this bill, to take care of the business of 1930 would have been $237,000,000. In the year 1934, with greatly reduced traffic, it would have been $150,000,000. These figures take no account of the additional expense to which I have just been referring, such as the purchase of new locomotives and the cost of double tracks, or the provision for enlarged and adjusted yard facilities, block, interlocking stations, and so forth.

Mr. VANDENBERG. Who was the witness?

Mr. WHITE. The witness was Mr. J. W. Smith, appearing for the Association of American Railroads. So far as the hearings go, there is no contradiction of that testimony.

Mr. FRAZIER. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Maine yield to the Senator from North Dakota?

Mr. WHITE. I yield.

Mr. FRAZIER. The Senator from Maine was complaining about the difference between the bill on which the hearing was held and the bill we are considering at the present time. I desire to ask whether the testimony the Senator has just read was not on the other bill?

Mr. WHITE. It was on the other bill, but it applies equally to the pending bill. I think the Senator has missed the point, however, that it was the claim of the proponents of the legislation that the length of the trains must be reduced in order to contribute to safety, and the evidence 2 years ago was that when a train passed beyond the length of 2,640 feet—and it was the evidence of the trainmen themselves—they began to miss and misunderstand signals. Yet in the proposed legislation, urged in the name of safety, there may be a train of at least 4,900 feet or 5,000 feet, more than the length of any train concerning which evidence was introduced as to the difficulty of understanding signals.

Mr. FRAZIER. Mr. President, will the Senator yield again?

Mr. WHITE. I yield.

Mr. FRAZIER. I do not appreciate the argument of the Senator from Maine. Certainly there would be less danger on a train of 70 cars than on a train of 140 cars.

Mr. WHITE. That is just the question; I think the testimony is to the effect that there is not.

Mr. FRAZIER. It seems to stand to reason that in Maine, where there are those crooked railroads, the trainmen could not see a mile and a half back along the track, and it seems to me there would be a great deal more likelihood of accident with trains twice as long.

Mr. WHITE. I will give the Senator some figures as to the Maine trains before I conclude.

I think it is perfectly obvious that a reduction in the tonnage that can be carried by a particular train must increase the per-ton cost of hauling freight, and that is a cost which would ultimately fall upon the shipping public of the United States. I do not know that there is any way definitely to determine, if this proposed legislation shall be enacted, what this must mean in increased cost to the shipping public in our country.

I do have some data here with respect to a Maine railroad, and I shall read some of the data. The letter I have in my hand comes from the general manager of the Bangor & Aroostock Railroad Co., and I shall read only a part of it. The writer states:

When this matter of train-limit legislation came up I made careful studies on the question of accidents, as this measure was introduced as a safety measure. My studies showed that there were no more accidents in the longer trains than in the shorter, and our experience proves this to be correct. If we are required by law to handle a maximum of 70 cars per train, it is going to increase the number of trains moved over certain sections of our road two and a half to three times as many as we now move, which, in my judgment, will increase the hazard very materially rather than decrease it, because the more trains there are on a piece of road the more danger there is of collision and accidents due to the failure of the human element handling the trains. For this reason, if for no other, I think this legislation should not be adopted. We would be obliged to spend approximately one-half million dollars in the way of added sidetracks and other facilities if we were required to operate trains of 70 cars or less instead of our present trains, and this legislation would add about $145,000 per year to our operating expenses, and, as previously stated, I feel perfectly sure that the hazard to employees and others would be increased rather than decreased. Take the question of highway-crossing accidents, for instance.

And there is testimony in the record as to that, and there is evidence coming from other sources, from the railroad executives, that as to the number of trains passing over a given crossing is increased the chance of crossing accidents is tremendously increased. That evidence is somewhere in the record, but I shall not pause to put it in now.

I read further from the letter:

With two and a half to three trains passing over highway crossings in place of one as now the danger of highway crossing accident is proportionately increased, in addition to the danger of collision or other accident due to a greater number of trains on the road. This increased number of trains would also hamper us in our maintenance-of-way work and increase the danger of collision between trains and motor cars and section men.

Mr. President, that is the testimony of an experienced railroad man, and he is confining his observations to one of the railroads in the State of Maine.

Mr. FRAZIER. Mr. President, will the Senator yield again?

Mr. WHITE. I yield.

Mr. FRAZIER. I cannot quite understand the logic of the railroad man in Maine. He says it would take $500,000 more to build sidings for a short train than for a long train. Does it not stand to reason that a train of 100 cars would take a longer side track than one of 50 cars or 70 cars?

Mr. WHITE. The Senator does not understand my logic, and he does not understand the logic of the trainmen. A while ago—the Senator apparently was not here then—I read from the record just how the proposed legislation would increase the terminal area, just how the railroads would have to widen out their yards, just how they would have to multiply the switching operations, how they would have to increase the number of men engaged in such switching operations and in the movement of short trains within these narrowly congested areas.

Mr. President, as I said in the beginning, if I believed this proposed legislation would make any contribution to safety, I could not bring myself to oppose it. I think the testimony as a whole points entirely in the other direction; and, in my judgment, if we pass this measure we shall place in jeopardy the safety of trainmen, and not legislate in behalf of safety. The figures of the Interstate Commerce Commission bear testimony to that point. The vast mass of testimony before the committee in the hearings held more than 2 years ago is to the same effect.

Mr. President, the Interstate Commerce Commisison is charged by law with seeing to it that all the safety rules of law shall be put into effect and shall be applied on the railroads of the United States. I say it is a significant thing that the Interstate Commerce Commission, with this obligation upon it, has never endorsed this proposed legislation. More than that, legislation of this character has been introduced before the legislatures of, I think, 30 States of this Nation, and at some 70 or 80 separate sessions of the legislatures of these States legislation of this character has not been passed, though introduced. The examination made by those charged with the responsibility has led these legislators, scattered throughout the length and breadth of the Nation, to the conclusion that this sort of legislation is not in behalf of the trainmen of the United States.

Out in Nevada such legislation was passed. It came before the court there; and the court definitely stated, in reviewing some 10,000 pages of testimony, I think, that there was no relation between increasing safety and shortening the length of the trains, but they expressed the definite opinion that to shorten the trains would add to the jeopardy of a service which is already hazardous.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PALMISANO, Mr. KENNEDY of Maryland, Mr. NICHOLS, Mr. DIRKSEN, and Mr. SHORT were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the second report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate no. 89 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its amendments to Senate amendments nos. 93 and 95 to the bill.

LIMITATION OF THE SIZE OF TRAINS

The Senate resumed the consideration of the bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars.

Mr. COPELAND. Mr. President, when I was a little boy my mother's home was within 200 feet of the chief grade crossing in our community. There were, and there are now, three grade crossings within a distance of a quarter of a mile of her house.

I want to ask Senators this question: Did you ever see an engine, a great juggernaut, run into a team of horses driven by a farmer hurrying to reach home, and in his farm wagon a wife and child? Did you ever see an engine run into a team under circumstances such as I have described? Have you seen the entrails of those torn horses wrapped around the smokestack of the locomotive, and blood and gore upon the cowcatcher? Mr. President, it so happened that twice in my early life I stood on the porch of my mother's house and saw that happen. Of course, each time a great crowd accumulated, and I rushed to see what had happened to the human beings. I saw those persons, broken in bone and flesh, bleeding, dead. Fortunately, their own agony had passed, and they could not hear the terrible squeals and witness the sufferings of the poor brutes, the horses who were hit.

At the moment I am not interested in the economics of this problem. I have been told how much more it would cost the railroads if this proposed legislation were enacted. I have been told how much poorer would be the service. But, Mr. President, I leave these arguments for others; I must deal with the matter as a human problem.

This morning I tried to have the Senator from Nevada give me—and he did—certain figures relating to the number of deaths and accidents due to taking up the slack on these long trains. I am going to concede all that, although I know perfectly well that the slack must be taken up on a 70-car train, which is a very material proportion of a 100-car train. I am going to concede that there are accidents to trainmen, and I am sorry about that.

I lived in the little town I have spoken about, and which in those days happened to be more or less a railroad center. I witnessed the agony of a family or two, my neighbors, when the husband and father was brought home on a shutter or on a door, broken and dying, perhaps dead.

Mr. President, when we increase the number of trains, as we must under this proposed legislation, when we reduce the number of cars from 100—and I think the Senator from Nevada said even 140 cars sometimes——

Mr. McCARRAN. Two hundred cars.

Mr. COPELAND. Two hundred cars sometimes—when we reduce the number of cars to 70, it means that there will be many more grade-crossing accidents, because there will be many more trains to carry the traffic borne under present conditions.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. COPELAND. I yield.

Mr. McCARRAN. When the Senator deals with the question of grade-crossing accidents, does he recall that the Congress of the United States passed a bill appropriating $4,800,000,000, a great portion of the money involved in that bill being for the elimination of grade crossings?

Mr. COPELAND. Very well.

Mr. McCARRAN. Does the Senator further recall that a similar provision for the elimination of grade crossings is also carried, if I am not mistaken, in the measure making appropriation of $1,500,000,000; and does not the Senator believe, by reason of the fact that the Government has appropriated billions of dollars—I say advisedly billions—for the elimination of grade crossings, that grade crossings no longer exist?

Mr. COPELAND. Mr. President, let me say to my friend that I was glad to vote for certain bills because there was the possibility of the elimination of grade crossings. If I were indelicate enough to refer to many personal incidents in my life, I could show the Senate what an intimate relationship I have had to the problem of grade crossings.

Thirty years or so ago I happened to be mayor of a little city in the West, where there were two railroads. One was an east-and-west railroad and the other a north-and-south railroad. The north-and-south railroad crossed many streets at grade. It was one of my pleasures and privileges, as mayor of that town, to separate the grades so that no longer should the children who were on their way to school or to the shops be endangered upon the tracks. When I was criticized by certain citizens whose interests were affected, or who thought their interests were affected, by what I was proposing to do, and who said, "Why do you do this?" I replied, "I do it because I saw my mother grow old before her years worrying about her children who had to cross the tracks under such circumstances", with possibilities such as I mentioned a few moments ago.

Now, let me give a full answer to what the Senator from Nevada has said.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. McKELLAR. Mr. President, will the Senator from New York yield to me for a moment so that further action may be taken on the Interior Department appropriation bill?

Mr. COPELAND. The Senator knows that I am the most yielding Senator in this body. I have discovered that many times to my detriment.

Mr. McKELLAR. I have discovered it quite a number of times.

Mr. COPELAND. And yet, at the same time, I have never been able to resist the appeal of the Senator from Tennessee.

Mr. McKELLAR. I bow to the Senator.

Mr. COPELAND. And certainly in this instance, as in all others, I yield.

Mr. McKELLAR. I thank the Senator. I now ask the Chair to lay before the Senate the action of the House of Representatives on certain amendments of the Senate to the Interior Department appropriation bill.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives on certain amendments of the Senate to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
July 26, 1937.

Resolved, That the House recede from its disagreement to the amendment of the Senate no. 89 to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment insert "$700,000";

That the House insist upon its amendment to Senate amendment no. 93 to said bill; and

That the House insist upon its amendment to Senate amendment no. 95 to said bill.

Mr. McKELLAR. I first move that the Senate agree to the amendment of the House to the amendment of the Senate numbered 89.

Mr. McCARRAN. Mr. President, may we have some idea what the amendment is?

Mr. McKELLAR. That is the amendment offered by the Senator from Arizona [Mr. HAYDEN] providing for the improvement of the Gila River. The next two motions I will say relate to changing totals to harmonize with the action on amendment numbered 89.

Mr. McCARRAN. May I ask the Senator if either of the items have anything to do with Boulder Dam?

Mr. McKELLAR. No, sir.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I next move that the Senate concur in the amendment of the House to the amendment of the Senate no. 93 with an amendment as follows:

In lieu of the sum "$9,150,000" proposed by the House, insert "$9,850,000."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. Then I move that the Senator concur in the amendment of the House to the amendment of the Senate no. 95 with an amendment as follows:

In lieu of the sum "$10,316,600" proposed by the House, insert "$11,016,600."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I thank the Senator from New York for his kindness in yielding.

Mr. COPELAND. The Senator can ask me at any time to yield to him, and of course I shall be glad to do it.

LIMITATION OF THE SIZE OF TRAINS

The Senate resumed the consideration of the bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars.

Mr. COPELAND. Mr. President, to answer the Senator from Nevada—of course, I am delighted that we have moved in the direction of getting rid of grade crossings. It will be pleasing to all Senators to know that in 1935 we got rid of 1,184 of these deadly things; that in 1934 we got rid of 1,110; and in 1933 we got rid of 1,241; in 1932 we got rid of 632; in 1931 we got rid of 399; and in 1930 we got rid of 136. So, Mr. President, beginning with 1930 we have had each year a decrease in their number. Previous to that time, for a number of years there was a net annual increase in the number of grade crossings. It is encouraging to note that we are getting rid of them—but what do we have left?

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. COPELAND. Certainly.

Mr. McCARRAN. I do not know—and I say this parenthetically—whether or not the Senator is now engaged in a filibuster against the bill.

Mr. COPELAND. Oh, no. Let me say, Mr. President, I am not indulging in a filibuster at all; I wish to make a speech on the human side of the problem.

Mr. McCARRAN. Very well. I will take the Senator at his word, because I know his word is as good as gold, and gold is a precious thing; but the Senator having read the record bearing on the elimination of a great hazard which has heretofore destroyed many thousands of human lives and which is now being eliminated, will not the Senator join in the elimination of another hazard that has destroyed human life by the thousands, a hazard that is incident to an industry, namely, the uncontrolled long trains? Will he not join with us, as he joined in the elimination of grade crossings, in the effort to secure the elimination of the agency of death which I have mentioned?

Mr. COPELAND. Mr. President, when I have completed the answer to the first question the Senator asked me I will then answer the second one. He asked me about the elimination of grade crossings, and I gave him the figures indicating that about 5,000 grade crossings have been eliminated in 6 years.

Mr. MALONEY. How many are there left?

Mr. COPELAND. Mr. President, there remained in this country on the 31st of December 1935, just a year ago last New Year's Day, 234,231 grade crossings. Despite the elimination of 1,184 during the last year of record, 887 were added; so we have left 234,000 grade crossings unprotected.

Now, to answer the second question of the Senator from Nevada. Yes; when we have protection at grade crossings and the prevention of accidents there, I will vote with him to limit the size of trains to 50 cars or 40 cars—I do not care what the number may be—but I want him to see what the comparison is now between deaths upon trains and deaths at the crossings.

Mr. McCARRAN. Mr. President, will the Senator yield for another question?

Mr. COPELAND. I will yield, but let me remind the Senator he must not filibuster his own bill.

Mr. McCARRAN. I am not filibustering. I wish to ask the Senator a question only.

Mr. COPELAND. Very well; the Senator may say all he desires.

Mr. McCARRAN. Does not the Senator realize, in view of his wide experience, that there is truth in the expression, "Comparisons are odious"?

Mr. COPELAND. I think the Senator will find this one to be odious, for in 1935 there were killed upon the railroads in America no passengers and 20 employees. What happened at the grade crossings? The number of accidents at highway grade crossings was 3,933; the number of accidents at grade crossings involving automobiles was 3,504; the number of persons killed in 1935 at grade crossings was 1,680. That is a comparison that must be odious—1,680 persons were killed at grade crossings in the United States in 1935, while only—I will not say "only"—while 20 employees were killed upon the railroads.

Mr. McCARRAN. If the Senator will yield further, I take it, in other words, the Senator would vote against the bill now pending because only 20 railroad employees were killed.

Mr. COPELAND. If the Senator will permit me to say so, he took advantage of what I said when I used the word "only." I do not want anybody to be killed. I was a doctor for many years of my life. It was my job to keep people alive. I do not want anybody killed anywhere. I do not want any human suffering if I can help it. But if I have to choose between 20 employees and 1,680 other citizens, I must choose on the side of the preservation of life so far as possible at grade crossings.

If there is one Member of this body with whom I hate to be in opposition, it is the Senator from Nevada, as he knows; but in his own State—it has been referred to this morning and I sent for the official court record—in his own State, on February 23, 1937, in a case where the question of the slack and the danger of the long train was involved, it was clearly stated:

A careful review of all the evidence warrants the conclusion that from the standpoint of safety to the public, to travelers on railroads, and to railroad employees, the Nevada train-limit law bears no reasonable relation to safety, but, if enforced, would impair and lessen the safety of plaintiffs' present method of freight-train operation in Nevada.

That was from the master's report. Then the court continued:

The court approves and adopts the findings of fact and conclusions of law submitted for consideration by the special master. Defendant's exceptions to certain of the findings of facts so submitted are overruled.

Plaintiff is entitled to a decree granting a permanent injunction as prayed for.

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Maryland?

Mr. COPELAND. Certainly.

Mr. TYDINGS. It may have been brought out previously, but I have not been constantly in the Chamber. May I ask either the Senator from New York or the Senator from Nevada what has been the attitude of the Interstate Commerce Commission with reference to the bill?

Mr. McCARRAN. Mr. President, may I answer in the time of the Senator from New York?

Mr. COPELAND. I yield to the Senator from Nevada.

Mr. McCARRAN. I quoted from the report of the committee that the position of the Interstate Commerce Commission, as represented by Mr. Eastman, is that the Commission neither approves nor disapproves the bill, but says it is entirely a matter of policy which is for Congress to determine.

Mr. TYDINGS. I should like to ask whether the Interstate Commerce Commission, to which the Senator has alluded, now has the authority to limit the size or length of freight trains, or whether it has not such authority?

Mr. McCARRAN. I question, and undoubtedly the Interstate Commerce Commission has questioned its right to do so. Whether or not that be true, this bill would be in aid of the powers of the Interstate Commerce Commission.

Mr. TYDINGS. I should like to ask the Senator from Nevada whether or not he has considered giving the Interstate Commerce Commission the authority, without actually fixing any limit, to limit the number of cars in trains to suit what they would conceive to be in the interest of the public, all things considered?

Mr. McCARRAN. This is a bill proposing to amend the interstate-commerce law so there may be a positive limitation of not to exceed 70 cars. That is based on investigations and tests made by the Interstate Commerce Commission itself over the Shasta division, as I have related them.

I apologize to the Senator from New York, although I think he is very glad to have me take up the time. I have had some suspicion about the Senator from New York.

Mr. COPELAND. Just a moment, Mr. President. I am here for one purpose and that is to try to express in simple language the terms of a human problem. I am not filibustering against the Senator's bill. If I am permitted to go forward with my speech I shall conclude within 15 minutes. I have no desire at all to extend the argument. I have no desire to prevent a vote. If the Senator will allow me to proceed I shall conclude very quickly.

Mr. McCARRAN. I am grateful to the Senator for that statement.

Mr. BONE. Mr. President, will the Senator from New York yield?

Mr. COPELAND. Certainly.

Mr. BONE. I am not certain whether or not the information I seek has been given. I suspect a great many laymen would be interested in the question of how long a freight train of 70 cars would be. My own idea is that it would be about three-fifths of a mile long.

Mr. McCARRAN. Mr. President, will the Senator from New York permit me to answer the Senator from Washington?

Mr. COPELAND. Certainly.

Mr. McCARRAN. The average freight car in average service is 42 feet 6 inches long. That is the actual length of the car in service. To that may be added the expansion of the draw bar of 1 foot, as claimed by the employees, or 7½ inches, as claimed by those who are opposed to the measure. However, 42 feet 6 inches is the average length of the average freight car in service on the class A roads of the country.

Mr. BONE. When freight trains are moving, my recollection is there is about 2 feet or 2½ feet between the cars as they run on the railroad.

Mr. McCARRAN. Forty-two feet 6 inches over all, from knuckle to knuckle.

Mr. BONE. Including the couplers?

Mr. McCARRAN. Yes; including the couplers. Remember that the drawbar is included in the coupling. The drawbar is engaged to a spring which extends so as to allow resiliency. The extension is 1 foot per car. In other words, the greatest extension we have to make is 1 foot per car, which allows 1-foot extension over the entire length of the car when the train is pulling at full speed. Have I made myself clear?

Mr. BONE. I understand that statement. I was trying to bring out the information so that anyone reading the RECORD might understand the facts without being involved in a matter of arithmetic. I think a train of 70 cars would be over 3,000 feet in length.

Mr. McCARRAN. I think that is correct. A train of 100 cars is about 1 mile in length. I believe I made myself clear in answer to the question of the Senator from Maryland [Mr. TYDINGS].

Mr. COPELAND. Now, Mr. President, in my own time let me make clear what the situation is. During the colloquy which has just taken place I had an opportunity to examine the report of the Interstate Commerce Commission, and I find in it these figures:

For the year ended June 30, 1936, the number of employees killed was 59 as a result of derailments, 7 because of collisions in automatic-signal territory, and 35 collisions in time-table and train-order territory in the yards, a total of 101 persons killed wherever they were employed upon railroad property. In addition to those fatally injured were 627 who were listed as injured, making a total of 728 casualties among employees.

Now let me refer to the other figures. Grade crossings, where a man hurrying home, perhaps deaf or blind, but whatever his condition, meets disaster at a grade crossing. In the corresponding year there were 1,680 killed and 4,658 injured, a total number of casualties of 6,338 at grade crossings, as against 628 of employee casualties.

Another figure is shown at page 100 of the report of the Interstate Commerce Commission. Casualties to trespassers and persons at grade crosings in 1935 accounted for 85.1 percent of the 5,258 railway accident fatalities reported in 1935.

I have always counted myself a friend of labor. If this bill would lead to the employment of hundreds or thousands of persons now unemployed, I should be glad indeed if it could pass, provided there were not drawbacks to make it humanly wrong. I am thinking not alone of those who might be employed on the railroads, but of the children of railroad men, who are very likely to live in the railroad territory, and may be the very children who will be crossing the tracks at grade, and will suffer death or injury in consequence.

So, Mr. President, I am opposing this bill in the interest of humanity. I am not opposing it because it will cost $100,000,000 more annually to the American people to have short trains. I am not opposing it because of the loss to the raisers of fruits. I am not opposing it for any economic reason except so far as that economic reason is related to human life and the value of human life.

Mr. President, it has been intimated that I was filibustering this bill. We have heard a great deal about reprisals in the past 2 or 3 months. You know, a Senator does not like to be accused of filibustering when he rose with no thought in his mind of any such thing.

Are there any amendments pending to the bill?

The PRESIDING OFFICER (Mr. BILBO in the chair). There are none. The Chair will state to the Senator that the bill is open to amendment.

Mr. COPELAND. Mr. President, I offer as an amendment to the bill the antilynching bill, known as House bill 1507. I ask to have the clerk read enough of it to let the Senate know the purport of the amendment.

The Chief Clerk proceeded to read the amendment. After having read for some time,

Mr. COPELAND. Mr. President, I am not sure that it is necessary to read all the amendment. I ask that the further reading may be dispensed with and that the amendment may be printed in full in the RECORD.

The PRESIDING OFFICER. Without objection, that order will be made.

Mr. COPELAND's amendment was to insert at the end of the bill the following:

That the provisions of this act are enacted in exercise of the power of Congress to enforce, by appropriate legislation, the provisions of the fourteenth amendment of the Constitution of the United States and for the purpose of better assuring under said amendment equal protection to the lives and persons of citizens and due process of law to all persons charged with or suspected or convicted of any offense within the jurisdiction of the several States. A State shall be deemed to have denied to any victim or victims of lynching equal protection and due process of law whenever that State or any legally competent governmental subdivision thereof shall have failed, neglected, or refused to employ the lawful means at its disposal for the protection of that person or those persons against lynching or against seizure and abduction followed by lynching.

SEC. 2. Any assemblage of three or more persons which shall exercise or attempt to exercise by physical violence and without authority of law any power of correction or punishment over any citizen or citizens or other person or persons in the custody of any peace officer or suspected of, charged with, or convicted of the commission of any offense, with the purpose or consequence of preventing the apprehension or trial or punishment by law of such citizen or citizens, person or persons, shall constitute a "mob" within the meaning of this act. Any such violence by a mob which results in the death or maiming of the victim or victims thereof shall constitute "lynching" within the meaning of this act: *Provided, however,* That "lynching" shall not be deemed to include violence occurring between members of groups of lawbreakers such as are commonly designated as gangsters or racketeers, nor violence occurring during the course of picketing or boycotting or any incident in connection with any "labor dispute" as that term is defined and used in the act of March 23, 1932 (47 Stat. 70).

SEC. 3. Whenever a lynching of any person or persons shall occur, any officer or employee of a State or any governmental subdivision thereof who shall have been charged with the duty or shall have possessed the authority as such officer or employee to protect such person or persons from lynching and shall have willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching and any officer or employee of a State or governmental subdivision thereof who shall have had custody of the person or persons lynched and shall have willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching, and any officer or employee of a State or governmental subdivision thereof who, having the duty as such officer or employee, shall willfully neglect, refuse, or fail to make all diligent efforts to apprehend, keep in custody, or prosecute the members or any member of the lynching mob, shall be guilty of a felony and upon conviction thereof shall be punished by a fine not exceeding $5,000 or by imprisonment not exceeding 5 years, or by both such fine and imprisonment.

SEC. 4. Whenever a lynching of any person or persons shall occur, and information on oath is submitted to the Attorney General of the United States that any officer or employee of a State or any governmental subdivision thereof who shall have been charged with the duty or shall have possessed the authority as such officer or employee to protect such person or persons from lynching, or who shall have had custody of the person or persons lynched, has willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching or that any officer or employee of a State or governmental subdivision thereof, in violation of his duty as such officer or employee, has willfully neglected, refused, or failed to make all diligent efforts to apprehend, keep in custody, or prosecute the members or any member of the lynching mob, the Attorney General of the United States shall cause an investigation to be made to determine whether there has been any violation of this act.

SEC. 5. (1) Every governmental subdivision of a State to which the State shall have delegated functions of police shall be responsible for any lynching occurring within its territorial jurisdiction. Every such governmental subdivision shall also be responsible for any lynching occurring outside of its territorial jurisdiction, whether within or without the same State, which follows upon the seizure and abduction of the victim or victims within its territorial jurisdiction. Any such governmental subdivision which shall fail to prevent any such lynching or any such seizure and abduction followed by lynching shall be liable to each person injured, or to his or her next of kin if such injury results in death, for a sum not less than $2,000 and not more than $10,000 as monetary compensation for such injury or death: *Provided, however,* That the governmental subdivision may prove by a preponderance of evidence as an affirmative defense that the officers thereof charged with the duty of preserving the peace, and citizens thereof when called upon by any such officer, used all diligence and all powers vested in them for the protection of the person lynched: *And provided further,* That the satisfaction of judgment against one governmental subdivision responsible for a lynching shall bar further proceedings against any other governmental subdivision which may also be responsible for that lynching.

(2) Liability arising under this section may be enforced and the compensation herein provided for may be recovered in a civil action in the United States district court for the judicial district of which the defendant governmental subdivision is a part. Such action shall be brought and prosecuted by the Attorney General of the United States or his duly authorized representative in the name of the United States for the use of the real party in interest, or, if the claimant or claimants shall so elect, by counsel employed by the claimant or claimants, but in any event without prepayment of costs. If the amount of any such judgment shall not be paid upon demand, payment thereof may be enforced by any process available under the State law for the enforcement of any other money judgment against such a governmental subdivision. Any officer of such governmental subdivision or any other person who shall disobey or fail to comply with any lawful order or decree of the court for the enforcement of the judgment shall be guilty of contempt of that court and punished accordingly. The cause of action accruing hereunder to a person injured by lynching shall not abate with the subsequent death of that person before final judgment but shall survive to his or her next of kin. For the purpose of this act the next of kin of a deceased victim of lynching shall be determined according to the laws of intestate distribution in the State of domicile of the decedent. Any judgment or award under this act shall be exempt from all claims of creditors.

(3) Any judge of the United States district court for the judicial district wherein any suit shall be instituted under the provisions of this act may by order direct that such suit be tried in any division of such district as he may designate in such order.

SEC. 6. The essential purpose of this act being the furtherance of protection of the lives and persons of citizens and other persons against unlawful and violent interference with or prevention of the orderly processes of justice, and equal protection and due process of law, and against possible dereliction of duty in this respect by States, or any governmental subdivision thereof, or any officer or employee of either a State or governmental subdivision thereof. Therefore if any particular provision, sentence, or clause, or provisions, sentences, or clauses of this act, or the application thereof to any particular person or circumstance, is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Mr. CONNALLY. Mr. President, I make the point of order that the amendment is not germane to the bill before the Senate.

The PRESIDING OFFICER. The point of order is sustained by the Chair.

Mr. COPELAND. Mr. President, I assume that I still have the floor. Some of us have had a suspicion that the antilynching bill would be lynched on the floor of the Senate, as it has been. I am not enough of a parliamentarian to know whether or not what has been done is proper.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Texas?

Mr. COPELAND. Certainly.

Mr. CONNALLY. Does the bill which the Senator has offered as an amendment, the so-called antilynching bill, also deal with gang murders in New York City?

Mr. COPELAND. I hope it does.

Mr. CONNALLY. I will say that, if it does not, the Senator ought to amend it so as to include gang murders.

Mr. COPELAND. Very well; I will amend it. I am just as insistent upon the decent treatment of people in New York City as I am anywhere in the universe.

Mr. CONNALLY. I congratulate the Senator upon his broad-mindedness and upon his taking the right attitude.

Mr. COPELAND. I thank the Senator. If there is one place in the world where I want crime to be at the minimum and where the courts should be most effective, it is in the city of New York.

Mr. President, if we had present a quorum of the Senate, I should appeal from the decision which the Chair has made regarding the germaneness of this particular amendment; and, if I may have a quorum, I am going to appeal from the ruling of the Chair.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	La Follette	Radcliffe
Andrews	Davis	Lee	Russell
Austin	Dieterich	Lewis	Schwartz
Bailey	Donahey	Lodge	Schwellenbach
Barkley	Duffy	Logan	Sheppard
Bilbo	Ellender	Lonergan	Smathers
Black	Frazier	Lundeen	Smith
Bone	Gerry	McCarran	Stelwer
Borah	Gillette	McGill	Thomas, Okla.
Brown, Mich.	Green	McKellar	Thomas, Utah
Brown, N. H.	Hale	McNary	Townsend
Bulkley	Harrison	Maloney	Truman
Bulow	Hatch	Minton	Tydings
Byrd	Herring	Murray	Vandenberg
Byrnes	Hitchcock	Neely	Van Nuys
Capper	Holt	Overton	Walsh
Caraway	Hughes	Pepper	Wheeler
Chavez	Johnson, Colo.	Pittman	White
Connally	King	Pope	

The VICE PRESIDENT. Seventy-five Senators having answered to their names, a quorum is present.

Mr. COPELAND. Mr. President, I desire to appeal from the decision of the Chair on the point of order raised by the Senator from Texas to the amendment offered by me.

Mr. LEWIS. Mr. President, I desire to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LEWIS. As the predecessor of the present occupant of the chair ruled that some measure tendered by the Senator from New York in the form of an amendment was not germane, I ask, is there any rule of the United States Senate which authorizes that any document tendered or any provision tendered may be rejected on the ground that it is not germane?

The VICE PRESIDENT. The Senator from Illinois submits a parliamentary inquiry. The present occupant of the chair was not in the chair at the time the point of order was made. The Chair is advised by the Parliamentarian, in addition to his own information concerning the rules of the Senate, that the only measure as to which a question of germaneness may be raised is a general appropriation bill, unless the Senate is proceeding under cloture, when no amendment shall be in order unless it is germane. In the opinion of the Chair, the occupant of the chair at the time the ruling was made did not examine the precedents and did not arrive at his decision from the precedents.

Mr. COPELAND. As I understand, then, the Chair overrules the previous occupant of the chair, and the Chair takes the position that the amendment which I have offered is a proper amendment to the bill?

The VICE PRESIDENT. The Parliamentarian advises the Chair that in an appeal on a question of this nature the Senate would have to vote on the question of the germaneness of the amendment. The Chair was merely answering a parliamentary inquiry propounded by the Senator from Illinois as to what the rule of germaneness was. The Chair understands the rules of the Senate to be such that in general legislative matters germaneness is not required. The rule as to germaneness of amendments applies only to general appropriation bills, and when the Senate is proceeding under cloture.

Mr. KING. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KING. If I understand correctly the statement just made by the Vice President, the action of the former Presiding Officer in sustaining the point of order is not supported by the precedents.

The VICE PRESIDENT. The question before the Senate is, Shall the decision of the Presiding Officer stand as the judgment of the Senate?

Mr. COPELAND. Mr. President, upon that question I ask for the yeas and nays.

The VICE PRESIDENT. Is the demand seconded? [After a pause.] The present occupant of the chair had the privilege of presiding over another body, and desires to call attention to one custom of the Senate which is rather unique in a parliamentary body, though what brought it about the Chair does not know. Evidently some occupant of the chair did not have accurate vision, or some other reason existed, and the Senate decided that the Secretary of the Senate, who is its agent, should determine whether the constitutional requirement that one-fifth of the Senators present should desire the yeas and nays was complied with. Heretofore the present occupant of the chair has been counting the hands raised, but his attention has been called to the custom, and hereafter, unless the Senate shall otherwise direct, the Chair will let the agent of the Senate, the Secretary, determine whether one-fifth of the Senators present desire the yeas and nays.

Mr. BARKLEY. Mr. President, will the Senator from New York yield to me to submit a unanimous-consent request?

Mr. COPELAND. Perhaps my leader will be good enough to tell me what it is he desires to ask.

Mr. BARKLEY. I am sure no Senator wishes to have an erroneous interpretation of the rules stand, and I desire to ask unanimous consent that, notwithstanding the ruling of the former occupant of the chair, the present occupant of the chair, the Vice President, be permitted to rule on the question of germaneness with respect to the amendment offered by the Senator from New York.

Mr. COPELAND. I have no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Chair overrules the point of order.

The question now is on the amendment offered by the Senator from New York.

Mr. COPELAND. I ask for the yeas and nays.

Mr. McNARY. Mr. President, may I inquire the nature of the amendment proposed?

The VICE PRESIDENT. The clerk will again report the amendment.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and to insert the following:

That the provisions of this act are enacted in the exercise of the power of Congress to enforce, by appropriate legislation, the provisions of the fourteenth amendment of the Constitution of the United States and for the purpose of better assuring under said amendment equal protection to the lives and persons of citizens and due process of law to all persons charged with——

Mr. McCARRAN. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCARRAN. Is it in order to lay the motion to amend on the table?

The VICE PRESIDENT. When an amendment is reported from the desk, and a Senator gets the floor, it is in order to move to lay it on the table.

Mr. COPELAND. Mr. President——

Mr. McCARRAN. The Senator from New York asked, in the first instance, that the reading of the amendment be curtailed. I should like to curtail the amendment right back of the ears now.

The VICE PRESIDENT. The Senator from New York has the floor.

Mr. McCARRAN. Will the Senator from New York yield to a motion?

Mr. COPELAND. To lay the amendment on the table?

Mr. McCARRAN. Yes.

Mr. COPELAND. No; but I am perfectly willing to have an immediate vote on it.

Mr. McCARRAN. Then, I move that the amendment be laid on the table.

Mr. COPELAND. I do not yield for that purpose.

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

Mr. COPELAND. For a question.

Mr. TYDINGS. May I ask the Senator whether the amendment which he has offered is the perfected bill as coming from the senior Senator from Indiana [Mr. VAN NUYS], or is it the original antilynching bill?

Mr. COPELAND. I have offered the House bill, which I understand to be the perfected bill. This bill is one which

is intended to stop the lynching of colored people. That is the purpose of the bill.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. Just a moment. The Senator from Oregon requested, in substance, that the amendment again be reported from the desk so that the Senate might have information as to its purport.

Mr. McNARY. Mr. President, I really desired to have an answer to my inquiry. I was out of the Chamber at the time the amendment was offered, and I wished to know what particular amendment was being considered. I understand it is the antilynching bill which is on the Senate Calendar, reported from the Senate Committee on the Judiciary, that that is the offer made by the Senator from New York. Therefore I am familiar with its contents.

Mr. CONNALLY. Mr. President, the Senator is in error. His statement is true so far as it goes; the Senate bill is on the calendar, but the Senator from New York said he was offering the House bill, which is stricken out of the Senate bill and a wholly new bill substituted.

Mr. McNARY. I was not answering any question; I was merely stating the view I entertained without having full knowledge of the situation. I assumed that the bill offered as an amendment was the one which had been reported from the Committee on the Judiciary for the calendar.

The VICE PRESIDENT. The clerk advises the Chair that the proposed amendment is a bill which has been reported by the Committee on the Judiciary of the Senate.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. COPELAND. For a question.

Mr. TYDINGS. May I ask the Senator from New York whether the so-called Senate judiciary bill is the one which was perfected by the Senator from Indiana [Mr. VAN NUYS], or is it the original Senate antilynching bill?

Mr. COPELAND. This is the bill as perfected by the Committee on the Judiciary through the efforts of the Senator from Indiana.

Mr. VAN NUYS. Mr. President, may I ask a question of the Senator from Maryland?

Mr. COPELAND. Suppose the Senator asks me the question. I see "a man upon the stair."

Mr. VAN NUYS. No; I do not intend to do that. This is the bill as suggested by the Senator from New York and perfected in the Judiciary Committee of the Senate—the House bill known as the Wagner-Van Nuys bill.

Mr. COPELAND. Mr. President, the amendment which I have offered——

The VICE PRESIDENT. Just a moment, Senators. The Chair does not know whether the Senator from Oregon [Mr. McNARY] still desires the amendment to be read to the Senate in order that he may receive the information he desired.

Mr. McNARY. Mr. President, I have identified the bill. It is just as I thought. The Senator from Texas [Mr. CONNALLY] is in error. If it is not too long, I should like to have the amendment read.

The VICE PRESIDENT. The amendment will be read.

The Chief Clerk read as follows:

A State shall be deemed to have denied to any victim or victims of lynching equal protection and due process of law whenever that State or any legally competent governmental subdivision thereof shall have failed, neglected, or refused to employ the lawful means at its disposal for the protection of that person or those persons against lynching or against seizure and abduction followed by lynching.

SEC. 2. Any assemblage of three or more persons which shall exercise or attempt to exercise by physical violence and without authority of law any power of correction or punishment over any citizen or citizens or other person or persons in the custody of any peace officer or suspected of, charged with, or convicted of——

Mr. McCARRAN. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. McCARRAN. Does the Senator from New York [Mr. COPELAND] hold the floor while the Senator from Oregon asks for a reading of this amendment, and while the amendment is being read pursuant to that request?

The VICE PRESIDENT. The Senator from Oregon [Mr. McNARY] asked for information as to what the amendment was. The Chair did not know. Therefore, the Senator from Oregon requested that the amendment be read for the information of the Senate. The Chair thinks in good faith the Senator from New York would then have the floor.

Mr. BLACK. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. BLACK. Is it in order, then, to object to the reading of the amendment with the Senator from New York holding the floor? I do not think it is proper for a Senator to hold the floor while the amendment is being read.

The VICE PRESIDENT. The Chair was stating to the Senator from Nevada the parliamentary situation only. The Senator from New York had the floor, and the Senator from Oregon rose and asked what the amendment was. The Chair was not acquainted with it, so the Senator from Oregon asked that the amendment again be read. It seems that in good faith the Chair should recognize the Senator from New York at the conclusion of the reading of the amendment, even if he did not have the floor while the amendment was being read, since he had the floor at the time it was requested that the amendment be read for the information of the Senator from Oregon.

Mr. BLACK. Mr. President, I desire to state that if the amendment is being read by unanimous consent I object to its being read.

The VICE PRESIDENT. Objection is heard. The Chair recognizes the Senator from New York.

Mr. COPELAND. Mr. President, the amendment I have offered is thoroughly understood by this body. There has been great resentment in the country—I say it without reflection upon any State or upon any official known to me—because it is well-known that the colored people have "plenty hard times."

I recognize that we do not do everything quite to the point of perfection in my State. The Senator from Texas [Mr. CONNALLY] asked me about racketeering in New York. I will say that I am just as much opposed to racketeering and crime in New York as I am opposed to it in Texas, or anywhere else; but I am determined, if I can, in these late hours of the session, to have a vote taken by this body to let the country know how it stands about the rights of the race some of whose members have been subjected to lynching.

Mr. President, I have no desire to argue the matter. I shall be perfectly satisfied if a vote is taken and the matter dealt with. I do not wish to extend the debate upon the bill of the Senator from Nevada. He is entitled to a vote upon that bill, which I shall help him get.

But this is a matter so important to large groups of persons in the United States that we ought not to leave the torrid city of Washington until we have decided on the attitude of the Senate toward this great question.

Mr. President, if there is any speedy way in which the amendment may be submitted to a vote, I shall be glad to have it voted upon without any further debate, so far as I am concerned. So perhaps I may ask the Chair to advise me just how that purpose may be accomplished?

The VICE PRESIDENT. Does the Senator from New York yield the floor?

Mr. COPELAND. I am asking a parliamentary question, if I may.

The VICE PRESIDENT. The Senator will state it.

Mr. COPELAND. My question is: Will the Chair advise me how, without prolonging the debate, we may have an immediate vote upon this amendment?

The VICE PRESIDENT. If the Senator from New York yields the floor, the Chair will recognize the Senator from Nevada [Mr. McCARRAN], who is in charge of the bill, for whatever action he may see fit to take.

Mr. COPELAND. There are other Senators here who are just as much interested in the amendment as am I. I want them to share responsibility in this matter. I do not happen to be a parliamentarian, and just now I am in very serious

need of advice in order that I may know exactly how to proceed to get a vote upon the amendment.

Mr. BAILEY. Mr. President, may I ask the Senator a question?

Mr. COPELAND. I yield for a question.

Mr. BAILEY. Does the Senator realize that in this so-called antilynching measure it is proposed that the Federal Government shall impose a fine of $10,000 upon the innocent people of any county in which a lynching occurs? Is that the Senator's understanding of one of the sections of the amendment?

Mr. COPELAND. I understand that that is in the amendment; but whether it is in the original measure as it came from the House or in the amendment reported by the Senate committee I am not advised. I should like to say that I should be very happy indeed to have all such details and machinery worked out, and I assume that since the measure has been radically amended by the Senate committee, it must be worked out in conference. Those provisions that are offensive, or which are intemperate or excessive, may be dealt with in conference. I have understood, however, that there was a provision for such fines as the Senator mentioned.

Mr. BAILEY. Mr. President, may I ask the Senator another question? Does the Senator yield?

Mr. COPELAND. For a question; yes.

Mr. BAILEY. Assuming that there is such a provision in the amendment—the Senator is supporting the amendment as it is—will the Senator undertake to explain to me just how he arrives at the view that it would be either just or honest to impose a fine of $10,000 upon innocent people for a great wrong done by a mob? Will the Senator kindly explain to me just how he arrives at the view that that is the fair thing to do, to put it simply?

Mr. COPELAND. Mr. President——

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. COPELAND. I yield for a question.

Mr. McCARRAN. Before the Senator answers the question of the Senator from North Carolina, may I refer to the fact that the Senator denied any disposition to filibuster on the pending bill, Senate bill 69, and may I refer further to the record as made this afternoon when the Senator said he would yield the floor at 3:30? Does the Senator now deny that he is instituting a filibuster against Senate bill 69?

Mr. COPELAND. Mr. President, I do deny that I am instituting a filibuster against the bill of the Senator from Nevada. At the hour of 3:30 I was willing to leave the floor after receiving a vote upon this measure, and I am glad to do so now. I want the Senator from Nevada to realize, however, that there are matters of legislation upon the Senate Calendar which are just as vitally important to my section of the world as various matters of railroad legislation may be to the Senator from Nevada, whom I love and admire. Those of us who take the view we do about the colored people—and we have a very large population of colored people in my State—feel that they are entitled to all the rights and privileges that can be accorded to white men. One of the things that make me proud of the Supreme Court is the fact that when those boys at Scottsboro—some of them since proven guilty and convicted in proper manner—were on trial previously they were granted an appeal to the Supreme Court, but for which they would have died. Since then the sovereign State of Alabama has exercised its right and has done its duty.

But, Mr. President, the colored citizens in my section of the country feel as deeply upon this matter of lynching as anybody can possibly feel regarding any other moral or ethical question.

Mr. McCARRAN. Mr. President, will the Senator yield for a question to be propounded through the Senator in his time to the Senator from Indiana as one of the authors of the amendment?

Mr. COPELAND. What is the question?

Mr. McCARRAN. I wish to propound a question through the Senator from New York to the Senator from Indiana as to whether or not——

Mr. COPELAND. Suppose the Senator from Nevada asks the Senator from New York the question? Then, we will see what the answer is.

Mr. McCARRAN. Does the Senator from New York know that the Senator from Indiana, who is one of the authors of the measure now offered as an amendment, does not want a vote taken on it in this wise, but rather wants a direct vote on the antilynching bill? Will the Senator from New York propound that question to the Senator from Indiana?

Mr. COPELAND. Mr. President, would I be within my rights if I propounded a question to the Senator from Indiana, and would I still preserve my right to the floor?

The VICE PRESIDENT. The Chair thinks the Senator may make any kind of a speech he wants to make. He may query any Senator he desires. Of course, if he yields, and another Senator makes a point of order that he has made his first speech, the Chair would have to sustain the point of order; but the Senator can ask all the questions he wants to ask.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Texas?

Mr. COPELAND. I yield for a question.

Mr. CONNALLY. The Senator expressed a desire to have information about the parliamentary situation. Does not the Senator know that, in the event he concludes, and the Senator from Nevada makes a motion to table the amendment, and it is voted down, it would be still open to discussion, and the Senator could go ahead and insist on a vote?

Mr. COPELAND. Mr. President, a parlimentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. COPELAND. If I yield to the Senator from Nevada, which I will be glad to do, if it would hasten the transaction——

Mr. McCARRAN. I will say to the Senator that if he does yield to me, I will make a motion to lay the amendment on the table.

Mr. COPELAND. That is exactly what I want to know.

Mr. BAILEY. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. May I first make a parliamentary inquiry?

The VICE PRESIDENT. The Senator will state it.

Mr. COPELAND. If I should yield to the Senator from Nevada to make a motion to lay the amendment on the table, would I have a right to ask for the yeas and nays on that motion?

The VICE PRESIDENT. The Senator would have that right. Let the Chair make a statement to the Senate again, since he has meantime made inquiry of the Parliamentarian. The Chair is advised by the Parliamentarian that there is no rule requiring the Secretary, an agent of the Senate, to count in order to determine whether or not one-fifth of those present have seconded a demand for a yea-and-nay vote. Whether one-fifth of the Senate has demanded the yeas and nays is a constitutional question, and the Chair thinks it is the obligation of the Chair to determine whether one-fifth of those present have seconded the demand.

Let the Chair say to the Senate now that it will be useless in the future to talk to the Chair about not seeing a sufficient number of Members seconding the demand to order the yeas and nays, because if one-fifth of those present on the last call for a quorum second the demand, and the Chair sees them, the yeas and nays will be ordered. That is a constitutional right, and the Chair is going to consider it sacred. Therefore, if one-fifth of the Senators present, according to the last quorum call, ask for the yeas and nays, the yeas and nays will be ordered.

Mr. COPELAND. I thank the Chair; but may I say to him that, so far as I am concerned, I would take the word of the President any time. I will give him credentials at any moment. He does not have to refer to the clerks at the desk to convince me he is an honest man.

I now yield to the Senator from North Carolina.

Mr. BAILEY. May I suggest, Mr. President, to the Senator from New York that we are notified that there will be a motion to table if the Senator from New York yields the floor. It is a very important question, one in which some Senators are very deeply interested. It is a question which we thing ought to be debated and thoroughly discussed before there is a decision of the Senate. Now, being notified of that, may I not ask the Senator to hold the floor until I may ask him several questions, which will bring out some facts in connection with this proposed legislation?

Mr. COPELAND. I decline for the moment to yield further.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. The Senator from New York declines to yield.

Mr. COPELAND. I told the Senator from Nevada about 10 or 15 minutes after 3 o'clock that I would yield the floor at 3:30, which I expected to do. So far as I am concerned, I have no desire to filibuster the Senator's bill.

Mr. McCARRAN. I did not know that, because I had been advised otherwise, but will the Senator yield for a question?

Mr. COPELAND. I yield for a question.

Mr. McCARRAN. Does not the Senator know that whether he intends to do so or not, he is right now filibustering against Senate bill No. 69?

Mr. COPELAND. I wish to say to the Senator that, if he drives me to it, I can filibuster as well as anybody. That, however, is not the point at all. I want to vote upon this question. That is all I am asking for.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield for a question.

Mr. BARKLEY. Nobody is going to take advantage of the Senator if he yields to me to make a parliamentary inquiry.

When the Senate adjorned last Friday there was a general understanding that, if the railway train-limit bill were not concluded today, the Senator from Nevada would ask unanimous consent that it be set aside, in order that the Senate might consider the wage and hour bill on motion of the Senator from Alabama [Mr. BLACK]. I wish, therefore, to make a parliamentary inquiry of the Chair. If, by unanimous consent, the pending business were laid aside for the purpose of considering the wage and hour bill on motion of the Senator from Alabama, what would then be the status of the bill which is now the pending business, including the amendments that are pending to it?

The VICE PRESIDENT. If unanimous consent should be asked temporarily to lay the pending business aside for the transaction of other business by the Senate, any Senator could call for the regular order at any time and the bill would come back before the Senate just as it is at the moment.

Mr. BARKLEY. Mr. President, a further parliamentary inquiry, while I am on my feet.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. If objection were made to the unanimous-consent request, and a motion were made by the Senator from Alabama to proceed to the consideration of the bill known as the wages and hours bill and that motion carried, what would then be the status?

The VICE PRESIDENT. Such action would displace the present business, which would then take its place back on the calendar, and the Senate would start to consider the wages and hours bill.

Mr. BARKLEY. Mr. President, a further inquiry. Then, would it be in order, notwithstanding that action, for any Member of the Senate to move at anytime to proceed to the consideration of the bill now under consideration, if it were displaced and put back on the calendar?

The VICE PRESIDENT. It certainly would be. In other words, the bill would be in the same position as though it had never been considered.

Mr. McCARRAN. Mr. President, perhaps I do not fully understand the question.

Mr. COPELAND. Just a moment, please. A parliamentary inquiry.

The VICE PRESIDENT. The Chair understands the Senator does not lose the floor by virtue of a parliamentary inquiry.

Mr. McCARRAN. I do not know that it is a parliamentary inquiry but I propose to carry out the spirit of the agreement, and the Senator from Alabama, I know, relies on my good faith. However, I do not think the time has yet arrived for carrying out that agreement. The Senator from New York has just made a statement to me, and I desire that that be proceeded with.

Mr. LEWIS. Mr. President, we are interested in the collcquy between the Senators and as to the statement therein made. We wonder what it is that the distinguished Senator from Nevada says he wants to carry out.

Mr. COPELAND. Mr. President——

Mr. McCARRAN. If the Senator will yield, I now move that the amendment offered——

Mr. COPELAND. Just a moment, Mr. President. If the Senator will pardon me for suggesting it, I think he should ask me if I am willing to yield in order that he may make the motion.

Mr. McCARRAN. Very well. Will the Senator be so kind as to yield to me that I may make the motion?

Mr. COPELAND. I do so.

Mr. McCARRAN. I now move that the amendment offered by the Senator from New York be laid on the table.

Mr. COPELAND. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. SHIPSTEAD. I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed how he would vote, and I therefore withhold my vote. If permitted to vote, I should vote "yea."

Mr. HARRISON. I wish to announce that the senior Senator from Georgia [Mr. GEORGE] is necessarily absent on official business. He is paired with the junior Senator from New Hampshire [Mr. BRIDGES]. If the senior Senator from Georgia [Mr. GEORGE] were present, he would vote "yea." If the junior Senator from New Hampshire [Mr. BRIDGES] were present, he would vote "nay."

Mr. AUSTIN. I desire to announce that the Senator from North Dakota [Mr. NYE] has a general pair with the Senator from California [Mr. MCADOO]. I am not advised how either Senator would vote if present.

Mr. LEWIS. I announce that the Senator from Pennsylvania [Mr. GUFFEY] has a general pair with the Senator from Vermont [Mr. GIBSON]. I am not advised how either Senator would vote if present.

I also desire to announce that the following Senators are absent on important public business: The Senator from Tennessee [Mr. BERRY], the Senator from Nebraska [Mr. BURKE], the Senator from Missouri [Mr. CLARK], the Senator from Virginia [Mr. GLASS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from California [Mr. MCADOO], the Senator from New Jersey [Mr. MOORE], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from North Carolina [Mr. REYNOLDS].

I am advised that if present and voting, the Senator from New Jersey [Mr. MOORE] would vote "nay."

Mr. COPELAND. My colleague [Mr. WAGNER] is necessarily detained from the Senate. The matter came up most unexpectedly in his absence. If he were present and voting, he would vote "nay."

The result was announced—yeas 41, nays 34, as follows:

YEAS—41

Adams	Chavez	Lonergan	Radcliffe
Andrews	Connally	Lundeen	Russell
Bailey	Davis	McCarran	Schwellenbach
Barkley	Duffy	McGill	Sheppard
Bilbo	Ellender	McKellar	Smith
Black	Frazier	Minton	Thomas, Utah
Bone	Harrison	Murray	Van Nuys
Brown, N. H.	Hatch	Neely	Wheeler
Byrd	Johnson, Colo.	Overton	
Byrnes	King	Pepper	
Caraway	La Follette	Pittman	

NAYS—34

Austin	Gerry	Lewis	Thomas, Okla.
Borah	Gillette	Lodge	Townsend
Brown, Mich.	Green	Logan	Truman
Bulkley	Hale	McNary	Tydings
Bulow	Herring	Maloney	Vandenberg
Capper	Hitchcock	Pope	Walsh
Copeland	Holt	Schwartz	White
Dieterich	Hughes	Smathers	
Donahey	Lee	Steiwer	

NOT VOTING—20

Ashurst	Clark	Hayden	Nye
Bankhead	George	Johnson, Calif.	O'Mahoney
Berry	Gibson	McAdoo	Reynolds
Bridges	Glass	Moore	Shipstead
Burke	Guffey	Norris	Wagner

So Mr. MCCARRAN'S motion to lay Mr. COPELAND'S amendment on the table was agreed to.

Mr. BAILEY. Mr. President, I intend to speak briefly on the merits of the pending bill. I believe, however, I am justified in the outset in making a remark relevant to my vote to table the amendment known as the antilynching bill.

Mr. President, those of us Senators who vote against the antilynching bill are so often accused of being in favor of lynching that I believe it to be worth our while for me to enter a little protest, and also to make a statement which I hope will clear us from any suspicion of that sort.

Let me speak first for myself. I should be very much grieved if I could think I am any more in favor of lynching than I am of murder. I should be very much distressed if I thought any man could think of me as a man who would be in favor of lynching anybody. To begin with, I am in favor of the law. I am in favor of justice. I am in favor of order. I abhor mobs, and I denounce all those who undertake to take the law into their hands.

Then someone says, "Oh, well, that is general; but when it comes to the Negroes, you southern Senators"—that is the way they speak of us as a whole class—"are disposed to cater to the sentiment in the South, which in some way, I am distressed to say, does seem to tolerate lynching."

Well, now, I am saying that we southern Senators do not cater to that. We despise it. We hate it. We abhor it. I should like to have that known. I hope my fellow Senators will think about me and my colleagues from the South as men who would go to the utmost limits to prevent any lynching, and to punish any man who was engaged in a lynching. Let me make that clear.

Lynching is murder, and men who commit murder ought to be executed. That is all there is about it. Men who compromise with murder, or tolerate it, or condone it under any circumstances, whether by individuals or by mobs, are not fit to be members of decent society.

We have taken the view about this lynching bill that in the first place it would tend to arrest the progress in suppressing the crime of lynching. We think a very great deal of progress has been made. Forty years ago there were perhaps four or five hundred lynchings a year in the South. That was very distressing, very disgraceful; but we have reduced that number, my fellow Senators, to about eight or nine a year. I bring that fact to your attention by way of showing that we have acted in good faith about the matter, and made great progress.

How did all this lynching business begin? Nobody thought of lynching Negroes prior to the Civil War. You never heard of a lynching in the South prior to 1861. You did not hear of any lynchings in the South of Negroes or of anybody else during the Civil War. It may have been difficult for us to maintain order down there under the circumstances, but we maintained order. There were no lynchings in the war period. How did this matter of lynching come? I will tell you how it came, and I think it ought to be made a record of history.

When the Federal forces struck down the institutions of law and order in the South, and sent the carpetbaggers and the scalawags down there to take charge of our society, and protected them with the bayonets of Federal soldiers after the surrender, the white people of the South had to take the law into their hands. I am sorry it was so. It was a distressful period; but those misguided men—I will speak in that way about them; I will not say anything bad, but will just say that they were misguided men—took charge of our civilization, struck down the accepted and ancient standards of law and order, and fired the Negro's mind with all sorts of unworthy ambitions.

They told him that he was to take charge of the white man's land. He was to have 40 acres and a mule. They told him that he was to take charge of the Government. He was to be the policeman, he was to be the postmaster; and Negroes did get to be policemen and postmasters. They told him that he was to rule his former masters.

I do not blame the Negro about that. Poor fellow! He was an ex-slave. He was ignorant. He had the spark of humanity in him. He was ambitious. I would not quarrel with him. He was misled by people who said they had been his friends, and they had been party to the great war which had brought him his freedom. They talked to him in the name of the great Lincoln, the Emancipator, and they even got into his mind the idea that he could marry with the white people. The sense of law and order which had existed in the slave was dissipated by the agitator and the scoundrel?

What could we do? We did not have charge of the police. They had charge. We did not have the legislatures. The carpetbaggers had the legislatures. We could not enforce the law, because we did not have the weapons of the law, and so the southern white men and the southern white women rose up to protect themselves and their society, their homes and their children and their civilization. That was outside the law, and whenever action of that sort goes outside of the law, it goes beyond bounds. Whenever the forms of law are abandoned, the extremists get charge. We have a current instance of that in the United States today. Whenever the strikers and the picketers have broken down the law, the vigilante has appeared, and he always will.

Out of that movement in the South in what we call the reconstruction days there naturally developed unrestrained men who were acting under great emotions. They abandoned the forms of law because the forms of law were controlled by scalawags and carpetbaggers and Negroes, and the forms of law were worthless.

Very well. When they did that they went to extremes, and they did develop this idea of lynching. I regret it. I deplore it. I abhor it. I hate it. I am humiliated by it; but I am saying to you it was not in the southern people. It was induced in them by an intolerable, an insufferable, a ruinous situation. They had nothing else to do.

In the 75 years that have elapsed since that time the southern people have made desperate efforts to suppress that crime. I am not talking now just about the leaders. Ninety-five, ninety-six, perhaps ninety-seven percent of the white people of the South hate and abhor lynching just as much as does any Senator here.

This is the way we feel about this bill: If it were a bill within the constitutional power, and if it would really reduce the number of lynchings in the South by one—say that the number last year was nine, and the bill would reduce it to eight—I would vote for the bill. I think every southern Senator would vote for the bill on those terms. But our objection to the bill, in the first place, is that it is not in accord with the fourteenth amendment. It attempts to assert the Federal power to maintain rights which are committed to the States. It does not undertake to assert the Federal power for the purpose of maintaining the civil rights

of citizens of the United States. If it did, it would be good; but it undertakes to assert the Federal power to maintain the civil rights of citizens of the States, and we cannot do that.

I am not going into the legal argument this evening; but if Senators are interested in that distinction, they will have no difficulty in finding the authority and in verifying the details in the Slaughter House case and also in the Civil Rights cases. That question was argued out here 2 years ago; and very recently the junior Senator from Indiana [Mr. MINTON] was reading those cases to the Senate by way of undertaking to show that the Federal Government had no business interfering in the Michigan strikes. I said to him at the time, "When the lynching bill comes up, please read that case again. That is the ground on which we gentlemen here from the South stand—on precisely that distinction." We feel that if we ever yield our consent to legislation which will tend to recognize the Federal power to control the civil rights that are reposed in the States, we shall have yielded to the Federal Government the right and the authority and the meaning of the States. It is not a matter of lynching there; it is a matter of surrendering our conception of our States.

We southern Senators always think of ourselves as Senators from States. That is the way the Nation was constituted.

I have referred to one feature of the bill. I now go to the other feature; and I am submitting this to the Senate in very great earnestness. We cannot conceive of the Federal Government imposing a fine of $10,000 on the innocent people of a county down South, or up North, or anywhere else. Now, get that picture.

Let us go to Utah and assume the Federal Government imposes a fine on a county. Where does the Federal Government get authority to fine a county? If it can fine a county, it can extinguish it. But assume that it could fine a county; tell me in law or righteousness or morals by what reasoning any Senator can here justify fining innocent men for crimes of guilty men. That is proposed in this legislation.

Suppose a mob breaks loose in my county of Wake, 10 or 15 or 20 rascally, low-down, contemptible men, and take a poor Negro from the hands of the sheriff and swing him to a tree and shoot him. And under the proposed measure I could be fined for it. How can that be justified? These mobsters do not pay taxes. A fine would not affect them. The fine goes to the innocent people. That is in this bill.

Of course we cannot support legislation of that sort. It is not only unconstitutional; it is not founded in reason. It is almost inconceivable that the Federal Government should think of fining innocent people for the deeds of the guilty. I think we would have to go back to the beginning of time to find even one instance where government undertook to punish the innocent for what the guilty did.

Mr. President, that is all in this bill. So I voted to table the proposed legislation, and I shall vote against it if it comes up. I shall protest against its passage, and at the same time I shall protest that there is not a man on the continent, white or black, who abhors lynching more than I do, who hates it more than I do, who will go further than I to prevent that crime, and that great evil, and that disgrace, and that humiliation, which falls upon us down South.

I agree that it happens in the South more than it does anywhere else, and I am sorry for that, and I have explained why it does. It does not happen there because of anything wrong in our people. It happens there because the means of maintaining the law were taken away from our fathers and our grandfathers by the Federal Government, to its eternal disgrace, 70 or 80 years ago, and we had no recourse except to force. I am sorry, I am ashamed, I am distressed, and I am humiliated; but I am saying that in these 70 years we have reduced that crime to almost the vanishing point. Why can we not be allowed to go on in our orderly way and get rid of it?

Mr. President, I have said all this by way of explaining my vote and, I hope, by way of explaining my attitude to my good colored friends down in my home town. It struck me as a strange thing last year, or 2 years ago, when I spoke against the antilynching bill, and opposed it, participated in what appeared to be a filibuster about it, and gave notice myself that I would fight it to the bitter end, that a great many of the colored people took the view that I was in favor of lynching. I can forgive them; they do not have the great opportunities that white people have. But I cannot forgive Senators, I cannot condone the action of Senators in suspecting men like me of being less opposed to murder than they are. I hope I have made that clear.

Now, coming back to the bill before us, I would not filibuster against the bill, but I want to be heard about it. I have the utmost respect for the Senator from Nevada [Mr. MCCARRAN], who has so earnestly advocated the bill today. I listened to the argument with a great deal of interest, and I differ with him reluctantly; but I think it will be a great mistake to pass this proposed legislation.

The bill, just in a word, proposes to limit the number of cars a freight train may include to not exceeding 70, when the fact is that in the last few years we have developed facilities whereby engines can haul from 70 to 125 or 130 cars.

The Senator today put the whole case on the basis of safety. I was glad of that, and I was grateful for his candor. He said that the matter of creating additional employment was a very negligible factor, that the whole case rested upon the argument of safety. I am willing to examine that argument.

In the first place, I point out that the evidence in the report is that the proposed legislation would cost the carriers from $150,000,000 to $237,000,000 a year. Let us take the lower figure, $150,000,000 a year additional burden proposed in the first instance to be placed upon the railroads. But that is not where we would place the burden, after all. The railroads cannot pay that money; they are not making the money. They cannot pay it out of their capital. That would wreck the railroads. They pay it out of earnings.

I look upon the bill in the first instance just as if it were a bill to increase the taxes on the American people by $150,000,000 a year. That is what it is. It is a tax in the form of freight rates. Let us see where they would fall. They would fall on the shippers of fruit from the far West, California, Nevada, Utah, Washington, Oregon, all the Western States, who ship their fruits and their produce across the continent. The tax would fall upon the cotton farmer, who has to ship practically every bale of cotton he produces, which will be fourteen and one-half million bales this year. It would fall upon the wheat farmer. This year there will be tremendous shipments of wheat to the ports. The tax of $150,000,000 would fall in part upon the shippers of that wheat. It would fall upon the shipments of lumber, and that again would strike the farmer. It would fall upon the shipments of coal, and that would strike the householder. The thought that we can put an annual expense of $150,000,000 on the railroads and that it will be paid by the railroads is an absurdity. The railroads have not the money. Let me give some information about that.

If Senators will refer to the New York Times for last Saturday, they will find the report of the railroads for the month of June. People are thinking that the railroads have been making money, that there has been quite a revival in carloadings. There has been quite a considerable revival in carloadings, but the profits of the railroads in freights this year are less than they were last year.

How is that figured? It is very simple. The gross revenue is greater, the net operating revenue is less, because the workers have been getting the benefit of increased wages. Let us get that point; the increased gross revenue of the railroads due to the recovery has not gone into the treasuries of the railroads; it has not gone to pay dividends to stockholders; it has gone to increase the wages of the workers.

I am not complaining about that; I am merely saying that notwithstanding the great increase in gross revenue of the railroads, if we take the reports as printed in the New York Times for last Saturday, which were taken from the Department of Commerce of the United States as issued the day before, we find that, notwithstanding there has been a great revival in carloadings, and the figure has gotten back to the 1926 figure, the profits of the railroads for the month of June 1937 were less than the profits for the month of June 1936. So there is no justification in the theory of recovery for the belief that the railroads can afford to pay this $150,000,000 a year.

Of course they cannot pay it out of the capital. The truth of the matter is, the railroads cannot raise additional capital. Nobody can sell stocks of railroads these days. All of us know why. I know why. It is because the Congress of the United States has been trying to run the railways, and there is no one here competent to do it. That is the size of it. It is a perfect absurdity to me that 96 Senators, not 1 of whom knows much more of transportion and railroad operation than how to drive an automobile, should be trying to run the railroads, but we do try to do that all the year round. We have the habit of running the railroads of the country. Well, now, we have run them to this point. If the railroad goes into the market to borrow money, it has to go to the Government; and I think that is appropriate. We fixed it so that they could not borrow money from the banks. They go to the Government, to the R. F. C. If they want to sell stock, they cannot sell stock.

On that point, look over the stock list tomorrow, or go into the reading room right now and get the stock list today. Senators will see railroad stocks selling as low as $2 a hundred—the Chicago, Milwaukee & St. Paul, for instance. The stock of the Southern Railway is selling at about $30 to $40. The stock of the Seaboard Air Line, which runs through the South, I think is selling at $2. Senators will find one or two stocks which are selling at very good prices, but practically all railroad stocks are selling for little or nothing. There is no market for them. Why? Because the Congress is trying to run the railroads, and Congress does not know anything about railroads. We never had a problem in transportation in our lives.

The other stocks have gone up. The automobile stocks are high; the oil stocks are high; food stocks are high. There has been a great recovery in the market. Senators will find that U. S. Steel stock has gone to 118; but the railroad stocks do not rise. Why? Because of the public policy that makes it impossible for the railroads to return a reward to the man who puts his money in them for investment.

Now we come on top of all that, and without any investigation to speak of this year, with very inadequate evidence, we say, "All right; railroad trains are too long. We will shorten them, and then we will fix an arbitrary figure at 70 cars. We will not do that to help the workers. That does not help the workers. That does not create any new employment. We do it because it is unsafe to operate long trains."

What evidence is there that it is unsafe? Hear me, Senators: Here is the evidence before the Senate at this hour, and it was placed in the RECORD by the Senator from Idaho [Mr. POPE], that the number of accidents on the railroads has been going down constantly, notwithstanding the increase in the length of the trains. I hope Senators heard the Senator from Idaho when he read the testimony just now. So, no matter what the theory may be about the increase in danger, the fact is there is a decrease in accidents on the railroads, and that notwithstanding the increase in the length of trains.

That is a matter of common sense. Two lions are more dangerous than one lion. Two assassins are more dangerous than one assassin. Two railroad trains are more dangerous than one railroad train. The testimony here is that there are over 230,000 grade crossings in the United States. A train of 100 cars passes each one time. A train of 70 cars passes each one time, and the other train of 30 cars will pass it at another time. Two grade crossings for one. So we have in the second case two trains passing the crossing instead of one. There is where the accidents are occurring. That testimony was presented today. The Senator from New York read it. So by increasing the number of trains we increase the danger; we do not decrease it.

Now, we have the other question. The railroads of this country are making a very desperate effort to serve the American people. They have been pushed by bus and truck transportation and hard-surfaced roads and waterways and inland waterways competition until they have had to build up their roadbeds and increase the power of their engines and strengthen their bridges so that they could carry tremendous loads—trains of 100 cars and 200 cars. If you strike down that capital investment for nothing—that is what you do, for nothing—and add to it, on top of that, an expense of $150,000,000 a year, all you do is to make it impossible for the railroads to compete with their competitor transportation facilities.

Let us see how that will work. I want to say something to the railroad workers of America. They very frequently come to me and ask me to vote for this legislation and that, and I think I have voted for most of the legislation they have asked me to vote for. I want to say to them that they may keep on making demands on the railroads until they kill the goose that lays the golden egg. They may come here and say, "The railroads ought to run two trains where they have the facilities to run one. They still carry 70 cars where they have the perfect power and facility to carry 100 cars"; and, the first thing they know, the traffic will be taken away from the railroads, and when the traffic goes, their jobs will be gone.

That is a matter of common sense. I should like for them to get all the pay they can. I should like for them to work as short hours as possible. We are all humane, we are all sympathetic, but we have to deal with a little common sense in the matter. We cannot continue to put burdens upon the railroads without destroying their capacity to employ railroad men.

Of course, you say that that will never happen. I will tell you it has now happened. When we have a depression in America, the first institutions to go into receivership are the railroads, because they are overburdened with charges. Somebody says, "But you will have Government ownership." Well, that is exactly what we will have; and God help us when we have Government ownership of railroads in the United States. God help this country and you and me when we ever commit our Federal Government to the national policy of railroad ownership. I am in favor of private enterprise. I am in favor of private capital. I intend to follow that course as long as I am in the Senate. I am not socialistic in my political thinking. I am capitalistic in my political thinking. I think that is national doctrine. I think that is democracy.

So now, Mr. President, I have heard all day today that there was a great deal of opposition in the Senate to this proposed legislation. I have heard the intimation that an effort was engaged in to delay the vote. I do not care to delay the vote. I am willing to have a show-down on it. I have given Senators my reasons, and they are sufficiently compelling to induce me to say first, to the railroad workers, "Gentlemen, the chief proponent and advocate of this bill said its passage would do you no good." That is what he said here on the floor of the Senate. On the other hand, the record here shows that there is no substantial ground for believing it will increase safety. There is substantial ground for believing that it will increase danger. Above all, it is undisputed that it will increase the costs. The lowest figure given here is $150,000,000 a year, and I am saying that that will fall either upon the wage of the worker or upon the freights paid by the shipper, and you cannot avoid the consequence.

So in the interest of the general welfare and of equity and of right and of safety, I am going to vote against this measure.

Mr. DIETERICH. Mr. President, may I ask if it is the intention of the Senator from Kentucky [Mr. BARKLEY] to proceed until we finish consideration of the bill this evening?

Mr. BARKLEY. Mr. President, the Senator from Nevada [Mr. MCCARRAN], who is out of the Chamber at the moment, expressed the desire that we should proceed as long as possible with a view of trying to get a vote this afternoon if we can. I have no way to guarantee it.

Mr. DIETERICH. Mr. President, there is no intention on my part to prolong unduly the argument on the pending bill. I feel, however, that I could not well vote upon it without stating my position to the Senate.

I am not going to discuss the antilynching bill which was offered as an amendment to the pending bill. I was glad to note what the senior Senator from North Carolina [Mr. BAILEY] said in expressing his feelings with reference to lynching. It is needless to say that such is the feeling of everyone who has the good of his country at heart. The Senator from North Carolina went back to the days of the Civil War, attributing the practice of lynching to the breaking down of authority in the Southern States during the reconstruction period following the Civil War. I am not ready to say that is not correct, or that there might not have been some justification at that time.

Since that time there has been a constant migration of colored people to the States of the North. I do not know what the number is that constitutes the colored population of my State at the present time. One of their race is a Representative from that State in the House of Representatives of this Congress. They have enjoyed the advantages and the privileges of the white people of the North. They are improving themselves, measuring up to their obligations and perhaps advancing much more rapidly in education and in those matters which go to make up good citizenship than are the members of their race in the Southern States.

We have an enlightened colored people to deal with in my State, a people who understand and are sensitive to those principles of right and wrong, and a people who, whatever feelings anyone might have, we know will continue to reside there and take a part in the affairs of our Government such as I understand is somewhat denied them in other States. I am not here to say whether such denial is justified or not.

I think the universal feeling is favorable to the passing of some regulatory legislation to try to reduce the crime of lynching, to apply as against the white as well as the black, because the bill which was offered as an amendment to the pending measure would make no discrimination as to color.

Mr. President, I am somewhat surprised at the attitude of the author of the bill now under consideration, the Senator from Nevada [Mr. MCCARRAN]. This bill has never been considered by the Committee on Interstate Commerce of the Senate. So far as the pending bill is concerned, it was voted out of that committee—and I am not prepared to say what the record of the vote was—without any hearings whatever. It deals with a subject which is important, not only——

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. DIETERICH. For what purpose?

Mr. WHEELER. I wish to make a statement with reference to the hearings on the bill.

Mr. DIETERICH. I yield for that purpose.

Mr. WHEELER. The statement has been made several times on the floor of the Senate that no hearings were had upon this particular bill. I hold in my hand a copy of a hearing before a subcommittee of the Committee on Interstate Commerce of the Senate of the United States on a bill which contained the provisions of the bill now before us. A very thorough hearing was held on the bill. That bill went further than the one now before us goes, because it not only provided for a limit of 14 cars in a passanger train but it provided also that no train should be more than one-half mile in length. So that, as a matter of fact, hearings were held by the Interstate Commerce Committee with reference to the particular provisions.

Mr. DIETERICH. Mr. President, I did not yield for an argument. Will the Senator from Montana permit me to ask him a question in reference to the pending measure?

Mr. WHEELER. Certainly.

Mr. DIETERICH. S. 69, the bill now under consideration, was reported out of the Committee on Interstate Commerce without any hearings on that particular bill at this time, during this Congress, was it not?

Mr. WHEELER. The Senator is correct, but——

Mr. DIETERICH. That is correct, and the hearings——

Mr. WHEELER. Will the Senator let me finish my answer?

Mr. DIETERICH. Just a moment.

Mr. WHEELER. The Senator asked me a question. Let me finish my answer.

Mr. DIETERICH. I do not desire at this time to have any controversy with the Senator from Montana, or to have him interject any speeches in my remarks.

Mr. WHEELER. Does the Senator from Illinois refuse to let me answer his question?

Mr. DIETERICH. I thought the Senator had answered it.

Mr. WHEELER. No; I had not answered it. I should like to repeat what I said, for the Senator's benefit.

Mr. DIETERICH. I was going to ask the Senator another question. He answered that there were no hearings on the pending bill during this session of Congress?

Mr. WHEELER. That is correct.

Mr. DIETERICH. The hearings upon which the Senator relies are the hearings on S. 27 and S. 344 of the Seventy-fourth Congress?

Mr. WHEELER. That is correct.

Mr. DIETERICH. The pending bill was not in existence at that time, was it?

Mr. WHEELER. That is not quite correct.

Mr. DIETERICH. At least it was not introduced in the Congress at that time, was it?

Mr. WHEELER. Technically speaking, the pending bill, of course, was not before the Senate, because this is another bill, but the principle of the pending bill was involved in the other bill. S. 69, the pending bill, is identical with S. 344 of the Seventy-fourth Congress, upon which hearings were held.

Mr. DIETERICH. I understand.

Mr. WHEELER. That was thoroughly gone into. Representatives of all the railroads and representatives of the railroad brotherhoods appeared before the committee, and anybody else who wanted to be heard was permitted to appear.

Mr. DIETERICH. The hearings on S. 27 and S. 344 of the Seventy-fourth Congress—and I am still asking the attention of the Senator from Montana—resulted in no bill being reported out of the committee during that Congress. Is not that correct?

Mr. WHEELER. I think that is correct.

Mr. DIETERICH. The hearings which were had before the committee prior to that time were hearings on S. 2625 of the Seventy-third Congress, were they not?

Mr. WHEELER. I think that is correct.

Mr. DIETERICH. The hearings on the bills in the Seventy-fourth Congress were conducted by a subcommittee consisting of three members, were they not?

Mr. WHEELER. I do not know whether it was three.

Mr. DIETERICH. The record shows that no member of the Interstate Commerce Committee was present during the hearings on S. 27 and S. 344, except the members of that subcommittee. Is that correct?

Mr. WHEELER. Of course that is correct.

Mr. DIETERICH. And the bill upon which the hearings were had was never reported by the subcommittee to the full committee and given consideration by it except as the consideration was given under the present bill. Am I correct in that statement?

Mr. WHEELER. In answer to the Senator, let me say that when a subcommittee is appointed to hear a bill, there are never any Senators present except members of the subcommittee, unless other members of the full committee voluntarily appear at the hearing.

When this bill came up, the Senator from Connecticut [Mr. LONERGAN] was appointed chairman of the subcommittee to hear the bill. The subcommittee not only heard the representatives of the railroads, the railroad brotherhoods, and the Interstate Commerce Commission, but they heard everybody else who wished to be heard.

Let me read a statement from the report.

Mr. DIETERICH. No, Mr. President; I do not yield for that purpose.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. WHEELER. The Senator asked me——

Mr. DIETERICH. I do not yield to the Senator for the purpose of reading anything into the RECORD.

The PRESIDENT pro tempore. The Senator declines to yield.

Mr. DIETERICH. I desire to make a statement to the Senate, for whatever it may be worth, as to my position on this bill and why I think the bill should not be passed at the present session of Congress, and should not be passed until the Interstate Commerce Committee has had further opportunity to investigate into the subject of the length of trains.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DIETERICH. I yield.

Mr. BARKLEY. To clear up the matter of hearings, I think it may be well to state that Senate bill 344, of the Seventy-fourth Congress—one of the bills on which the hearings were held in that Congress—is identical with the pending bill, Senate bill 69. The language is the same. No change whatever was made in it; but no report was made by the committee in the Seventy-fourth Congress on either Senate bill 27 or Senate bill 344.

Mr. DIETERICH. I thank the Senator from Kentucky for his information on that subject, but I am wondering if he is correct.

Mr. BARKLEY. If the Senator will look in the hearings, he will find that Senate bill 344 of the Seventy-fourth Congress is printed in full on page 3 of the hearings, at the top of the page, and it is identical with Senate bill 69 of the present Congress.

Mr. DIETERICH. But that bill was considered in conjunction with Senate bill 27.

Mr. BARKLEY. That is true.

Mr. DIETERICH. Senate bill 27 contains many other subjects besides the question of the length of freight trains.

I had the impression that the purpose of the pending bill was to increase the employment of labor. As a member of the committee, I attended the hearings on the Senate bill which was presented in the Seventy-third Congress and was referred to the Committee on Interstate Commerce. I remember that we went into the question of accidents and the causes of accidents on railroads in reference to the length of trains. The hearings in the Seventy-fourth Congress on Senate bill 27 and Senate bill 344 contained a list of accidents compiled by those who were in favor of the proposed legislation, showing the various accidents which occurred on the various railroads. I remember in the examination of the witnesses—and the hearings are here before the Senate—that in the case of almost every accident that was reported and referred to in the record, there was no way of determining whether or not the accident would have happened had the train to which the accident happened been a train of less than 70 cars. Most of the accidents resulted in minor injuries to those in the caboose in the rear end of the train because of the sudden stopping of the train.

The evidence of the effect of sudden stops and sudden starts and accidents caused by breaks in air lines, and such things as that, so far as the records show, was to the effect that practically every accident would have happened had the train been of less length than 70 cars. I assume that the proponents of the bill are relying upon the record made before the subcommittee of the Committee on Interstate Commerce of the Seventy-fourth Congress, to which these two bills were referred. So far as those hearings show, accidents to trains of less than 70 cars in length were just as numerous per car, if not more numerous, than in the case of trains containing more than 70 cars.

As I say, I thought this was a matter of increasing employment; and I was seriously concerned about that, because we may come to the time when we shall have to consider a readjustment not only in railroad equipment but in mechanical equipment of every kind to see if we cannot perform the same work with the same economy and employ more labor. That is a matter which may engage the serious attention of Congress at some future time, and I thought this was a beginning toward that end, but I am informed by the author of the bill that with a decrease in the length of trains there is a decrease of labor. In other words, if I understood him correctly, increasing the length of trains required increased labor.

The Senator from Nevada stated that for the past 10 years the railroads have been decreasing the length of their trains, and there has been a decrease in labor. So the question of the employment of labor, so far as this bill is concerned, is not to be taken into consideration.

The question reverts to whether or not Congress is justified as a matter of economy, as a matter of efficiency, or as a matter of safety, in passing a law requiring the length of freight trains to be limited to 70 cars.

Without going into details, in the hearings that were held there was absolutely nothing to justify the bill in the matter of economy. On the contrary, the hearings showed that the equipment which had been procured by the various railroads, both in trackage and in rolling stock and in power, was all purchased and installed on the theory of operating heavier trains than this particular bill permits. This means that there is equipment provided that is in excess of what would be required if the bill should become a law. It means a loss, not of millions, but of billions of dollars in that equipment.

The testimony in the hearings, if I remember it correctly, showed that in the New England States alone, if train limits were reduced as provided in this bill, there would be an annual loss to the roads of over $100,000,000. It means that there would be an annual loss to all the railroads of many hundreds of millions. It certainly is not to the advantage of the employee to injure the employer and make him less capable of paying the wage that labor has a right to expect and demand.

As to the matter of efficiency, we might just as well be sensible about it. If there is anyone interested in economy and efficiency it is the railroads themselves. If there is any institution required to meet present-day competition, as has been pointed out, which must give efficient and prompt service in transportation, it is the railroad. If a shorter and less expensive train would accomplish the same purpose with greater economy, there is no question but that the railroads would adopt it.

The question of safety has been dwelt upon by Senators. There is no evidence in the hearings before the subcommittee of the Committee on Interstate Commerce in the Seventy-fourth Congress that shows that the change would promote safety. We have all received communications regarding this matter. Some associations of railroad employees are for the bill because they feel it would give more employment to labor; and so long as they feel that way, they have a right to be interested in it. I have received some communications in which they have asked me to consider this measure not as a matter of economy and safety but as a matter of increasing the employment of labor; and if, as the chairman has said, the question of the increase of labor is out of the bill, there is absolutely no justification and no excuse for enacting it at all.

Mr. President, I do not believe I desire to take up any further time of the Senate. As I have said, every right-thinking citizen of this land wants to be fair to labor, but in being fair to labor he must be fair to those upon whom the burden is to employ labor; and so far as the railroad business at the present time is concerned, the railroads do not need any handicaps; they are meeting with all the competi-

tion they can possibly cope with. They need some encouragement; and if the only advantages in the bill are, as the author has stated, economy, efficiency, and safety, then the bill is entirely without merit, because the roads themselves, giving them the presumption of being managed by sensible men, would naturally provide for the operation of their facilities with the greatest economy, with the greatest efficiency, and with the greatest safety, because if they fail in any one of these, the railroads themselves suffer the injury. So I say that this is not a bill which will help labor.

Some are led to think that to reduce the length of trains will create more employment. The chairman says not, that in fact the contrary is true. So if limiting the length of trains does not add to labor, then there is no excuse for the passage of the bill upon the other grounds set forth.

Mr. President, I think the bill is of sufficient importance—and this suggestion is not for a dilatory purpose, it is to afford fair consideration—to be sent back to the committee and to receive more careful consideration. I understand there are some on the committee who need no advice along that line. There are others of us who do. I think the bill should be recommitted and given further study.

Mr. NEELY. Mr. President, on the last roll call I voted to lay on the table the motion of the senior Senator from New York [Mr. COPELAND] to amend the McCarran bill by attaching to it the antilynching bill as a rider. I intend to vote for the antilynching bill. I spoke with the utmost vigor of which I was capable in favor of a similar bill when the question was last before the Senate. I intend to vote against any adjournment of the present session of the Congress until an antilynching bill shall have been passed. But to have voted to amend the McCarran bill by attaching the antilynching bill to it would have been to prejudice both measures. A number of Senators who wish to vote for the McCarran bill would not have voted for it if the motion of the Senator from New York to amend the pending measure by attaching the antilynching bill as a rider had prevailed. I intend to vote for the pending bill; but, as I am a friend of both bills, I voted to avoid prejudice to either of them.

Mr. VAN NUYS. Mr. President, I was about to rise at the time the Senator from West Virginia rose to make the same explanation concerning my attitude and vote in the successful attempt to table the amendment offered by the senior Senator from New York [Mr. COPELAND]. The antilynching bill is a House bill which has been amended by the Senate Committee on the Judiciary. It was not germane to the pending McCarran bill. I am in favor of both bills, as the Senator from West Virginia has suggested he is, but the effect, I am not saying the motive, of attaching the antilynching bill to the McCarran bill would have been to lynch both bills. I am heartily in favor of both the McCarran bill and the antilynching bill, and shall vote for both, and in order that the RECORD may show my attitude and my vote as a coauthor of the antilynching bill, I desire to make this public statement at this time.

Mr. WHEELER. Mr. President, I do not care to take up very much time of the Senate with reference to the pending bill; but my recollection is that a bill embodying the same principle has been before the Committee on Interstate Commerce of the Senate on several occasions. I may be in error, but I think the full committee at one session of the Congress held hearings on a bill containing a provision identical with that in the pending bill. It was reintroduced at the next session and referred to a subcommittee of which the Senator from Connecticut [Mr. LONERGAN] was chairman. Numerous other bills affecting railroad brotherhoods were introduced, and in order that both the railroads and the railroad brotherhoods and others interested in the bill should have a complete hearing upon them, as chairman of the Committee on Interstate Commerce, I appointed a subcommittee, which went into detail and heard every witness the railroads wanted to have heard and heard every witness any of the farm organizations, or the shippers, or any other organization wanted to have heard.

With reference to the committee procedure on this bill, I wish at this time to read into the RECORD the second paragraph, page 1, of the committee report on the pending bill. I sought to direct the attention of the Senate to this material at the time the Senator from Illinois [Mr. DIETERICH] yielded to me, but the Senator objected.

> During the Seventy-third and Seventy-fourth Congresses extensive hearings were held on legislation similar to S. 69 and those held by a subcommittee of the Committee on Interstate Commerce during the Seventy-fourth Congress from June 4 to June 19, 1935, were printed. (Hearings on S. 27 and S. 344.) The subcommittee which had the train-limit legislation under consideration in the Seventy-third Congress reported to the full committee without recommendation, and the subcommittee of the Seventy-fourth Congress did not offer a report.

It has been said that the question of safety is not involved in this bill. On that point I wish to call attention to the testimony of Mr. Johnson. He said:

> My name is W. D. Johnson. I am vice president and national legislative representative of the Order of Railway Conductors. My headquarters are in Washington, D. C.

Then he goes on to state that he has been in the railroad business ever since he was a mere child. To show that the same principle was involved in the bill, he said:

> The variation in the length of freight equipment will naturally result in a variation in the number of cars that may be handled in a train, but in no event to consist of more than 70 cars, or exceed one-half mile in length, except as further provided in section 5.

That was one bill. Another bill which was before the committee at the same time was Senate bill 344, to which the Senator from Kentucky [Mr. BARKLEY] called attention, and which, as provided, follows:

> After July 1, 1935, it shall be unlawful for any common carrier subject to the provisions of this chapter to run, or permit to be run, over its line or road, or any portion thereof, any train consisting of more than 70 freight cars, or other cars, exclusive of caboose: *Provided*, That this act shall not apply in cases of engine failures between terminals.

So the committee had before it when it held its hearings a bill with the identical wording of the present bill.

Further on in the testimony Mr. Johnson said:

> There is an element of danger connected with long-train operation that cannot be determined through tests or statistics.

The railroads brought in a great many statistics, and said that they had made certain tests; but, as opposed to the statistics which the railroad lobbyists brought in, we had before us men who had actual experience in operating these trains for years and years, and they all testified to the contrary. While the railroads sought to minimize the danger in the operation of long trains, their own tests in Oregon show that they lack braking facilities capable of safely controlling a long train—a train of over 100 cars. Everyone knows that a long train not controlled is dangerous, and that those in charge of it are subjecting themselves to possible injury.

But to go on. In his testimony Mr. Johnson continued:

> It can only be determined through service, that service to be rendered by men engaged in train service, the men who are manning these trains. They will tell you that there is a mental strain. They have full knowledge of the effect of rear-end shocks. They know what it is to be knocked down in a caboose. They know what it is for their fellow workers to be injured in rear-end shocks. They have full knowledge that some of their comrades have been killed in days gone by, chargeable to rear-end shocks. Naturally when one of those men goes out on his run with 125, 140, 150, and as high as 175, and in some instances over 200 cars, regardless of how you may surround him with safety, there is still the thought in his mind, and the full knowledge of things that have happened in previous trips, so that naturally he is under a strain from the time he leaves until he gets in. The railroads have acknowledged that there is a strong element of danger in long-train operation, from the bulletins that they have posted—that you must protect yourself at all times; you must guard against these rear-end shocks, and so forth.

So the railroads themselves have sent out bulletins specifically cautioning railroad men against the dangers inherent in long trains because of the shock resulting from the stoppage of the train.

I have before me a letter which came to me from Richmond, Va., dated April 30, 1937. In it the writer says:

On April 25, 1937, a train consisting of 160 cars left Fulton en route to Newport News. About 12 miles from Fulton the conductor and rear brakeman discovered a stuck brake about 30 cars from the rear. They at once made an effort to get a signal to the engine by using green flares for a distance of 7 miles, but due to the length of train it was impossible for the engine crew to see these flares.

Realizing there was a passenger train coming in the opposite direction (this being double track) and judging from the amount of fire that was coming from under the train the conductor thought it advisable to apply the air from the rear and stop before we met this passenger train, as there was fear of derailment, which might cause a serious accident.

He applied the air from the rear, realizing the fact that it would probably pull out a drawbar or break a knuckle; and while the air brakes were being applied from the rear we met this passenger train, and in about 30 car lengths after meeting this train the wheel bursted from this stuck brake, and the train was derailed.

If this train had not been of such length that a signal could have been seen from the rear to the engine, this trouble would not have happened.

I have before me another letter to the same import from Hinton, W. Va., dated February 28, 1937, in which the writer tells exactly the same story.

Of course, the railroads maintain a statistical department which comes before the committee every time there is pending a piece of legislation affecting the railroads, and tries to make its proof by means of statistics. However, we have had before the committee men who have had actual experience, and in each instance they have given evidences of the danger incident to long trains.

For a number of years there has been agitation in my own State on the part of the enginemen and trainmen for legislation of this type. Many of them I personally know. They are not unreasonable men; they are practical. I do not care how many professors or how many statisticians may come before the committee and testify that long trains are not dangerous. All one who has any common sense has to do is to ride in one of those long trains. Get into the engine box with the engineer, or get into the caboose, and you will be convinced beyond a doubt that it is impossible to get the signals from the caboose up to the engine in the event that anything goes wrong.

In speaking of statistics I am reminded of a case in which I was once engaged. I was prosecuting a company which was charged with selling various intoxicating extracts to Indians. The company which was charged with violation of the law brought in a lot of college professors who testified that it was impossible for a man to get drunk by drinking these particular extracts. One of the Indians who had bought them, however, came on the witness stand and said that he bought the extract, that he drank it, and that he got drunk. We left the question to the jury to determine, and, of course, the jury found that the Indian had bought the extract, that he drank it, and that he got drunk.

You can produce as witnesses all the railroad statisticians and college professors you want to, but when you have men of actual experience who operate the trains you can rely on their testimony. They are not making their presentation for the purpose of injuring the railroads. There is scarcely a railroad man in the United States who does not want to see the railroads become prosperous, because he knows that if the railroads are not prosperous he is not going to have a job, and he knows that he cannot be paid for any considerable length of time unless the railroads continue prosperous.

I come now to the cost of this proposed legislation. I have in my files letters from some of the railroads saying that it would cost them $237,000,000 annually. That was their first estimate—$237,000,000. They came down in another letter to $150,000,000. They have now cut it down to something like $90,000,000. Of course, those are estimates. They cannot possibly tell what this measure is going to cost them, but it is going to cost them something.

In actual dollars and cents I cannot feel that the cost of this proposed legislation to the railroad companies will be great. The average train length has never exceeded 49 cars, and in the past 5 years it has been less than 46 cars. What will this legislation mean, then? It will mean that the railroads in dispatching trains will not be allowed to run one of 150 cars and then some of 15 or 20. It will mean that trains will be of a more uniform length.

If I felt that this bill would increase freight rates to the people in my State, I could hardly support it. I feel, however, that its enactment will not cause any increase in railroad tariffs, for the reasons I have mentioned. The direct cost to the railroads will not be sufficient to warrant the Interstate Commerce Commission in permitting the railroads to increase their freight or passenger rates, in my judgment.

On the other hand, let me call attention to the fact that stockmen have written in and presented their side of the question. They have conflicting views. I remember the testimony of the late John A. Simpson, national president of the Farmers Union, who testified before one of the committees, not in connection with this bill but in connection with another matter—and similar information had come to me from other sources—that stockmen who ship their cattle to the market are held up by reason of the fact that the railroads wait until they have a full train of one-hundred-and-some-odd cars before they will ship the stock. As a result, the stock is held in the yards, loses weight, and by the time the animals get to market the shippers must take a tremendous loss on them.

Improved service to the consumer and shipper is one of the real benefits that will come from the enactment of this bill. The Senator from Illinois [Mr. DIETERICH] stated that the railroads themselves are the best judges as to whether this legislation would provide a more efficient method of handling trains, and that the railroad presidents are all anxious to operate their railroads in the most efficient manner. I think that is true. I think most of them are anxious to do so. However, it should be borne in mind that most of the railroad presidents under the system set up at the present time are mere pawns upon the chessboard. That fact was brought out clearly in the investigation which we carried on in connection with systems such as the Van Sweringen system, where one man at the top controls something like 13,000 miles of railroad all over the country. In the Van Sweringen case, one man controls the great Missouri Pacific system and controls all the other railroads connected with the whole system, and he moved the presidents of those railroads around just like so many pawns upon the chessboard. Those in control of the holding companies used those railroads for the purpose of milking the general public and for the purpose of enriching themselves.

Presidents of many of the railroads have said they would like to have the top holding companies taken off their backs, that they would like to see the banker control of the railroads eliminated; but they cannot, and in many instances, dare not say their souls are their own. They dare not come before the committees of Congress to give frank expression of their views with reference to the policies of the railroads.

When it is suggested that this matter should be left to the presidents of the railroads, I say it cannot be done. We would be leaving it to a group of individuals who are interested in the making of higher profits, using the railroads of the country for the purpose of milking the public in stock speculation and stock gambling.

For years we heard it said on the floor of the Senate, "You must not touch the railroads in any way, shape, or form", that we could not do this and we could not do that. Eventually the Interstate Commerce Commission was provided for the purpose of regulating the railroads, and it was thought they were being operated efficiently and honestly because we had left it to the Interstate Commerce Commission. Along came the busses and the trucks. They brought competition to the railroads. The busses and trucks brought about what the Interstate Commerce Commission had not been able to do and what repeated Congresses had never been able to do. They brought about lower rates and better

service for the people than all the orders of the Interstate Commerce Commission and all the laws of Congress in the past 30 or 40 years.

The railroads have got to come to shorter trains whether we enact this legislation or not. They have to do it because they will have to speed up their service if all their business is not going to be taken away from them by the trucks and the busses. Why do so many cattlemen ship by truck today rather than by railroad? It is not because they prefer the truck method, but because they get speedier service than they do by trains, and that is partly because of the long trains which the railroads insist upon running.

I am firmly convinced that for reasons of efficiency and safety to the employees themselves, the enactment of this bill into law would be a good thing for the general public, for the shippers of the country, and in the long run for the railroads themselves.

Mr. BONE. Mr. President, the vote on the motion of the Senator from Nevada [Mr. McCARRAN] to lay on the table the amendment of the Senator from New York [Mr. COPELAND] presented a very awkward situation for many Senators who may have been in sympathy with the purposes of both bills. The Senator from West Virginia [Mr. NEELY] made what I thought was a very illuminating statement. I think it very completely expressed the attitude of mind of many Members of this body. One of them is myself. I merely want to content myself by adopting for my own purposes the statement of the able Senator from West Virginia [Mr. NEELY] so the RECORD may show my attitude on this bill.

Mr. MINTON. Mr. President, I wish to make just a brief statement with reference to my vote on the amendment in the form of the antilynching bill, offered by the Senator from New York [Mr. COPELAND]. Like my colleague, the senior Senator from Indiana [Mr. VAN NUYS], and the senior Senator from West Virginia [Mr. NEELY], I cast my vote to table the amendment offered to this bill by the Senator from New York. As those Senators said about themselves, I, too, am in favor of the antilynching bill, and expect to vote for it if it ever comes to a vote upon the floor of the Senate upon its own merits and under circumstances where it has a chance to pass.

I am in favor of the pending bill. My colleague said he did not want to lynch either one of the bills and therefore voted against passing the antilynching bill as an amendment to the pending railroad bill. I join with my colleague in that sentiment in explanation of my vote.

Mr. CONNALLY. Mr. President, lest some misapprehension might arise by reason of the expressions of several Senators as to why they voted against the adoption of the Copeland antilynching amendment to the pending railroad bill, I desire to make a brief statement for the RECORD.

I voted to table the amendment because I was against it. The Senator from Texas is as much opposed to murder as any other man in this body. Lynching is murder. Murder by an individual is also murder. The Senator from Texas is opposed to theft also, but he is not in favor of turning over to the Federal Government the prosecution of all theft cases.

The Senator from Texas is opposed to all the crimes contained in the penal codes of most of the States, and he is in favor of those crimes remaining in the penal codes of the States. The Senator from Texas is opposed to gang murders in New York and Chicago, in Washington, Indiana, and any other State. The Senator from Texas is opposed to what is expressly exempted in this anti-lynching bill—opposed to murder in labor disputes whether by the police or by the strikers. For 150 years murder has been an offense within the police power of the States, whether committed by one man or a dozen men.

The Supreme Court of the United States has held repeatedly that legislation of the character proposed in the antilynching bill is not within the competence of the Federal Government, but comes within the police powers of the States.

I am opposed to lynching. We have in the various States made great progress in suppressing lynching. The other day in my own State in the town of Athens a man was apprehended, charged with a heinous crime, and a brave sheriff, without any antilynching law, without Federal legislation, defied the gathering persons who might have become a mob, and by use of discretion and persuasion protected and saved the life of the prisoner and transported him to a distant city where I suppose he is now in jail.

Mr. President, I am not in favor of turning over to the Federal Government the prosecution of all the crimes that may be committed in the United States. I am not in favor of prosecuting, under the Federal law, persons charged with picking pockets. There is no reason why we should not do that if we are going to turn over to the Federal Government the prosecution of other crimes.

If we are going to have the Federal Government prosecute for the commission of crimes in the Federal courts and enact legislation authorizing prosecutions in the Federal courts for one kind of murder, let us make similar provision as to all other kinds of murder. If this bill is adopted, why shall we not say to the racketeers on Broadway that when two gangs of racketeers come in conflict and murder somebody—when an organized mob of that kind murders somebody—we will indict them in the Federal court? If an organized mob in a labor dispute, whether the police or the strikers or the nonstrikers, whoever they may be, commit a murder, why should not the Federal Government intervene and protect their rights under the Constitution of the United States?

I stand for the Constitution and every portion of it. I stand for the rights of persons under the fourteenth and fifteenth amendments; but I also stand for the rights of other persons under the whole Constitution, and among those rights are the rights of the individual States to retain the jurisdiction of their police powers and the execution of their own laws.

Mr. MINTON. Mr. President, will the Senator yield for a question for information?

Mr. CONNALLY. I yield.

Mr. MINTON. Would not this antilynching law apply in Indiana as much as it would in Texas?

Mr. CONNALLY. Oh, I suppose it would; but the Senator cannot by that question lead me astray. He knows and I know why he is for this bill. It would operate as much in Indiana under the same conditions, but the Senator knows that he has not the same conditions. Would the Senator vote for an amendment to make this bill apply to labor strikes and disputes? I shall ask him a question.

Mr. MINTON. That has not anything to do with the question.

Mr. CONNALLY. I do not care whether it has or not. Will the Senator vote for that sort of an amendment?

Mr. MINTON. I am against murder, just as the Senator from Texas is.

Mr. CONNALLY. Certainly; but the Senator was interrogating me, and now I ask him whether, when I offer to make this bill apply to labor disputes, he will vote for it?

Mr. MINTON. I do not think it should apply.

Mr. CONNALLY. But will the Senator vote for it?

Mr. MINTON. I do not think it should apply.

Mr. CONNALLY. The Senator will not vote for it, then. I knew he would not. I had no doubt where the Senator would stand. Of course, he will vote against it.

Mr. MINTON. I will vote for this kind of a bill as applying to labor and capital and anybody else that is engaged in violating the law of the land, either in concert or alone, and make them liable to the Federal law if it cannot be done by making them liable to the State law. Yes; I will vote for that kind of legislation.

Mr. CONNALLY. For what kind?

Mr. MINTON. For any kind that will uphold the law.

Mr. CONNALLY. All right. Will the Senator vote for an amendment to this bill to provide that murders committed

in labor disputes where there are organized crowds on each side shall come within this bill?

Mr. MINTON. Why, of course—of course. Who would not? Will the Senator from Texas?

Mr. CONNALLY. Yes; I will vote for it.

Mr. MINTON. And the lynching part of it, too?

Mr. CONNALLY. Oh, no; I did not say anything about that.

Mr. MINTON. The Senator is not as much against murder as I thought he was, then.

Mr. CONNALLY. Oh, well, I know the motives of the Senator from Indiana in this matter, and he knows them.

It is not constitutional to include labor disputes any more than it is to include lynching. Therefore I cannot vote, on the final vote, for either one of them; but if you are going to pass a bill of this kind I will vote to put in labor disputes along with lynching, because I know the Senator from Indiana will not vote for it, and others will not vote for it, and the bill will never pass.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. Why did the committee exclude gangsters or racketeers?

Mr. CONNALLY. I shall say to the Senator that that is a matter of geography.

Mr. McKELLAR. If organized bodies of men known as gangsters commit murder, or if an organization of racketeers commits murder, why should they be excluded?

Mr. CONNALLY. Certainly they should not be excluded; but this is a geographical bill. This is a political bill. This is a vote-getting bill. This is a bill advocated by Senators who are determined that they are not going to let the Republican Party get all the colored vote.

Mr. DIETERICH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. DIETERICH. The Senator says this is a vote-getting bill. The colored population of the South is greater than that of the North, is it not? Would you not make more votes by espousing a bill of this kind in your southern section than others would in the North?

Mr. CONNALLY. I am not speaking for the Senator from Illinois. If that is his motive, of course I cannot speak for him. I have not the time now to do it, Mr. President; but when the lynching bill comes before the Senate I shall review the history of the proposed legislation reaching back to the times of reconstruction, and I shall cite a number of decisions of the Supreme Court of the United States—I do not know whether they will have any appeal to some Senators or not, but I shall submit them—holding unequivocally and clearly that Congress has no right to legislate upon this question, because it relates purely and entirely and exclusively to the police powers of the States. If you can do this, why can you not pass a Federal law regulating theft? Why can you not pass a Federal law with regard to assault, fist fights, excessive motor speeds, or any other kind of a criminal act—stealing cattle in Arizona, interfering with or cutting irrigation canals, or cutting barbed-wire fences in New Mexico?

Mr. SMITH. Or gangster killings.

Mr. CONNALLY. Or gangster killings, as the Senator from Tennessee [Mr. McKELLAR] has already pointed out. Why, the proponents of the lynching bill are so much afraid it will apply to gangsters that they make a special exemption of them. The gangsters are the darlings of this bill. Let us see where that provision is.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Washington will state it.

Mr. SCHWELLENBACH. I inquire as to the action of the Senate on the motion of the Senator from Nevada [Mr. McCARRAN] to table the amendment of the Senator from New York [Mr. COPELAND].

Mr. CONNALLY. The Senate tabled it, but it did not table the Senator from Texas, I shall say to the Senator. [Laughter.]

Mr. McKELLAR. The provision to which the Senator refers is on page 7.

Mr. CONNALLY. Oh, yes! We are so anxious to stop violence everywhere and murder everywhere that we specifically provide—

> That "lynching" shall not be deemed to include violence occurring between members of groups of lawbreakers such as are commonly designated as gangsters or racketeers, nor violence occurring during the course of picketing or boycotting or any incident in connection with any "labor dispute" as that term is defined and used in the act of March 23, 1932.

The Senator from Indiana [Mr. MINTON] says he will vote to make it a Federal crime under this bill to commit murder in a gangster dispute or a labor dispute. He has already said he is going to vote for the bill, and the bill specifically exempts those things. The proponents of the bill are so careful, they are so afraid some court would construe it so as to include gangster murders and labor disputes, that in order to exempt them they wrote a provison of that kind in the law. "It may be murder, yes; it may be murder against men trying to work; it may be murder against men who are striking, but you shall not punish them under this act. We reserve that to our particular little group that we are going to look after, even if it beats us for reelection."

Gangsters! No wonder the Senator from New York wanted to offer this amendment. It does not touch the gangsters on Broadway, or over on Second Avenue, or down around the Battery; but if something happens down in my State, the Senator from New York is outraged. This will not get "Gyp the Blood." No; he and his gang will be free.

Mr. President, I rose simply to make it clear that at least one Senator voted to table this amendment because he was opposed to it. I have been a prosecuting officer. I have aided in preventing outbreaks of this kind. I am just as much in favor of protecting the life of a colored man in my State as I am in favor of protecting the life of a white man; but I am also interested in preserving the integrity of the Constitution and the integrity of the States. I do not want to take from my State the responsibility that is ours. I do not want to take off the shoulders of our citizenship their responsibility to see that their laws are enforced. I do not want to lift from the shoulders of a sheriff or a county judge or any other officer the duty that they themselves shall enforce the law, not because they fear some distant authority in Washington, not because they dread the gates of the penitentiary, but because, as citizens and as officers backed by a sound public opinion, they have the courage to enforce the laws that they are sworn to enforce. But back of this bill is the threat: "We, here in Washington, know better how to enforce your laws than you do. We, up here in Washington—this Federal establishment—will tell the States when and how they shall enforce their own laws."

Mr. President, that was not the spirit which has made America great. That is not the spirit that stimulates the responsibility of the individual citizen.

That is the doctrine of "Let George do it." We have been indulging in the doctrine of local responsibility and we have been making progress. Lynching has declined almost to disappearance.

Mr. DIETERICH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. DIETERICH. I desire to ask the Senator from Texas a question.

Mr. CONNALLY. I should like to hear the question. Will not the Senator speak loud enough so that I may hear it?

Mr. DIETERICH. The Senator may hear it. The bill provides that—

> Any assemblage of three or more persons which shall exercise or attempt to exercise by physical violence and without authority of law any power of correction or punishment over any citizen or citizens or other person or persons in the custody of any peace officer or suspected of, charged with, or convicted of the commission of any offense, with the purpose or consequence of preventing the apprehension or trial or punishment by law of such citizen or citizens, person or persons, shall constitute a "mob" within the meaning of this act. Any such violence by a mob which results in the death or maiming of the victim or victims thereof shall constitute "lynching" within the meaning of this act.

Can the Senator find where there is any geographical distinction in that, or any distinction as to race or color? Does not that apply generally and equally to all citizens?

Mr. CONNALLY. Oh, yes; if there are any colored men at the North Pole and we own the North Pole, it will apply; but they do not live at the North Pole, and the Senator knows it.

Mr. DIETERICH. Is that the answer the Senator desires to make to me in response to the question I asked him about the bill?

Mr. CONNALLY. Mr. President, the Senator from Illinois has asked a question the answer to which is so obvious that the Senator from Texas draws to himself no compliment by reason of the question having been asked. Of course, the language of the bill applies everywhere. If it did not, it would not be constitutional, in addition to its other unconstitutional features. The Senator would add just one more unconstitutional feature.

Mr. President, I wish to say that while I am against this bill on account of its unconstitutional features, I was also against attaching it to the bill of the Senator from Nevada because it would have resulted in involving that particular measure with another measure when it ought to be considered on its own merits.

I beg the pardon of the Senate for transgressing upon its time; but since numerous Senators have risen to forswear any intention, by voting to table the amendment, of indicating that they were against the amendment, I have felt it to be necessary that I outline my position as being one Senator who voted to table the amendment because he favored tabling it and wanted it to stay tabled.

Mr. DAVIS. Mr. President, I intend to vote for the pending bill because it represents the largest measure of railroad safety available under any current legislative plan in this particular field. Hearings held on the subject last year before the Senate Committee on Interstate Commerce and recent investigations show that in general practice the railroads operate trains with less than 70 cars to a train, and that this practice is in the interest of safety. Accidents increase with the increase of the volume of business, causing the railroads to use trains longer than the average. I believe it is well by legislation to limit the number of cars per train to 70, although this is somewhat more than the general average of cars found in the trains throughout the Nation. I believe this bill is a step toward greater protection of life and limb on the railroads.

While I have the floor I wish to take this opportunity—because I am earnestly in favor of the McCarran bill, the pending measure, and the antilynching bill—to give my reason for voting this afternoon to table the antilynching bill as an amendment to the McCarran bill. I did not care to jeopardize both pieces of legislation.

The colored people of my State are law-abiding, God-fearing people, and the great majority of the voters in my State desire to see the antilynching bill enacted into law. At the very first opportunity I shall speak upon this subject and do everything I possibly can to bring the antilynching bill to a vote, and when it comes to a vote I shall vote for it.

Mr. HALE. Mr. President, I have listened with interest to the debate here today, and I have learned a good deal about lynching in the South, but I have not learned how the pending bill can possibly add to the safety of the employees of the railroads. That it will undoubtedly add to the danger of the public in the way of grade-crossing accidents I think there can be no question. That it will cost a very considerable sum of money I think there can be no doubt.

Who is going to pay the increased cost brought about by the enactment of the proposed legislation? My colleague has read a letter from the president of the Bangor & Aroostook Railroad, which is situated largely in Aroostook County and handles the great potato crops there. He has stated that the cost to the road would be between five and six hundred thousand dollars.

The passenger traffic of that road during the 5 years ending in 1934, owing to the increase in the number of automobiles all over the country, has decreased substantially 66 percent. The freight traffic has declined substantially 33 percent. Clearly that road is not in a condition to assume any added expenditure. Somebody has to pay for these added expenditures, and the somebody who will pay, of course, will be the consuming public through an increase in freight rates.

The people of my State are very vitally interested in this matter. I have received letters from farmers who are especially interested in the potato situation; I have received letters from railroad officials; I have received letters from manufacturers and from retailers—all against the bill. I have also received letters from some of the railroad men favoring it.

I can see no reason for the passage of the bill, and I move that it be recommitted to the Committee on Interstate Commerce.

Mr. McCARRAN. Mr. President, I sincerely trust that the motion will not prevail, and will not receive any considerable support. The subject has been before the Congress of the United States for a long time, as stated by the chairman of the Committee on Interstate Commerce just a few moments ago. There has been full and fair opportunity for all parties to be heard before the Committee on Interstate Commerce. A motion to recommit is only a motion to defeat. A motion to recommit can accomplish nothing in the way of affording an opportunity for information.

Both the railroads and the employees have had ample opportunity to come before the Committee on Interstate Commerce, and they have come before that committee, and have submitted the evidence, and the evidence is of record. To recommit the bill at this time would simply be to defeat it. To return it to the committee would accomplish nothing; it would avail nothing.

Let us vote on this question fairly, let Senators look it in the face and say "yes" or "no", and we will be content with the outcome.

Mr. BROWN of Michigan. I desire to ask the chairman of the subcommittee whether or not the amendment suggested by the Senator from Mississippi [Mr. HARRISON] this morning, deferring the effective date to July 1, 1938, was accepted.

Mr. McCARRAN. It was accepted and adopted.

Mr. BROWN of Michigan. And it has been adopted?

Mr. McCARRAN. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Maine [Mr. HALE] to recommit the bill.

Mr. McCARRAN. On that question I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I do not know how he would vote if he were present. Therefore, I am obliged to withhold my vote.

Mr. McNARY (when his name was called). On this question I have a pair with the junior Senator from California [Mr. McADOO]. Not knowing how he would vote if present, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. VANDENBERG (when his name was called). On this question I am paired with the senior Senator from Missouri [Mr. CLARK]. Not knowing how he would vote on this question if he were present, I withhold my vote.

The roll call was concluded.

Mr. ASHURST. I announce that my colleague [Mr. HAYDEN] is unavoidably detained from the chamber. If present, he would vote "nay."

Mr. MINTON. I announce that the Senator from Tennessee [Mr. BERRY], the Senator from Nebraska [Mr. BURKE], the Senator from Missouri [Mr. CLARK], the Senator from Virginia [Mr. GLASS], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from New Mexico [Mr. HATCH], the

Senator from Illinois [Mr. LEWIS], the Senator from Kentucky [Mr. LOGAN], the Senator from California [Mr. McADOO], the Senator from New Jersey [Mr. MOORE], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Maryland [Mr. TYDINGS], the Senator from New York [Mr. WAGNER], and the Senator from Massachusetts [Mr. WALSH] are detained on important public business.

I am advised that if present the Senator from Massachusetts [Mr. WALSH] would vote "nay."

Mr. AUSTIN. I desire to announce the following pairs:

The Senator from Vermont [Mr. GIBSON] with the Senator from New York [Mr. WAGNER];

The Senator from New Hampshire [Mr. BRIDGES] with the Senator from Pennsylvania [Mr. GUFFEY]; and

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Virginia [Mr. GLASS].

The Senator from Vermont [Mr. GIBSON] and the Senator from Virginia [Mr. GLASS], if present, would vote "yea", and the Senator from Minnesota [Mr. SHIPSTEAD] and the Senator from New York [Mr. WAGNER], if present, would vote "nay."

The result was announced—yeas 17, nays 51, as follows:

YEAS—17

Andrews	Dieterich	King	Truman
Austin	George	Lodge	White
Bailey	Green	Maloney	
Bulow	Hale	Radcliffe	
Byrd	Holt	Townsend	

NAYS—51

Adams	Connally	La Follette	Pepper
Ashurst	Copeland	Lee	Pittman
Barkley	Donahey	Lonergan	Pope
Bilbo	Duffy	Lundeen	Schwartz
Black	Ellender	McCarran	Schwellenbach
Bone	Frazier	McGill	Sheppard
Brown, Mich.	Gerry	McKellar	Smith
Brown, N. H.	Gillette	Minton	Stelwer
Bulkley	Harrison	Murray	Thomas, Okla.
Byrnes	Herring	Neely	Thomas, Utah
Capper	Hitchcock	Nye	Van Nuys
Caraway	Hughes	O'Mahoney	Wheeler
Chavez	Johnson, Colo.	Overton	

NOT VOTING—27

Bankhead	Gibson	Logan	Shipstead
Berry	Glass	McAdoo	Smathers
Borah	Guffey	McNary	Tydings
Bridges	Hatch	Moore	Vandenberg
Burke	Hayden	Norris	Wagner
Clark	Johnson, Calif.	Reynolds	Walsh
Davis	Lewis	Russell	

So Mr. HALE's motion to recommit the bill was rejected.

Mr. ANDREWS. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 3, after the word "terminals", it is proposed to insert "nor shall this act apply to freight trains conveying refrigeration cars loaded or to be used in conveying perishable commodities such as fruit or vegetables or their containers."

Mr. ANDREWS. Mr. President, I think that amendment explains itself. When we receive information, which is usually 3 or 4 days in advance, that a freeze or a blizzard is approaching from the north or northwest, we do not have time to count the number of freight cars and refrigerator cars that must be rushed into Florida in order to take care of perishable products. That applies especially to tomatoes and peppers, and to citrus fruits. The railroads in our part of the State have few hills and few curves. It is is just as easy for a freight train to pull 150 cars as it is to pull 70 cars.

I hope the amendment will prevail.

Mr. McCARRAN. Mr. President, I have just one expression to make with reference to the amendment. If it is adopted, it will destroy the efficacy and the life of the entire bill. It should be rejected.

Mr. POPE. Mr. President, I do not agree with the statement the Senator from Nevada has just made. A number of farmers in my State have protested against the entire bill just for the reason conveyed by the language of the amendment. When our fruit in Idaho has ripened and is ready to go to market, it cannot await the convenience of the trains, particularly when there is only one railroad running through the State. There is no competition in my State. The Oregon Short Line, which is now a part of the Union Pacific system, covers almost the entire State, and particularly the portion of the State where fruit is grown. Our cherries and plums in particular, and to some extent our apples, and to a very large extent our peaches, are affected by this bill. Therefore, I think the amendment might well be adopted in order to take care of perishable fruits and vegetables. I am very strongly of the opinion that it should be adopted. I do not believe that it would seriously affect the operation of the bill. I believe some farmers and fruit growers would be seriously injured if such an amendment should not be adopted.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Florida [Mr. ANDREWS].

The amendment was rejected.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

The bill was passed.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

Mr. BLACK. I move that the Senate proceed to the consideration of Senate bill 2475.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which had been reported from the Committee on Education and Labor with an amendment.

CONSOLIDATED AIRCRAFT CORPORATION—MOTION TO RECONSIDER

Mr. KING. Mr. President, I desire to enter a motion to reconsider the vote by which the Senate passed the bill (S. 1881) for the relief of the Consolidated Aircraft Corporation.

The bill proposes to appropriate $89,000 for the relief of an aircraft corporation, and I desire to examine the measure further.

The PRESIDENT pro tempore. The motion will be entered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Ralph J. Rivers, of Alaska, to be United States attorney for the fourth division, district of Alaska.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the clerk will state the nominations on the calendar.

INTERSTATE COMMERCE COMMISSION

The legislative clerk read the nomination of Joseph B. Eastman, of Massachusetts, to be an Interstate Commerce Commissioner for a term expiring December 31, 1943.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceed to read sundry nominations in the Army.

Mr. SHEPPARD. I ask unanimous consent that nominations in the Army may be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, nominations in the Army are confirmed en bloc.

The Senate resumed legislative session.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 12 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, July 27, 1937, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 26 (legislative day of July 22), 1937

INTERSTATE COMMERCE COMMISSION

Joseph B. Eastman to be an Interstate Commerce Commissioner.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

First Lt. Andrew Donald Stephenson to Signal Corps.
Lt. Col. Robert Lawrence Eichelberger to Infantry.

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

To be lieutenant colonels

Norman McLean Scott
Oral Bevoly Bolibaugh
Charles Edward Sima
Frank Walker Young
Roy Farrington Brown
Richard Turberville Arnest
Charles Levi Maxwell
William Love Starnes
Orlando Jefferson Posey
Levy Steven Johnson
Daniel Franklin
Haskett Lynch Conner
Arthur Howard Nylen
William Walker McCaw
Arthur Raymond Gaines
Frederick Arthur Blesse
Samuel Augustus White
Francis Moylan Fitts
George Franklin Aycock
Frank Smeeton Matlack
Lewis Edwin Joel Browne
Charles Earle Brenn
Douglas Hamilton Mebane
Cleon Joseph Gentzkow
Robert Alexander Hale
Gouverneur Hammeken Boyer
James Claude Kimbrough
Arthur George Compton
John Jay Moore
Harold Dana Rogers
Alfred Robert Thomas, Jr.
Logan Mitchel Weaver

To be captains

William Sterling Hargan
Lewis Calvin Shellenberger

DENTAL CORPS

To be lieutenant colonels

Daniel Bratton
Thomas Luther Spoon

VETERINARY CORPS

To be lieutenant colonels

Josiah Wistar Worthington
Fred Chester Waters
Harry Edward Van Tuyl
Howard Mayo Savage
Burlin Chase Bridges
James Earl Noonan

POSTMASTERS

CONNECTICUT

James L. Grote, Chester.
Catherine O'Brien, Gildersleeve.
Evangeline M. Cassidy, Southbury.

FLORIDA

Stuart H. Shoenberger, Hallandale.

IDAHO

Agnes G. Barry, Ketchum.
Martha Hentley, McCall.

KANSAS

Frank F. Pauls, Buhler.

MARYLAND

Melvin L. Ridgely, Gaithersburg.

MICHIGAN

John Kennedy, Carsonville.

MINNESOTA

Mary A. Culhane, Rushford.

MISSISSIPPI

Lloyd C. Hopkins, Walnut.

OHIO

Clarence Hicks, Chesapeake.
Eusebio Pera, Geneva-on-the-Lake.
Virginia Lange, Kelleys Island.

PENNSYLVANIA

Harper Triplett, Schellsburg.

VIRGINIA

Charles E. Nash, Amonate.
Marion S. Battle, Roanoke.

WISCONSIN

Grace R. Miller, Shiocton.
Roberta B. Andrews, South Wayne.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 26, 1937

The House met at 12 o'clock meridian.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art the Father of us all, may we be loyal to the truth we know and faithfully follow the way that commends itself to our conscience. Make us chaste in our speech and pure in our desires, and let us live in the gentle light which breaks from the cross of the crucified One. Take us, our Father, into Thy care and keeping; bless our Speaker, the leaders, and all the Members of the Congress. We pray Thee that Thy spirit may direct them through all the problems that may arise. Oh, let us feel the strength borne of struggle and the peace wrested from trial. As we again set forth upon our labors, may our spirits be in tune with the joyous and the good, for the world is full of music if we only have music in our hearts. In the name of our Savior. Amen.

The Journal of the proceedings of Friday, July 23, 1937, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed, without amendment, a bill of the House of the following title:

H. R. 2093. An act for the relief of Marion Shober Phillips.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7472. An act to provide additional revenue for the District of Columbia, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House thereon, and appoints Mr. KING, Mr. McCARRAN, Mr. TYDINGS, Mr. CAPPER, and Mr. AUSTIN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2789. An act to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional units to be provided for the study of other crops as additional funds are provided.

CALL OF THE HOUSE

Mr. SNELL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 122]

Amlie	Douglas	Keller	Robertson
Andresen, Minn.	Doxey	Kelly, N. Y.	Ryan
Arnold	Drewry, Va.	Kloeb	Schuetz
Bates	Driver	Kniffin	Sirovich
Biermann	Duncan	Lambeth	Smith, Maine
Bigelow	Eaton	McGroarty	Smith, Va.
Boehne	Ellenbogen	McLean	Smith, W. Va.
Brewster	Faddis	Maas	Starnes
Buckley, N. Y.	Fernandez	Maloney	Steagall
Burch	Fulmer	Mason	Sullivan
Cannon, Wis.	Gilchrist	Meeks	Sweeney
Celler	Gingery	Millard	Taylor, Colo.
Chapman	Goldsborough	O'Brien, Mich.	Taylor, Tenn.
Clark, N. C.	Green	Parsons	Teigan
Cluett	Greenwood	Pettengill	Treadway
Cole, N. Y.	Hancock, N. Y.	Peyser	Weaver
Crosby	Hancock, N. C.	Plumley	Wene
Crosser	Harlan	Reece, Tenn.	White, Idaho
Culkin	Hartley	Reed, N. Y.	Withrow
Cummings	Hill, Ala.	Reilly	Wood
DeMuth	Hill, Wash.	Rich	Zimmerman
Dirksen	Jenks, N. H.	Richards	

The SPEAKER. Three hundred and forty-four Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and insert in connection therewith correspondence I have had with the Federal Trade Commission and a memorandum by the Federal Trade Commission.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PACE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PARADE OF UNEMPLOYED

Mr. VOORHIS. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS. Mr. Speaker, on Friday last the House heard a report of a parade of the unemployed. I have asked for these 2 minutes to call the attention of the House to another parade of the unemployed—a parade this time which has been and still is composed of thousands of our citizens leaving old homes where they were unable to make a living or to obtain relief to the State of California; a parade which we understand has carried some fifty or seventy-five thousand homeless, wandering, penniless people out of the Dust Bowl area and other portions of the country in search of some kind of a home or a job. This parade spells human want and tragic need for these American citizens searching for a home and a living; and it spells a terrific social and financial problem for the State of California, burdened as it is with the problem of relief for its own people plus these additional thousands. The situation is one which demands some kind of constructive action. The best action will be the rehabilitation of those folks in their old homes; but something must be done about it, and what that something is I shall discuss in the RECORD either tomorrow or the next day. I am calling the matter to the attention of the House, not only for that reason but also to show that there is in the American people and the American unemployed that spirit of searching for something better that will not die. [Applause.]

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the last of the special orders that have been entered, which is the address of the gentleman from Pennsylvania [Mr. RICH], I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. DUNN. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a reply to a letter which was written to me by Rabbi Wise, which concerns the persecution of the Hebrews, Polish, and other poor people.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SNELL. Mr. Speaker, I object to having these extraneous matters appearing in the regular RECORD.

Mr. DUNN. But, Mr. Speaker, that is not an extension. It is my own reply.

The SPEAKER. The gentleman from New York [Mr. SNELL], as the Chair understands, is objecting because the gentleman from Pennsylvania requested to have the remarks inserted in the RECORD at this point, instead of in the Appendix of the RECORD.

Mr. SNELL. Where they belong.

The SPEAKER. Does the gentleman from Pennsylvania modify his request?

Mr. DUNN. I modify the request, then, Mr. Speaker.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his own remarks in the Appendix of the RECORD, as indicated. Is there objection?

Mr. LESINSKI. Mr. Speaker, I object.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks.

The SPEAKER. Is there objection?

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, I understand the gentleman asks unanimous consent to extend his own remarks in the RECORD. May I suggest to the majority leader that at this time of the session it might save some time if all Members had permission to extend their own remarks in the Appendix of the RECORD as often as they see fit. The majority leader and I have discussed this matter.

Mr. SNELL. Mr. Speaker, reserving the right to object to the request of the gentleman from New York [Mr. O'CONNOR], if that is in order, it seems to me that is going pretty far. It never has been done before.

Mr. O'CONNOR of New York. I beg to differ with the gentleman; it has been done toward the close of a number of sessions.

Mr. SNELL. But we are no nearer the close of the session now than we were 3 months ago, and the gentleman knows it. We are running around in circles; we do not know where we are at, and there is no man on the majority side who can tell us.

Mr. O'CONNOR of New York. We would not run around in circles if I had my way; we would be out of here in 2 weeks. [Applause.]

Mr. SNELL. When you get to the point that you know where you are going and what you are doing, then it might be in order to make such a request.

Mr. O'CONNOR of New York. The thought in my mind was that it would save a good deal of time rather than to have so many Members asking to revise and extend their remarks.

Mr. SNELL. When there is nothing to do, there is no sense in saving time

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial commenting upon a statement I made before the Philippine Joint Affairs Commission, printed in the Manila Bulletin under date of Monday, June 21, and another editorial printed in the Philippine American Advocate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DUNN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DUNN. Will the Speaker advise me if the suggestion made by our distinguished colleague from New York [Mr. O'CONNOR], that all Members have the right to extend their own remarks during the balance of the session, applies to me so that I can extend my remarks, even though the gentleman from Michigan objected?

The SPEAKER. The Chair will state that the gentleman from New York did not submit that as a request. It has not been passed on by the House.

Mr. SNELL. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. SNELL. To make an inquiry of the majority leader regarding the program.

The SPEAKER. The gentleman from New York is recognized for that purpose.

Mr. SNELL. Mr. Speaker, can the majority leader inform us what the program is going to be for the balance of the week, if he feels at liberty to tell us?

Mr. RAYBURN. I certainly feel at liberty to tell the House any time I know what the program is. My understanding is that the program for today will be that the Chair will recognize the gentleman from Maryland [Mr. PALMISANO] to send the District tax bill to conference, that the Chair will recognize the gentleman from Oklahoma [Mr. JOHNSON] to take up the conference report on the Interior Department bill. After these matters have been disposed of, it is my understanding that the Bonneville Dam bill is the unfinished business. After the Bonneville Dam bill is disposed of, the next order of business will be the consideration of a bill carrying out one part of the reorganization program, a bill providing additional secretaries for the President.

Mr. SNELL. Does the gentleman think this bill important enough to keep us here in the middle of summer to pass?

Mr. RAYBURN. We certainly are going to be here tomorrow.

Mr. SNELL. I thought probably we were.

Mr. RAYBURN. Then there will be Calendar Wednesday, and we shall also be here on Wednesday. There certainly will not be a concurrent resolution for adjournment passed before Wednesday. As soon as I find out what business is to be brought up for consideration on Thursday I will make public announcement of it.

Mr. SNELL. If the gentleman can tell the Congress, does he know anything definite about final adjournment?

Mr. RAYBURN. Not yet.

Mr. SNELL. The prospects do not look very bright?

Mr. RAYBURN. The prospects look bright for us to adjourn within a reasonable time. [Laughter.]

Mr. SNELL. That rumor has been going the rounds for 3 months. It seems to me that it is the business of the majority leader to have definite projects on the program and to work for adjournment at an early date.

Mr. MANSFIELD. Before next winter.

Mr. McFARLANE. Mr. Speaker, the regular order.

The SPEAKER. The gentleman from New York is speaking by indulgence of the Chair.

Mr. RAYBURN. As soon as the majority leader is advised of the facts he will make an announcement.

The SPEAKER. The time of the gentleman from New York has expired.

DISTRICT OF COLUMBIA TAX BILL

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, with a Senate amendment, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. PALMISANO, KENNEDY of Maryland, NICHOLS, DIRKSEN, and SHORT.

INTERIOR DEPARTMENT APPROPRIATION BILL—1938

Mr. SCRUGHAM. Mr. Speaker, I call up the conference report on the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate and House amendments to Senate amendments to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 74 and 121.

The committee of conference report in disagreement Senate amendment numbered 89.

The committee of conference also report in disagreement Senate amendments numbered 93 and 95, and the amendments of the House thereto.

JED JOHNSON,
J. G. SCRUGHAM,
EMMET O'NEAL,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
ROBERT F. RICH,
W. P. LAMBERTSON,
Managers on the part of the House.

CARL HAYDEN,
KENNETH MCKELLAR,
ELMER THOMAS,
ALVA B. ADAMS,
GERALD P. NYE,
FREDERICK STEIWER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the Senate and House amendments to Senate amendments to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendment no. 74: Strikes out language inserted by the Senate providing that section 2 of the act of August 12, 1935, relating to Indian claims, shall not apply to the Five Civilized Tribes.

On amendment no. 121: Strikes out the appropriation of $16,500 for a fish hatchery for Glacier National Park, Mont., inserted by the Senate.

Amendments in disagreement

The committee of conference report in disagreement the following amendments:

On amendment no. 89: Appropriating funds for continuing construction of the Gila reclamation project in Arizona.

On amendment no. 93: Appropriating funds for administrative expenses in connection with the construction of reclamation projects.

On amendment no. 95: Correcting a total.

JED JOHNSON,
J. G. SCRUGHAM,
EMMET O'NEAL,
JAMES M. FITZPATRICK,
CHAS. H. LEAVY,
ROBERT F. RICH,
W. P. LAMBERTSON,
Managers on the part of the House.

The SPEAKER. The question is on agreeing to the conference report.

Mr. SCRUGHAM. Mr. Speaker, there is a unanimous agreement on the part of the majority and minority conferees for both Houses. I am very hopeful that the House can give support to the agreements. They have been worked out very carefully and fairly, after a most thorough and exhaustive examination into the subject. The Senate has receded on amendments 74 and 121.

Mr. Speaker, I move the adoption of the report.

The SPEAKER. The question is on the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment no. 89: Page 75, after line 23, insert:
"Gila project, Arizona, $1,250,000; said Gila project including the waters to be diverted and used thereby and the lands and structures for the diversion and storage thereof, to be subject to the provisions of the Boulder Canyon Project Act of December 21, 1928, and subject to and controlled by the provisions of the Colorado River compact signed at Santa Fe, N. Mex., November 24, 1922."

Mr. SCRUGHAM. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. SCRUGHAM moves that the House recede from its disagreement to the amendment of the Senate no. 89 with an amendment as follows: In lieu of the sum named in said amendment, insert "$700,000."

Mr. SCRUGHAM. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, week before last when the Interior Department conference report was up for consideration, this House voted down the Gila project by a vote of 191 to 123, as I remember it. While the initial appropriation for this project is only $500,000, the total cost of the first unit will be $20,000,000 and the total cost of the four units will run anywhere between $80,000,000 and $125,000,000.

In spite of the demand on the part of the Secretary of Agriculture for the passage of a bill to permit the control of crops and prices, the House has passed innumerable projects for reclamation and has appropriated millions of dollars to bring new land into cultivation. This particular unit involves 125,000 acres at a cost of approximately $160 an acre. It also involves land on which, as I understand it, there are no people living and substantially no agricultural development whatever. In the face of the economic situation in which the country finds itself, how we can continue the policy of bringing into cultivation land which will produce wheat, corn, cotton, grapes, fruits, and vegetables in competition with land in private ownership and in private cultivation, I cannot understand.

Mr. SNELL. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. SNELL. Was there any new information that came to the committee which would lead the House, or should lead the House, to change the position it took a week or two weeks ago?

Mr. TABER. There was just this situation, as I understand it: The House voted upon approximately 15 items of substance in disagreement. It yielded upon all matters of substance except two—the Oklahoma Indian proposition and this one. As I understand it, the only thing that came before the conferees was the fact the Senate did not want to recede in respect to those two amendments.

Mr. SNELL. There is no new information which the committee received that should make the House change its position?

Mr. FITZPATRICK. If the gentleman will yield, the information came to the conferees that $3,050,000 had been spent and part of it contracted for and on June 27 this year the President approved this project because of the fact it had already been started and millions of dollars had been spent on it.

Mr. SNELL. The gentleman states the President approved of it; but the Congress never has, and now the President wants to shift the burden on to Congress, as I understand it.

Mr. SCRUGHAM. The President approved this project under section 8 of the Boulder Canyon Act.

Mr. SNELL. The Congress has gone definitely on record against it; and the only information, as the gentleman from New York said, is that money has been spent on this project without our approval. Now he wants us to take it over. That is the same argument that is always used, and there is no basis to it whatever.

Mr. FITZPATRICK. It is nothing new.

Mr. SNELL. No; I know it is nothing new over there.

Mr. FITZPATRICK. There is nothing new in this, because it happened in the gentleman's administration, as well.

Mr. SNELL. It has become a habit over on that side for you fellows to spend the money and then ask the Congress to approve the expenditure.

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Speaker, I yield the gentleman from New York [Mr. TABER] 3 additional minutes.

Mr. TABER. Mr. Speaker, this is exactly the same as the situation that has always come right back to us in connection with these reclamation projects that have been embarked upon without regard to the economic situation and without a vote of the Congress approving them.

This matter was considered by the House when the bill was up originally and the Chair sustained a point of order against the proposition, holding that it was not authorized by law.

I cannot see how this House, when it has yielded on all but 2 out of about 15 separate amendments, can afford to yield on a proposition which involves in the long run $80,000,000.

I understand all the work that has been done by allotments of relief funds can supply water to certain parts of this territory without any further expenditure. There is no sense in opening up all of this acreage without any excuse for its cultivation whatever.

Mr. Speaker, I hope the House will insist upon its disagreement to Senate amendment no. 89.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes; I yield to the gentleman from Michigan.

Mr. MICHENER. As I understand, this project was started with relief money?

Mr. TABER. Yes.

Mr. MICHENER. In other words, the nose of the camel is under the tent to the extent of $3,000,000, and now the President approves what he has already done and asks the Congress to make it possible to spend $80,000,000 more.

Mr. FITZPATRICK. Is it not a fact Congress approved of this in a previous act?

Mr. TABER. The Chairman of the Committee of the Whole House on the state of the Union ruled that it had not been authorized by law.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. SHORT. Is it not a fact the project was stricken out on a point of order when the bill was originally considered, and was later voted down by the House when the conference report was brought in?

Mr. TABER. Yes; by a vote of 191 to 123, 2 weeks ago.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. JENKINS of Ohio. Then we are in this situation, as I understand it: The Congress has already gone on record as disapproving the proposition. Then, just because the Executive has said, "I have spent $3,000,000, and now I want you to change this", the conferees have retreated in the face of this order from the President, and now we are called back here to undo what we did in a regular and proper legislative way.

Mr. TABER. That is just it. We ought to stand up for the rights of the House in connection with legislation of this kind.

Mr. SCRUGHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, I am in thorough accord with the view expressed by the minority leader. This continuous procession of reclamation projects which is being brought into the House is becoming a joke. We are bringing thousands and thousands of acres of new land into culitvation. Much of this land will come into competition with sections of the country where the Government is spending millions and millions of dollars in curtailing production. How can you reconcile and justify this?

Mr. WHITE of Idaho. If the gentleman has ever gone into any of the hotels down there and eaten some good bread made from Minnesota wheat he will realize we are a market for the products you produce in Minnesota.

Mr. KNUTSON. That is no argument at all. Of course, everybody eats wheat. I do not suppose you have yet been reduced to the extremity where you have to live on cactus.

This is known as the Gila project. It is named after the Gila monster, which is a poisonous lizard that inhabits this section of the country. It seems to me before we appropriate money to drown out these poisonous lizards the matter should be referred to the humane society. I will admit this is a monstrous thing, and it is also poison to the Treasury, so it is well named the Gila project. I hope the House will turn it down and give these poor Gila monsters down in Arizona and New Mexico a new lease on life. Let us leave a little of the country out there in its natural state, and for succeeding generations to bring this land under cultivation if 200 or 500 years from now they need more acreage. We should not try to subdue this entire continent in one or two generations.

Mr. Speaker, I hope the House will insist upon its disagreement to the Senate amendment.

Mr. SCRUGHAM. Mr. Speaker, there has been an amazing amount of misinformation voiced here today, and a total lack of familiarity with the facts has been shown. This Gila project is fully authorized by law, and especially by the Reclamation Act. The money is paid not from the United States Treasury but from the reclamation fund. The reclamation fund is raised through sales of public lands and royalties from oil lands. Three million fifty thousand dollars has been allocated to this project, and the work is already well advanced. The products to be raised are largely citrus fruits and generally do not come in competition with agricultural products from other parts of the country.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. SNELL. Will the gentleman read to the House the law which authorizes the Gila project?

Mr. SCRUGHAM. Yes. The Reclamation Act, to start with and in addition by section 8 of the Boulder Dam Act. Then, in addition, the President has approved it under a finding of feasibility, which was dated June 27.

Mr. SNELL. I do not understand that that general act recognized this individual project.

Mr. SCRUGHAM. It certainly does. I can give the gentleman the quotation, if he wishes. I have it here.

This project is authorized by the Boulder Canyon Act, section 8. This is one authorization. Secondly, it was authorized under the reclamation law, and the findings of feasibility have been duly made by the Secretary of the Interior and approved by the President. There is no question whatever but what this project is fully authorized by law.

Mr. SNELL. Of course, that depends on the construction given that act, and that is not the usual way we have authorized such projects.

Mr. SCRUGHAM. It is the usual way these projects have been authorized. I know of no other project which has any more complete and unqualified authorization.

Mr. SNELL. It is not the usual authorization, and the gentleman knows it.

Mr. SCRUGHAM. This has been handled in exactly the same way as other reclamation projects.

Mr. SNELL. This project, when considered by the House in committee, was ruled out because it had not been authorized by law.

Mr. SCRUGHAM. I beg the gentleman's pardon, but I must differ with him.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. I yield to the gentleman from Illinois.

Mr. SABATH. The statement has been made by a gentleman on the other side that before this project is completed it will cost the Government between $80,000,000 and $120,000,000.

Mr. SCRUGHAM. Absolutely not for the unit here under consideration.

Mr. SABATH. Can the gentleman give the House information about the approximate cost of this project when completed?

Mr. SCRUGHAM. Yes; I have it here in detail. The dam, head works, and desilting works, $1,397,000, the canal system $4,217,000, and the pumping plant, distribution system, and transmission lines will bring the total up to $20,000,000 and not $75,000,000. This is the official statement from Mr. Page of the Reclamation Service applying to this project.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield at that point?

Mr. SCRUGHAM. I yield.

Mr. WIGGLESWORTH. Is it not a fact that the amount of $20,000,000 to which the gentleman has just referred covers only the first unit in the project?

Mr. SCRUGHAM. There are three other units that are practicable to be built later on, but I am giving the figures with respect to this particular project.

Mr. WIGGLESWORTH. And the total for all the units has been estimated at from $80,000,000 to $125,000,000.

Mr. SCRUGHAM. If everything practicable is put in, but that is hardly a fair way of expressing the cost of this unit.

Mr. WIGGLESWORTH. And the total additional acreage to be brought into cultivation is estimated at some 585,000 acres?

Mr. SCRUGHAM. No; 150,000 acres.

Mr. WIGGLESWORTH. One hundred and fifty thousand for unit no. 1, but the total project contemplates additional acreage of about 585,000 acres.

Mr. SCRUGHAM. We are not dealing with three or four extra units, but simply with the particular unit involved here.

Mr. WIGGLESWORTH. If we start on one unit we shall, of course, have the usual pressure to finish the entire project.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. MICHENER. Are there any farmers on this land now?

Mr. SCRUGHAM. Yes; to some extent on adjacent lands of similar character.

Mr. MICHENER. As I understand it, this is new land not now under cultivation.

Mr. SCRUGHAM. The 150,000 acres are not in cultivation at this time.

Mr. MICHENER. Are there roads and highways and other improvements on this land?

Mr. SCRUGHAM. What does the gentleman mean?

Mr. MICHENER. As a matter of fact, and as I understand, this is so-called wild land on which there is no improvement at this time, and if this provision goes through, you are not only going to allow the $80,000,000 for the reclamation part of the project but the Federal Government is also going to be asked to build roads and make other improvements, and mark my words, when we come back here with the appropriation bills in future years, you will ask for thousands of dollars additional to complete what you are here projecting.

Mr. SCRUGHAM. The gentleman has a very lively imagination.

Mr. DOWELL. Mr. Speaker, will the gentleman yield for another question?

Mr. SCRUGHAM. Yes.

Mr. DOWELL. How much land will this put under cultivation?

Mr. SCRUGHAM. One hundred and fifty thousand acres, largely citrus-fruit lands.

Mr. DOWELL. That is just the first unit.

Mr. SCRUGHAM. That is the unit which we are referring to now.

Mr. DOWELL. What will be the total acreage when the entire project is completed?

Mr. SCRUGHAM. One hundred and fifty thousand acres will be the complete acreage of this project unit.

Mr. DOWELL. Is not the total acreage over 500,000 acres?

Mr. SCRUGHAM. There is no use in bringing in three additional proposals which are not now before the House.

Mr. DOWELL. I am trying to get additional information about this project. How much is this going to bring under cultivation?

Mr. SCRUGHAM. One hundred and fifty thousand acres.

Mr. DOWELL. Ultimately will it not be over 500,000 acres?

Mr. SCRUGHAM. Something like 500,000 to 600,000 acres are capable of being put under cultivation.

If the gentleman will allow me to refer to a brief statement, probably his questions will be answered.

Mr. DOWELL. Is it not true that the farmers are asking Congress to pass legislation at this session of Congress—and I think it ought to be passed—to take care of the surplus they are already raising on farm lands now under cultivation, and yet the gentleman wants to put 500,000 additional acres under cultivation to compete with our present acreage?

Mr. SCRUGHAM. This particular project has no connection with the other matters of legislation you are attempting to bring into the discussion.

Now, if I may read a brief statement——

Mr. DOWELL. Let me ask the gentleman another question.

Mr. SCRUGHAM. Let me read this statement:

> The lands to be irrigated by the Gila project are Federal lands, will be administered by the Federal Government, and will be subject in all particulars to the Colorado River compact and the Boulder Canyon Project Act, which are Federal law.
>
> California has by law and by contract limited herself to the use of not more than 4,400,000 acre-feet of water from the Colorado River out of the 7,500,000 acre-feet allocated to the lower basin by the Boulder Canyon Project Act of December 21, 1928.
>
> Therefore the 600,000 acre-feet of water proposed to be utilized for the Gila project cannot by law be used in California. Since this water is required by law to be discharged through the spillways at Boulder Dam, it cannot be used by the upper basin.
>
> The water cannot be utilized in California, and if not used otherwise, the 600,000 acre-feet of water will go into Mexico and will be lost to this country as an economic asset.

Mr. DOWELL. The gentleman is aware of the fact that any food products raised on the farms of this country are going to add to the surplus of farm products?

Mr. SCRUGHAM. No.

Mr. DOWELL. The gentleman has stated that over $3,000,000 of relief money has been put into this project.

Mr. SCRUGHAM. No; that is not correct.

Mr. DOWELL. What did the gentleman state?

Mr. SCRUGHAM. One million eight hundred thousand dollars of relief money was allocated, and $1,250,000 was the appropriation made last year by this House.

Mr. DOWELL. How much relief money?

Mr. SCRUGHAM. One million eight hundred thousand dollars.

Mr. DOWELL. We appropriated that money for the relief of those who were in need.

The gentlemen on the other side were doing what they could to keep Congress from earmarking any of the relief money, because it was needed for those who are in need. Does the gentleman think that putting 600,000 acres of land under cultivation and paying over $80,000,000 of the Government's money to put it under cultivation is going to be any relief to the farmers of the country?

Mr. SCRUGHAM. This is one of the most meritorious and substantial relief measures ever proposed by this Government.

Mr. DOWELL. If the gentleman is trying to care for the farmer's surplus, he is not going to put 600,000 acres additional under cultivation.

Mr. SCRUGHAM. Did the gentleman hear the speech made by the gentleman from California [Mr. VOORHIS], this morning at the beginning of the session? That is an answer to the gentleman's question.

Mr. DOWELL. I am talking about the surplus.

Mr. VOORHIS. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. VOORHIS. I think one of the things that needs to be borne in mind is the fact that farming has been throughout the years one of the main means of livelihood for the American people. It is not merely a matter of producing large surpluses, but it is the means of enabling people to make a living, and we have thousands of people who, in accordance with any sane problem of helping the farmer, will have to be removed from the lands on which they now are.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. SNELL. The answer to a previous quetsion I asked the gentleman I understood him to say that some 50,000 acres of this land is already under cultivation. In the letter which he just read he stated that this is all Federal land. How could that land be under cultivation if it is Federal land?

Mr. SCRUGHAM. I did not say that 50,000 acres of this particular unit were under cultivation.

Mr. SNELL. Then I misunderstood the gentleman. How much is under cultivation?

Mr. SCRUGHAM. I do not know that any of it is under cultivation.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. MICHENER. Reclamation has its place in the picture, and I am one of those who have always wanted to help reclamation when it is needed. I want to impress upon the gentleman who comes from a reclamation State that he is killing the goose that lays the golden egg, because the goose cannot keep on laying golden eggs as it has in the last 4 years, because the sentiment of the farmers is such that they will rise up in such protest against this continuous spending of money to bring more land under cultivation and make paupers out of them that you are going to ruin your reclamation prospects in the years to come, and I beseech the gentleman to abide by the decision of the House as expressed when it voted on this project the other day.

Mr. FORD of California. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. FORD of California. If any section of the country ought to object to this particular project, it is California, because the primary purpose of it is to raise citrus fruits, but we think we have an economic sense and a national belief that whenever you develop one part of the country you develop the whole United States. We are not opposing this because citrus fruits will be raised there, but we believe that the citrus fruits that will be raised there will add wealth to Arizona, and adding wealth to Arizona will help the whole United States.

Mr. MICHENER. Oh, the gentleman speaks for a small part of the city of Los Angeles and has no authority whatever to speak for agriculture or the rest of the country. We grow citrus fruit in Florida and in other places, and the gentleman, representing a small territory in the city of Los Angeles, consumes citrus fruit and in no sense represents the views of the majority of the farmers of the country.

Mr. SCRUGHAM. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Speaker, when the hearings were held before the subcommittee I took quite an interest and

asked many questions. One of the questions I asked was whether this would be self-liquidating, and if it would cost the taxpayers any money. I was informed that it would be self-liquidating and that anything produced there would not come in competition with other farm products of the country.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. Yes; but I want time to finish my remarks. I yield to the gentleman.

Mr. TABER. Does the gentleman realize that the Commodity Surplus Corporation had to go out into the market and did go out into the market and purchase millions of dollars' worth of citrus fruits and distribute them gratuitously, because there was such a surplus of those things.

Mr. FITZPATRICK. That was because of the depression which was brought on by the Republican Party, which cut down the purchasing power of the people. [Applause on Democratic side.]

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. Not at present. I will yield later.

Mr. Speaker, last Thursday the gentleman from New York [Mr. BARRY] brought in a resolution to appropriate money to print thousands of copies of a report made by a committee appointed by the President to make an investigation of the present and coming machine age and mass production. For some 30 or 40 years we have failed to legislate to meet the machine age and mass production. That is what our country is suffering fron. today. If Congress had passed legislation to meet the machine age and regulate the hours of labor, we would not be suffering from the unemployment conditions that exist in our country today. I hope the time is not far distant when we will legislate to that end. I think this project that we are considering today is a step in the right direction. If we can develop land of this kind and put men and women back to the soil to make a living instead of going into the large industrial cities as they are doing today, our country will benefit greatly by it. The products produced on this land will not come into competition with other farm products. The trouble has been for the last 25 or 30 years that the youth of the farming districts have been going into the industrial sections of our country and thereby increasing the population and causing unemployment in this machine age. This project is a step forward to encourage the youth of the farming districts to remain on the farms and make a living. If we are going to meet the machine age and mass production, we should irrigate these lands and encourage the youth of the farming districts to stay there and not go into the industrial sections, which is the cause of most of the trouble today. [Applause.]

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. FITZPATRICK. I yield.

Mr. COLDEN. Is it not a fact that if Arizona is unable to conserve these waters, they will flow down into Mexico and be utilized by American "economic royalists" on the other side of the boundary line?

Mr. FITZPATRICK. That is true.

Mr. COLDEN. And the water will forever be lost to the United States of America?

Mr. FITZPATRICK. Positively so. I want to congratulate the delegation from California, whose State produces citrus fruits, in supporting this legislation today. I represent an eastern district. However, I do not feel that I was elected to represent my district alone, although I have a great interest in it and would not do anything that I thought would be harmful to the people of my district. At the same time I feel that I am a representative of the 48 States of the Union [applause], and if I can assist in enacting legislation that will be beneficial to our country as a whole, so that we can get out of this depression and put our people back to work so they can make a living, whether it is in Arizona or New York, I am for that kind of legislation. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SCRUGHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, we have just listened to the farmer-statesman from the Bronx in New York City. [Applause and laughter.] That farmer-statesman from the great city tells us there was a surplus of citrus fruit last year. He admits that, but——

Mr. FITZPATRICK. I did not say anything of the kind. A Member on your side made the statement.

Mr. MICHENER. Yes, the gentleman admits there was a surplus, because he cannot deny it, and charges the Republican Party with the responsibility of creating that surplus last year.

Mr. FITZPATRICK. No; responsibility for the depression that we have been suffering from for the last 6 or 7 years.

Mr. MICHENER. Has the gentleman finished with his courteous interruption?

Mr. FITZPATRICK. I would like to correct the gentleman when he is accusing me of something I did not say.

Mr. MICHENER. If the gentleman has finished I will proceed.

Mr. FITZPATRICK. I never misquote you or anybody else.

Mr. MICHENER. Has the gentleman finished? [Laughter.]

Now, we had a surplus of citrus fruit last year, and this Congress was asked for, and granted, authority to take Government money and buy that surplus citrus fruit on the market and give to the city districts from which the gentleman from New York comes, in the way of relief. The gentleman is a member of the appropriations committee and knows that. Is the gentleman interested in the farmer getting a price for his product, or, as a city representative, is he interested in his city constituents getting citrus fruit and other competitive products that will be grown on this land, at the lowest cost possible, regardless of the price the farmer receives?

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. MAY. As I recall, we appropriated $500,000,000 to curtail production by the farmers all over the country. Since then we have sent the Commodity Credit Corporation out to buy up and control this mass production, and yet the gentleman from New York [Mr. FITZPATRICK] argues that we ought to put 600,000 more acres into production in order to solve mass production.

Mr. MICHENER. Yes. I might supplement what the gentleman said about that. We did appropriate $500,000 last year. This year we have appropriated $900,000 more to buy this surplus. This is the taxpayers' money. Then you are asking us to put the camel's nose under the tent again, to appropriate $80,000,000 more to create more surpluses, that next year we will be asked to buy to give to the people whom we put out of business by this legislation this year. Why, it is not only inconsistent but it is silly, it is ridiculous.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. SHORT. I may say for the information of our Bronx farmer friend, the gentleman from New York, that citrous fruit is not the only product that will be grown in this area. Wheat will be grown, too, in direct competition with the wheat farmers of Kansas, Missouri, and Minnesota. Corn will be grown in direct competition with the farmers in Nebraska, Iowa, and Illinois. Berries will be grown in direct competition with every farmer in my district, and cotton will be grown in direct competition with the farmers of the South. This House has already rejected this proposition on two different occasions. Now we are asked to pass it since the boys in Colorado have got what they want.

Mr. LAMBERTSON. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. LAMBERTSON. This talk about the camel getting his nose under the tent is terribly out of date, for there is not a piece of that tent that is less than 10 feet from the ground. [Laughter.]

Mr. MICHENER. Mr. Speaker, in conclusion, I hope the Members will vote as they voted the other day when they understood this proposition, that they will not be influenced, that they will not be controlled, that they will be the same men when they vote today, that they will exercise the same judgment—their own judgment—that they exercised in voting upon this very proposition less than 2 weeks ago. Why the change? Oh, for the return of the day when Congress will again function in its own right and according to the dictates of its own conscience. [Applause.]

Mr. SCRUGHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Speaker, I feel that perhaps I ought to take a certain amount of blame for the situation surrounding the Gila project, for I was a member of the Interior Department Subcommittee on Appropriations. I am deeply interested in irrigation and reclamation, coming from one of the great western reclamation States. I had the privilege of interrogating Mr. Page, Commissioner of Reclamation, and other witnesses, and made the record upon which the Chairman of the Committee of the Whole House, during consideration of the Interior bill in the House, ruled out this project on a point of order because it was not authorized, according to the record. I made that record, and I am willing to accept the blame. With more experience, perhaps I could have made a better record. In the recent conference between the Senate and the House we had before us a report from the Commissioner of Irrigation showing that $1,800,000 was allocated from relief funds to the Gila project more than a year ago and that Congress last year appropriated $1,250,000, and showing that work has been done on some portions of this project to the extent of 50 percent.

Had it not been for my own error—I am going to have to decline to answer questions because I have but 5 minutes and I want to cover this ground, not because I am afraid I could not answer them—had it not been for my own error, this Gila project would not have gone out on a point of order but would have been passed along with the rest of the bill.

On its merits, Mr. Speaker, I know that it stands with any project in America; let me say, incidentally, that it is wrong, and I know my good Republican friends realize surely that it is wrong, to say we are taking money out of the Federal Treasury to build these projects with no thought of ever having it retired. I say it is wrong because the record of 30 years shows that the reclamation projects of the United States have paid back 98.8 percent of all construction charges that are current and due. They have paid 99.1 percent of all maintenance charges, current and due. The record substantiates the figures I am giving, and this record can be found on pages 147 and 148 of the hearings of the Interior Department bill for 1938.

If we do not use this water, they are going to use it in Mexico. This is how that situation arises: We built Boulder Dam and impounded millions of acre-feet of water. When we did so, we steadied the flow of the Colorado River below the dam. At this season of the year, under natural conditions, the Colorado River would run with little water down into Old Mexico. Now, however, with the construction and completion of the dam, there is a substantial summer flow of water. Water is life in the West. Mexicans have the identical kind of land that Arizonans have. If they use that water first, then we cannot use it on this side, even though we created the condition, that is, made the surplus summer water possible through the construction of Boulder Dam. The same type of crops that are raised in Arizona will be raised across the line.

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Speaker, I yield 2 additional minutes to the gentleman from Washington.

Mr. LEAVY. The question may be asked if Mexico would not do that anyway, even if we go ahead and finish this project? No; I do not believe they would for the reason that throughout the West since the earliest days it has been recognized that he who uses water first for a beneficial purpose has a prior right to it. We have firmly and irrevocably builded this principle of law into the water code, both National and State.

That is the law of every Western State, and that is the law we have to recognize in any international controversy. If we permit Mexico to use that water first, then we must recognize its rights as prior to our own, and the great dam we have built would avail us nothing. The increased summer flow of water would go into old Mexico to enrich that Nation, its people, and perhaps a few selfish American citizens who have acquired extensive holdings across the international boundary.

May I stress one other point? The gentleman from Pennsylvania [Mr. RICH], the great watchdog of the Federal Treasury, and a splendid gentleman, though we disagree violently on matters of economy, is one of the most able and useful Members of this great body. He has fixed convictions and the courage to fight for them. And I should also refer to the gentleman from Kansas [Mr. LAMBERTSON], a fine Member, too, but never known to be a friend of reclamation. They have each approved this report. This is a different matter from the one that was submitted and which the House recently voted down. This carries only $700,000 instead of $1,250,000, as I think it should have carried. Arizona's very able Representative, JOHN MURDOCK, has made one of the most masterful and brilliant fights for this deserving project. His people have reason to be proud of him. I am glad to lend my feeble efforts to support him and to rectify an unintentional error on my part when the original record was made on this case.

Mr. Speaker, in conclusion, may I say we will make a serious mistake if we refuse to extend credit to helpless little Arizona and not permit her to add to the national wealth by the development of the splendid land she has there. [Applause.]

[Here the gavel fell.]

Mr. SCRUGHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. AMLIE].

Mr. AMLIE. Mr. Speaker, it is my intention to vote for this project. I want to devote my remarks to the subject of the inconsistency that has been charged by Republican Members. I am willing to grant that there is an apparent inconsistency in paying farmers for taking land out of cultivation, while we are going ahead with irrigation projects to bring more land into cultivation.

But I should like to ask whether this same inconsistency that characterizes the activities of the Government in irrigation matters would not also apply to the private business revival which Republican leaders expect would take place if the Government were to balance its Budget. Briefly, we cannot expect any revival of normal prosperity until private investors again spend from six to eight billion dollars a year on new capital investment projects. It is the argument of the Republicans and other conservative leaders that the reason private investors are not spending from six to eight billion dollars a year on capital goods is that they are afraid to do so while the Government Budget is unbalanced.

Col. Leonard P. Ayres, of Cleveland, has frequently pointed out to the country that there is what he terms a backlog of $65,000,000,000 in the investment field. He assumes, of course, that under normal conditions American investors would be investing from six to eight billion dollars a year instead of the $1,000,000,000 that will probably be reinvested this year, and much less during the past 5 years.

But would there be any sense in private investors further increasing the productive capacity of the country by building new factories and machines when our present productive equipment is operated at only 60 or 70 percent of full capacity? In other words, while the Republicans call attention to the inconsistency of the Government's bringing more land into cultivation when the people lack the purchasing power to buy the agricultural products that are now being produced. Would not the same line of reasoning effectively

preclude private investors from building more factories when the factories which they now own are operating at only part capacity? As a matter of fact, the very arguments which the rugged individualists have used against the Government's spending money for irrigation projects would apply with even greater force in preventing these same rugged individualists from risking their own money in new capital investments to increase a plant capacity already overbuilt.

If the Republicans would bother to carry out their line of reasoning they would find that abundance, either by Government initiative or private initiative, is effectively excluded. They must, therefore, be prepared to say that they favor scarcity, that they favor producing no more than people can afford to buy, whether it is produced by the Government or by private management, without regard to how limited the purchasing power of the people may be.

Mr. Speaker, I have come to the point where I believe that the important consideration is the needs of the people, rather than the effective demand of the market. If we were to work out a remedy now according to traditional ways for the dairy farmers in my district, we should have to greatly reduce the dairy output, because the American people cannot afford to buy at a decent price even the dairy products that are now being produced. If we were to give all of the American people all the dairy products called for by the liberal diet worked out by the United States Department of Agriculture, we should have to increase our milk production 75 percent, our cheese production 70 percent, and our butter production 100 percent. If we were to give all the American people a liberal diet, we should have to increase poultry production by 35 percent, meat by 10 or 20 percent, vegetables by 25 percent, and fruit by 50 percent. We are not producing half the citrus fruit that the American people need, though much more than they can afford to buy.

I have come to the point in my thinking where I am willing to go ahead and have the Government build the plant that is necessary to produce the citrus fruit, the vegetables, dairy products, and so forth, that are needed if we are to give the American people a decent standard of living. Having built the plant, I am satisfied that we will then be able to see to it that the American people get the purchasing power with which to take over these foodstuffs and use them to raise their standard of living. In other words, I have come to the point where I am ready to abandon the scarcity system and give support to a program that looks to an abundance of production and a decent standard of living for all of the American people. In making this statement I am not thinking of the immediate interests of my district, which is primarily a dairy district, but, like the gentleman from New York, I am speaking in terms of the welfare of all the American people and a high standard of living for all those people. [Applause.]

Mr. SCRUGHAM. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Speaker, may I say a word in answer to my good friend, the gentleman from Washington [Mr. LEAVY], who said that I, as an opponent of irrigation, had signed this report. I did sign the report, but it was the conference report which we have already adopted. The minority Members, the gentleman from Pennsylvania [Mr. RICH] and I, oppose that which is in disagreement. We were perfectly consistent in signing the majority report that has already been disposed of by the House. This matter in disagreement is now before the House to decide, and, of course, we reserved the right to vote our individual convictions, which in this case is no.

Mr. SCRUGHAM. Mr. Speaker, I move the previous question on the motion to recede and concur in the Senate amendment with an amendment.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Nevada [Mr. SCRUGHAM], that the House recede and concur in the Senate amendment with an amendment.

The question was taken; and on a division (demanded by Mr. SCRUGHAM) there were —ayes 81, noes 89.

Mr. SCRUGHAM. I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 160, nays 148, not voting 123, as follows:

[Roll No. 123]

YEAS—160

Allen, Del.	Dunn	Kenney	Patrick
Allen, Pa.	Eckert	Kerr	Patton
Amlie	Elliott	Kirwan	Peterson, Fla.
Anderson, Mo.	Englebright	Kramer	Phillips
Atkinson	Ferguson	Kvale	Pierce
Beiter	Fitzpatrick	Larrabee	Polk
Bell	Flannagan	Lea	Quinn
Bernard	Flannery	Leavy	Rabaut
Binderup	Fleger	Lemke	Ramsay
Bloom	Fletcher	Lesinski	Randolph
Bolleau	Ford, Calif.	Lewis, Colo.	Rankin
Boland, Pa.	Ford, Miss.	Lewis, Md.	Rayburn
Boren	Fries, Ill.	Long	Robinson, Utah
Boykin	Gambrill	Luckey, Nebr.	Rogers, Okla.
Brooks	Garrett	Luecke, Mich	Romjue
Brown	Gearhart	McCormack	Sacks
Buck	Gildea	McFarlane	Schulte
Buckler, Minn.	Gray, Pa.	McGehee	Scott
Burdick	Green	McGrath	Scrugham
Caldwell	Greever	McKeough	Secrest
Cartwright	Gregory	McReynolds	Sheppard
Case, S. Dak.	Griffith	Magnuson	Smith, Wash.
Casey, Mass.	Haines	Mansfield	Sparkman
Clark, Idaho	Hamilton	Martin, Colo.	Stack
Coffee, Wash.	Havenner	Massingale	Sumners, Tex.
Colden	Hendricks	Mills	Thomas, Tex.
Costello	Hennings	Moser, Pa.	Thomason, Tex.
Crowe	Hildebrandt	Mosier, Ohio	Tolan
Cullen	Hill, Okla.	Mott	Transue
Curley	Hill, Wash.	Mouton	Turner
Daly	Hobbs	Murdock, Ariz.	Voorhis
Dempsey	Honeyman	Murdock, Utah	Walter
DeRouen	Hook	O'Connell, Mont.	Wearin
Dickstein	Houston	O'Connell, R. I.	Weaver
Dies	Izac	O'Connor, Mont.	Welch
Dingell	Jarman	O'Connor, N. Y.	West
Disney	Jenckes, Ind.	O'Day	White, Idaho
Dockweiler	Johnson, Lyndon	O'Malley	Whittington
Doughton	Johnson, Minn.	O'Neal, Ky.	Wilcox
Drew, Pa.	Johnson, W. Va.	Patman	Zimmerman

NAYS—148

Aleshire	Engel	Luce	Schneider, Wis.
Allen, Ill.	Faddis	Ludlow	Seger
Allen, La.	Farley	McAndrews	Shafer, Mich.
Andresen, Minn.	Fish	McLaughlin	Shanley
Andrews	Fitzgerald	McMillan	Short
Arends	Forand	McSweeney	Simpson
Ashbrook	Frey, Pa.	Mahon, S. C.	Smith, Conn.
Bacon	Fuller	Mahon, Tex.	Snell
Bates	Gehrmann	Mapes	South
Beam	Gifford	Martin, Mass.	Spence
Biermann	Gray, Ind.	May	Stefan
Bland	Griswold	Michener	Sutphin
Boyer	Guyer	Mitchell, Ill.	Swope
Bradley	Gwynne	Mitchell, Tenn.	Taber
Carlson	Halleck	Nelson	Tarver
Champion	Harrington	Nichols	Taylor, S. C.
Chandler	Harter	O'Brien, Ill.	Terry
Chapman	Healey	Oliver	Thom
Church	Holmes	O'Neill, N. J.	Thomas, N. J.
Citron	Hope	Owen	Thurston
Clason	Hull	Pace	Tinkham
Claypool	Hunter	Palmisano	Tobey
Cochran	Imhoff	Patterson	Towey
Coffee, Nebr.	Jacobsen	Pearson	Umstead
Cole, Md.	Jarrett	Peterson, Ga.	Vincent, B. M.
Colmer	Jenkins, Ohio	Pettengill	Vinson, Fred M.
Cooper	Jenks, N. H.	Poage	Vinson, Ga.
Cox	Johnson, Luther A.	Ramspeck	Wadsworth
Crawford	Kelly, Ill.	Reed, Ill.	Whelchel
Creal	Kinzer	Rees, Kans.	White, Ohio
Crowther	Kitchens	Rigney	Wigglesworth
Dixon	Knutson	Robsion, Ky.	Williams
Dondero	Kocialkowski	Rogers, Mass.	Wolcott
Dowell	Lambertson	Rutherford	Wolfenden
Eberharter	Lamneck	Sanders	Wolverton
Edmiston	Lord	Sauthoff	Woodruff
Elcher	Lucas	Schaefer, Ill.	Woodrum

NOT VOTING—123

Arnold	Cannon, Wis.	Cummings	Eaton
Barden	Carter	Deen	Ellenbogen
Barry	Celler	Delaney	Evans
Bigelow	Clark, N. C.	DeMuth	Fernandez
Boehne	Cluett	Dirksen	Fulmer
Boylan, N. Y.	Cole, N. Y.	Ditter	Gasque
Brewster	Collins	Dorsey	Gavagan
Buckley, N. Y.	Cooley	Douglas	Gilchrist
Bulwinkle	Cravens	Doxey	Gingery
Burch	Crosby	Drewry, Va.	Goldsborough
Byrne	Crosser	Driver	Greenwood
Cannon, Mo.	Culkin	Duncan	Hancock, N. Y.

Hancock, N. C.	Lambeth	O'Toole	Smith, Va.
Harlan	Lanham	Parsons	Smith, W. Va.
Hart	Lanzetta	Peyser	Snyder, Pa.
Hartley	McClellan	Pfeifer	Somers, N. Y.
Higgins	McGranery	Plumley	Starnes
Hill, Ala.	McGroarty	Powers	Steagall
Hoffman	McLean	Reece, Tenn.	Sullivan
Johnson, Okla.	Maas	Reed, N. Y.	Sweeney
Jones	Maloney	Reilly	Taylor, Colo.
Kee	Mason	Rich	Taylor, Tenn.
Keller	Maverick	Richards	Telgan
Kelly, N. Y.	Mead	Robertson	Thompson, Ill.
Kennedy, Md.	Meeks	Ryan	Treadway
Kennedy, N. Y.	Merritt	Sabath	Wallgren
Keogh	Millard	Sadowski	Warren
Kleberg	Miller	Schuetz	Wene
Kloeb	Norton	Shannon	Withrow
Kniffin	O'Brien, Mich.	Sirovich	Wood
Kopplemann	O'Leary	Smith, Maine	

Mr. TABER. Mr. Speaker, I make the point of order that the proper qualification expression is not being used by the Members now seeking to vote.

The SPEAKER. To what Member does the gentleman refer?

Mr. TABER. To almost all of the Members concerned. They have simply stated that they qualify. They have not stated they were present and listening and failed to hear their names called.

The SPEAKER. The Chair, in taking these votes, has laid down the proposition that a Member in order to qualify must be prepared to state that he was present and listening and failed to hear his named called. It is a matter of honor with each Member.

Mr. SNELL. That is all right.

Mr. HENNINGS, Mr. GRAY of Pennsylvania, Mr. BROOKS, and Mr. FLANNERY changed their votes from "nay" to "yea."

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Telgan (for) with Mr. Douglas (against).
Mr. Sullivan (for) with Mr. Treadway (against).
Mr. Withrow (for) with Mr. Dirksen (against).
Mr. Ellenbogen (for) with Mr. Hancock of New York (against).
Mr. Boyland (for) with Mr. Gilchrist (against).
Mr. Maloney (for) with Mr. Cole of New York (against).
Mr. Sirovich (for) with Mr. Reece of Tennessee (against).
Mr. Gavagan (for) with Mr. Powers (against).
Mr. Pfeifer (for) with Mr. Eaton (against).
Mr. Byrne (for) with Mr. Mason (against).
Mr. Kelly of New York (for) with Mr. Plumley (against).
Mr. Lanzetta (for) with Mr. Ditter (against).
Mr. Barry (for) with Mr. Reed of New York (against).

General pairs until further notice:

Mr. Deen with Mr. Carter.
Mr. Jones with Mr. Hartley.
Mr. Burch with Mr. Maas.
Mr. Kleberg with Mr. Rich.
Mr. Doxey with Mr. Taylor of Tennessee.
Mr. Cannon of Missouri with Mr. Cluett.
Mr. Maverick with Mr. Brewster.
Mr. Drewry with Mr. Culkin.
Mr. Warren with Mr. Hoffman.
Mr. Parsons with Mr. McLean.
Mr. Steagall with Mr. Smith of Maine.
Mr. Lanham with Mr. Millard of New York.
Mr. Cooley with Mr. Delaney.
Mr. Bulwinkle with Mr. Kee.
Mr. Celler with Mr. Wene.
Mr. Driver with Mr. Snyder of Pennsylvania.
Mr. Hill of Alabama with Mr. Schuetz.
Mr. Robertson of Virginia with Mr. Hart.
Mr. Meeks with Mr. Cravens.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 93: Page 88, after line 9, insert the following: "For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field $750,000, in addition to and for the same objects of expenditure as are hereinbefore enumerated in paragraphs 2 and 3 under the caption 'Bureau of Reclamation'; in all, $10,535,000: *Provided*, That of this amount not to exceed $75,000 may be expended for personal services in the District of Columbia."

Mr. SCRUGHAM. Mr. Speaker, I move that the House insist on its amendment to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment no. 95: Page 88, line 24, strike out "$9,416,600" and insert "$11,701,600."

Mr. SCRUGHAM. Mr. Speaker, I move that the House insist on its amendment to Senate amendment no. 95.

The motion was agreed to.

A motion to reconsider the votes by which the various motions were agreed to was laid on the table.

NEW YORK WORLD'S FAIR AND SAN FRANCISCO BAY EXPOSITION

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 454) making appropriations for participation by the United States in the New York World's Fair and in the world's fair to be held by the San Francisco Bay Exposition, Inc., both in 1939.

Mr. FISH. Mr. Speaker, there are certain matters I would like to look into during the next few days before giving consent to taking up this matter, so I am reluctantly compelled to object at the present time.

The SPEAKER. Objection is heard.

BONNEVILLE DAM

The SPEAKER. The unfinished business is the further consideration of the bill (H. R. 7642) to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes.

Mr. MANSFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7642) to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7642, with Mr. WILCOX in the chair.

The Clerk read the title of the bill.

Mr. MAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAY: Page 5, line 18, after the word "act", strike out the period and insert a colon and the following proviso: "*Provided*, That before doing the things provided for and directed to be done in section 2 of this act the Administrator shall, by due and proper advertisement for a period of 30 days in at least one daily newspaper having the largest circulation in the State of Washington and one daily newspaper having the largest circulation in the State of Oregon, advertise for sealed bids for the sale at the switchboard by wholesale of all the surplus electricity produced at said dam to some person, corporation, or privately owned utilities or power company, and said Administrator shall, in pursuance of said advertisement, receive and report to the board herein set up and to the Secretary of the Interior all bids so received by him; and immediately after receipt and filing of said bids with the Secretary of the Interior, the said Secretary shall cause said board to be assembled and prepare, open, and review said bids. The board shall not accept or approve any bid from any person, corporation, or company not financially responsible and capable of fully and satisfactorily performing the contract for the distribution and sale of the electric energy produced and delivered to it; nor shall said board accept any bid or bids for the sale of such electric power or energy for less than 3 mills or more than 5 mills per kilowatt-hour. If and when a bid is accepted and the board is ready to enter into a contract with the purchaser or purchasers of said electrical energy, they shall fix the terms of sale for distribution thereof and price at which same shall be sold and delivered to the public and to State and public bodies, as in this act provided, allowing to the distributor thereof only a reasonable profit above the cost of distribution and marketing of the same. When a bid has been accepted, the board shall prepare and submit to the Attorney General of the United States all necessary information needful in drafting such contract, with all the tentative terms thereof, together with schedules and tariffs provided by the Federal Power Commission, and said Attorney General shall prepare or cause to be prepared a contract in triplicate for execution and delivery. The board shall have power to reject any and all bids so submitted to it, and neither the Administrator as such nor the Government of the United States shall in any manner be bound thereby until a contract is finally concluded and approved by the Administrator and the Secretary of the Interior."

Mr. MAY. Mr. Chairman, I ask unanimous consent that I may address the Committee for 10 minutes on this amendment.

Mr. COLDEN. Reserving the right to object, Mr. Chairman, will the gentleman from Kentucky explain if his amendment provides for selling all the power to one corporation?

Mr. MAY. I shall cover that in my explanation of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Chairman, it has been stated, doubtless on good authority, that the Columbia River affords the greatest natural resource of any stream in America for the production of hydroelectricity. The United States Government has gone to very large expense and has constructed and has under construction several major projects of this kind for flood control and navigation, with the incidental production of electricity in large quantities. It is the purpose—and a commendable purpose, too—of those who sponsor this bill to give to the people of the northwest area the greatest amount of electricity possible at the cheapest price possible. With this aim I agree, but the method of accomplishing this purpose is where I differ from the sponsors of the legislation.

The bill now presented sets up a scheme by which an administrator is to be appointed by the Secretary of the Interior at a salary of $10,000 per year. The fact of the matter is that the bill does not state whether it is $10,000 a month or $10,000 a year, and it does not provide for how long he shall be appointed.

Mr. SMITH of Washington. Mr. Chairman, will the gentleman yield?

Mr. MAY. Not now; I will yield later.

He is given carte blanche authority to go out and buy any amount of property he chooses at any price he chooses, and the Government will have to pay for it.

What business concern is there in all America that would dare practice such business methods; and if it did, how long would it remain in business? I caution you, my colleagues, to remember that the Government never had a dollar that it did not get out of the hides of the people by the drastic method known as taxation. Furthermore, every dime of money that you authorize this roaming administrator to spend is trust funds. The people's money—but I know you are going to pass this bill regardless of cost. You pay no heed whatever to demands of the President that we must economize by refusing to create new spending agencies.

The administrator is authorized, without limit and without restriction, to go out and purchase transmission lines, easements, and rights-of-way in any amount whatsoever without any restriction whatsoever and without requirement of the approval of the Congress of the United States in any manner. There is no provision for auditing his accounts.

The purpose of my amendment is to provide what I think is a sane and sensible scheme for the distribution of this surplus electricity, without incurring all of this unnecessary expense to the Federal Government.

The War Department's Board of Engineers are in charge of this dam. They have constructed it and constructed it well. The bill as presented provides for the appointment of this administrator to take charge of the surplus energy from this dam at the switchboard and provide a market for it. It authorizes him to appoint assistants and employees and attorneys and agents in the usual and customary form, practically in the same language as the Tennessee Valley Authority Act, and everybody in this House knows how they have proceeded to appoint employees and attorneys. This administrator will do the same thing, and at the next session of this Congress he will be here with outstretched hands for several millions to meet his obligations. Why all this haste when the dam will not be complete for several months yet?

My purpose in offering this amendment is to fix a market price for this power at the switchboard that will liquidate the Government's investment in a reasonable time, and with the constant threat of the Federal Government with a club in hand hanging over the utilities of the Northwest they will undoubtedly be able to procure a bid of some kind. If they could secure a bid that is satisfactory, based upon 2 mills per kilowatt-hour or 5 mills per kilowatt-hour, or anywhere in between those amounts, then the only thing in the world they have got to do is to come to the Attorney General of the United States and enter into a written contract. In that conract they are permitted to require this purchaser or this contractor to perform his contract and even to fix the rates at which it shall be distributed to the ultimate consumer.

The effect of this amendment would be to remove from the Federal Government the cost of every bit of this huge set-up which it is proposed in this bill shall be under the administrator.

I think this is the only way to do the thing. Here is a huge project, a powerful dam that will start out with a production of 62,000,000 kilowatt-hours and end, ultimately, when completed, with 452,000,000 kilowatt-hours. A few miles above it is another great project, a few miles below it is another great project, and I see now from the hearings and from the argument here in the House of Representatives that there is a controversy going to arise as to competition between the different projects of the Federal Government. I would like to remove this activity from the field of competition with private industry which pays taxes into the Treasury for the construction of such projects, and then require them to buy this energy at the switchboard and distribute it as the administrator says they shall do. In this way we cut out the field of operations of this administrator. We thereby save the millions he will surely spend.

I am surprised that they did not call him an authority, because we have a bill pending in the Congress, now before a committee for consideration, which proposes to establish seven new Tennessee Valley authorities, and one of them is to be in the Columbia River territory.

The purpose of my amendment is to require this energy to be sold at the switchboard to the distributors, the power companies, if you please, if they happen to buy it or some individual who may buy it, and that they shall go to all the expense of building transmission lines and substations and distribution systems instead of requiring the taxpayers to pay for all of those things.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MAY. In just a moment I will be pleased to yield.

Under this plan and under the provisions of this amendment, they can put into the contract a provision that will enable the administrator to say to the distributor how much he shall sell it for and to whom he shall sell it. I think this is the wise and sensible way to do it.

I now yield to the gentleman from Mississippi.

Mr. RANKIN. Does the gentleman's amendment provide a resale rate at which the power companies must sell it?

Mr. MAY. No; but it gives the administrator that you appoint in your bill and to whom you give jurisdiction over this matter, the power to say what it shall be when he writes the contract with a responsible party, and this amendment prohibits them from entering into any agreement with anybody who is not financially and morally responsible and capable of performing the contract. It gives this administrator the power to fix the rate, subject to tariffs and schedules submitted to him by the Federal Power Commission, and the only difference in this amendment and the bill as it is presented is that under the plan provided by the committee bill they propose to go out and spend the Lord knows how much money, millions and millions and hundreds of millions of dollars building transmission lines and distribution systems and setting up a great, integrated power system in the Northwest. What I want to do is to save your taxpayers, and your taxpayers, and your taxpayers, and my taxpayers from any further expense in connection with the promotion of this great Federal power project in opposition to private industry in this country.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. MAY. Yes; I yield.

Mr. COLDEN. Would not the gentleman's amendment permit the sale of the entire output of this plant to one corporation and thereby defeat the very purpose of the Government in promoting a public-ownership project?

Mr. MAY. Certainly, it would mean that the Government would not promote public-ownership projects because the Government ought not to be in private industry or in private business.

Mr. COLDEN. Will the gentleman yield further?

Mr. MAY. No, I will not yield further.

Mr. COLDEN. What about the farmer?

Mr. MAY. And it gives the Government of the United States the whip hand, with authority to say to the purchaser, "You shall sell it thus and so, and not otherwise." You ask me about the farmer, the man with the hoe; the man for whom demagogues weep bitter tears and then vote for measures that will lay upon the backs of the farmers of this country tax burdens too heavy to bear. You may give him a little cheaper electricity but he finds it in his tax bill at the end of the year just the same. Your farmer, my friend, is going to wake up some day and find he is the politicians' goat—and then look out.

The farmer will get his electricity through the distributor just the same as he will get it under your administrator that you provide for in this, except that the farmer will not have to be assessed, and have his back broken and be bled to pay for taxes in order to pay the expenses of administration, if my amendment is adopted.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. MAY. I yield to the gentleman from Pennsylvania.

Mr. DUNN. Does the gentleman believe that these private utility companies can give electricity cheaper than the Government can?

Mr. MAY. I believe the utility company that already has a system set up, and that can build a transmission line from the dam 40 miles each way and feed the power into its existing system, can distribute electricity cheaper than the Government under this administrator, who must go out and spend millions to create a distribution system. Hear me, my colleagues! You can ignore your chief and disregard his demands but you cannot escape pay day.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent to address the House for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Chairman, let me say to the friends of the power policy of this administration, in the words of an ancient sage, to "beware of the Greeks when they come bearing gifts." When the gentleman from Kentucky [Mr. MAY], who has consistently fought every provision of the administration's power policy up to now, comes and offers you an amendment to be imposed on the Bonneville bill, I say beware of the Greeks when they come bearing gifts.

What is the object of this amendment? It is to paralyze the distribution of Bonneville power. Let me show you what effect it would have. It would forever shut the door of hope in the faces of the people in that great northwestern country who could not get their power from those utilities that are now wringing overcharges of from seven to twelve million dollars a year from the people of each of the States of Oregon and Washington. The gentleman wants to fix a minimum rate? Why fix a minimum rate of 3 mills a kilowatt-hour when everybody who is familiar with the subject knows that the power can be profitably sold for possibly 1 or 1½ mills per kilowatt-hour?

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. MURDOCK of Utah. Is the gentleman in favor of the policy of the Government controlling the resale rate on Federal power projects?

Mr. RANKIN. I am.

Mr. MURDOCK of Utah. Very well; then I admonish the gentleman at this time to beware of another section in this bill.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Let me finish. If this power cannot be sold at less than 3 mills per kilowatt-hour at the dam, it means the Government will have this project on its hands and a large part of this power will not be distributed, because any manufacturer on large scale can manufacture its own power in bulk for less than 3 mills per kilowatt-hour. Especially is that true as to secondary power.

Surely you Republicans will not vote with the gentleman from Kentucky on this amendment. In 1930 you made a contract to sell the Muscle Shoals power to the Commonwealth & Southern, for which they paid as low as 1.56 mills a kilowatt-hour for 5 years. Surely when they tell you, or the War Department tells you that they can manufacture power at Muscle Shoals for less than 2 mills a kilowatt-hour, and at Bonneville it can be produced for less than it can on the Tennessee River, as has been wisely suggested by the chairman of the committee [Mr. MANSFIELD], who sits at my left, you will not fall for this kind of an amendment offered by one who has blocked in every way he could the administration's power program in this House for the last 4 years.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I will yield for a question but not for an argument.

Mr. MAY. I want to ask the gentleman a question.

Mr. RANKIN. If the gentleman has one question to ask, I will answer it later.

I wish to correct two misstatements which Mr. SNELL and Mr. BEITER injected into the debate, which represent statements furnished by others, Friday last on the Bonneville bill. I feel that these misstatements came to my colleagues from misrepresentation purposely made by Mr. Carlisle, of the Niagara Hudson Power Co. I challenged them at the time, and now present the facts so that the American people will not be deceived by such twisted statements of facts. Macaulay stated in one of his essays that if it is of pecuniary advantage to some men, they would disprove the universal law of gravitation. Carlisle's proposition falls in this class.

The Niagara Hudson Power Co. does not sell its power cheaper to the public than the Ontario Hydro. Seventy-five to 90 percent of the American Niagara Falls power is sold directly or indirectly to the Aluminum Co. and its allies in monopoly.

Niagara Hudson is a holding company comprising 35 subsidiaries. The principal generating subsidiary of Niagara Hudson is the Niagara Falls Power Co. This company generates on both American and Canadian sides, importing the latter. Now, let us look into kilowatt-hour sales of the parent company, Niagara Hudson:

Sales of electricity, in thousands of kilowatt-hours

	1929	Percent	1934	Percent	1936	Percent
Domestic, including rural	312,329	5.7	412,507	7.6	493,868	9.2
Commercial	458,882	8.3	483,138	6.9	566,945	10.6
Industrial and wholesale	4,802,469	86.0	4,588,267	83.5	4,278,501	80.2
Total	5,573,680	100.0	5,483,912	100.0	5,339,314	100.0

Only 24,463,657 kilowatt-hours were sold to farms, or one-half of 1 percent of the total in 1934.

The bulk of this power was sold to industries, railroads, and interconnected power systems, all low-priced power. The source of this data is Power Authority, State of New York, December 1936, page 43, and Moody's Manual, 1935, page 187.

Now let us look at the similar statement for the year 1934 from Moody's 1935 report, page 198, for the Niagara Falls Power Co.:

Sales in thousands of kilowatt-hours, including plant on Canadian side and purchased

Farms (½₀₀ of 1 percent)	171
Domestic (1¼₀₀ of 1 percent)	4,723
Small light (1¾₀₀ of 1 percent)	4,069
Street lights (½₀₀ of 1 percent)	300
Industrial power (47.4 percent)	1,564,398
Sold to other companies (51.8 percent)	1,709,208
Total	3,296,133

Practically all of this current was sold to low-priced monopolistic consumers at the Falls. Now let us look at the American Niagara:

American Niagara, 1935—Niagara Falls Power Co.

(Kilowatt-hours expressed in units of 1,000)

Large industrial power customers	26
Kilowatt-hours (thousands)	1,582,034
Miscellaneous customers	47
Kilowatt-hours (thousands)	16,310
Total kilowatt-hours (thousands)	1,598,344

The total number of customers of Niagara Power Co., American side, is 73, the majority of this power goes to 11 large monopolistic consumers, which I will later cover. This shows where practically all of Niagara power goes.

Now let us look at the average sale price of Niagara-Hudson power compared with Ontario, State of New York, and United States for year 1935.

Average sale price, year 1935

	Niagara Falls Power Co.	Niagara Hudson, all operating companies	Ontario	New York State	United States
	Cents	*Cents*	*Cents*	*Cents*	*Cents*
Residential		4.2	1.7	6.1	5.0
Commercial light and power		2.8	1.9	4.9	3.8
Industrial power	0.31	0.6	.5	1.5	1.3
Miscellaneous	.49	2.3	2.2	2.5	1.8
All sales	.31	1.3	.8	3.0	2.5

Ontario Hydro pays no taxes. Niagara Falls Power Co. pays taxes at rate of 0.6 mill per kilowatt-hour, and Niagara Hudson 1.3 mills. Average 1 mill, same as State of Washington. Adding 1 mill to Ontario, rates are still low on equal basis. Now let us look at residential bills.

Rates

	Kilowatt-hours						
	25	40	60	100	300	500	1,000
Ontario	$0.75	$1.02	$1.54	$1.74	$3.02	$3.92	$6.17
Tacoma	1.18	1.52	1.72	2.12	4.12	6.12	8.62
Winnipeg	.75	1.20	1.80	3.00	4.38	6.18	7.38
Tennessee Valley Authority	.75	1.20	1.70	2.50	5.50	6.90	8.90
Niagara Hudson	1.50	2.19	2.64	3.80	8.02	12.12	20.87
Average, New York State	1.79	2.54	3.50	5.35	12.90	16.90	25.65
United States average	1.63	2.40	3.35	4.53	10.39	14.40	23.90
Old Commonwealth & Southern	2.50	3.80	5.40	8.60	23.00	37.60	66.10
What Aluminum Co. pays at Niagara for this amount of current	.03	.04	.06	.14	.39	.67	1.33

The Aluminum Co. pays on an average in round numbers $10 per horsepower year for mechanical horsepower at Niagara. On their use this amounts to 1⅓ mills per kilowatt-hour. The last line of table calculated at this average rate to Aluminum Co. to show how this low-priced current brings down the company average figures.

In the city of Niagara Falls, N. Y., 100 kilowatt-hours and 250 kilowatt-hours of residential current was sold for $4.75 and $11.88 respectively as of January 1, 1936, as listed on pages 11 and 12 of 1936 rate series of Federal Power Commission. The latter figure is the highest cost figures in the United States for 101 towns of the same class, although immediately adjacent to the cheapest power source in the world. Monopoly gets all the cheap power and the public pays the freight.

The latter bill figures given for the Aluminum Co. are calculated at the average price paid by the Aluminum Co. namely, 1⅓ mills per kilowatt-hour. I have presented this comparison solely on the basis of sale price and without considering the equity of these sale prices. The total output at Niagara is sold for 3.1 mills per kilowatt-hour, so it is easily seen from the figures presented that the bulk of the power sales of Niagara Hudson is at an extremely low sale price. It is sold under contracts that violate the Clayton Act, the Sherman Act, and section 10H of the Federal Water Power Act. Under section 26 of the latter act the Power Commission, if it does its duty, will revoke the licenses of the Niagara company and allow this power to revert to the people of the State of New York, to whom it rightfully belongs. Furthermore, this entire Niagara set-up is a violation of section 18 of article III of the Constitution of the State of New York, as stated, and as interpreted by the courts. The object of this State constitutional provision was to prevent monopoly. The attorney general of the State of New York cited this act in an opinion in the Long-Sault matter, where President Roosevelt received his baptism in the power fight.

Now, by outlaw methods, a Niagara Hudson official arrives at some low fictitious deceptive figures, which are quoted here on the floor of Congress to paint this bunch of power pirates as public benefactors in selling low-priced current, when the contrary situation exists from the figures I have presented.

Let us now see what the New York Power Authority states in a brief filed with the Federal Power Commission, December 26, 1936. Quoting sections 19, 20, and 21, on page 80:

The Niagara Falls Power Co. has only 73 customers and the bulk of the power derived from Niagara Falls is being utilized at extremely low rates by giant industrial corporations such as the Aluminium Co. of America, the E. I. du Pont de Nemours Co., and the Union Carbide Co. This great public power resource is being used as a factor sustaining the profits of these concerns.

SEC. 20. The Aluminum Co. contract, on the basis of which it utilizes a large block of Niagara power at a cost of approximately $10 per horsepower-year, binds the Niagara Falls Power Co. not to sell power to any other party for the manufacture of aluminum. Thus an exclusive use of Niagara power for the manufacture of aluminum serves to sustain this company's monopoly position in the industry.

SEC. 21. The fact that the Aluminum Co. has provided profits of $240,000,000 in the 25 years 1911–35 on an original investment of not more than $3,121,600, paying $81,270,483 in cash dividends on such original investment and expanding the asset value of such investment to $167,500,000 in the same period, is, therefore, a measure of the extent to which the public power resource of the Niagara River is serving the purpose of exploitation.

The public-power bloc of the House has the full facts on the Niagara contract scandals, so has the Power Authority of the State of New York. When opened up the American people will learn the true costs of hydro power, which my friends on the other side of the House state that the American people earnestly desire. Let my New York colleagues get behind the power authority of their State, and open up this power scandal so that the American people can know the true facts as to hydro-power costs.

Mr. SMITH of Washington. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. SMITH of Washington. Does the gentleman from Mississippi realize that it has been rumored in the Pacific Northwest that the Bohn Aluminum & Brass Co., which I understand is a subsidiary or affiliate of the Aluminum Co. of America, has had its representatives in the Pacific Northwest trying to arrange, if possible, which, of course, under this bill it could not in its present form, to purchase the entire output of the Bonneville Dam project?

Mr. RANKIN. Oh, yes.

Mr. SMITH of Washington. This amendment offered by the gentleman from Kentucky [Mr. MAY] is in line with the desires of those very people who would like to monopolize the entire output of the Bonneville Dam project. It would emasculate the bill, defeat its purposes, and should therefore be voted down.

Mr. RANKIN. In the face of the record, to present such statements as the ones to which I have referred, to discredit Ontario Hydro, is a gross deception. I advise my friends from New York to read the testimony before the Federal Trade Commission covering the Murray Flood and the Wyer reports to see the "skulldugging" methods adopted by the Power Trust to attempt to discredit the Ontario Hydro. I advise them also to read the testimony before the Interstate Commerce Committee of the Senate in 1930.

For the benefit of my colleague from Minnesota [Mr. KNUTSON], I wish to state that the same situation exists in the Province of Quebec. I will give it in detail at some future date for his information.

My colleague from Michigan [Mr. DONDERO] cited some Power Trust figures to the effect that the municipal plants in his State pay no taxes and the private plants pay $12.30 per year taxes per residential customer, or 44 percent. That is also wrong. I will not take the time to go into this now, but if he desires the full information on this for his own State he can find it in the tax study and rate series of the Federal Power Commission. If he desires it, I shall be glad to present them at some future date.

Mr. Chairman, under permission granted me to extend my remarks, I am inserting three tables showing the cost of electricity to the ultimate consumers in every State in the Union, together with the overcharges by States during the year 1936.

I hope everyone who reads this RECORD will study these tables carefully. They show the overcharges by States to the domestic consumers and also to the commercial consumers. The third table shows the overcharges by States to all consumers.

At this point let me call attention to the fact that the power policies of this administration, of which the T. V. A. developments have been the backbone, are now saving the light and power consumers of this country $568,000,000 a year. As I pointed out the other day, in 1932, the year before the T. V. A. was created and its "yardstick" rates promulgated, the American people used 62,000,000,000 kilowatt-hours of electricity for which they paid $1,777,000,000.

Last year the American people used 92,000,000,000 kilowatt-hours of electricity for which they paid $2,098,000,000. It can be readily seen that if we had paid the same rates charged in 1932 the cost would have been $2,666,000,000, in round numbers, or $568,000,000 more than we paid for it. Thus it will be seen that we have brought reductions in rates that amount to more in 1 year than the entire costs of all the T. V. A. developments, with Bonneville and Grand Coulee thrown in.

These are the greatest investments the American people have ever made—the T. V. A., Bonneville, Grand Coulee, and similar projects. We are building a new civilization for the children of this generation.

The tables above referred to, showing the overcharges by States, are as follows:

TABLE 1.—*Residential sales data*

State	Estimated sales for 1936							Estimated overcharges according to rate schedules in 1936		
	Number of customers	Total kilowatt-hours (thousands)	Total revenue	Annual kilowatt-hours per customer	Annual bill per customer	Monthly bill per customer	Average revenue per kilowatt-hour (cents)	Tennessee Valley Authority	Tacoma	Ontario
Maine	152,372	89,138	$4,865,238	585	$31.93	$2.66	5.46	$3,644,184	$3,393,075	$3,962,764
New Hampshire	102,337	55,364	3,475,365	541	33.96	2.83	6.28	2,608,469	2,454,565	2,817,965
Vermont and Rhode Island	230,032	133,649	7,853,292	581	34.14	2.85	5.88	5,715,616	5,342,288	6,208,329
Massachusetts	1,048,535	636,461	32,934,484	607	31.41	2.62	5.17	20,637,592	18,950,684	23,116,121
Connecticut	413,612	314,758	15,100,974	761	36.51	3.04	4.80	9,014,561	9,060,232	10,479,308
New York	3,074,514	1,915,422	99,767,979	623	32.45	2.70	5.21	66,746,115	62,555,304	74,279,801
New Jersey	983,027	603,579	35,890,316	614	36.51	3.04	5.95	23,054,261	21,441,345	25,053,472
Pennsylvania	1,849,243	1,290,772	62,966,724	698	34.05	2.84	4.88	35,367,769	33,894,651	40,904,526
Ohio	1,398,505	967,765	42,584,447	692	30.45	2.54	4.40	18,259,282	16,387,829	21,707,138
Indiana	584,882	345,080	17,277,414	590	29.54	2.46	5.01	9,052,922	7,832,949	10,127,062
Illinois	1,595,525	1,156,756	51,950,294	725	32.56	2.71	4.49	26,314,847	24,870,516	31,217,771
Michigan	931,190	718,879	26,725,153	772	28.70	2.39	3.72	12,198,428	12,020,148	15,630,901
Wisconsin	531,923	353,729	16,090,671	665	30.25	2.52	4.55	8,976,202	8,121,722	10,215,124
Minnesota	411,769	288,650	13,938,381	701	33.85	2.82	4.83	7,134,929	6,605,667	8,189,711
Iowa	374,775	213,997	11,838,395	571	31.58	2.63	5.53	7,633,607	7,002,729	8,453,896
Missouri	570,270	427,132	17,495,884	749	30.68	2.56	4.10	8,324,084	7,399,791	9,730,786
North Dakota	54,084	35,533	2,023,823	657	37.42	3.12	5.70	1,457,674	1,479,958	1,673,167
South Dakota	66,079	39,449	2,345,805	597	35.50	2.96	5.95	1,649,473	1,588,248	1,805,259
Nebraska	193,529	132,180	6,309,045	683	32.60	2.72	4.77	3,951,063	3,790,137	4,535,163
Kansas	272,496	168,675	8,044,082	619	29.52	2.46	4.77	5,255,298	4,945,226	6,032,207
Maryland and West Virginia	670,231	547,579	22,506,357	817	33.58	2.80	4.11	10,472,236	10,251,418	12,680,844
Virginia	232,181	192,246	6,029,519	828	38.89	3.24	4.70	4,986,779	4,873,033	5,679,961
North Carolina	253,441	184,505	8,994,621	728	35.49	2.96	4.87	4,488,101	4,295,488	5,019,500
South Carolina	100,771	74,974	3,686,203	744	36.58	3.05	4.92	1,496,034	1,479,958	1,761,228
Georgia	197,202	173,538	7,917,660	880	40.15	3.35	4.56	2,992,067	2,996,013	3,654,549
Florida	215,785	178,023	10,052,055	825	46.63	3.89	5.65	6,367,733	6,352,991	7,044,913
Kentucky	238,187	142,198	7,607,693	597	31.94	2.66	5.35	3,989,423	3,645,751	4,491,132
Tennessee	216,557	149,424	7,607,647	690	35.13	2.93	5.09	3,107,147	2,743,337	3,566,487
Alabama	154,150	115,613	5,045,330	750	32.73	2.73	4.36	2,224,870	2,093,599	2,641,842
Mississippi	75,893	49,710	2,826,255	655	37.24	3.10	5.69	1,611,113	1,552,151	1,805,259
Arkansas	92,712	52,382	3,340,413	565	36.03	3.00	6.38	2,493,389	2,418,468	2,773,934
Louisiana	183,947	104,114	7,107,712	566	38.64	3.22	6.83	4,449,741	4,259,392	4,843,378
Oklahoma	224,812	139,383	7,715,548	620	34.32	2.86	5.54	4,948,419	4,620,357	5,415,777
Texas	607,087	398,856	20,920,218	657	34.46	2.87	5.25	12,888,905	12,489,403	14,574,164
Montana and Utah	163,585	133,485	5,471,918	816	33.45	2.79	4.10	3,759,264	3,754,040	4,359,040
Idaho	63,330	82,392	2,458,471	1,301	38.82	3.24	2.98	1,150,795	1,118,993	1,320,921
Wyoming	29,483	17,601	1,074,655	597	36.45	3.04	6.10	690,477	685,834	748,522
Colorado	165,756	97,796	5,030,695	590	30.35	2.53	5.14	3,375,666	3,032,109	3,698,579
Arizona and New Mexico	78,991	54,978	3,176,228	696	40.21	3.35	5.78	2,685,189	2,671,144	2,906,027
Nevada	18,217	15,284	763,474	839	41.91	3.49	5.00	345,239	360,965	396,276
Washington	352,691	468,021	10,982,798	1,327	31.14	2.60	2.35	4,334,661	4,223,295	5,635,930
Oregon	198,240	249,386	6,468,571	1,258	32.63	2.72	2.59	3,107,147	3,176,496	3,918,733
California	1,598,045	1,296,014	47,749,585	811	29.88	2.49	3.68	20,637,592	18,734,104	25,229,595
Total	20,969,993	14,804,470	655,118,422	706	32.71	2.73	4.63	383,593,363	360,965,403	440,307,062

TABLE NO. 2—OVERCHARGES TO DOMESTIC CONSUMERS BY STATES

This table shows the amount of electricity used by commercial consumers in each State, the amount paid for it, the average annual consumption, the average rate per kilowatt-hour, and the amount overcharged according to the T. V. A., the Tacoma, or the Ontario rates.

I wish every merchant in America, every hotel or restaurant operator, every filling station operator, every proprietor of a garage, and everyone else who pays commercial rates for electric energy could examine a copy of this table and see the enormous burdens of overcharges which they are required to pay.

TABLE 2.—*Commercial sales data*

State	Estimated sales for 1936							Estimated overcharges according to rate schedules in 1936		
	Number of customers	Total kilowatt-hours (thousands)	Total revenue	Annual kilowatt-hours per customer	Annual bill per customer	Monthly bill per customer	Average revenue per kilowatt-hour (cents)	Tennessee Valley Authority	Tacoma	Ontario
Maine	29,921	81,824	$3,257,114	2,735	$108.86	$9.07	3.98	$1,760,000	$1,522,000	$2,025,000
New Hampshire	17,921	33,878	1,987,929	1,890	110.93	9.24	5.87	1,392,000	1,235,000	1,331,000
Vermont and Rhode Island	37,845	104,802	5,207,938	2,769	137.61	11.47	4.97	2,959,000	2,558,000	3,404,000
Massachusetts	180,850	497,672	25,297,359	2,752	139.88	11.66	5.08	14,552,000	12,658,000	16,065,000
Connecticut	60,261	220,833	10,241,585	3,665	169.96	14.16	4.64	4,582,000	3,968,000	5,158,000
New York	631,115	2,242,546	99,388,554	3,553	157.48	13.12	4.43	53,827,000	46,234,000	60,217,000
New Jersey	202,784	664,696	33,445,703	3,278	164.93	13.74	5.03	16,408,000	14,501,000	17,127,000
Pennsylvania	304,871	933,559	41,321,411	3,062	135.54	11.30	4.43	22,466,000	19,421,000	25,843,000
Ohio	196,311	828,252	29,229,731	4,219	148.90	12.41	3.53	17,787,000	15,376,000	20,461,000
Indiana	93,665	334,630	12,394,989	3,573	132.33	11.03	3.70	7,842,000	6,779,000	9,021,000
Illinois	262,946	1,007,797	40,774,698	3,833	155.07	12.92	4.05	23,153,000	20,015,000	26,633,000
Michigan	160,173	791,004	27,583,193	4,938	172.21	14.35	3.49	16,367,000	14,147,000	18,827,000
Wisconsin	103,669	240,736	13,500,968	3,287	130.23	10.85	3.96	7,572,000	6,545,000	8,711,000
Minnesota	88,788	275,035	11,713,464	3,098	131.93	10.99	4.26	6,792,000	5,607,000	6,662,000
Iowa	70,355	168,318	7,828,641	2,392	111.27	9.27	4.66	5,424,000	4,689,000	6,240,000
Missouri	112,603	481,979	18,631,977	4,280	165.47	13.79	3.87	11,127,000	9,619,000	12,800,000
North Dakota	20,515	37,558	2,204,952	1,831	107.48	8.96	5.87	1,129,000	773,000	1,298,000
South Dakota	18,280	37,426	1,971,505	2,047	107.85	8.99	5.27	1,165,000	1,008,000	1,343,000
Nebraska	38,943	131,019	5,315,187	3,364	136.49	11.37	4.06	3,636,000	3,192,000	3,779,000
Kansas	55,515	150,966	6,427,488	2,719	115.78	9.65	4.26	3,881,000	3,356,000	4,465,000
Delaware, District of Columbia, Maryland, and West Virginia	99,538	587,264	18,243,622	5,900	183.28	15.27	3.11	9,243,000	7,991,000	10,632,000
Virginia	44,220	197,312	7,038,770	4,462	159.18	13.27	3.57	3,848,000	3,326,000	4,427,000
North Carolina	46,598	209,747	7,111,565	4,501	152.62	12.72	3.39	2,510,000	2,170,000	2,889,000
South Carolina	23,544	74,318	2,911,326	3,157	123.65	10.30	3.92	1,470,000	1,271,000	1,692,000
Georgia	46,840	203,670	7,710,947	4,348	164.60	13.72	3.79	4,434,000	3,834,000	5,102,000
Florida	39,753	120,400	7,074,430	3,029	177.96	14.83	5.88	4,607,000	3,982,000	5,300,000
Kentucky	44,438	108,624	5,262,070	2,444	119.66	9.97	4.84	3,090,000	2,671,000	3,554,000
Tennessee	44,527	141,875	6,516,974	3,186	146.36	12.20	4.59	4,124,000	3,564,000	4,744,000
Alabama	34,086	124,893	4,535,161	3,664	133.05	11.09	3.63	2,468,000	2,134,000	2,840,000
Mississippi	21,723	55,054	2,724,913	2,534	125.44	10.45	4.95	1,656,000	1,432,000	1,904,000
Arkansas	24,939	56,017	3,029,596	2,246	121.48	10.12	5.41	1,790,000	1,430,000	2,059,000
Louisiana	34,868	96,953	5,106,231	2,781	146.44	12.20	5.27	2,944,000	2,545,000	3,387,000
Oklahoma	49,601	112,405	5,534,777	2,266	111.59	9.30	4.92	3,133,000	2,708,000	3,604,000
Texas	133,019	538,203	20,370,304	4,046	153.14	12.76	3.78	11,960,000	10,341,000	13,757,000
Montana and Utah	27,121	151,848	5,367,534	5,599	197.91	16.49	3.53	2,724,000	2,354,000	3,134,000
Idaho	11,904	36,499	1,590,262	3,066	133.59	11.13	4.36	1,188,000	1,026,000	1,366,000
Wyoming	5,849	17,861	898,738	3,054	153.66	12.81	5.03	533,000	461,000	614,000
Colorado	32,596	90,127	4,523,761	2,765	138.78	11.57	5.02	2,711,000	2,344,000	3,119,000
Arizona and New Mexico	18,324	59,368	3,066,006	3,240	167.32	13.94	5.16	1,887,000	1,631,000	2,170,000
Nevada	4,084	24,017	911,809	5,881	223.26	18.61	3.80	450,000	389,000	518,000
Washington	54,897	416,040	9,004,419	7,579	164.02	13.67	2.16	6,129,000	5,297,000	7,050,000
Oregon	31,711	152,286	4,648,469	4,802	146.59	12.22	3.05	3,747,000	3,240,000	4,310,000
California	248,308	1,095,627	33,760,933	4,412	135.96	11.33	3.08	28,012,000	24,214,000	32,224,000
Total	3,809,819	14,034,968	564,666,103	3,684	148.21	12.35	4.02	327,479,000	282,958,000	371,806,000

TABLE NO. 3—TOTAL OVERCHARGES TO ALL CONSUMERS BY STATES

This table shows the number of kilowatt-hours of electricity consumed by the people in each State for all purposes in 1936, the amount paid for it, the average rates charged, and the overcharges by States, according to the T. V. A., the Tacoma, or the Ontario rates.

Please study this table carefully and tell me how the people of your State can continue to stagger under such burdens.

TABLE 3.—*All electric services*

State	Estimated total sales to ultimate consumers, 1936							Combined overcharges according to rate schedules in 1936 for residential, commercial, and industrial services		
	Number of customers	Total kilowatt-hours	Total revenue	Annual kilowatt-hours per customer	Annual bill per customer	Monthly bill per customer	Average revenue per kilowatt-hour (cents)	Tennessee Valley Authority	Tacoma	Ontario
Maine	204,469	870,629,000	$14,047,020	4,258	$68.70	$5.72	1.61	$7,096,184	$7,281,075	$8,327,764
New Hampshire	137,365	274,043,000	9,266,643	1,995	67.46	5.62	3.38	4,897,469	4,959,565	5,394,965
Vermont and Rhode Island	282,585	750,263,000	21,606,449	2,655	76.46	6.37	2.88	11,209,616	11,445,288	13,118,329
Massachusetts	1,254,347	2,734,476,000	87,565,964	2,180	69.81	5.82	3.20	45,942,592	46,650,684	54,066,121
Connecticut	497,301	1,371,556,000	40,012,828	2,758	80.46	6.70	2.92	17,376,561	18,321,232	20,871,308
New York	3,773,160	12,172,214,000	313,775,986	3,226	83.16	6.93	2.58	160,905,115	164,656,304	190,237,801
New Jersey	1,198,219	2,815,815,000	95,342,286	2,350	79.57	6.63	3.39	50,488,261	51,365,345	57,442,472
Pennsylvania	2,232,905	9,413,927,000	192,722,031	4,216	86.31	7.19	2.05	85,410,769	91,891,651	104,899,526
Ohio	1,690,015	5,962,373,000	126,311,721	3,528	74.74	6.23	2.12	50,258,282	51,644,829	61,783,138
Indiana	728,118	2,040,915,000	50,778,949	2,803	69.74	5.81	2.49	22,108,922	21,904,949	26,362,062
Illinois	1,906,945	6,969,884,000	151,010,975	3,655	79.19	6.60	2.17	66,460,847	68,655,516	81,359,771
Michigan	1,155,852	3,921,806,000	84,007,323	3,393	72.68	6.06	2.14	37,335,428	38,435,148	46,590,901
Wisconsin	685,690	1,733,424,000	45,852,090	2,528	66.87	5.57	2.65	21,172,202	21,134,722	25,323,124
Minnesota	515,083	1,308,826,000	36,457,575	2,541	70.78	5.90	2.79	16,403,929	16,476,667	19,661,711
Iowa	482,069	1,018,591,000	30,061,199	2,113	62.36	5.20	2.95	14,908,607	14,279,729	17,253,896
Missouri	705,465	2,335,795,000	51,745,858	3,311	73.35	6.11	2.22	23,408,084	22,554,791	28,005,786
North Dakota	76,675	99,984,000	5,006,878	1,304	65.30	5.44	5.01	2,845,674	2,614,958	3,329,167
South Dakota	91,727	124,288,000	5,984,269	1,464	65.24	5.44	4.46	3,182,473	3,110,248	3,656,259
Nebraska	247,322	614,595,000	16,587,887	2,485	67.07	5.59	2.70	8,579,063	8,369,137	9,686,163
Kansas	352,284	848,652,000	22,063,547	2,409	62.63	5.22	2.60	11,122,298	11,078,226	13,243,207
Delaware, District of Columbia, Maryland, and West Virginia	794,908	3,652,602,000	69,999,598	4,595	$88.06	7.34	1.92	28,471,236	30,490,418	35,425,844
Virginia	298,420	1,119,075,000	25,532,815	3,750	85.56	7.13	2.28	11,662,779	12,155,033	14,011,961
North Carolina	304,054	2,031,993,000	34,315,534	6,683	112.86	9.40	1.69	12,120,101	13,629,488	14,993,500
South Carolina	125,976	1,330,810,000	17,902,449	10,564	142.11	11.84	1.35	6,040,034	7,084,958	7,739,228
Georgia	251,994	1,515,492,000	27,515,225	6,014	109.19	9.10	1.82	10,616,067	11,292,013	13,170,549
Florida	270,570	673,449,000	24,540,699	2,489	90.70	7.56	3.64	11,939,733	11,684,991	12,679,913

TABLE 3.—*All electric services*—Continued

State	Estimated total sales to ultimate consumers, 1936							Combined overcharges according to rate schedules in 1936 for residential, commercial, and industrial services		
	Number of customers	Total kilowatt-hours	Total revenue	Annual kilowatt-hours per customer	Annual bill per customer	Monthly bill per customer	Average revenue per kilowatt-hour (cents)	Tennessee Valley Authority	Tacoma	Ontario
Kentucky	297,179	942,057,000	23,423,649	3,170	78.82	6.57	2.49	9,690,423	9,967,751	11,657,132
Tennessee	276,511	1,006,224,000	23,323,703	3,639	84.35	7.03	2.32	10,715,147	11,181,337	13,131,487
Alabama	204,825	1,529,194,000	20,996,201	7,466	102.51	8.54	.37	6,778,870	7,146,599	8,367,842
Mississippi	105,168	301,727,000	8,820,440	2,869	83.87	6.99	2.92	4,667,113	4,940,151	5,644,259
Arkansas	127,249	369,531,000	10,200,280	2,904	80.16	6.68	2.76	5,540,389	5,608,468	6,572,934
Louisiana	228,860	862,344,000	20,672,924	3,768	90.33	7.52	2.40	9,571,741	9,850,392	11,242,378
Oklahoma	297,197	888,916,000	23,166,506	2,991	77.95	6.50	2.61	11,111,419	11,566,357	13,211,777
Texas	779,227	2,773,269,000	65,610,913	3,559	84.20	7.02	2.37	31,726,905	32,451,403	37,845,164
Montana and Utah	216,405	1,562,444,000	20,223,047	7,220	93.45	7.79	1.29	8,362,264	8,736,040	10,093,040
Idaho	94,052	548,323,000	7,727,312	5,830	82.16	6.85	1.41	3,157,795	3,290,993	3,819,921
Wyoming	36,481	72,780,000	2,984,511	1,995	81.81	6.82	4.10	1,591,477	1,661,834	1,871,522
Colorado	211,504	432,737,000	14,581,086	2,046	68.94	5.74	3.37	7,957,666	7,993,109	9,405,579
Arizona and New Mexico	107,233	389,792,000	9,573,762	3,635	89.28	7.44	2.46	5,874,189	6,122,144	6,875,027
Nevada	23,663	136,677,000	2,851,628	5,776	120.51	10.04	2.09	1,106,239	1,183,965	1,344,276
Washington	454,936	2,224,637,000	30,735,476	4,890	67.56	5.63	1.38	12,615,661	12,530,295	15,662,930
Oregon	258,463	965,359,000	17,622,007	3,735	68.18	5.68	1.83	7,813,147	7,758,496	9,554,733
California	2,025,685	8,216,178,000	150,305,827	4,056	74.20	6.18	1.83	57,591,592	55,456,104	69,824,595

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

The question is on the amendment offered by the gentleman from Kentucky [Mr. MAY].

The question was taken; and on a division (demanded by Mr. MAY) there were—ayes 18 and noes 82.

So the amendment was rejected.

The Clerk read as follows:

SEC. 3. (a) As employed in this act, the term "public body", or "public bodies", means States, public power districts, counties, and municipalities, including agencies or subdivisions of any thereof. As employed in this act, the term "cooperative", or "cooperatives", means any form of non-profit-making organization or organizations of citizens supplying, or which may be created to supply, members with any kind of goods, commodities, or services as nearly as possible at cost.

(b) In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the Administrator shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

(c) To preserve and protect the preferential rights and priorities of public bodies and cooperatives as provided in subsection (b), not less than 50 percent of the energy which the electric generating facilities, installed or readily installable, at the Bonneville project are capable of producing, shall be reserved for sale to said public bodies and cooperatives until January 1, 1941: *Provided*, That the electric energy so reserved for but not actually purchased by and delivered to such public bodies and cooperatives prior to January 1, 1941, may be disposed of temporarily so long as such temporary disposition will not interfere with the purchase by and delivery to such public bodies and cooperatives at any time prior to January 1, 1941: *Provided further*, That nothing herein contained shall be construed to limit or impair the preferential and priority rights of such public bodies or cooperatives after January 1, 1941; and in the event that after such date there shall be conflicting or competing applications for an allocation of electric energy between any public body or cooperative on the one hand and a private agency of any character on the other, the application of such public body or cooperative shall be granted.

(d) An application by any public body or cooperative for an allocation of electric energy shall not be denied, or another application competing or in conflict therewith be granted, to any private corporation, company, agency, or person on the ground that any proposed bond or other security issue of any such public body or cooperative, the sale of which is necessary to enable such prospective purchaser to enter into the public business of selling and distributing the electric energy proposed to be purchased, has not been authorized or marketed, until after a reasonable time, to be determined by the administrator, has been afforded such public body or cooperative to have such bond or other security issue authorized or marketed.

(e) It is declared to be the policy of the Congress, as expressed in this act, to preserve the said preferential status of the public bodies and cooperatives herein referred to, and to give to the people of the States within economic transmission distance of the Bonneville project reasonable opportunity and time to hold any election or elections or take any action necessary to create such public bodies and cooperatives as the laws of such States authorize and permit, and to afford such public bodies or cooperatives reasonable time and opportunity to take any action necessary to authorize the issuance of bonds or to arrange other financing necessary to construct or acquire necessary and desirable electric distribution facilities, and in all other respects legally to become qualified purchasers and distributors of electric energy available under this act.

(f) The administrator, insofar as practicable, shall consult and cooperate with the States and citizens thereof, and with public bodies and cooperatives, within economic transmission distance of Bonneville project, in the furnishing of such information, advice, and recommendations as the Administrator deems necessary or appropriate to enable public bodies and cooperatives to avail themselves of the preferential rights and priorities afforded by this act.

Mr. CREAL. Mr. Chairman, I move to strike out the last word. The substance of every objection to the rural electrification program is that it is the Government entering business in competition with private industry. Where has private industry tried to do anything in the business of rural electrification? To be in competition, there must be someone else in that particular field.

Man once sent his letters by a special messenger, but today the Government takes a letter across the continent for 3 cents. Man once hired his own teachers for his family, and only those able to do so received education. Man once built fortified castles as homes, and every estate was a fort, made up of lord and servants. Today governments have armies to defend the land, and cities have police to guard your life and property. Man once fled when a leper or smallpox victim appeared, but now the victim is quarantined for public safety.

Man once made his own roads and bridges, but broad roads built by state or federal governments replaced toll roads and toll bridges. No handful of men should have the right to monopolize the use of God's fresh air, sunshine, drinking water, or that byproduct of Nature's forces, electricity. Electricity, made by the forces of Nature in the flowing streams, should be as nearly free as the water itself which made the electricity. Where would we have been if private industry had been left to dredge its own rivers and harbors on which to ply privately owned shipping vessels?

Some people have never yet realized the difference between the problems of this age and the age when man cultivated the land with a crooked stick or dug it up with a sharp rock. The nation that adheres most to the modes of living of ancestors is China, and with what results compared to the progress of Japan? Methuselah was not recorded as the smartest man because he was the oldest; he may not have had sense enough to tell the sun from the moon. In China they went to mill for a thousand years with a block of wood in one end of the sack to balance the corn in the other end. One day a smart aleck for a prank put corn in both ends of the sack and 700 years later it became the custom.

The great scientist, Thomas Edison, never intended that his electrical discoveries should be the means for making mushroom millionaires overnight and the people should pay tribute and extortion to enjoy his work.

The Federal Government, which has control of navigable streams, retains that control for the public welfare, the fish of the stream, and the right to navigate, and the water itself is public property. And by the same logic the by-product should as far as possible be public property for national welfare.

The only objection I have to the rural electrification program is that we are not traveling far enough and the allotments are not sufficient to reach every project applying for this aid. The allotment to each State should be increased as fast as we can. The program in this bill is to prepare the source of cheap electricity for projects to be served now in the making.

The rural electrification projects and the appropriations therefore are not charity donations, but a loan on a sound business as the Government has loaned to other business. Who are the people to be benefited by the enlargement of rural electrification projects? In the class to be benefited most I have the picture vividly in mind of the woman in the farm home in the burning sultry weather. She stands over a wood stove cooking with parched and reddened face, the child by her side hot and thirsty wants water, but there is no ice to cool it. The butter stands flat in the bowl, and the milk for lunch is tainted. The farmer comes in to lunch, but there is no electric fan, no ice water, and the good woman's prepared lunch suffers for lack of a refrigerator.

The children read their lessons by a light you would not read by, and there is no radio to divert the mind from the days of monotonous toil. What a great relief would be real lights, a small refrigerator, an electric iron, a glass of ice water, a place to keep the left-over vegetables, the milk, and the butter. Half our people have those conveniences, why should not the other half? In the cities the people in the humble homes have such—why not the country also? These items mentioned, provided at the cost electricity should be sold, are not expensive luxuries, but would be in reach of the great mass of the rural population if they could get an electric line and a rate similar to the electric rate in Canada, about one-tenth the rate in some parts of America.

If lines were established these conveniences named could be had in rural homes for far less than the gas it takes to run the Ford car in the same months. Rural electrification is on its way and here to stay. It would be opposed by some—by whom, and for what purpose? Whatever is for the greatest good for the greatest number should always be worthy of the Government's consideration.

These conveniences added to rural life will help to make it more attractive and lessen the tide from farm to city, which has been too great for the good of the city.

I shall not have time to mention the great benefits of cheap electricity used for power and labor-saving devices on the better farms in washing, cream separating, feed grinding, sewing, barn lighting, and a hundred other conveniences too numerous to mention.

I am supporting this bill and any and all others of a similar kind that will give the man in the country and his family the same conveniences that the city man has in his home. I hope that the allotment will be big enough next year to aid every rural electrification project that is eligible. Those who oppose should be appointed a committee for this body; they should be compelled to spend the next 10 days of this weather out in rural sections, without any electric benefits of ice, fans, refrigeration, radio, or other such things provided by electricity. What manner of man is it that will sit here in an air-conditioned room, with ice water at every door and electric fans in his office, and say to the people of rural America these things are not for you?

In the meantime this program of providing the source of cheap electricity for them to use should and will pass. This is something they cannot do for themselves. No farmer could have his own light plant without a terrific cost compared with what these rates would be, and a small farmer cannot afford a light plant. But in this way they can pay the low rate until their line is paid for, then with cheap rates and no profit intended this great blessing can come to that portion of our people who will appreciate the demonstration that governments exist for the people and not the people for use of the government.

In our country we lag behind our neighbor, Canada, in this great work. Nature is made of positive and negative forces. Mankind abounds in the same material. In each and every step of progress we have to fight those who still want to use the block of wood in going to mill. [Applause.]

By unanimous consent, the pro-forma amendment was withdrawn.

The Clerk read as follows:

SEC. 4. (a) Subject to the provisions of this act and to rate schedules approved by the Federal Power Commission as hereinafter provided, the Administrator shall negotiate and enter into contracts for the sale at wholesale of electric energy, either for resale or direct consumption, to public bodies and cooperatives and to private agencies and persons. Contracts for the sale of electric energy to any private person or agency other than a privately owned public utility engaged in selling electric energy to the general public shall contain a provision forbidding such private purchaser to resell any of such electric energy so purchased to any private utility or agency engaged in the sale of electric energy to the general public and requiring the immediate canceling of such contract of sale in the event of violation of such provision. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate 20 years from the respective dates of the making of such contracts. Contracts entered into under this subsection shall contain (1) appropriate provisions, to be agreed upon by the Administrator and the purchaser, for the equitable adjustment of rates at appropriate intervals, not less frequently than once in every 5 years, and (2) in the case of a contract with any private purchaser engaged in the business of selling electric energy to the general public, appropriate provisions authorizing the Administrator to cancel such contract upon 5 years' notice in writing if in the judgment of the Administrator there is reasonable likelihood that any part of the electric energy purchased under such contract will be needed to satisfy the requirements of public bodies or cooperatives, and authorizing such cancelation in respect of all or any part of the electric energy so purchased under the contract, to the end that the preferential rights and priorities accorded public bodies and cooperatives under this act shall at all times be preserved. Contracts entered into under this subsection shall contain such terms and conditions, including among other things stipulations concerning resale and resale rates as the Administrator may deem necessary or appropriate to effectuate the purposes of this act and to insure that resale of electric energy to the ultimate consumer shall be at rates which are reasonable and nondiscriminatory. Such contract shall also require such utility to keep on file in the office of the Administrator a schedule of all its rates and charges to the public for electric energy and such alterations and changes therein as may be put into effect by such utility.

(b) The Administrator is authorized to enter into contracts with public or private power systems for the mutual exchange of unused excess power upon suitable exchange terms for the purpose of economical operation or of providing emergency or break-down relief.

SEC. 5. It is the intent of the Congress that rate schedules for the sale of electric energy which is or may be generated at the Bonneville project in excess of the amount required for operating the dam, locks, fishways, and appurtenant works shall be determined with due regard to, and predicated upon, the fact that such electric energy is developed from water power created as an incident to the construction of the dam in the Columbia River at the Bonneville project for the purposes set forth in section 1 of this act. Rate schedules and revisions thereof shall from time to time be prepared and submitted by the Administrator to the Federal Power Commission and shall become effective as approved by the Federal Power Commission. The Federal Power Commission in fixing rates for power on amortization costs on all major Federal power projects shall establish a rate of interest which shall be uniform throughout the United States. From time to time the Administrator may, and upon the request of the Federal Power Commission shall, prepare and submit new revised or modified rate schedules to the Federal Power Commission; and such rate schedules shall become effective as approved by the Federal Power Commission. If any rate schedule submitted by the Administrator is not approved by the Federal Power Commission, the Federal Power Commission may revise such schedule in conformity with the standards prescribed by this act and, as so revised, such schedule shall become effective. Rate schedules shall be fixed with a view to encouraging the widest possible use of electric energy, having regard to the recovery, upon the basis of the application of such rate schedules to the capacity of the electric facilities of Bonneville project, of the cost of producing and transmitting such electric energy, including the amortization of the capital investment,

including interest, over a reasonable period of years. Rate schedules shall be based upon an allocation of costs prepared by the Administrator and submitted to the Federal Power Commission for its approval. In computing the cost of electric energy developed from water power created as an incident to, and a byproduct of, the construction of Bonneville project, the Administrator shall allocate to the costs of electric facilities such a share of the cost of facilities having joint value for the production of electric energy and other purposes as the power development may fairly bear as compared with such other purposes. In order to distribute the benefits of an integrated transmission system and to encourage the equitable distribution of electric energy, the rate schedules may provide for uniform rates or rates uniform throughout prescribed transmission areas.

With the following committee amendment:

Page 11, strike out the sentence beginning with the words "the Federal Power", in line 7, and ending with the word "States" in line 11.

The committee amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer a further committee amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: Page 12, line 15, strike out the word "may" and insert the word "shall."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 6. (a) The President shall direct the holding of public hearings by such agency or agencies as he may designate and the preparation prior to December 31, 1937, of a report to the President which shall include—

(1) The findings of such agency or agencies respecting any unreasonable discrimination against the Boulder Canyon project with respect to charges against power for construction costs, amortization, and interest on the basis of the standards prescribed in this act and in view of the physical, financial, and economic conditions surrounding each project; and

(2) The recommendations of such agency or agencies concerning changes, if any, in charges and rates at Boulder Dam necessary to correct and remove such discrimination, and the effective dates thereof.

(b) The Secretary of the Interior, subject to the approval of the President and notwithstanding the provisions of any other statute, shall correct and remove such discrimination and adjust charges and rates to the extent that he deems necessary and appropriate as a result of the report submitted pursuant to paragraph (a) hereof.

(c) Nothing shall be done under this section which will delay the date at which the separate fund referred to in section 5 of the Boulder Canyon Project Act will become available or reduce the amount thereof, or which will impair the rights of the States of Arizona and Nevada to the payments provided for in paragraph 4 (b) of said act, but either or both of said States may elect by appropriate legislative action within 2 years from June 1, 1937, to receive in lieu thereof annually during and after the fiscal year in which such election is made the sum of $300,000 each until 1987. Rates fixed under paragraphs (a) and (b) shall include increments to the extent necessary to provide revenue to meet payments required by this paragraph (c).

Mr. ROBINSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBINSON of Utah: On page 12, beginning in line 18, strike out all of section 6.

Mr. ROBINSON of Utah. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. ROBINSON of Utah. Mr. Chairman, I feel sure that if this amendment which I have proposed is understood by the Members that it will be agreed to by all excepting the ones directly concerned, which includes part of one State only. This amendment does not in any way affect the purposes of the bill. I am in favor of the bill and intend to vote for it if this amendment is adopted. The purpose of the bill is to take care of the situation which exists at Bonneville Dam. My amendment, so that you will understand it, is simply to strike out section 6, which is a matter wholly pertaining to Boulder Dam. It has not anything to do with Bonneville. Bonneville is not concerned in the matter at all. As the chairman of this great committee stated, we can eliminate section 6 and it will in no way effect the bill so far as Bonneville Dam is concerned.

Now, let us see for a moment just what section 6 is, and I want to tell you that in examining it you will find that it is absolutely contrary to the policy of the Government to have section 6 in the bill. The Secretary of the Interior is on record as to that, and I want to read you his testimony before this committee from the report so you will understand how the Department feels about this amendment.

Secretary Ickes, when he appeared before the committee, was asked this question, and I read from page 144 of the report:

Chairman MANSFIELD. The people in this region are fearful that rates will be applied from Bonneville that will virtually put them out of business and they want to be linked in the same bill in the same way. They are claiming that no credit has been given them for flood control or navigation or any other features of that kind; that the total cost is charged to power; that they are also paying interest at the rate of 4 percent, and claiming at other places the interest is as low as 3 percent. Can you give any suggestion with regard to these matters?

Secretary Ickes said:

Well, I think that that ought to be the subject matter of a different bill if they want to raise the question. I may say that a hearing was held on the whole Boulder Dam matter. The time for filing briefs has not yet expired. When those briefs have been filed and I have had a chance to go over the record, our purpose in the Interior Department is to see what we can do to rectify any things that are complained of. Now, that cannot be done without holding this legislation back unduly. There is no natural or necessary connection between legislation for Boulder Dam and for Bonneville any more than Bonneville should be tied to the T. V. A.

Secretary Ickes says there is no connection between these two projects and that they should not be tied to each other. Why are they tied together? Why are they here? Simply because some of the Representatives from California conceived the idea of having the interest rate reduced on the Boulder Dam project from 4 to 3 percent. They came before the committee and attempted to get this reduction. Meeting some opposition to that, then they conceived this idea. What does this do?

Mr. BUCK. Will the gentleman yield?

Mr. ROBINSON of Utah. I cannot yield. What is it proposed to do here? They say to the Secretary of the Interior, "You can go ahead if you want to and make those reductions."

Mr. Chairman, let us look at the facts squarely in the face. Please bear in mind that the Bonneville and Boulder Dams have no connection with each other at all. Bear in mind the further fact that they are 1,500 miles apart; that one is a reclamation project, built under the Reclamation Bureau, and the other a navigation project, built under the War Department. There is no connection whatsoever.

Congress will be in session in the future and these people are not hurt now. But for fear that when Bonneville is built there will be some connection between Bonneville and Boulder Dam they come in here and ask you as Congressmen, as the Representatives from your various States, to change a solemn contract that has been entered into by these seven States, including California, and private interests. By changing this contract you will rob the Government of the United States of approximately $78,000,000 in interest charges. Think of that before you do it. You are virtually saying to one man in this Government: "You go ahead; Congress has worked for 6 years getting a contract passed that is agreeable to the seven States, and that has been approved by the legislatures of the States involved, and if you want to, change the contract in any way you please. The signers have agreed to pay so much money under certain conditions and at certain times, but you can change all of this if you so desire.

Are you going to do that?

Mr. Chairman, this is more serious than can be imagined at this time. There is much in this contract. In the first place I want the Members to get thoroughly in mind that this is a reclamation project. It was not a power project at all. They simply wanted water down in the Imperial Valley of California. So they built a dam in the Colorado River and instead of charging the expenses up to water, as they ordinarily do in these reclamation projects, they sell the

people in California the water at 25 cents per acre-foot of water. That has never been heard of in the history of the United States. You never heard of a figure like that in your life. They put it at 25 cents per acre-foot. Why? Because they wanted water and they did not care anything about power.

We furnished them the water which they wanted. We furnished them the power which is incidental to the furnishing of the water. Then on the first of June, when the time came for them to come forward to do something about complying with the contract, they have the temerity to come to Congress and say, "We want you to give to the Secretary of the Interior the right to change this contract and reduce these rates. We are not hurt. We have not paid one dime under our contract yet. We do not know anything definite about it but here is Bonneville fifteen hundred miles away and the T. V. A. at least that far away that may get some privileges. We do not know what they are going to get in the way of privileges and we do not know exactly what the rate of interest might be, but it might be something, therefore we want you to give us the right to come in and change the contract."

I am pleading with you Members, because seven States are involved, if a change is made in the contract we want to have something to say about it. We demand the right as sovereign States to come in here and have the Members say whether the contract shall be changed or not. We do not want to leave it up to somebody else. We fought for 6 years for the contract which we obtained and we got what we thought was a fair and reasonable contract.

Mr. CARTER. Will the gentleman yield?

Mr. ROBINSON of Utah. I do not yield.

Mr. Chairman, after struggling with this matter in Congress, both in the House and in the Senate, for 6 years, the Members decided what were our rights and included them in the contract and decided what were California's rights and included them in the contract. I hope you will support this amendment, and not permit the contract to be changed in the manner proposed in this bill.

[Here the gavel fell.]

Mr. COLDEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes in opposition to the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COLDEN. Mr. Chairman, my colleague, the gentleman from Utah [Mr. ROBINSON], would have you believe that California is trying to inject some special privilege in the form of a special request in this bill. I call your attention to the fact that California is not responsible for this amendment being in the bill. Of course, we are very much concerned. May I call the attention of the Members of the House to the fact that in the Seventy-fourth Congress the Rivers and Harbors Committee held hearings on four bills, two of them from the State of Washington, one introduced by the gentleman from Washington [Mr. SMITH], another by my colleague [Mr. HILL], and two bills from Oregon, one introduced by the gentleman from Oregon, Mr. Ekwall, and another by our esteemed friend from Oregon [Mr. PIERCE].

Every one of these bills contained the Boulder Dam amendment. This amendment was not put in by California. These gentlemen put this clause in the bill on their own initiative. In the Senate a similar bill was introduced jointly by the Senators from both Oregon and Washington. This bill, introduced by four Senators, contained the same provision in principle concerning Boulder Dam.

Now, why? Let me call your attention to the reason. This was not at the request of Secretary Ickes; it was at the request of the President of the United States. May I read a letter so you may have a true vision of the real reason why this provision was put in the pending bill? The President, on May 29, 1936, wrote a letter to Hon. ROYAL S. COPELAND, chairman of the Committee on Commerce of the United States Senate, in which he said:

> It is very desirable that the bill introduced by Senators BONE, MCNARY, SCHWELLENBACH, and STEIWER, authorizing completion and operation of the Bonneville project by the War Department, and also authorizing the Federal Power Commission to fix rates at this and other Federal projects, should, if possible, be passed at this session of Congress.

Of these four bills containing the Boulder Dam amendment, one was reported out of the Committee on Rivers and Harbors to the House. The bill in the Senate was reported out by the Committee on Commerce. So the Boulder Dam amendments were suggested by the President and not by California Members of Congress. In the last days of the session these bills were lost in the general shuffle.

For what are we asking? The situation has changed since the Boulder Dam Act was passed. Boulder Dam was the first great pioneer project. Southern California was obliged to underwrite every dollar of this obligation before one dollar was appropriated by the Federal Government. This obligation, including the All-American Canal for the irrigation of the Imperial Valley, amounted to the stupendous sum of $165,000,000.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. COLDEN. I will yield in just a minute.

We were obligated to pay off that sum in 50 years with 4-percent interest. Since that time the situation has changed. New projects have been inaugurated. There are Bonneville, the T. V. A., Grand Coulee, and Fort Peck, and not one of these projects is underwritten for a dollar. Not only that, but the Tennessee Valley Authority has the power to issue bonds at 3½ percent, and it is the supposition that there will be as low a rate or perhaps a lower rate at the other projects.

What does Southern California ask? Southern California has underwritten this project in good faith. Southern California has agreed to pay $25,000,000 for flood control charged off on these other projects. Southern California wants to meet the competitive situation which has been brought about by other Federal projects. Are you as Members of Congress ready to deny us in southern California relief from a situation over which we have no control? What we ask is that the President be requested to appoint an agency to investigate this subject and to make a report, and, if necessary, make recommendations in order to remove the discriminations and unfair obligations which rest upon southern California but do not prevail in other parts of the country.

I now yield to the gentleman from Utah.

Mr. MURDOCK of Utah. Is not the answer to the gentleman's question about California's underwriting the cost of this project that the Boulder Canyon project is a reclamation project, and under the reclamation law the costs must be underwritten whereas T. V. A. is a navigation project and Bonneville is a navigation project. Therein lies the difference. As a Member supporting reclamation, I deplore the fact that after the people in California have underwritten the cost they now come here and want to renege on the contract.

Mr. COLDEN. Just a moment; I did not yield for a speech. I yielded for a question.

May I say to my good friend the gentleman from Utah that he is talking about navigation at Bonneville and navigation at the T. V. A., but do not forget this, that there are always three factors hooked up together, not only navigation, not only flood control, but also irrigation.

On many of the reclamation projects the Government furnishes the money and does not even charge interest, as I understand. Millions and millions of dollars are asked for flood control, and you go down into the taxpayers' pockets and there is no repayment of any amount, no repayment of principal and no repayment of interest. However, in the Colorado River compact we agreed not only to pay for the

dam itself but to build our own transmission lines and to pay the interest and cost of flood control. Under such conditions, we think it is only fair to have relief and for the Government to treat Boulder Dam the same as it treats every other Federal project.

Mr. SCRUGHAM. Mr. Chairman, will the gentleman yield?

Mr. COLDEN. I yield to the gentleman from Nevada.

Mr. SCRUGHAM. The fact is that in the case of Arizona against Wilbur, decided in 1931 by the Supreme Court of the United States, the Boulder Dam project was held to be a navigation project.

Mr. COLDEN. Absolutely; otherwise the Federal Government would not have had jurisdiction over this project.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield to me?

Mr. COLDEN. For a question, not for a speech.

Mr. MURDOCK of Utah. Does the gentleman from Nevada——

Mr. COLDEN. No; I object to the gentleman's asking the gentleman from Nevada a question in my time. I thought the gentleman was going to ask me a question.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. COLDEN. In just a moment. I want to make a further statement.

Mr. ROBINSON of Utah. I just want to ask a question.

Mr. COLDEN. Some of the gentlemen who are opposing this amendment are trying to inject the thought that the private utility interests of southern California are the beneficiaries of this act. May I repeat what I said on the floor Friday with respect to this question. The Metropolitan Water District, which comprises the population of 13 cities, has agreed to take 36 percent of this power. The cities of Los Angeles, Pasadena, Glendale, and Burbank, which own their own light plants, are taking 20 percent. Arizona is taking 18 percent, Nevada 18 percent, and private interests only 8 percent.

[Here the gavel fell.]

Mr. COLDEN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

Mr. MARTIN of Colorado. Mr. Chairman, reserving the right to object, I would like to have the gentleman from California devote a part of his time for a little joint debate between himself and his neighbors from Utah, which I am enjoying very much.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. COLDEN]?

There was no objection.

Mr. FORD of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am going to make just a brief statement in reference to what my good friend the gentleman from Utah [Mr. ROBINSON] has said.

The gentleman from Utah [Mr. ROBINSON] would lead you to believe that California is asking for a rebate of $71,000,000 in interest on the Boulder Dam project. The other day he said it was $78,000,000. The gentleman has revised his figures to $71,000,000. This is plain nonsense, because that is about all the interest that is going to be involved in the entire amortization of the Boulder Dam project; and yet he states that California is going to get a rebate of that amount.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. FORD of California. I decline to yield now.

Mr. ROBINSON of Utah. The gentleman has referred to me.

Mr. FORD of California. I decline to yield now.

The gentleman also states we—meaning the metropolitan water district—are paying 25 cents an acre-foot for water at Boulder Dam. We are paying 25 cents an acre-foot for the domestic supply of 1,500 second-feet from the dam, and we are spending $220,000,000 of our own money to bring it from the Colorado River to the city of Los Angeles. So when we get the water there it will not be at a cost of 25 cents an acre-foot but nearer eight or nine dollars per acre-foot.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield for a question?

Mr. FORD of California. I decline to yield.

Now, the opposition says that this section has no place in this bill. Let me call the attention of the Committee to the fact that the reason for the Bonneville bill is that Bonneville is going to begin producing power in a few months and we are all agreed that an organization ought to be set up to facilitate the production and sale of this power. This is agreed. On the 1st day of June this year Boulder Dam began producing power, and we are taking power from that dam and will take a sufficient amount of power from that dam at the price that is fixed to repay the United States Treasury for every dollar that it has put into the Boulder Dam project, with interest.

The opposition also says we are asking for 3 percent. Anyone who will read the provision will see that it does not call for any sum of any kind in the way of an interest rate. When we made that contract we made it under the auspices of an administration that was willing to let us have the power if we would pay all the expense of the dam, including flood control, and we agreed to do it. Since that time the policy of the United States Government with reference to power projects has changed, and now the Government is encouraging such things. We do not know what the interest rate will be at Bonneville or at T. V. A., and all that we are asking is that we be charged exactly what they are charged, nothing more and nothing less. This is all the amendment calls for; and, really, it does not call for that, but for an investigation, not by a commission but by an agency selected by the President to see whether or not our set-up is one that will put us on an equality with other Federal power projects. If it is, it will not be changed. If it is not, it ought to be changed; and all we are asking Congress to do is to authorize the President to set up this agency and to make an honest investigation of the situation.

In spite of the opposition to section 6, I am supporting H. R. 7642 for the following reasons:

First, I am in full accord with the Federal Government's policy of developing, for the benefit of the American people, the Nation's great water-power resources. Second, because Bonneville Dam will shortly be completed, power will be available and an organization is essential if that power is to be properly marketed at rates that will be fair to the people of the Northwest and that will, at the same time, produce sufficient revenue to repay the Federal Treasury for at least that portion of the expenditure that pertains to power development. Third, because this bill carries a section, section 6, which is vital to our great Boulder Dam project in southern California.

This section does not grant to southern California any specific concession, it merely provides that the President shall direct the holding of public hearings by such agency or agencies as he may designate and the preparation prior to December 31, 1937, of a report to the President which shall include—

The findings of such agency or agencies respecting any unreasonable discrimination against the Boulder Canyon project with respect to charges against power for construction costs, amortization, and interest on the basis of the standards prescribed in this act and in view of the physical, financial, and economic conditions surrounding each project.

This section and objectives sought to be attained has been extensively considered by representatives of departments and by the House committee and as a result has finally taken its present form, deemed to be the most practical way of guarding against the United States drifting into the indefensible position of treating its projects, at which power is produced, on different bases—something which no one wishes or seeks to justify.

SAME OBJECTIVE APPROVED AT LAST SESSION

The identical objective was approved by this committee at the last session when it recommended S. 4695 and by the House Rivers and Harbors Committee when it recommended H. R. 12873. These bills, substantially identical in form, were endorsed by the President who wrote the chairman of this committee expressly voicing his approbation.

BRIEFLY OF ITS NECESSITY

Why such an amendment is appropriate and necessary to a bill launching the Bonneville project may be stated very briefly.

Both Bonneville and Boulder are starting out practically concurrently. Power will be available at Bonneville before the end of the year. Firm power became available at Boulder on June 1.

Boulder was authorized in 1928, when public power development was looked upon with disfavor. Power was accepted only as a burden carrier. Fifty-year contracts in advance of construction were required. Rates were fixed at a level to repay, with 4-percent interest, within 50 years the entire cost of the dam, although Congress itself assigned $25,000,000 of the cost to flood control. Power-plant machinery, under the contracts, must be paid for in 10 years, which is unnecessarily burdensome in the hard initial period. Rates fixed before the dam was built are "frozen" until 1945.

Bonneville was built without advance contracts. Power developed there very properly is not being required to carry costs assignable to other purposes. Power is not put in a strait jacket. Treatment of power there is representative of an entirely different policy than that which influenced the Boulder set-up.

Cost of hydroelectric power is determined primarily by financial requirements. Operating costs are insignificant. It is obviously unfair and against public policy to force power at one project to meet heavier financial requirements by the Government than at another. Each should be treated the same by the Government.

UNIFORMITY OF RATES NOT SOUGHT

Uniformity of rates at the two projects is not contemplated. Each project, with the territory it serves, is entitled to the benefit of geographical location and natural advantages. Power at Bonneville will always have an advantage over Boulder power because of the location of the dam on ship channel, and also because it is not charged, as at Boulder, with payments to the States as a substitute for taxes. In fairness to Boulder these handicaps should not be further accentuated by continuing for 8 years more onerous governmental financial requirements than are imposed at Bonneville and are deemed appropriate under the present policy as to power.

By the section such an untoward result is guarded against. It is better to prevent an indefensible situation arising than to be forced to cure it after it has arisen. Furthermore, industries are hesitating in seeking locations until rates at these projects take form. Fixing rates for Bonneville without correcting the Boulder rates will not meet the situation. With Boulder rates left up in the air, there will be a tendency for industries to hold back until they are settled. It is much better for each project to have rates harmonized on a fair basis at once and when each is starting out as a going enterprise.

UPPER BASIN OPPOSITION

The upper basin States insist that the Boulder Canyon Project Act earmarks 62½ percent of the surplus revenues of Boulder Dam for them, that this would amount to $66,000,000 at present rates, and that the rate revision asked by California would cut down their fund. All three of those assumptions are wrong.

The four upper basin States have only one financial connection with Boulder Dam. That connection is through section 5 of the act. That section provides that after the repayment of the Government's entire investment all net revenues will go into a separate fund to be expended within the Colorado River Basin. Three things ought to be understood about that fund, because they are all apparent on the face of the act but are completely ignored by our upper-basin friends. First, the fund does not come into existence at all until the Government is repaid. That means that there is no fund for a long time, perhaps 50 years. Second, when the fund does come into existence, it belongs to the United States and not to any individual States, and Congress will appropriate it for expenditure within the whole seven-State basin, not just in the four upper States; and, third, the fund and the source of its revenues have no connection at all with the entirely different kind of payments that the States of Arizona and Nevada get under an entirely separate section of the act.

ARIZONA AND NEVADA STATUS UNDER EXISTING LAW

In the first place, Arizona and Nevada get their payments only during the period of amortization, that is, during the time that the United States is getting its money back, whereas the payments to the separate fund begin when the payments to the States stop. In the second place, the source of the revenues is 37½ percent of excess revenues, that is, the excess of annual earnings over annual payments due the United States during the amortization period. The upper basin States get confused because they think that the remaining 62½ percent goes into the separate fund. Not a bit of it. The separate fund never gets a penny of those excess revenues; what it gets is all net revenues after the Government is repaid in full, and hence after the distinction between excess revenues and amortization payments has forever ended. The question of what happens to the 62½ percent of excess revenues left after payment of 37½ percent each year to Arizona and Nevada is fully answered by the act. This 62½ percent goes to pay off the $25,000,000 which Congress allocated to flood control, with interest at 4 percent.

When principal and interest of flood control are paid off, then what happens? Section 2 (e) of the act requires that all money in excess of the amortization requirements at the end of each year shall be paid not into the separate fund, but specifically and plainly into the miscellaneous receipts of the United States Treasury, there to be applied to the credit of the Treasury's advances to build Boulder Dam. In other words, if there are excess revenues, 37½ percent go to Arizona and Nevada and the Treasury gets the 62½ percent, applying it first to wipe out the $25,000,000 allocated to flood control, and thereafter to accelerating the retirement of the balance of the debt. The separate fund does not come into existence until after that is done. Arizona and Nevada stop getting their 37½ percent, the miscellaneous receipts account stops getting 62½ percent, all simultaneously with the last payment of the debt. Thereafter, but not until then, the act makes two new treatments of revenues, dealing not with excess revenues, for that has become an obsolete term by then, but with net revenues; that is, all revenues over operation, maintenance, depreciation, and so forth. The first provision, in section 2, is that if by any chance flood control has not been paid off by excess revenues as early as the rest of the debt was paid off, then 62½ percent of all net revenues shall be applied to flood control until the balance of the $25,000,000 is paid. Second, that as soon as this is done, the net revenues all go into the separate fund to be spent within the Colorado River Basin. Of course, if flood control was paid off out of excess earnings during the amortization period the separate fund begins to get money as soon as the amortization period ends.

STATUS OF ARIZONA AND NEVADA NOT A PRECEDENT

The reasons for the entirely different treatment given Arizona and Nevada on the one hand and the separate fund on the other are perfectly plain.

For many years it has been the practice of Congress, when it uses the natural resources of a State for national purposes which will yield revenues, to give part of those revenues to the States that produce them. Thus in the forest reserves 37½ percent of royalties goes to the States; in the Mineral Leasing Act, 37½ percent of royalties goes to the States. That is the origin of the 37½ percent given Arizona

and Nevada, as the reports and legislative history of the Project Act show. Each State was given 18¾ percent, or half of 37½ percent, on the theory that the damsite was a taxable resource of Arizona and Nevada.

But the dam site is not a taxable resource of Colorado or any other basin State, and there is no reason for the Government to pay tribute to them for its use. The legislative history of the separate-fund clause is entirely negative; it was never considered in committee and scarcely debated on the floor. It was offered as an amendment in the Senate during the last gasps of the debate. Nobody ever claimed that it was a $66,000,000 burden to be saddled on the dam, equal to two-thirds of the cost of the structure, to be repaid out of the hides of the power consumers as a surtax on what they would pay the Government. It was just an afterthought tucked into a sentence that, as it left the committee, simply provided that after the dam was paid for charges for power should be on such basis, and the revenues used for such purpose as Congress should provide. The amendment earmarked the use but did not change the date.

Mr. SNELL. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, in the discussion of this bill on last Friday the gentleman from Mississippi [Mr. RANKIN] made, as usual, some rather extravagant statements relative to power, and so forth. I do not make it a practice to dispute a man's statement unless I believe I have some facts to back it up. When he told about the enormous amount of power that the Aluminum Co. of America used of the Niagara Hudson Power Co. up in my State, he got into my territory, and I knew something about it, or at least I thought I did.

The gentleman made the statement on the floor, and insisted upon it, that the Aluminum Co. of America used 90 percent of the output of the Niagara Hudson Power Co. I have had this carefully checked up, and I find that the Aluminum Co. uses 10½ percent of the power of the Niagara Hudson Power Co.'s plant at Niagara Falls and only 4.2 percent of the power of the entire Niagara Hudson Power Co. system. So his statement of 90 percent, as I stated on the floor at the time, is a little out of line with the facts.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield.

Mr. MAY. Does the gentleman mean to intimate that the gentleman from Mississippi could be mistaken about power rates in any section of the country?

Mr. SNELL. I did not go as far as that. I said I disputed his statement about something I thought I had some definite knowledge about.

Mr. WADSWORTH. His statement, otherwise, was accurate. [Laughter.]

Mr. SNELL. Well, I have not gone into it further. [Laughter and applause.]

[Here the gavel fell.]

Mr. MURDOCK of Utah. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, inasmuch as this is a very important matter, especially to my State, I ask unanimous consent that I be allowed to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. MURDOCK of Utah. Mr. Chairman, I hope that the members of the Committee will give me their attention on this matter, as it is of importance not only to my State but to the entire Nation. When the Government enters into a contract that involves not only one State but involves the rights and interests of six other States, then my position is that before that contract is modified, before we enact legislation delegating power to modify this contract to one man, these other six States should be given full, fair, and complete hearing and an opportunity to present their side of the argument. I point out to the gentleman from Mississippi that this bill is supposed to establish a governmental policy on power rates and the distribution of power from great Federal projects. Our friends from California have been very adroit in drawing the section here relative to the Boulder Canyon power rates. Bear with me for a moment, and read the amendment and see what you will find. You will find that they want the same standard applied on allocations of flood control and allocation to navigation that you grant Bonneville; but, in the words of their attorney, they have studiously avoided the same standard on the fixing of power rates.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Utah. Yes.

Mr. MOTT. I take it that the objection of the gentleman to the amendment must be that a modification of the Boulder Dam rate would injure his State. I think it would be informative to the Committee if he would tell us in what manner his State would be injured by a modification of the rates.

Mr. MURDOCK of Utah. The way we would be injured would be this. We entered into a solemn compact, asking Congress to build the Boulder Dam project for the great State of California. In that same compact we ask that our rights be preserved as against California, Arizona, and Nevada. Today we find ourselves in the position of facing the menace of overappropriation in Arizona and the rest of the lower basin because Arizona did not go into the compact. We face the proposition of losing to the development fund for the upper basin States millions of dollars if modifications are entered into that do not absolutely protect us on that. We are not against the modification of the contract, if those modifications are justified, but we do object to this hitch-hiking method of legislation. We object to bringing in the Boulder Canyon project as a hitch-hiking item to the Bonneville project.

Mr. MOTT. Will the gentleman yield further?

Mr. MURDOCK of Utah. I do not yield further. I think I have answered the gentleman's question. If gentlemen will look at the amendment they will find the following:

> The findings of such agency or agencies respecting any unreasonable discrimination against the Boulder Canyon project with respect to charges against power for construction costs, amortization, and interest on the basis of the standards prescribed in this act, and in view of the physical, financial, and economic condition surrounding each project—

But is there anything in the act that says that the rates and the resale rates of Boulder will be subject to the power of the Federal Power Commission to control and fix? No. In a conversation Saturday with their attorney I called his attention to that fact, and what did he say? He said that they had studiously avoided any such proposition or any such provision in this section of the bill. Why? They want the same standards on flood control, on allocation of money for navigation and interest, but they do not want to be under the control of the Federal Government when it comes to fixing rates and the fixing of resale rates. This hitch-hiking method of bringing in an amendment for Boulder Canyon without giving it the consideration it is entitled to is not the proper way to legislate, and the amendment of my colleague from Utah should be voted up.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Utah. Yes; although the gentleman did not yield to me.

Mr. FORD of California. The gentleman talks of the Government fixing the rates. The city of Los Angeles which is taking practically all but 8 percent of this power is a municipally owned plant.

Mr. MURDOCK of Utah. I understand that.

Mr. FORD of California. Any electricity for a private company is regulated as to rate by the State commission.

Mr. MURDOCK of Utah. I understand that, and that is the very thing you want—State regulation, instead of Government regulation of rates.

Mr. FORD of California. But you are a government.

Mr. MURDOCK of Utah. You say you are a government, and so is the California Edison Co. a big private corporation.

Mr. FORD of California. But we are under the State commission.

Mr. MURDOCK of Utah. When Boulder Canyon project was built and when our friends from California came in here they knew that it was not power that they were after. They knew that the installation of steam power in Los Angeles cost $77.50 per kilowatt. They know that the installation at Boulder Canyon cost $195 per kilowatt, nearly three times as much as you can build steam power for in the city of Los Angeles, but what was their big contention? What did they need in Los Angeles? They needed a permanent adequate supply of culinary and irrigation water for that great section of the State and the Southern California Edison Co. came in, and made that statement, and said, "We can get steam power now, and we are getting it cheaper than we can ever get it from Boulder Canyon project.

But to solve the water problem for the southern part of the State of California we are willing to make a sacrifice to get a permanent water supply for the expansion and development of the great southern part of California; willing to make a sacrifice on power in order to get water. But they were adroit and skillful enough in fixing the costs of repayment to place the burden of repayment on power, which they were not interested in, rather than on water, so vital to their future growth. Now they want to modify the power contracts, to revise their rates downward; but as to the absurdly and ridiculously low rate on water, viz, 25 cents per acre-foot, when it should be anywhere from $2 to $4, they want this water rate let alone.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Utah. I yield.

Mr. COLDEN. Is the State of Utah paying a dime of the cost of Boulder Dam as far as repayment is concerned?

Mr. MURDOCK of Utah. Absolutely.

Mr. COLDEN. Where and how?

Mr. MURDOCK of Utah. If you get what you want in a modification of these contracts, not only the State of Utah but every other State in the Federal Government will combine and join in a gratuity of about $78,000,000 over a period of 50 years to California.

Mr. COLDEN. In section 6, paragraph (c), line 14, page 13, it reads:

> Nothing shall be done under this section which will delay the date at which the separate fund referred to in section 5 of the Boulder Canyon Project Act will become available or reduce the amount thereof.

Is that not the only interest of the State of Utah?

Mr. MURDOCK of Utah. I understand all that, but at the same time I am fearful that the same forces that were able to bring in an amendment to the Bonneville Project Act by the hitchhike method will be just as forceful in destroying the rights of my State at a later date.

Mr. MOTT. Mr. Chairman, will the gentleman yield for a question?

Mr. MURDOCK of Utah. I do not yield, Mr. Chairman. We knew nothing about this amendment. Here is the situation: A hearing was called before the Secretary of the Interior. My State and all of the other Colorado River Basin States were down there presenting evidence. Our attorneys were there. Then we find two States getting together, one that will get $300,000 a year for 50 years if you pass this thing, and they get together and agree, "We will tack it onto the Bonneville Project Act and disregard what has happened before the Secretary of the Interior."

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. KRAMER. Mr. Chairman, I move that all debate on section 6 and all amendments thereto close in 5 minutes.

The question was taken, and the motion was rejected.

Mr. MANSFIELD. Mr. Chairman, the bill before the Committee has been worked out very carefully, not only by members of the committee but by many Members of the House from States in close proximity to these projects, and not only Members of the House but Members of the United States Senate from those States. Several of them came before our committee. They submitted two or three proposed amendments before this one was adopted. Finally this one came in. It had the approval, I thought, of all Members of the House from that section of the country. I have found out since then that some of them are objecting to it.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes; I yield.

Mr. MURDOCK of Utah. I think the position we took was this: That if we must take something in this bill, this is better than the first proposal; but I do not think there ever was any indication that we agreed with this sort of legislation.

Mr. MANSFIELD. I am only stating what my impression was.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield very briefly.

Mr. ROBINSON of Utah. Have we not always taken the position that, as far as the Boulder Dam project and contract were concerned, it had no business in this bill?

Mr. MANSFIELD. Mr. Chairman, I am sorry, but I cannot yield further. I only have about 2 minutes left.

Now, this bill was before the House last year. It was favorably reported in both the House and the Senate. It went down in the jam during the closing hours of Congress and did not reach a vote in either body. It is in both the House and Senate again. Senator McNARY made a favorable report upon this same provision day before yesterday in the Senate, for the Senate Committee on Commerce. It was in a half dozen or more bills introduced in the last session and in as many in the present session of Congress, and if people did not know what was in it, I am sure it was not my fault, because we held hearings for weeks and weeks and weeks upon the bill.

Now, I have no interest in this matter. There is not a constituent in my district living within 1,000 miles of either one of these projects. There is not a constituent in my district nor in my State that will ever get one kilowatt of power from either one of these projects. They know nothing about it. I only have been endeavoring to work out what I thought would be fair and equitable, and I put in many weeks working to that end. I believe we have reported a bill that will not injure any State. It will not injure any taxpayer. It will not injure any individual in any State on the Colorado River or on the Pacific coast. It provides only for an investigation and for the President of the United States to take such action on a report to be made after hearings as may be found fair and reasonable and equitable. The Secretary of the Interior was already doing this before we commenced consideration of this bill.

Mr. MURDOCK of Utah. That is our objection.

Mr. MANSFIELD. We delayed hearings for 4 or 5 days at the suggestion and request of the Department of the Interior in order that they might develop facts a little more fully. The facts have practically all been developed up to this time.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield for a question, nothing more.

Mr. ROBINSON of Utah. If this bill is enacted in its present form will it not be possible for the Secretary of the Interior to set aside the very laws this Congress passed so far as the Boulder Dam project is concerned?

Mr. MANSFIELD. Is the gentleman afraid of the action of the President of the United States and of the Secretary of the Interior?

Mr. ROBINSON of Utah. Not at all.

Mr. MANSFIELD. Then the gentleman should have no objection to this bill.

[Here the gavel fell.]

Mr. GREEVER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, for about 10 years, and perhaps even longer, the States of the Colorado River Basin worked in a sincere effort to secure a compact and legislation which would enable the building of the Bouler Canyon project and which would define the rights of the various States under that pact. The States were than and are now divided into two groups, the lower-basin group and the upper-basin group, the former consisting of California, Arizona, and Nevada, and the latter consisting of New Mexico, Colorado, Utah, and Wyoming. After considerable negotiations, and after extending hearings a compact was finally agreed upon and ratified by the legislatures of six of those States. Under that compact the upper basin States agreed as their consideration to allow the delivery at Lees Ferry of about 75,000,000 acre-feet of water within 10 years.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. GREEVER. I am sorry I cannot yield, but I have only 5 minutes.

The upper-basin States understand that they are concluded by that compact and by the Boulder Canyon Act, that a regular flow of water has to flow down the Colorado River to the lower-basin States. This means that the upper-basin States are deprived of that water. It was the consideration for our benefits. What did we get back? We got the promise in this contract that there would be a separate fund built up for all of these seven States for the development of water, irrigation, and so on in those States. That is the only thing we received, a mere promise. But now our friends from California come in and say to us before performance is even started under the contract that they want the contract modified. The proposition that was made before the committee was to reduce the interest rate from 4 percent to 3 percent and to cut out this flood-control item of $25,000,000.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. GREEVER. I cannot yield.

Mr. COLDEN. Will not the gentleman yield for a correction?

Mr. GREEVER. Not for the moment. It means that either the United States must pay that $25,000,000, it means that they have got to pay for this reduction in the interest, or it means that it must come out of the separate fund, one of the two, because there is no other place from which it can come. If it has to come out of that separate fund it means simply that the upper-basin States have sold their birthright for a mess of pottage.

I do not think this section has any place in this bill. It should be in a separate bill and should be considered as a separate bill upon its own merits and not in connection with something else. As a matter of fact, as one of the Members who spoke before me, has said, we did not even know that it was coming up. It was being considered down here in the Interior Department and we thought that something would come out of that, but the first thing we knew was that it was being considered in the committee which now has it in hand, and here may I say that the chairman and members of that committee treated us with the finest consideration but even then there has not been the proper consideration of this matter, a proper discussion of it, or sufficient time.

We have not had time to go back home and find out what the people of our States think about it. It should not be done in this manner, and we do not think it should be considered today in connection with this bill. I certainly hope that the amendment of the gentleman from Utah will prevail. Wyoming hopes for the development and beneficial use of the waters in our State tributary to the Colorado River. We are entitled to that consideration but if this bill passes we are, I think rightfully apprehensive of our rights and the future of our development.

Mr. DEMPSEY. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I dislike to oppose any part of this bill. The bill now under consideration is known as the Bonneville project bill. This is a small project compared to section 6. The Bonneville project requires about $20,000,000, as I understand; whereas section 6 involves between $70,000,000 and $80,000,000 from the Federal Treasury. The question is whether in a bill such as the Bonneville project bill we should bring in a section that affects another project 1,500 miles away. I say that this section 6 is entitled to more consideration by the Members of this House. We in the Western States bring in projects, and the hue and cry goes up that the Federal Government is expending too much money in the Western States.

Mr. DOCKWEILER. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from California.

Mr. DOCKWEILER. What is the gentleman's State losing by virtue of this?

Mr. DEMPSEY. In answer to the gentleman may I say I figure about $15,000,000 and if we lose it by the vote of this Congress you can be assured that my State will insist, if the Congress wants to be Santa Claus for the State of California, that it be taken out of the Federal Treasury and not out of the treasury of the State of New Mexico.

We have other projects coming in here, and we are going to come in with other projects asking for the money to which we are entitled for the reason that we gave up this water right. If the Congress wants to set aside the compact between these different States, if it wants to assume the responsibility for giving California out of the Federal Treasury some seventy or eighty million dollars, that is the business of the Congress, but I want to put it on notice now that insofar as I am concerned if it does that it is against the will of the State of New Mexico and over the objections registered now by the State of New Mexico.

Mr. SHORT. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Missouri.

Mr. SHORT. May I say it is most refreshing and encouraging to find one Representative from the great West who is honest enough to admit the Government is spending too much money in that section of the United States?

Mr. DEMPSEY. I want to correct the gentleman. I did not make any such admission. If this provision were brought in here in a separate bill, as it should be, I would be glad to discuss it. May I say with reference to the very able chairman of the Rivers and Harbors Committee that I have a great respect for him. I do not think there is a more efficient or finer gentleman in this House than he is. [Applause.] In giving me an explanation as to why this section was put in here, he stated it was only for the reason he believed we were in accord with it. I may say we were never in accord with it, and as a matter of fact, it was only by accident that I found hearings were being held.

Mr. MOTT. Will the gentleman yield for a friendly question?

Mr. DEMPSEY. I shall have to yield for a friendly question.

Mr. MOTT. The gentleman stated that by the passage of this bill his State would lose $15,000,000. If the gentleman would explain how and why his State would lose $15,000,000, he will have advanced his argument a long way.

Mr. DEMPSEY. In this fund a certain amount went to the upper- and lower-basin States to repay for the water that they gave to the Boulder Dam project. If you permit some agency of this Government, it does not make any difference to me whether it is the Secretary of the Interior or the President of the United States, to come in here and set aside the laws enacted by this Congress and permit the changing of a contract, if the Congress is weak-kneed to that extent, it should not object to making good the amount that it wants to give in gratuity to the State of California or any oher State.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MANSFIELD. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Texas.

Mr. MANSFIELD. Is it not a fact that the provision in this bill does not change any contract? It simply authorizes the President and the Secretary of the Interior to make an investigation and report as to whether or not California is now being discriminated against?

Mr. DEMPSEY. I may say to the chairman of the Rivers and Harbors Committee that at the hearing held before the Interior Department there appeared representatives of California as well as my State, and it was the desire of the representatives of California that the interest rate be reduced from 4 to 3 percent. In addition to that they desired that $25,000,000 that was chargeable to this project be deferred for some 25 years. If you are going to permit a survey to be made with a view to submitting to some agency of the Government the question whether this compact between the different States may be set aside, I think we are on a very dangerous undertaking, especially when considered in the manner in which this matter is being considered here today.

Mr. GREEVER. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Wyoming.

Mr. GREEVER. As a matter of fact, it is simply letting down the bars in complete violation of the contract?

Mr. DEMPSEY. Nothing else but that.

Mr. THOM. Will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Ohio.

Mr. THOM. Has this compact been ratified by the legislatures of the various States?

Mr. DEMPSEY. Yes.

Mr. THOM. How can this contract be changed without the consent of the States?

Mr. DEMPSEY. It cannot be, insofar as we are concerned, but the Federal Government can fix the rate of interest and they can do all of these things which would result in no return going into that fund.

Mr. THOM. Those are just concessions?

Mr. DEMPSEY. They are concessions in the way of gratuities.

[Here the gavel fell.]

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the pro-forma amendment.

Mr. Chairman, the Boulder Dam bill was the first of the great projects for power instituted in the United States. Since then other large projects have been put on foot under different terms, which greatly modified the conditions existing with references to Boulder. For instance, the projects which are put forth now may allocate what proportion of the cost is for flood control, what proportion is for navigation, what proportion is for power, and the consumers of power under those projects are not required to pay for those proportions which are for flood control or for navigation. But we find that at Boulder the condition is different.

The law fixes $25,000,000 as being allocated for flood control, with which the consumers of power in California have no more concern than we. Flood control should either be paid for by the beneficiaries on the ground or else it should be paid for by the United States.

Mr. GREEVER. Will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Wyoming.

Mr. GREEVER. But, nevertheless, the $25,000,000 item for flood control is a charge against the Boulder Canyon project?

Mr. MANSFIELD. That is true.

Mr. GREEVER. And must be repaid?

Mr. MANSFIELD. It should be paid by the United States. That is my view.

Mr. GREEVER. Then California should be entirely relieved of that at this time?

Mr. MANSFIELD. I think so. I do not see why the consumers in Los Angeles should pay for flood control in the Imperial Valley.

Neither do we affect their contract. We are providing only for an investigation of whether there is discrimination against them.

Mr. LAMNECK. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Ohio.

Mr. LAMNECK. If section 6 remains in the bill and the Commission finds that changes and concessions ought to be made, this provision permits the President or the Commission to make such changes without the consent of Congress.

Mr. MANSFIELD. I believe so; yes.

Mr. LAMNECK. Certainly, it does.

Mr. MANSFIELD. I may say in further reply to the gentleman from Ohio that the Secretary of the Interior was making investigations along the same lines and for the same purpose before these bills were introduced.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from California.

Mr. VOORHIS. Is it not true the reason for putting this amendment in the bill, as has been pointed out today many times, is that it is important for the different power developments of the Government to be handled in a fair and equitable manner? The only thing this section does is make it possible for this treatment to be given such projects.

Mr. MANSFIELD. It is to keep one project from fighting another.

Mr. VOORHIS. Exactly.

Mr. MANSFIELD. If there are two projects which are fighting, we will say, for certain industries, if one has the advantage of the other it can kill that other community unless they are equalized. You are bound to have equalization or in a few years you are going to have the biggest trouble you have ever met in your life.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from California.

Mr. FORD of California. Is it not true that we are not asking to be relieved of the $25,000,000 obligation for flood control but are merely asking to have it deferred and paid out of the revenue from the project after we have amortized the project and paid for the dam in its entirety?

Mr. MANSFIELD. The gentleman is correct. This is the only thing in the proposition that will be deferred.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Oregon.

Mr. MOTT. Is it not a fact that what they are asking under section 6 is the right to have the entire contract modified by the Secretary of the Interior in any way he deems advisable? Is not that what section 6 provides?

Mr. MANSFIELD. I presume so.

Mr. MOTT. Does not the gentleman think it would be better, if the contract needs to be changed or the provision of law under which Boulder Dam was constructed needs to be changed, that such change should come about by amendment of the Boulder Dam law instead of through discretionary action on the part of the Secretary of the Interior under the authority of this bill?

[Here the gavel fell.]

Mr. GREEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe some of our colleagues may possibly have a wrong impression of the proposed legislation. The Committee on Rivers and Harbors gave very thorough and careful study of the item before it was included in the bill. After this careful study it was determined that the provision was equitable and should be enacted into law.

Section 6, on page 12 of the bill, is as follows:

> The President shall direct the holding of public hearings by such agency or agencies as he may designate and the preparation prior to December 31, 1937, of a report to the President which shall include—

And so forth. This is an enabling act permitting an investigation to be made and hearings to be held to determine whether or not California, or Los Angeles, rather, is entitled to the relief sought in this bill.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I will yield in just a moment.

I do not believe my colleagues would desire the State of California to have to pay a higher interest rate for Government money than the Government is itself now paying for that money. The purpose of this bill is to give to the people of Los Angeles, if it is equitable and reasonable, a reduction in the interest rate in the long run.

I voted for the original Boulder Dam bill and was happy to do so. I support such great western projects because I feel the people of that section of the country should have the benefit of those developments. If there are inequities in the original Boulder Dam legislation, it is our duty to investigate and adjust them. Los Angeles is not participating in the flood-control benefits from this great project on which our Government lent the money to construct the dam. If they are not receiving flood-control benefits, is it equitable for them to have to pay off a part of the flood-control charges? Let them pay off such indebtedness as they actually owe. This investigation is one which, I believe, it is fair for your Committee on Rivers and Harbors to offer to you, and for you, in turn, to offer to the people of California or Los Angeles, and I hope you will do it.

[Here the gavel fell.]

The pro-forma amendments were withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. ROBINSON].

The question was taken; and on a division (demanded by Mr. MANSFIELD and Mr. COLDEN) there were—ayes 73, noes 44.

Mr. COLDEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. ROBINSON of Utah and Mr. COLDEN to act as tellers.

The Committee again divided; and there were—ayes 70, noes 32.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 7. Notwithstanding any other provision of law, all purchases and contracts made by the Administrator or the Secretary of War for supplies or for services, except for personal services, shall be made after advertising, in such manner and at such times, sufficiently in advance of opening bids, as the Administrator or Secretary of War, as the case may be, shall determine to be adequate to insure notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed $500; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the Administrator or the Secretary of War, as the case may be, may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

SEC. 8. (a) The Administrator, subject to the requirements of the Federal Water Power Act, shall keep complete and accurate accounts of operations, including all funds expended and received for the account of Bonneville project.

(b) The Administrator may make such expenditures for offices, vehicles, furnishings, equipment, supplies, books, periodicals, attendance of meetings, and for such other facilities and services as he may find necessary or appropriate for the proper administration of this act.

(c) In December of each year, the Administrator shall file with the Congress, through the Secretary of the Interior, a financial statement and a complete report as to the operation of Bonneville project during the preceding governmental fiscal year.

SEC. 9. The Administrator, the Secretary of War, and the Federal Power Commission, respectively, shall appoint and fix the compensation of such attorneys, engineers, and other experts as may be necessary for carrying out the functions entrusted to them under this act, without regard to the provisions of other laws applicable to the employment, compensation, and classification of officers and employees of the United States; and they may, subject to the civil-service laws, appoint such other officers and employees as may be necessary to carry out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

SEC. 10. All receipts on account of Bonneville project shall be covered into the Treasury of the United States to the credit of miscellaneous receipts, save and except that the Treasury shall set up and maintain from such receipts a continuing fund of $500,000, to the credit of the Administrator and subject to check by him, to defray emergency expenses and to insure continuous operation. There is hereby authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

Mr. MANSFIELD. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: On page 16, amend section 10 as follows: Insert a period after the word "receipts", in line 5, and strike out the balance of that line and all of lines 6, 7, 8, and 9 to the end of the sentence.

Change the period to a comma at the end of line 13 and add the following: "and there is further authorized to be appropriated out of the receipts from the Bonneville project covered into the Treasury of the United States a continuing fund of $500,000 to the credit of the administrator and subject to check by him, to defray emergency expenses and to insure continuous operation."

Mr. MANSFIELD. Mr. Chairman, this is the amendment which eliminates from the bill the language to which the acting chairman of the Committee on Appropriations objected on the ground that it was an appropriation. This language simply authorizes the Congress hereafter to make these appropriations. The acting chairman of the Committee on Appropriations has agreed to this amendment, and I have no objection to it.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I notice this amendment states that the appropriation when made shall be "subject to check by him to defray emergency expenses." Is it not granting a rather broad power to provide that the Administrator shall have unlimited control and power over money appropriated by the Congress? Maybe I have construed this provision wrongly, and if so, I would like to be so advised. The amendment refers to a continuing fund of $500,000 to the credit of the Administrator, subject to check by him to defray emergency expenses and to insure continuous operation.

Mr. MANSFIELD. We have that in all Government operations. Somebody has to be able to give checks to pay expenses as they go along.

Mr. McCORMACK. But here is a man who incurs the expense and then he checks it out himself.

Mr. MANSFIELD. Yes; but he has to report it to the Secretary of the Interior.

Mr. McCORMACK. Is this subject to the control of the General Accounting Office?

Mr. MANSFIELD. Why, every expenditure is subject to audit by the General Accounting Office. He has to report it and it has to be approved as a matter of course.

Mr. McCORMACK. This is not an exception to prevent the General Accounting Office from passing upon such expenditures in accordance with existing law.

Mr. MANSFIELD. I should not think so. I do not know anything about existing law on that point, but the purpose, as explained to me, is that the Administrator has to make arrangements for those transmission lines and make sales of the power and is bound to have money from some source to pay expenses as he goes along. The Army, the Navy, and every department of Government have arrangements of this kind.

Mr. McCORMACK. But I do not understand they have such power as this language, "subject to check by him", would indicate. Any expenditure of the Army, the Navy, or any regular department of Government is made subject to the General Accounting Office passing upon it prior to payment.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. COLLINS. This is somewhat like the authority we have extended to the Panama Canal. It is necessary for any business to have an operating account, and there are other agencies of the Government besides the Panama Canal which have authority similar to this.

Mr. McCORMACK. Do the expenses incurred out of this fund come within the purview or check or supervision of the General Accounting Office?

Mr. MANSFIELD. The General Accounting Office has supervision of all expenditures.

Mr. MAY. That is not in this bill.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. DONDERO. The words "continuing fund" raise this question in my mind: Suppose the Administrator spends $400,000 on some emergency, is he immediately entitled to another $400,000 to replace that payment?

Mr. MANSFIELD. He is only entitled to $500,000 under the appropriation to be made.

Mr. DONDERO. The point I am making is whether, under the words "continuing fund", he would be entitled to have an immediate appropriation of $400,000 to replace the expenditure.

Mr. MANSFIELD. He is limited to the appropriation made by Congress, undoubtedly.

Mr. DONDERO. And must come here for the appropriation?

Mr. MANSFIELD. Yes.

Mr. TABER. Mr. Chairman, will the gentleman yield for a further question?

Mr. MANSFIELD. I yield.

Mr. TABER. Should not the word "continuing" be left out, so we would simply have a fund of this sort? The word "continuing" tends to confuse the matter and there may be some question as to what it means.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Mississippi.

Mr. COLLINS. As the gentleman from New York knows, I have a high regard for his anxiety about appropriations, and I think, as a rule, the gentleman is correct in nearly all of his conclusions, but I am just a bit afraid that if the word "continuing" were eliminated this operation might be embarrassed in the conduct of its general business activities in an orderly and efficient way. Year after year there is a certain amount of money that is taken in by the Panama Canal and its auxiliary operations which can be expended by the Canal authorities in the conduct of the Canal and its allied activities, and I believe it is necessary for that to be done in order for the Canal to function properly. For any business organization to carry on it is necessary that it have a certain amount of working capital, possibly of an amount relatively the same at all times, and that is all the gentleman's amendment undertakes to accomplish.

Mr. TABER. At the present time the Congress is appropriating funds for the entire operation of the Tennessee Valley Authority and we are not operating there on a continuing-fund basis, as I understand it. The permanent appropriation bill eliminated a great many of these appropriations. I appreciate there is one in the Panama Canal organization, but I am inclined to believe it is bad practice, and while this language only authorizes an appropriation, if you say "a continuing appropriation" you may have a confused result, whereas if it is just an appropriation, we know exactly what is done. Of course, the appropriation bill that is passed annually would govern in the matter and I would think it would be better policy and better practice if the word "continuing" were out, and I wonder what the gentleman from Texas would think about it.

Mr. MANSFIELD. The language is as new to me as it is to the gentleman from New York, because as we reported the bill, the language was different.

Mr. TABER. Yes.

Mr. MANSFIELD. This was brought about by the objection of the chairman of the Committee on Appropriations.

Mr. TABER. I understand so.

Mr. MANSFIELD. I immediately got in touch with the Interior Department to see if we could work out something that would be satisfactory to both parties and this language was satisfactory to both the chairman of the Committee on Appropriations and the Department of the Interior.

It was thought that the appropriation will have to be made every year by the Committee on Appropriations, but that there ought to be authority to maintain this as a continuing fund.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Yes.

Mr. MAY. What in fact the $500,000 is, is a rotating fund that keeps accumulating.

Mr. MANSFIELD. Yes; I think that is it. I think the language ought to remain in the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 11. The Administrator may, in the name of the United States, bring such suits, at law or in equity, as he may find necessary in carrying out the purposes of the act; and he shall be represented in all litigation affecting the status or operation of Bonneville project by such counsel as he may select.

Mr. MANSFIELD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment: On page 16, strike out section 11 (lines 14 to 19, inclusive) and insert in lieu thereof the following:

"SEC. 11. The Administrator may, in the name of the United States, under the supervision of the Attorney General, bring such suits at law or in equity as in his judgment may be necessary to carry out the purposes of this act; and he shall be represented in the prosecution and defense of all litigation affecting the status or operation of Bonneville project by the United States attorneys for the districts, respectively, in which such litigation may arise, or by such attorney or attorneys as the Attorney General may designate as authorized by law."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WILCOX, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 7642) to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes, and, pursuant to House Resolution 277, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered. Is a separate vote demanded on any amendment?

Mr. MANSFIELD. Mr. Speaker, I demand a separate vote on the amendment striking section 6 from the bill.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote is demanded.

The Clerk read as follows:

Page 12, line 6, strike out all of section 6.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Chair proceeded to announce the result.

Mr. DOCKWEILER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CARTER. Mr. Speaker, I demand a division.

The SPEAKER. The gentleman from California [Mr. DOCKWEILER] has submitted a parliamentary inquiry. It is possible to have a vote upon this. The gentleman from California [Mr. CARTER] demands a division.

The House divided; and there were—ayes 89, noes 39.

Mr. CARTER. Mr. Speaker, I object to the vote on the ground that there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from California makes the point of order that there is no quorum present. The Chair will count.

Mr. CARTER (interrupting the count). Mr. Speaker, I withdraw the point.

So the amendment was agreed to.

The SPEAKER. The gentleman from California withdraws the point of order. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendment of the House to the amendment of the Senate no. 89 to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes, and agrees to the amendments of the House to the amendments of the Senate nos. 93 and 95, each with an amendment.

INTERIOR DEPARTMENT APPROPRIATION BILL—CONFERENCE REPORT

Mr. SCRUGHAM. Mr. Speaker, I call up the Senate amendment to the House amendments to the Senate amendments to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year 1938, and ask unanimous consent that the two Senate amendments to the House amendments to the Senate amendments be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

Mr. TABER. Mr. Speaker, I reserve the right to object. Would the gentleman state what these amendments are?

Mr. SCRUGHAM. These are corrections to the total.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendment no. 93: In lieu of the sum "$9,150,000" proposed by the House of Representatives insert "$9,850,000."

Amendment no. 95: In lieu of the sum "$10,316,600" proposed by the House of Representatives insert "$11,016,600."

Mr. SCRUGHAM. Mr. Speaker, I move that the House concur to the Senate amendments to the House amendments to the Senate amendments.

The motion was agreed to.

A motion to reconsider was laid on the table.

TAX ON MARIHUANA

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6906) to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to take from the Speaker's table the bill H. R. 6906, with Senate amendments thereto, and concur in the Senate amendments. The Clerk will report the Senate amendments.

The Clerk read as follows:

Page 2, line 6, after "plant", insert "fiber produced from such stalks."

Page 2, line 7, after "any", insert "other."

Page 2, line 9, after "therfrom)", insert "fiber."

Page 3, line 9, strike out "$5 per year" and insert "$1 per year, or fraction thereof, during which they engage in such activity."

Page 4, line 6, strike out ",(2),".

Page 6, line 11, strike out "or the Canal Zone."

Page 6, line 14, after "Columbia", insert "or."

Page 6, line 15, strike out "or the Canal Zone."

Page 8, line 11, strike out "or the Canal Zone."

Page 8, line 26, strike out all after "to" down to and including "cake" in line 6, on page 9, and insert "any person registered under section 2."

Page 15, line 16, strike out "the Canal Zone."

Page 16, line 1, strike out "Canal Zone and the."

Page 16, line 5, strike out "Canal Zone and the."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain these amendments?

Mr. DOUGHTON. There are only two amendments of any importance. The others are just matters of phraseology. One of those amendments reduces the occupational tax of those engaged in the production of the hempwort, marihuana, from $5 to $1, which is entirely satisfactory to the Treasury Department, which proposed this bill. The other is exemption of the Panama Canal Zone from the operation of the law. The Panama Canal Zone, as everyone knows, is under military control. The Department felt there was no reason why they should have any control over the operation of this law.

Mr. MARTIN of Massachusetts. Is there any opposition?

Mr. DOUGHTON. None at all. I have talked to Dr. CROWTHER about it.

Mr. JENKINS of Ohio. Will the gentleman yield to me?

Mr. DOUGHTON. I yield.

Mr. JENKINS of Ohio. My understanding is that the distinguished chairman of the Committee on Ways and Means [Mr. DOUGHTON] has communicated with Dr. CROWTHER, ranking member on the minority side, in the absence of the gentleman from Massachusetts [Mr. TREADWAY], and what the gentleman from North Carolina now proposes is in line with the agreement he had with the gentleman from New York [Mr. CROWTHER].

Mr. DOUGHTON. Entirely so.

Mr. JENKINS of Ohio. These three amendments, as I understand, are practically Territorial amendments, in which the departments are particularly interested, and it is upon their recommendation?

Mr. DOUGHTON. It is entirely satisfactory to them.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. FISH. Can the gentleman inform the House what the tax was in the original bill, what it proposed?

Mr. DOUGHTON. Five dollars, and it is reduced to $1.

Mr. FISH. Now, is that correct?

Mr. FRED M. VINSON. If the gentleman will yield, originally it was $25, and the House reduced it to $5 per dealer, and then the Senate reduced it to $1.

Mr. FISH. That is quite different. It has been reduced from $25 to $1. I think that is a great improvement.

Mr. DOUGHTON. But as we passed it in the House it was $5.

Mr. FISH. In the bill originally it was $25?

Mr. FRED M. VINSON. The original bill presented was $25. After it came from the Ways and Means Committee it passed the House at $5.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. COCHRAN. I have a long telegram in reference to the bill as it passed the Senate, and one of the objections is to the effect that they felt the American Medical Association

should have been heard on this bill. As a matter of fact, the American Medical Association representatives appeared before the committee and were heard at length. Is that not true?

Mr. FRED M. VINSON. That is correct.

Mr. DOUGHTON. That is true.

Mr. FRED M. VINSON. Dr. Wharton, representing the American Medical Association, testified at length.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks by including a speech made by myself.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FISH. I also ask unanimous consent, Mr. Speaker, to extend my remarks by including a statement made by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and include certain tables I have worked out with reference to power rates.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FEDERAL BUREAU OF INVESTIGATION

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

FEDERAL CRIME DETECTION PAYS

Mr. RANDOLPH. Mr. Speaker, today the Federal Bureau of Investigation observes the twenty-ninth anniversary of its service to the citizens of the United States. On July 26, 1908, Attorney General Bonaparte issued an order placing the investigative matters arising in the Department of Justice under a chief examiner, and gradually the organization developed into the crime-fighting machine which today is known throughout the law-enforcement profession of the world. Sixteen years after its birth the Federal Bureau of Investigation was completely reorganized.

Under its new and outstanding Director, John Edgar Hoover, the qualifications of personnel were raised, the organization was placed upon a career basis, and working policies were adopted which, during the last decade, have allowed this Bureau to function in such a manner that it has gained the respect and confidence of all persons interested in the safety and welfare of the American public.

The value of any organization is measured by the service which it renders. The Federal Bureau of Investigation has always sought in every possible way to render every item of available service to our citizens directly and to them indirectly through their own representative law-enforcement agencies.

ENLARGED JURISDICTION

We can all remember the period when marauding gangs, highly organized, roamed from coast to coast, spreading terror among law-abiding citizens and exacting tremendous tolls from them. So many were the victims of these gangs and so heinous were their tortures, their murders, and their kidnapings that the people of the United States turned to Congress for assistance.

Congress was quick to give aid by the passage of a new Federal crime bill in 1932 making it an offense under the jurisdiction of the Federal Bureau of Investigation to transport a kidnaped person in interstate commerce. In rapid succession, in 1934, Congress passed more crime bills increasing and strengthening the jurisdiction of the Federal Bureau of Investigation until it has investigative jurisdiction over all violations of Federal laws and matters in which the United States is or may be a party in interest, except those matters specifically assigned by congressional enactment or otherwise to other Federal agencies. It does not have investigative jurisdiction over violations of the counterfeiting, narcotic, customs and smuggling, postal, or immigration laws.

The types of cases which demand the attention of the Federal Bureau of Investigation include the following: Administrative investigations, admiralty law violations, antitrust laws, applicants for positions, bank embezzlements in District of Columbia, bankruptcy frauds, bondsmen and sureties, bribery, claims against the United States, claims by the United States, condemnation proceedings, conspiracies, contempt of court, copyright violations, crimes on the high seas, crimes in Alaska, crimes in connection with Federal penal and correctional institutions, crimes on Indian reservations, crimes on Government reservations, destruction of Government property, espionage, extortion cases, Federal antiracketeering statute, Federal Kidnaping Act, Federal Reserve Bank Act, frauds against the Government, harboring of Federal fugitives, illegal wearing of service uniforms, impersonation of Federal officials, interstate transportation of explosives.

Also interstate flight to avoid prosecution or testifying in certain cases, intimidation of witnesses, international claims, killing or assaulting Federal officer, larceny from interstate shipments, location of escaped Federal prisoners, Migratory Bird Act, National Bank Act, National Motor Vehicle Theft Act, National Stolen Property Act, neutrality violations, obstruction of justice, peonage statutes, passports and visas, patent violations, parole and probation violations—Federal, perjury, personnel investigations, Red Cross violations, robbery of national banks, member banks of Federal Reserve System, and insured banks of the Federal Deposit Insurance Corporation; theft or embezzlement of Government property, treason, Veterans' Administration violations, and White Slave Traffic Act.

Prior to the passage by Congress of the now famous crime bills, enlarging the jurisdiction of the Federal Bureau of Investigation, it was not a Federal offense to kill a special agent of that organization, nor did these agents have the authority to carry firearms. The Federal Bureau of Investigation enthusiastically accepted the new responsibilities placed upon it and, with modern weapons and equipment, its young special agents met the challenge of the marauding gangs.

These young men, the vast majority of whom are lawyers or expert accountants, selected only after most thorough investigations as to their character and fitness, and then highly trained in the Bureau's own schools of crime detection, welcomed the opportunity to render a more important service directly to their fellow citizens.

Efficiently and fearlessly they performed their duties with an added vigor spelling success, which led to the downfall, one by one, of such kill-crazy criminals as John Dillinger, Harvey Bailey, "Pretty Boy" Floyd, "Baby Face" Nelson, "Machine Gun" Kelly, John Paul Chase, Russell Gibson, Harry Campbell, Alvin Karpis, Albert Bates, and the many other leaders of the terrorizing gangs.

Because of the sensational nature of such victories, some have gained the impression that the activities of these special agents are confined to such cases as kidnapings and Federal bank robberies. This is erroneous, since officials of the Federal Bureau of Investigation point out that only approximately 5 percent of their time is spent upon such cases. The remaining 95 percent of time is devoted to investigations of a more routine nature, which, nevertheless, in their social value and in the savings and safety resulting to law-abiding citizens, are of tremendous import.

INVESTIGATIVE ACCOMPLISHMENTS

Approximately 640 special agents assigned to 39 field divisions are subject to 24-hour duty at the call of the people. These field division offices, under the jurisdiction of a special agent in charge, are carefully located throughout the United

States to afford the maximum amount of protection from violations of Federal laws. Any person having knowledge of such a violation coming within the enumerated jurisdiction of the Federal Bureau of Investigation need but call the special agent in charge of the nearest field office to receive immediate assistance.

These offices are located at Aberdeen, S. Dak.; Atlanta, Ga.; Birmingham, Ala.; Boston, Mass.; Buffalo, N. Y.; Butte, Mont.; Charlotte, N. C.; Chicago, Ill.; Cincinnati, Ohio; Cleveland, Ohio; Dallas, Tex.; Denver, Colo.; Detroit, Mich.; El Paso, Tex.; Indianapolis, Ind.; Kansas City, Mo.; Little Rock, Ark. Los Angeles, Calif.; Louisville, Ky.; Miami, Fla.; Milwaukee, Wis.; Nashville, Tenn.; Newark, N. J.; New Orleans, La.; New York, N. Y.; Oklahoma City, Okla.; Omaha, Nebr.; Philadelphia, Pa.; Phoenix, Ariz.; Pittsburgh, Pa.; Portland, Oreg.; Richmond, Va.; Salt Lake City, Utah; San Antonio, Tex.; San Francisco, Calif.; St. Louis, Mo.; St. Paul, Minn.; Tacoma, Wash.; and Washington, D. C.

In case of kidnapings, a citizen should call National 7117, Washington, D. C., a line that is always open for such an emergency, and within the shortest possible time experienced agents will be present at the scene of the kidnaping to quietly render expert and sympathetic aid. The effectiveness of such direct aid to citizens themselves in kidnaping cases is disclosed by figures recently released by the Federal Bureau of Investigation. Since the passage of the Federal Kidnaping Act on June 22, 1932, it has investigated more than 100 cases of kidnapings and plots to kidnap, and all but one of these have been solved, resulting in over 200 convictions.

The service which the Federal Bureau of Investigation has rendered to the law-abiding element of the country in its investigation of bank robberies has been just as effective. According to recent statistics, since the passage of the Federal Bank Robbery Act on May 18, 1934, through March 31, 1937, a total of 241 cases of robbery of national banks and member banks of the Federal Reserve System has been reported to the Bureau. Investigations have resulted in the conviction of 152 persons in Federal courts and the imposition of the following sentences: 3 life, 1 indeterminate, and 3,250 years 10 months and 2 days.

In addition, investigation by Bureau agents in cooperation with local authorities, according to these statistics, resulted in the conviction of 76 persons in State courts with the imposition of 2 death sentences, 12 life sentences, 41 indeterminate sentences, and 518 years and 6 months. Nineteen robbers have been killed resisting arrest and 56 persons on March 31, 1937, were awaiting prosecutive action.

On August 23, 1935, Congress amended the Federal Bank Robbery Act to include robbery of insured banks of the Federal Deposit Insurance Corporation. Since that date, through March 31, 1937, a total of 143 cases, involving the robbery of banks insured by the Federal Deposit Insurance Corporation, has been reported to the Federal Bureau of Investigation. Available figures indicate that investigation of these robberies has resulted in the conviction of 41 persons in the Federal courts, resulting in 2 life sentences and other sentences amounting to 511 years. In addition, 45 persons have been convicted in State courts with the imposition of the following sentences: 1 death, 4 life, 17 indeterminate, and 463 years. Nine robbers were killed by officers and there were 35 persons in custody, according to the Federal Bureau of Investigation, on March 31, 1937.

There has been a marked decrease in bank robberies since the passage of the Federal bank-robbery statute and during the latter part of 1936 insurance companies announced a 20-percent reduction in bank-robbery insurance rates in 35 States, commenting that the work of the Federal Bureau of Investigation was instrumental in making this reduction possible.

In cases involving extortion during the 9 months' period beginning July 1, 1936, 63 convictions have been secured by the Federal Bureau of Investigation, resulting in the imposition of sentences totaling 300 years 1 month and 10 days. Thirteen fugitives were apprehended in connection with this type of investigative service.

One of the greatest sources of arms for dangerous criminals has been National Guard and other Government arsenals. From January 1, 1933, through March 1937, 365 cases had been reported to the Federal Bureau of Investigation involving the theft of 2,707 Government firearms and 338,381 rounds of Government ammunition. Convictions numbering 256 had been secured up to March 31, 1937, resulting in 4 life sentences, and actual sentences amounting to 763 years, 9 months, and 12 days. Indeterminate sentences amounted to a minimum of 122 years, 9 months, and 1 day, to a maximum of 356 years and 6 months, and 22 persons were in custody awaiting court action as of March 31, 1937.

One of the oldest types of violations under the jurisdiction of the Federal Bureau of Investigation is the White Slave Traffic Act, enacted on June 25, 1910. Since that time over 10,000 convictions have been secured. The Bureau has announced that from July 1, 1936, through March of the present year, the investigation of violations of this act has resulted in 382 convictions and sentences totaling 568 years, 8 months, and 1 day.

One of the most routine services performed for the citizens of this country by the Federal Bureau of Investigation is the investigation of the National Motor Vehicle Theft Act. This statute was enacted on October 11, 1919, and from that time through March 31, 1937, 44,070 stolen motor vehicles have been recovered and returned to their rightful owners, representing a value of $26,910,895.04.

SAVINGS

The type of service rendered by the Federal Bureau of Investigation in its direct contact with the public can be summed up through the statistics covering its operations for the fiscal year, extending from July 1, 1936, to June 30, 1937. During this period it secured a total of 4,624 convictions, resulting in the imposition of sentences totaling 11,067 years, in addition to 2 deaths and 9 life sentences. Savings, fines, recoveries, and judgments effected as a result of the Bureau's activities amounted to $41,438,370, compared to its total net appropriation for the entire fiscal year of $5,925,000. During the year special agents located a total of 1,303 fugitives, and 2,635 stolen motor vehicles, valued at $1,157,947, were recovered in connection with violations of the National Motor Vehicle Theft Act. Because of their careful selection, intensive training, and freedom from outside influences, the special agents of the Federal Bureau of Investigation obtain convictions in 95 percent of the cases which they take to trial.

The work and service of these men during the past few years have established new confidence in law enforcement. No longer do our citizens feel helpless against the onslaught of crime. Major interstate gangs have disappeared. A larger percentage of our young boys and girls emulate the agents of law enforcement rather than the killers of the underworld. A new type of respect for the officer is evident. Local law enforcement agencies have adopted better training methods and the type of personnel selected by these agencies is improving from day to day. Headway is being made toward a definite improvement in crime conditions.

SERVICE MARTYRS

This encouraging improvement and the services rendered by the special agents of the Federal Bureau of Investigation have not been without loss among these courageous men. The death of Special Agent Wimberly W. Baker on April 17, 1937, as the result of wounds received in a gun battle on April 16, 1937, while attempting to apprehend two New York bank robbers in the Topeka, Kans., post office, recalls the names of other special agents who have given their lives in the service of their country.

Since 1925, 10 of these men have been killed in line of duty. Special Agent Edwin C. Shanahan, a native of Chicago, Ill., was killed in that city by the notorious Martin Durkin on October 11, 1925. Special Agent Paul E. Reynolds, also a native of Illinois but a resident of Boise, Idaho, was murdered near Phoenix, Ariz., between August 9 and 12, 1929. Special Agent Albert L. Ingle, a native of Mississippi, was killed in Charlotte, N. C., by the accidental discharge of

an automatic pistol carried by a private detective accompanying him. Special Agent Raymond J. Caffrey, a native of Nebraska, was killed on June 17, 1933, in the Kansas City massacre at which time two other special agents were badly wounded and three local officers killed.

Special Agent Rupert V. Surratt, a native of North Carolina, was killed on October 8, 1933, in an automobile accident while in that State on official business. Special Agent W. Carter Baum, a native of Washington, D. C., met his death on April 22, 1934, at the hands of "Baby Face" Nelson near Little Bohemia, Wis., at which time another special agent was wounded. Special Agent Herman E. Hollis, a native of Des Moines, Iowa, and Inspector Samuel P. Cowley, a native of Idaho, were killed near Barrington, Ill., on November 28, 1934, by "Baby Face" Nelson and John Paul Chase. Nelson was also killed in the gun battle. Special Agent Nelson B. Klein, a native of New York City, was killed by George W. Barrett at College Corner, Ind., on August 16, 1935. The average age of these special agents at the time of their deaths was 31, and 8 young wives and 11 children suffered the pain of their loss. They were left behind without the assurance of society's appreciation for the sacrifices they must make by insuring the security of their loved ones. Commercial insurance rates, because of the dangerous nature of a special agent's work, are correspondingly high and the Government has not provided insurance for them.

These men have died in order that civilization, which has been developed so laboriously with so great an expenditure of blood and sacrifice throughout the years, may continue to exist and society be protected. The losses suffered by the Federal Bureau of Investigation have been duplicated by law enforcement organizations in all parts of the country. Death has come with violent suddenness to the best and the finest types of officers, but those who are left behind honor their memory by a more determined effort to build an everlasting monument of sturdy law enforcement which can resist and repel the murderous thrusts of crime's overlords.

Although the service rendered by the Federal Bureau of Investigation to American citizens through its efficient and expeditious handling of those matters coming within its investigative jurisdiction has created new respect for law and order and reestablished the confidence of the public, perhaps a greater service is rendered quietly and indirectly to the citizens by this organization through local law-enforcement agencies. It has established and developed cooperative facilities which are subject to the call of peace officers throughout the Nation and which have increased the efficiency and effectiveness of all protective agencies.

F. B. I. NATIONAL POLICE ACADEMY

One of these cooperative features which during the years promises to be one of the most potent factors in the development of the highest type of law enforcement is the F. B. I. National Police Academy. The academy was founded by the Federal Bureau of Investigation in July 1935, and since that time four sessions have been completed.

The selection of the personnel to attend the academy is dependent upon the applications received by the Bureau from local, county, and State law-enforcement organizations. Following application the organization receives an invitation to select a representative of its department who is less than 46 years of age and best qualified to receive the training in Washington, D. C., and upon graduation to return to the department to give the benefits of his instruction and experience to the other members of his organization.

The representatives of 115 law-enforcement agencies, located in 44 States and 1 Territory, have completed the 3 months' instruction in such subjects as scientific and technical methods, statistics, records and report writing, firearms training and first aid, investigations, enforcement and regulatory procedure, tests and practical experience, police administration and organization; and police training methods.

In addition to the lectures and practical demonstrations given by experts of the Federal Bureau of Investigation, such distinguished authorities on law-enforcement work as the following assist in the training: Dr. Earl C. Arnold, dean of Vanderbilt University Law School; Prof. Thurman W. Arnold, Yale University Law School; Lt. Col. A. J. Drexel Biddle, United States Marine Corps Reserve; Col. Lynn C. Black, superintendent, Ohio highway patrol; Mr. Sherwood Brockwell, fire marshal of the State of North Carolina; Prof. Albert Coates, University of North Carolina Law School; Mr. Courtney Ryley Cooper, noted crime reporter, newspaperman, and magazine writer; Maj. Julian S. Hatcher, Ordnance Department, United States Army; Mr. L. V. Jenkins, police department, Portland, Oreg., and president of the International Association of Chiefs of Police; Mr. Paul G. Kirk, superintendent of Public Safety, State of Massachusetts; Capt. James T. Sheehan, Boston, Mass., police department; Mr. Bruce Smith, Institute of Public Administration; and Rev. E. A. Walsh, vice president of Georgetown University.

The 3 months' course is free of charge to the officers, their only expense being their transportation to and from Washington, D. C., and their living expenses while there.

The benefits resulting from the instruction are reflected by the large number of promotions which have been granted to the graduates of the academy. In most instances these graduates have returned to establish and take charge of training in their departments. Thus new police-training schools are developing from coast to coast, not only opened by the academy graduates but also by other officers who are enthused by the results obtained by the F. B. I. school. The service rendered by the F. B. I. police academy can be understood when it is realized that the total number of law-enforcement officers in the 115 departments which have had graduates from the school is 55,227. The total population within the territorial jurisdiction covered by these organizations which has thus been indirectly served is 73,662,352.

THE IDENTIFICATION DIVISION

Through the Identification Division of the Federal Bureau of Investigation, further assistance is rendered to local law-enforcement agencies. There are presently on file in this unit, which was established in 1924, more than 7,000,000 fingerprint cards; 10,394 municipal, county, and State agencies daily contribute from 4,500 to 5,000 fingerprint cards. The extent to which these officers take advantage of the service is evident from the statistics covering the operation of the Identification Division during the first 9 months of the present fiscal year. During that period 972,743 fingerprint cards were forwarded to the Bureau. The subjects of 54.4 percent of the criminal fingerprints received by the Bureau were found to have prior records on file when searched.

Within less than 36 hours after the receipt of a fingerprint card from a contributing law-enforcement agency a letter giving the criminal record, or advising that no prior record has been located, is forwarded to the agency. An additional copy of the letter is transmitted for the benefit of the prosecutor. This is also of value to the judge before whom a case is tried, as it is oftentimes studied before determining the length and character of sentence which the court imposes upon a convicted person.

If an individual with a prior criminal record commits a crime in a community, the law-enforcement agency seeking his apprehension will notify the Federal Bureau of Investigation. A "wanted" notice is then posted upon the individual's fingerprint record. If he is later arrested and his fingerprints submitted from some other section of the country, he is identified as the "wanted" criminal, even though he has changed his name, and the original department is immediately notified where the man it wants is being held and the arresting agency is advised where the prisoner is wanted. Through the use of this system the Federal Bureau of Investigation locates for local law-enforcement officers more than 500 fugitives from justice each month. For example, from July 1, 1936, to June 30, 1937, 6,223 fugitives were located in this manner.

The fingerprint records on file in the Identification Division also prove of value in determining if applicants for positions under the civil service of the Federal, State, county,

or municipal governments have a previous record on file which might show the applicant is not of a proper character to receive the appointment. Applicant fingerprints, however, are only searched through the Bureau's criminal files when submitted by law-enforcement agencies.

During the fiscal year ending June 30, 1929, when the United States Civil Service Commission began routing its fingerprints through the Identification Division, 1 person in every 13 was found to have a criminal record. The following year 1 in 14 was discovered to be a criminal. After publicity was given to these searches and the word spread throughout the underworld the ratio dropped, until during the fiscal year 1936, according to figures furnished by the Federal Bureau of Investigation, only 1 of every 43 applicants was found to possess a criminal record.

To enlarge the services of the Bureau, in March 1932 the international exchange of fingerprint records was begun. This not only provides a means for furnishing a criminal's complete criminal history for assistance of prosecuting attorneys, judges, and parole officials but is also a medium whereby persons who are wanted in a country other than that in which they are arrested may be identified as fugitives. Eighty-one countries presently participate in this exchange, and the fingerprints of persons arrested in this country will be sent to any one of the 81 upon the request of the contributing law-enforcement agency.

Other services offered by the Identification Division of the F. B. I. are through its single fingerprint file, which contains the records of 13,516 of the most desperate criminals, such as bank robbers, kidnapers, extortionists, and notorious gangsters, and through its modus operandi and general-appearance files.

As a further expansion of its services in identifying fugitives, the Bureau publishes monthly the Federal Bureau of Investigation Law Enforcement Bulletin, which lists the principal offenders whose apprehension is desired by various police departments. This publication, which has earned the reputation over the world as a leader in the field, also contains treatises dealing with subjects of a scientific character and other topics of general interest to law-enforcement officials.

The Federal Bureau of Investigation also maintains a Civil Identification Section and will gladly file therein the fingerprints of any citizen for personal identification services.

All of the facilities of this great national identification clearing house are provided without cost to duly constituted law-enforcement agencies. Fingerprint cards, franked envelopes, and disposition sheets for the purpose of reporting action taken subsequent to arrest are supplied without charge on request of contributing officers.

RECORDING STOLEN PROPERTY

One of the greatest difficulties which has faced law-enforcement officers in the United States has been the identification of stolen property. Jewelry, firearms, furs, and other property stolen in one community are disposed of elsewhere through fences. Prior to April 1936, there was no means to list such property for later identification. At that time the Federal Bureau of Investigation initiated the national stolen property file in order that law-enforcement representatives throughout the country might avail themselves of a national repository of such information.

Law-enforcement officials have been advised that the Federal Bureau of Investigation will record in its file for the information of any law-enforcement agency, any stolen property of the following types: That which may be described by name, model and serial number, such as watches, firearms, bonds, typewriters or similar office equipment; and all stolen property involved in thefts amounting to an aggregate of $5,000 or more. The project possesses great potentialities as the size of the file increases.

SCIENCE LABORATORY

Again adding to its existing services to law-enforcement agencies, in 1932, the Federal Bureau of Investigation established the technical laboratory which is presently equipped to make all types of scientific crime analyses. Examinations are made of documents or letters to determine the identity of the handwriting appearing thereon, as well as any other information which may prove helpful in the investigation or trial of a case.

Precision rulers, a synchrisiscope, binocular magnifiers, micrometer calipers, color charts, and special ultraviolet and infrared lights are employed. In the examination of bullets and exploded shells, comparison microscopes, helixometers, and special photographic equipment are utilized. Microanalyses of hair and textile fibers are also important functions of the laboratory as are chemical analyses of stains. Spectrographic and spectrometer apparatus is available; reference collections of automobile tire tread designs; various types and sizes of bullets and cartridge cases of foreign as well as American manufacture; a file of animal and vegetable fibers; and a collection of handwriting specimens of many criminals are indexed for ready comparison.

The accomplishments of the laboratory have given impetus to the adoption of scientific crime methods throughout the Nation, leading to the solution of cases with amazing speed and precision. Third-degree methods previously used by some organizations have given way to the scientific approach. Technicians of the laboratory, in constant research, develop new techniques to be employed for the solution of cases.

The services of the technical laboratory are also available without cost to duly constituted law-enforcement agencies. Experts from the laboratory will proceed to the place of local trials and testify to their findings without cost to the investigating or prosecuting officers. A total of more than 5,000 cases was handled in the laboratory between July 1, 1936, and June 30, 1937, a large number of which were submitted by local agencies.

COLLECTION OF STATISTICS

Just as the doctor must make a diagnosis of his patient before he knows how to proceed in treatment, so those interested in law enforcement must know crime conditions and trends before a scientific approach to improvement can be effected. No comprehensive analysis of these conditions was made until Congress, in 1930, charged the Federal Bureau of Investigation with the duty of collecting and compiling crime statistics. A total of 3,431 police departments and other law-enforcement organizations forward monthly and annual reports upon which the statistics are based.

Many interesting facts are disclosed by these compilations. A tabulation recently completed of information appearing on 461,589 arrest records received during 1936, shows that 139,707 of the persons had been convicted of some type of violation prior to their most recent arrests. These figures place emphasis upon the fact that efforts of police organizations must constantly be directed toward reapprehending individuals who at some former time had unsuccessfully come into conflict with the law.

The statistics thus compiled also focus the attention of the public upon the problem of juvenile delinquency when they show that 17 out of every 100 persons arrested today have not yet reached voting age.

ADEQUATE PROTECTION NEEDED

The need for adequate police protection is graphically shown by tabulations disclosing that cities having the larger number of police employees in comparison with the population area policed, generally have the lower crime rates. The compilation, based on data furnished by 88 cities, each with more than 100,000 inhabitants, shows that 24 cities having an average of 2.3 police employees per 1,000 inhabitants had 4 murders per year for each 100,000 inhabitants, whereas 19 cities having an average of 0.9 police employees per 1,000 inhabitants had more than 9 murders reported for each 100,000 inhabitants. In addition, those cities in the first group had 51 robberies and 313 offenses of burglary reported for each 100,000 inhabitants as compared with 93 robberies and 485 burglaries per 100,000 inhabitants in cities of the second group.

The extent of crime is further revealed to the amazement of the public by the 1,333,526 serious crimes com-

mitted last year. This total is, however, a decrease of 7.8 percent over 1935.

To achieve further decreases we must more wholeheartedly support law-enforcement agencies, local, State, and National. Their appropriations and personnel must be sufficient to provide an increase in the services which they are able to render to the taxpayers.

The Federal Bureau of Investigation is returning to the taxpayers each year as a result of the direct services it renders to those taxpayers, approximately $7 for each $1 it spends in operation.

The Federal Bureau of Investigation, however, is not content with that record but through the cooperative features provided for other law-enforcement agencies, which it expands and to which it adds as new needs arise, renders even a greater service. Although while yet in its infancy in the life of government, it enjoys and treasures the good will and respect of the law-abiding citizens whom it hastens to serve. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. COLLINS. Mr. Speaker, I ask unanimous consent that on Friday next, after the disposition of business on the Speaker's table and the business of the day, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein one short letter and several excerpts from other letters, all of them short, and to append to my remarks a very short bill I introduced in the House last month.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. AMLIE. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon, and also to include in the RECORD a copy of a letter I wrote to the Surgeon General of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OF TARIFF ACT

Mr. BUCK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 4543) to amend the Tariff Act of 1930 to exempt vessels arriving for the purpose of taking on ship's stores and certain sea stores from the requirement of formal entry.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this the bill about which the gentleman talked to me on Friday, simply allowing ships to stay in American ports long enough to purchase American goods?

Mr. BUCK. This bill permits a ship, for instance, arriving in distress and remaining in port not more than 24 hours to purchase what are known as ship's stores as well as sea stores. These are words of the art. Sea stores means goods that must be consumed in the voyage. Ship's stores refers to articles such as paint, rope, and so forth. What the bill does is to enable some of our merchants in Boston—I see my colleague from Massachusetts rising—San Francisco, and elsewhere to do a little more business.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, has the gentleman taken the precaution of notifying the gentleman from Massachusetts [Mr. TREADWAY] or the gentleman from New York [Mr. CROWTHER] that he was going to bring this bill up today?

Mr. BUCK. Oh, yes; this matter has been discussed with the gentleman from Massachusetts [Mr. TREADWAY] and with the gentleman from New York [Mr. SNELL].

Mr. FRED M. VINSON. The bill comes to the floor with a unanimous report from the committee.

Mr. BUCK. It was reported out unanimously by the committee.

Mr. JENKINS of Ohio. And the gentleman presents it just exactly as our committee reported it out?

Mr. BUCK. Exactly.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That subsection (4) of section 441, as amended (exempting certain vessels from the requirement of formal entry), of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1441 (4)) is amended by striking out "or necessary sea stores" wherever appearing in such subsection and inserting in lieu thereof "sea stores, or ship's stores."

SEC. 2. The amendment made by this act shall take effect on the day following the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAZI ACTIVITIES IN THE UNITED STATES

The SPEAKER. Under the previous order of the House the gentleman from New York [Mr. DICKSTEIN], is entitled to be recognized for 30 minutes. The Chair recognizes the gentleman from New York for 30 minutes.

Mr. DICKSTEIN. Mr. Speaker, ladies, and gentlemen, the children of Germany have a new song. It was published in the New York Evening Post on July 22, 1937, and the text of the song reads as follows:

Und Liegt auch vom Kampf in Truemmern die ganze Welt zu Hauf,
Das soll uns den Teufel nicht kuemmern, wir pfeifen darauf.
Wir werden weiter marschieren, wenn alles in Scherben faellt,
Denn heute gehoert uns Deutschland und Morgen die ganze Welt!

A rough translation of this lyric follows:

Even if in battle the whole world crumbled in a heap,
To the devil with it! We don't care a damn—we whistle.
We march on, even though everything be smashed to bits,
For today Germany is ours, and tomorrow the whole world!

The editorial goes on further:

Tomorrow, the world. Probably fantastic in America despite 21 Nazi camps, and in England despite Mosley's black shirts, who are getting nowhere.

Yet Hitler is looking hungrily westward. A digest of his aspirations in South America has been prepared by the American committee for anti-Nazi literature, which reads in part:

Nazi agents, plentifully supplied with funds from the propaganda ministry in Berlin, are busily engaged in Latin America spreading the gospel of Fascist dictatorship, of race hatred, and of war against democracy. The Nazis in their greedy quest for colonies are trying to turn South America into a vast colonial continent for economic exploitation.

Fascism in Latin America wears the garb and speaks the language of its European models in Germany and Italy. Its followers have called forth political and semimilitary organizations in practically all republics south of the Panama Canal. They have attacked the labor movement and helped to overthrow republican governments.

In Brazil and Chile, and to a large extent in Argentina, Germans often form the backbone of the Fascist movement. In Argentina alone there are at least eight uniformed Fascist organizations. In Chile there is an organization, the Partida Nacional Socialists, and its members call themselves "Nacistas", aping the German nazi-ism. In Brazil there is a Fascist organization known as the Integralist Action which claims a membership of half a million.

Over the troubled continent lies the shadow of the Nazi swastika reaching out to engulf our neighbors under the same medieval darkness that now hangs over Germany.

These thoughts come into my mind as I am again reminded of Nazi aggressiveness in connection with the establishment of a new camp in Andover, N. J., which was launched with appropriate ceremonies a week ago Sunday. The ceremonies in connection with the opening of the camp were very impressive. The principal speech was delivered by the fuehrer, Herr Fritz Kuhn, whose activities as the new German leader in the United States were depicted by me on several occasions in speeches delivered before this body and on the radio. Incidentally, a well-known magazine, the American Magazine, has a detailed description of

the activities of this movement in its current issue. I recommend to the Members of this House that they read this magazine story, which will probably have a great effect on arousing them from the utter lack of interest which this country is apparently exhibiting.

In one of my previous speeches I showed the futility of taking the attitude of "It can't happen here." I also pointed out on more than one occasion how the indifference which the German Republic showed to the claims of nazi-ism was responsible for Hitler's obtaining power in Germany. I made the statement that no democracy had the right to commit suicide, as it did in Germany. I do not wish to be a prophet of evil, but I am very much afraid that we cannot let nazi-ism or fascism rise in this country without serious danger to the safety of our Republic. I cannot restrain myself from again reading to you another portion of the article in the New York Evening Post. Of course, the author of the article takes the position that this Nazi camp or other Nazi camps should really be licensed and subsidized by Federal funds on condition that these camps be made directly representative of the present-day German Government, and here is how the author of the article visions this model camp:

> This model camp, as I vision it, is surrounded by a high barbed-wire fence, behind which the happy inhabitants are compelled to labor at low wages. A third of their pay is deducted for the maintenance of the army and the munitions plants, of which in this model city there is a gratifying number.
>
> The diet of the inhabitants is simple, consisting occasionally of one-pot dishes, so that the savings may be contributed to the glory and the girth of Goering.
>
> Inside the model city there is a concentration camp crowded with Communists, Jews, trade-unionists, liberals, Catholics, and a few Protestants who protested too much. On the ground are the corpses of a dozen men shot while ungraciously resisting the kindness of their jailers.
>
> Here and there, spiked on the barbed wire to prove the efficiency of German munitions, are the bodies of Basque babies; also the remains of a hundred Nazi soldiers drafted for service in Spain and sent back as heroes, but, unfortunately, dead.
>
> Behind these grim entanglements the citizens not in the concentration camp walk in lock-step to the roll of drums and the incense of burning books. They give the Nazi salute when not otherwise engaged in tightening their belts.
>
> All citizens dutifully sing the Horst Wessel song, for it is held in this model city that a mouth engaged in singing cannot be engaged in eating, which would be bad for the national economy.

I again refer to the official program of the opening of Camp Nordland, which is a book or pamphlet containing some 50 pages full of advertisements of good Germans who should be patronized by their fellow countrymen, and the program of the festivals themselves, which lists among its speakers "the honorable State senator", William A. Dolan, of Newton, N. J., and the chairman of the township committee, William Current, of Andover, N. J. What these speakers had to tell the audience I do not know, but undoubtedly their being there served to dress up the occasion with American patriotism, showing that American public officials support the Nazi movement in the United States, and support the erection of camps in this country which are established for the purpose of conducting Hitler propaganda in the United States.

In 1933, when the Committee on Immigration and Naturalization made its first study of Nazi activities in the United States, I arranged for the publication of a historical sketch showing how this movement grew in this country and who its backers and sponsors were. This historical sketch, of course, brings the story only up to the end of 1933, and it is continued by the investigation of the Special Committee on Un-American Activities, of which the gentleman from Massachusetts [Mr. MCCORMACK] was chairman and of which I was vice chairman. The leaders of the movement then have left these shores, and one of the men who was very instrumental in organizing nazi-ism in the United States is now one of the assistants to the German Minister of Propaganda in Berlin. The new leader is aptly described in the American Magazine as being the successor of all who preceded him, and he shows a great deal of aggressiveness and disregard of the most fundamental rights of American citizenship. He is a citizen of this country, apparently, I suppose by naturalization, and I have a good mind to investigate into the circumstances under which he was able to convince an American judge of the fact that he was eligible for American citizenship on his "record."

I do not know how many of you gentlemen know it, but to become a citizen of the United States one must take an oath of allegiance to this Government. It is this same Fritz Kuhn who on his own statement went to Germany about a year ago and pledged the allegiance of all American Germans in this country to Adolf Hitler. As a matter of fact, it is required of everyone who joins the Nazi organization in the United States, which now calls itself the German-American Bund, to pledge his allegiance to Adolf Hitler. A booklet which is given to every member of the bund contains the following pledge of obedience:

> Ich gelobe meinem Fuehrer Adolf Hitler Treue. Ich verspreche Adolf Hitler und den von ihm bestellten, mir bekannten oder durch ihre Abzeichen erkennbaren Vorgesetzten Achtung und Gehorsam und verpflichte mich, alle Befehle unverdrossen und gewissenhaft zu vollziehen, da ich weiss, dass meine Fuehrer nichts Ungesetzliches von mir fordern.

A translation of the above reads as follows:

> I solemnly swear fidelity to my leader, Adolf Hitler. I promise Adolf Hitler and everybody designated by him known to me or to be known to me, through his credentials, or through his uniform, the respect and absolute obedience due him and give allegiance herewith to fulfill all orders without restriction, and with my entire will, because I know that my leader does not demand from me anything illegal.

I have no doubt that this "pledge of obedience" which is expected of every member of the German-American Bund will automatically debar any such person for American citizenship, and I have no doubt that proper legislation could be enacted which will authorize the United States attorneys in the respective districts to institute cancelation proceedings against anyone who took the oath of allegiance to the United States and at the same time pledged his real allegiance to the German ruler.

Incidentally, it is my desire to "plug" a loophole now existing in our naturalization laws by reason of the fact that any German who becomes naturalized today renounces allegiance to the German Republic. As a matter of fact, no such country exists today. The German Republic died with the assumption of office by Adolf Hitler, and the official designation of Germany today is not republic by "Fuehrerstaat", meaning a leader state, a state governed by a "leader" who has dictatorial powers.

Every person joining the Nazi organization must pledge his support to the so-called "leadership principle" which is the principle which gives the so-called leader absolute power, and the leader, that is the dictator, designates his subordinates, and a new feudal system is created as a result of it. Just like in the days of the Middle Ages when the lord obtained his obeisance from minor lords, and the minor lords from still minor lords, and so down the scale. The system by which the German Nazi organization is run calls for such obedience from the highest to the lowest "leader", and I suppose Fritz Kuhn is the leader no. 1 in the United States, owing his allegiance directly to Adolf Hitler, or perhaps to his minister of propaganda, Dr. Goebbels.

It will be interesting to find out how this new hierarchy actually operates in practice. From the article in the American Magazine, it would appear that leader no. 1, that is Kuhn, has a number of subleaders with whom he consults from time to time, but that his decision governs the entire outfit.

From the program of the new camp, it appears that the camp is situated 55 miles from the Holland Tunnel and is situated some 800 feet above sea level and has two lakes, for bathing, fishing, and boating, and some 200 acres of land at its disposal. The camp had also issued bonds at $25 apiece which were sold to members of the German-American Bund, and I wonder whether or not some real-estate operations by whom this camp was sold to the German-American Bund are not chargeable to New Jersey politicians who are responsible for the appearance at the opening exercises of a State senator and a chairman of the township committee.

In the pamphlet German parents are urged to send their children to camp for the summer so that a real "German education" will be given to these youngsters. What "German education" is to be given to American children is something I am not in a position to give you in great detail. But I can give you a story as to the type of education which was given in German camps heretofore established, from the official report of the committee to investigate un-American activities.

One Hugo Haas was at that time the so-called leader of the "youth movement", and it seems that the youth movement is modeled on the Hitler youth movement in Germany, using the same flag and symbol which the youth camps in Germany use. He (Mr. Haas) said that he had 176 boys, mostly American-born children of German parents or children of naturalized American citizens. Let me read to you some of the testimony:

Mr. DICKSTEIN. You see the flags over here [indicating]?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. And over here [indicating]?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. And you see it over here [indicating]?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. And that is the same flag that you had on a pole in your camp?
Mr. HAAS. It was a little different there.
Mr. DICKSTEIN. It was practically the same?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. These children had uniforms?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. Where did they get the uniforms?
Mr. HAAS. Their mothers made them and we bought the breeches in army and navy stores.
Mr. DICKSTEIN. Sometime at 2 or 3 o'clock in the morning you called out the whole camp in a defensive drill, did you not?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. That did happen?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. Was anybody shooting at you; was there anybody disturbing your peace?
Mr. HAAS. No; but according to threatening letters that I got——
Mr. DICKSTEIN. So that you got a threatening letter, and at 2 o'clock in the morning you woke up all these boys; is that correct?
Mr. HAAS. Yes.
Mr. DICKSTEIN. But no one bothered you on that particular night?
Mr. HAAS. No.
Mr. DICKSTEIN. And the boys went back to bed?
Mr. HAAS. Yes, sir.
Mr. DICKSTEIN. You were reported sometime ago as having taken 15 or 20 boys out on a hike until about 2 o'clock in the morning, and passed near a cemetery, and you are quoted as having said that when you got through with that dangerous mission your heart was filled with joy at the spirit of the youth of Germany.
Mr. HAAS. I told you once before that the article that was printed in Today is not quite true.
Mr. DICKSTEIN. The article I am referring to is from the Deutsche Zeitung, which is a reliable German newspaper, is it not?
Mr. HAAS. That article was printed from two copies of the Deutsche Zeitung put together.
Mr. DICKSTEIN. But in substance it is true, is it not?
Mr. HAAS. About the march, but not about my heart leaping with joy.
Mr. DICKSTEIN. What kind of songs did you sing?
Mr. HAAS. Songs that are about a thousand years old.
Mr. DICKSTEIN. Not more than a thousand?
Mr. HAAS. No.
Mr. DICKSTEIN. They were all German songs, were they not?
Mr. HAAS. Mostly.
Mr. DICKSTEIN. These boys were all of them going to public schools here, were they not?
Mr. HAAS. Or high schools.
Mr. DICKSTEIN. Did you preach to them the philosophy of Hitler every day or just once in a while?
Mr. HAAS. Once in a while.
Mr. DICKSTEIN. About how many times did you preach the philosophy of Mr. Hitler in this American camp?
Mr. HAAS. Maybe twice.
Mr. DICKSTEIN. Did you have any propaganda printed in the German language distributed to some of these boys for them to read when they had a little spare time?
Mr. HAAS. We had a library there.
Mr. DICKSTEIN. What do you call a library?
Mr. HAAS. We had a shelf with books on it.
Mr. DICKSTEIN. How many books did you have?
Mr. HAAS. About 20.
Mr. DICKSTEIN. Can you give us the titles of any of these books?
Mr. HAAS. Zane Grey stories translated into German, and even some English titles.
Mr. DICKSTEIN. Did you have the history of the United States there?
Mr. HAAS. No, sir.
Mr. DICKSTEIN. Did you have any book about Abraham Lincoln?
Mr. HAAS. No, sir.
Mr. DICKSTEIN. About George Washington?
Mr. HAAS. No, sir.
The CHAIRMAN. You believe in the ideals of Hitler, do you not?
Mr. HAAS. Yes, sir.
The CHAIRMAN. Do you believe in a dictatorship?
Mr. HAAS. No, sir.
The CHAIRMAN. Well, if you believe in the ideals of Hitler, why do you not believe in a dictatorship? Is not Hitler a dictator in Germany at the present time?
Mr. HAAS. You might take it that he is a dictator.
The CHAIRMAN. Do you believe in freedom of speech?
Mr. HAAS. Yes.
The CHAIRMAN. Is there freedom of speech in Germany at the present time?
Mr. HAAS. If the speech——
The CHAIRMAN. If the speech is just the way the Government wants it?
Mr. HAAS. Yes, sir; if it is not against Germany.
The CHAIRMAN. Of course, over here you can have freedom of speech, even against the Government, can you not?
Mr. HAAS. There is too much freedom of speech.
The CHAIRMAN. You understand what freedom of speech means?
Mr. HAAS. Yes; everybody can say what they want.
The CHAIRMAN. There is no such thing as freedom of speech in Germany, is there?
Mr. HAAS. For Germans there is free speech.
The CHAIRMAN. Can Germans criticize Chancellor Hitler?
Mr. HAAS. Well——
The CHAIRMAN. Can they?
Mr. HAAS. I suppose they do.
The CHAIRMAN. Can they?
Mr. HAAS. Yes.
The CHAIRMAN. Can they urge a change of government over there?
Mr. HAAS. That is not freedom of speech.
The CHAIRMAN. You do not call that freedom of speech?
Mr. HAAS. No.
The CHAIRMAN. You do not believe in that, do you? Do you believe in the freedom of the press?
Mr. HAAS. To some press.
The CHAIRMAN. That is, a press that is friendly and agreeable to you?
Mr. HAAS. To the Government.
The CHAIRMAN. You believe those same conditions should obtain in America?
Mr. HAAS. There are many papers that should be put out of existence.
The CHAIRMAN. Do you believe in the freedom of religious conscience?
Mr. HAAS. Oh, yes.
The CHAIRMAN. Is that one of the ideals of the National Socialist movement—freedom of religious conscience?
Mr. HAAS. I do not think I ever read anything about that.
The CHAIRMAN. You read the papers, do you?
Mr. HAAS. Yes, sir.
The CHAIRMAN. Do you believe in a trial by jury?
Mr. HAAS. I do not get that.
The CHAIRMAN. Do you believe if you are charged with a crime that you should have the right, the constitutional right, the inherent right, to have a trial by jury?
Mr. HAAS. Surely.
The CHAIRMAN. Do you have that right in Germany now?
Mr. HAAS. As much as I know.
The CHAIRMAN. In any event, you believe that the philosophy of the National Socialist Party as it exists in Germany should be put into operation in this country?
Mr. HAAS. No, sir.
The CHAIRMAN. Do you believe in the philosophy of Hitler?
Mr. HAAS. Yes.
The CHAIRMAN. And, insofar as you can, you try to inculcate that in others?
Mr. HAAS. That means our philosophy or Hitler's philosophy, that he is trying to get all German people of the world together in certain groups.

I suppose the object of this camp, which is the twenty-first of its kind in the United States, is to try to get "all German people of the world together in certain groups."

American citizenship means very little to these exalted Germans. They are Germans first and foremost and American citizens only for convenience sake. The New York Times, on Monday, July 19, speaking of the address made in camp by Dr. Salvatore Caridi, of Union City, N. J., who headed a delegation of Italian war veterans, opened the speech by addressing the assembly as "my Nazi friends." As a matter of fact, in the last few public functions conducted by the Nazis, the black shirts seem to be very cooperative and it is a case of Nazis and black shirts working together.

The New York Herald Tribune, on July 19, speaking of the opening of the camp, said:

> This organization, which holds Adolf Hitler and the Third Reich in awe and reverence, dedicated this twenty-first camp by festivities attended to by 6,000 persons, including a number of Italian-American Fascist sympathizers who were guests.

The Washington Herald of July 20 shows a picture under the title, "This picture was not taken in Berlin, but in U. S. A.", and states under the description "Nazi-ism Invades America." With swastikas draped from buildings and carried in the line of parade, side by side with American flags, a company of Ordnung Dienst, Nazi military police, is shown entering Camp Nordland, at Andover, N. J. This parade was one of the features opening summer camp, operated by German-American Bund. Speakers lauded Reichsfuehrer Hitler and Premier Mussolini, and labeled John L. Lewis, C. I. O. head, Communist organizer; and to the same effect the New York Post on July 19, presented a picture captioned "Opening of Nazi Culture Center in Jersey" with these words at the bottom of the picture:

> Andover, N. J., gets a taste of Hitler heiling when 1,000 brown shirts march past the swastika-draped reviewing stand as the New Jersey division of the German-American Bund opens its 100-acre camp in the Sussex Hills. A group of Italian-American black shirts were presented as guests. Dr. Salvatore Caridi, of Union City, their spokesman, addressed the "bund" members as Nazi friends.

It is quite a stretch from Andover, N. J., to San Francisco, Calif., and between the two lies the whole territory of the United States of America. But to Nazi eyes the important thing is to operate a network of propaganda, and the entire territory of the United States is only a unit to further the interests of the Nazi master of Germany. And so it is not surprising that only a few weeks ago public opinion in this country was startled with the announcement that a Nazi adventurer, Mannfried von Killinger, was appointed German consul at San Francisco. An article in a German-American weekly, Volksecho, of July 19, 1937, gives a biographical account of Von Killinger's career.

In order to realize what qualifies a German consul for service in a democratic country, a study of Herr Killinger's past will be necessary.

Killinger belonged to that group of officers who after the war found it impossible to readjust themselves to civilian life. So he became an adventurer, taking part in the formation of secret organizations. One of these groups which he helped to organize was the so-called Company Ehrhardt. The purpose of this organization was to act as a stooge to the Reichswehr, whenever this reactionary organization found it necessary to remove a too enthusiastic supporter of the Weimar Republic. It was about this time that Herr von Killinger turned author. He wrote a book, Gay and Serious Moments in the Life of a Putchist. Just to give the reader an insight into the sadistic workings of the author's mind, let us quote an incident described in this book. It seemed that in 1919 a 19-year-old girl fell into the hands of these marauders. Here follows Von Killinger's verbatim account of what happened to this girl:

> As I gave the signal, the brigadiers stripped the wench and laid her across a wagon shaft. Then the horsewhips got into action. They did a good job, for there wasn't a white spot on her back when we got through. We knew that she was forever cured from prying into the secrets of the Ehrhardt company.

Later Killinger became treasurer of the secret political murder organization Consul. As such he instigated the assassination of the Catholic Minister Erzberger. It was Killinger who took care of the murderers'—Schulz and Tillessen—baggage. He also was the recipient of their mail and even after the murder was committed kept up close contact with them.

Later, when the Ehrhardt brigade and the Consul organization were obliged to dissolve, Killinger joined the S. A. Nazi organization. Again he qualified so well that he became assistant to the, at that time, supreme leader, Lieutenant Klintch.

With Hitler's help, he became a deputy to the Saxony Diet, which marked the beginning of his career. The year 1932 found Hitler's S. A. organization in serious financial difficulties. The treasury was empty and the radical elements of the party were in open revolt against what they termed too close alliance of Hitler with the big financial interests. The leader of this revolt was the colonel and supreme S. A. leader, Stennes. Killinger joined this revolt. At that time he made the classical remark about Hitler: "The S. A. must eliminate this Munich comic-opera diva." He fought with the insurgents until he found that the scales of fortune favored Hitler's side. Then he turned and promptly betrayed his comrades.

S. A. Leader Ernst—shot during the June 30 purge—had, prior to his death, deposited in a foreign country a document concerning the origin of the Reichstag fire. In it he wrote, in part:

> We were eating supper with Roehm, when Heines and Killinger discussed the matter of setting the Reichstag building afire. They were in perfect agreement with our plans. They also advised us under no conditions to take a direct part in starting the blaze, as the danger of detection would be too great.
>
> Killinger recommended to have the dirty work performed by a couple of S. A. troopers. "It will be easy to have them disappear afterward", he declared.

The June 30 blood purge almost put an end to Von Killinger's activities. Was he not a participant of the Reichstag burning, and did he not belong to the clique Roehm-Heines? These two reasons alone were sufficient for Hitler, Goering, and Goebbels to have Killinger forever silenced. He was arrested, but the intercession of an influential friend saved his life. He was deprived of all rank and offices, however, and for a time, at least, his name was completely obliterated from Nazi history. However, the Third Reich is in continual need of expert banditos. So when Herr Bohle joined the Ministry of Foreign Affairs, a fundamental change in the selection of foreign diplomats was inaugurated.

The policy of war which the Third Reich pursues necessitates the selection of experts in the field of espionage and terror. The less a diplomat is bothered by conscience, the better qualified he becomes. Thus it came about that the former assassin and soldier of fortune found himself one day traveling first class aboard a German liner bound for San Francisco. Of course, foreign Nazi bureaus had good reason to keep silent concerning the arrival and the past of this new representative of Aryan culture. The appointment of such an individual, however, constitutes an affront to the American people. It is particularly a challenge to the German-American people that their good name is besmirched by being represented by an expert in murder, sadism, and arson.

I have before me also a number of issues of a publication from Hollywood, Calif., which calls attention to renewed activities of the Nazis in California since Von Killinger became the German consul at San Francisco. Whether or not the renewed activities in establishing camps throughout the country is preparatory to a training to be given to our citizens as to how life in "concentration camps" is conducted, I do not know. But the fact of the matter is that these camps may well become, in due course of time, concentration camps for all dissenters from the Nazi philosophy.

I have shown you what the Nazis consider "freedom of speech" or "freedom of the press." In the testimony I quoted to you, freedom of speech meant the freedom by which individuals are allowed to preach Hitlerism and his works, and freedom of the press meant the freedom to publish pamphlets and circulars lauding Adoph Hitler.

What our American Constitution means to these fellows is best left unsaid. We cannot allow this alien ideology to be preached to children of impressionable years, and we cannot allow that subversive doctrines of this type be inculcated into the minds of immature youngsters. And, of course, we cannot permit the commingling of our American flag with the swastika, the symbol of Nazi hatred and intolerance.

To call a camp of this type an American camp is a travesty on the term "American", and to be told by speakers that they are patriots when they permit Hitler's ideology to govern the relationship of people in this country is something Congress at least could not tolerate.

I have given you at random the details of Nazi infiltration as practiced in the New Jersey camps and in the activities of the German consul at San Francisco; but we cannot lose sight of the fact that this is merely a drop in the bucket in the general scheme of things by which subversive movements are seeking to take hold of our citizenry.

I do not want to burden you with matters which I have already described in my prior speeches on the floor of this House dealing with Russian Fascists and their home-grown organizations preaching subversive doctrines. I do not wish to speak at this time about the activities of Communists, whom I have previously exposed on the floor of the House, and whose activities I have previously described to the Members of this body, but it seems strange that one of my colleagues, the gentleman from New Jersey [Mr. THOMAS] claims that there are more Communists in my district than there are Nazis in the United States. I stated at the time that in the last election there were no more than 200 Communists in my district, but the gentleman from New Jersey has an example as to what the Nazis are apt to do by having their camp opened in his own congressional district and under his very nose in Sussex County. You see, there are quite a number of Nazis right in the gentleman's own district, and it is futile to say that there are Communists in my district who require investigation. Why, the Communists in my district saw fit to parade for 9 long months and make life miserable for me because I tried to educate them into the duties of American citizenship. I am sure the gentleman from New Jersey will be performing a useful service to the community if he will try to educate some of the gentlemen who opened a camp in his own district in the duties of American citizenship and patriotism.

Mr. Speaker, I ask unanimous consent that the telegram which I sent to the Clerk's desk may be read by the Clerk out of my time.

The Clerk read as follows:

NEWARK, N. J., *July 26, 1937.*

Representative SAMUEL DICKSTEIN:

We deplore laxity of Governor Hoffman in the investigation of Nazi encampment at Camp Nordland, Andover, N. J. Governor Hoffman, before C. I. O. came to New Jersey, condemned the C. I. O. and enlarged on fact it was going to create violence and seize factories and that he was going to fight C. I. O. with every resource at his command. It is significant that Governor Hoffman had no word of condemnation for un-American goose-stepping Nazis in their march of hate, with American flags flying below swastika, in violation of rules of Congress for proper display of American flag. We request immediate investigation by Congress.

COMMITTEE FOR INDUSTRIAL ORGANIZATION,
W. J. CARNEY, *Regional Director.*

Mr. DICKSTEIN. Mr. Speaker, I do not want to stand on this floor and say "I told you so", but the facts I outlined to the House some 3 or 4 months ago are true today and cannot now be questioned. Although I have not introduced any resolution calling for an investigation, a Member of this House from the State of Texas has made an investigation of his own and has satisfied himself of the truth of my statement and my exposure of a well-organized subversive, un-American spy system in this country. This person is no less than the gentleman from Texas [Mr. DIES]. He has introduced a resolution calling upon this Congress to investigate these activities. While I have been working on this matter for years, working hard and doing my level best to bring to the attention of the House what is going on, I am willing to support the Dies resolution in order to turn the searchlight of publicity upon all alien subversive agitators and spies, whether they be the white shirts, the brown shirts, the black shirts, or any of the dirty shirts that have come into this country.

Mr. Speaker, let us stop playing post office. All we have been doing on this question in this Congress is to play post office. Too much politics is entering into this question.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I cannot yield.

Mr. Speaker, too much politics has entered into this. Whether it is in New Jersey, in the district of my friend, or any other district, or in my own district, it should be exposed.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield? The gentleman mentioned my district.

The SPEAKER. The gentleman declines to yield.

Mr. DICKSTEIN. Mr. Speaker, I do not want to quarrel with any Member of this House. The newspapers of the country are now telling us what is going on. Mr. Speaker, the twenty-first camp of this type in this country was opened in New Jersey last Sunday with almost 15,000 men and women going wild about Mr. Hitler and Mussolini. They had thousands of children ranging from 4 to 10 years of age "goose-stepping" and pledging allegiance to the swastika; and in this particular parade last Sunday the swastika flew high above the Stars and Stripes.

One Nazi was carrying the American flag as though it hurt his back to carry it. There were hundreds of swastikas way up in the air.

The Nazis have now combined with the Black Shirts. There were 400 of the Black Shirts on parade with the Nazis. Then there are the White Russian Fascists in Connecticut. I can take you there and show an arsenal as big as this building with powder, guns, and ammunition, with an army of 50,000 Facists right in the State of Connecticut. Why does not the Governor of Connecticut do something?

Mr. Speaker, I want to quote from the speeches made at the opening of Camp Nordland. I had someone there to take a verbatim report. Before I get to that point I want the Members to know where Camp Nordland is located. This camp is situated within a number of miles of the largest ammunition factories of this Government and one of the largest powder factories of the Du Ponts. I do not have to tell what happened in 1916 in connection with the Black Tom explosion. Mr. Speaker, if we are ever implicated in another war we will have to fight the enemy within and without.

If an investigation is made, I am afraid that my good friend, Governor Hoffman, will be shown that he knew something about this camp, as well as State Senator Dolan and some others up there who call themselves "Americans." I think they all had their fingers in the pie, because the Nazis paid more for the camp than it is really worth. Somebody, somewhere, promised the Nazis protection.

This camp is located at Lake Denmark, and is within the area of some of the largest powder plants in the United States. It is located right near the Marine Barracks and not so very far away from the Hercules Ammunition Works and the Atlas Powder Manufacturing Co.

I have some definite information with reference to the leader of this group, and I will give you his name, Guastav J. Elmer. This man was negotiating with the Lackawanna Railroad trying to get the railroad to give them a special fare from Connecticut and from New York to this camp, which is 54 miles from New York. He told a distinguished American connected with this railroad that they have 13,000 men in uniform ready to take up arms against whom? Against whom, I ask you? Surely not for the United States of America, but if some one dares defy their great leader, this Mr. Hitler, they will take up arms for him. This Hitler group started off 4 years ago with a membership of 75 members, Mr. Speaker, and today they have 350,000 in 40 States of the Union, and I am going to give you here the States and places where they were located up to January 1937, namely:

LOCATIONS OF NAZI GROUPS IN THE UNITED STATES UP TO JANUARY 1937

East: Astoria, L. I.; Baltimore, Md.; Bergen County, N. J.; Brooklyn, N. Y.; Brooklyn South, N. Y.; Bronx, N. Y.; Buffalo, N. Y.; Danbury, Conn.; Glendale, N. Y.; Hudson County, N. J.; Jamaica, L. I.; Lindenhurst, L. I.; Nassau County, L. I.; Newark, N. J.; New Haven, Conn.; New Rochelle, N. Y.; New York, N. Y.; Norwalk, Conn.; Passaic County, N. J.; Philadelphia, Pa.; Pittsburgh, Pa.; Poughkeepsie, N. Y.; Reading, Pa.; Schenectady, N. Y.; Stamford, Conn.; Staten Island, N. Y.; Trenton, N. J.; Washington, D. C.; Waterbury, Conn.; White Plains, N. Y.; Yonkers, N. Y.

Middle West: Chicago, Ill.; Cincinnati, Ohio; Cleveland, Ohio; Dayton, Ohio; Detroit, Mich.; Gary, Ind.; Hammond, Ind.; Kenosha, Wis.; Milwaukee, Wis.; South Bend, Ind.; St. Louis, Mo.; Sheboygan, Wis.; Toledo, Ohio.

West: Los Angeles, Calif.; Oakland, Calif.; Concord, Calif.; Petaluma, Calif.; Salt Lake City, Utah; Santa Barbara, Calif.; San

Diego, Calif.; San Francisco, Calif.; Seattle, Wash.; Spokane, Wash.; Portland, Oreg.

I am also going to give you the benefit of the names of a number of expert spies and agitators who came into this country and tried to scare the good German people, for whom I have the highest regard as Americans. As a matter of fact they have what is known as a "Uschla", which is a trial board that tries Americans. These Americans are tried by alien Nazis who come in on the ships of the Hamburg-American Line if these Americans do not cooperate with this un-American movement in our country. When they find these Americans guilty, and if they have a relative in Germany, they will be punished; and if they have property, it is going to be confiscated. The following is a list of Nazi propagandists:

NAZI PROPAGANDISTS, AGENTS, STOOL PIGEONS, AND SPIES OUTSIDE GERMANY IN THE UNITED STATES

Aschenbrenner, Kitty. Disguised as nurse, she was for a long time active as a Nazi agent in this country. She was finally exposed and deported.

Beyer, Kurt. Enrolled member of the NSDAP. Manager of San Francisco office of German Railroads.

Bolle, Willi. Owner of large furniture store at 1495 Third Avenue, New York City, and a notorious Nazi sympathizer.

Brunkhorst, Carol. Former Stahlheim contact man and confidential messenger.

Cremer, Hans. Contact man between Bunaste Leader Deutsch and NSDAP in Germany.

Dessecker, Richard. Adjutant leader of American National Labor Party.

Deutsch, Joachim. Leader of the Bunaste.

Emerson, Col. Edwin. American lawyer, journalist, and adventurer. Employed by Nazis as "front" to disguise their activities and give them an ostensibly legal foundation.

Gissibl, Fritz. The power behind the throne in Nazi intrigue in this country and one of the leaders of the Friends of New Germany or its successor, the Bund.

Gross, Rev. Francis. An ex-Catholic priest and vitriolic antisemitic writer.

Haag, Walter. Former aide to Spanknoebel; at present engaged in Gestapo work with the German National Railways bureau in Toronto, Canada.

Haas, Hugo. National commander of the youth movement of the Friends of New Germany, or its successor, the Bund.

Haegele, Anton. National leader of American National Labor Party.

Hanfstaengl, Dr. Ernst Franz. Forerunner of Spanknoebel in the United States. Posing as picture salesman, he succeeded in raising funds for Hitler previous to his seizure of power. Enlisted contact men for Spanknoebel and generally cleared the way for him; a member of the Bund.

Griebl, Dr. Ignatz. Nazi organization leader, formerly with Harlem Hospital, in New York; Uschla spy.

Hughes, Ingram. Lawyer and translator in Los Angeles who is helping in the circulation of antisemitic leaflets.

Hunt, Henry. Local leader of American National Labor Party in New York.

Kappe, Walter. A leader of the League of the Friends of New Germany and editor of the New York Deutscher Weckruf and Beobachter; and alien leader connected with the Bund.

Kiep, Dr. Otto. Former German Consul General in New York City and espionage pay agent.

Kuehtz, Werner. National treasurer of American National Labor Party.

Kuhn, Fritz. National leader of the Friends of New Germany and former provincial leader of the Middle West, now in full charge as its leader elected for 4 years, recently became citizen, using citizenship as protection for his espionage against United States.

Lange, Herbert. Local leader of American Nationalist Labor Party.

Luedecke Kwit Georg Wilhelm. Nazi propagandist, now one of the leaders of the League of the Friends of New Germany, or its successor, the Bund.

Markmann, Rudi. Provincial leader of the East of the Friends of New Germany, or its successor, the Bund.

Mensing, Capt. Frederick C. Official of North German Lloyd Line and espionage worker for Hanfstangl.

Meyer, William. Culture director of American National Labor Party.

Mutschinski, Frank. Was formerly commander of the Stahlheim.

Norman, Count. Nazi agitator and liaison man.

Peterson, William (William Mueller). Gestapo contact man in this country.

Ross, Colin. Adventurer, journalist, and lecturer, violent agitator for the "Germanization" of the United States.

Sanctuary, Col. E. N. Associate and Haegele and a leading distributor of antisemitic literature. He operates from an office at 156 Fifth Avenue, New York City.

Sauerma-Douglas, Count. Nazi agitator and liaison man.

Schlosser, August. Local leader of American Nationalist Labor Party.

Schmidt, Georg. Nazi contact man between the United States organizations and the Third Reich. Disguises himself as wine salesman.

Schmitz, Ernst. Head of German Railroads Information Office in New York City. Voted in the A. A. U. meeting (December 1935), which approved of sending American athletes to the Berlin Olympics.

Schnuch, Dr. Hubert. A leader of the League of the Friends of New Germany; organized his own Gestapo detachment, the Bunaste.

Schuster, Joseph. National leader of the military organization of the Friends of New Germany, or its successor, the Bund.

Schwinn, Hermann. Provincial leader of the West of the Friends of New Germany, or its successor, The Bund.

Soika, Karl. National organizer of American National Labor Party.

Spanknoebel, Heinz. First large-scale Nazi agitator; founded United German Societies of New York and coordinated leading German-language newspapers in 1933. Forced to flee country, under indictment.

Spanner, Dr. Nazi agitator and liaison man.

Thompson, Franklin. A leader of American National Labor Party and editor of the New York National American.

Vollbehr, Dr. H. F. Nazi propagandist and anti-Semitic writer.

Walter Reinhold. Was figurehead leader of Nazi organizations in the United States; actually a dummy for the real leader, Fritz Gissibl.

Warth, Hermann. Local leader of American National Labor Party.

Winkel, Lothar. Local leader of American National Labor Party.

Although some changes have been made in the above list, new leaders of great number have arisen and been sent here under many pretexts to spread the doctrines of Hitlerism in the United States. Some of the old leaders have been supplanted by the new ones, but, broadly speaking, the list is genuine. An investigation is most essential at this time to determine the definite system of espionage against the United States and who these people are. If an investigation is made, it will prove that financial help is coming in from Germany and that subversive activities within the United States is by order of some foreign government.

Bear in mind this is the twenty-first camp in the United States. This group has an army of over 200,000 in uniform. Mr. Speaker and Mr. SNELL, I call upon you as Americans to help put the searchlight upon this menace which exists in this country. In your State, Mr. SNELL, and in mine, they bought that Camp Upton in New York a year ago. When you go out there on Sunday all you see is drilling in uniform, goose-stepping, clicking of heels and boots, boots, boots, and they swear allegiance to Mr. Hitler, and at the same time downing Americans.

Mr. Speaker, the children in that camp are not allowed to speak the English language. They are not allowed to read American books. They must speak the German language. They must drill, as they are told. As to how they are taught to obey their leader is well pictured in the beginning of my speech.

Coming back now to Camp Nordland, let us consider Dr. Salvatore Caridi, of Union City. He is known as the Black Shirt leader of this country. You do not have to take my word for that. I have pictures to show what a fine lot of Fascists he had in the parade with the Nazis. The Nazis were hailing Mussolini and the Fascists were hailing Hitler, and it was a grand love feast.

Mr. Speaker, and fellow Americans, listen to what he says:

We have a right to meet and organize and tell this country what we have done.

Dr. Caridi said:

We are the best law-abiding citizens in the United States and we don't like to have anyone insult the leaders of the nations from which we come. The authorities of this country have no power to silence them, but if they insult Mussolini—

He is talking now to 15,000 people—

if they insult Mussolini or Hitler in this country, we can punch them right in the nose.

And that is supposed to be an American citizen who says:

If you are going to insult Mr. Mussolini and Mr. Hitler I am going to punch you in the nose.

What does that mean? Just exactly what it says.

We find that the children in this Camp Nordland and other camps have had their feet so well drilled that they are now expert soldiers. The leaders of their camps say that you must not speak English. You must speak German, so that you do not forget you are Germans.

They teach them to forget all about the American Government. They teach them to forget all about American history. And after all of this lecturing, these boys and girls have to swear allegiance to the swastika almost five times a day.

Then you have the White Russian Fascist group, I talked about, in Connecticut.

This White Russian group has now combined with the Nazis. The Nazis, the Black Shirts, the Fascists, and the White Dirty Shirts have formed an organization. The leader of the White Russians who has combined with the Nazis and the Black Shirts, is Anastase A. Vonsiatsky, and if I do not pronounce his name properly I think the best thing to do is to whistle it. Some woman who had a lot of money, running into the millions, was crazy enough to marry this so-called ex-prince or ex-somebody—and this whole fortune is being spent to build up a White Russian organization in this country. This organization is combining with the Nazis to overthrow the Russian Government.

So far as I am concerned, I do not care what they do, but let them keep out of this country. They are stirring up trouble among the fine Russians who are naturalized citizens or native born. They are stirring up trouble amongst the millions of fine Germans. There are hundreds of thousands of fine Italians in this country who are loyal American citizens, and I do not have to go any further than to mention Generoso Pope, who represents a number of newspapers throughout this country and is a typical American of high standing. There are hundreds of thousands of Italians in this country, and they are against the Black Shirts. Almost 99 percent of the German people are against the Nazis. The fine Russian people are against the White Russians. These organizations are just fomenting trouble throughout the United States. They are seeking to substitute a dictatorship or facist government in place of a democracy.

Another camp is going to be opened pretty soon in California. They say some of these people complain about the fact that the climate in New Jersey, New York, Pennsylvania, and in Illinois, is not so good.

Recently we have been visited by another menace, namely, a new consul general, who was sent by Hitler to the State of California. This is the same gentleman I mentioned in the beginning of my speech. I do not want to take up too much time on that score.

However, his name is Von Killinger, and he was the man who brought about what is known as the united front between the German Nazis and the Italian Fascists. Other people helping Von Killinger are Colonel Archer, a former organizer of the K. K. K., and the German Consul at Los Angeles, George Gyssling. The swastika is being fired almost every Sunday night around Los Angeles, just like the fiery cross of the K. K. K.

Gentlemen, these are facts, and you cannot evade facts. Someone has said, "Why does not the Department of Justice do something about these things?" I have heard so much of this talk. Today almost anyone can write a letter to the Department of Justice regarding anything he sees. However, the Department of Justice is powerless when dealing with subversive activities in the United States. All the Department can do is to investigate what is going on. I do not want to criticize the Department of Justice. I think the Director of the Department and his men typify the finest and very best of our Americans. They are doing a great job. But after they find what is going on, have they the power to subpena? Have they the power to determine who is paying for all the movements in this country? Have they the power to determine how much money has been coming in and where it has been coming from? If I had a subpena I could go to certain banks and bring you evidence of millions of dollars which were sent in here for the purpose of helping these movements. The German Government and other countries refuse to pay the interest on their bonds. There are almost 700,000 American suckers, I am sorry to say, who bought bonds and have not received even the interest. Still, there are millions of dollars coming in here and money is being spent all over the world to propagandize the whole of America and the whole of Europe. I attribute the condition in Poland, where 3,500,000 people are suffering and on the slaughter block today, to the fact that Mr. Hitler got busy propagating in Poland, which is on the border of Germany. You are going to see lots of trouble over there, and you may see a nice little war, but for Heaven's sake, let us stop this condition in this country.

I do not care how much war they have, although I am against war—but let us stop the foreign agitation in this country which threatens our democracy and our people.

I am very thankful to the chairman of the Committee on Rules, the gentleman from New York [Mr. O'CONNOR], and each and every member of the committee for being so patient with me and so fair when they voted out my resolution. However, maybe the Members of the House doubted some of the statements I have made, or maybe my resolution was too broad, or maybe something else, because the House voted down the resolution. But what is bygone is bygone. I am not the sponsor of this resolution. The sponsor is a Member of Congress from Texas, who has given the matter study. I appeal to the Member of Congress for your help to support House Resolution 282 introduced by Congressman DIES, of Texas.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Not just now.

Mr. THOMAS of New Jersey. I do not think there is a quorum here. Will the gentleman yield?

Mr. DICKSTEIN. I will not yield, Mr. Speaker.

Mr. THOMAS of New Jersey. This is just a friendly question.

Mr. DICKSTEIN. I have answered so many friendly questions in this House. Some people have said many things against what I am telling you, but in their hearts they knew what was going on.

Mr. THOMAS of New Jersey. This is a friendly statement.

Mr. DICKSTEIN. A friendly statement? If it is very friendly, go on and state it.

Mr. THOMAS of New Jersey. I absolutely agree with many of the remarks made by the gentleman from New York this afternoon. I think there should be an investigation, not only of nazi-ism but also of communism, and every other "ism." However, the gentleman said something about politics in his preliminary remarks and mentioned the Governor of the State of New Jersey. May I say that this Nazi organization was invited to Sussex County, N. J., which happens to be in my district, by State Senator William Dolan, a Democrat. In addition to this, they got their license to sell liquor at the camp from the township committee of Andover Township. The majority of this township committee is Democratic. My statement is that while I am wholeheartedly in accord and in sympathy with the idea of the gentleman that there should be an investigation, I do say that these people were invited to the district and to that county by Democratic office holders.

Mr. DICKSTEIN. I wish the gentleman had made that statement the last time I addressed the House. If you will look at the RECORD, the statement of the gentleman today and his statement the last time I spoke are not consistent. However, I am going to forgive the gentleman for what he said about my district and the Communists, and his statement that there were more Communists in my district than there were Nazis in the country. I judge that there are over 300,000 Nazis. I believe in my district in the last election there were a little over 200 votes cast for the Communists. I have no more use for the Communists than has the gentleman.

Mr. THOMAS of New Jersey. The gentleman will have to admit that practically all the Communists in the last election voted for the New Deal.

Mr. DICKSTEIN. I do not agree with the gentleman from New Jersey.

All the Communists of New York State are off of the ballot, as I stated to the gentleman from New Jersey [Mr. THOMAS] when I made my last speech. They did not even have enough votes to get on the ballot.

Now, I want to answer the gentleman's question, and I want to be kind to Senator Dolan, but if I were a citizen of the State of New Jersey, I would demand the impeachment of Senator William Dolan and Township Committee Chairman William Curran, of Andover, N. J., and I would not care if either one of them was my best friend. If these men who claim to be Americans, in the face of the propaganda that has been going on for 4 long years, had taken any precautions, they would know that these Nazis who are penetrating into the State of New Jersey are doing so with a platform that is inimical to our form of government and contrary to our Constitution.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield further?

Mr. DICKSTEIN. I will yield in just a moment.

Why, one of these men said, "Who is President Roosevelt—he is just a President—he comes and goes, but unser Hitler—our Hitler in German—we have waited for him for 2,000 years to save the world."

Yes; we have waited for 2,000 years for Hitler to destroy the world.

Mr. THOMAS of New Jersey. I would like to say one more thing, if I may.

Mr. DICKSTEIN. Certainly.

Mr. THOMAS of New Jersey. This organization had the lease drawn up in the office of Dolan & Dolan.

Mr. DICKSTEIN. I believe that is correct.

Mr. THOMAS of New Jersey. And I think if the gentleman can get more support for his resolution and, perhaps, get other people to get up and talk for the resolution, he will get it through, and then the citizens of the State of New Jersey will not have to ask for the impeachment of Senator Dolan.

Mr. DICKSTEIN. We may do that, but I consider myself a Member of this House. I have been here for 16 years. I have tried to be courteous and fair and have tried not to make a nuisance of myself. It makes me sick to see the new United States Senator from New Jersey, who happens to be of my political faith, come out in a statement and say, "Oh, it is just a little group, and they just want a little publicity. I do not think we ought to bother them", or words to that effect. I am not quoting the exact language, but stating it in substance. He states they are looking for publicity. That Senator is asleep. He ought to wake up.

Why, only about 2 years ago there was another camp in New Jersey, in Gregorstown, N. J. The gentleman from New Jersey may know where that is. This was at a time when my good chairman the gentleman from Massachusetts [Mr. MCCORMACK] headed the committee. They had about 600 little children there between the ages of 4 and 12. They had been goose-stepping these children there for days, and at 2 o'clock in the morning—listen to this, as you may get a laugh out of it—they had a leader by the name of Hugo Haas, a spy and a no-good bum—at 2 o'clock in the morning he woke up these kids and said, "Dress yourselves, we have to go out on a defensive drill." They passed a cemetery and marched until early in the morning, and then the German press issued a statement through the German spy system in this country stating, "They have their children so well trained that the leader called them up at 2 o'clock in the morning and marched them by the cemetery, and they were not a bit afraid of all the tombstones in the cemetery. They were brave Nazis." The exact testimony appears at the beginning of my speech, but I call it to your attention again because of its importance.

You are inculcating that very spirit in Yankee children and the protests are coming from your district and from every district in the country.

Mr. Speaker, I have no resolution, but I will support the Dies resolution. I will support any similar resolution, and you do not have to put me on the committee. But I appeal to you in the name of your flag, in the name of your country, let us stop kissing some of these birds and do the things we talk about doing, and that goes for communism, nazi-ism, fascism, and all the other isms, whether they are in my district or in yours.

Yes, Mr. THOMAS; I appreciate your calling my attention to Mr. Dolan. As it happens, I have the certificate of incorporation of this so-called Nazi Bund, which is as follows:

GERMAN-AMERICAN BUND AUXILIARY

Purposes: Further and promote social intercourse amongst members and others who may be admitted subject to rules and limitations; to rent, purchase, or acquire by lease, deed or otherwise suitable grounds, lands, etc., and improve same by erection of buildings and construction and maintenance of proper and lawful facilities thereon or by the embellishment or betterment of same in any proper and lawful manner or by rendering them more fit for or adaptable to the purposes of recreation, entertainment, and social intercourse aforesaid. Also to said end, to let or license the use of any property, land, etc., it being understood that enumeration of subordinate purposes for accomplishment of major purpose shall not be held or taken to diminish any right or power given to corporation by legislature.

Principal office, 925 Danielson Street, North Bergen.

Registered agent, August Klapproth.

Number of trustees is eight.

Names of trustees for first year are: Matthias Kohler, 130 Linden Avenue, Irvington, N. J.; August Klapproth, 925 Danielson Street, North Bergen, N. J.; Herman V. Busch, 881 South Seventeenth Street, Newark, N. J.; George Reupert, 233 Washington Place, Cliffside Park, N. J.; Willy Ludtee, 52 Barbour Street, Haledon, N. J.; Edward Mattias, 695 Midland Avenue, Garfield, N. J.; Henry Siebert, Cloverdale Avenue, Paramus, N. J.; Fritz Kuhn, 178 East Eighty-fifth Street, New York City.

No one can become a member unless he shall be an officer of the volunteer organization k1/a German-American Bund, or some local division thereof in good standing, and board of trustees may limit membership by prescribing that to become or remain a member, the member must hold office of some designation or specified degree or kind in said German-American Bund, and that when said member shall cease to hold such office he shall cease to be a member of this corporation. The trustees shall have the right and power to determine qualifications of the members and whether one has ceased to be a member.

Signed 3/22/37 Filed 3/25/37.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes more.

The SPEAKER pro tempore [Mr. CITRON]. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. The Nazis told the American people they were American citizens and had a right to have a camp. I do not blame them. They do have a right to have a camp.

They can have their fun, they can do what they please within the law, but every one of the 21 camps in this country is based on the philosophy of a government that is not in the interest of our Government. The smuggling in of arms, propaganda, and uniforms, which have been coming in by the thousands, and all of this goose-stepping and parading with the swastika, the black flag, and the red flag must stop; and it will, if I have to stand on this floor every day in the week. My friends, we cannot get away from it. We are facing a too serious problem. I suppose some of you have read the book It Can't Happen Here, but it can happen here. I have heard Congressmen say that it cannot happen here, but it is here. It reminds me of the story of the lawyer who told his client that he could not be arrested for doing a certain thing. The client finally called him from the jail and said to him, "You told me that I could not be arrested if I did that", and the lawyer said, "Certainly not", only to be answered by his client, "But I am in jail now." Let us have a complete investigation. Every decent, law-abiding American who loves his country and his Constitution wants this investigation. There is not a single word in the charter of the "German-American Bund Auxiliary" about America or its principles. You have to be a Nazi; you have to be a Hitler-100 percent Nazi; you have to be a Fascist in order to belong to any one of their 21 camps.

Mr. Speaker, I could go on and on, and I ask you in the name of America to support any resolution that will bring

about a cleaning of house, which is needed at this time so that proper laws may be passed to protect us from this evil. [Applause.]

The SPEAKER pro tempore (Mr. CITRON). Under previous order of the House, the Chair recognizes the gentleman from Michigan [Mr. CRAWFORD] for 15 minutes.

NATIONAL DEFENSE AS RELATED TO SCRAP IRON AND NEUTRALITY

Mr. CRAWFORD. Mr. Speaker, for two decades the world has whetted its appetite for peace only to have the pangs of hunger increase before a barren table onto which are shoved international incidents, armament races, and preparations for war. In the Sermon on the Mount the people were asked if they would give their sons a stone when they cried for bread, and today this Congress may draw a parallel by searching the activities of this Nation to determine the part we are playing in contributing to war at a time when the world is crying for peace.

Battleships, cannons, rifles, tanks, shot, and shell are prohibited under our neutrality regulations from being shipped to countries where a state of war is declared to exist. But there is nothing to prevent us shipping materials for the manufacture of these and other implements of war to the European countries over which the red laughter of the war gods may be heard to reverberate.

I refer specifically to our exports of scrap iron and scrap steel. I call to your attention the fact that in the month of May of this year as much scrap iron and steel was exported as is equal to the annual average of the past 11 years.

A few weeks ago I placed before this House a bill which would place the export of these scraps under the control of the Secretary of Commerce and providing a ban on their shipment to warring nations.

A few days ago there was introduced in both Houses of Congress a joint resolution asking for the appointment of a joint committee to study this growing problem of exports of scrap iron and steel exports. I hope this body will realize fully the need of some serious study on this question both from the standpoint of peace and from the standpoint of conservation of our own scrap-iron resources and agree to the appointment of such a committee.

BLACKSMITHS OF MARS BUSY

The Nations of Europe are beating paths to every junk yard in America and the countryside is again being combed as the blacksmiths of Mars work overtime hammering the plowshares into swords and the pruning hooks into spears. But today's version of the Scriptural reference is not confined to plowshares and pruning hooks. Railroad iron, car wheels, ship plates, automobile frames, broken stoves, old iron beds, and a thousand and one things commonly called "junk" are being siphoned from American back yards into the roaring furnaces of Europe and Japan.

You have merely to stand on the corner outside of this Capitol building late some afternoon to witness a rumbling cargo of junk bound for Europe by way of American junk yards.

Across the street from our own Washington Navy Yard you will see a large sign bearing the words "Scrap iron wanted—Highest prices paid." This sign is only a stone's throw distance from our navy yard which may someday have great need for this metal in preparing for the defense of our own shores. We have no way of knowing what percentage of these scrap exports are melted and poured into the cannon and shell molds of the munitions factories of Europe. It is no secret among the scrap-iron men that much of this junk finds its way into implements of war. Neither do we have any assurance that this junk discarded by Americans will not someday be sent back to us in a cloud of black smoke from a roaring gun to wreak destruction on our own shores.

The time is ripe to consider these things.

Since the 1st of January of this year our scrap-iron exports to foreign nations have increased by hundreds of percent. Over 630,000 tons of scrap iron and scrap steel were exported in the month of May alone. If this drain continues on our natural resources there will be need for alarm.

So large has this enterprise of shipping scraps to foreign nations become, that one group has seen fit to take advantage of the Webb-Pomerene Act which grants exemption from the antitrust laws under certain conditions to an association engaging solely in export trade. A few weeks ago there was organized the Scrap Export Associates of America, which has complied with the regulations of the Federal Trade Commission to commence exporting scrap iron and steel. Hiram Winternitz, Jr., of New York, is president and governor of this association, and the other members are Charles Dreifus Co., of Philadelphia, and Robert Joseph and the Schiavone-Bonomo Corporation, both of New York City. I am advised this group will deal in American scrap with the European cartels.

JAPAN BIGGEST BUYER OF UNITED STATES SCRAP

All through the depression, one nation in particular has been a good customer at American junk yards. I refer to Japan, whose cheap-labor products may be found on the counters of practically every city, town, and hamlet of this Nation. She has purchased our scraps, melted them into her own products, and then shipped them here to compete with the efforts of American workmen—and all at a nice profit to herself.

In one week alone recently 6,800 tons of scrap iron and scrap steel left the port of Boston bound for Japan.

A recent Minerals Yearbook, a publication of the Bureau of Mines, contains this statement:

> By far the most conspicuous among iron and steel products exported in 1934 was scrap, which totaled 1,835,564 gross tons, of which 1,168,496 tons went to Japan.

In 1933, the previous year, Japan took 547,537 tons of our total scrap exports of 773,406 tons.

Japan alone has taken away from this country in the first 4 months of this year as much scrap iron as the entire world did in 1933.

Purchases of American scrap by the United Kingdom jumped from 3,585 tons in January of this year to 32,441 in April; Japan jumped from 33,246 in January to 278,580 in April; Germany's purchases jumped from 1,719 in January to 6,856 in April; and Italy bought 9,175 tons in January and 21,691 tons in April.

The export scrap tonnage of the United States by months for the first 5 months of the year follows: January, 68,884 tons; February, 143,197 tons; March, 355,979 tons; April, 421,383 tons; and May, 630,671 tons.

CONSERVATION AN ISSUE

The effect of these export shipments on world peace is only one of three phases of this great question about which we should concern ourselves.

The second is the question of our own natural resource of this particular type. In event we must some day defend our own shores, in the face of these continuing exports, will there be sufficient scrap iron left for our own needs?

Several groups of the steel industry have expressed alarm at these mounting exports. Earlier this year, when several bills were introduced seeking to control scrap exports, an interdepartmental committee was appointed to investigate the question.

Secretary Hull at that time expressed the belief that—

> The export movement of scrap has created no emergency situation, and there is no actual or prospective shortage of scrap.

Oddly enough, the two departments most vitally interested—the War Department and the Navy Department—were not members of the Secretary's interdepartmental committee.

OLIVE BRANCHES AND SCRAP IRON

Ten days ago, when a new emergency appeared in the Sino-Japanese relations, Secretary of State Hull heralded to the world the proclamation that—

> This country constantly and consistently advocates maintenance of peace.

As this statement was being prepared, thousands of tons of American scrap iron were being loaded at American ports for shipment to Japan, and other ships loaded with similar cargoes were headed for Japan from our shores.

The Secretary of State waves the olive branch to the world in one hand and with the other hand he holds back restrictive action that would prevent American scrap metal being molded into implements of war for use in such skirmishes as the Sino-Japanese incidents which so upset the world.

During the month of May Japan increased her purchases of American scrap metal by 1,300 percent compared to January of this year. During May export scrap shipments amounted to 443,251 tons and in January 33,246 tons.

Recently the Associated Press reported that the Japanese war ministry had submitted a 5-year defense program involving the expenditure of over two and a half billion dollars and that much of this would be spent in developing aviation and shipbuilding.

In the face of these ever-mounting scrap-iron exports how long will the balance of the world recognize the United States as an advocate of peace?

Replying to congressional demands for a curb on scrap-iron exports the Secretary of State says "the disadvantage of direct and indirect restrictive action would outweigh possible advantages."

In the face of existing wars and pending wars this statement of the Secretary's is not consistent with his advocacy of world peace.

I fully realize the Secretary is not only an ambitious man but a jealous man when the trade policies of the Nation are involved, and he could be expected to frown upon an export policy for scrap iron which might bring objection from one of our trade nations. One wonders whether he had that in mind when he stated in his report on one of the pending scrap-iron bills "its analysis, furthermore, indicates that the disadvantages of direct and indirect restrictive action would outweigh the possible advantages."

SCRAP FOR TRADING

The Secretary naturally wears his trading clothes at all times, and it is possible he had in mind something similar to the thought expressed in a recent issue of a steel magazine that "scrap has been assuming an increasingly important position in the world markets, not only for domestic use but as an article of international trade."

Perhaps scrap iron and steel will be traded off in the next trade agreement the Secretary negotiates.

With all respect to the Secretary of State and his statement, I find there is disagreement to his opinion as to shortage of scrap. I have been unable to learn upon what the interdepartmental committee based its opinion that there is no shortage and no prospective shortage.

NO STATISTICS AVAILABLE

The Central Statistical Board, which was created by action of this Congress to coordinate Federal, public, and private statistical services, has advised me that "as far as we have been able to determine, there are no data on the total supply of scrap available. The supply of scrap offered to users is highly elastic, varying directly with changes in price and with changes in business conditions, particularly in heavy industries. There is no way of telling, however, how much will come out onto the market with changes in price and business."

If the Government's own clearing house for statistics has been unable to produce data on the total supply of scrap available, it would be interesting to learn the formula followed by the interdepartmental committee in reaching its conclusion that there is no threatened shortage of scrap.

The third phase of this question that is extremely important in my mind is the effect these enormous export shipments have on American labor conditions. When this Congress is asked to spend millions of dollars in an attempt to relieve unemployment we should also take some steps to prevent man-hours being shipped abroad. Millions of man-hours are lost in the United States every year through exportation of scrap iron instead of steel.

PROTECT AMERICAN LABOR

We should give consideration to the protection of the American workingman to the point that we make it possible for him to wring out every last man-hour dollar in a piece of goods before it leaves our shores. Under present export conditions American labor derives little labor from scrap-iron shipments to foreign countries. Melting the scraps is done in the furnaces of Europe while many American steel workers are idle. Enough man-hours of labor are tied up in our annual scrap-iron exports to supply 50,000 persons work for 1 year if the scraps were melted into steel and steel products in this country.

The United States Department of Labor has estimated that there are 53 man-hours in the production of a ton of finished steel products. Based on a nominal wage, the scraps exported last year could have been melted and finished in this country and added $53,000,000 to American pay rolls.

Mr. Speaker, this matter is entitled to most serious study. We should determine whether we desire to continue to dump American scraps into the bloody scraps of Europe; whether we desire to provide American workers, in this hour of low production and unemployment, with every hour of employment possible; and whether we desire to conserve this natural resource.

OUR COMPLEX ECONOMIC ORGANISM

From day to day we on this floor discuss more or less the factors, forces, and institutions as they affect the level of individual possessions of our people, or, as some term it, the standard of living of the mass of our citizens. A brief definition of the New Deal was that it would be a program in which Government would proceed to convert itself into an instrument or mechanism or tool for social control and social progress. The complex economic and political machine of our limited constitutional democracy has been and is undergoing profound changes. Static thought or fixed doctrines or eternal principles will give little relief these days when the human institutions which we are creating throughout the world, and at such a rapid rate, bring to us from minute to minute and hour to hour such startling changes in the world of both economics and political science. In this House and on this floor it is our duty to consider the operation of the political and economic system of the United States as a whole and as it relates to the welfare of all our people, irrespective of what work or walk of life in which they may be engaged. Group pressure here is very great. Powerful demands are being made upon Government. The measure of our statesmanship depends upon our ability to rise above "locale" when sweeping measures and developments are taking form and when we must discuss and act upon broad measures the consequence of which will in no wise be localized.

TRAGIC NEED FOR PRODUCTIVE CAPACITY AND GOODS FOR OUR PEOPLE

Now, Mr. Speaker, for many years prior to 1929 the peoples of the earth devoted great effort to the production of raw material, to manufacturing, and to exchange of goods among the nations of the world. During the last 3 or 4 years we have had occasion to see what happened between 1929 and 1937. Even since January 1 of the current year we have seen startling developments in our own country, and in what might be termed a labor revolution. Our thought has been diverted away from the extremely low production of goods to the battle going on between certain elements for a greater share of that small amount which is produced.

The decline in the production of raw material, manufacturing, and volume of world trade is positively startling. Even without considering the increase in population the situation would be most discouraging to those interested in a high standard of living. There can be no high standard of living for our people in the United States until we get back into the "production of those goods which are consumed in the enjoyment of modern life." For that production we must have modern and efficiently operated machinery. Without this there can be no effective wage increase, giving our people the power to buy more of the consumption goods they so much desire. If wages are to be increased, then technological advancement and production must go along with the greater wage, otherwise prices will continue to advance as rapidly as wages, and the worker will

have no greater buying power. To have the modern machinery, it must be produced. We must go into the factories built years ago, remodel them, remove the obsolete machinery contained therein, and install machinery designed in keeping with discoveries made by modern science in laboratory and other fields of research and application. Not stopping there, we must proceed to place in operation—and it must first be manufactured in the form of lumber, brick, cement, machinery, pipe, tile, wire, steel, roofing, plumbing, and so forth, and then brought together into a completed whole—additional productive capital sufficient to conform to the needs of the increased population. Then, after having repaired the 1929 plant—which has since depreciated and deteriorated—and having built new plants for production in keeping with the needs of the increased population, it will be necessary for us to operate those factories, machines, and equipment on a level as great as production was being turned out prior to the crash in 1929—in order to provide the standard of living then enjoyed. God knows it was then far below what our people deserve and expect.

Following the 1929 debacle and after our people had to such a staggering extent lost confidence in our business management, in our banks, and in our industrial system generally, they still retained confidence in the Federal Government. In the spring of 1933, in response to the voice of the people, the Federal Government began its program for social reform and economic change. Since that date the Federal debt has been increased by the billions of dollars. Most every kind of a Federal credit agency conceivable has been placed in operation. Far-reaching social reforms have been attempted. But the fact remains that in spite of all of this Government debt increase, the social reforms that have been enacted and the immeasurable activity on the part of Government generally, production is still far below what it was in 1929, and for that reason a low standard of living prevails throughout the land with millions ill-nourished, ill-housed, ill-clothed. This will continue to be the case until production of consumption goods far exceeds that of 1929—and that seems to be far away under the present program.

Wages have been increased in some units of industry and to certain definite groups. But prices have had to advance. I repeat, that if technological advances and production remain behind the wage increases, then effective purchasing power of wages will be less than at present, and that means disappointment for those involved in the wage structure.

LOSS OF CONFIDENCE IN FEDERAL GOVERNMENT WILL MEAN WHAT?

Mr. Speaker, confidence once lost is most difficult to regain whether it involves an individual, banking, a political party, or the form of Government under which a people live. Our people want more of the comforts of life, capable of production in this country under and through modern means. For more than 4 years they have been taught to believe these comforts were "just around the corner and that the New Deal would bring them forth." The agencies of Government have been multiplied, billions have been spent, taxes will have been increased, overhead costs will have been greatly expanded. I ask, where is the production? Where are the goods? Where is the productive capital to make the production possible?

MILLIONS OF WORKERS AND BILLIONS OF WORK HOURS NEEDED

Mr. Speaker, the productive capital cannot be brought into operation without the assistance of armies of creative workers. Russia knows this, so does Italy and Germany. Industrial America knows it as well as anyone. Members of this House know it but at times it appears we forget it. Does any man here dare take this floor and say we can produce the goods our people expect today with the limited plants, machinery, and workers we have in operation today? If any man dare take such a position, let him submit proof. Can wage dollars be brought forth from any kind of a hat filled with rabbits other than the hat of production and the rabbits of consumption goods and durable goods? If effective wage dollars can be otherwise created, let them begin to flow now before it is too late. If with less machinery, less men employed and less hours of creative work we can produce more goods now with an increased population than we did in 1929 and have it all result in a greater quantity of consumers goods for our people, a higher living standard, the formula has not yet been expounded or made known.

The philosophy that we should put more people to work by further reducing the number of creative hours of work per day in order to make more jobs available is rampant today. Most of those who advocate this philosophy contend that workers should not be engaged in industry more than, say, 30 hours per week. The big fight is to cut the weekly work hours from around 44 or 48 down to 30 in "order to make more jobs." Seldom do you hear anything said about "producing more goods in order to make more jobs available and to provide a higher standard of living for our people through the supply of more finished goods for consumption."

I certainly have no quarrel with short hours. The fact I am trying to drive home is that "goods are not being produced." And furthermore, we do not have, at this hour, sufficient machinery, buildings, and other productive capital which together with the available man power working, say, 48 hours per week to produce the amount in quantity of finished goods required to furnish our present population with a decent standard of living.

CHOOSE ONE OF THREE ROADS

Mr. Speaker, let us now go back to scrap. I repeat that it presents a three-way problem which involves (1) the relation of export scrap to world peace, (2) the preservation of the natural resource for use in our own processing and manufacture of finished goods, and (3) utilizing our own man power to convert the scrap into finished raw material such as pig iron or other semi-finished or finished goods "before" export takes place.

If scrap is to be exported for use by foreign countries in the prosecution of war against some other country—even the United States if they choose—then let us convert it before export. If it is to be conserved here for home use in the production of consumer goods for our own people, then let us stop the export. Having acted to prevent the export, then let us proceed to remove millions of men from relief rolls, where they are engaged in nonproductive enterprise, and divert their energy to the job of rebuilding, repairing, and remodeling that portion of the 1929 industrial plant which has not been brought into use; and with that step out of the way, then let those same millions of men take their places in those rejuvenated industrial plants and proceed with the production of finished goods for our people. We should not stop there. Without further delay we should proceed with the building of new and modern plants equipped with the most efficient machinery possible for engineers to design. Those new plants can, in turn, be placed in production for the benefit of our people.

Proceeding on such a program would, within a very few months consume millions of tons of scrap. Men would be absorbed away from relief rolls. Government relief would rapidly decline, and we would have some chance of placing the Federal Budget on a sound basis and, following that, our people could get a conception of what their burden is to be from the standpoint of taxation.

ILL-CLAD, ILL-NOURISHED, ILL-HOUSED

Ill-timed, ill-conceived, and ill-informed legislation and economic procedure in the absence of increased production of consumer goods will not remove the low living standard of our people. Only goods that can be consumed by our people in the form of clothing, bedding, meats, fiber, milk and products, lumber, cement, plumbing, and the other thousand and one things which our modern life demands and expects in America will remove the physical and material poverty about which the President has so bitterly complained.

The 840,000 Government employees—the largest number since the last year of the last war—engaged in running the emergency and permanent agencies of the Federal set-up will not provide the consumption goods for our people. A Federal deficit of more than $14,000,000,000 during the past 4 years has not produced the goods for our people. Increased Federal taxes in the form of indirect assessments of billions of dollars has not brought forth the goods.

Congress continues to create Government agencies of most every kind and description, but poverty still governs. Every day we are supplied with absolute proof that the Government is not able to care for the people and that the people must support what Government there is. In this land of privately owned farms, shops, factories, stores, and livestock, where men work, save, accumulate, and manage privately owned property, we will soon learn that our Government was primarily created for and in a form that encourages such procedure. We will also learn that unless our Government continues to protect private individuals in their daily pursuits and in a manner which encourages the production and distribution of goods for the benefit of the people, the people will lose faith in the Federal Government and seek some other type of control. It is the duty and the responsibility of Congress to prevent such a collapse. The surest way to preserve the faith of our people and to have their support for our form of government is to let them have homes, farms, factories, livestock, and goods they can call their own and manage in their own way. Then, Mr. Speaker, our people so situated will be willing to fight for the preservation of the limited constitutional form of government which we have enjoyed in years gone by. [Applause.]

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. FLETCHER. What effect is this exporting of scrap having on the market here at home?

Mr. CRAWFORD. The price has increased. I believe last Friday it was $20.50 a ton. Of course it has gone up by leaps and bounds.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that in connection with the extension of my remarks I may incorporate certain short memoranda dealing with the corporation names, propaganda agencies, stool pigeons, and spies working in the United States.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CROSSER, indefinitely, on account of the death of his son.

To Mr. LANHAM, for the remainder of the week, on account of important business.

To Mr. MALONEY, for 2 weeks, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2789. An act to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional units to be provided for the study of other crops as additional funds are provided; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2093. An act for the relief of Marion Shober Phillips.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2067. An act to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1086. An act for the relief of Weymouth Kirkland and Robert N. Golding;

H. R. 1420. An act for the relief of Dewey Jack Krauss, a minor;

H. R. 1561. An act for the protection of oyster culture in Alaska;

H. R. 1961. An act to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Twin River Point Lighthouse Reservation, and for other purposes;

H. R. 3251. An act for the relief of Joseph A. Rudy;

H. R. 3408. An act to amend the Civil Service Act approved January 16, 1883 (22 Stat. 403), and for other purposes;

H. R. 4246. An act for the relief of N. C. Nelson;

H. R. 4896. An act to authorize a preliminary examination and survey of Cayuga, Buffalo, and Cazenovia Creeks, N. Y., with a view to the control of their floods;

H. R. 5040. An act to provide for the establishment of a Coast Guard station at or near Beaver Bay, Minn.;

H. R. 5140. An act to provide for the establishment of a Coast Guard station at or near St. Augustine, Fla.;

H. R. 5552. An act to provide for the relinquishment of an easement granted to the United States by the Green Bay & Mississippi Canal Co.;

H. R. 6358. An act to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities;

H. R. 6402. An act for the relief of Emory M. McCool, United States Navy, retired;

H. R. 6496. An act granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River at or near Poplar, Mont.;

H. R. 6636. An act granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across the Wabash River at or near Lockport, Ind.;

H. R. 6899. An act to repeal the limitation on the sale price on the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.;

H. R. 6916. An act to amend the laws relating to enlistments in the Coast Guard, and for other purposes;

H. R. 6920. An act granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell;

H. R. 7017. An act to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 Stat. 1380, 1383; U. S. C., 1934 edition, title 46, sec. 239);

H. R. 7401. An act to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes;

H. R. 7611. An act to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war;

H. R. 7641. An act to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Madison, Wis., September 5 to 10, inclusive, 1937; and

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 27, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

The Committee on Naval Affairs will continue open hearings on the bill (H. R. 5529) to replace the airship *Los Angeles* on Tuesday, July 27, 1937, at 10:30 a. m.

Full open committee will meet on Thursday, July 29, 1937, at 10:30 a. m., for consideration of H. R. 7809, to promote the efficiency of the Navy by creating a transferred regulars list, amending the laws relating to retirement and promotion, and for other purposes.

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs in room 1310, New House Office Building, at 10:30 a. m., Tuesday, July 27, 1937, for the consideration of H. R. 7985, to promote air commerce by providing for the enlargement of Washington Airport.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Wednesday, July 28, 1937, at 10 a. m., eastern standard time, on H. R. 7486, known as the bill to increase the efficiency of the Coast Guard.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, July 28, 1937, at 10:30 a. m., on H. R. 6663 and H. R. 7546. Public hearings.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The subcommittee appointed by the Committee on the District of Columbia to consider the following bills, H. R. 5696, retirement for police and firemen; H. R. 7710, hours of employment for firemen, will meet Wednesday, July 28, 1937, at 10 a. m. in room 345, House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Friday, July 30, 1937. Business to be considered: Hearing on House Joint Resolution 260 and Senate Joint Resolution 95, Federal Trade Commission investigation of public utilities, electrical energy.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

750. A letter from the Acting Secretary of the Interior, transmitting herewith one copy of the following legislation passed by the Municipal Council of St. Croix, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

751. A letter from the Acting Secretary of the Interior, transmitting a proposed bill to authorize the Secretary of the Interior in his discretion to reserve the minerals in sales hereafter made of Choctaw and Chickasaw tribal lands; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII:

Mr. WOODRUM: Committee on Appropriations. House Joint Resolution 454. Joint resolution making appropriations for participation by the United States in the New York World's Fair and in the world's fair to be held by the San Francisco Bay Exposition, Inc., both in 1939; without amendment (Rept. No. 1302). Referred to the Committee of the Whole House on the state of the Union.

Mr. SCHULTE: Committee on Immigration and Naturalization. S. 2416. An act relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama; without amendment (Rept. No. 1303). Referred to the House Calendar.

Mr. POAGE: Committee on Immigration and Naturalization. H. R. 7647. A bill to further the neutrality policy of the United States; with amendment (Rept. No. 1304). Referred to the House Calendar.

Mr. DREW of Pennsylvania: Committee on Claims. S. 2647. An act to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost while engaged in emergency relief expeditions during the Ohio Valley flood in January and February 1937; with amendment (Rept. No. 1343). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Joint Resolution 406. Joint resolution to establish the General Anthony Wayne Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Gen. Anthony Wayne; without amendment (Rept. No. 1345). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. H. R. 7801. A bill to authorize retirement annuities for persons who serve as Librarian of Congress for 35 years; without amendment (Rept. No. 1346). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. Senate Joint Resolution 171. Joint resolution relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission; without amendment (Rept. No. 1347). Referred to the Committee of the Whole House on the state of the Union.

Mr. CASE of South Dakota: Committee on Claims. S. 2157. An act authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations; without amendment (Rept. No. 1348). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. Senate Joint Resolution 85. Joint resolution authorizing an appropriation for an investigation of the social and economic needs of laborers migrating across State lines; without amendment (Rept. No. 1349). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CASE of South Dakota: Committee on Claims. H. R. 599. A bill for the relief of W. J. Steckel; with amendment (Rept. No. 1305). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 1185. A bill for the relief of D. X. Sanders; with amendment (Rept. No. 1306). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 1233. A bill for the relief of Getlow Kalberg; with amendment (Rept. No. 1307). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 1251. A bill for the relief of Anna L. Andreas and Anita Andreas; with amendment (Rept. No. 1308). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 1750. A bill for the relief of Capt. Walter L. Shearman; without amendment (Rept. No. 1309). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 1872. A bill for the relief of Martin Bridges; with amendment (Rept. No. 1310). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 2192. A bill for the relief of Paul and A. B. Johnson; with amendment (Rept. No. 1311). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. H. R. 2215. A bill for the relief of Gallup's, Inc.; with amendment (Rept. No. 1312). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 2451. A bill for the relief of Jerome H. Howard; with amendment (Rept. No. 1313). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 2994. A bill for the relief of L. S. Snipes; with amendment (Rept. No. 1314). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3552. A bill for the relief of William O'Connell; with amendment (Rept. No. 1315). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 4138. A bill for the relief of George Miller, Jr.; with amendment (Rept. No. 1316). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 4150. A bill for the relief of the Consolidated Aircraft Corporation; with amendment (Rept. No. 1317). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 4777. A bill conferring jurisdiction on certain courts of the United States to hear and determine the claim of the owner of the coal hulk *Callixene*, and for other purposes; with amendment (Rept. No. 1318). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 5161. A bill for the relief of the Puget Sound Bridge & Dredging Co.; with amendment (Rept. No. 1319). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 5260. A bill for the relief of Col. William H. Noble; with amendment (Rept. No. 1320). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 5338. A bill for the relief of George Shade and Vava Shade; with amendment (Rept. No. 1321). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 5347. A bill for the relief of the estate of Mrs. Ray E. Nies; with amendment (Rept. No. 1322). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 5603. A bill for the relief of Peter Sietsma; with amendment (Rept. No. 1323). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 5608. A bill for the relief of Edward F. Cassidy; with amendment (Rept. No. 1324). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on Claims. H. R. 6062. A bill for the relief of Harry P. Russell; with amendment (Rept. No. 1325). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. H. R. 6232. A bill for the relief of Frank Christy and other disbursing agents in the Indian Service of the United States; without amendment (Rept. No. 1326). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 6467. A bill for the relief of the Portland Electric Power Co.; with amendment (Rept. No. 1327). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 6618. A bill for the relief of Miriam Grant; with amendment (Rept. No. 1328). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 6647. A bill for the relief of B. W. Goodenough and wife, Katherine F. Goodenough, and son, Charles Goodenough; with amendment (Rept. No. 1329). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Claims. H. R. 6648. A bill for the relief of J. H. Yelton; with amendment (Rept. No. 1330). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 6876. A bill for the relief of Vincent Ford; with amendment (Rept. No. 1331). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 178. An act for the relief of the estate of J. D. Warlick; without amendment (Rept. No. 1332). Referred to the Committee of the Whole House.

Mr. SOUTH: Committee on Claims. S. 772. An act for the relief of F. P. Delahanty; without amendment (Rept. No. 1333). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. S. 1438. An act to carry into effect the findings of the Court of Claims in the case of William W. Danenhower; without amendment (Rept. No. 1334). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. S. 1548. An act for the relief of William A. Devine; with amendment (Rept. No. 1335). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 1764. An act for the relief of Ruth Gaskins; without amendment (Rept. No. 1336). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. S. 1865. An act for the relief of Mrs. Cliff Snider; with amendment (Rept. No. 1337). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 1882. An act for the relief of the Consolidated Aircraft Corporation; without amendment (Rept. No. 1338). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 2154. An act for the relief of Hattie Tolbert; with amendment (Rept. No. 1339). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. S. 2262. An act for the relief of Park B. Brandon and Robert G. Teer; without amendment (Rept. No. 1340). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. S. 2301. An act for the relief of Lois H. Anthony; with amendment (Rept. No. 1341). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. S. 2374. An act for the relief of F. A. Gross and others; with amendment (Rept. No. 1342). Referred to the Committee of the Whole House.

Mr. KRAMER: Committee on Immigration and Naturalization. H. R. 7718. A bill for the relief of Angelo Degl' Innocenti, also known as Angelo Innocenti; without amendment (Rept. No. 1344). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. S. 2152. An act for the relief of Sue F. Melton; without amendment (Rept. No. 1350). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. S. 2241. An act for the relief of W. G. Adams; without amendment (Rept. No. 1351). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 7941) granting a pension to Mrs. William M. Weatherford, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Delaware: A bill (H. R. 8003) to provide for the construction of a highway bridge across Chesapeake Bay from Sandy Point, Md., to Stevensville, Md.; to the Committee on Interstate and Foreign Commerce.

By Mr. BERNARD: A bill (H. R. 8004) to provide for an easement to the State of Minnesota over certain Indian lands for highway purposes; to the Committee on Indian Affairs.

By Mr. DOCKWEILER: A bill (H. R. 8005) to provide uniform reciprocal hospitalization in any Army or Navy hospital for retired personnel of the Army, the Navy, Marine Corps, and Coast Guard, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 8006) to grant retirement to disabled noncommissioned officers of the Army and Marine Corps and to petty officers of the Navy and Coast Guard; to the Committee on Military Affairs.

By Mr. HOBBS: A bill (H. R. 8007) to restore the per diem fee of $4 for service of jurors in Federal courts; to the Committee on the Judiciary.

By Mr. IZAC: A bill (H. R. 8008) to provide for the purchase of public lands for home and other sites; to the Committee on the Public Lands.

By Mrs. NORTON: A bill (H. R. 8009) to establish a public airport in the vicinity of the National Capital; to the Committee on Military Affairs.

By Mr. PETERSON of Florida: A bill (H. R. 8010) making pension provisions for certain veterans herein; to the Committee on Pensions.

By Mr. RUTHERFORD: A bill (H. R. 8011) authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. SHANNON: A bill (H. R. 8012) to amend section 1396 of the Revised Statutes, as amended, relative to the age requirement for appointment as chaplain in the Navy; to the Committee on Naval Affairs.

By Mr. STEAGALL: A bill (H. R. 8013) to amend section 13b of the Federal Reserve Act, as amended; to the Committee on Banking and Currency.

By Mr. BOREN: A bill (H. R. 8014) to make confidential certain information furnished to the Bureau of Foreign and Domestic Commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, joint resolution (H. J. Res. 456) consenting to an interstate oil compact to conserve oil and gas; to the Committee on Interstate and Foreign Commerce.

By Mr. DOCKWEILER: Joint resolution (H. J. Res. 457) providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at the Pacific Mercado International Exposition to be held at Los Angeles, Calif., in 1940, and for other purposes; to the Committee on Ways and Means.

By Mr. FORD of California: Joint resolution (H. J. Res. 458) providing for the participation of the United States in the continuing international exposition, to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the year 1942, commemorating the landing of Cabrillo, and for other reasons; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 459) authorizing the President to invite foreign countries and nations to participate in the continuing international exposition, to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the world's fair to be held in connection therewith in the year 1942, commemorating the landing of Cabrillo; to the Committee on Foreign Affairs.

By Mr. COLE of Maryland: Joint Resolution (H. J. Res. 460) consenting to an interstate compact to conserve oil and gas; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to consider their House Memorial No. 11, concerning cigar leaf tobacco; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHAPMAN: A bill (H. R. 8015) granting a pension to Gilbert Walton; to the Committee on Invalid Pensions.

By Mr. DEMPSEY: A bill (H. R. 8016) for the relief of Karl R. Warrick; to the Committee on Military Affairs.

Also, a bill (H. R. 8017) for the relief of Nadine Sanders; to the Committee on Claims.

By Mr. MANSFIELD: A bill (H. R. 8018) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of the International-Great Northern Railroad Co. against the United States; to the Committee on Claims.

By Mr. PEYSER: A bill (H. R. 8019) for the relief of Cohen, Goldman & Co., Inc.; to the Committee on Claims.

By Mr. SNELL: A bill (H. R. 8020) granting a pension to Elizabeth R. Davis; to the Committee on Invalid Pensions.

By Mr. SUTPHIN: A bill (H. R. 8021) for the relief of Mrs. George Orr; to the Committee on Claims.

By Mr. WOLCOTT: A bill (H. R. 8022) granting a pension to Maud Patterson; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3024. By Mr. ASHBROOK: Petition of Lee Edward Berno, of Mansfield, Ohio, protesting against using his copyright and requesting right to go to the Court of Claims to gain redress and damages; to the Committee on Patents.

3025. By Mr. KENNEY: Petition of the Edward Parkyn Post, No. 48, Inc., of the American Legion, Palisades Park, N. J., endorsing the universal service bill; to the Committee on Military Affairs.

3026. By Mr. O'NEAL of Kentucky: Petition of citizens of Jefferson County, Ky., in behalf of House bill 2257; to the Committee on Ways and Means.

3027. By Mr. PIERCE: Resolution of the Oregon State Federation of Labor, expressing appreciation of the services of the late Representative, Hon. William P. Connery; to the Committee on Labor.

3028. By Mr. SANDERS: Resolution of the Painters Local Union, No. 855, Tyler, Tex., urging passage of Wagner-Steagall housing bill (H. R. 5503); to the Committee on Banking and Currency.

SENATE

TUESDAY, JULY 27, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, July 26, 1937, was dispensed with, and the Journal was approved.

CONDOLENCE ON DEATH OF SENATOR ROBINSON

The VICE PRESIDENT laid before the Senate a resolution adopted by the Tulsa City and County (Okla.) Democratic Precinct Organization expressing its deepest sympathy and regret upon the occasion of the death of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas, which was ordered to lie on the table.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the amendments of the Senate to the amendments of the House to the amendments of the Senate nos. 93 and 95 to the bill (H. R. 6958) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6906) to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 4543. An act to amend the Tariff Act of 1930 to exempt vessels arriving for the purpose of taking on ship's stores and certain sea stores from the requirement of formal entry; and

H. R. 7642. An act to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2067. An act to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes; and

H. R. 2093. An act for the relief of Marion Shober Phillips.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, in view of the importance of the bill that is to come before the Senate this morning, I ask for a roll call, in order to secure the presence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Andrews	Copeland	Lee	Reynolds
Ashurst	Davis	Lewis	Russell
Austin	Dieterich	Lodge	Schwartz
Bailey	Donahey	Logan	Schwellenbach
Barkley	Duffy	Lonergan	Sheppard
Berry	Ellender	Lundeen	Shipstead
Bilbo	Frazier	McAdoo	Smathers
Black	George	McCarran	Smith
Bone	Gerry	McGill	Steiwer
Borah	Gibson	McKellar	Thomas, Okla.
Bridges	Glass	McNary	Thomas, Utah
Brown, Mich.	Green	Maloney	Townsend
Brown, N. H.	Hale	Minton	Truman
Bulkley	Harrison	Moore	Tydings
Bulow	Hatch	Murray	Vandenberg
Burke	Herring	Neely	Van Nuys
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Hughes	Overton	White
Caraway	Johnson, Calif.	Pepper	
Chavez	Johnson, Colo.	Pittman	
Clark	King	Pope	

Mr. LEWIS. I announce the absence of the Senator from Iowa [Mr. GILLETTE] and of the Senator from Pennsylvania [Mr. GUFFEY], who are necessarily detained from the Senate.

Mr. COPELAND. I wish to announce that my colleague the junior Senator from New York [Mr. WAGNER] is detained in New York in attendance upon the funeral of an intimate friend, Mr. Anning S. Prall.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

CONSTRUCTION OF AUXILIARY VESSELS FOR THE NAVY

The VICE PRESIDENT laid before the Senate the action of the House of Representatives further insisting upon its amendments to the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy and requesting a further conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WALSH. Mr. President, after consideration the members of the Committee on Naval Affairs feel that it would be better to concur in the amendments of the House to the bill. Therefore, I ask that the amendments of the House be laid before the Senate.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy, which were, on page 1, line 8, after "follows", to insert "at a total cost for all vessels of not more than $50,000,000", and on page 2, after line 6, to insert:

SEC. 2. Not less than 50 percent of the vessels herein authorized, allocated on an approximate tonnage basis, including such portions thereof as are customarily manufactured in Government plants, shall be constructed or manufactured in Government navy yards, naval stations, naval gun factories, naval ordnance plants, or arsenals of the United States: *Provided*, That the President may, however, should the public interests in his judgment so require, have the vessels built in Government or private yards notwithstanding the allocation otherwise imposed: *Provided further*, That the provisions of section 3 of the act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934 (48 Stat. 505; U. S. C., title 34, sec. 496), as amended, are hereby made applicable to contracts for the construction of the vessels or any portion thereof herein authorized.

SEC. 3. Any bid for the construction on the Pacific coast of any of the vessels authorized by this act shall have a differential of 6 percent in its favor which shall be considered by the Secretary of the Navy in awarding contracts for the construction of said vessels.

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

PETITION AND MEMORIALS

Mr. COPELAND presented a resolution adopted by Branch 116 of the Workmen's Circle, of New Rochelle, N. Y., endorsing the so-called Schwellenbach resolution, being the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, which was referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Common Council of the City of Tonawanda, N. Y., protesting against the enactment of legislation to establish seven regional planning boards and seven regional conservation authorities, which was referred to the Committee on Commerce.

He also presented a resolution adopted by the Common Council of the City of Tonawanda, N. Y., protesting against ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 4543. An act to amend the Tariff Act of 1930 to exempt vessels arriving for the purpose of taking on ship's stores and certain sea stores from the requirement of formal entry; to the Committee on Finance.

H. R. 7645. An act to authorize appropriations for construction and rehabilitation at military posts, and for other purposes; to the Committee on Military Affairs.

REPORTS OF COMMITTEES

Mr. MALONEY, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 178) consenting to an interstate compact relating to flood control in the Merrimack River Valley, reported it without amendment and submitted a report (No. 952) thereon.

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 177) consenting to an interstate compact relating to flood control in the Connecticut River Valley, reported it with amendments and submitted a report (No. 955) thereon.

Mr. COPELAND, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment:

S. 2838. A bill to establish a public airport in the vicinity of the National Capital; and

S. 2846. A bill to promote air commerce by providing for the enlargement of Washington Airport in the public interest.

Mr. MOORE, from the Committee on Immigration, to which was referred the bill (S. 1673) for the relief of Lewis Leonard Wood and Winifred Wood, reported it without amendment and submitted a report (No. 953) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 2368) to provide funds for cooperation with School District No. 2, Mason County, State of Washington, in the construction of a public-school building to be available to both white and Indian children, reported it without amendment and submitted a report (No. 954) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 6762) to amend the act known as the Perishable Agricultural Commodities Act, 1930, approved June 30, 1930, as amended, reported it without amendment and submitted a report (No. 956) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 718) for the relief of the East Coast Ship & Yacht Corporation, of Noank, Conn., reported it with amendments and submitted a report (No. 957) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 7645) to authorize appropriations for construction and rehabilitation at military posts, and for other purposes, reported it with amendments and submitted a report (No. 958) thereon.

Mr. MURRAY, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 189) granting a leave of absence to settlers of homestead lands during the year 1937, reported it with amendments and submitted a report (No. 959) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (H. R. 6338) to fulfill certain treaty obligations with respect to water levels of the Lake of the Woods, reported it with an amendment and submitted a report (No. 960) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 7387. A bill for the relief of Cecile C. Cameron (Rept. No. 961); and

H. R. 7512. A bill to amend the act approved March 26, 1934 (Rept. No. 962).

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which were referred the following resolutions, reported them each without amendment:

S. Res. 137. Resolution to investigate certain activities of the American Cotton Cooperative Association in connection with the marketing of cotton financed by the Federal Government; and

S. Res. 158. Resolution to provide for an investigation of agricultural commodity prices, of an ever-normal granary for major agricultural commodities, and of the conservation of national soil resources.

FEES IN RECEIVERSHIP, BANKRUPTCY, ETC., PROCEEDINGS

Mr. BORAH, from the Committee on the Judiciary, reported a bill (S. 2849) to prohibit certain agreements fixing fees or compensation in receivership, bankruptcy, or reorganization proceedings, which was read twice by its title and ordered to be placed on the calendar.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on July 26, 1937, that committee presented to the President of the United States the following enrolled bills:

S. 534. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

S. 1067. An act for the relief of Asa J. Hunter;

S. 1143. An act for the relief of G. L. Tarlton;

S. 1144. An act for the relief of the Frazier-Davis Construction Co.; and

S. 2521. An act to authorize the assignment of officers of the line of the Marine Corps to assistant quartermaster and assistant paymenter duty only, and for other purposes.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 2847) for the relief of the Columbia Boat & Barge System, Inc.; to the Committee on Claims.

By Mr. LOGAN:

A bill (S. 2848) creating the Owensboro Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky.; to the Committee on Commerce.

(Mr. BORAH, from the Committee on the Judiciary, reported original Senate bill 2849, which was ordered to be placed on the calendar, and appears under a separate heading.)

By Mr. COPELAND:

A bill (S. 2850) for the relief of Charles B. Chrystal; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 2851) to authorize the reservation of minerals in future sales of lands of the Choctaw-Chickasaw Indians in Oklahoma; to the Committee on Indian Affairs.

(Mr. DUFFY introduced Senate bill 2852, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. McADOO:

A joint resolution (S. J. Res. 186) providing for the participation of the United States in the continuing international exposition to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the year 1942 commemorating the landing of Cabrillo, and for other reasons; and

A joint resolution (S. J. Res. 187) authorizing the President to invite foreign countries and nations to participate in the continuing international exposition, to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the world's fair to be held in connection therewith in the year 1942, commemorating the landing of Cabrillo; to the Committee on Foreign Relations.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE—AMENDMENT

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which was ordered to lie on the table and to be printed.

ACTIVITIES OF AMERICAN COTTON COOPERATIVE ASSOCIATIONS—AMENDMENT

Mr. McKELLAR submitted an amendment intended to be proposed by him to the resolution (S. Res. 137) to investigate certain activities of the American Cotton Cooperative Association in connection with the marketing of cotton financed by the Federal Government, which was ordered to lie on the table and to be printed.

ASSISTANT CLERK, COMMITTEE ON IMMIGRATION

Mr. RUSSELL submitted the following resolution (S. Res. 159), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Resolution No. 57, Seventy-fifth Congress, agreed to February 10, 1937, authorizing the Committee on Immigration to employ an assistant clerk to be paid from the contingent fund of the Senate at the rate of $2,400 per annum during the first session of the Seventy-fifth Congress, hereby is continued in full force and effect until the end of the Seventy-fifth Congress.

CREATION OF THE FEDERAL JUDICIARY

Mr. SHEPPARD. Mr. President, I present to the Senate a study prepared by Dr. George J. Schulz, Director of the Legislative Reference Service, on the Creation of the Judiciary. This study is based partly on the proceedings of the Constitutional Convention of 1787, and contains in an appendix material collected from other sources. I think it most appropriate that it be printed as a Senate document, and I submit it to the Senate for reference to the Committee on Printing for that purpose.

In submitting this study prepared by Dr. Schulz, I cannot refrain from a commendation of his industry and his devotion to duty. Most Senators know him either personally or in his capacity as Director of the Legislative Reference Service, the efficiency of that Service having materially increased since he became its Director 2 years ago. I am informed that during the past year he has responded to almost 4,800 inquiries from Members of the Congress, in contrast to the 2,300 inquiries which were responded to in 1935, the year prior to his administration.

I think the Congress is most fortunate in having him at the head of the Legislative Reference Service, and I think that by virtue of his sincerity, his loyalty, his honesty, and his efficiency he has merited the good will of all Members of the Congress.

I request that this study be referred to the Committee on Printing with a view to its being printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

REHABILITATION OF AGRICULTURE—ADDRESS BY SENATOR M'GILL

[Mr. NEELY asked and obtained leave to have printed in the RECORD a radio address on the subject of farm-surplus legislation, delivered by Senator MCGILL on Monday, July 26, 1937, which appears in the Appendix.]

RESTRICTION OF IMMIGRATION

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a portion of a statement made by James H. Patten on May 26, 1937, before the Committee on Immigration of the House of Representative, on the subject of further restriction of immigration, which appears in the Appendix.]

TRANSPOLAR AVIATION FLIGHTS

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an article by Sidney Olson, published in the Washington Post of Sunday, July 25, 1937, relative to recent transpolar aviation flights, which appears in the Appendix.]

MONOPOLY AND WEALTH CONCENTRATION—ARTICLE BY HON. CHARLES H. MARCH

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD an article entitled "Monopoly and Wealth Concentration World Problem", by Hon. Charles H. March, member of the Federal Trade Commission, published in the Washington Star, July 11, 1937, which appears in the Appendix.]

BONNEVILLE PROJECT, OREGON—RECOMMITTAL OF BILL

Mr. MCNARY. Mr. President, I am suffering from some embarrassment in connection with a bill reported by me a few days ago from the Committee on Commerce and now on the Senate Calendar, being Senate bill 2092, to provide machinery for the administration of the Bonneville Dam located on the Columbia River between the States of Oregon and Washington.

The bill as reported contains a wholly unrelated amendment affecting the Boulder Canyon project, which is between the Nevada and Arizona line on the Colorado River. I am not at all concerned about the amendment so far as it affects the Colorado River, though the original bill which was introduced by the senior Senator from Washington [Mr. BONE], the junior Senator from Washington [Mr. SCHWELLENBACH], my colleague the junior Senator from Oregon [Mr. STEIWER], the Senator from Idaho [Mr. POPE], and myself, related entirely to the Bonneville project. The amendment, comprising the last section of the bill as reported, relates to and has some concern with the modification of contracts now existing between the users of water and power at Boulder Canyon.

When I reported the bill from the committee it was my understanding, from discussions with the Senator from Nevada [Mr. PITTMAN] that the Senators representing the seven States whose waters flow into and make up the Colorado River were in entire agreement on this amendment. At the hearing last week the Committee on Commerce, of which the able Senator from New York [Mr. COPELAND] is chairman, after considering the matter, authorized me to report the bill. I did so with section 14 in the bill, believing it to be the product of a general agreement among the Senators representing the States of the Colorado River Basin.

Now, I am told it was the understanding of the Senator from Utah [Mr. KING] and the Senator from New Mexico [Mr. HATCH] that hearings were to be held on the proposed amendment. I do not want to be in the attitude of reporting a bill as to which promises were made that hearings were to be had, especially when the proposed amendment does not concern the subject matter of the bill in which I am interested.

The only way out of the dilemma, if it be one, of course, would be to ask unanimous consent that the bill be recommitted to the Committee on Commerce in order that Senators interested may have an opportunity to file their objections or state them orally before the committee.

I address these remarks to the Senator from Utah [Mr. KING], the Senator from Nevada [Mr. PITTMAN], and the Senator from California [Mr. JOHNSON], who have been actively interested in the particular amendment, either favoring it or opposing it. I want to have the bill in such shape that when the calendar is called it may be passed. A bill similar to the Senate bill passed the House yesterday. The particular amendment in question was brought up in the House and after debate was defeated. I have played the part of a big brother in trying to carry this load, only upon the theory that it would expedite legislation on an entirely unrelated project. I do not want the amendment to embarrass the enactment of legislation relating to a project in which I am so deeply interested.

With that statement I should like to have a determination reached as to what course we should pursue. It is my opinion that to meet the situation it would be fair to all concerned that the bill be recommitted to the Commerce Committee.

Mr. PITTMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Nevada?

Mr. MCNARY. I yield.

Mr. PITTMAN. The Senator from Oregon has made a statement expressing certain views. I did not hear all of his statement. However, I was informed that Representative SCRUGHAM, of Nevada, and Representative LEWIS of Colorado, who are quite active in the matter, made the statement that they did not intend to make any fight upon the so-called Boulder Dam amendment.

I wish to say further that I do not agree with the suggestion of the Senator from Oregon that the amendment deals with an unrelated subject. I think it is vitally connected with the subject matter of the bill. The bill relating to the project in Oregon is most drastic in that it provides for the

lowest power rates of which I know. Practically one-third of the cost of that project——

Mr. McNARY. Mr. President, I do not yield for a speech on the Boulder Canyon project. I insist that it is an unrelated subject, and I stand on that proposition. I wish to know what are the views of Senators concerning immediate action to be taken.

Mr. PITTMAN. The Senator from Oregon having cut off the Senator from Nevada from any further statement, I may say there will not be any immediate action taken.

Mr. COPELAND. Mr. President, will the Senator from Oregon yield?

Mr. McNARY. I yield.

Mr. COPELAND. May I ask the Senators interested from the Boulder Dam standpoint whether the bill as it comes from the House meets rather satisfactorily the wishes of the Senator from Oregon regarding the Bonneville Dam?

Mr. McNARY. I think so, with possibly one or two qualifying amendments. In substance it is exactly the same as the Senate bill, except that it does not contain the amendment relating to Boulder Canyon, which was defeated yesterday in the House.

I think we can settle the matter. There is a perfect understanding at the present time between the Senator from Nevada [Mr. PITTMAN] and myself. I ask unanimous consent that the bill (S. 2092) to authorize the completion, maintenance, and operation of the Bonneville project for navigation, and for other purposes, be recommitted to the Commerce Committee.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. Is it the desire that the similar House bill, being House bill 7642, be referred to the Committee on Commerce?

Mr. McNARY. No; I think it should go to the calendar.

The VICE PRESIDENT. Very well. If there is no objection, the House bill will be placed on the calendar.

The bill (H. R. 7642) to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes, was read twice by its title and ordered to be placed on the calendar.

Mr. COPELAND. Mr. President, may I submit an inquiry, because it is necessary for me to have a meeting of my committee to take up the matter? Which bill is to be left on the calendar, the bill as it came from the Committee on Commerce or the House bill?

The VICE PRESIDENT. The House bill will remain on the calendar. The Senate bill has been recommitted to the Committee on Commerce.

Mr. COPELAND. Will the similar bill which has just come from the House remain on the calendar or will it be referred to the Committee on Commerce?

Mr. McNARY. I asked that it remain on the calendar to await decision of the committee on the Senate bill.

Mr. COPELAND. Very well.

THE FOREIGN DEBT SITUATION—THE QUESTION OF THE UNITED STATES ACCEPTING 50 PERCENT OF THE DEBT AS PAYMENT ANSWERED

Mr. LEWIS. Mr. President, were it not for the colloquy which has just taken place, I should feel very reluctant to inject some views into the parliamentary situation, and thus disturb what might be called the harmony of the situation. The opportunity presenting itself, however, I am enabled to express in a few words some views upon a subject not unfamiliar to the Senate.

We are all conscious that the great bard has put in the mouth of the philosopher the statement that—

> More than a little is by much too much.

It may be I have dwelt on the subject I now take up "much too much." Still I venture further.

Mr. President, we are attracted by the public announcement that there is pending a proposal, either from the Government of England to the United States or here in the State Department as having been received from the debtors of the United States, suggesting a further reduction of their indebtedness to America by 50 percent. When it is recalled that oftentimes reductions have been had, and that the final net results to America have been zero, I am unable to understand upon what basis the suggestion is now made to repeat that confusing farce upon the American public.

I take the liberty, in the time I am now to occupy, of inviting attention to the fact that there is now a move afoot in America to obtain a loan in behalf of the large interests of our friendly Government of England, who are likewise our debtors. Out of that loan it is assumed that a small percentage of it is to be paid upon the interest due to the United States.

With that amount of interest being paid, it is assumed it will be at least the basis for the assumption of a further cancelation of the debt to our country. That there is foundation for this is evidenced by the fact that the chief paper of Mussolini, Il Popolo, publicly declared that there would be more chatter about this debt, something more with respect to payment, but, as usual, it would end with nothing done and nothing paid.

I am exceedingly interested to know, my brother Senators, how down at Rome they should have had the knowledge of what was transpiring either in action or in suggestion from England if it had not been communicated. I am more interested to ask myself how it would have been communicated if it had not had foundation in fact.

Mr. President, there is before us some history to which we are compelled to allude at this moment. England has allowed France a billion dollars ostensibly for stabilizing the franc. In the meantime, France transfers part of this money to allies, a portion to Poland for the sustenance of her military strength, a sum to Syria to enable Syria to maintain the government which entered into what may be stated to be a suzerainty under France, yielding itself to obedience of any orders which may come from France.

In the meantime, Mr. President, we are interested to note that both countries—England and France—have received from Germany certain forms of payment, in addition England being favored with payments from Canada, and all if not in cash in forms of security which are to be transferred for the uses of the treasuries both of France and of England. I respectfully assert, from the amount that is suggested from sources which can be relied upon, that if these two debtors will pay the United States 10 percent of what they are receiving from their debtors, it will pay 1 percent of the interest that is now due the United States. I respectfully say to these distinguished debtors and to their representatives that so far as my limited voice may veto, there will be no cancelation of this debt; and from this honorable body I am sure there will be no approval of the reduction further of another 50 percent after we have had seven different meetings and seven different reductions. The time has come when we should assert our position as demanding our rights. America has been yielding too far to maintain the respect of the nations of the world.

I thank the Senator from Alabama [Mr. BLACK] for allowing me to interject my remarks at this moment; but I must insist that on this subject the hour has arrived when this our America must be American.

OPERATIONS OF HOME OWNERS' LOAN CORPORATION IN PENNSYLVANIA

Mr. DAVIS. Mr. President, last Friday, July 23, I asked unanimous consent to submit a resolution requesting certain information from the Federal Home Loan Bank Board in regard to the operations of the Home Owners' Loan Corporation in the Commonwealth of Pennsylvania. The resolution was read and is printed on page 7798 of the CONGRESSIONAL RECORD. My colleague [Mr. GUFFEY] objected to the consideration of the resolution at that time on the ground that it would take some time to assemble the information which was requested and would involve great expense to the Home Owners' Loan Corporation.

Yesterday my colleague notified me that he withdrew his objection. I therefore ask unanimous consent for the present consideration and adoption of the resolution.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Pennsylvania for the present consideration of the resolution?

There being no objection, the resolution (S. Res. 157) submitted by Mr. DAVIS on July 23, 1937, was read, considered, and agreed to, as follows:

Resolved, That the chairman of the Federal Home Loan Bank Board is directed to transmit to the Senate at the earliest practicable date the following information: (1) The total number of home mortgages and other obligations and liens secured by real estate acquired by the Home Owners' Loan Corporation in the Commonwealth of Pennsylvania during the fiscal years ending 1934, 1935, and 1936; (2) the total value of such mortgages, obligations, and liens; (3) the total number of defaults in such Commonwealth in each such fiscal year; (4) the total number of foreclosures in such Commonwealth by such Corporation during each such fiscal year and the amount of money involved; (5) the total number of homes in such Commonwealth acquired by the Corporation during each such fiscal year, the total amount of the loans made thereon, and the amount paid by the Corporation in acquiring such homes; (6) the total number of such homes resold by the Corporation each such fiscal year and the amount realized therefor; (7) the number of agencies or offices maintained by the Corporation in such Commonwealth and their addresses; (8) the name, address, position, and salary of all officers and employees (including permanent and part-time attorneys) employed by the Corporation in such Commonwealth during each such fiscal year, grouping together all said persons employed in each such agency or office.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed the consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

Mr. BLACK. Mr. President, it is my intention at this time to discuss Senate bill 2475. I shall not go into any great detail in the discussion of the measure. If, however, I fail to discuss any features which any Senator thinks should be presented, I shall be glad to answer any inquiries in connection with them.

The general purpose of the bill, legislatively speaking, is a threefold one:

It provides a method of obtaining the objective of minimum wages and maximum working hours in industries throughout the Nation which engage in the transportation of their goods in interstate commerce. It is not intended to, and does not, attempt to provide by Federal legislation the fixing of minimum wages and maximum hours of employment in all the varied peculiarly local business units of the Nation.

There is one provision of the bill which not only would authorize action with reference to the production of goods which actually move in interstate commerce but, under the doctrine of the Shreveport decision—with which, I am sure, every lawyer in this body is familiar—would authorize action in connection with those businesses and industries that are seriously competing with and having a substantial effect upon the flow of interstate commerce.

The third objective of the bill is to prohibit the transportation in interstate commerce of goods which are produced by the work of children.

The bill specifically and unequivocally excludes certain industries and certain types of business from its scope and effect. It specifically excludes workers in agriculture of all kinds and of all types. There is contained in the measure, perhaps, the most comprehensive definition of agriculture which has been included in any one legislative proposal.

We have placed together in the bill definitions of agricultural work which have been fixed from time to time in other legislative enactments, and in addition to that we have drawn liberally from Mr. Webster's definition of agriculture.

So the bill, insofar as it relates to maximum hours of employment and minimum wages, is limited, except to the small extent I have heretofore indicated, to goods which are actually manufactured for transportation and are transported in interstate commerce. We therefore eliminate in the beginning any idea that this is an effort to regulate wages and hours in the various service employments throughout the Nation.

That is done for two reasons. In the first place, the bill rests squarely upon the interstate-commerce clause of the Constitution. In the second place, I believe it was the prevailing sentiment of the committee, if not the unanimous sentiment of the committee, that businesses of a purely local type which serve a particular local community, and which do not send their products into the streams of interstate commerce, can be better regulated by the laws of the communities and of the States in which the business units operate.

With reference, however, to the regulations covering business units that ship their goods in interstate commerce, the bill is offered with the belief that it is impossible today to expect that any one local community can tend to bring about the proper regulation of the business of producing such goods to be scattered throughout the entire 48 States.

The bill is built upon the principle that we cannot depend, if I may paraphrase the expression which appeared in the Democratic platform of 1936, upon the diverse laws of 48 different States, enacted by the legislatures of all those States, and approved by the Governors of all those States. We cannot, if we are to obtain any action, fail to recognize the fact that, as was stated in that platform, the establishment of minimum wages and the regulation of working hours, insofar as they relate to goods shipped in interstate commerce, are matters for legislation by the Federal Government.

I know of no better way to call attention to this problem than by reading a letter which came to me this morning from a sawmill operator in the State of Alabama. In spite of the fact that, stimulated by certain Washington representatives, certain policies enunciated by the National Chamber of Commerce and others, meetings have been held in all the Southern States from town to town in an effort to defeat this measure, there are some who have not been deluded and have not been deceived. I know of no better way to point this out than to read at this time a letter from a sawmill operator in Alabama and to read in a moment a letter from an operator in the State of Mississippi.

The letter I shall now read is dated July 24, 1937. Since I have not been given permission to give the name, although there is nothing secret in the letter, and I shall be glad to have any Senator see it if he desires, I do not wish to state the name of the operator for the RECORD:

> There have been a good many meetings of lumber manufacturers in the South within the last few weeks, called ostensibly for the purpose of discussion of the Black-Connery wage and hour bill. I attended two of these meetings, which seemed to me to be called only for the purpose of arousing opposition and not for a fair discussion of the merits of the bill. You no doubt have heard from them by letter, wire, and a few personal visits.

Perhaps some of the other Senators have also.

> I want to assure you that not all the lumber industry in the South is opposed to this legislation, and my observation is that not a small percent but a fair percent is in favor of a reasonable hour and wage law.
>
> Industry that is now paying a fair wage and observing reasonable hours are not opposed to an hour and wage measure, and, as I believe, most of them favor it.
>
> There is prevailing in the lumber industry in the South today a variance in wages of common labor in sawmills and the lumber industry of 10 cents per hour to 27½ cents per hour and weekly hours of 40 to 60 per week.

I interpolate here to say that I have numerous other letters, which show that, unfortunately, the 60-hour week is not the maximum week. I have one here on my desk from a gentleman in Mississippi, a father, who is unable to work because he is an invalid, and his son is working in a sawmill in the State of Mississippi 12 hours per day, 6 days per week, for 15 cents per hour.

I continue reading from the letter of the Alabama sawmill operator:

> This difference in wages and hours make a very unfair competition between producers and has a tendency to lower wages and increase hours per week. It makes hard competition for the mill that wants to shorten hours and pay good wages.
>
> No lumber organization has ever been set up, and I doubt if it can be, within the industry itself, and to function, with the objective of control of production, stabilizing of values, and providing for regular and continuous employment of labor at a fair wage.
>
> For the past 20 years the lumber business has been sporadic, with a skyrocketing of prices, overproduction, and then a slumping of prices, with low wages and idle labor, and each operator trying as best he can to extricate his plant from the abyss. This condition

not only affects the mills but makes a very ugly condition for the consumers of lumber.

From September 1, 1936, to March 1, 1937, hardwood-lumber prices advanced an average of 50 percent, mill value, and in the last 5 months they have receded 25 percent, mill value.

These severe fluctuations in so short a time, when the consumption of lumber has been fairly regular, disrupts the industry, and is unfair and disrupting to the consuming plants.

A variation of 50 percent in the cost of raw products in so short a time will disorganize most any consuming plant. The plant that has a large working capital and can buy its raw product to cover 12 months' operation, usually buying at the low price, has too much advantage over a lot of our crippled industries that are trying to come back and have only sufficient working capital to buy from month to month.

I believe that an hour and wage law, properly applied, will tend to stabilize the value of products and wages, and do more to place crippled industry on its feet again than any legislation that can be made now.

There is a lot of lumber-using industries throughout the country, with fine plants and good organization, that are being financed largely by their bank creditor that can and will come back if given an equal opportunity. Some of them have been and are now our good customers.

I do not know the gentleman who wrote this letter, but he is familiar with the business in which he is engaged, and he has given a very clear picture of the situation.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. McGILL. The Senator stated that the bill, in its definitions, exempts agriculture from its operations. Will the Senator tell me in what part of the bill I may find the definitions?

Mr. BLACK. If the Senator will look at the beginning, under "Definitions", he will find the definition of the word "employee."

Mr. McKELLAR. On page 51.

Mr. BLACK. Yes; on page 51. I read now a letter from another company, a very large lumber company, located in the State of Alabama. This writer says:

I have been very much interested in your hour and wage bill now before your committee. I believe it is what the country needs.

I will not read all the letter, because it does not all apply to the exact point I am discussing at this time.

I am enclosing a letter and circular from a lumberman in Mississippi, which, I think, are pertinent to the subject and shows how others feel about the pauper wages paid in the South. Nothing but a wage and hour law will ever correct this.

I digress here to say that the evidence before the committee demonstrates that so-called pauper wages are not limited to any one section of the United States. They are widespread throughout the entire Nation. They are found in every State in the Union. I have picked up at random a few letters from various States I may use later to illustrate that fact.

Without either approving or disapproving the letter of the lumber manufacturer from the State of Mississippi, which I shall now read, I quote from it as follows:

In this connection I have long been an advocate of higher wages in the South. I do not see how the South can ever become prosperous when we give our principal resources away, namely, cotton, lumber, and labor. Our cotton, lumber, and labor is based on 10 cents and 15 cents an hour wages. Whereas everything we buy from the North is based on 75 cents to $2 labor. The prices we pay for mill supplies and machinery parts is based on labor which is paid 5 to 10 times more than our labor. There can be no real prosperity in the South until there is a leveling of wage differential. And the unfortunate part of the whole thing is that most of us in the South have an inferiority complex and do not believe our labor is worth any more.

I may state parenthetically that the pending bill recognizes that it would be wholly and completely impossible at this time, without a complete disarrangement and dislocation of industry and business, to bring about overnight a complete leveling of the wage scale throughout the Nation. It also recognizes the fact, however, that wherever a man may live, whether it be in the South, the North, the East, or the West, when he is compelled to work in order to obtain food and clothing for himself and his family, he is entitled to receive a minimum wage sufficient to prevent him from dying from slow undernourishment and slow starvation.

Perhaps the gentleman from Mississippi who wrote this letter was somewhat familiar with the history of the lumber business in Mississippi. Perhaps he had traveled over that great State. Perhaps he had seen the stumpage that was left, and how the winds would come and blow the dust about from place to place. Perhaps he had read the article in last week's Saturday Evening Post about unknown multimillionaires. Perhaps he read about one of those who had taken the timber from the State of Mississippi, not, however, to enrich the State of Mississippi, not to enrich the laborers who worked in his mill from 10 to 14 hours per day. If Senators will read the article in the last week's Saturday Evening Post, they will find where Mississippi's virgin forests went, and in whose pocket the proceeds from them were finally found.

I do not mean to indicate by what I have just stated that all those engaged in the lumber business have been guilty of such practices. Such is not the case. Some of those engaged in that business are as honest and patriotic as any other men in the world. Many, like the man whose letter I just read, do not want to continue to pay wages which are too low to afford a man a decent livelihood. The man from Mississippi whose letter I read, and who himself is today engaged in the lumber business in the State of Mississippi, states the wages which are paid in the lumber business; but he does not desire to continue to operate upon such a wage schedule. His hands are tied, however. What can he do, when he desires to pay a decent wage, and finds that others with whom he comes in competition can take his business away from him because they work their labor such long hours and at such low wages? He finds it impossible to sell a foot of lumber unless he produces his lumber upon the same scale of hours and wages as his competitors.

I shall not read many other letters, but I desire to read one which came to me this morning from the State of Tennessee. It is from a hosiery mill located in Nashville, Tenn.:

We wish to take this opportunity to endorse your attitude on the matter of wage and hour legislation. We are hopeful that something could be done to secure the enactment of a law during this session of Congress. Our plant has remained on the basis of the N. R. A. and we hope to continue indefinitely. The pressure, however, from chiselers is getting stronger all the times and makes the position of mills anxious to maintain a high standard more difficult. We believe that wage and hour legislation is necessary if we are to preserve a decent standard of living for the masses of workers in the South, particularly, and feel mighty proud of your leadership in this.

I hold in my hand quite a number of pay vouchers of workers engaged in making shirts in a sister State to the State of Alabama. Let us examine one or two of them. These are the originals. Here is one dated July 3, 1937, 4½ days, wages $3.57. Another, July 3, 1937, 4½ days, wages $4.48. Another, July 3, 1937, 4½ days, wages $3.38. As I recall, the voucher for $4.48 represents the highest wage paid. I will look through the vouchers and see. I find that my recollection is correct.

Here is another voucher, 4 days, wages $2.68. That figures up, as I recall, to about 8 cents an hour.

Mr. President, these people are engaged in the manufacture of shirts. Other people are engaged in the manufacture of shirts. Are we to drive down to 8 cents an hour the wages of all those who make shirts? Low wages control the wage scale, not high wages. What is the standard that is proper?

I hold in my hand a letter from Mobile, Ala., from a worker in that city. I shall quote from it, but I do not give the names of the companies. I shall refrain from doing that, as I have heretofore.

As the sawmill laborer has not had any consideration, I want to give you some first-hand information as to hours and wages. We are supposed to work 10 hours a day on the pay of 10 cents to 15 cents per hour for common labor and 70 cents per hour for high skilled labor. We are forced to work with poor equipment, and lose more or less time every day, which time has to be made up in addition to the 10 hours regular time without any added compensation.

A great deal of timber has been taken from the virgin forests of the South and of the West, but originally in the main it was not taken out for the benefit of those who lived in that section. The dividends went North. The wages

stayed South. The wages were very small indeed. All over that section one may find ghost villages. Some of those who lived there had worked for wages so low that they were helpless to take care of themselves for a week after the trees were gone and the plants were closed. The dividends went North. The people stayed South.

Mr. President, this bill in the matter of its regulation of hours and wages, as I stated, follows the recommendation which was given by the President in his message.

Mr. WALSH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Massachusetts?

Mr. BLACK. I yield.

Mr. WALSH. When it is convenient, in the course of the Senator's speech, I should like to ask him a series of questions, the answers to which I think will bring to the attention of the Senate the vital features of the bill.

Mr. BLACK. I shall be glad to have the Senator ask them now.

Mr. WALSH. First of all, does the bill give the labor standards board, which is to be set up under its provisions, any jurisdiction whatever over hours of employment below 40 hours per week?

Mr. BLACK. The bill does not give the labor standards board jurisdiction under any circumstances or conditions to fix hours below 40 per week.

Mr. WALSH. So that any industry that is working its employees now 36 or 30 hours per week would be in no way affected by this proposed legislation, and the labor standards board would have no jurisdiction over it?

Mr. BLACK. The Senator is correct.

Mr. WALSH. Next, does the bill give the labor standards board any jurisdiction over wages in excess of 40 cents per hour?

Mr. BLACK. It does not.

Mr. WALSH. So that any employer who has in his employ no one receiving less than 40 cents per hour would be in no way within the jurisdiction of the bill?

Mr. BLACK. That is correct insofar as the minimum-wage feature is concerned.

Mr. WALSH. Next, does the bill affect collective-bargaining agreements already made or hereafter to be made between employers and employees?

Mr. BLACK. It does not.

Mr. WALSH. There is one exception to that, is there not? The bill does not affect collective-bargaining agreements where the hours are less than 40 per week, or where the wages are more than 40 cents per hour?

Mr. BLACK. That is correct.

Mr. WALSH. But if a collective-bargaining agreement has been entered into at 36 cents per hour wages, the board would have jurisdiction to set that agreement aside and to fix, if the facts warrant it, a minimum wage of 40 cents?

Mr. BLACK. The board would have jurisdiction to do it, but under the provisions of the law it would be my judgment that the board would be very reluctant, indeed, to attempt to interfere with a bona-fide agreement made between employer and employee.

Mr. WALSH. I think the Senator is correct; but the situation might well exist that the board, in fixing a minimum wage in a case where the wage of the employees was less than 40 cents, after a survey and study of the question, and taking into consideration some factors that it must take into consideration in fixing the wage, might decide, let us say, upon 38 cents per hour. If it is found that in some other industry of like character and nature there was a collective-bargaining agreement providing for the payment of 36 cents an hour it would, would it not, take jurisdiction and set aside that collective-bargaining agreement insofar as the facts showed that 38 cents was a fair rate?

Mr. BLACK. It would.

Mr. WALSH. The next question——

Mr. BORAH. Mr. President, let me understand the Senator from Massachusetts. Will the Senator from Alabama permit me to ask the Senator from Massachusetts a question?

Mr. BLACK. Yes.

Mr. BORAH. I did not understand the statement of the Senator from Massachusetts as to the jurisdiction of the board. Did I understand correctly the Senator to say that the board would have no jurisdiction over the question of minimum wages in cases where the employer was paying 40 cents an hour?

Mr. WALSH. According to my interpretation of the bill, wherever and whenever there are employees working in an industry which is engaged in business of an interstate character any employee, or any group of employees, receiving less than 40 cents an hour can petition the board to have a minimum-wage standard fixed, or any group of employees who are now working 56 or 48 hours can petition the board to have a weekly hour standard fixed by the board. So the jurisdiction is entire and complete over every employee who is receiving less than 40 cents an hour and over every employee who is working over 40 hours per week. Does the Senator agree with my interpretation?

Mr. BORAH. I think I do. The board may fix any minimum wage that it sees fit below 40 cents?

Mr. WALSH. Absolutely. As the Senator from Alabama knows, the first proposal was that the bill should incorporate a definite minimum wage. It was recommended by the head of the American Federation of Labor, and by the Secretary of Labor, that the bill incorporate a definite minimum wage of 40 cents per hour for all employees or, rather, $16 per week for all employees. The committee did not accept that recommendation. Another recommendation was made that the committee fix definitely, so as to limit the jurisdiction of the board, a graduated wage of not less than $12 and not more than $16. That was objected to. So the committee finally recommended a bill which makes the objective, the end sought and desired the fixing of a minimum wage of 40 cents per hour, but leaves the board absolute freedom to fix it at any amount it chooses less than that sum. Are the Senator from Alabama and I in accord on that interpretation?

Mr. BLACK. We are, with a supplementary statement that, in my judgment, the board would certainly have no jurisdiction to go below the prevailing wage in the community or in the locality of the industry. In other words, while there is no money limitation below which the board could not go, there is an actual limitation, because they could not, under the terms of the bill, fix a minimum wage below the prevailing wage in the industry or business.

Mr. WALSH. I take it the Senator will agree with me there is an invitation, an urge, through the language used in the bill to have the board reach as soon as possible a minimum wage of $16?

Mr. BLACK. A minimum of 40 cents per hour, but the point I was making was that while we do not say in the bill that the jurisdiction of the board should not be above 40 cents and should not be below a certain number of cents, there is a limitation below which they could not go, even though it is not expressly stipulated in cents per hour.

Mr. WALSH. From my experience with such boards—and I think the Senator will agree with me in this statement—the tendency will be to go in the direction of $16 rather than reducing the rate below the prevailing wage.

Mr. BLACK. Of course the entire bill is written upon the theory that the board should not go below the prevailing wage, and it would be wholly contrary to the entire philosophy and principle of the bill if such a step should be taken.

Mr. WALSH. Now, may I ask the Senator another question?

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. BLACK. I yield.

Mr. BORAH. To what language does the Senator refer when he says the board may not fix a wage rate below the prevailing wage?

Mr. BLACK. If the Senator will look at the standard to be used in fixing the minimum wage, he will find a provision that the board must take into consideration the action of a court of law. What would be the action of a

court of law in fixing what the lawyers call the quantum meruit? If a civil action is brought for wages in a court of law on what is known as the quantum meruit, where no fixed agreement has been made, certainly no court would ever go below the prevailing wage rate. That would be the standard which the court would most likely follow in fixing the wage. Therefore, it seems to me that that particular standard is one of the best that could be provided in order to assure that the board would not go below the prevailing wage in the community.

Mr. WALSH. Is there any language to that effect?

Mr. BLACK. Yes.

Mr. WALSH. Where is it?

Mr. BLACK. It is in section 4.

Mr. WALSH. Certainly, I do not believe that there is any danger of the board fixing any wages below the prevailing wage.

Mr. BLACK. There is no provision in which the words "prevailing wage" are used.

Mr. WALSH. Has the Senator in mind all the circumstances that should be taken into consideration in fixing the minimum wage?

Mr. BLACK. Certainly.

Mr. WALSH. And it is assumed that the board would take them into consideration?

Mr. BLACK. They would have to do so if they took into consideration the evidence which would be admissible in a court of law on a quantum-meruit suit for wages.

Mr. WALSH. May I ask the Senator further does the bill make any provision for differential treatment in relation to minimum wages and hours of employment in the different sections of the country?

Mr. BLACK. I did not understand the Senator's question.

Mr. WALSH. Does the bill make any provision for a differential treatment of employers or employees in relation to minimum wages and hours of employment?

Mr. BLACK. The bill does contemplate that the diversities of location and the diversities of industries shall be considered; also the cost of living. A suit on a quantum meruit, to which I have referred, would require that such matters be taken into consideration.

Mr. WALSH. As I understand the bill, the board is to have in mind at all times in fixing minimum wages not so much the fact that an industry is located North, South, East, or West, but that the goods produced by an industry located north, south, east, or west are to move in interstate commerce and that one industry is in competition with another, and therefore the factor of differentials is practically a minimum consideration. Does the Senator agree with me in that respect?

Mr. BLACK. I do not understand that the factor of a differential would be a minimum consideration by the board under the circumstances to be considered in fixing the minimum wage.

Mr. WALSH. We are dealing with goods in interstate commerce. The theory of the bill is that it will lower hours of employment and raise wages, so far as possible, and that the high-standard employer or the progressive employer who requires fewer working hours of his employees and pays them high wages shall not be subjected in the markets of the country to the competition of goods produced in a location or environment or place where lower wages are paid and the employees are worked a greater number of hours than in the case of the employer who has a higher standard.

Mr. BLACK. The Senator is correct insofar as other circumstances and conditions do not offset the wage-and-hour conditions. For instance, there might be conditions under which, in order to get to a market, one particular business would be required to pay from two to three times as much freight transportation as another. The board, in my judgment, would be compelled to take that into consideration until that matter was adjusted. There might be conditions where general expenses of operation such as the interest rate, which frequently is a very important consideration, would require that that be taken into consideration in order to reach a fair conclusion.

Mr. WALSH. Let me interrupt the Senator a moment at that point. Is there a provision in the bill that the board shall take into consideration the value of the lodgings or the housing that some employers, in addition to paying a definite wage, provide for their employees?

Mr. BLACK. That is correct; and also the cost of living in the various places would be taken into consideration. Furthermore, with reference to the cost of housing, the employees might be renting houses in a place where the rent would be four times what it was in another.

Mr. WALSH. One of the objectives of the bill is to give a degree of protection, a degree of security against ruthless competition to the employer, no matter where he is located, who is paying high wages and requiring his employees to work fewer hours than is the case with his competitors.

Mr. BLACK. The bill is intended to prevent, so far as wages are concerned, the payment of wages which are below a necessary subsistence level. The bill is written upon the principle that the Congress should not attempt to make itself a wage-fixing body. We believe that wages should be fixed by agreement between employer and employee, except that the bill has as its objective withdrawing from competitive conditions the wage level necessary for a person to live on, wherever he may be.

Mr. WALSH. In other words, one of the objectives of the bill is that the progressive employers in good standing will not be subjected in the public market to competition with chiselers and sweatshop operators. Therefore, the board will seek to correct such a condition by compelling competitive employers to reach the same or better labor standards.

Mr. BLACK. The Senator is correct. I think I can show that better by an illustration. I received a letter from a manufacturer stating that the passage of this bill would close his plant. Of course, it has always been stated with respect to every bill of this character that its passage would close up many businesses. I am going to read into the record a little later what Charles Dickens said about that matter.

The writer of this letter told me it would close up his business and absolutely destroy it. I wrote back and asked, "What wages are you paying and what hours are you working your employees?" He did not give me his hours, but he wrote that he was paying $6 a week to young ladies who were working in his factory; that they could get board for from $3 to $5 per week, which was ample, and therefore the wages were ample to take care of them. It will be noted that those young ladies were receiving $52 net per year with which to buy their clothes, go to moving-picture shows, and to do everything else in the world necessary for young ladies to live in comfort. He said that if we should pass the bill and he was required to pay the young ladies more than $6 per week to make silk clothing for other people in the country to wear, it would close up his silk-manufacturing plant.

Mr. WALSH. May I proceed to a further inquiry?

Mr. BLACK. Certainly.

Mr. WALSH. What limitation, if any, is fixed in the bill with reference to the number of employees in an industry engaged in interstate commerce over which the board will have jurisdiction?

Mr. BLACK. There is none. There was a belief on the part of some members of the committee that there should be a limitation. There was a belief on the part of some members of the committee that it should be three or five or eight or some other number. However, the committee, after consideration, included all businesses engaged in interstate commerce without exempting employers who had less than a certain number of employees.

Mr. WALSH. I agree that is a wise provision. The Senator will recall evidence before the committee to the effect that a large number of lumber mills scattered throughout the country employ only five or six or seven persons, and that if all industries employing less than eight employees were exempted, they could go into the market in large numbers and

compete with lumber mills which would be subject to the provisions of the bill.

There is another question which I think very important, and I should like to have the Senator give his views upon it. Are there any provisions in the bill which will tend to bring about with rapidity the limitation of the hours of labor as fixed in the bill to 40 per week and the minimum payment of wage of 40 cents per hour?

I have asked these questions more for the RECORD than anything else, because I want the board to proceed in orderly fashion, with wisdom, with care, and not through hasty action destroy many small industries which are not now meeting the standards fixed in the bill.

I should like to have the Senator's views or a statement pointing out the provisions in the bill which may impress upon the board, so far as we can, that this movement toward a 40-hour week and a wage of 40 cents per hour is not to be accomplished immediately, next week, or next month, or next year, but is to be developed gradually without injury to any existing industry and without creating additional unemployment.

Mr. BLACK. On page 58 of the bill is a very clear expression with reference to the manner in which the provisions shall be carried out. It is there provided as follows:

> Whereas it is impossible to achieve such results arbitrarily by an abrupt change so drastic that it might do serious injury to American industry and American workers, and it is therefore necessary to achieve such results cautiously, carefully, and without disturbance and dislocation of business and industry: Now, therefore,
> It is declared to be the policy of this act to maintain—

And so forth. In other words, the board is admonished clearly in the bill that it is the object and purpose to proceed with care and caution in approaching a condition which I believe the overwhelming majority of people are favoring.

Mr. WALSH. I also call attention to another provision which I had incorporated in the bill suggesting to the board what the policy of the Congress is. On page 59 of the bill it is provided:

> That the board's jurisdiction in declaring minimum wages shall not include the power to declare minimum wages in excess of 40 cents per hour, but higher minimum wages fixed by collective bargaining or otherwise shall be encouraged, it being the objective of this act to raise the existing wages in the lower-wage groups so as to attain as rapidly as practicable a minimum wage of 40 cents per hour without curtailing opportunities for employment and without disturbance and dislocation of business and industry.

It seems to me that that, together with the provision read by the Senator, is very helpful in presenting the matter clearly to the board.

My questions are directed simply to answering the inquiries of many people who have made objections, many of them through misinformation, to the provisions of the bill. May I ask the Senator a further question? Is not the Senator in accord with me in the belief that the chief merit the bill possesses is based upon the assumption that there are millions of employees or wage earners in the country who have no facilities for collective bargaining? They are small in number, working in small industries. We think too often, in speaking of the wage earners, of those who are organized in unions and employed in the great units of industry. As a matter of fact, a very large percentage of all the wage earners of the country are working in industries where fewer than 200 people are employed. Only a comparatively small percentage of them are employed in the large units of industry.

The thing about the bill which impressed me as being of particular value is that the Government is attempting to set up machinery which, if administered wisely and prudently, ought to be helpful in providing collective bargaining through a Government agency for the men and women who are not organized, who are working in small industries, who are subject to the tyranny and oppression of sweatshops and chiselers. One of the benefits of the bill is that the board, in the absence of unions, in the absence of organizations of employees, shall be this collective-bargaining agency and fix for the lowest wage groups a decent, reasonable minimum wage and the number of hours per week such employees should be required to work. I believe the Senator will agree that that is one of the distinctive merits of the bill and represents the philosophy behind it.

I fear, as many other Senators do, the manner of administering the power which we are creating. I can see the possibility of it operating to great disadvantage and harm, but we cannot fix, here on the floor of the Senate, what ought to be the minimum wage in each and every industry in the country. The alternative is no action, and leaving these many millions of wage earners to a continuance of past exploitation. As one of the Senators favoring legislation of this kind, I want to say that I pray that the bill may be administered with the care and caution, as one of the witnesses said before our committee, "of a physician and not with the club of a policeman." If it is so administered, I believe it will be helpful in providing agencies for collective bargaining for many employees who do not now have the advantage of such agencies.

I thank the Senator from Alabama, and hope our colloquy has been enlightening.

Mr. TYDINGS. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Does the Senator from Alabama yield to the Senator from Maryland?

Mr. BLACK. I yield.

Mr. TYDINGS. I should like to ask the Senator two or three questions in order to set myself right.

I read the bill last night; and, as I understand, agricultural products—that is, products of the farm and labor in connection therewith—are not included in the bill. Is that correct?

Mr. BLACK. The Senator is correct.

Mr. TYDINGS. And the limitation affecting hours does not apply to the canning or packing of perishable agricultural or fishery products; is that correct?

Mr. BLACK. I will explain that to the Senator by referring him to page 63 of the bill.

Mr. TYDINGS. I read that page of the bill.

Mr. BLACK. I call attention to the fact that there are some occupations which are of a peculiarly seasonal nature, as the Senator has said. For instance, in the case of tomatoes it is necessary that the work of canning or packing them be done quickly and rapidly or else they will spoil. There is another type of canning, however, which is not seasonal. It is a matter of practical impossibility to define legislatively the line of demarcation between the two types of canning. For that reason the bill specifically gives to the board the right to exempt from the labor-standards provision seasonal activities of that type.

Mr. TYDINGS. That would include fishing?

Mr. BLACK. That would include any seasonal activity as to which it is necessary to have quick, speedy work and where it is impractical, if not impossible, to secure labor in the community in large quantities without providing for some exemption of that type.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. WALSH. I understand that the bill exempts the fishing industry as such. In other words, fishermen who go out to sea and who are employed by others for the purpose of fishing, are exempt; but when the fish come ashore, and are packed and canned and prepared for market, the bill applies.

Mr. TYDINGS. Mr. President, my question was directed to one of several situations upon which the Senator has touched. For example, we all know that the tomato crop ripens perhaps at one particular time and frequently comes into the market all at once. So men go out to catch fish, and sometimes there is a large run of fish on a particular day, due to a flood or a freshet or what not, and the fish have to be canned. My reading of the bill leads me to believe that it is the intention of the bill that where a bona-fide case is made out for putting up perishable goods, whether they be products of the orchard or the farm or the fishery or what not, the maximum-hours provision shall not apply where

food otherwise would be lost if it should apply. Am I correct in that understanding?

Mr. BLACK. The Senator is absolutely correct in his assumption that, in cases of that kind and type, the board would have the right to exempt such activities from the operation of the bill.

Mr. TYDINGS. I suppose it would be impossible to make application and get permission to put up a pack within a short enough space of time to keep the pack from spoiling.

Mr. BLACK. I may say to the Senator that it is not contemplated that exemptions shall be of a personal nature for a particular unit of work, because that would be an impossible task. It is contemplated, however, that that shall be done by a general regulation or rule, after a study of the situation.

Mr. TYDINGS. I suppose there would have to be inspectors to go around and see whether or not a particular industry was violating the hours limitation.

Mr. BLACK. I should assume so.

Mr. TYDINGS. So, I should imagine that if an inspector came to a canning house and saw the physical evidence that a large pack had been produced there at a certain time, and that it was necessary for the employees to work overtime to prevent its spoiling, in that case the inspector would not report it; whereas if it were a normal pack which could be handled otherwise and overtime hours were used to put up the pack, in that case the inspector would report it. Is that the Senator's conception of the matter?

Mr. BLACK. That would be a reasonable and commonsense action to be anticipated in the enforcement and administration of the act.

Mr. TYDINGS. The threshing of wheat and similar crops on the farm would be classed as coming within the agricultural exemption; would it not?

Mr. BLACK. I so understand.

Mr. TYDINGS. What I am thinking of is that quite often the threshing crew is not a part of the farmer's organization. There are men who make a business of going around with threshing and baling machines with enough help to come upon a farm and make a contract with the farmer to thresh his wheat. I should like to know if in such a case it is the Senator's opinion that the threshing crew would be exempt, or whether they would be under the operation of the hours provision of the bill.

Mr. BLACK. I will say to the Senator that I should not wish to attempt to draw the lines in the shadowy regions that might divide one condition from another.

Mr. TYDINGS. Let me clear up my question. As I understand the bill, its purpose is to exempt agriculture from its provisions, both as to hours and as to wages.

Mr. BLACK. The Senator is correct.

Mr. TYDINGS. I am asking this question because I believe, inadvertently, a loophole has been left which I am sure the proponents of the bill do not mean to leave.

The Senator from Wisconsin [Mr. LA FOLLETTE] has just been kind enough to put in my hand the exact language of the bill at the appropriate place. The exemption, found on page 51, is as follows:

> Or any other agricultural or horticultural commodity, and any practices ordinarily performed by a farmer as an incident to such farming operations.

In the case of threshing wheat, which would apply particularly to the wheat fields of Kansas, there, as a general rule, the farmers do not do their own threshing, as I am advised. They hire threshers who go about and come on the farm and make a contract to thresh the wheat. I suppose the thresher would be classed as a farmer within the spirit of the bill, but under the wording of the bill it is my opinion that he would be under the wage and hour provision.

I wanted to bring this matter to the attention of the Senator from Alabama simply because as I understand, farming in all its operations, from the time the grain is put into the ground until it leaves the farm, is to be exempted from the provisions of the measure; but under the bill such a man as I have indicated is not exempt.

Mr. McNARY. Mr. President, will the Senator yield for a moment upon that matter?

Mr. McKELLAR and Mr. BORAH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield; and if so, to whom?

Mr. TYDINGS. I desire to get an answer from the Senator. Probably the Senator from Oregon can give it to me.

Mr. McNARY. I have no doubt of that.

Mr. TYDINGS. In other words, the bill says:

> or any other agricultural or horticultural commodity, and any practices ordinarily performed by a farmer as an incident to such farming operations.

Would a thresher be under the provisions of this bill, threshing wheat on another man's farm? That is the question.

Mr. BORAH. Mr. President, if I may be permitted to say so, I think threshers clearly would come within this language.

Mr. TYDINGS. That is what I think.

Mr. BORAH. In other words, they are a part of the agricultural program. Wheat is not worth very much unless it is threshed.

Mr. HUGHES. Mr. President, will the Senator yield for a moment?

Mr. TYDINGS. Mr. President, along that line, if the Senator from Alabama will permit me——

Mr. BLACK. I yield.

Mr. TYDINGS. I should like to point out to the Senator from Idaho that I rather like the philosophy of the bill, and I am not attacking it, but I am trying to clarify what it means in my own mind, and for the sake of those who have written it.

The language of the bill, on page 51, is:

> or any other agricultural or horticultural commodity, and any practices ordinarily performed by a farmer as an incident to such farming operations.

Those things are exempted. In the case I visualize, however, the farmer is not performing the service. The man to whom I refer makes a business of doing nothing but threshing. He owns his own machine, and hauls it from farm to farm, and enters into contracts with farmers to thresh their crops; the point being that while he is dealing with an agricultural commodity, he is not necessarily a farmer, and he is not doing work ordinarily done by a farmer.

Mr. BORAH. He is doing the exact work which the farmer did before he took it up.

Mr. TYDINGS. That is true; but I do not think the bill is drawn in sufficient detail to bring the man to whom I refer under its provisions of exemption. Does the Senator from Alabama think it is?

Mr. BLACK. Mr. President, if a case of that kind should develop, that would clearly be a seasonal activity.

Mr. TYDINGS. That is true.

Mr. BLACK. It would be nothing but a seasonal activity.

Mr. TYDINGS. As to hours.

Mr. BLACK. Yes.

Mr. TYDINGS. How about as to wages?

Mr. BLACK. If it is a seasonal activity, both apply, because with reference to seasonable activities the board is given power to exempt both wages and hours.

Mr. TYDINGS. Yes; the board may do that. On the other hand, if the flow of wheat or the contracts for threshing wheat come to the thresher in a normal quantity, there would be no seasonal condition present. It would be normal work for him, and, in my opinion, not being a farmer, but being a thresher, he would be under the wage and hour provisions of the bill. Perhaps he should be, but as I see the matter, I think definitely he is.

Mr. BLACK. That would raise for consideration the question of what is ordinarily farming, as some one would raise the question of a cotton gin. I recall that we had that question up at great length when we had another bill before us. I cannot imagine that any board with common sense, such as it is anticipated boards of this kind would have, would ever handicap the operation of a law by attempting to bring within its scope activities that are purely and wholly seasonal.

Mr. TYDINGS. That is not my question.

Mr. BLACK. I know; but I am raising the point with reference to that entire type of operation where the action of the board would actually do an injury instead of doing good. For instance, in the case of a cotton gin it might be necessary to go for some distance to get half a dozen persons to come in and work, and they might have to work very long hours for a few days, and then quit and not work again for weeks, and perhaps when their work was over they might not work again for 9 or 10 months. Those would be seasonal activities; and even if there should be border-line cases, I may say to my friend from Maryland, insofar as definition is concerned, they would not be border-line cases insofar as the application of the seasonal provision is concerned.

Mr. McNARY. Mr. President——

Mr. BLACK. I now yield to the Senator from Oregon.

Mr. McNARY. I do not want to draw the able Senator away from the thread of his remarks.

Mr. BLACK. I shall be glad to discuss any feature of the bill in which the Senator from Oregon is interested.

Mr. McNARY. Inasmuch as the question has been raised in regard to the processing and canning of fruits, vegetables, and fish, I have an amendment which I desire to offer. Of course, I appreciate it is not appropriate at this time, but I ask unanimous consent that I may have the privilege of offering the amendment and that it may be read by the clerk.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will read.

The CHIEF CLERK. On page 51, line 3, after the word "agriculture", it is proposed to insert a semicolon and the following:

or any person employed in connection with the canning or other packing or packaging of fish, sea foods, sponges, fruits, or vegetables, when the services of said employee are of a seasonal nature and do not extend over total periods of more than 6 months in any 1 year.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. McNARY. I yield.

Mr. AUSTIN. Will the Senator be willing to include maple sugar in the amendment?

Mr. McNARY. Yes; at the proper time I shall be delighted to add that. I was challenged to bring this matter up at this time, not for the purpose of getting the Senator from Alabama to decide whether he would accept the amendment or not; but there are two kinds of exemptions, one is statutory, to be written into the law, and the other is discretionary, left to the board. I desire that these matters not be left to the discretion of the board but to have them in the act so that there will be no mistake about the exemption of seasonal work in connection with perishables of the nature described and defined in the amendment. That covers to a large extent the canning and the processing of fruits, vegetables and sea foods.

I have prescribed in the amendment that the "season" shall not be more than 6 months, so that no advantage could be taken of even the definition of "season." This would reach all the products of the soil and of the water which are necessary to be processed immediately so that no deterioration will take place in their flavor or in their physical condition. At the proper time I shall discuss the amendment more at length. I merely desired to apprise the Senator at this time of my view as expressed in the amendment, before the matter was brought to his attention by others.

Mr. McKELLAR. Mr. President, will the Senator from Alabama yield to me for a question?

Mr. BLACK. I yield.

Mr. McKELLAR. The Senator from Alabama has made a splendid exposition of his bill, and one in which I am greatly interested; and I have great sympathy with the bill. The Senator stated a while ago that in declaring minimum wages the board might consider among other things such questions as freight rates. There are parts of our country which are very greatly discriminated against in freight rates, for instance, the territory in which the Senator lives and the territory in which I live; the freight rates are nearly double one way what they are the other. Did the Senator say that the question of freight rates was to be taken into consideration?

Mr. BLACK. I said that, in my judgment, it would be necessary to take into consideration the cost of transportation to the market, which, of course, would include freight rates.

Mr. McKELLAR. But it is not stated specifically in the bill. Would the Senator object to an amendment in which that was stated?

Mr. BLACK. I may say to the Senator that it is my judgment that the inclusion of definite elements of a broad subject might and could result, in the long run, in a limitation instead of an expansion.

Mr. McKELLAR. I understand that, and I am quite sure the Senator is correct about it. On the other hand, I think the Senator is exactly right in his statement that transportation rates should be taken into consideration by the board.

Mr. BLACK. I may say, in addition to what I have stated, however—and I am sure the Senator will agree with me—that we do not want to give any legislative recognition to any unfair freight-rate system.

Mr. McKELLAR. That is true.

Mr. BLACK. It would be too bad, in my judgment, if, where freight rates are unfair and unjust, we should write into law something which might permanently require that that burden be borne by the men who do the work. We want to bring about a change in the freight-rate system.

Mr. McKELLAR. We certainly do.

Mr. BLACK. The Senator from Tennessee has been very active for a long time in aiding an effort to accomplish that purpose, and a fight is now being made by representatives of my State in an attempt to prevent unjust freight rates. There was evidence before the committee, given by Mr. Aldrich, of the Tennessee Valley Association, in which the Senator will be greatly interested, illustrating the unfairness of the freight-rate structure. That appears in the printed hearings. Until that situation is corrected, however, it is necessary, in my judgment, that every element be taken into consideration.

Mr. McKELLAR. I think it would aid tremendously in securing from the Interstate Commerce Commission an adjustment of freight rates so as to make them absolutely fair to all sections and areas of the country if the board should take into consideration that fact in fixing a minimum wage. It was for that reason that I desired to call the special attention of the Senator from Alabama, who is making such an able argument, to that particular factor which we must consider. It is very important to his State and to my State and to others in that locality.

Mr. BLACK. I appreciate very much the suggestion of the Senator.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. WALSH. Of course, the question of raising cotton and employing people in the cotton-raising industry is not covered in the pending bill at all. The only reason why freight rates would have any consideration would be in determining the minimum wage in an industry where cotton was used, for the purpose of determining the cost of production.

Mr. McKELLAR. I am not talking about cotton at all; I was speaking of the general subject of transportation.

Mr. WALSH. If the industry were far away from the cotton field, it would be expected, I assume, that the Board would take into consideration the cost of the raw materials to the industry and the cost of transportation when the finished product was far away from the central market. That is part of the cost of production. It would be an element to consider in fixing the minimum wages.

Mr. BLACK. The Senator is correct, in my judgment. I might call his attention to a very interesting piece of evidence which came from a cotton-textile man who operates mills both in the South and in New England.

Mr. WALSH. Which many of them do.

Mr. BLACK. That is correct. Many of them come south with a mill which has sometimes been considered unfit for human use in New England, and when the get down into the South they seem to consider that a southerner is worth only about one-fourth of what a man is worth who lives in New England. I myself never fully subscribed to that doctrine. I rather subscribe to the gospel that a man who is born in Alabama, and who can do as much work as a man born in any State in New England, or in any country across the water who emigrates to New England, is entitled to the same pay if he does the work.

Mr. WALSH. I also subscribe to the views expressed by the Senator. I have had much evidence presented to me by industrialists in the North to the effect that the wage earners of the South are efficient and competent and their producing capacity equals that found among workers in the North. I say this because of the feeling some people seem to have that a southern wage earner does not produce as much as is produced by a northern wage earner.

Mr. BLACK. There are elements which enter into the question, such as length of service, skill, and the opportunities for training, wherever a man is born. The manufacturer to whom I have referred has a mill in Georgia which is the largest cotton textile mill in that State, as I was told, and as I believe, Representative RAMSPECK having made the statement. The manufacturer in answer to a question as to the cost of cotton in the South and the cost of cotton in New England, stated, as I recall, that he found he could transport cotton from Texas to New England cheaper than he could transport it from Texas to Georgia. That is the type of freight rate to which the Senator from Tennessee was referring.

Mr. McKELLAR. Exactly.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HUGHES. If the Senator will permit me I should like to return to the provision of the bill as to seasonal operations, such as the canning business. Do I understand correctly the Senator to say that in the pending bill there is no provision other than that giving broad powers to the board to deal with that class of industries?

Mr. BLACK. The Senator is correct.

Mr. HUGHES. If the Senator will permit me, I should like to make a remark along that line. I have considerable acquaintance with that line of business. The State of Delaware, in fact, the whole Delmarva Peninsula, is very greatly interested in the canning business and seasonal canning. I do not recall that there are any canneries which do other canning business than that. Some of those canneries are very good ones, very large ones, and I think they treat their labor very well.

I have been somewhat troubled as to whether the bill should be amended so as to make provision, beyond leaving it to the discretion of the board, that those canneries should be treated as we hope the board would treat them; in other words, to lay down a definite provision that they should be exempted because of the seasonal nature of their business.

We also know that a number of the canneries, both in my State and in other States, do not pay a living wage. We are therefore confronted with two propositions. We should like to have seasonal canneries exempted from the provisions of the bill, but if that is done a number of them, I am sure, will go on paying less than a living wage. That would be the result in some of the smaller canneries. It seems to me the situation should not be left in that condition.

A great number of canneries would not come under the regulation of the board, and would go on with the same practice, which would result in the same evil that the Senator was talking about earlier in the day when he spoke of the sawmill business. They would cause unfair competition by reason of the fact that they would not only work their employees long hours, but they would also pay a wage lower than should be paid. In fact, they would not provide their employees with a decent wage sufficient for them to live upon.

I ask the Senator from Alabama, and I ask other Senators the same question, whether the bill, which provides for leaving that matter in the hands of the board, should not be amended so that we could be assured that the board would deal with that question fairly. But is not the board the best place in which to leave it?

I have received many communications from almost all the larger canneries in my State, and from other persons who are interested in this subject, demanding that an amendment be placed in the bill which would provide that this matter should not be left to the board, but that seasonal canneries should be entirely exempted.

Mr. WALSH. Mr. President, I should like to ask the Senator from Delaware if he is speaking exclusively of seasonal canneries?

Mr. HUGHES. Yes; I am speaking entirely of seasonal canneries, which in our State can corn, beans, and tomatoes.

Mr. WALSH. There are a number of canneries in my State which produce and operate the year around. The Senate would not wish to exempt them?

Mr. HUGHES. I should not want them exempted.

Mr. WALSH. It seems to me that if any preference is to be given to the seasonal canneries, it ought to be in eliminating the provision in the bill which may require them to pay more wages after employing workers more than 40 hours a week. I am sure the Senator agrees that 40 cents an hour is not too large a wage.

Mr. HUGHES. Perhaps in some cases it is.

Mr. WALSH. It seems to me the difficulty these canneries have can be removed by not requiring the penalty of paying more wages if they work their employees more than 40 hours a week.

Mr. HUGHES. I should have no objection to paying even less than 40 cents an hour, but I certainly do object to leaving the canneries at liberty to pay 10 cents an hour, and that is what some of them will do. Some will continue to pay 10 cents, 12 cents, and 15 cents an hour.

Mr. WALSH. If they are put under this bill, they cannot do so.

Mr. HUGHES. No; but if they are taken out of the bill by exempting them, they are left at liberty to pay these low wages.

Mr. WALSH. It is difficult to distinguish, in the matter of wages, between the temporary cannery concern that is seasonal and the all-year-round cannery.

Mr. BLACK. Mr. President, I desire to say to the Senator from Delaware that I greatly appreciate his viewpoint.

I have been interested to some extent in laws of this type for several years. I very soon discovered, from what numerous persons told me, that the canners were the most active, the most energetic, the most alert, perhaps, of any group in America when it came to trying to secure exemption from a law. I am fully sympathetic with the canner who is engaged in a seasonal business, and who does not take advantage of the seasonal situation by gross abuse of the conditions so as to drive people down by employing them for hours that are beyond the capacity of a human being to serve, and for wages that are inexcusably low. I recognize the fact that industries engaged in seasonal activity should not be included in a law of this kind. However, the Senator from Delaware has placed his finger exactly on the distinction between the two lines of thought. There are other canners, as is well known, who should not be exempt from this proposed law.

About 2 years ago, when we had a hearing before the Committee on Finance on matters related to this subject, testimony was adduced as to the profits of some of the canners. They were engaged in a large business throughout the entire Nation. The profit they made was absolutely phenomenal in proportion to the amount of their investment. On investigation it developed that it was largely because, as usual, the laborers were being paid too low a wage. Monopolies existed in certain types of products. The profits, also, were too high.

So it developed that from both ends, labor wages being entirely too low and prices being entirely too high, this group was making profits which were entirely out of line with proper business operations under our system, thereby placing an unfair burden both on those who produce and on those who consume the commodity.

If there is an attempt to put in this bill an exemption for canners, then they are out from under its provisions. I am opposed to their being left out. I want them to stay in.

Mr. HUGHES. Mr. President, I ask the Senator to permit me to add that we have canners in our State and in our peninsula who are most excellent men, and who do not drive down their labor, who pay fair wages, treat their employees fairly, and have excellent health conditions and regulations in their canneries. However, there is an entirely different class of canners. I am interested in the canners of the first class I mentioned. They are excellent citizens. Because I myself am a farmer to some extent, I am vitally interested in farmers having their products canned in the producing season. However, I am more deeply interested in the persons who labor not only in my State but everywhere. I am deeply interested in seeing that in some way the canners, as well as other persons who employ labor, pay fair wages. When I view the subject I am convinced that it is not well to exempt seasonal industries and leave entirely to the discretion of those engaged in seasonal industries the determination of what hours their employees shall work and what wages they shall pay them. That does not meet with my views of what is right and fair to the great number of persons who work in those industries.

Mr. BLACK. Mr. President, I appreciate the Senator's view. I stated in the beginning that I thanked him for his contribution because it was a real contribution, and called attention to the inadvisability of particularly eliminating the canners from the provisions of the measure within the terms of the bill itself. What we do is to leave to the board charged with this responsibility the power to distinguish between the two types. In other words, the bill authorizes the protection of employees who should be protected. It also authorizes the protection of employers who are genuinely entitled to protection. Protection should be afforded to each equally as each equally deserves it.

Mr. POPE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Idaho?

Mr. BLACK. I yield.

Mr. POPE. In the definition of agriculture, which appears on page 51, there will be found in line 6 the word "dairying." Will the Senator generally define the word "dairying"? It would not include a cheese factory, I take it?

Mr. BLACK. I should hope not.

Mr. POPE. Would it include the bottling of milk by a concern whose business it was to produce milk? In my neighborhood many farmers bottle milk and cream and distribute it and sell it.

Mr. BLACK. No; I should not call such a person a farmer. I should call him a processor.

Mr. POPE. Would the definition include the farmer who bottles his own milk and cream and sells it?

Mr. BLACK. Unquestionably.

Mr. POPE. In other words, what he did would be included in the definition "dairying"?

Mr. BLACK. Yes.

Mr. POPE. But it would not include the company or concern whose business it is to bottle the milk, but which does not produce it?

Mr. BLACK. It would not include a processor who is not a dairyman. He is a processor.

Mr. POPE. Would processing include the bottling of milk and cream and selling it when the one who did it did not produce the milk?

We have a number of very small farms in my State which employ a few people to bottle milk or cream and dispose of it. They may produce a part of the milk themselves, but often they do not; they simply purchase the milk from the farmers; then put it up in bottles and distribute it. I was just wondering what "dairying" would include in that situation?

Mr. BLACK. I myself would construe dairying to include the handling or processing of milk after it left the dairy farmer. There are a great many who indulge in that business who are not employers of small numbers, but who are employers of quite a large number of people.

Mr. POPE. Of course, there are a number of farmers who are engaged in dairying, who produce their own milk, and who also have equipment to bottle it and distribute it right on the farm. I am wondering if it would include those farmers who have such equipment and bottle their own milk on their farms and sell it?

Mr. BLACK. I have no doubt that a dairy farmer who bottles his own milk is still a dairy farmer. The fact that he bottles it would not change his characteristics from that of a farmer.

Mr. POPE. Even though he might do it in considerable quantity? The line I suppose would be drawn as between the one who did not produce the milk but who engaged, practically, at any rate, in bottling milk and distributing it as a business?

Mr. BLACK. I think the Senator is correct.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. COPELAND. If the Senator will bear with me for a moment, I have just received a telegram from the secretary of the International Apple Association from Rochester in my State.

Mr. BLACK. May I ask what is his name?

Mr. COPELAND. His name is Phillips.

Mr. BLACK. It is not Mr. Fraser?

Mr. COPELAND. Mr. Fraser is of the same group. Does the Senator have any comment to make upon Mr. Fraser?

Mr. BLACK. I have no comment. He testified, as I recall, before the committee.

Mr. COPELAND. I regard Mr. Fraser as a very capable, sensible man, as I have no doubt the Senator from Alabama does. But, anyway, this is the suggestion made——

Mr. DAVIS. I am sure the Senator from Alabama regards Mr. Fraser very highly.

Mr. COPELAND. I think he said so.

Mr. BLACK. I think he is a very capable man. I agree with the Senator.

Mr. COPELAND. Very good. He is capable, as well as having all the other fine qualities which I mentioned. At any rate, it is the desire of the International Apple Association to provide an exemption by inserting on page 51, line 14, after the word "operations", the words:

Or by an employee in connection with preparing for market, in their raw or natural state within the area of production, fresh fruits and vegetables, including packing, packaging, storing, transporting, and marketing of said commodities.

That is the proposed amendment. The argument is this:

This amendment applies only to fresh fruits and vegetables in their raw and natural state within the area of production and does not extend to canning or processing or any operations which change them from their raw or natural state. The amendment would then make paragraph 7 the same in principle as recognized by N. R. A. and A. A. A. and under which the fresh fruit and vegetable industry operated. Under modern conditions, developed by necessity, it is of utmost importance to multitudes of small growers from coast to coast that packing-house operations and storing within the area of production be exempted; otherwise, community packing and uniformity of grade will be disrupted and, moreover, small individual growers are not in position to equip themselves with highly expensive washing and grading machinery. All of these costs come out of growers' pockets. Bear in mind we are asking that the amendment apply only to fresh fruits and vegetables which are highly perishable and in their raw and natural state only, and within the area of their production. There is well-established precedent for this under the carefully considered position taken by N. R. A. and A. A. A.

May I ask the Senator from Alabama for his comments upon this proposed amendment?

Mr. BLACK. I will state to the Senator from New York that representatives of the organization referred to appeared before the committee. The committee, after careful consideration, reached the conclusion that the definition of em-

ployee as given in paragraph (7), of section 2, and which is the broadest definition that has ever been included in any one act, was sufficient to include every genuine, bona-fide farming activity.

So far as I recall, no member of the committee favored exempting, for instance, meat-packing houses. I use that as an illustration and not that it is connected with the suggestion made by the Senator from New York. The committee was not in favor of exempting the packing business as it related to many agricultural products. I refer to packing as a business. The farmer or the apple grower has a perfect right, of course, to pack his own apples either alone or in cooperation with his farming neighbors, I should say.

Mr. OVERTON. Mr. President, in that connection, will the Senator from Alabama yield to me?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Louisiana?

Mr. BLACK. I yield.

Mr. OVERTON. If a farmer gins his own cotton is the ginning process exempt from the provisions of this bill?

Mr. BLACK. Certainly, if he gins his own cotton.

Mr. OVERTON. It is his own cotton; he has it on his farm or plantation and gins it.

Mr. BLACK. I may say to the Senator that until the board shall act no one can say that cotton ginning as a business will be included in the law as it may operate.

Mr. OVERTON. May I interrupt the Senator further?

Mr. BLACK. Certainly.

Mr. OVERTON. I am not talking about it as a business; I am not talking now about the man who engages in the business of ginning cotton and gins the cotton of others; I am talking about the farmer who gins and bales his own cotton that he produces upon his own farm.

Mr. BLACK. I just started to say to the Senator that so far as cotton ginning at large is concerned, it comes within that broad class of peculiarly seasonal occupations, which, doubtless, would be considered by the board in the application of the law relating to hours and wages in its entirety.

Mr. OVERTON. It will be a question for the board to determine what is a seasonal occupation and what is not. The question I am propounding to the Senator is whether or not, as this bill now reads, the farmer who gins his own cotton will be exempt from the provisions of the measure?

Mr. BLACK. I may say to the Senator that I do not want to place myself in the attitude of responding directly to that question, because until the board acts, after the bill shall have become a law, cotton ginning as cotton ginning is neither under the law or out of the law; but the bill does provide that those things done with reference to commodities produced on the farm by the farmer on the farm are not included in the possible application of the act by the board.

Mr. OVERTON. I assume after the cotton is matured and is being picked the picking would be considered a part of an agricultural pursuit, would it not?

Mr. BLACK. Certainly, it would be so considered.

Mr. OVERTON. I am going just one step further. After the cotton is picked it has to be ginned. Suppose a farmer has a gin on his own farm and gins his own cotton—not the cotton of others—is that a process in the agricultural handling of cotton?

Mr. BLACK. As defined by this bill, yes; unquestionably.

Mr. OVERTON. So that he will be exempt from the provisions of this bill if he gins his own cotton?

Mr. BLACK. On his own farm.

Mr. OVERTON. On his own farm. The smaller farmer who does not have the benefit of a gin, who has to take his cotton to a public gin, would have to pay for the ginning of his cotton, would he not?

Mr. BLACK. Yes; just as he does now.

Mr. OVERTON. That ginning would not be exempt, would it? The owner who has a large cotton plantation would be exempt, because he would have his own cotton gin on his own plantation, but the cotton of the small farmer who has not a large enough farm to come within the exemption has to take his cotton to a public ginnery, and that public ginnery would be subject to the provisions of this bill.

Mr. BLACK. The cotton-ginning business might or might not be considered by the board as of a nature to justify it being brought under the proposed act. As I said in the beginning, it is my judgment that the business is seasonal. I will also say that the big compressing business, which is the one that has been sending many telegrams to me and others, will come under it. I do not know in how many instances the farmers in Louisiana own their own gins. There may be some in Alabama at the present time. If so, I am not familiar with them. Cotton ginning in my State is generally done by ginners who gin for the public. If there happen to be any farmers there who own their own gins, certainly their number is so small as to constitute probably less than one-half of 1 percent, which is the old familiar percentage we remember away back in the days of sometime ago.

Mr. OVERTON. Let me invite the attention of the Senator to another agricultural industry in connection with which the processing, if it may be so called, by the farmer of his own product is much more general than in the case of the farmer ginning his own cotton. I refer to the sirup-cane producer who processes his own cane, grinds it, and makes it into sirup. Does he come within the provisions of the bill?

Mr. BLACK. I am not sufficiently familiar with that particular business to say.

Mr. OVERTON. As a rule they process their own sirup.

Mr. BLACK. The Senator can read the definition in the bill and note that those things ordinarily done by farmers on the farm do not come under the provisions of the bill.

Mr. PEPPER. Mr. President, I wonder if the following language would not answer the question of the Senator from Louisiana. It is found on page 51 of the bill, lines 13 and 14, being a part of the agricultural definition:

> And any practices ordinarily performed by a farmer as an incident to such farming operations.

Mr. OVERTON. It may and it may not. I was asking the Senator from Alabama because he is the author of the bill, and I was giving a concrete case. I think we would have a better understanding of the terms of the bill if we should take up a few such cases. I have taken the case of a farmer who plants his sugarcane, gathers it, and who on his own farm has a sirup mill and converts the juice of the cane into sirup. Does he come within the provisions of the bill?

Mr. BLACK. The definition provides that those things done by the farmer ordinarily on his farm constitute a part of his farming business. It would depend upon whether or not that was an ordinary incident to that type of farming business in the State where sirup is made. If so, that would be agriculture under the definition of the bill.

Mr. OVERTON. I do not want to occupy too much of the Senator's time, but I should like to ask a further question.

Mr. BLACK. I am delighted to have the Senator ask questions.

Mr. OVERTON. It would not be considered an ordinary practice performed by a farmer as an incident to his farming operations for the reason that we also have large sirup mills. Such sirup mills gather in the cane produced by the different farmers and process it into sirup. But it is of frequent occurrence that a farmer has a mill on his own farm and converts his own cane juice into sirup. With that explanation, would the Senator say the practice of such a farmer is one ordinarily performed by a farmer as an incident to his farming operations?

Mr. BLACK. If the Senator says it is a practice not ordinarily performed by a farmer as incident to his farming operations, I would necessarily say it was a practice not ordinarily performed by a farmer as incident to his farming operations, and therefore would not come under the definition. I am assuming it is a practice which is not ordinarily engaged in, by farmers.

Mr. OVERTON. Not altogether engaged in, but frequently engaged in by farmers.

Mr. BLACK. For instance, a farmer might build on his farm a factory for the purpose of manufacturing shirts and

sending them throughout the United States. Since that is a practice not ordinarily engaged in by farmers on their farms, naturally that would not be considered a farming activity.

Mr. OVERTON. Let us take the sugar manufacturer. On some plantations there are mills in which the planters may manufacture their own cane into sugar. Would they come within the provisions of the bill?

Mr. BLACK. As I said, it would depend upon whether or not that comes within the definition under the facts of operation, whether it is a necessary incident to that type of cane farming. I am not sufficiently familiar with it as it exists in the Senator's State of Louisiana to be able even to venture an opinion.

Mr. OVERTON. As I understand the Senator, in cases where some farmers process their own products and other farmers carry their products to some processor to be processed, then by reason of the fact that some farmers carry their products to a processor to be processed, the farmers who process their own products would not be considered as engaging in a practice which is ordinarily incident to farming operations.

Mr. BLACK. I could not say as to that. It depends altogether on the facts as to what is a necessary incident to farming. As I said, there are some things so far removed from farming that all of us would know instantly they did not constitute a farming operation. The illustration I gave was of a farmer erecting on his farm a factory and manufacturing anything you please, whether something he grows or not, who employs many people to manufacture it, and then ships it in interstate commerce. The mere fact that he has such a plant on his farm would not make the manufacturing of shirts, for instance, a farming operation. It would still be a manufacturing operation. The same reasoning would apply to any other process of manufacturing.

Mr. COPELAND, Mr. BONE, and Mr. POPE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield; and if so, to whom?

Mr. BLACK. I yield first to the Senator from New York because I promised him some little time ago that I would do so. Then I shall be glad to yield to the Senator from Washington [Mr. BONE].

Mr. COPELAND. In the first place, let me congratulate the Senator upon his perspicuity and ability in preparing the bill.

I want to go back to the apple business for a moment. It happens that the county in which I live is an apple-growing county. Our farmers are orchardists. We have in the country, wheat farmers, corn farmers, hog farmers, tobacco farmers, cattle farmers, but our farmers, to a large degree, are apple farmers. An apple farmer who has a good-sized orchard during the season of production hires extra people, puts them in the orchard to pick the fruit, to draw it to the sorting house, to sort and pack it, and then to place it in the storage house. Later when there is a demand for it his own men draw the fruit to market, transport it to market, and sell it in the produce markets of New York.

Are all such activities brought within the operation of the exemptions relating to the farmer in the operation of his farm? The farmer I have in mind does not handle other men's fruit. He does not process it in the sense of canning it. He simply handles his product as the wheat farmer handles his wheat or as the pork farmer may perhaps kill his pigs and handle them. He simply handles his apples in the way I have said, his own crop, puts it in packages and stores it, and in due time transports it to market and sells it. What about him?

Mr. BLACK. I may answer the Senator by illustrating a type of farming with which I am familiar and which I think will answer his question. In my State if a man raises watermelons, ordinarily when he lives close to a city he takes his watermelons into town and sells them. He may sell them to a broker or he may sell them from door to door. Under such circumstances I would say he was engaging in farming from the beginning to the end of that transaction, because that is an incident to that type of farming. That is an ordinary incident to the sale of watermelons, we will say. The same thing, of course, would apply under this definition to farmers, including fruit growers actually engaged in that occupation.

Mr. COPELAND. I think that is a fair statement, because the watermelon farmer might pack his fruit in crates, might he not? That would be equivalent to placing apples in a package.

Mr. BLACK. The Senator is correct.

Mr. COPELAND. I should say, then, that the Senator and I are in agreement that the apple farmer who gathers his product, sorts it, puts it in packages, puts it in storage, and in due time takes it to market is operating as a farmer, and would be exempt from the provisions of the bill.

Mr. BLACK. I simply state to the Senator that the committee reached the conclusion that agriculture in all its phases should be exempted. Therefore, they attempted to draw up a comprehensive definition which would accomplish that purpose.

Mr. COPELAND. In general terms?

Mr. BLACK. That is correct.

Mr. BONE. Mr. President——

Mr. BLACK. I yield to the Senator from Washington.

Mr. BONE. The Senator from Oregon [Mr. MCNARY] has offered an amendment, to appear on page 51, which, among other things, exempts canners and the work of canning and packaging fruits or vegetables. That exemption, of course, would be added to the list of exempted operations and activities set out on page 51. Assuming that the bill is enacted, and that the activities and operations mentioned on page 51 are not brought within the scope of the bill so far as hours are concerned, are they also exempted in the matter of minimum wages, or is the exemption purely an exemption as to hours of labor, the time of labor, the tour of labor?

Mr. BLACK. As the bill is written?

Mr. BONE. Yes.

Mr. BLACK. As the bill is written, it is intended to give, and I believe does give, to the board the right to exempt from both phases of the bill employees in activities that are seasonal and which by reason of the particular circumstances of their seasonal nature it is inadvisable to include under the measure.

Mr. BONE. Then they do not come under the measure either with respect to hours or with respect to compensation?

Mr. BLACK. As I stated, under the exemption which is authorized on page 63, the board would have the right to exempt such employees from both phases of the bill.

Mr. BONE. There is another question I had in mind. Does the bill in any wise impinge upon prison labor, or attempt in any way to deal with that particular activity?

Mr. BLACK. It does not.

Mr. BONE. Was that subject ever considered by the committee?

Mr. BLACK. I do not recall that anyone mentioned it. It may be that someone did; but the committee reached the conclusion that it would be unwise and improper to attempt to deal in this bill with anything except minimum wages, maximum hours, and child labor. I make that statement to the Senator because I think it is proper for me to do so at this time.

Mr. BONE. I am not complaining, because I think the bill very properly should deal with one subject, and if it does a good job in doing that, it is a fine thing.

Mr. BLACK. I should like to go ahead on that line, because I want to make one thing clear right here. The bill originally contained provisions which would have been, in effect, amendments to the Wagner Act. The committee reached the conclusion that we should not enter into that field in this measure. We reached the conclusion that entry into the field to the limited extent which was originally provided in the bill would make it necessary, if we proceeded along that line, to extend our hearings further, and to add to the bill any and all conclusions that might be reached as to changes in the Wagner Act. We therefore unanimously agreed that we would exclude from the bill any amendments

to that act, and that we would limit the bill strictly to minimum wages, maximum hours, and child labor, and that is what we have done.

Mr. BONE. This discussion of processing operations is an interesting one, because it will open up a field of interpretation for the board; but I think the business experience of us all will justify the conclusion that if a man operates a threshing outfit, and goes from one farm to another farm, such a man is an independent contractor. He is not a farmer. That is not an operation incident to farming, because the man is engaging in a cold-blooded business operation, going from one farm to another, precisely as a huckster goes around and sells tinware to farmers.

I realize that in trying to meet that sort of an issue we get into a twilight zone. It is like the suggestion of the Senator from Idaho [Mr. POPE] about the farmer bottling milk. There comes a point where we have to draw a line somewhere; and if a man is running a big threshing outfit, a gigantic combine out West in the State of the Senator from Montana [Mr. MURRAY], and he hires a large number of men, and they go on a farm with tractors and engage in an operation resulting in threshing thousands of bushels of wheat in a day, it seems to me that sort of an operation, which is in the exclusive control of the contractor, could hardly be called farming; and when he is hiring men and just being an employer, I am wondering how he could be called a farmer, or his operation an incident to a farming operation. He does not own a farm. He has not any connection with it except to take his threshing apparatus there and thresh the wheat and then get off the land.

I know that matter was pretty thoroughly discussed by the Senator from Maryland [Mr. TYDINGS]; but it seems to me that if there is any way of meeting that issue in the bill by a little further clarification, it might be advisable, and might avoid trouble in the future.

Mr. POPE. Mr. President, will the Senator from Alabama yield to me?

Mr. BLACK. I promised the junior Senator from Washington [Mr. SCHWELLENBACH] to yield to him first.

Mr. SCHWELLENBACH. Mr. President, on line 10, page 51, there is a reference to "subdivision (g) of section 15 of the Agricultural Marketing Act, approved June 15, 1929, as amended." I have here the latest compilation of the document room of these amendments, and I cannot find any subdivision (g). Does the Senator know what subdivision (g) is?

Mr. BLACK. Yes; I will tell the Senator exactly what it is. I may not be able to find it at this moment. It is an amendment which included under the definition of farming the business of turpentine production. An amendment to the Agricultural Marketing Act approved June 15, 1929, classified the turpentine business as a farming business. Considerable evidence was given before the committee in connection with this subject; and the committee, in defining agriculture and in seeking the definitions that have been given to agriculture from time to time, found this amendment to the Agricultural Marketing Act, which related to the business about which testimony had been given, and included that definition.

Mr. SCHWELLENBACH. There is nothing in that amendment which would help apples?

Mr. BLACK. So far as I recall, there is nothing there; but the apple business and the apple farmer are certainly included in this definition.

Mr. SCHWELLENBACH. If I may, I should like to follow through some of the questions asked by the Senator from New York [Mr. COPELAND] which the Senator from Alabama answered by reference to the growing and sale of watermelons.

When an apple grower picks his apples and takes them into his own warehouse, as the Senator from New York has described, and in that warehouse packages them and then stores them, or perhaps first stores them and then packages them, the work being done by the farmer on his own farm, there is no dispute about the fact that it is an agricultural operation. I should like to say frankly, however, that when he takes the apples into market and sells them on the streets of New York City, as the Senator points out, I cannot see that that is an agricultural operation.

What I am interested in is the small apple producer who has a ranch so small that he cannot afford to maintain upon his own ranch a warehouse with the necessary machinery and equipment which such warehouses now must have, under the rules and regulations of the Department of Agriculture on the question of spray tolerance. It seems to me that the bill, under the definitions as they now stand, places at a considerable disadvantage the man who is too small an operator to perform these operations upon his own farm, and who must send his apples to a central warehouse to have the same processing done—by "processing" I do not mean canning; I mean the removal of the spray—and the same sort of storage, and who must bear all those increased costs, as compared with the larger operator who can do these things upon his own place of business.

I cannot see anything fair about that sort of a discrimination. It seems to me the point of difference should be when the agricultural operation stops.

The picking of the apples is an agricultural process. If the man does it on his own ranch, the storing of the apples and the washing of the apples and the packing of the apples are all agricultural processes. If we leave the bill the way it now stands, it is going to mean that the large producer on the large ranch who can afford to maintain the equipment on his own ranch is going to have an unfair advantage over the small man who has only 5 or 10 acres, and who has to send his crop to a central warehouse, or who may join with others in a cooperative warehouse and there have the same processes performed.

I think—and I should like to ask the reaction of the Senator from Alabama to the suggestion—that the line of distinction might be made at the point of agricultural operation; that so long as the operation is purely an agricultural one, it should come within the exemption. When it becomes a processing operation, a canning operation, it ceases to be an agricultural operation. When it becomes a marketing operation, and the product gets to the railroad station, or leaves the warehouse for the purpose of going to the railroad station, it ceases to be an agricultural operation.

I should like to have the Senator's reaction to that suggestion.

Mr. BLACK. I think perhaps I can give the Senator an illustration which will demonstrate how difficult it is to draw the line at the point he mentions.

Going into another phase of farming, let us take the man who raises hogs. A great many farmers who raise hogs kill their hogs on their own farms. They prepare the hogs for market on their own farms, and then send out the product. As the bill is framed, there would be no possible manner in which their employees could be included under the provisions of the bill, because that would clearly be farming; but if we should attempt to draw the line of distinction which the Senator has mentioned we would find that we should have to exclude the meat packers, whom I know the Senator would not believe it desirable to exclude, and we should thereby step into a field which we do not wish to enter.

Mr. SCHWELLENBACH. Mr. President——

The PRESIDING OFFICER (Mr. GREEN in the chair). Does the Senator from Alabama yield to the Senator from Washington?

Mr. BLACK. I yield.

Mr. SCHWELLENBACH. I think it could be very easily done. Following the history of the N. R. A. and the Social Security Acts, in each of those acts the definition was simply of "agricultural labor." The N. R. A., after an investigation, which happened to be of the apple industry, adopted a regulation such as I have suggested. They sent a man out to the West, who made a complete investigation. The Social Security Board refused to do that. They had to deal with the same expression, "agricultural labor", with no attempt to define it, leaving it to the board. The Social Security Board adopted the rule that if the work was done upon the farm,

if the employee whose wage was involved was working on the farm, or working somewhere else upon the products of the particular farm and paid by the farmer, then it would be exempt under the act. I have never been satisfied with that definition, and I think it should go one step further, the step which I include, taking it up to the point of processing.

Let us get back to the hog case now. If we exempt all work done on the farm by the farmer, plus other work up to the point of processing, up to the point where it ceases to be agricultural work and becomes a processing or a marketing work, then it would meet the objection. Certainly these meat packers would not be exempted, because they do the processing; their work is not of an agricultural nature. Let the farmer on the farm who does his own processing on his own farm still be exempt; but where the work is done off the farm, then there should be an exemption of everything that is purely agricultural in its nature.

Mr. PEPPER. Mr. President, is not that exactly what this agricultural definition does? What is there in this definition, in the Senator's mind, inconsistent with that idea?

Mr. SCHWELLENBACH. With all due respect to the committee and the definition, so far as this particular question is concerned, it does not define the term "agricultural labor" any more than the Social Security Act did. What I am afraid of is that the board under this proposed act would accept the definition adopted by the Social Security Board rather than the definition which was adopted by the N. R. A. and the A. A. A.

Mr. PEPPER. Mr. President, will the Senator from Alabama yield to me to make a comparison to illustrate that there is a distinction recognized?

Mr. BLACK. I yield.

Mr. PEPPER. In the turpentine industry, for instance, one way of producing spirits of turpentine is by the harvesting of oleoresin gum from the tree, and then transporting it to a still operated by two or three men, in most instances upon the land of the man who conducts the turpentine operation. That is recognized as agriculture because they are harvesting a product that comes from the tree in its natural state, and putting it through a simple process of distillation.

Mr. SCHWELLENBACH. But it is a processing operation. It goes further than I want to go in this definition.

Mr. PEPPER. That is true, but that kind of a processing operation would be exempted under the provisions of the proposed act, because it is something ordinarily done by the farmer as an incident to his operation.

There is another way of producing spirits of turpentine, that is by means of a wood process. The men go out in the field and dig up the pine stumps and transport them to a sort of crucible, where the stumps are ground up into small particles and processed in such a way that eventually a product comes out which is also called turpentine. That is generally regarded, and it so appeared in the testimony of the experts before the committee, as an industrial operation, because the owner of the industrial process is also the owner who sends his agents out into the field and digs up the stumps and brings them back to the factory.

There is a distinction between agriculture as defined in the exemption here and an industry which is an entirely different operation. So, when we come to the man who is running a canning plant, everyone would know that he is not engaged in the cultivation of the soil or the transportation of a farm commodity, but is conducting an industrial enterprise. He takes the materials to the factory, puts them through a process, and turns out a product. That is an industrial enterprise.

I wonder whether we will not do better, perhaps, to leave a fair range of discretion to the understanding of the board, than to try to make a rigid definition, which might not accomplish the purpose desired and help our people as much as we intended?

Mr. SCHWELLENBACH. All I am asking for is the same provision with reference to apples the Senator has with reference to turpentine. The Senator has had the turpentine business placed under subsection (g) of section 15 of the act of 1929. All I am asking for the apple industry is precisely the same sort of an exemption the Senator has specifically under that section of the old act, the 1931 amendment, which refers to turpentine.

Mr. PEPPER. Yes; but in the turpentine case the one who harvests the gum from the tree also conducts the distilling operation. If that were true in the apple case, the apple industry would be exempt under this definition. But if a third party puts up a distillery for gum turpentine, and everyone who produces gum anywhere in the country brings it to him and he distills it and provides a market, that is not the same.

Mr. SCHWELLENBACH. If the apple growers take their apples to a cider plant, certainly the man who runs the cider plant is engaged in an industrial operation; he is processing. If the apples are taken to a cannery where they are mashed and put into cans that, to my mind, is an industrial operation, it is a processing. I think that if the growers take the apples to market, that is not an agricultural operation. I am not asking to go so far as that.

But it seems that, so long as they remain in their natural state and all of the work that is done upon them is the ordinary agricultural operation up to the point of processing, whether they are handled on the farm or by a group of men gathered together in a cooperative, or turned over to a central warehouse, they should be exempt, because of the fact that if we do not exempt them, we are giving the large producer a very distinct advantage over the small producer, and I am certain it is not the purpose of the bill and is not within the economic theory of the bill to give the large producer an advantage over the small producer.

Mr. PEPPER. Mr. President, I quite agree with the Senator, and that is exactly what I want; but I think it is very clear that under the pending bill they would be exempt even if they were a cooperative, just as the farmer would if he did the work on his own land.

Mr. SCHWELLENBACH. He may not do it himself.

Mr. PEPPER. It would be the same if some of his hands did it.

Mr. SCHWELLENBACH. No; I am referring to the article until it reaches the point of processing, while it is still an agricultural operation, even if it is done by someone else. Under the rules of the Department of Agriculture, it is necessary to install machinery, which costs from $20,000 to $30,000, to wash the apples. I stated here a short time ago that it was almost necessary to turn them out as baked apples in order to get by the rules of the Department of Agriculture. The little man, with 5 or 10 acres, cannot afford to buy that sort of machinery, and he has to send his apples to the warehouse. The big concern, with 50 or 60 or 100 acres, can afford to buy machinery, and, under the terms of the proposed act, the big man would be exempt, while the man who could not afford to buy the machinery would be subject to whatever disadvantages might come as a result of differences in compensation.

Mr. BLACK. Let me ask the Senator from Washington whether or not the wages in his State are ordinarily under 40 cents an hour.

Mr. SCHWELLENBACH. No; I do not think the wages are below 40 cents an hour.

Mr. BLACK. Of course, the board would have no jurisdiction of any wages over 40 cents an hour in any line of business. In addition to that, there are exemptions for seasonal activities. I may also say that the board would likely exercise the same degree of caution and wisdom in connection with matters of this particular type relating to agriculture that seems to have been exercised under the N. R. A., according to the Senator's statement.

Mr. SCHWELLENBACH. Does the Senator think the board appointed under the proposed act would exercise the judgment the N. R. A. board did, or the judgment the Social Security Board exercised? There are two boards. One of them exercised judgment, the other did not.

Mr. BLACK. It is clear that we wish to exclude everything that is a bona-fide agricultural activity. I am not sure about the particular business to which the Senator refers.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. HATCH. I have not been present during all the cross-examination of the Senator——

Mr. BLACK. For about an hour and a half I have been seeking an opportunity to yield the floor; but I am very glad, indeed, to answer any questions I can answer.

Mr. HATCH. There is one question in my mind which is really not a question, because, from the way I interpret the bill, I think the bill itself answers the inquiry. In the definition of agriculture on page 51, which has been discussed, the term is said to include livestock. The question which comes to my mind arises because under another act, the Bankruptcy Act, some of the courts have held that farm operations did not relate to large cattle and sheep ranches which were not connected with the actual tillage of the soil. I am just wondering whether such an interpretation as that could be placed on this measure.

Mr. PEPPER. Mr. President, if I may make a suggestion, I think Senators will find that the word "livestock", as used in this definition, comes literally from Webster's Unabridged Dictionary, and is included within the word "agriculture."

Mr. HATCH. I know that; but the courts have interpreted it otherwise. I happen to know that courts have interpreted the word "farming" to mean anything relating to the tilling of the soil. The courts do not always follow Webster's Dictionary.

Mr. PEPPER. I think the Senator will observe that the committee, not wishing to take a chance with the courts in the matter of the interpretation of the term "stock raising" or "cattle raising", in defining the term "agriculture" specifically inserted the word "livestock" so that there could not be any doubt about it.

Mr. HATCH. That is what I want to know. The Senator's interpretation is the same as mine, and I believe the committee has made a correct interpretation.

Mr. PEPPER. That is what happened in the committee.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. BLACK. I yield?

Mr. COPELAND. I ask the Senator to yield to me just once. It is quite unfair to keep the Senator on his feet so long. I promise him I will not interrupt him again.

Mr. BLACK. I am delighted to answer any question I can answer.

Mr. COPELAND. Did the air-transport representatives appear before the committee?

Mr. BLACK. I do not recall that they did.

Mr. COPELAND. They have asked me to offer an amendment on page 51, line 2, after the semicolon, to insert:

> Or any air-transport employee subject to the provisions of title II of the Railway Labor Act, approved April 10, 1936.

I find, by reference to that act, that it gave a new title to the Railroad Labor Act, and it included those engaged in air service. I do not know why they need to be worried about it, because I have been given a schedule of the wages paid, and really they are quite remarkable. Pilots, for example, get $9.12 an hour. That is for an hour. Copilots receive $1.51. Hostesses receive $1.05. I find that chief mechanics are paid the same amount that they are paid on railroads. Dispatchers are paid the same amount—$1.22.

What would be the reaction of the Senator from Alabama to the acceptance of that particular amendment?

Mr. BLACK. I should be very glad to look into it.

Mr. COPELAND. I thank the Senator. I appreciate it. I will state to him that I have material with reference to it.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. OVERTON. The Senator, in his opening remarks in connection with his presentation of the bill, referred to some letters which he had received from lumbermen. I have received a number of letters from lumbermen in Louisiana and various portions of the South. The situation with reference to the lumber industry in the South is that on account of the nature of the timber and the character of the logs, very much less timber can be produced by manpower there than in other sections of the United States, as, for instance, on the West coast; and if the wage scale in the southern lumber industry were approximately the same or nearly the same as that of the West coast, it would be impossible for the southern lumber industry to compete with western production.

Does the bill take care of a situation such as that?

Mr. BLACK. The bill recognizes the fact that in fixing a minimum wage—which, as I stated in the beginning, is a living wage—there must be taken into consideration the diversities in industry which exist throughout the country; the cost of living in various places, for example.

Mr. OVERTON. Diversities in the same industry?

Mr. BLACK. Certainly. I may state to the Senator that the western lumber people—that is, the vocal part of them—that can be stimulated to action by their Washington representatives are also strenuously objecting to the bill. It is not merely the lumber people or part of the lumber people in any one section of the country that are objecting to the bill. It is some of the lumber people and some of the textile manufacturers and some of the other manufacturers in various sections. The bill does provide, in accordance with the President's message, for fixing differences under the standards set out in the bill throughout the Nation and throughout the diversified industries.

Mr. OVERTON. One more question: There is, and I assume the Senator realizes it, a difference in the cost of production on the part of a small mill, say a portable mill, and a large lumber company which may be operating alongside it in the same territory. Will the board have authority to fix a different wage scale in the case of the portable mill as against the large company?

Mr. BLACK. Am I to understand that the small mill produces at a greater cost than the large mill?

Mr. OVERTON. Either way.

Mr. BLACK. If there is a difference, I should like to get the idea, because I do not know it.

Mr. OVERTON. I understand that there is a difference in the cost of production.

Mr. BLACK. Which has the greater cost of production?

Mr. OVERTON. It is my understanding that the production costs of the small mill are greater than those of the large mill.

Mr. BLACK. Then I suggest to the Senator that an easy way to obviate that difficulty, if the Senator will fight for it, is to offer an amendment which will exempt such industries and manufacturing enterprises as employ only a small number of persons. I may state that personally I shall not be altogether unfavorable to such an amendment. The large lumber people have strenuously objected to such a provision, and the bill at present does not exempt them; but if the Senator will offer an amendment which will exempt the small lumbermen, I believe he will get a great deal of support in this body, although the committee has taken the other course.

Mr. REYNOLDS. Mr. President, will the Senator from Alabama yield to me on that particular point?

Mr. BLACK. I yield.

Mr. REYNOLDS. I am glad that question arose at this time, because I have been somewhat worried in reference to a number of letters I have had from North Carolina in particular relation to the small lumber mills.

I see here this afternoon a large number of Senators from the Southern States. Earlier today, when I was in the Chamber, I heard the Senator from Alabama read a letter from a gentleman who is evidently the head of one of the larger lumber mills in the South. I assume that the letter which the Senator from Alabama read was written by the head of that mill, who employs a great number of men; and at that time the question arose in my mind as to whether or not the enactment of this bill would be to the advantage of the large mill operator and to the disadvantage of the small mill operator. The Senator from Alabama has suggested that the Senator from Louisiana prepare an amendment exempting the smaller enterprises that employ, we will say, for the sake of the argument, approximately 10 men; and I want to say that I would view such an amendment with considerable favor.

Mr. OVERTON. I may say that I am not in charge of the bill, and I rose simply to get information from the Senator in charge of the bill.

Mr. REYNOLDS. I made that statement to the Senator from Alabama, who is in charge of the bill.

Mr. OVERTON. While we are on that subject let me call the attention of the Senator, if he is interested in lumber production, to the fact that if there are two lumber mills of the same size, both employing the same number of men, but one is engaged in virgin-timber operations and the other is not, the one engaged in virgin-timber operations will produce much more lumber per man than the mill engaged in cutting old-field pine and loblolly pine and other inferior quality pine.

Mr. REYNOLDS. In that connection I may say that the man who is lumbering the virgin timber has probably paid less for timber rights than the other.

Mr. OVERTON. No; he can afford to pay a great deal more than the one who is engaged in operating on lumber of an inferior quality. I was about to ask the Senator whether the board would have authority to make a distinction in the wage scale between two operators so situated.

Mr. BLACK. Personally I should not be in favor of the board having power to authorize any lumber mill to continue to pay as little as 10 cents an hour for 12 or 13 hours a day. I do not believe such employment is conducive to the best interests of any part of the Nation. I think it is a practice which is indefensible. I do not believe our civilization requires any such sacrifice on the part of any large percentage of our people. So far as I am concerned, I do not welcome any such hours of work and low wage, even if someone should say they were necessary in order to continue a business, because I do not believe in any business which is dependent upon any such hours and wages.

Mr. OVERTON. But that is not the question I propounded to the Senator. I am not here to defend a wage of 10 cents an hour. I merely wish to know whether, under this bill, if enacted, the board will have authority to provide a different wage scale as between, we will say by way of illustration, a lumber company that is operating an inferior kind of timber in connection with which the cost of production is much greater than that of a lumber company that is operating in virgin timber and whose cost of operation is much less?

Mr. BLACK. I will say to the Senator that it is my judgment the Board would not have the power to fix one wage scale for one unit of industry and another wage scale for another unit of industry, because there are tens of thousands of such units, and the bill does not contemplate any such individual action with reference to individual business units.

Mr. OVERTON. That is the information I desired to obtain from the Senator.

Mr. HARRISON. Mr. President——

Mr. BLACK. I yield to the Senator from Mississippi.

Mr. HARRISON. The question of the Senator from Louisiana and the answer to it cause me to ask a question. The same rate, then must be fixed by the board for sawmills, say, or textile industries, even though one might be located in a very large center where the cost of living would be higher and another in a rural settlement where the cost of living might not be so high, even though both operated in the same State?

Mr. BLACK. No; I did not say anything by which I intended to leave such an impression. That is quite a different thing. What I said was that there could not be given to the board the power to pick out individual business units and to fix the wage for every individual business unit in America. That would be an impossible task.

Mr. GEORGE. Mr. President, right on that point, I desire to ask the Senator whether the board would not have the power to classify or to create a classification?

Mr. BLACK. The Senator is correct.

Mr. GEORGE. So that whatever order was put into effect as to wages and hours would apply to every one included in the classification?

Mr. BLACK. The Senator is correct.

Mr. GEORGE. That is my interpretation of the provision.

Mr. BLACK. That is the correct interpretation, but I was answering a question with reference to the individual business unit.

Mr. PEPPER. Mr. President, is not the authority particularly referred to by the Senator from Georgia found in clause (5) on page 64 of the bill, which reads:

> And (5) suitable treatment of other cases or classes of cases which, because of the nature and character of the employment, justify special treatment.

Mr. BLACK. The Senator is correct. I do not assume that that would be construed as meaning the power to take up cases of individual business units throughout the Nation, but, as the Senator from Georgia so very aptly pointed out, it would give the power to create classifications along such lines as the business exigencies and necessities required in order to reach the desired result.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. BLACK. I yield to the Senator from North Carolina.

Mr. REYNOLDS. Am I to understand that the Senator would accept an amendment to exclude from the provisions of the bill any individual firm, association, or corporation employing, we will say, for instance, 10 or a less number of employees?

Mr. BLACK. I would have no authority to accept such an amendment, because the committee voted to report the bill in its present form.

Mr. REYNOLDS. Would the Senator look upon such an amendment with favor?

Mr. BLACK. I will simply state to the Senator that from the comments I have heard he would probably receive a great deal of support for such an amendment. Whether he would receive sufficient support to adopt such an amendment I cannot say.

Mr. REYNOLDS. I made mention of that initially for the reason that I had in mind a great number of small sawmills operating in North Carolina which employ fewer than 10 men.

Incidentally, in that connection, someone this morning made mention of the canning business and referred to farmers who, with a few employees, engaged in canning fruit which, in many instances, moves in interstate commerce, and, therefore, would be subject to the provisions of this bill. If an amendment were accepted to eliminate from the provisions of the bill those who employ 10 or fewer number, farming interests that were made mention of by someone this morning need have no fear about the operation of this bill.

Mr. BLACK. I may say to the Senator there is quite a difference in viewpoint as to whether or not that should be done. From an examination of the testimony before the committee it appears there was quite a difference of opinion as to the number of employees a company might have to entitle it to an exemption. Some thought there should be an exemption for those employing fewer than 15, some 10, some 8, some 5.

Mr. REYNOLDS. It is my understanding, in that connection, that there is no specific number of employees referred to in the bill.

Mr. BLACK. The Senator is correct. It is one of the strange paradoxes of the situation, if I may be allowed so to state, that those who first objected to the bill chiefly upon the ground that it did provide an exemption of the smaller companies, now object to the bill on other grounds. They originally stated that they would be destroyed by the bill chiefly on account of the fact that it exempted smaller groups. They have now found that they will be destroyed by the bill, anyway. It reminds me, if I may be permitted to read at this juncture, of a statement written a little over a hundred years ago by a very well-known writer. I am going to close; I would have finished about 2 hours ago, except I was asked questions. I am very happy that they have been asked, and I hope I have answered them. However, about a hundred years ago there was a considerable controversy in England about wages and hours. A great controversy arose over whether or not children of 8 years of age should be permitted to work for 15 hours a day, and whether or not women

should work 15 hours a day. There were those who said that if the hours of labor were reduced below 15 it would destroy English business; it was said it would reduce England's production; that it would make England poor. So they had quite a fight over it. The first fight was about 1833. It came up again in 1845, and Lord McCaulay made a very excellent speech on it at that time calling attention to the arguments which had previously been made. A historian writing about the movement in England to reduce the hours of labor from 15 to 12 or from 12 to 10 for children working in factories, said:

> This movement enjoyed the sympathy of all men except the manufacturers and the political economists of the day. * * * At each further curtailment of the workingday, the latter demonstrated in the most positive manner that the proposed new limitation could not fail to rob them of all possible profit, to raise the price of goods, to lower wages, and to ruin the export trade.

Senators may have had such sentiments expressed in their mail.

Let me read next a quotation from Charles Dickens. He said:

> Surely there never was such fragile chinaware as that of which the millers of Coketown were made. Handle them never so lightly and they fell to pieces with such ease that you might suspect them of having been flawed before. They were ruined when they were required to send laboring children to school; they were ruined when inspectors were appointed to look into their works; they were ruined when such inspectors considered it doubtful whether they were quite justified in chopping people up with their machinery; they were utterly undone when it was hinted that perhaps they need not always make quite so much smoke. Whenever a Coketowner felt he was ill-used—that is to say, whenever he was not left entirely alone, and it was proposed to hold him accountable for the consequences of any of his acts—he was sure to come out with the awful menace that he would "sooner pitch his property into the Atlantic." This had terrified the Home Secretary within an inch of his life on several occasions. However, the Coketowners were so patriotic, after all, that they never had pitched their property into the Atlantic yet, but, on the contrary, had been kind enough to take mighty good care of it. So there it was in the haze yonder, and it increased and multiplied.

I call attention of the Senate to that in view of the numerous epistles we have received to the effect that business will close up the day this bill is passed and will cease to function.

Mr. REYNOLDS. Mr. President, may I remind the Senator that ultraconservative statesmen in 1837, 100 years ago, were just as fearful of the future as some of us are today?

Mr. BLACK. The Senator is correct.

Mr. REYNOLDS. So times have not changed much after all.

Mr. BLACK. No. "Time marches on." [Laughter.]

Mr. REYNOLDS. Yes. "Time marches on."

Mr. BLACK. Mr. President, I had intended to discuss some of the other details of the bill, but I assume that Senators have asked me the questions about the particular phases of the bill in which they are interested. So, if there are no further questions, I surrender the floor.

Mr. JOHNSON of Colorado. Mr. President, I have listened with a great deal of interest to the splendid presentation or explanation by the able Senator from Alabama [Mr. BLACK] of his bill concerning wages and hours of labor and child labor. In this connection it has been quite significant that almost nothing has been said of one phase of the bill, and that is the portion of it dealing with and concerning child labor. Not a single question has been asked upon this subject by any Senator. That does not indicate, however, by any means, Mr. President, that child labor is not an important subject, that it is not of deep concern to our country, but, rather, it indicates that this phase of the bill has been entirely submerged because of the importance and the interest of the other phases of the bill. I, therefore, wish to make a motion to strike from the bill——

The PRESIDING OFFICER. The Chair will remind the Senator from Colorado that there is pending before the Senate an amendment offered by the Senator from Oregon [Mr. MCNARY].

Mr. JOHNSON of Colorado. I propose to offer an amendment to the amendment.

The PRESIDING OFFICER. The amendment of the Senator from Oregon is an amendment to the committee amendment.

Mr. BLACK. Mr. President, if the Senator from Colorado will yield, I may state that the Senator from Oregon has offered an amendment to another phase of the bill, and, as stated by the Chair, the amendment of the Senator from Colorado will not be in order until after the amendment of the Senator from Oregon shall have been disposed of. I shall be glad to have the matter come up at any time which will be satisfactory to the Senator, but it cannot come up until after the other amendment shall have been disposed of.

The PRESIDING OFFICER. There is no reason why the Senator from Colorado should not proceed with his remarks.

Mr. JOHNSON of Colorado. I shall proceed with what I have to say on the subject.

Mr. JOHNSON of California. Mr. President, I should be very pleased to hear the remarks the Senator from Colorado desires to submit with relation to what it is he is desirous of accomplishing. Whether it be in order at the particular time or not I do not assert, but it may be in order at some time and I would prefer to have the Senator from Colorado elucidate his particular desire at this time.

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. VANDENBERG. My understanding is the Senator from Oregon submitted an amendment and that it is on the table but is not pending, in which event the amendment of the Senator from Colorado would be in order.

Mr. MCNARY. Mr. President, the Senator from Michigan has stated the parliamentary situation correctly. It is the usual practice, however, to consider committee amendments first.

Mr. BLACK. Mr. President, the committee has offered one amendment in the nature of a substitute for the entire bill, and therefore there will be no series of committee amendments. The amendment of the Senator from Oregon would be appropriate to be offered to the amendment of the committee in the nature of a substitute.

Mr. MCNARY. I am willing to offer my amendment in order that we may have one pending.

The PRESIDING OFFICER. The Chair understands the Senator from Oregon has already offered an amendment to the committee amendment.

Mr. MCNARY. No, Mr. President; I did not offer it. I said I would do so at an appropriate time, and I am willing to do so now if this be an appropriate time.

The PRESIDING OFFICER. The Chair understood the Senator had offered the amendment to the committee amendment.

Mr. JOHNSON of Colorado. Mr. President, I wish to submit an amendment to the committee amendment. Is that in order at this time?

The PRESIDING OFFICER. Does the Senator from Oregon withdraw his amendment?

Mr. MCNARY. I do not offer it at this time in view of the statement of the Senator from Colorado. I withhold my amendment so that he may proceed.

The PRESIDING OFFICER. The Senator from Colorado will proceed.

Mr. JOHNSON of Colorado. Mr. President, I move to strike from the pending bill every word, phrase, part of sentence or sentence, part of paragraph or paragraph, part of section or section, refering to child labor. If the amendment should prevail it is my expectation to submit a motion that Senate bill 2226, known as the Wheeler-Johnson bill, shall be made a special order to come before the Senate for consideration.

Mr. President, no subject is more endowed with national interest than the welfare of the Nation's children. The Nation's future existence, the intelligent use of its resources, the role it will play in world affairs, depend upon its children—upon whether they are physically fit, whether they are trained in self-control, in holding a proper respect for the rights of others, and in understanding their own rights and their own duties and responsibilities as citizens.

Such fundamentally important characteristics are not promoted by submitting their undeveloped bodies to working for long hours at the factory bench or at the machine, or in the sweatshop. England learned a hundred years ago that sending young children into the mines and factories to work for long hours was undermining the English race.

Nevertheless, the child-labor problem in America is a growing one. The depression brought about a general break-down of labor standards, particularly child-labor standards, resulting in the revival of the sweatshop, in long hours of work, and in low wages for child workers. N. R. A. set up a general 16-year minimum age for full-time employment in industry and trade, effective throughout the entire country. This met with the widespread approval of employers, employees, and the public alike, and during the time the codes were in effect, the employment of children under 16 in these occupations was practically eliminated. After N. R. A. was declared unconstitutional there was an immediate increase in child labor, which has since continued to grow. In the last 7 months of 1935, the number of children leaving school for work was 53 percent greater than during the whole 12 months of 1934. During the first 5 months of 1936, the number of 14- and 15-year-old children certified for work increased 150 percent over the corresponding 5 months of 1935 when the codes were in effect.

Early in this year, the President, in a letter to the Governors of certain States, made this significant observation:

> It is clearly indicated that child labor, especially in the low-paid unstandardized types of work, is increasing. I am convinced that Nation-wide minimum standards are necessary and that a way should be found promptly to crystallize in legal safeguards public opinion in behalf of the elimination of child labor.

The President has spoken well and timely. It should be remembered that the States now have full power and authority to deal with child labor within their own boundaries. However, they cannot protect themselves against child-labor competition from outside of their boundaries. Only Congress can do that. In order to be rid of child labor in America, then, there must be action by the States and by the Congress. The States have been continually addressing themselves to this worthy objective, but Congress has done very little with it since its Child Labor Act of 1919 was declared unconstitutional. The burden is now upon us to move forward. Shall we accept the challenge? There must not be a no man's land in America in child-labor regulation.

Child-labor legislation can very well be separated into two distinct classifications: Child labor engaged in the production of goods that find their way into interstate commerce is presumed to be subject to the regulation of the Congress under its constitutional powers to regulate commerce; all other child labor with all other results and for all other purposes is subject to the police powers of the respective States and under the Constitution is the sole responsibility of the States.

Generally speaking, 75 percent of child labor—not including child labor in agriculture—comes under this second classification and is permitted to exist in whatever degree it does exist by the States, leaving only 25 percent subject to regulation by Congress.

The interest of so many Senators in child-labor legislation in this session is most gratifying. The Supreme Court has pointed the way to a new approach to this problem in the decisions approving the regulation of prison-made goods. On January 6, the Senator from Washington [Mr. SCHWELLENBACH] introduced S. 26, to divest goods, wares, merchandise, products, and commodities of their interstate character in certain cases, which was referred to the Commtitee on Education and Labor. On January 11, the Senator from Missouri [Mr. CLARK] introduced S. 592, for the same purpose, and it also was referred to the Committee on Education and Labor; but on May 11, at the request of the Senator from Missouri, it was referred to the Committee on Interstate Commerce. On January 12, the Senator from Kansas [Mr. CAPPER] introduced his child-labor bill (S. 668), which was referred to the Judiciary Committee. On March 24, the Senator from Montana [Mr. WHEELER] introduced S. 1976, which was referred to the Committee on Interstate Commerce. On March 29, he introduced an amendment in the nature of a substitute to this bill. On March 29, I had the honor to introduce S. 2068, which was referred to the Committee on Interstate Commerce. On April 19, the Wheeler and Johnson bills were consolidated into Senate bill 2226. On May 6, the Senator from Kentucky [Mr. BARKLEY] introduced Senate bill 2345, a bill similar to my original bill. On May 13, the Senator from Alabama [Mr. BLACK] introduced Senate bill 2454 almost in the identical form of the Johnson and Barkley bills. On May 24, after the Interstate Commerce Committee had held extensive hearings, considered, amended, and submitted the Wheeler-Johnson bill, the Senator from Alabama [Mr. BLACK] introduced Senate bill 2475, to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, including a child-labor rider, which was referred to the Committee on Education and Labor. Rather extended hearings have been held by that committee, and their report is now before you, and the Black bill is up for your consideration.

Many of the States have assumed their full responsibility, and have enacted legislation regulating, curtailing, and prohibiting child labor. Every State now has a child-labor law. As would be expected, these State laws are not uniform, nor are they, in a majority of States, at all adequate. There is wide variation between States in standards and in the occupations covered. Agriculture and domestic service are, as a rule, excepted from regulation.

In 33 States the minimum-age standard is 14 years, and in 4 States 15 years, but in a number of these States exemptions of various kinds cut under the minimum age specified. Ten States have a basic minimum-age standard of 16 years which applies to factory and related employment and to all work during school hours. One of these 10 States extends this minimum-age standard to all industrial and commercial employment at any time, but the remaining 9 States have exemptions permitting nonfactory work outside school hours, usually at 14 years.

Most States have recognized the need for protecting young workers from employment which is dangerous to life or limb or injurious to health or morals. The laws of 43 States establish a higher minimum age for hazardous work than is fixed for general employment. These provisions of the State laws are very uneven, some States prohibiting employment in a comprehensive list of hazardous occupations, while others specify only a few. Seventeen States have substantial prohibitions extending up to 18 years, 1 State to 17 years, and 25 to 16 years of age.

The maximum work week established for minors under 16 years of age varies from 40 to 60 hours. Two States have a 40-hour week for minors under 16 years, and in one other all industrial and commercial employment is barred under 16 years. Six States have a 44-hour week, and 32 a 48-hour week. In the remaining States the maximum weekly hours' limitation for minors under 16 years is still 54 hours or longer. Forty-six of the 48 States prohibit night work of minors under 16 years, the prohibited period covering from 7 to 14 night hours.

It is the opinion of many students of this problem that in order to have uniform laws and uniform standards, the police powers of the several States to regulate child labor should be surrendered to Congress; and, to bring this to pass, they favor either the ratification by eight more States of the original amendment to the Constitution submitted for that purpose 13 years ago, or, if that is out of the question, the submission by the Congress of a new amendment that the States will ratify. We have on the calendar at this time another proposed amendment to the Constitution reported by the Judiciary Commitee and sponsored by the senior Senator from Michigan [Mr. VANDENBERG], which it is hoped by some will overcome many of the objections that have caused the first amendment to fail of ratification.

Recent polls taken of the Senate have disclosed the fact that the Members of this body apparently are overwhelm-

ingly in favor of the enactment of child-labor legislation at this session of the Congress. Two bills for this purpose are before you now.

Regarding the need of getting rid of child labor, there is no serious disagreement among the Members of the Senate; and if you will accept a clear-cut bill specifically designed to achieve such an objective, not involved with other highly controversial questions, it will, in my opinion, be promptly passed by Congress by an overwhelming vote.

The real question before the Senate is: Shall it consider the very important child-labor problem in a separate bill, such as the Wheeler-Johnson bill, well and carefully written; or shall it attach a child-labor measure as a rider to the very complex and deeply involved Black bill, which, according to some of the newspapers, has a very poor chance of receiving favorable consideration by the House. If child-labor legislation is defeated by this Congress, the responsibility for that defeat will rest upon Senators who stubbornly resist an honest effort to separate into two bills two distinctly different problems.

The Washington Herald on Tuesday, June 29, carried this interview with Mrs. Roosevelt:

> To a remark that prospects for child-labor legislation were brightening, she stated: "I don't much care how we get rid of child labor, just so we do."

It seems to me that Mrs. Roosevelt has given the Senate the right cue for settling the controversy that is before us. If the Black bill has a chance to pass, and if child labor can better be eliminated by it, then the child-labor rider in it should be retained. If, however, we can get rid of child labor better by a separate measure solely devoted to its elimination and regulation, then the Wheeler-Johnson bill should prevail, and the child-labor provisions, which form only a minor part of the Black bill, should be eliminated from that ambitious measure.

President Roosevelt, in his address before a joint session of the two Houses of Congress on January 6, 1937, made this statement, which is especially pertinent at this time:

> Sober second thought confirms most of us in the belief that the broad objectives of the National Recovery Act were sound. We know now that its difficulties arose from the fact that it tried to do too much. For example, it was unwise to expect the same agency to regulate the length of working hours, minimum wages, child labor, and collective bargaining.

If it was unwise to expect one agency to regulate the length of working hours and minimum wages and child labor under the National Recovery Act, then for the same good reason it is not logical to lump them all together in the Black bill, making the same fatal mistake over again.

As a matter of fact, child-labor regulation is an important subject of legislation in itself. It has received much consideration by the Congress, by the courts, and by the several States. It is neither fair to the courts nor to the States to tie it up with fair labor standards legislation on wages and hours, espionage, and strike breaking.

I may say that the original Black bill had two other phases besides the three phases we are considering today. It dealt with the regulation of strike breaking, for instance, and a part of it dealt with espionage. Some of the witnesses before the Committee on Education and Labor recommended to the committee that they take out of the bill the features of the bill dealing with espionage, strike breaking, and child labor. The committee very wisely, it seems to me, acted upon that advice insofar as espionage and strike breaking were concerned, but they failed to follow that very good advice in separating the child-labor features from this wage and hour bill.

Donald R. Richberg, who had great responsibility in the administration of the N. R. A., in his testimony before the joint committee on the Black bill, had this to say:

> N. R. A. showed graphically the danger of overloading an administrative body with too many tasks of great complexity and vesting it with too much discretion in their performance.

I have studied the Black bill thoughtfully, and I have carefully read all of the testimony given in the extended hearings upon that bill. In my humble opinion the measure's objectives are sound and desirable; and, while the bill is shrewdly drawn, it has some serious weaknesses, most of which the committee has attempted to correct. If there ever was a bill that needed to be checked and double-checked, if there ever was a bill that needed to be gone over with a fine-toothed comb, it was the original Black bill. When this bill has been amended by the adoption of the committee's report in accordance with the suggestions made at the hearings, I expect to support it; and it is not now my desire, in my efforts to separate the child-labor rider from it, to emasculate or weaken it in any respect. It is my desire to be constructive and helpful to the whole cause of labor in the changes which I seek.

However, I greatly fear that the Committee on Education and Labor is not sufficiently impressed with the staggering administrative job confronting the board created by the Black bill with reference to minimum wages and maximum hours, a job that it is estimated will require 100,000 persons to administer. The so-called "oppressive child labor" practices should go to the Children's Bureau, experience having proved that they can be dealt with most efficiently by this splendid and experienced agency. It is unjust to exploited children to insist that their regulation shall be provided for in an omnibus measure that is headed straight for a prolonged controversy, not only in Congress but before the courts as well.

Under the Black bill, child-labor regulation is placed in the hands of a quasijudicial board and the Children's Bureau, to act with divided authority, which is most unfortunate. It is generally conceded that the Black bill must travel an almost uncharted course so far as the courts and public opinion are concerned. It faces many difficulties and court hazards that child-labor regulation does not now have. It undertakes a new approach to the solution of an old problem, and it is not fair to let such an experiment ride upon the backs of exploited children.

The broad and extended delegation of power to a new bureau under the Black bill looms large as a most formidable constitutional hurdle. The whole measure is based upon the theory of arbitrary rule by men, and most completely circumvents the democratic theory of rule by law. Such theories have always been difficult to fit into the Constitution of this American democracy.

Under the committee's substitute for the child-labor provisions, the Chief of the Children's Bureau alone determines whether or not the products of child labor shall be denied the privilege of interstate commerce. I want Senators to get this, for it is important. Under the committee's substitute, she has a right to permit child labor in Texas and rule it out in New York, or to sanction it in a Ford factory and stop it in a General Motors factory. Under the committee's substitute the Chief of the Children's Bureau becomes without restraint the dictator over child-labor products in interstate commerce. I wonder if the courts will hold such delegation of power constitutional. I do not say that the present Chief of the Children's Bureau, Miss Katherine Lenroot, will abuse that power, because I have great admiration for and implicit confidence in this able and distinguished woman, but I do say that Congress has no constitutional right to delegate its legislative powers to any person. Ours is presumed to be a Government by laws enacted by Congress and not a Government of persons empowered by Congress to not only enforce laws but to enact them as well.

The committee substitute bill provides for Federal "payment of State and local agencies, officers, and employees, notwithstanding any other provisions of law." That is a startling, new, and unique use for Federal funds. Man cannot serve two masters, but local officers, agencies, and employees are to become the hirelings of the Federal Government and are to be tempted by Federal cash. How will the States like that?

Again, on page 65 of the committee substitute, we find this very drastic proviso:

> It shall be unlawful for any person directly or indirectly to employ any employee in violation of any term or provision of an order of the board made under this section.

This section deals with goods that are not actually in interstate commerce, so I say this is very drastic power that is delegated to a board by this bill.

Why should the Congress inject the regulation of child labor, which is relatively simple, into all the complexities and uncertainties of the wage and hour bill? Is it possible that child labor has been added to this wage and hour bill to obtain public sympathy for a program over which there is great difference of opinion and controversy, and to which there is no small amount of opposition? If that be the purpose, then I say with all the force at my command that it is not fair to pillory the elimination of child labor in such a cause or to sacrifice the determination by America to be rid of child labor for such an objective. Let each proposal stand on its own feet. Child labor does not belong in a wages and hours bill.

The original Black bill does contain some glaring inconsistencies which are not in line with the objectives of this administration. I feel certain that the Senator from Alabama did not write the original Black bill. In fact, I doubt whether any Member of this body had even read it before it was introduced and sent to a Senate committee. According to rather widespread rumors, the original Black bill, Senate bill 2475, is the production of a legislative canning factory that specializes in canned legislation and still employs childish labor in its awful "brain trust" productions. The Congress, the courts, and the country are sick and tired of that kind of foolishness. I shall point out just a few of the queer things in the original Black bill as an illustration. It sets up a quasijudicial board consisting of five members, with the peculiar provision that two of its members shall constitute a quorum. Boards are seldom harmonious; factions and differences naturally occur. Under this most unusual quorum provision the ridiculous situation will doubtless arise wherein two meetings of this board, each legally constituted, will be held simultaneously, and our two good horses will be pulling each other all over the field to be plowed.

Other parts of this bill are equally strange. Under the provisions of the bill, oranges from a Florida orchard could not enter interstate commerce if a boy under 16 years of age had anything to do with their production. Butter and cheese from Wisconsin would be barred from interstate commerce if a child under 16 years of age had milked the cow or had driven the dairy herd to pasture. Flour manufactured from Kansas wheat and cornmeal from Iowa corn must remain in those States because boys and girls under 16 years of age had a part in their production, and these commodities so vital to our existence become unfair goods because they were produced in part by so-called oppressive child labor, and therefore cannot enter the flow of interstate commerce.

Another provision of the original Black bill which is really startling makes all foreign goods subject to all of the restrictions placed upon domestic commerce, and while I personally am enthusiastically in favor of such a foreign policy, I fear that the distinguished Secretary of State, Mr. Hull, will not subscribe to it. This provision will upset every reciprocal-trade agreement in the land. It is claimed that the Black bill is an administrative measure; I cannot believe it because, as I understand it, the administration is pledged to a policy of foreign importations regardless of the labor conditions used in the production of foreign-made goods.

There is a general opinion out over the country, and often spoken of by the Members of the Senate, that the major difficulty in recent years in having the acts of Congress upheld by the Supreme Court has resulted from the practice of having inexperienced persons, not familiar with the country's needs and who are not Members of Congress, draft our bills. After a careful study of the original Black bill I, too, must frown upon such careless, dangerous, and subservient practices.

There are two bills before us at this time. One represents the efforts and study of the Committee on Interstate Commerce, the other is a child-labor rider on the wages and hours bill. Our course should be clear.

I say it is a rider. I looked through the bill very carefully. I thought they had perhaps left out the child-labor provision. When I reached almost the last page of the bill, under the title of "Penalties" I found the child-labor provision. The child-labor provision that was under "Penalties" had nothing to do with penalties, yet it was inserted there as a rider.

The President in his letter to the Senator from Kentucky [Mr. BARKLEY] on Thursday a week ago said:

> On the Congress of the United States falls the primary responsibility for the adoption of methods. On the President falls the responsibility of recommending objectives.

The President has asked for child-labor legislation as a proper objective. The method will be left entirely to us, as it should be.

The Wheeler-Johnson bill, which I earnestly hope the Senate will choose as the bill to be enacted, has been drawn with a careful consideration of three important Supreme Court decisions: Hammer against Dagenhart, Kentucky Whip & Collar Co. against Illinois Central Railroad, and Whitfield against Ohio. It has been drawn with the firm conviction that there should not be a "no man's land" in child-labor legislation between the police powers exercised by the States and the authority over commerce that is manifestly vested in the Federal Government. The Hammer against Dagenhart decision of nearly 20 years ago is squarely challenged in the pending bill, as it should be. If that decision can be overcome, child-labor legislation immediately becomes a very simple proposition.

Mr. SCHWELLENBACH. Mr. President, I do not wish to interrupt the Senator if he does not want to be interrupted, but I should like to have him yield for a moment.

Mr. JOHNSON of Colorado. I yield.

Mr. SCHWELLENBACH. I should like to ask whether in the Senator's bill he has proceeded upon the basis of an assumption that the Whitfield case overruled the case of Hammer against Dagenhart, or on the assumption that it did not overrule it, and that the rule in Hammer against Dagenhart is still in existence.

Mr. JOHNSON of Colorado. I will reach that point in a very few minutes. We challenge the Hammer against Dagenhart decision in a separate section of our bill. We set out a provision separately as a challenge to that decision. If that part of our bill is upheld, as we believe it will be upheld, then the Wheeler-Johnson bill becomes a very simple measure. If it is not accepted by the Court, then we have something in our bill which undoubtedly they will accept.

Mr. SCHWELLENBACH. In other words, the Senator goes upon the assumption that the Supreme Court now will overrule the decision in Hammer against Dagenhart, and if they do not, then the Senator proceeds upon the basis of the decision in Whitfield against Ohio, and other cases?

Mr. JOHNSON of Colorado. That is correct.

Mr. WHEELER. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHEELER. In further answer to the Senator from Washington, we took the position that the old law was flying in the face of the decisions of the Supreme Court. We drafted the bill so as to try so far as possible to get around some of the objections laid down by the Supreme Court in the original child-labor case, Hammer against Dagenhart. Then we drafted a provision so that if they did hold the first provision unconstitutional, the bill would come under the decision in the so-called prison-made-goods case.

In my judgment, and in the judgment of many others who have given a great deal of time and a great deal of thought to the child-labor movement, and to an effort to eliminate child labor, including some very eminent liberals in this country, either one or both of the provisions would for all practical purposes put an end to child labor.

If I may be permitted further, our bill would prevent the shipment of goods made by child labor into a State such as New York, which is a large user and consumer of goods, or into the State of Pennsylvania, or into the State of Massachusetts, where the goods happened to be made in some State where there was no provision equivalent to that of the law of the State of Massachusetts or of Pennsylvania or of New York. After all, it is the large industrial States which are large consumers of prison-made goods, and likewise they are

the ones which generally have the best laws with reference to prison-made goods.

In addition to that, we sought to include, and feel that we did include, a provision, which was very carefully drafted, to prevent goods being shipped out of New York, as is being done at the present time, and processed by child labor in some other State and brought back into New York for the purpose of evading the State law.

I feel a good deal as the Senator from Colorado feels, that the pending bill is flying directly in the face of the Supreme Court decision in Hammer against Dagenhart, and also flying in the face of the Supreme Court, in my judgment, with reference to the question of whether or not the Congress can properly delegate the power attempted to be delegated to the Children's Bureau to say what is oppressive child labor in one particular case and what is not oppressive child labor in some other case.

If I may further interrupt the Senator, I wish to say that I appreciate the fact that at the moment I introduced a child-labor bill, because of the particular stand I had taken on the Court bill, immediately the Department got busy and sent down a bill of its own. Representatives of the Department came before the Committee on Interstate Commerce and actually said they did not want any child-labor bill at all enacted, that they did not want any child-labor legislation passed, and they did not want it because they felt it would defeat the proposed amendment to the Constitution of the United States.

Of course, that is a perfectly ridiculous statement for them to have made, and a perfectly ridiculous position for them to have taken. But they made the record, and the statement stands in the records of the Committee on Interstate Commerce and in the testimony before that committee.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. I think that in fairness it ought to be said that actually the position of the Department was that if legislation, either of the prison-made-goods type or the type of legislation which had previously been enacted and had been nullified by the Supreme Court, would retard the ratification of the child-labor amendment they preferred not to have legislation. They did not make the flat statement that they did not want any legislation, but they did not want anything that would interfere with the ratification of the child-labor amendment, or would hold out a false hope that it was not any longer necessary to urge the ratification of the amendment.

Mr. WHEELER. I have not the testimony before me, but I think the Senator will find in the record that they not only came here themselves, but they sent out telegrams to a large number of people to come before the committee and testify against both the bill of the Senator from Colorado, which was drafted in conjunction with Mr. Edward Keating, the publisher of Labor, who originally in the other House introduced and had passed the child-labor law, and the other proposal, and they were opposed to a combination of all, because they said they felt it would stop the amendment to the Constitution.

What I have in mind is that I want to put an end to child labor in this country. I have been in favor of stopping child labor, and I worked in my own State when I was in the legislature, in 1910, to that end, and I have been constantly in favor of such legislation. I took that position from a practical standpoint, because of my experiences when I was in the State of Massachusetts, working for a producer of textile machinery. They were selling a great deal of textile machinery in the Southern States, and when I was there working for that firm I came in contact with correspondence from chambers of commerce and others in the South urging this manufacturing firm to come into the South and set up factories in some of the Southern States, saying, "You can come down here and exploit cheap white labor."

As the result of that, many manufacturers moved down there for that purpose. I felt that we ought to have a national child-labor law and we ought to have a national law affecting wages and hours of labor; and if the manufacturing interests of the country want to compete, let them compete on the basis of such laws. First, we should fix a minimum wage and maximum hours and provide that standards of labor and hours of labor must be virtually the same throughout the country, and the manufacturers can compete in the matter of efficiency from that point on.

Mr. President, I submit that a careful reading of the child-labor provisions of the pending bill shows that they are not going to do the work. The provisions may be declared unconstitutional by the Supreme Court of the United States on the ground of unwarranted delegation of power or because the proposed legislation is flying straight in the face of the Supreme Court's decision in the case of Hammer against Dagenhart.

I thank the Senator from Colorado [Mr. JOHNSON] for permitting me to interrupt him. I apologize to him for having taken so much of his time. However, I did desire to make that statement at this time.

Mr. BARKLEY. Mr. President, will the Senator yield to me for a moment?

Mr. JOHNSON of Colorado. I yield.

Mr. BARKLEY. I am sure the Senator from Montana would not intentionally make an inaccurate statement with respect to the testimony before the Interstate Commerce Committee. Inasmuch as he referred to Mr. Edward Keating, who has probably been interested in child-labor legislation longer than any of us, it may be well to state just what he said at the time.

I introduced one of the bills that was under consideration by the committee. Numerous bills had been introduced. Finally a bill was introduced jointly by the Senator from Montana [Mr. WHEELER] and the Senator from Colorado [Mr. JOHNSON] which incorporated the principles of the previous act of Congress which had been declared unconstitutional, which was the sole basis of the first bill introduced by the Senator from Colorado, but which was later combined with and became known as the Wheeler-Johnson bill, carrying out almost identically the original act of Congress of 1916, and also incorporating the prison-made goods idea. It was a double-barreled bill. It was on all these measures that we held hearings.

In his testimony before the committee Mr. Keating started out by quoting from a speech I made in 1916 in the House of Representatives in behalf of the bill then known as the Keating bill. I asked him the specific question whether he thought the enactment now of legislation of either type or both types would retard the ratification of the child-labor amendment. I frankly stated that, so far as I was concerned, I should prefer not to have any legislation on the subject now if it would make it impossible to ratify the child-labor amendment, which had been ratified by 28 States, and lacked ratification by only 8 more States. My recollection is that Mr. Keating most emphatically stated, in reply to a question from me, that he took the same position, and that if he thought the enactment now of either bill would retard the ratification of the child-labor amendment, he would oppose both of them.

Mr. WHEELER. Mr. President, I have his statement right in front of me. I shall read it. It was the position not only of Mr. Keating but of anyone who had any sense at all that they would not urge the passage of any legislation which would retard the ratification of the child-labor amendment.

In answer to the question, Mr. Keating said quite frankly:

> Mr. Chairman, if I imagined that the passage of this legislation would in any serious measure interfere with the ratification of the child-labor amendment, my advice to this committee would be to toss the legislation out of the window, because, as I stated in the beginning, I fully agree with Senator BARKLEY that the problem of protecting the American child is not a State matter exclusively.

That, of course, was not only the position of the Senator from Colorado and my position, but, as I understood, it was the position of the Senator from Kentucky [Mr. BARKLEY]. The position of those who came down here at the instigation of the Labor Department, however, was that they did not want any child-labor legislation passed because they said

that in their opinion it would delay the amendment of the Constitution.

Mr. BARKLEY. That was not the language. I think their position was very much similar to that taken by all of us. What the Department feared was that a false sense of security would be injected into the situation if legislation were enacted now. While I do not want to go into that proposition, I did not want any misapprehension as to the attitude of those who came before the committee.

Mr. SCHWELLENBACH. Mr. President, will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. SCHWELLENBACH. In view of the fact that the Senator from Montana felt that it was because of his attitude upon other legislation that this position was taken by the Department of Labor, I think I should include a statement in the RECORD.

Last year, very shortly after the opinion was handed down by the Supreme Court in the case of Whitfield against Ohio, which, as I remember, was on April 4 of last year, I introduced a bill dealing with prison-made goods on the same basis as previous legislation dealing with child labor. That was before the Court measure was submitted. Then I introduced a similar bill this year, immediately after Congress convened, which was also before any proposed Court legislation came up. The attitude of the Department of Labor toward my bill was precisely that described by the Senator from Montana as having been the attitude toward his bill. There certainly was not any motive upon the part of the Department of Labor of being unfriendly to me because of my attitude on the Court legislation, because it was prior to the time that the Court bill was proposed. I may say that they had the same attitude last year toward me and my bill that they had toward the Senator and his bill.

Mr. WHEELER. I thank the Senator very much. If I misstated, I withdraw the statement.

Mr. WHEELER subsequently said: Mr. President, I wish to say to the Senator from Kentucky [Mr. BARKLEY] that I desire to correct a statement which I made a moment ago. I said that representatives of the Department of Labor had made the statement that the Department was afraid that the passage of a child-labor bill would defeat a constitutional amendment on the same subject. I have read the testimony since then, and find no statement of that kind by representatives of the Department. I found in the record a statement by someone else to that effect, and I confused the testimony. In fairness to the Department, I wish to correct what I said.

Mr. JOHNSON of Colorado. Mr. President, I appreciate the contribution of the Senators who have spoken.

Senators will recall that in Hammer against Dagenhart, the Supreme Court held by a 5-to-4 decision that the Child Labor Act of 1916 was not a regulation of interstate commerce, although it was admitted that the Constitution, giving Congress the right to regulate commerce among the several States, included the right to prohibit certain products from interstate commerce entirely. In fact, the Court had so held in a number of previous cases. Thus, the Lottery Act of 1895 had prohibited the interstate shipment of lottery tickets. The pure-food law of 1906 prohibited the interstate transportation of adulterated foods. The Webb-Kenyon Act of 1913 prohibited the interstate shipment of liquor in violation of any State law. More recently, Congress has prohibited the interstate transportation of diseased plants, stolen automobiles, and kidnaped persons. All these acts have been held constitutional. Section 6 of the Sherman anti-trust law of 1890 prohibits the interstate transportation of trust-made goods. This was held valid in the American Tobacco Co. case in 1911.

Why there should be a difference between trust-made goods and child-made goods, so that Congress may regulate one and not the other has never been pointed out. The commodities clause of the Interstate Commerce Act makes it unlawful for a railroad to transport in interstate commerce any commodities in which it has an interest, direct or indirect. This was held constitutional in 1918 in a case involving coal. It was held legal to prohibit the transportation of coal because a railroad was involved in mining it. Had children been used to mine the coal, is it logical that Congress could not prohibit its transportation for that reason?

Also, since 1894 there has been a Federal act prohibiting the importation of convict-made goods. The Court within the past 2 years has upheld both State and Federal legislation prohibiting interstate commerce in prison-made goods, saying that such legislation proceeded upon the view "that free labor, properly compensated, cannot compete successfully with the enforced and unpaid or underpaid convict labor of the prison." Is not the same thing true of child labor? Since the competition of convict labor with free labor is a proper matter for the concern of Congress, most certainly the competition of child labor with the labor of adults with families to support should also be the concern of Congress.

If, for the sake of argument, we consider the rule laid down by the Court in the first Child Labor case as sound and accept the distinction between the prohibiting the transportation of goods which are harmful and those which are not harmful, still the decision in the case that child-made goods are not harmless in themselves was all wrong.

States cannot maintain high child-labor standards if other States with lower standards are allowed to flood the market with cheap child-made goods. Progressive businessmen might well say, "We deplore the use of child labor; we would favor a State law raising the age at which children shall be permitted to work; but we cannot do so as long as our neighboring States continue to use child labor, and ship their products into this State in competition with our goods."

Mr. WALSH. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WALSH. I have not been able to hear all the able argument being made by the Senator from Colorado. I know the Senator's extensive studies of this subject, and I am especially interested to know his view concerning what he thinks should be the age limit in connection with any child-labor legislation.

Mr. JOHNSON of Colorado. In the Wheeler-Johnson bill we have placed the same limit that is provided in the Black bill, the limit being 16 years except in the case of hazardous occupations. Those employed in such occupations shall not be under 18 years of age.

Mr. WALSH. I am pleased to know that the Senator entertains those views, because they are my own. I desire to add that in the so-called Walsh-Healey Act a provision was made to prevent those engaged in Government contract work from employing males under 16 and females under 18 years of age. That provision has developed a very unsatisfactory situation. The Labor Department has had considerable trouble in connection with it. The Labor Department has had to make exceptions in the case of females under 18 years of age. The situation exists in this country today, which we ought to face, that there are just as many females over 16 years of age who want employment as there are males, and we ought to try to equalize the age limit for both. I am pleased to know that the Senator is in accord with the suggestion that the age limit for both males and females should be 16 years.

Mr. JOHNSON of Colorado. I thank the Senator from Massachusetts for his contribution.

The Supreme Court, in 1936, and again in 1937, decided that the competition of prison labor with free labor brought about a harmful result which might be corrected by regulating commerce in prison-made goods. I submit that the Court has thereby, in effect, overruled the Child Labor case, for the competition of child labor with the labor of the breadwinner in the family is identically the same problem. If one is valid, so is the other.

I cannot believe that the Supreme Court of the United States today would refuse to see what all the civilized world has long known. I believe that the Court today would agree that interstate commerce in child-made goods is at least as harmful as is interstate commerce in prison-made goods—harmful to the members of industry trying to operate without child labor; harmful to States which are trying to maintain higher standards of labor; harmful to the future safety of

the Nation, which tomorrow must depend upon the physical and mental competence of the children of today to protect its shores and govern its affairs.

In his decision in the Minimum Wage case the Chief Justice propounded a query, which I interpret to be a direct invitation for a new Child Labor Act. Chief Justice Hughes asked the question:

> What can be closer to the public interest than the health of women and their protection from unscrupulous and overreaching employers?

The answer is written in the heart of every parent in the land. Only one thing is closer—the preservation of the health, the morals, and the general welfare of the children of America.

The Court has reversed itself in order to protect working women. I predict that, if given the opportunity, it will do as much for exploited children.

I therefore most earnestly believe that if given the opportunity, the Court, in the light of present-day knowledge of the effect of child labor upon the labor market and upon the physical and mental development of the race, would overrule its decision in the first Child Labor case and uphold the power of Congress to prohibit the facilities of interstate commerce to products made with child labor.

The President, in his message to Congress on May 24, urged that the Hammer-Dagenhart decision be challenged. He said:

> A majority of the Supreme Court, however, decided 5 to 4 against Mr. Justice Holmes and laid down a rule of constitutional law which has ever since driven into impractical distinction and subterfuges all attempts to assert the fundamental power of the National Government over interstate commerce.

In the Wheeler-Johnson bill this unfortunate decision is squarely challenged. In the light of all the Supreme Court decisions of the past 20 years it is hardly conceivable that the majority opinion in the Hammer-Dagenhart case will continue to be sustained. But if section 4 of the Wheeler-Johnson bill, which squarely challenges that unfortunate decision and boldly adopts the principles of the invalidated Child Labor Act of 1916 and prohibits the shipment of the products of child labor in interstate commerce, is declared unconstitutional, all will by no means be lost. The separability clause of the act specifically singles out section 4 by number as an independent and separate approach to this problem. If section 4 is upheld, this bill will be very simple. If section 4 is not upheld, then the bill proceeds on other theories which, while more complicated and awkward as to administration, will without doubt be effective in eliminating child-labor goods seeking to move in interstate commerce.

This composite bill presents the consolidation in a single bill of several approaches to constitutionality, each unique in itself so that if one or more fails to receive the approval of the Court, the balance of the bill is still effective. It makes the laws of every State governing the sale of child-labor goods apply to such goods shipped in interstate commerce when they enter that State from the outside. It prohibits the transportation of child-labor goods into States which forbid their sale. It requires an informative label to be attached to child-labor goods when offered for transportation in interstate commerce.

That the Members of the Senate were much impressed by the Supreme Court decision rendered on January 4, 1937, in the case of Kentucky Whip & Collar Co. against Illinois Central Railroad Co. is evidenced by the immediate introduction of child-labor laws on the part of five Senators, working independently, and each adopting the theory and the language of the Ashurst-Sumners Act that was upheld by that opinion. To these Senators it pointed the way to a solution to the problem of child labor with which the Congress had for a long time concerned itself. The Whitfield against Ohio case, upholding the Hawes-Cooper Act that convict-made goods transported into any State shall upon arrival be subject to the operation and effect of the laws of such State as though such goods had been manufactured in such State, provided still another approach to the regulation of child-labor goods.

The Wheeler-Johnson bill represents in its provisions the efforts of Senators SCHWELLENBACH, CAPPER, CLARK, WHEELER, BARKLEY, BLACK, and JOHNSON, and the members of the Committee on Interstate Commerce who considered it. It is most decidedly the result of the thought and study of many Senators. That is the proper way to write laws. Furthermore, these men had the benefit of the constructive criticism and suggestions of the following outstanding citizens:

Miss Grace Abbott, professor of public welfare administration, University of Chicago.

John Brophy, director of the Committee for Industrial Organization.

Mrs. LaRue Brown, director, National League of Women Voters.

J. Wallace Bryan, attorney at law, representing the Bureau of Catholic Charities of Baltimore.

Henry Root Stern, attorney at law, New York City.

John T. Corbett, assistant grand chief engineer and national legislative representative, Brotherhood of Locomotive Engineers.

W. D. Johnson, vice president and national legislative representative, Order of Railway Conductors.

James A. Farquharson, national legislative representative, Brotherhood of Railroad Trainmen.

William F. Montavon, director, legal department, National Catholic Welfare Conference.

James A. Emery, general counsel, National Association of Manufacturers.

Alfred P. Thom, Jr., assistant to the general counsel, Association of American Railroads.

E. L. Oliver, executive vice president of Labor's Nonpartisan League.

James Emory Brooks, civil engineer.

Frieda S. Miller, director of the division of women in industry and minimum wage, New York State department of Labor.

Edward Keating, editor of Labor, former Member of the House of Representatives from Colorado.

Dr. Oscar F. Blackwelder, pastor, Lutheran Church of the Reformation, Washington, D. C.

Manfred W. Ehrich, attorney at law, New York City.

Lee Merriweather, representing National Committee for the Protection of Child, Family, School, and Church, St. Louis.

Arthur J. Lovell, vice president and national legislative representative, Brotherhood of Locomotive Firemen and Enginemen.

E. J. Manion, president, Order of Railroad Telegraphers.

Joseph D. Nunan, Jr., member of the Senate of the State of New York.

Miss Katharine Lenroot, Chief, Children's Bureau, Department of Labor.

Courtney Dinwiddie, general secretary, National Child Labor Committee.

William H. Davis, representing National Consumers' League.

Because the Wheeler-Johnson bill is a composite of all the child-labor bills introduced by seven Senators, there can be no individual pride of authorship. The Interstate Commerce Committee, considering this bill, held extended public hearings on the whole subject of child labor where everyone interested was given an opportunity to present testimony. Every constructive suggestion and every reasonable theory made at those hearings was incorporated in the amended form of this bill. It is only fair to ask that since the Interstate Commerce Committee, acting in good faith and by diligent and earnest labor, has worked out the bill's technical difficulties, the splendid measure which they have by their industry created be accepted as the proper child-labor bill to be passed at this time by the Senate. The decision is for the Senate to make.

EXEMPTIONS FROM UNDISTRIBUTED-PROFITS TAX

Mr. DUFFY. Mr. President, a discussion of any bill that attempts to set up a schedule of maximum hours, of course,

invites our attention to the effort that has been made to find employment for those millions of American citizens who are still unemployed.

As I am leaving the city tonight with the Battle Monuments Commission, this is very likely the last opportunity I shall have during this session to present my suggestions upon proposed legislation which, I believe, will result in a large increase in employment of American citizens. I recognize that there is very little possibility of any revenue legislation being enacted at the present session of the Congress. I understand, however, that, commencing next November, a study will be made of the revenue laws, with the purpose of making some revisions and changes. In order that my viewpoint on this subject may be before the committees making such study, I am going to ask permission to introduce a bill which if enacted would amend the Revenue Act of 1936, and I wish to take a few moments of the Senate's time in presenting this subject.

Let us make a hasty survey of the unemployment situation at the present time. I have for some time past favored a census of unemployment so that we might have some accurate information as to the number of unemployed in this country. The most commonly quoted estimates measuring employment and unemployment are (1) the American Federation of Labor; (2) the report of the National Industrial Conference Board; and (3) the estimates of the President's Committee on Economic Security.

From these sources the following figures may be presented: In 1929 there were between 48,100,000 and 48,600,000 gainful workers in the United States. Of these, there were employed in that year somewhere between 46,200,000 and 46,800,000. Therefore, in 1929 the number of unemployed ranged between 1,800,000 and 1,900,000.

By the middle of the year 1933, which we can consider the depth of the depression, the number of gainful workers had increased to about 50,000,000, but the number of employed had dropped to about 35,000,000, so that at the time when the Roosevelt administration assumed control and direction of national affairs there were very close to 15,000,000 unemployed persons.

About the middle of 1936 the total number of gainful workers had been further increased to about 52,000,000 and the number of employed had risen to between 41,000,000 and 42,000,000 workers, and the number of unemployed is variously estimated at between 9,000,000 and 10,000,000 for the middle of last year.

In order to make a more precise approach to this subject, it is necessary to determine what industries have curtailed employment to a greater degree than the others and have been slower in reemploying workers during the recovery period from March 4, 1933, to the middle of 1936, the latest period when any near accurate estimates have been made.

Mr. Robert Nathan, in preparing the estimates for the President's Committee on Economic Security, determines that, of the 47,500,000 people employed in 1929, about 10,500,000 were employed in manufacturing and 2,800,000 in building. By the middle of 1933, when the total employed fell to about 35,000,000, which was a drop of approximately 26 percent, the number of employed in manufacturing had dropped to 5,500,000, which was a decrease of 45 percent, while the number of unemployed in the building trades fell to 15 percent of its 1929 level.

Manufacturing has in the last several years absorbed nearly 3,000,000 workers. The Brookings Institution estimated that in 1929 about 18,000,000 workers devoted their full time to the production and distribution of durable goods, whereas at the low point of the depression there were only 9,000,000 employed in this field, or a drop of 50 percent.

So we may come to these conclusions: There are in this country 4,000,000 more workers available than in 1929; there are still somewhere between 8,000,000 and 9,000,000 who are unemployed; the building industry and other phases of durable-goods industries curtailed employment to a greater extent during the depression than other industries and have reemployed to a lesser degree during the recovery period.

The production of durable goods normally comprises between 30 and 50 percent of the total commodity production. During the depression the decrease in the output of durable goods was greater than that of nondurable goods. Figures show that between 1929 and 1933 the volume of durable goods decreased from $32,000,000,000 to about $12,500,000,000, while the output of nondurable commodities declined from $36,800,000,000 to $31,200,000,000.

This may be accounted for in part because industry during the depression was compelled to forego replacement and modernization. The Department of Commerce, in a recent study of store modernization, concluded that there has been a tremendous percentage of undermaintenance and obsolescence in commercial buildings during the depression. Also, a survey made by the American Machinist indicates that during the depression machinery and equipment have been worked beyond the normal period of useful life. For instance, in 1935, 65 percent of the installed metalworking machines were over 10 years of age, as against only 44 percent in 1925; and 58 percent of foundry equipment exceeded 10 years of age, as against only 36 percent in 1930. Furthermore, there has been great technological progress in this field during that period, and normally this would have required considerable replacement.

If this deficiency is to be made up in the next 5 years and the increase of population provided with goods equal on a per-capita basis to those furnished in the late twenties, the level of production during the next 5 years would have to be something like $33,000,000,000 annually, as compared with the actual production of durable goods in 1936 of approximately $21,000,000,000.

Therefore the possibilities of replacement in the durable-goods field alone are startling. Assuming the accumulated deficiency in durable goods amounts to $25,000,000,000 to $30,000,000,000, if the production necessary to restore the depleted inventories were spread over the next 5 years, the backlog would be sufficient to give employment during this period to more than 3,000,000 persons, over and above the employment necessary to satisfy the regular requirements in durable goods. If the production were $33,000,000,000 instead of $21,000,000,000, as it was last year, then this difference of $12,000,000,000 would absorb a very large proportion of the people of this country who are now unemployed.

In my opinion, one of the greatest deterrents for the modernization and replacement of existing plants and structures is the burden that the undistributed profits tax now imposes upon any attempt made to enlarge and expand present facilities. The tax places an economically prohibitive burden on the expenditure of any part of current income for such expansion or replacement of existing productive facilities. I believe that this tax now presents a tremendous obstacle to the absorption by industry of millions who are at present unemployed.

It is my belief that some relief from the undistributed profits tax should be afforded corporations for expenditures for modernization, replacement, and expansion of existing productive facilities. I have prepared an amendment which I am presenting, which provides for a credit against net income, in computing adjusted net income, for amounts expended during the taxable year for new buildings or for permanent improvements or betterments to increase the value of property. Under the existing law no deduction is allowed for amounts expended for such services. The proposed amendment allows the credit only in computing "adjusted net income" for the purpose of the "undistributed profits tax", and does not change the computation of "net income" upon which the "normal tax" is imposed.

Under the amendment the extension and expansion of productive facilities, for which a credit is allowed, includes the acquisition or construction of a new plant, and the machinery needed to equip that plant properly, but does not include the acquisition of the real estate, incident to such plant.

(1) The credit will not be allowed to the extent that a deduction for that item has already been allowed in com-

puting net income for the taxable year. This is necessary to prevent a double deduction for the same item.

(2) The credit is arbitrarily limited to an amount not exceeding 30 percent of the taxpayer's net income as computed without the benefit of this credit. While an unlimited credit would be advisable from the business point of view, the Treasury would undoubtedly contend that it would adversely affect the revenue, and the 30-percent limitation is expressed merely as a compromise which it is hoped might be acceptable to the Treasury.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. DUFFY. I am glad to yield.

Mr. COPELAND. I am very much interested in the proposal of the Senator. Will he repeat in a few words what exemption he is proposing as to improvements of property?

Mr. DUFFY. The exemption would be that 30 percent in one taxable year could be used for improvement of plant, in extending manufacturing facilities, which in turn would not only give more stimulus to the building trade, but would provide an opportunity for employment for many additional workmen after the plant went into operation.

Mr. COPELAND. Let me see if I understand the thought of the Senator. Here is a great planing mill, we will say. The owner of that mill would be permitted to make an extension which would be sufficient actually to give space for the employment of additional men, and he would be given consideration in his income tax to the extent of 30 percent of his expenditures.

Mr. DUFFY. No; to the extent of 30 percent of the taxpayer's adjusted net income.

In other words, at the present time there are many manufacturers in my State who would be glad to make improvements to their plants, but they feel that they cannot afford to do so because of the undistributed-profits tax imposing such a great burden on them when the earnings do not go out in dividends.

I do not care whether this particular device shall be adopted or something else. I should like to have a greater leeway, so that there will not be such a great burden upon manufacturers who want to extend their plants, which in turn will give more employment to people. When we are talking about industry "taking up the slack" and doing its part, I think we ought to give industry at least a little chance to make some expansions. I know that millions of dollars' worth of such expansions and extensions would be made by small companies in my State alone if that were done.

Mr. COPELAND. I think the Senator is right, and I believe he has made a suggestion which is well deserving of the serious consideration of the Senate.

Mr. KING. Mr. President, will the Senator yield?

Mr. DUFFY. I yield to the Senator from Utah.

Mr. KING. I approve of what the Senator has said. I may say that last year, and also at the beginning of this session, I introduced several bills, one of which provided cushions along the lines indicated, and permitted manufacturers and others to expand their premises and their plants and modernize their machinery for the purpose of giving greater employment and bringing their mechanical appliances up to the highest standard, and allowed them deductions from the amounts which otherwise they would be compelled to pay under the undistributed-profits tax.

I could not get any hearing on those bills for the reason, as the Senator knows, that measures of that character must originate in the House of Representatives. I had hoped, and I still hope, that when the tax bill is before the committee—and one will come over within a few days—attention may be given to my bill or the Senator's bill; and if the Senator is here, I beg him to come before the committee, and I will join him in insisting upon some legislation on the subject.

Mr. DUFFY. The reason why I impose upon the Senate at this time is because I am leaving the country tomorrow, and I did not anticipate that the Senate would be in session upon my return in about a month.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. DUFFY. I yield.

Mr. COPELAND. The Senator will have ample time to make his trip in very leisurely fashion, because the deliberations of the Congress are so slow and so long-drawn-out that even though we should begin considering his wise bill tomorrow, I am sure it would be under consideration at the time of his return.

Mr. DUFFY. Mr. President, out of order, I ask unanimous consent that I may at this time introduce the bill to which I have referred and have it referred to the Committee on Finance.

The PRESIDING OFFICER. The Senator from Wisconsin asks unanimous consent to introduce a bill. Is there objection? The Chair hears none, and the bill will be received.

The bill (S. 2852) to amend section 14 (a) (1) and section 26 of the Revenue Act of 1936 was read twice by its title and referred to the Committee on Finance.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed the consideration of the bill (S. 2475) to provide for the establishment of fair-labor standards in employments in and affecting interstate commerce, and for other purposes.

Mr. BARKLEY. Mr. President, I desire to make a brief statement with reference to the pending measure.

In conformity with the desire of everybody, as I said yesterday, to finish the business of Congress at the earliest possible date consistent with the performance of our duty, it is desirable that we hold sessions as late as possible. It is now only 25 minutes after 4 o'clock, and there are amendments pending to the bill which we might dispose of. I see no reason why we should quit at this hour, with amendments pending which we might dispose of. I think, therefore, the Senate ought to remain in session at least until 5 o'clock in order to dispose of such amendments as are ready to be voted upon.

Mr. McNARY. Mr. President, the distinguished Senator from Michigan [Mr. VANDENBERG] desires to discuss the bill, and would like to start tomorrow. For that reason I suggested to the leader of the majority that the Senate probably would adjourn earlier today than normally it would adjourn. However, I am willing to comply with his request and offer the amendment that I suggested sometime ago, if it is now in order.

The PRESIDING OFFICER. The amendment is out of order. The amendment was offered by the Senator from Oregon this morning, and later withdrawn. The matter now before the Senate is the amendment of the Senator from Colorado [Mr. JOHNSON] to the committee amendment in the nature of a substitute.

Mr. McNARY. If the Senator from Colorado has formally offered his amendment, of course my amendment is not in order; but if he is not ready to offer his amendment now, I should be willing to go forward with the one I suggested earlier in the day.

Mr. BARKLEY. I suggest, then, that the Senator from Colorado formally offer his amendment at this time, if he wishes to do so, and that the Senate take a vote on it.

The PRESIDING OFFICER. The amendment has already been offered.

Mr. BARKLEY. Then let us vote on it.

Mr. McNARY. Mr. President, may I be permitted to make an inquiry? Is the Senator from Colorado at this time prepared to go forward with the further discussion of his amendment?

The PRESIDING OFFICER. The Senator from Colorado has already discussed his amendment.

Mr. McNARY. I appreciate that, of course, but there may be other Senators who desire to discuss the amendment. If so, and they are not prepared to do so now, I suggest that the Senator withdraw his amendment, and then I shall offer mine. I suggest that the Chair address the inquiry to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado has heard the inquiry. What is his reply?

Mr. JOHNSON of Colorado. Mr. President, so far as I am personally concerned, I have no further discussion of the pending amendment unless there are questions. I do not

know whether or not the senior Senator from Montana [Mr. WHEELER] cares to discuss the amendment.

Mr. BARKLEY. I understood that the Senator from Colorado, having offered his amendment and having discussed it, was willing that the Senate vote on it without further discussion unless some other Senator wanted to discuss it.

The PRESIDING OFFICER. If there is no further discussion, the question is on agreeing to the amendment offered by the Senator from Colorado to the amendment in the nature of a substitute.

Mr. WHEELER. Mr. President, I did want to discuss the amendment for a short time, but I did not know it was to be brought up at this time. I was called at my office and told that the amendment was coming up. I did not intend to discuss the amendment for more than a very short time; but I should prefer to do so tomorrow, if the matter could be put over until tomorrow.

Mr. McNARY. Mr. President, I can meet that situation.

Mr. BARKLEY. I suggest that the Senator from Colorado temporarily withdraw his amendment in order that the Senator from Oregon may offer his amendment, so that we may dispose of that, with the understanding that the amendment of the Senator from Colorado may be offered again tomorrow, and the Senator from Montana may then discuss it, and then we will take a vote on it.

Mr. JOHNSON of Colorado. That is perfectly agreeable to me.

Mr. WHEELER. I understand that the Senator from Colorado is not going to insist upon a roll-call vote on his amendment, but simply wishes to offer it and explain it, and I desire to call attention to some of its provisions tomorrow.

The PRESIDING OFFICER. Is the Senator from Colorado willing to withdraw his amendment temporarily for that purpose?

Mr. JOHNSON of Colorado. I am, Mr. President. I withdraw the amendment temporarily.

Mr. McNARY. Mr. President, if the amendment of the Senator from Colorado has been withdrawn by unanimous consent, I offer the amendment which I discussed briefly this morning.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon to the amendment in the nature of a substitute will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 51, line 3, after the word "agriculture", it is proposed to insert a semicolon and the following:

> Or any person employed in connection with the canning or other packing or packaging of fish, sea foods, sponges, fruits, maple sugar, or vegetables, when the services of said employee are of a seasonal nature and do not extend over total periods of more than 6 months in any 1 year.

Mr. BLACK. Mr. President, we have discussed that amendment rather extensively today. So far as I am concerned, I do not care to engage in any further discussion of it. The committee went into the matter very carefully, and unanimously, so far as I recall, reached the conclusion that canners should not be wholly exempted from the bill, but that the bill should be left in its present condition, which, in our judgmnt, will take care of the seasonal conditions which the Senator from Oregon mentions in his amendment.

Personally, I sincerely hope the amendment will not be adopted.

Mr. WALSH. Mr. President, I should be disposed to agree to the amendment if it were confined to hours of employment; but I see no reason why a person who is employed for only a few weeks or months' work in a canning factory should get a smaller minimum wage than a man who works all the year around. As a matter of fact, I think he ought to get more. The trouble with the amendment is that it leaves out of the bill any provision which would give these poorly paid workers an opportunity to get a decent minimum wage by a collective bargain through a Government agency.

I agree that the provision limiting the working hours might well be changed so far as temporary canning industries are concerned, but I cannot for the life of me see why a person who works only a few weeks a year should be deprived of the opportunity to go before some organization of the Government in an effort to get a decent minimum wage.

Mr. WHITE. Mr. President, will the Senator yield for a question?

Mr. WALSH. I yield.

Mr. WHITE. Is it not a fact that the very temporary character of the work, the emergent character of the work, is a pretty definite assurance of a reasonable wage for the short period of time during which the men are employed?

Mr. WALSH. That is not the evidence we have in regard to many industries, particularly the sugar-beet industry, with which I am sure the Senator is familiar.

Mr. WHITE. I am not familiar with the sugar-beet industry, but I had assumed that in many of these temporary and emergent works in many sections the very fact that they were temporary in and of itself assured a reasonable wage.

Mr. WALSH. The fundamental theory of the bill, as I gather it, is that the poorest-wage workers, who are not organized, who have no means of asserting their rights to a living wage, are now to have the benefit of a Federal commission to hear their claim to a living wage, and to be granted one by the power and authority of a board created by the Federal Government. It seems to me that the hundreds of thousands who work only temporarily and in seasonal work ought to have the benefit of that agency. It may be that the board will find they ought to get a lower minimum wage than is received by those who work the year around, but they certainly ought not to be left out in the cold. If the bill has any merit at all, it is in the protection it would afford sweatshop workers and the wage earners employed by "chiselers", and to have the Federal arm of protection extended to them to see that they get something approaching a living wage. If that merit is not in the bill, then the bill is not worth anything. It is the first time any attempt has been made to give the unorganized, unprotected, forgotten men and women receiving low wages and working long hours an opportunity to have some agency other than a labor union to see that they get a living wage.

Mr. McNARY. Mr. President, I am not familiar with the practice which obtains throughout the country, but I am sure that in the West the hourly wage is reasonably higher than the minimum prescribed by the bill. I quite agree with the philosophy of the Senator from Massachusetts. No one wants a sweatshop wage paid, and that is not the practice in the West. It might be well if we would limit the amendment to hours of labor rather than include wages, but certainly the hours of labor in the field covered by the amendment should be exempted from the operation of the provisions of the bill.

It will be noted that I speak in the amendment of seasonal employment and have inserted a maximum period of 6 months, which is a conservative estimate of what would be called seasonal labor. It is a definition within the amendment.

I do not know whether I can state for those who are supporting the amendment whether they are interested in the canning of vegetables and fruits and berries and fish. It might be well to let this amendment go over until tomorrow so that some Senators may confer about it. I know the Senator from Maryland is very much interested in the amendment I have offered, and he is absent, having gone home for the day, I understand. Personally, I would not have any objection, believing as I do now that we should take the wage element out of the amendment, but I think it should be the purpose of the modified amendment to exempt the industries named from the provisions of the bill with reference to the hours of employment. I hesitate to assume the responsibility of making the suggestion at this time of modifying my own amendment without a further consultation with those who are as interested in it as I am. I suggest to the very able and amiable leader of the majority that probably the amendment I have offered should go over until tomorrow at 12 o'clock.

Mr. BARKLEY. Mr. President, inasmuch as I think I stated to the Senator from Maryland before he left that

there probably would be no vote on an amendment at this time, I am perfectly willing that the amendment should go over until tomorrow. In view of the fact that two or three Senators have matters they desire to have disposed of, I think we might suspend consideration of the pending bill at this time and take up two or three other measures.

Mr. MALONEY. Mr. President, I desire to offer an amendment to the pending bill, with a request that it be printed. I prefer not to discuss it this evening, because it is in the nature of a substitute for the bill, and it will take considerable time. I think it fair to Senators that they have a chance to read it.

Mr. WALSH. Does not the Senator desire to present the amendment, have it printed and lie on the table?

Mr. MALONEY. I make that request, Mr. President.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment was ordered to be received, to be printed, and to lie on the table.

INTERSTATE OIL COMPACT

Mr. THOMAS of Oklahoma. Mr. President, I have conferred with the majority leader and the minority leader about asking unanimous consent for the consideration of Senate Joint Resolution 183, which is a resolution giving the consent of Congress to the extension of an oil compact among six southwestern States. An oil compact is now in existence, but it will expire on September 1 of this year. Unless the extension is granted, the compact, of course, will die. I ask unanimous consent that the Senate proceed to the consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the joint resolution (S. J. Res. 183) consenting to an interstate oil compact to conserve oil and gas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the consent of Congress is hereby given to an extension and renewal for a period of 2 years from September 1, 1937, of the interstate compact to conserve oil and gas, executed in the city of Dallas, Tex., the 16th day of February 1935 by the representatives of the States of Oklahoma, Texas, California, and New Mexico, and thereafter recommended for ratification by the representatives of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and subsequently ratified by the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, which said compact was deposited in the Department of State of the United States, and thereafter such compact was, by the President, presented to the Congress and the Congress gave consent to such compact by House Joint Resolution 407, approved August 27, 1935 (Pub. Res. No. 64, 74th Cong.). The extended and renewed compact, executed in New Orleans, La., the 10th day of May 1937 by the representatives of the States of Oklahoma, Texas, Kansas, and New Mexico, and there recommended for ratification by representatives of the States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, and since ratified by the said States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, which extended and renewed compact has been deposited in the Department of State of the United States, and reads as follows:

"ARTICLE I

"This agreement may become effective within any compacting State at any time as prescribed by that State, and shall become effective within those States ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing State may become a party hereto as hereinafter provided.

"ARTICLE II

"The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"ARTICLE III

"Each State bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of—

"(a) The operation of any oil well with an inefficient gas-oil ratio.

"(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas in paying quantities.

"(c) The avoidable escape into the open air or the wasteful burning of gas from a natural-gas well.

"(d) The creation of unnecessary fire hazards.

"(e) The drilling, equipping, locating, spacing, or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"(f) The inefficient, excessive, or improper use of the reservoir energy in producing any well.

"The enumeration of the foregoing subjects shall not limit the scope of the authority of any State.

"ARTICLE IV

"Each State bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order, or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

"ARTICLE V

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

"ARTICLE VI

"Each State joining herein shall appoint one representative to a commission hereby constituted and designated as the Interstate Oil Compact Commission, the duty of which said commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

"The Commission shall have power to recommend the coordination of the exercise of the police powers of the several States within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said States, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"No action shall be taken by the Commission except: (1) by the affirmative votes of the majority of the whole number of the compacting States, represented at any meeting and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half-year to the daily average production of the compacting States during said period.

"ARTICLE VII

"No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

"ARTICLE VIII

"This compact shall expire September 1, 1937. But any State joining herein may, upon 60 days' notice, withdraw herefrom.

"The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the Governor of each of the signatory States.

"This compact shall become effective when ratified and approved as provided in article I. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.

"Done in the city of Dallas, Tex., this 16th day of February, 1935.

"And whereas, it is desired to extend and renew said compact for the period of 2 years from September 1, 1937, its expiration date;

"Now, therefore, this writing witnesseth:

"It is hereby agreed that the said compact entitled 'An interstate compact to conserve oil and gas' executed in the city of Dallas, Tex., on the 16th day of February, 1935, and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same is hereby, extended for a period of 2 years from September 1, 1937, its date of expiration, this agreement to become effective within those States joining herein when executed by any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico, and consent thereto is given by Congress.

"The signatory States execute this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the Governor of each of the signatory States.

"Executed as of this the 10th day of May, 1937, by the several undersigned States, at their several capitols, through their proper officials thereunto duly authorized by resolutions or statutes of the several States."

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

PRINTING OF HEARINGS ON THE INVESTIGATION OF INTERSTATE RAILROADS

Mr. WALSH. Mr. President, I report favorably from the Committee on Printing Senate Resolution 155, authorizing the Senate Committee on Interstate Commerce to have printed additional copies of hearings held before a subcommittee on Senate Resolution 71, Seventy-fourth Congress, relating to holding companies. I ask for the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Interstate Commerce of the Senate be, and is hereby, empowered to have printed for its use 1,000 additional copies of part 1, and each subsequent part, of the hearings held before a subcommittee appointed by the chairman of said committee, pursuant to Senate Resolution 71, Seventy-fourth Congress, "To investigate interstate railroads, holding companies, and affiliated companies."

UNITED STATES CONSTITUTION SESQUICENTENNIAL COMMISSION

Mr. VAN NUYS. Mr. President, I ask unanimous consent for the immediate consideration of House Joint Resolution 363, to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission. The joint resolution has passed the House of Representatives, and is an authorization for the appropriation of $150,000 more for the Commission.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 363) to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 9, after the word "thousand", to strike out "and five hundred"; on the same page, line 19, after the word "and", to strike out "Delegates'." and insert "Delegates"; and at the end of the joint resolution to add two new sections, so as to make the joint resolution read:

Resolved, etc., That section 8 of the public resolution entitled "Joint resolution to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes", approved June 1, 1936 (49 Stat. 1392), is hereby amended by striking out the sum "$200,000" and inserting in lieu thereof the sum "$475,000."

SEC. 2. Such public resolution is hereby further amended by adding new sections thereto, as follows:

"SEC. 9. Sums heretofore or hereafter received from the sale of publications and other material of such Commission are hereby authorized to be appropriated as a revolving fund for the further acquisition of such publications and material.

"SEC. 10. That the United States Constitution Sesquicentennial Commisison is authorized and directed to procure sufficient copies of the booklet entitled 'The Story of the Constitution', published by the Commission, to provide a distribution quota of 2,000 copies for each Senator, Representative, and Delegate from a Territory. Enclosures for mailing such booklets shall also be provided by the Commission. The quantities of such booklets and enclosures required for Senators shall be delivered to the folding room of the Senate and placed subject to the order of the respective Senators and the quantities required for Representatives and Delegates shall be delivered to the folding room of the House of Representatives and placed subject to the order of the respective Representatives and Delegates.

"SEC. 11. Any funds heretofore or hereafter made available to the United States Constitution Sesquicentennial Commission for carrying out the functions imposed upon such Commission by or pursuant to law may be expended by the Commission for such objects and in such manner as the Commission may deem necessary and proper to accomplish the purposes of such functions without regard to the provisions of other laws or regulations relating to the expenditure of public funds except that this exemption shall not be construed as waiving the requirement for the submission of accounts and vouchers to the General Accounting Office for audit.

"SEC. 12. The President is authorized to appoint a director general of such Commission who shall not be deemed an officer of the Government."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

SUGAR PRODUCTION AND MARKETING

Mr. PEPPER. Mr. President, yesterday the Senator from Idaho [Mr. BORAH] asked that before the adjournment of this session of Congress the subject of sugar should be dealt with. In his statement the Senator said in effect:

First. That the President, in his message on sugar, said that the Jones-Costigan Act had worked satisfactorily, and that the President favored reenactment of the principles of that act.

Second. That beet crops had been planted on the basis that the present law would be reenacted.

Third. That there is no opposition to it upon the part of the producers or those most interested.

As I read the message, the President said that the principles of the Jones-Costigan Act should be reenacted in new legislation, emphasizing that a quota system must be accompanied by necessary complements, which he said were:

(a) Adequate protection for the consumer;

(b) Adequate share for labor;

(c) Benefit payments, with larger payments for family-sized farms than for larger units; and

(d) A tax of at least 75 cents per 100 pounds.

These are the principles of the Jones-Costigan Act and not of the present law, since under the present law no benefit payments are made, and there is no tax.

With respect to the existence of opposition, it seems to me that the Senator from Idaho is in error.

Reports of press conferences and press statements indicate to me that the Departments of State, Agriculture, and Interior are all in opposition to the bill now pending before the House.

They are equally opposed to a joint resolution which would continue the quota system without tax, since they have said on many occasions that a quota system without a tax is indefensible.

I desire to say, Mr. President, on behalf of the State of Florida, as one interested, that I am opposed to any new sugar legislation of the character indicated by the bill now pending, and I am equally opposed to the extension of the present sugar law, the Jones-Costigan Act, for the reason that I think it unfair, in that it restricts what I regard as the inalienable right of an American citizen to grow upon the soil of this Nation the produce of that soil at least to the extent of the consumption requirement of this Nation.

I should like to say, Mr. President, that I cannot believe any administration or any party for long will adhere to a contrary principle.

By way of summary of the attitude of the Florida sugar producers, I ask leave to have incorporated in my remarks a statement on the sugar situation embodied in a letter from Clarence R. Bitting addressed to the Senator from Idaho [Mr. BORAH].

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

JULY 26, 1937.

Hon. WILLIAM E. BORAH,
Senate Office Building, Washington, D. C.

DEAR SENATOR BORAH: I am deeply appreciative of your telegram of July 20, in answer to my letter of July 17. I am sure that in our objectives on sugar we see eye to eye, although possibly our approach to a solution may be different.

You tell me there are 80,000 beet-sugar farmers with 100,000 employees, an average of 1¼ hired men per farmer, which would indicate that by far the great majority of sugar-beet farmers are what I referred to, in my testimony of last March, as operators of family-sized farms, i. e., a farm operated by a farmer, his family, and not more than one hired man. Perhaps you are not familiar with my attitude toward such farmer, expressed during hearings before House Agriculture Subcommittee on Sugar during March of this year in the following words:

"If to assist him to get back on his feet, financially and otherwise, it is either necessary or desirable to grant special consideration and favors to the farmer who tills his own soil with the aid of his own immediate family and not more than one hired man, all well and good. No person, or persons, will more quickly and freely grant that aid to the individual, independent farmer, the backbone of our national welfare, than the cane-sugar producers of the Everglades. We do not, and will not, object to such payments to operators of a family-sized farm—a farm operated by the producer, his family, and not more than one employee. But 2,000 tons, or even 1,000 tons, of sugar cannot be produced on such a farm.

"The justice in, and necessity of, aiding that great body of individual, independent farmers, operating family-sized farms, should not be used as a smoke screen to pay public funds to, and thus increase the profits of, employers of large number of farm workers, whether those workers be classified as sharecroppers, tenant farmers, adherent planters, adherent farmers, or as plain farm labor. The agriculturist who finds it necessary to employ a number of assistants, either on a permanent or temporary basis, should, like the general storekeeper, so arrange his affairs as to be able to operate without gifts from the Federal Government."

One of the representatives of the beet growers, during these same hearings, asked for increased benefit payments to beet growers who produced the equivalent of 2,000 tons of sugar which, based upon Department of Agriculture statistics, would require an acreage, on the farm, devoted to only one crop, of 1,280 acres—2 sections—2 square miles. I think you will agree with me that a farm, only that part which devoted to sugar beets comprises a planted area

of 2 square miles, is quite a chore for Farmer Smith, son John, and hired man Jack.

I think you will likewise agree with me that when two classes of stockholders in a beet-sugar company start litigation over the division of profits, as has happened during this year, when "benefit payments" were not distributed, there must be very substantial profits to distribute. The sugar-beet growers whom I have had the pleasure to meet have impressed me as able and successful businessmen-farmers, certainly none of them have ever given me the impression of being ill-fed, poorly clothed, or lacking in pocket money.

An examination of beet-sugar production in the United States discloses some unusually significant figures. From 1901–2 to 1904–5 beet-sugar production showed a normal upward trend; in 1905–6 and 1906–7 it spurted upward, then dropped back for the next 2 years, returning to a normal upward trend until 1915–16; then after another quick increase it dropped back from 1917–18 to 1919–20, making tremendous forward strides during the next 2 years; during 1922–23 and 1923–24 it dropped back to the levels of about 10 years previous. Beginning with 1924–25 beet sugar again began its spectacular climb until it reached its peak just prior to the Jones-Costigan Act; since then beet-sugar production has been fairly constant, but it has never reached the prerestriction peak, nor has it ever filled the quota assigned to it. Thus it may be said that under restrictive legislation there has been no restriction on beet sugar—just benefit payments.

The history outlined in the preceding paragraph has a much deeper significance to you and me than to the casual reader. It very clearly supports my contention that sugar beets supply a most desirable "cushion" to both industry and agriculture, as I testified before the House subcommittee, in that the production increases in times of stress and decreases, relatively, in times of general prosperity, and for this reason, if none other, a quantitative limitation is unsound. It was for this basic reason that during the March hearings on proposed sugar legislation, I stated:

"All of the purposes sought to be attained by the proposed legislation can be much more simply and surely obtained without taxing food out of the mouths of our people and without legalizing a raid on the public Treasury, while at the same time increasing employment in both agriculture and industry, through unlimited continental sugar production and provision for any balance required being supplied by those areas which maintain living standards equal to those in continental United States."

The last time continental supplies of sugar were exhausted the offshore sugar-producing areas "soaked" the American housewife more than 25 cents a pound for this vital necessity of life, and it did not return to a reasonable price until continental supplies were again available. Neither the Jones-Costigan Act, the Jones-O'Mahoney resolution, nor the proposed sugar legislation provide any means of assuring the American housewife an adequate supply of sugar at a reasonable price, although they all guarantee the offshore areas (that gouged the American housewife the last time they had the opportunity) 70 percent of the continental market. True, if the price goes up, the estimates of consumptive requirements may be raised, but that does not guarantee a fair price any more than unrestricted importations did when sugar sold at 25 cents or more a pound.

You state that the pending legislation will not increase the price of sugar, by which I assume you mean the price to the consumer. May I direct your attention to the fact that I was the only representative of sugar producers who, during the March hearings, objected to increasing the cost of food to our people? My basic reason for believing that the consumer always pays the tax was based not only upon my own experience but also upon Secretary Wallace's statement (in his report to the President dated December 10, 1935, pp. 12 and 25) that processing taxes are excise taxes, and domestic consumers pay the processing taxes.

I have indeed a great deal of sympathy for our sugar-beet grower and believe that he should obtain a fair portion of the proceeds from the sale of the produce of his soil, but I cannot agree that the way to protect the American farmer is to give to others 70 percent of his market. The proposed legislation does not, as you claim, recognize the principle of protection of the American market for the American producer, but does the very opposite in assuring to others 70 percent of our market.

Florida, paying higher than average farm wages, is producing sugar at a lower cost than most of the offshore low-wage areas that are being presented, on a silver platter, with the great bulk of the continental market. Some excerpts from my testimony of last March are enclosed.

Again thanking you for the nice telegram of July 20, I am,

Sincerely and faithfully yours,

CLARENCE R. BITTING.

SHENANDOAH MEMORIAL, AVA, OHIO

Mr. BARKLEY. Mr. President, from the Committee on the Library I report back favorably, without amendment, House bill 7564, to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio; and I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

There being no objection, the Senate proceeded to consider the bill (H. R. 7564) to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio, which was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act authorizing the erection of a memorial to those who met their death in the wreck of the dirigible *Shenandoah*", approved May 22, 1936, is hereby amended to read as follows: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to erect in or near Ava, Ohio, a suitable tablet or marker to commemorate the heroic services rendered by Commander Landsdowne and other members of the crew who died when the Navy dirigible *Shenandoah* was destroyed."

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

Mr. BARKLEY. Mr. President, before I move an executive session I may say that, depending on the progress we shall make on the pending bill tomorrow, we may undertake to have the Senate meet at 11 o'clock following tomorrow. I hope we may make sufficient progress so that will not be necessary, but we want to get along with the bill.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. Is the Senator willing to have me recognized before he makes his motion for an executive session, so that I may have the floor tomorrow when the Senate convenes?

Mr. BARKLEY. Yes.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan is recognized and has the floor.

Mr. VANDENBERG. I now yield to the Senator from Kentucky to move an executive session.

EXECUTIVE BUSINESS

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. GREEN in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nomination of Ella M. Perot to be postmaster at Campti, La., in place of E. M. Perot.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Marine Corps.

Mr. ADAMS, from the Committee on Public Lands and Surveys, reported favorably the nomination of Thomas F. Thomas, of Utah, to be register of the land office at Salt Lake City, Utah. (Reappointment.)

Mr. GLASS, from the Committee on Appropriations, reported favorably the following nominations under the Social Security Board:

Mary E. Austin, of New York, Assistant Director, Bureau of Public Assistance (field activities);

Paul E. Batzell, of New York, Chief, Division of Administration, Bureau of Unemployment Compensation;

Thomas C. Billig, of Maryland, senior attorney;

Robert P. Bingham, of New Hampshire, principal attorney;

Thomas C. Blaisdell, Jr., of New York, Assistant Director, Bureau of Research and Statistics;

Ruth O. Blakeslee, of Pennsylvania, Chief, Regulations and Procedure Division, Bureau of Public Assistance;

Thomas C. Broadaway, of Arkansas, senior administrative officer;

Leonard J. Calhoun, of Mississippi, assistant general counsel;

John R. Campbell, Jr., of Massachusetts, regional representative, Bureau of Federal Old-Age Benefits;

James S. Douglass, of Louisiana, technical adviser on motion pictures;

Thomas H. Eliot, of Massachusetts, general counsel;

Merton L. Emerson, of Massachusetts, Chief, Coordinating and Review Division;

Isidore S. Falk, of Connecticut, principal medical economist;

Joseph L. Fay, of Massachusetts, technical adviser on machine methods;

William M. Galvin, of Maryland, senior technical adviser;

Walter Gellhorn, of New York, regional attorney, New York, N. Y.;

John F. Hardy, of Massachusetts, regional attorney, Boston, Mass.;

S. Park Harman, of New York, regional unemployment compensation representative;

Jane M. Hoey, of New York, Director, Bureau of Public Assistance;

Robert E. Huse, of Massachusetts, Associate Director, Bureau of Information Service;

Jesse O. Irvin, of Georgia, Chief, Press Service Division;

Curtis E. Lakeman, of Connecticut, Chief of Publications Division;

Goeffrey May, of Maryland, Associate Director, Bureau of Public Assistance;

Elliott H. Moyer, of Michigan, senior attorney;

Merrill G. Murray, of Minnesota, Chief, Division of Legislative Aid;

Edward J. McCormack, of Tennessee, special assistant to Board;

Joseph E. McElvain, of New York, senior attorney;

Rose J. McHugh, of New York, Chief, Division of Administrative Surveys;

Harold P. Packer, of New York, senior attorney;

Louis Resnick, of New York, Director, Informational Service;

Mary Ross, of New York, senior social economist;

A. Melvon Sims, of New York, principal attorney;

A. Delafield Smith, of New York, principal attorney;

Jack B. Tate, of Tennessee, assistant general counsel;

James Guy Tucker, of Arkansas, constructive accountant;

R. Gordon Wagenet, of Connecticut, Director, Bureau of Unemployment Compensation;

Norman J. Ware, of Connecticut, senior economist;

Sue S. White, of Tennessee, senior attorney;

Leonard J. Wilbert, of Wisconsin, constructive accountant;

Edward B. Williams, of Arkansas, principal attorney; and

Marie R. Wing, of Ohio, regional attorney, region V, Cleveland, Ohio.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the following nominations:

Leo J. Keena, of Michigan, now Envoy Extraordinary and Minister Plenipotentiary to Honduras, to be Envoy Extraordinary and Minister Plenipotentiary to the Union of South Africa, vice Ralph J. Totten;

George T. Summerlin, of Louisiana, now Envoy Extraordinary and Minister Plenipotentiary to Panama, to be a Foreign Service officer of class 1, a consul general, and a secretary in the Diplomatic Service;

George A. Gordon, of New York, now Envoy Extraordinary and Minister Plenipotentiary to Haiti, to be Envoy Extraordinary and Minister Plenipotentiary to the Netherlands, vice Grenville T. Emmet;

John D. Erwin, of Tennessee, to be Envoy Extraordinary and Minister Plenipotentiary to Honduras, vice Leo J. Keena;

Franklin Mott Gunther, of Florida, to be Envoy Extraordinary and Minister Plenipotentiary to Rumania, vice Leland Harrison;

Clinton E. MacEachran, of Massachusetts, now a Foreign Service officer of class 4 and a consul, to be a consul general;

Horatio Mooers, of Maine, now a Foreign Service officer of class 6 and a consul, to be also a secretary in the Diplomatic Service;

John H. Morgan, of Massachusetts, now a Foreign Service officer of class 7 and a consul, to be also a secretary in the Diplomatic Service; and

Carl A. Fisher, of Utah, now a Foreign Service officer of class 6 and a secretary in the Diplomatic Service, to be also a consul.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Ralph J. Rivers to be United States district attorney for the fourth division, District of Alaska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, nominations of postmasters are confirmed en bloc.

That completes the calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 47 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, July 28, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 27 (legislative day of July 22), 1937

CALIFORNIA DEBRIS COMMISSION

Maj. Frank M. S. Johnson, Corps of Engineers, United States Army, for appointment as a member of the California Debris Commission, vice Maj. Elroy S. J. Irvine, Corps of Engineers, relieved.

FEDERAL BOARD FOR VOCATIONAL EDUCATION

Clarence Poe, of North Carolina, to be member of the Federal Board for Vocational Education. (Reappointment.)

JUDGE OF THE DISTRICT OF COLUMBIA POLICE COURT

Hobart Newman, of Washington, D. C., to be judge of the District of Columbia police court, vice Hon. Isaac R. Hitt, term expired.

COAST GUARD

Charles J. Brasefield to be a professor (temporary), with the rank of lieutenant commander, in the Coast Guard of the United States, to take effect from date of oath.

The following-named ensigns to be lieutenants (junior grade) in the Coast Guard of the United States, to rank as such from May 28, 1937:

Evor S. Kerr, Jr.	Clarence M. Speight
Walter S. Bakutis	Edgar V. Carlson
Thomas J. E. Crotty	

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES

GENERAL OFFICERS

To be brigadier generals, National Guard of the United States

Brig. Gen. Bernard William Kearney, New York National Guard.

Brig. Gen. Ralph Kenyon Robertson, New York National Guard.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 27 (legislative day of July 22), 1937

UNITED STATES DISTRICT ATTORNEY

Ralph J. Rivers to be United States district attorney for the fourth division, District of Alaska.

POSTMASTERS

COLORADO

Mary A. Morrison, Climax.
Henry R. Riddle, Walden.

FLORIDA

Alonzo W. Sias, Clewiston.
Paul E. Mahan, Hobe Sound.
Martha J. Metz, North Miami.

IDAHO

William Newman, Warren.

ILLINOIS

Irene C. Cinnamon, Steger.

INDIANA

Jerome F. Shandy, Terre Haute.
Marshall A. Dismore, Wolcott.

KANSAS

Frederick A. Leith, Sharon.

LOUISIANA

Edward J. LeBlanc, Abbeville.
Viley Joseph Chauvin, Franklin.
Leroy P. Fulmer, Homer.
James H. Broyles, Kentwood.
Clifton T. Bigner, Pollock.
Miles Kern Hartsell, Rodessa.
Frank Godfrey Rieger, Scotlandville.
James L. Derouen, Welsh.

MASSACHUSETTS

Irene C. Alward, Lynnfield Center.

MICHIGAN

Ralph H. Premo, Amasa.
Waldo Whitehead, Atlanta.
Bernice M. Young, Twining.

MINNESOTA

Alphonse J. Koelzer, Waterville.

MISSOURI

Loiel Earl Barnett, Lancaster.
Joseph F. Suellentrop, Linn.

MONTANA

Lee Jellison, Hobson.

NEBRASKA

Fred Hlavac, Brainard.
Nels L. Nelson, Lynch.
Bernard M. Diers, Scottsbluff.
A. Otto Erdman, Venango.

NEW MEXICO

Gladys Richardson, Hurley.
Jeff Boone, Mogollon.

NORTH CAROLINA

Mary Jane Higgins, Pomona.

OKLAHOMA

Ray W. Swiercinsky, Elgin.
Arlie A. Collins, Konawa.
Delia L. Sapp, Leedey.
Robert J. Morrow, Pawhuska.
A. Ramsey Pierce, Waynoka.

OREGON

Dewey D. Horn, Bonanza.

TEXAS

Ruby N. Hart, New Boston.

VIRGINIA

Henry H. Dickenson, Lebanon.
Nannie Lee Stickley, Rose Hill.
Violet I. Pick, Rustburg.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 27, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, Thou who hast set man and the universe in their order, we rejoice that we are not victims of time or space. We praise Thee, even though veiling fogs may shut out the stars, Thou wilt keep him in perfect peace whose mind is stayed on Thee. Heavenly Father, look into our hearts and fill them with love toward our fellow men and keep us faithful to truth. Clothe us, we pray Thee, with a very fine sense of honor, fidelity, and self-sacrifice. Do Thou make us strong of mind and clear in purpose. Gracious Lord God, may our people be obedient, God-fearing, and law-abiding, and hasten the day of Christian brotherhood in all the earth. We pray in the name of our blessed and glorified Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 69. An act to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DEATH OF HON. CHARLES A. KORBLY, FORMER MEMBER OF THE HOUSE

Mr. LUDLOW. Mr. Speaker, it is my sad privilege and duty to announce to the House the death in this city yesterday of Hon. Charles A. Korbly, who represented the Indianapolis, Ind., district in this body with distinction from March 4, 1909, until March 3, 1915. A lawyer by profession, he served with great ability and credit as a member of the Committee on Banking and Currency and assisted in writing the Federal Reserve Act. In addition to being one of the coauthors of that great statute he became widely known by his writings on financial subjects. A Democrat by convictions, he exemplified the sound principles of Jeffersonian philosophy, and was highly esteemed and frequently consulted by President Wilson and the other leaders of his time. Quiet, modest, unassuming, and gifted with a most ingratiating personality, he will be missed by many thousands of people who had learned to love and trust him.

STATEMENT BY AMERICAN OFFICIALS IN FOREIGN COUNTRIES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am very much distressed to read in the forum of the Boston Transcript a statement supposed to have been made by Dr. Francis B. Sayre, our Assistant Secretary of State, at London, which is as follows:

> We in the American Government are convinced that lasting peace can never come until the people constructively build for it. There must be changed economic policies. That is why we are bending every energy to tear down the indefensible trade barriers which force down in every country the national standards of living.

Mr. Speaker, I am amazed that our Assistant Secretary of State should make such a statement in London. According to an Associated Press dispatch he made a somewhat similar statement at Oxford, in which he said:

> We in the United States seek to tear down the great barriers and teach the gospel of economic liberalism. We've got to turn back to the principles of Jesus Christ and put them into practice.

It has never been the custom, I know, for our Assistant Secretaries of State, our ambassadors, our ministers, or our representatives to commit the United States Government to any policy while that person was in a foreign country.

Dr. Sayre speaks of tearing down these trade barriers. The workers in agriculture as well as the workers in industry

in the United States know that the reason this country has become the greatest country economically, with the highest standard of living in all the world, is because we have had those trade barriers. The Assistant Secretary of State had no right to make these statements in a foreign land, and I am sure America and the workers of this country do not want these protective tariffs removed. The quotations may be Dr. Sayre's views, but not the views of the people of these United States, I am very sure. The workers in our factories and on our farms must view these statements with greatest alarm. They know it was under the protective tariff that our standards of living advanced until today they are unequaled in any other country in the world. You and I know they do not want these standards lowered. Break down the barriers and our women will be working for 20 or 30 cents a day, as they are in some countries. Accept the policy proposed in Dr. Sayre's statement, and thousands more of our workers will be walking the streets and thousands who are working will be doing so for a mere pittance. [Applause.]

COMMITTEE ON THE JUDICIARY

Mr. CHANDLER. Mr. Speaker, by direction of the Committee on the Judiciary, I ask unanimous consent that the Committee on the Judiciary may sit during the sessions of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I understand there is important legislation coming before the House today. I do not think there are enough Members present for us to proceed with it. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is not a quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 124]

Arnold	DeMuth	Hoffman	Plumley
Barden	Dies	Hook	Reece, Tenn.
Biermann	Dingell	Hope	Reed, N. Y.
Bigelow	Dirksen	Jenks, N. H.	Rigney
Boehne	Doxey	Kerr	Robertson
Boylan, N. Y.	Driver	Kloeb	Ryan
Buckley, N. Y.	Duncan	Kniffin	Schuetz
Burch	Eaton	Lambeth	Scrugham
Caldwell	Eberharter	Lanham	Sirovich
Cannon, Wis.	Ellenbogen	Long	Smith, Maine
Cartwright	Fernandez	Lord	Smith, W. Va.
Celler	Flannagan	McClellan	Snyder, Pa.
Clark, Idaho	Fulmer	Maas	Steagall
Cluett	Gasque	Maloney	Sullivan
Cole, N. Y.	Gilchrist	Mason	Taylor, Colo.
Cooley	Goldsborough	Meeks	Voorhis
Cravens	Greenwood	Miller	Wadsworth
Crosby	Griswold	Mosier, Ohio	Withrow
Crosser	Harlan	Mott	Zimmerman
Culkin	Hartley	Parsons	
Deen	Hill, Ala.	Peyser	
Dempsey	Hill, Wash.	Phillips	

The SPEAKER. On this roll call 345 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

STATE LIQUOR-DISPENSING SYSTEMS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7949) to exempt State liquor-dispensing systems from the requirement of keeping certain records and rendering transcripts and summaries of entries with respect to distilled spirits.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNELL. Mr. Speaker, reserving the right to object, and I do not expect to object, this is a rather important matter, and I think that the chairman of the committee should tell the House what is sought to be accomplished by this legislation.

Mr. DOUGHTON. Answering the gentleman from New York, in the first place it is a bill that was reported out of the Ways and Means Committee unanimously. It was recommended by the Treasury Department and is intended to prevent the making of unnecessary reports by those States which have State liquor stores.

At this time I yield to the gentleman from Pennsylvania [Mr. BOLAND], the author of the bill, to answer any further questions.

Mr. SNELL. I think the gentleman should make a full explanation of this radical change in connection with reports in this matter. The House should know what it is doing.

Mr. BOLAND of Pennsylvania. Mr. Speaker, the present law requires the States that have liquor stores to furnish reports to the Internal Revenue Department for every individual liquor store the State has, which results in the making of very voluminous reports. These reports have to be made by each individual liquor store, and the reports are rather enormous and it costs money. In the State of Pennsylvania it will cost in the neighborhood of $500,000 a year to furnish these unnecessary monthly reports by every individual store in that State. The same thing applies to all other States that have State liquor stores. This resolution is introduced to save this expense to the States, and that is the reason we want this bill passed. It is a bill prepared by the Internal Revenue Department itself, and it has the unanimous support of the Ways and Means Committee. There should not be any objection to a matter of this kind.

Mr. SNELL. We are entitled to know what it is, that is all.

Mr. BOLAND of Pennsylvania. That is about all there is to it.

Mr. SNELL. How would it cost any State $500,000 a year to make these reports?

Mr. BOLAND of Pennsylvania. The State has to make an individual report on every individual store in every State in the country.

Mr. SNELL. How many States are there that have this system?

Mr. BOLAND of Pennsylvania. About 17, I believe. Pennsylvania has 572 liquor stores under its control. These stores have to send this duplicate report that they furnish to the State down here to the Internal Revenue Department. The fact is, these reports are never looked into by the Department. The Department simply takes the report from the State commission and the tax is paid on all the liquor that is bought and sold in the State. This is really a duplication of effort.

Mr. SNELL. The man who runs the liquor store makes out these reports?

Mr. BOLAND of Pennsylvania. Exactly.

Mr. SNELL. He does not have to have extra help?

Mr. BOLAND of Pennsylvania. Oh, yes.

Mr. SNELL. How much extra help does he have to have to make out the report?

Mr. BOLAND of Pennsylvania. To the extent of some $500,000 in the State of Pennsylvania alone.

Mr. SNELL. The gentleman has definite information that shows it cost the State of Pennsylvania $500,000 a year?

Mr. BOLAND of Pennsylvania. That is the report that has been made to me by the State liquor commission in Pennsylvania. I cannot say what it would cost other States, but I suppose it would be in proportion. For instance, let us take the State of New York.

Mr. SNELL. We do not have State liquor stores.

Mr. BOLAND of Pennsylvania. Different States have State liquor stores. How liquor is dispensed in New York, I do not know.

Mr. SNELL. I do not know either. Everybody sells it over there.

Mr. DOUGHTON. These reports are all unnecessary so far as the Treasury Department is concerned.

Mr. BOLAND of Pennsylvania. It is really a benefit to the Treasury and it will save the various States that have controlled liquor stores this exorbitant sum of money.

Mr. SNELL. What was the reason for putting that in here when the original law was framed?

Mr. BOLAND of Pennsylvania. This was done before the States had controlled liquor stores. It is the old law they are operating under, and they have to furnish these unnecessary reports.

Mr. SNELL. This will result in more unemployment. You are trying to relieve unemployment, and this will result in more unemployment in the State of Pennsylvania.

Mr. DITTER. Will the gentleman yield?

Mr. SNELL. I would like an answer to that question with reference to unemployment.

Mr. BOLAND of Pennsylvania. What was the question?

Mr. SNELL. It is going to increase unemployment in the State of Pennsylvania if we pass this law, because the gentleman's State takes extra help to make out these reports.

Mr. BOLAND of Pennsylvania. Exactly.

Mr. SNELL. Then we are doing something just the opposite to the intent of other legislation you are putting through. You are putting through something now which will result in unemployment.

Mr. McCORMACK. The saving of this money will enable the State to utilize the saving in other directions, which will result in increased employment.

Mr. SNELL. Tell me how they are going to do it.

Mr. DITTER. Will the gentleman yield?

Mr. BOLAND of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. DITTER. Is it not a fact that this saving will only mean an increase in the payments made to the favored few who are taken care of by the present Democratic regime in Pennsylvania? It will not result in a saving to the taxpayers but will simply mean an increase of salary to those who are presently employed under the Democratic administration?

Mr. BOLAND of Pennsylvania. No; I think my friend is going a little far in making that statement. Any time you save Pennsylvania $600,000 you are saving it for the taxpayers of the State.

Mr. DITTER. Will it be saved or will this money be distributed among those who are presently on the pay roll?

Mr. BOLAND of Pennsylvania. I say to the gentleman it will be a saving to the taxpayers of Pennsylvania.

Mr. McFARLANE. Will the gentleman yield?

Mr. BOLAND of Pennsylvania. I yield to the gentleman from Texas.

Mr. McFARLANE. In dispensing with these monthly reports, as suggested, will there be annual reports made showing what disposition is made of the sales of liquor and what the liquor stores are doing? And further, will there be reports made so that we can keep a record of what is going on regarding such sales?

Mr. BOLAND of Pennsylvania. The State commission has to furnish that information to the Bureau of Internal Revenue just the same.

Mr. McFARLANE. Rather than the individual liquor store?

Mr. BOLAND of Pennsylvania. The State commission has the information regarding the amount of money that is disbursed.

Mr. FRED M. VINSON. Of course, if the summaries and transcripts are desired by the Bureau of Internal Revenue here, they can be obtained upon request. No information is going to be taken away from the Bureau of Internal Revenue which it desires.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BOLAND of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. RICH. How many reports are the liquor stores requested to make to the Bureau of Internal Revenue?

Mr. BOLAND of Pennsylvania. The 572 liquor stores in Pennsylvania have to make out monthly reports. This is what we are trying to eliminate.

Mr. RICH. Then each store makes 12 reports annually?

Mr. BOLAND of Pennsylvania. The gentleman is correct.

Mr. RICH. The gentleman states that this costs $500,000?

Mr. BOLAND of Pennsylvania. That is an enormous sum of money for this service. The Commission tells me it costs in the neighborhood of $500,000 to make up these reports.

Mr. RICH. May I say to the gentleman that he is interested in keeping the State liquor stores from making out unnecessary voluminous reports, but I wish the State Democratic administration could come into the manufacturing establishments and see the reports the State of Pennsylvania is asking the manufacturers of Pennsylvania to make out and the reports to the Department of Commerce that the Federal Government is asking the manufacturers to make out. If, as the gentleman states, it costs $500,000 for the State liquor stores to make out these reports, the Democratic administration will open its eyes when it finds out what the manufacturers of this country are compelled to pay to make up their reports. This condition is a real shame and is something that ought to be corrected. If it is wrong to ask the State stores to make out one report, then the Democratic State and National administration should have a heart and give some relief to the businessmen of Pennsylvania in making out the many, many voluminous and unnecessary reports they are compelled to make out. Has the Democratic whip from Pennsylvania ever given this a thought? It is just as necessary and expedient that business be relieved of this evil as the State liquor stores. I hope it will receive some consideration from their hands. You can see that it is absolutely necessary. Will you act?

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3318 of the Revised Statutes, as amended (U. S. C., 1934 edition, Supp. II, title 26, secs. 1208 and 1209) (relating to keeping entry books with respect to distilled spirits and rendering transcripts and summaries thereof), is amended by adding at the end thereof the following new paragraph:

"The provisions of this section shall not apply to States and Commonwealths and liquor stores operated by such States and Commonwealths that maintain and make available to inspection by internal-revenue officers such records as will enable such officers to readily trace all distilled spirits received and disposed of by them: *Provided*, That such States and Commonwealths, and the liquor stores operated by them, shall, upon the request of the Commissioner of Internal Revenue, furnish to the Commissioner such transcripts, summaries, and copies of their records as he shall require."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMINISTRATIVE ASSISTANTS TO THE PRESIDENT

Mr. ROBINSON of Utah. Mr. Speaker, by direction of the Select Committee on Government Organization, I call up the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants.

The Clerk read the title of the bill.

Mr. ROBINSON of Utah. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants; and pending that, I ask unanimous consent that general debate be confined to the bill and limited to 30 minutes on a side.

Mr. TABER. Mr. Speaker, reserving the right to object, at this moment I have requests on this side for 2 hours of time. I cannot consent to a limitation of 30 minutes to a side, and must object to the request. May I suggest to the gentleman that we make it 4 hours?

Mr. ROBINSON of Utah. Mr. Speaker, I modify my request to 1 hour on a side.

The SPEAKER. The gentleman from Utah asks unanimous consent that general debate be confined to the bill and limited to 2 hours, one-half to be controlled by himself and one-half by the gentleman from New York [Mr. TABER]. Is there objection?

Mr. TABER. I shall have to object to that request, Mr. Speaker.

The SPEAKER. Objection is heard.

The question is on the motion of the gentleman from Utah that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 161, noes 37.

Mr. TABER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 261, nays 71, answered "present" 1, not voting 98, as follows:

[Roll No. 125]

YEAS—261

Aleshire	Evans	Lanzetta	Pfeifer
Allen, Del.	Faddis	Larrabee	Poage
Allen, La.	Farley	Lea	Polk
Allen, Pa.	Ferguson	Leavy	Rabaut
Amlie	Fitzgerald	Lemke	Ramsay
Anderson, Mo.	Fitzpatrick	Lesinski	Ramspeck
Atkinson	Flannagan	Lewis, Colo.	Randolph
Barry	Flannery	Lewis, Md.	Rayburn
Beam	Fleger	Long	Reilly
Beiter	Fletcher	Lucas	Rigney
Bell	Forand	Luckey, Nebr.	Robinson, Utah
Bernard	Ford, Calif.	Ludlow	Rogers, Okla.
Biermann	Ford, Miss.	Luecke, Mich.	Romjue
Binderup	Frey, Pa.	McAndrews	Sabath
Bland	Fries, Ill.	McCormack	Sacks
Bloom	Fuller	McFarlane	Sadowski
Boileau	Gambrill	McGehee	Sanders
Boland, Pa.	Garrett	McGranery	Schaefer, Ill.
Boren	Gavagan	McGrath	Schneider, Wis.
Boyer	Gehrmann	McGroarty	Schulte
Boykin	Gildea	McKeough	Scott
Bradley	Gingery	McLaughlin	Scrugham
Brooks	Gray, Ind.	McMillan	Secrest
Brown	Green	McReynolds	Shanley
Buck	Greever	McSweeney	Shannon
Buckler, Minn.	Gregory	Magnuson	Sheppard
Burdick	Griffith	Mahon, S. C.	Smith, Conn.
Caldwell	Haines	Mahon, Tex.	Smith, Va.
Cannon, Mo.	Hamilton	Martin, Colo.	Smith, Wash.
Cartwright	Hancock, N. C.	Massingale	Snyder, Pa.
Casey, Mass.	Harrington	Maverick	Somers, N. Y.
Champion	Hart	Mead	South
Chandler	Harter	Merritt	Sparkman
Chapman	Havenner	Mills	Spence
Citron	Healey	Mitchell, Ill.	Sumners, Tex.
Claypool	Hennings	Mitchell, Tenn.	Sutphin
Cochran	Higgins	Moser, Pa.	Sweeney
Coffee, Nebr.	Hildebrandt	Mosier, Ohio	Swope
Coffee, Wash.	Hill, Okla.	Mouton	Tarver
Colden	Hobbs	Murdock, Ariz.	Taylor, S. C.
Cole, Md.	Hook	Murdock, Utah	Teigan
Collins	Houston	Nelson	Terry
Colmer	Hunter	Nichols	Thom
Cooley	Imhoff	Norton	Thomas, Tex.
Cooper	Izac	O'Brien, Ill.	Thomason, Tex.
Costello	Jacobsen	O'Brien, Mich.	Transue
Cox	Jarman	O'Connell, Mont.	Turner
Cresi	Jenckes, Ind.	O'Connell, R. I.	Vincent, B. M.
Crowe	Johnson, Luther A.	O'Connor, Mont.	Vinson, Fred M.
Crowther	Johnson, Minn.	O'Day	Vinson, Ga.
Cullen	Johnson, W. Va.	O'Leary	Wallgren
Cummings	Jones	O'Malley	Walter
Curley	Kee	O'Neal, Ky.	Warren
Daly	Kelly, Ill.	O'Neill, N. J.	Wearin
Dickstein	Kelly, N. Y.	O'Toole	Wene
Dingell	Kennedy, Md.	Owen	West
Disney	Kennedy, N. Y.	Pace	Whelchel
Dixon	Kenney	Palmisano	White, Idaho
Dorsey	Keogh	Patman	Whittington
Doughton	Kerr	Patrick	Wilcox
Drew, Pa.	Kirwan	Patterson	Williams
Drewry, Va.	Kitchens	Patton	Withrow
Dunn	Kocialkowski	Pearson	Woodrum
Eckert	Kopplemann	Peterson, Fla.	
Eicher	Kramer	Peterson, Ga.	
Elliott	Kvale	Pettengill	

NAYS—71

Allen, Ill.	Englebright	McLean	Simpson
Andresen, Minn.	Fish	Mapes	Snell
Andrews	Gearhart	Martin, Mass.	Stefan
Arends	Gifford	Michener	Taber
Ashbrook	Gray, Pa.	Millard	Taylor, Tenn.
Bacon	Guyer	Mott	Thomas, N. J.
Bates	Gwynne	Oliver	Thurston
Brewster	Halleck	Powers	Tinkham
Carlson	Hancock, N. Y.	Reed, Ill.	Tobey
Carter	Hope	Rees, Kans.	Treadway
Case, S. Dak.	Hull	Rich	Wadsworth
Church	Jarrett	Robsion, Ky.	White, Ohio
Clason	Jenkins, Ohio	Rogers, Mass.	Wigglesworth
Crawford	Kinzer	Rutherford	Wolcott
Ditter	Knutson	Sauthoff	Wolfenden
Dondero	Lambertson	Seger	Wolverton
Dowell	Lamneck	Shafer, Mich.	Woodruff
Engel	Luce	Short	

ANSWERED "PRESENT"—1

Johnson, Lyndon

NOT VOTING—98

Arnold	Dirksen	Jenks, N. H.	Reece, Tenn.
Barden	Dockweiler	Johnson, Okla.	Reed, N. Y.
Bigelow	Douglas	Keller	Richards
Boehne	Doxey	Kleberg	Robertson
Boylan, N. Y.	Driver	Kloeb	Ryan
Buckley, N. Y.	Duncan	Kniffin	Schuetz
Bulwinkle	Eaton	Lambeth	Sirovich
Burch	Eberharter	Lanham	Smith, Maine
Byrne	Edmiston	Lord	Smith, W. Va.
Cannon, Wis.	Ellenbogen	McClellan	Stack
Celler	Fernandez	Maas	Starnes
Clark, Idaho	Fulmer	Maloney	Steagall
Clark, N. C.	Gasque	Mansfield	Sullivan
Cluett	Gilchrist	Mason	Taylor, Colo.
Cole, N. Y.	Goldsborogh	May	Thompson, Ill.
Cravens	Greenwood	Meeks	Tolan
Crosby	Griswold	Miller	Towey
Crosser	Harlan	O'Connor, N. Y.	Umstead
Culkin	Hartley	Parsons	Voorhis
Deen	Hendricks	Peyser	Weaver
Delaney	Hill, Ala.	Phillips	Welch
Dempsey	Hill, Wash.	Pierce	Wood
DeMuth	Hoffman	Plumley	Zimmerman
DeRouen	Holmes	Quinn	
Dies	Honeyman	Rankin	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Lyndon Johnson (for) with Mr. Kleberg (against).
Mr. Sullivan (for) with Mr. Lord (against).
Mr. Parsons (for) with Mr. Reed of New York (against).
Mr. Crosser (for) with Mr. Cluett (against).
Mr. Maloney (for) with Mr. Plumley (against).
Mr. DeMuth (for) with Mr. Reece of Tennessee (against).
Mr. Arnold (for) with Mr. Douglas (against).
Mr. Sirovich (for) with Mr. Mason (against).
Mr. Thompson of Illinois (for) with Mr. Cole of New York (against).
Mr. Tolan (for) with Mr. Dirksen (against).
Mr. Meeks (for) with Mr. Holmes (against).
Mr. Greenwood (for) with Mr. Culkin (against).
Mr. Boylan of New York (for) with Mr. Hartley (against).
Mr. Ellenbogen (for) with Mr. Eaton (against).

Until further notice:

Mr. O'Connor of New York with Mr. Jenks of New Hampshire.
Mr. Rankin with Mr. Welch.
Mr. Mansfield with Mr. Hoffman.
Mr. Driver with Mr. Maas.
Mr. Umstead with Mr. Gilchrist.
Mr. Doxey with Mr. Smith of Maine.
Mr. Lanham with Mr. Wood.
Mr. Burch with Mr. Smith of West Virginia.
Mr. Delaney with Mr. Kniffin.
Mr. Robertson with Mr. Clark of North Carolina.
Mr. Steagall with Mr. Byrne.
Mr. Taylor of Colorado with Mr. Deen.
Mr. Miller with Mr. Ryan.
Mr. Starnes with Mr. Schuetz.
Mr. Bulwinkle with Mr. Zimmerman.
Mr. Weaver with Mr. Buckley of New York.
Mr. Gasque with Mr. Lambeth.
Mr. Richards with Mr. Peyser.
Mr. Dies with Mr. Barden.
Mr. Dempsey with Mr. Celler.
Mr. Hill of Alabama with Mr. May.
Mr. Griswold with Mr. Cravens.
Mr. Boehne with Mr. Dockweiler.

Mr. LYNDON JOHNSON. Mr. Speaker, I have a pair with my colleague the gentleman from Texas [Mr. KLEBERG], and I therefore withdraw my vote of "yea" and answer "present."

The result of the vote was announced as above recorded.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants, with Mr. PATMAN in the chair.

The Clerk read the title of the bill.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Under the rules of the House anyone recognized is recognized for 1 hour. Am I right about this?

The CHAIRMAN. The gentleman is correct.

Without objection, the first reading of the bill will be dispensed with.

Mr. SNELL. I object, Mr. Chairman. This is a very important bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to appoint not to exceed six administrative assistants and to fix the com-

pensation of each at the rate of not more than $10,000 per annum. Each such administrative assistant shall perform such duties as the President may prescribe.

Mr. ROBINSON of Utah. Mr. Chairman, this is a short bill and your committee thought there would be no objection to it. This is the first bill that the committee has been able to report and it covers only one subject. The committee has divided the matter that is under discussion, with respect to reorganization of government agencies, into four bills, and this is one of them. The other bills will be presented at a later date.

This bill consists of only a few lines, and I take it the Members have read it, and, as I have stated, I had assumed there would be no opposition to the bill. We have always understood, almost from the time we entered the grades at school, that the President of the United States is very much overworked, that it is a position that requires unlimited endurance, and the entire time of the President is occupied with the handling of most intricate and most difficult problems. No man is called upon to handle so many intricate and difficult problems as the President of the United States. It seemed to your committee that the President should have such administrative assistants as he thought necessary in order to perform efficiently the job he is doing.

The President selected a committee to investigate this question, and the committee, after going into the matter for a number of months—and, by the way, this committee was composed of experts along the various lines they were investigating—reported that, in their opinion, the President should have at least six administrative assistants in order for him to adequately perform the duties he is now performing.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. ROBINSON of Utah. Yes; I yield.

Mr. SNELL. Will the gentleman tell the House what specific information came to his committee that led them to come to that conclusion?

Mr. ROBINSON of Utah. The specific information that came to the committee is in the hearings.

Mr. SNELL. I have read all the hearings, and I would like to have the gentleman tell us of anything that occurred in addition to the hearings.

Mr. ROBINSON of Utah. Our judgment is based largely on the recommendation of the President's committee that was appointed to investigate the matter, and I think that is all set out pretty thoroughly in the report we have made.

Mr. SNELL. There are very few items in the report.

Mr. ROBINSON of Utah. That is true; but I think those items are sufficient to advise the House as to why it is necessary to have these administrative assistants.

Mr. SNELL. It seems to me from reading the Brownlow report and the hearings that their general recommendations are based on the entire reorganization of all the executive departments of the Government. Is that not correct?

Mr. ROBINSON of Utah. That would not be my judgment.

Mr. SNELL. That was my judgment, based on the general reports to the committee.

Mr. FRED M. VINSON. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. FRED M. VINSON. I will ask the gentleman from Utah whether at any time during the consideration of this matter there was any objection interposed by any of the minority members of the select committee with respect to this particular item?

Mr. ROBINSON of Utah. Not that I know of.

Mr. TABER. If the gentleman will yield to me, I stated right out in the hearings that I thought it was a very bad practice.

Mr. FRED M. VINSON. I may say to my friend from New York that we served upon a subcommittee, had a conference with the Director of the Budget, and I recall very distinctly the clarity of the gentleman's voice when he said with reference to the secretariat or the increased personnel for the President, he wanted the President to get what he wanted.

Mr. TABER. Oh, no; not that.

Mr. SNELL. I want to say in reply to that statement that that did not carry the approval of the rest of us, anyway.

Mr. FRED M. VINSON. I thought the gentleman from New York had such persuasive powers that he represented what is left of the gentleman's party when he spoke about the matter.

Mr. SNELL. I would like to know whether any representative of the administration came before the committee asking for this measure.

Mr. ROBINSON of Utah. I may state that the only ones who came before the committee were the members of the committee appointed by the President to investigate these matters.

Mr. SNELL. That was a question of the entire reorganization of the executive departments of the Government, and it so states in the report.

Mr. ROBINSON of Utah. No; there were others who testified.

Mr. SNELL. I think that is stated in the report.

Mr. ROBINSON of Utah. Others testified on other matters, but this committee are the only ones that testified on this particular question.

Mr. SNELL. And the testimony the gentleman refers to in these hearings states that these men are to act really in the capacity of the present Secretaries. They are to receive reports, while under our organization the heads of the departments are the ones who should receive the reports and sift them out and report on them to the President. That has been so from the formation of our Government up to the present time.

Mr. ROBINSON of Utah. I am willing to yield the gentleman some time, and he can make his own statement about this matter.

Mr. SNELL. But I am trying to get some information from the gentleman that is not in the report.

Mr. ROBINSON of Utah. Mr. Chairman, I think I have answered the gentleman's question.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield to me for a question?

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. Mr. Chairman, I yield for a question to the gentleman from Ohio.

Mr. JENKINS of Ohio. Mr. Chairman, I assume that the gentleman is thoroughly posted on what the committee did or what the committee intended to do. In this bill we are providing for the appointment of six assistants. At the present time the President has three, and every other President, from the beginning of the Government, has had only one or two. Can the gentleman tell me how he arrives at the conclusion that the present President should have six, and what duties he expects these six to perform?

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Mr. Chairman, the gentleman from Utah has yielded to me and I would like to have an answer to that question.

Mr. ROBINSON of Utah. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. I shall answer the gentleman's question.

Mr. JENKINS of Ohio. I do not want the gentleman's answer.

Mr. WARREN. Well, the gentleman is going to hear it whether he wants it or not.

Mr. JENKINS of Ohio. If the gentleman wants to interpolate something and take me off my feet, I suppose he can.

Mr. WARREN. But the gentleman from Utah has yielded to me.

The CHAIRMAN. The gentleman from Ohio will suspend for a moment. Does the gentleman from Utah yield for further inquiry, and to whom?

Mr. ROBINSON of Utah. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Chairman, whether the gentleman from Ohio wants to be answered or not I do not care.

Mr. JENKINS of Ohio. And I do not care to have the gentleman from North Carolina answer me.

Mr. WARREN. The gentleman from Ohio has just stated that every other President has had either one or two secretaries. The gentleman knows it to be a fact that in the very beginning of the Hoover administration the gentleman's party came in here, having an overwhelming majority, and created two new secretaries, one position going to Mr. Akerson and the other to Mr. Ritchie, giving Mr. Hoover three during his term.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. JENKINS of Ohio. I want to say that the gentleman did not quote me correctly. I said that at the present time this present President has three secretaries. I further said that most of the time from the beginning of the Government down the President had only one or two. Now I said, we are doubling the number we have had, and I want the gentleman to answer me, and he has not answered the question.

Mr. WARREN. The gentleman can look at the reporter's notes and see what he said.

Mr. JENKINS of Ohio. I want an answer to my question.

Mr. ROBINSON of Utah. I shall be glad to answer the question. The gentleman from Ohio is confusing secretaries with administrative assistants. These are not secretaries in the ordinary sense of the term.

Mr. JENKINS of Ohio rose.

Mr. ROBINSON of Utah. I do not yield further.

Mr. JENKINS of Ohio. Will the gentleman answer the question.

Mr. ROBINSON of Utah. I am trying to. These are administrative assistants; they are men comparable to men who are in the larger corporations, who aid the Chief Executive in determining what matters should be passed upon and how they should come before the President so that he may pass upon them.

The CHAIRMAN. The gentleman from Utah has consumed 10 minutes.

Mr. ROBINSON of Utah. Mr. Chairman, I yield myself 3 additional minutes.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield for a short question?

Mr. ROBINSON of Utah. Not now. I want to make this point, to illustrate what I am getting at, and answer the gentleman's question. Even in the Department of the Treasury there are two assistants to the Secretary, each getting $10,000 a year. There are two technical assistants getting $9,500 a year each, two assistants getting $8,500 a year, two technical assistants and special assistants getting less money. All of these are administrative assistants. They are men who are helping the Secretary of the Treasury do his job as Secretary of the Treasury. What we are asking and what the President is asking, and what he is asking of you men is to give him some help. You know that the President, any President, needs competent help, needs trained and efficient men who are experts in their various lines to furnish him information.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. In just a moment. The President needs help of a technical nature. He needs men who can go into a problem pertaining to the departments and analyze it and bring it before him in a succinct yet detailed form, so he can quickly understand the matter as it actually exists, and so that he can determine how he shall proceed.

That is the purpose of these administrative assistants. Of course, the present President has a lot more work to do than former Presidents. In President Hoover's administration the letters were only 200 a day. Now they are 4,000 a day. But I do not want you to confuse that with the work these administrative assistants are to do. It is a matter of saving money; a matter of saving time; a matter of doing the job as it should be done. There is no corporation of any consequence that does not have administrative assistants who are experts, technically trained, and carefully chosen for the particular job they are going to do.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I have no criticism of what the gentleman has said. I noticed he used the expression "the President needs this help." I am wondering if the gentleman would not agree with me that the Congress of the United States, through its Members, should be fearless enough to vote ourselves the money which we need for additional clerk hire, that we may properly and promptly handle the increased business that comes before us? In that connection I would like to say I believe the petition of the gentleman from Mississippi [Mr. COLLINS] for additional clerk hire is vitally proper at this time. Does the gentleman agree with that?

Mr. ROBINSON of Utah. I agree with that. Members need additional clerks. [Applause.]

The CHAIRMAN. The gentleman from Utah has consumed 3 minutes.

Mr. ROBINSON of Utah. Mr. Chairman, I yield myself 1 additional minute.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. KRAMER. Can the gentleman tell me whether one of these secretaries will be Charles West, who is now already supposedly on the staff?

Mr. ROBINSON of Utah. I will say to the gentleman that the President of the United States has an absolute right to choose whomsoever he pleases for his secretaries, and I have no idea who they will be.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. HOUSTON. Is it not a fact that under the Coolidge and Hoover administrations nothing was done and they did not need any secretaries? We are actually in need of them. [Laughter.]

Mr. ROBINSON of Utah. I yield to the gentleman from California.

Mr. FORD of California. Is it not a fact that a big bank will have as many as eight or nine vice presidents who are acting in about the capacity of these executive assistants that the President is asking for?

Mr. ROBINSON of Utah. That is right.

The CHAIRMAN. The time of the gentleman from Utah has again expired.

Mr. ROBINSON of Utah. Mr. Chairman, I yield myself 1 additional minute.

I wish to read exactly what the President said about this matter. The President said on January 12, quoting his words:

> The committee has not spared me. They say what has been common knowledge for 20 years, that the President cannot adequately handle his responsibilities, that he is overworked, that it is humanly impossible, under the system which we have, for him to fully carry out his constitutional duty as Chief Executive, because he is overwhelmed with minor details and needless contacts arising directly from the bad organization and equipment of the Government. I can testify to this. With my predecessors who have said the same thing over and over again, I plead guilty.

Those are the President's words.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ROBINSON of Utah. I reserve the balance of my time.

Mr. TABER. Mr. Chairman, I ask recognition.

The CHAIRMAN. The gentleman from New York is recognized for 1 hour.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. GIFFORD]. [Applause.]

Mr. GIFFORD. Mr. Chairman, as one of the two minority members of the greatly heralded Reorganization Committee, whose proceedings until a day or two ago were kept so secret that even you Members were not supposed to know what was proposed and what went on in the committee, I want to say to you that you should not consider it strange that secrecy was desired. There was a fight going on over the Supreme Court. Did you hear about that? Enormous power seemingly was desired to put through a

certain program. Coupled with that came this stupendous reorganization scheme, and it was such another arrogant demand for Executive control of government that it must not be openly discussed, lest the two demands prove too great a shock to the Nation.

First, I want to congratulate the members on the Democratic side of the House. They have proven themselves able to withstand great pressure. They apparently intend to move cautiously and use their own judgment. They know that I greatly respect them—COCHRAN, WARREN, FRED M. VINSON, and the others. Certainly they seemed to recognize the enormous power that had been requested, and are not unmindful of the danger of grasping for power by the Executive, who has been so thoroughly rebuked by his own party in another legislative body. But they are still steadfast members of their party. They are determined to save the President. This report before you seems a simple thing, and you may well say, "The mountain has labored, and here is your mouse." [Laughter.]

In spite of Farley or the President they are going to stay in the party. The little girl went to a party to which she was invited, but when she got home she said, "Nancy was very disagreeable all the afternoon."

"Well, why did you not come home?"

"I just slapped her face and stayed."

I think somebody's face has been slapped, but they are going to stay in the party.

I ask you, now that these secret hearings are available, that you read the report and contemplate the power that has been asked for. They have given you this seemingly little bill to provide the President with six secretaries. That, however, is putting the cart before the horse. These six secretaries might be needed if they passed the so-called reorganization bill, which would have turned practically the whole executive functions of government over to the President. The bill contains only a few lines—pay them $10,000 a year and let them do exactly what the President may prescribe.

Mr. TAYLOR of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. In a minute. I have a few things I want to say first.

So we wonder what the actual duties may be, and we have a right to ponder probable results. The whole fundamentals of our Government practically have been upset largely by these secretaries having a passion for anonymity, these selfless individuals who have sought to avoid publicity. It is now desired that they actually stay at the White House and not in the little red house or on K Street. They should live in the White House, so it would not seem strange to be seen coming in the back door. The President has said that he kept the keys to the back and side doors in his pocket. We think we know better; we think we know who has admittance to the back and side doors.

These are the kind of secretaries desired; selfless; with a passion for anonymity; no wish for publicity; to scheme for the President—an arrogant President. He has displayed, has he not, plenty of arrogance lately—grasping to control the Supreme Court for a program largely hatched by these anonymous persons? A program planned for him not by Moley, not by Johnson, or by any of those former friends, but by those selfless, nonpublicized brain children lacking any practical experience in public affairs. And they have already been credited—they did not want the publicity—not only for legislation affecting holding companies and public utilities, the S. E. C., and many others, so-called, but even Supreme Court reforms for the recent act to obtain control itself. All these pieces of legislation were formulated by these selfless secretaries anxious to avoid publicity, when they come up here in the corridors of Congress and threaten a Brewster, and possibly even a Warren, of North Carolina, might be approached by such secretaries if he did not vote for the program of the President. But they have had a little publicity. Why, one of them sat right here in this Chamber, as I recall it, suggesting to committee members how they could answer arguments against the public-utilities legislation. Those secretaries who worked 16 hours a day; who at times are reported to have slept on the floor; who were musical and could lull even the President into a happy frame of mind, according to the magazine articles we read lately; I have read that these two secretaries whom we are describing were the inspiration which prompted the Brownlow report to request six similar secretaries. Apparently these are the type of secretaries such as will be wanted under this bill. It has been fully demonstrated. No one need stand in the Well of this House and attempt to tell what the President will have them do, for nothing is said in the bill about that. But we can well imagine what he will have them do. We know they will be picked men whom he can trust. Men who he can swear to eternal obedience or else they will go the way of Moley, Douglas, Johnson, and the rest who dared advise him for his good.

Ah, you say, this is a simple matter. Why, this granting of six selfless, anonymous secretaries to the President has already been demonstrated to you is a highly dangerous proceeding. We should now know the great danger of suggesting to this President of ours any new reform to further hamstring business, the only factor that can ever solve the unemployment problem. We have had enough of such suggestions. Shall we now invite more of it, even three times as much?

On reading this report of the committee it is certainly apparent that these are the kind of secretaries you should expect and that you will get. I read in the paper yesterday that these two particular secretaries who have teamed up for all these years are soon to open a private office in New York, and I think then they will publicize enough what they have done in Washington. Anyway, I think the great corporations well know that they are practically the only ones who understand some of the legislation that has been put over. How carefully they worded that legislation. Sixty-six pages even in the wage and hour bill. Oh, only they who drafted that legislation can understand the meaning and the possibilities of legal talent to explain and unravel. They will be needed, oh, so badly needed, by private corporations who now must appeal to them to save them from their own Government exactions. No; these two secretaries have fastened themselves upon the very texture of our Government in such fashion that business may never fully recover confidence for new ventures, so absolutely necessary to the life of our growing population. Practically a new house has been built on the original framework of our Government during the past few years, and the credit or blame to be largely taken by these selfless, anonymous, shrinking violets now soon to be released to rescue corporations from the laws they themselves have fashioned.

It may be, after all, a matter of grave importance to give the President these assistants unless we define their duties and limitations.

The entire reorganization plan will stagger you after reading it. It recommended that the President take over practically the whole executive function of government, leaving the policy-determining power to those whom he would appoint himself. He would take over all administration of government, and referring, if you please, to independent agencies, the results of such investigations and activities that he might see fit. What kind of Federal communications investigation would you get under that set-up? Why, they even desire to do away with the Comptroller General and hold autopsies only on money spent. Read this report carefully and you will realize that such extravagant demands mean a sure dictatorship in this democracy of ours.

Control of the Supreme Court is at least temporarily refused. Complete control of the administrative functions of the Government seems now to be set aside. At this particular time they are striving to save the President from destroying himself. This is painfully apparent. These men on the committee whom I mentioned are patriotic, clear-headed, and conservative, and whose judgment would not allow this entire reorganization bill to be presented, at least at this time.

I have tried to suggest to you how extremely dangerous it might be to give the President any more Cohens and Corcorans. I ask you to think it over. Again I repeat, that is the type of secretary that furnished the whole inspiration for the Brownlow report.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Tennessee.

Mr. TAYLOR of Tennessee. I was wondering if this proposal for six additional clerks had its inception in the six additional members of the Supreme Court that was advocated by the President.

Mr. GIFFORD. Maybe there is something intriguing in the number six. He may have had more than six assistants if he wanted them. He can get a detail from any department of the Government. These two secretaries to which I referred were detailed from the R. F. C. and from the Federal Power Commission. They are paid by those departments and that is where they can flee when the heat is turned on down here. But they are at the President's disposal night and day, not only to carry out his ideas but to bring him new ideas.

Mr. BOILEAU. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. This bill makes no reference to the civil service. Is there a provision in the civil service that exempts executive assistants from the civil-service law.

Mr. GIFFORD. Of course, he could have them now from the other departments who would be under the civil service. But they could get only $8,500 a year under the Classification Act. It is desired to pay them $10,000 a year, as much as you Congressmen receive, although they do not have to spend money to be elected. They will be regarded as more valuable than a Congressman, so it is proposed to pay them $10,000 and be selected from whatever source the President may designate.

Mr. BOILEAU. The personnel of any department of the Government is taken from the civil service, unless there is an exception made in the legislation, which may take them out of the civil service. Automatically, those people are under the civil service without exception, and that provision is not in here. I wonder under the circumstances, if they would then come under the civil service?

Mr. GIFFORD. It says here he may invade any department he pleases and pick career men or any men he desires and after they have served his purpose they shall then be taken back into that department. That is the viewpoint we have. I do not know, but I would judge such selections would be under the civil service.

Mr. BOILEAU. I would not think they would be under the civil service, but in view of the fact this bill does not make any exception, I was wondering if they would not automatically come under the civil service.

Mr. GIFFORD. No; I do not think so.

Mr. KNUTSON. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I have not read the provisions of this bill very carefully, but may I ask, would the President be free to go outside of the family to make these appointments?

Mr. GIFFORD. The family is already so very busy. Even the lady at the White House now answers Senator WHEELER when he makes a remark. He has plenty of help from the family now.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. As I understand it, at the present time the President has three executive assistants?

Mr. GIFFORD. Yes.

Mr. JENKINS of Ohio. Are they paid $10,000 a year?

Mr. GIFFORD. I understand so.

Mr. JENKINS of Ohio. Now, then, a while ago I had a colloquy with a gentleman down in front and I indicated my understanding was that this administration has three secretaries. I understood further that has only been the custom for a comparatively short time. Does the gentleman know how long it has been since the President has had three secretaries down there?

Mr. GIFFORD. No; but I want the gentleman to understand these secretaries are not for these new purposes. These present secretaries are for the purpose of giving out publicity, meeting newspaper reporters, and taking charge of radio matters and meeting the public. These new secretaries are to be anonymous. We must, possibly, not know who they are. They must bring and carry the President's messages, entertain him, and give him new ideas, as at present exemplified by those in similar positions. The Cabinet and administrative officers will receive messages through them, salute, and send their replies by such liaison official. I would think the Cabinet officers would turn over in their beds at the thought that they will have to receive orders from one of these secretaries who will say, "I have a message from the President, who, upon my investigations and advice, recommends your adoption of this particular policy or action."

Mr. JENKINS of Ohio. As I understand it, the gentleman means these six new fellows are expected to be sleuths of some kind?

Mr. GIFFORD. We have two of them already. That is apparently what is wanted. Shall I repeat? Unquestionably the work of Corcoran and Cohen was the inspiration behind the Brownlow report. They are asking for more secretaries to write our legislation for us; brain children who will write our bills in such difficult language that even our own SAM RAYBURN will need have them at his side to advise him. You will recall that Mr. Huddleston stated, "They shall not sit in our committee any longer." He rebelled at such dictation and was punished. It was his country's loss.

Mr. Chairman, we have taken orders long enough. I see a bright light ahead. I do not think orders will be taken even on that side much longer. I rejoice with you that the President was rebuked in the matter of the Court. A threat was made that Farley would go into Indiana immediately and defeat their courageous Senator. But have courage, my boys, to say "no."

Mr. KNUTSON. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Minnesota.

Mr. KNUTSON. When was this emancipation proclamation that the gentleman just referred to issued?

Mr. GIFFORD. I should judge it was of very recent date. I remember speaking on the floor some 6 weeks ago on the "March of Time." I think I ought to make another address describing events since that date, because time has wrought many changes since that recital was made. The mask is off. The intolerance and the arrogance we now plainly see. Certain people hastened back to Washington and have attempted to patch up the differences. They pleaded, "Let us save our party. Let us not destroy our President." But great damage has been done. However, there is hope for the future. If we would adjourn and go home in the next 2 weeks, business could have a breathing spell and real prosperity and confidence might be restored. However, as long as we sit here, with Cohen and Corcoran advising the President, business is and may well be badly frightened and suspicious of their own Government. I believe that even Democrats do not know what the objectives are which the President has really in mind. We wait for a "fireside lullaby" to learn what may be these present objectives.

Mr. JOHNSON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. JOHNSON of Minnesota. The gentleman talks about a breathing spell for business. How much of a breathing spell did Hoover give business when he was in the White House? I have here an article from the Minneapolis Journal, a Republican newspaper, headed "Business Upturn—Collection Gains Cut States' Debts."

CHICAGO, July 26.—From State capitals of the Nation came reports today of midyear audits, showing marked improvement in Government finances.

Mr. GIFFORD. I know what the gentleman will say, and I will agree with that, but whatever has been accomplished has resulted in public debt of $36,500,000,000, with over $40,000,000,000 in prospect, and nothing has apparently been helped except by subsidy. This is nothing to flatter ourselves about.

Mr. JOHNSON of Minnesota (reading):

Tax collections shooting upward with the rising curve of business were the principal reasons advanced for the brighter financial picture.

[Here the gavel fell.]

Mr. ROBINSON of Utah. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, when the distinguished gentleman from Texas, Mr. Buchanan, passed away early in this session, as I was the ranking Member of the reorganization committee, the Speaker appointed me as chairman to succeed him. I have attended all the meetings, with one exception. I attended the meetings of the joint committee of the House and Senate as well. I know what has been going on, and therefore am in a position to inform the House of our activity.

May I say first that the House committee agreed we would divide the question into four bills. The report and the message that came to the Congress dealt first with the White House staff. The first bill we report deals with the White House staff.

For the benefit of the Members of the House, may I say that the subcommittee handling the civil service phase of the recommendations met last Wednesday, read a tentative bill in full, and is about to render a report to the full committee. We had the assistance of a representative of the Civil Service Commission, and of others, before us. Certain changes were recommended, and so far as I was able to observe, there was no disagreement.

Another phase of the question is with respect to the General Accounting Office and the Comptroller General. The chairman of the subcommittee, the gentleman from Kentucky [Mr. FRED M. VINSON] advises me that a tentative bill has been drafted, and I venture the assertion that the bill will be satisfactory to the Members of the House, and if they do not play politics, to the minority as well as the majority.

The fourth question deals with the general reorganization plan and the power to be given to the Chief Executive in reference to the consolidation and elimination of Government agencies.

In other words, may I impress upon you that this is not the finish, it is simply the start. If it were the finish I would not be here today advocating the passage of this bill.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. COCHRAN. In just a moment. Let me continue, and I will yield to the gentleman later.

Now, what is this bill? The Congress of the United States has charged the present President of the United States with a great many responsibilities which former Presidents did not have. I recall that in 1929 when the independent offices appropriation bill went to the Senate, the Senate Committee on Appropriations added an additional secretary for President Hoover. When the bill reached the Senate floor the Senate added a secretary in addition to the one that the Senate committee had recommended, and the bill passed the Senate unanimously. Then the bill came over here and was passed by the House without a roll call. I, for one, supported it. I believed the then President of the United States was entitled to additional help. If he had asked for more than two secretaries I would have been willing to give them to him.

I came here 25 years ago, and I may say I served an apprenticeship as secretary before I came to the House as a Member in the Sixty-ninth Congress. I am not egotistical when I say I think I know a little bit about this Government. I know something about the workings of the Government. Stop for one instant and consider that the President of the United States today has reporting to him approximately 120 different Government agencies. There is the answer to the question of why he needs additional assistants. This reason was pointed out in our hearings, which have just been released, and one copy has been sent to each Member of the House.

In the hearings no objection was raised, and, may I say, there was absolutely no objection to this bill until the last 48 hours. The gentleman from New York [Mr. TABER] told me that all the time he wanted on this bill was 3 minutes, but another gentleman from New York, the minority leader [Mr. SNELL] decided on the day before yesterday that he wanted 2 hours. For what? For political discussion, that is all. Only today at 12 o'clock the gentleman from New York [Mr. TABER] said, "I want an hour and 15 minutes", but when we attempted to settle the question of time, the gentleman asked for 2 hours. Talk about taking orders! I wonder if the gentleman from New York [Mr. TABER] is taking orders from another gentleman from New York [Mr. SNELL].

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Not right now.

The gentleman from Massachusetts [Mr. GIFFORD] talked about secretaries coming down here to Congress and telling certain Members what to do. I can say without fear of contradiction that no secretary of the President has ever come down here or come to me at my office, or any other place, and told me what to do since President Roosevelt took office in 1933.

When you talk about a representative of the President coming down here and telling somebody what to do, I want to ask the gentleman from Massachusetts [Mr. GIFFORD] and his colleagues on the Republican side of the aisle, if they have forgotten a man by the name of Walter Newton, a former Member of the House, who used to sit here on this floor not 1 day a week but 5 days a week—and I wonder if he was telling somebody on the Republican side of the aisle what to do during the Hoover administration. He was one of Mr. Hoover's secretaries.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield to me to answer that?

Mr. COCHRAN. Yes; I yield to the gentleman.

Mr. GIFFORD. I grant that, and I ask the gentleman to recall Mr. West and Mr. Keenan coming here openly; but these secretaries, as I said, are the kind that are not supposed to be known.

Mr. COCHRAN. I guess Mr. West and Mr. Keenan are just about as well known as was Mr. Newton. Mr. Keenan cannot come on the floor of the House. I served in the House with Mr. Newton, and I have a great deal of respect for him. I was always his personal friend; in fact, I have always got along with the Republican Members of the House just about as well as I get along with the Democratic Members. I have never had any trouble with the Republican Members of this House. [Applause.]

I want to state to the gentleman from Massachusetts [Mr. GIFFORD], and the gentleman from New York [Mr. SNELL] must bear me out in the statement, that time and again when there was legislation pending here during the Hoover administration I rose and supported the gentleman when many of his own party deserted him, and he knows this statement is true.

Mr. SNELL. Will the gentleman now yield for a question?

Mr. COCHRAN. I yield to the gentleman, since I have mentioned his name.

Mr. SNELL. What has the fact that the gentleman has supported reasonable legislation heretofore got to justify his supporting unreasonable legislation at the present time?

Mr. COCHRAN. I do not know of any unreasonable legislation that I am supporting at the present time or have supported in the past.

Mr. SNELL. Then it is a matter of judgment, is it not? This is absolutely an unreasonable proposition, and every man here in his own heart knows that it is.

Mr. COCHRAN. That is the gentleman's opinion, but my opinion is entirely to the contrary. Let me proceed.

Mr. SNELL. May I ask the gentleman another question?

Mr. COCHRAN. I cannot yield. The gentleman has time on his own side he can use.

Mr. SNELL. All right, if you will give us all the time we want.

Mr. COCHRAN. The gentleman from Massachusetts [Mr. GIFFORD] also said, "Why, he is going to select them from any source." Why should he not select them from any source? Is there any reason in the world why he should not? Does anybody try to tell the gentleman from Massachusetts or the gentleman from New York [Mr. SNELL] whom he should select as his assistants, or does anybody try to tell any of us whom we should select as our secretaries?

The gentleman also states he—meaning the President—is going to pick men he can trust. Why should he not pick men he can trust? Is he going to come down here and pick HAROLD KNUTSON? Is he going to pick HAM FISH? Is he going to pick BOB RICH? [Laughter and applause.]

Mr. RICH. Mr. Chairman, will the gentleman yield? I want to ask the gentleman a question.

Mr. COCHRAN. I cannot yield. The gentleman's side has time.

Mr. RICH. I would like to ask the gentleman a question.

Mr. COCHRAN. Why should not the President pick men he can trust? That is the most foolish statement I ever heard in my life. [Laughter and applause.] All of us want to pick men we can trust, and the man or woman who does not pick a man he can trust will not last very long.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Not right now; I want to proceed with my statement.

Mr. RICH. Does the gentleman mean that the President could not trust me?

Mr. COCHRAN. I am not, of course, questioning the gentleman's integrity.

The gentleman from Massachusetts states that administrative assistants are going to write bills. They are not going to write any bills, but, probably, if they did write some good bills and sent them down here, it would not do any harm for us to look them over. There are very few Members of the House and Senate, with all due respect to all, who can sit down at a desk and write a bill that will stand up, and you know that just as well as I know it. This is why we have legislative counsel.

[Here the gavel fell.]

Mr. ROBINSON of Utah. Mr. Chairman, I yield the gentleman 5 more minutes.

Mr. COCHRAN. Somebody mentioned the name of Mr. Corcoran and Mr. Cohen. I do not know Mr. Corcoran and I do not know Mr. Cohen; I never met either of them; but one thing I do know and that is if they tell the truth about them, they are the authors of some legislation we passed such as the Security and Exchange Act, the Social Security Act, and other outstanding laws, and I think the country would be better off if we had a few more Corcorans and Cohens. [Applause.] Do not let anybody tell you differently. Some of the laws that have been declared unconstitutional by the "Nine Old Men", as you call them, were not written by Corcoran and Cohen, while the laws that have stood up, I understand, were written by Corcoran and Cohen, if we can believe what we read.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Not right now.

These six assistants are to be known as administrative assistants. As I say, the President of the United States has 120 Government agencies directly responsible to him. The Secretary of the Treasury, who is the head of one of these Government agencies out of the 120, has 11 assistants.

What are his duties in comparison with the work and responsibilities of the President?

Just think of that! You voted for them for those assistants; you Republicans created some, while Democrats created others.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. COCHRAN. Not at the moment. The Secretary of the Treasury now has 11 assistants, and needs them, and that is only 1 of the 120 Government agencies that report to the President of the United States. If the heads of the 120 Government agencies should be put into groups, and one of the assistants to the President contacts one group and interviews the heads of agencies when they have some matter to present to the President, and prepares a brief memorandum which he can present to the President when sides of the story; he will have not only the side of the head of the Government agency, but he will have another side; the matter is taken up, then the President will have two and I think that will prove to be extremely beneficial to the Chief Executive. The trouble is that the Chief Executive has not the time to examine into the workings of all of these agencies that must report directly to him. If ever there was a bill that spells economy, this bill does, because if one of these administrative assistants—and the President does not have to appoint six, although he may do so—places information before the President of the United States and tells him something about how these agencies are running, and the President corrects a condition that should not exist, it means a saving of money to the taxpayers of the country.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Please let me conclude. We have given the President a job, and now we want to give him tools with which to do the job; and I say in all fairness that this should not be a political question, because, remember, if the day ever comes—and I doubt if it will come during my lifetime—when your party gets back into power, you will have these six assistants.

Mr. TABER and Mr. RICH rose.

The CHAIRMAN. Does the gentleman from Missouri yield?

Mr. COCHRAN. I desire to conclude.

Mr. Chairman, I want the membership of the House to understand—and I do not think there is any Member, at least of the majority of the Committee on Reorganization, who will dispute my statement—that this is the start, and we are going to have more bills to follow, they will be in here very shortly, and you will have an opportunity to vote on them.

Mr. RICH. Mr. Chairman, will the gentleman yield right there on that point?

Mr. COCHRAN. I only have a moment left. The gentleman should get some time from his side. You are going to have an opportunity to vote on other bills growing out of our work. We have been working hard, we have been going to meetings at 10 o'clock in the morning and sitting there until 12 o'clock noon. We have been reading a great deal from reports. This House created this committee, you created one in the last Congress and you created one in this Congress and you said that you wanted us to do something. Now we are starting to do it, and all we ask of you is your support. [Applause.]

Mr. ROBINSON of Utah rose.

Mr. SNELL. Mr. Chairman, I ask to be recognized.

The CHAIRMAN. Does the gentleman from New York [Mr. TABER] relinquish his time?

Mr. TABER. I do not.

Mr. SNELL. I think I have a right to be recognized under the rules of the House.

The CHAIRMAN. The gentleman from Utah [Mr. ROBINSON] is recognized.

Mr. SNELL. Mr. Chairman, I ask for recognition in my own time.

The CHAIRMAN. The question of recognition is one to be determined by the Chair.

Mr. SNELL. I appreciate that, if the Chair desires to so rule, but I ask for recognition.

The CHAIRMAN. The gentleman from Utah is recognized.

Mr. SNELL. Does the Chair rule that I cannot be recognized?

The CHAIRMAN. The Chair rules that the gentleman from Utah is recognized.

Mr. ROBINSON of Utah. Does the gentleman from New York desire to yield any of his time now?

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Under the rules of the House, when we go into the Committee of the Whole House on the state of the Union, as we have in this instance, without fixing the time for debate, am I correct in saying that anyone recognized by the Chair is recognized for an hour, and has the Chair the discretion of recognizing certain individuals and then permitting those individuals to yield their time to other individuals, to the exclusion of other Members who are seeking recognition?

The CHAIRMAN. That has been the practice. The gentleman from Utah is recognized.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER rose.

The CHAIRMAN. Does the gentleman from New York desire to yield some time?

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. THURSTON].

Mr. THURSTON. Mr. Chairman, I am sure that we all enjoy a good joke, and I have not come across a more supreme piece of political humor than is contained in one sentence in the report made by this committee, in which it said that these secretaries should be persons with "a passion for anonymity." If anyone before has ever suggested that the present occupants of the White House, or their publicity staff, have been modest or timid or afflicted with anonymity, no one in Washington has heard of it.

I would like to have someone from the Democratic side of the House explain whether these six additional secretaries are to be appointed so that the public can know who they will be, and what their specific duties will be, or whether they are to be undercover men for the Chief Executive of the United States? If this bill passes, will Cabinet officers be needed? It has been freely asserted that the present administration is somewhat displeased with different Cabinet members, but does not desire to retire them, and that this is a new, adroit way to appoint men who will overreach or partly replace the present Cabinet, so that the President will not be obliged to rely upon those whom in the past our Chief Executives have relied upon and with whom they have consulted and cooperated.

I do not know whether it is a coincidence or by design that we are to have about the same number of executive private secretaries as we now have members of the Cabinet, so that the President can rely upon each of those individuals, rather than upon the chief of some of his departments.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. THURSTON. For a brief question.

Mr. KNUTSON. The gentleman from Missouri [Mr. COCHRAN] in stressing the need for this legislation, called attention to the many bureaus and other agencies that are reporting directly to the President. Can the gentleman inform the House just how many new bureaus have been created since the New Deal went into office?

Mr. THURSTON. I do not have the accurate figures, but possibly half of the existing 120 bureaus, commissions, boards, administrations, and authorities have been created in the last 4 years.

Mr. KNUTSON. One hundred and four, according to my information.

Mr. THURSTON. But we were told that the administration is vitally interested in economy, and the able gentlemen from the Committee on Appropriations, Mr. CANNON of Missouri, and Mr. WOODRUM, of Virginia, made the announcement yesterday that there would be a real economy move on the part of the present administration, and today we have a measure to provide six additional secretaries at $10,000 each annually. Typical Roosevelt logic. Of course, there will be secretaries to the secretaries, and the usual perquisites without end. We are starting out—rather continuing—on a policy of extravagance rather than economy.

I am surprised that any Member of this House would seriously contend that the President needed this additional aid. In this connection, I want to call attention to some of the agencies you have here to assist the President. Last month the total Federal pay roll for executive branches amounted to $127,998,772. That means that at this time the executive branch is paying in salaries more than $1,500,000,000 annually. Who will consistently claim we need more high-salaried secretaries? The President is Commander in Chief of the Army and the Navy. There are now assigned to duty in Washington 806 thoroughly trained military officers and we have 730 efficient naval officers, all men trained and skilled in their respective branches. How many persons do we have in the civil branches of the Government?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Iowa 3 additional minutes.

Mr. THURSTON. I have here a table issued by the Civil Service Commission released July 1, 1937, showing that for the month of May 1937 we had a total of 115,000 Federal employees in the city of Washington, and in the field or country at large, 725,000, making an aggregate of 840,000 employees of the executive branch. Practically every line of human endeavor has come under the contact and training and experience of these Government employees. Of course, these figures do not include the military or naval service. With all of this trained and skilled personnel you know and I know and the country knows that the President is just as much Commander in Chief of the Department of Agriculture, and especially the Treasury Department, as he is Commander in Chief of the Army, and he can call to his aid any of those experts—men who have been trained in the Government for years. There are several thousand persons employed by the executive branch who receive from $3,000 to $12,000 per year. He is entitled to their advice and also their cooperation. So when we talk of necessity for these six additional secretaries, that is pure camouflage. What is the real reason? I cannot believe that any Member on the floor of this House seriously believes that the executive branch does need these additional employees, unless he wants the President to have a little supergovernment confined to the White House, probably to check up on his Cabinet or some of these other officials who apparently do not have his confidence. If that is the background for these "passion anonymities", I think the majority should have the frankness to come out here and say so.

I know how deeply embarrassed the many splendid members of the majority have been in the past few months, and how they have been importuned to lay aside their judgment, their views on government, and their discretion so as to support many of these measures without merit and without logic and outside the pale of sound government; just plain Treasury raiding. So it is to be hoped that when this test comes, even though it does not involve a great amount of money, irrespective of party affiliation or Executive pressure, they will have the courage to speak out and say they are going to reject this useless, extravagant expenditure of further Federal funds, and thereby oppose further centralization of power in the President. I thank you. [Applause.]

Military and naval personnel in the District of Columbia

U. S. Army (as of June 30, 1937):	
Total commissioned personnel of the the Regular Army in the District of Columbia	685
Army Medical Center	95
Bolling Field	26
Total	806
U. S. Navy:	
In the Navy Department, Naval Observatory, Medical Center, air station at Anacostia, research laboratory at Bellevue, navy yard (including gun factory and students temporarily assigned)	730
United States Marine Corps	60
Military and naval officer personnel in District of Columbia	1,596

NUMBER OF CIVIL OFFICERS AND EMPLOYEES IN THE REGULAR, NEW, EMERGENCY OR RELIEF, AND THE WORKS PROGRAM AGENCIES OF THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT, WITH ADDITIONS AND SEPARATIONS, FOR THE MONTH OF MAY 1937

The monthly report of civil employment issued by the Civil Service Commission shows a total of 840,159 employees in the executive branch of the United States Government service on May 31, 1937, an increase of 4,900 employees since April 30, 1937, of whom 1,404 were permanent employees and 3,496 were temporary. There was a decrease of 463 employees in the District of Columbia and an increase of 5,363 outside the District of Columbia, making a total of 115,912 employees in the District of Columbia and 724,247 outside the District of Columbia on May 31.

There were increases in employment in the Post Office Department of 981 employees, chiefly substitute clerks and carriers, and of 579 in the Treasury Department, principally in the Bureau of Internal Revenue in connection with the collection of social-security taxes. There were seasonal increases in employment in the War Department of 3,982 employees, chiefly in the Engineer Department at Large; in the Department of the Interior of 1,125 employees, mainly in the General Land Office, the National Park Service, the Alaska Railroad, and the Alaska Road Commission; and in the Department of Agriculture of 571 employees, primarily

TABLE 1.—*Number of civil officers and employees of the regular agencies of the executive branch of the Federal Government, with additions and separations in and outside the District of Columbia for the month of May 1937*

Department or office	In the District of Columbia									Outside the District of Columbia									Total in and outside District of Columbia
	Permanent or emergency				Temporary				Total in District of Columbia	Permanent or emergency				Temporary				Total outside District of Columbia	
	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		
The White House	45			45					45										45
State	867	8	7	868	55	20	5	70	938	3,662	40	58	3,644	37	13	2	48	3,692	4,630
Treasury:																			
Administrative office	18,097	330	257	18,170	539	245	265	519	18,689										
Field service	592	14	3	603	11	4	1	14	617	38,662	843	390	39,115	2,121	755	271	2,605	41,720	61,026
War:																			
Administrative office	2,670	32	31	2,671	14	15	1	28	2,699										
Field service	981	5	9	977	309	112	8	413	1,390	34,353	970	727	34,596	29,812	7,312	4,473	32,651	67,247	71,336
Justice:																			
Administrative office	1,960	45	36	1,969	58	7		65	2,034										
Field service	299	19	3	315	2		1	1	316	5,358	49	43	5,364	75	16	6	85	5,449	7,79
Post Office:																			
Administrative office [1]	1,655	9	13	1,651	65	18	4	79	1,730										
Field service	2,609	6	4	2,611					2,611	271,905	1,089	120	272,874					272,874	277,215
Navy:																			
Administrative office	2,422	28	16	2,434	16	7	3	20	2,454										
Field service	8,264	21	352	7,933	233	26	27	232	8,165	58,489	981	991	58,479	2,072	405	402	2,075	60,554	71,173
Interior:																			
Administrative office	6,303	150	67	6,386	475	122	97	500	6,886										
Field service	2,566	21	19	2,568	114	10	35	89	2,657	13,818	509	401	13,926	8,730	6,082	5,690	9,122	23,048	32,591
Agriculture:																			
Administrative office [2]	5,834	74	108	5,800	901	97	34	964	6,764										
Field service	197	2		199	189	31	1	219	418	24,107	560	229	24,438	16,131	838	557	16,412	40,850	48,032
Commerce:																			
Administrative office	4,220	47	42	4,225	281	127	33	375	4,600										
Field service	36			36	7			7	43	9,799	340	199	9,940	867	382	542	707	10,647	15,290
Labor:																			
Administrative office	1,175	40	22	1,193	51	86	4	133	1,326										
Field service	57		1	56	1			1	57	3,881	25	22	3,884	26	8	9	25	3,909	5,292
American Battle Monuments Commission	7			7	2	2		4	11	40			40					40	51
Board of Tax Appeals	130			130					130										130
Civil Service Commission:																			
Administrative office	782	12	10	784	59	52	6	105	889										
Field service	41	1	1	41	5			5	46	292	2	6	288	41	18	2	57	345	1,280
Commission of Fine Arts	3			3					3										3
Employees' Compensation Commission	361	9	12	358	3		1	2	360	54	1		55	2			2	57	417
Federal Home Loan Bank Board	321	13	3	331	16		3	13	344										344
Federal Power Commission	256	3	4	255					255	122	8	1	129		6	1	5	134	389
Federal Reserve System	293		2	291	15	1		16	307	26			25					26	333
Federal Trade Commission	488	4	1	491	13		1	12	503	68			68	2			2	70	573
General Accounting Office	2,764	14	42	2,736	9		1	8	2,744										2,744
Government Printing Office	5,310	7	29	5,288	382	7	39	350	5,638										5,638
Inland Waterways Corporation	13			13					13	1,111	65		1,176	1,300	118		1,418	2,594	2,607
International Boundary Commissions:																			
United States, Alaska, and Canada	5			5	1			1	6						2		2	2	8
United States and Mexico										227	5	1	231	323	104	55	372	603	603
International Joint Commission	6			6					6										6
Interstate Commerce Commission	1,598	16	12	1,602	26	2		28	1,630	611	4	3	612	2			2	614	2,244
National Advisory Committee for Aeronautics	47	1	1	47					47	411	2	1	412	8	2	5	5	417	464
National Capital Park and Planning Commission	11			11	7	1	1	7	18										18
National Training School for Boys	76	1		77	9	1	2	8	85										85
Panama Canal	74	1		75					75	9,650	168	102	9,716	1,501	115	981	635	10,351	10,426
Railroad Administration	1			1					1										1
Reconstruction Finance Corporation	1,406	2	28	1,380	98		15	83	1,463	1,436	3	22	1,417	114	13	18	109	1,526	2,989
Smithsonian Institution	533	2	2	533	34	18	5	47	580										580
Tariff Commission	283	[3]	1	290	14			14	304	7			7					7	311
Veterans' Administration:																			
Administrative office	5,085	22	58	5,049	176	5	140	41	5,090										
Field service	329	4		333	6	25	23	8	341	28,913	638	623	28,928	792	233	261	764	29,692	35,123
Total	81,072	971	1,196	80,847	4,196	1,041	756	4,481	85,328	507,002	6,302	3,939	509,365	63,956	16,422	13,275	67,103	576,468	661,796

[1] Includes 274 employees in the District of Columbia and 22,821 employees outside the District of Columbia in substitute grades.
[2] Does not include 30,859 employees hired under special letters of authorization with a pay roll of $1,515,680.

TABLE 2.—*Number of civil officers and employees of the new agencies (created since Mar. 4, 1933) of the executive branch of the Federal Government, with additions and separations in and outside the District of Columbia for the month of May 1937*

Department or office	In the District of Columbia									Outside the District of Columbia									Total in and outside District of Columbia
	Permanent or emergency				Temporary				Total in District of Columbia	Permanent or emergency				Temporary				Total outside District of Columbia	
	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		
Agricultural Adjustment Administration (Agriculture)[1]	3,649	6	113	3,542	159	9	8	160	3,702	613	36	9	640	261	37	23	275	915	4,617
Alley Dwelling Authority	12			12					12										12
Central Statistical Board	57	1	1	57	7		2	5	62										62
Commodity Credit Corporation	112	6	1	117					117	2			2	2			2	4	121
Electric Home and Farm Authority	37	7	2	42	1			1	43	26	4	2	28	2			2	30	73
Export-Import Bank	12			12					12										12
Farm Credit Administration	1,380	25	18	1,387	6		1	5	1,392	3,153	11	89	3,075	42		11	31	3,106	4,498
Federal Communications Commission	376	14	3	387	37	1	4	34	421	135	2	1	136	85		17	68	204	625
Federal Deposit Insurance Corporation:																			
Administrative office	274	6	3	277	9	4	6	7	284										
Field service	4			4	1			1	5	530	3	3	530		2		2	532	821
Federal Housing Administration:																			
Administrative office	1,179	15	42	1,152	19	1	7	13	1,165										
Field service	29		3	26	1			1	27	2,098	49	115	2,032	169	38	18	189	2,221	3,413
Federal Savings and Loan Insurance Corporation	18			18					18										18
Home Owners' Loan Corporation:																			
Administrative office	1,851	7	45	1,813	36	5	2	39	1,852										
Field service	14			14					14	12,933	278	306	12,905					12,905	14,771
Maritime Commission	467	120	101	486	7	24	3	28	514	434	3		437	7	17	4	20	457	971
National Archives	231	3		234	24	4	8	20	254										254
National Labor Relations Board	87	25	4	108		1		1	109	79	16	6	89	2	3	1	4	93	202
National Mediation Board	22			22					22										22
National Railroad Adjustment Board										47		1	46					46	46
Paris International Exposition	2		2			3		3	3					4			4	4	7
Railroad Retirement Board[2]	595	4	8	591	113	1	18	96	687	3			3	114			114	117	804
Rural Electrification Administration	395	13	5	403					403	3			8	8			8	11	414
Securities and Exchange Commission	890	19	16	893	42	5	8	39	932	203	5	7	201	8	2	2	8	209	1,141
Social Security Board:																			
Administrative office	1,588	540	24	2,104	1,751	30	564	1,217	3,321										
Field service	79	3	3	79	5			5	84	905	144	9	1,040	757	52	111	698	1,738	5,143
Tennessee Valley Authority	12			12					12	13,267	745	607	13,405	63	14	25	52	13,457	13,469
Texas Centennial Commission					3			3	3					9			9	9	12
Total	13,372	814	394	13,792	2,221	88	631	1,678	15,470	34,431	1,296	1,155	34,572	1,533	165	212	1,486	36,058	51,528

[1] Includes 986 employees in the District of Columbia and 79 employees outside the District of Columbia on furlough without pay.
[2] Includes 112 temporary employees outside the District of Columbia who were furloughed without pay during the month of May.

TABLE 3.—*Number of civil officers and employees of emergency agencies and agencies under the Works Program of the executive branch of the Federal Government, with additions and separations in and outside the District of Columbia for the month of May 1937*

Department or office	In the District of Columbia									Outside the District of Columbia									Total in and outside District of Columbia
	Permanent or emergency				Temporary				Total in District of Columbia	Permanent or emergency				Temporary				Total outside District of Columbia	
	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		
Federal Emergency Administration of Public Works:																			
Administrative office	2,743	3	182	2,564	17		3	14	2,578										
Field	17	2	1	18					18	5,205	15	746	4,474	167	32	30	169	4,643	7,239
Works Program:																			
Treasury	2,629	14	58	2,585					2,585	11,766	71	452	11,385					11,385	13,970
War	68	1	4	65					65	2		2							65
Justice	133	10	7	136	6			6	142	224	8	8	224	3		3		224	366
Navy	87		31	56					56					20			20	20	76
Interior	219	5	5	219					219	461	98	6	553					553	772
Agriculture					129	3	11	121	121					118	16	22	112	112	233

TABLE 3.—*Number of civil officers and employees of emergency agencies and agencies under the Works Program of the executive branch of the Federal Government, with additions and separations in and outside the District of Columbia for the month of May 1937*—Continued

Department or office	In the District of Columbia									Outside the District of Columbia									Total in and outside District of Columbia
	Permanent or emergency				Temporary				Total in District of Columbia	Permanent or emergency				Temporary				Total outside District of Columbia	
	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937	Total, Apr. 30, 1937	Additions	Separations	Total, May 31, 1937		
Works Program—Continued.																			
Commerce	53	4	5	52	178	13	53	138	190	168	1	20	180	2			2	182	372
Labor	604		11	593	85	29		114	707	6,913		25	6,888	1,943		160	1,783	8,671	9,378
Coordinator for Industrial Cooperation	34		4	30	2	1		3	33										33
Division of Industrial Economics																			
Emergency Conservation Work:[1]																			
Director's office	57	1		58					58										58
Treasury																			
War					613	8	8	613	613					14,178	1,313	523	14,968	14,968	15,581
Interior	338	12	4	346					346	7,123	443	69	7,497					7,497	7,843
Agriculture	19	40	3	56	336	9	2	343	399	155	271	180	246	17,761	882	878	17,765	18,011	18,410
Commerce					29	1	7	30	30										30
Labor	8			8					8										8
Federal Emergency Relief Administration	65		30	35					35										35
Federal Surplus Commodities Corporation	224	4	2	226					226	28	1	2	27					27	253
General Accounting Office	2,225	21	39	2,207	27	1		28	2,235										2,235
National Emergency Council	175	2	14	163					163	180	1	11	170					170	333
National Resources Committee	102	1	2	101	2			2	103	207	21	6	222	10			10	232	335
National Youth Administration:																			
Administrative office	70		3	67					67										
Field service	9		1	8					8	1,204	69	49	1,224					1,224	1,299
Prison Industries Reorganization Administration	21			21	10	2	8	4	25	1			1	2		1	1	2	27
Puerto Rico Reconstruction Administration (Interior)	46		1	45	2			2	47	3,067	150	205	3,012	147	1	98	50	3,062	3,109
Resettlement Administration (Agriculture)[2]	2,208	22	126	2,104	15	1	4	12	2,116	10,558	145	344	10,359	1,060	171	25	1,206	11,565	13,681
Rural Electrification Administration	1		1		21	5	5	21	21										21
Works Progress Administration:																			
Administrative office	1,738	52	39	1,751					1,751										
Field service	149	3	3	149					149	29,258	959	1,044	29,173					29,173	31,073
Total	14,042	197	576	13,663	1,472	80	101	1,451	15,114	76,551	2,253	3,169	75,635	35,411	2,415	1,740	36,086	111,721	126,835
SUMMARY																			
Table 1	81,072	971	1,196	80,847	4,196	1,041	755	4,481	85,328	507,002	6,302	3,939	509,365	63,956	16,422	13,275	67,103	576,468	661,796
Table 2	13,372	814	394	13,792	2,221	88	631	1,678	15,470	34,431	1,296	1,155	34,572	1,533	165	212	1,486	36,058	51,528
Table 3	14,042	197	576	13,663	1,472	80	101	1,451	15,114	76,551	2,253	3,169	75,635	35,411	2,415	1,740	36,086	111,721	126,835
Total[3]	108,486	1,982	2,166	108,302	7,889	1,209	1,488	7,610	115,912	617,984	9,851	8,263	619,572	100,900	19,002	15,227	104,675	724,247	840,159

[1] Reports in addition to regular employees: 326 nurses, 7,039 military personnel, 297,442 enrollees, and 1,145 intermittent employees.
[2] Includes 68 employees on administrative furlough in the District of Columbia and 84 outside the District of Columbia. Does not include 3,149 employees hired under letters of authorization with a pay roll of $12,836.
[3] The net additions and separations (the above total less individual and group transfers) in the entire service are as follows:

	Additions	Separations		Additions	Separations
Permanent or emergency in District of Columbia	990	1,463	Permanent or emergency outside District of Columbia	8,940	7,971
Temporary in District of Columbia	1,080	854	Temporary outside District of Columbia	18,497	14,321

The total civil pay roll for the executive branch of the Federal Government for the month of May was $127,998,772.

in the Forest Service, the Soil Conservation Service, and the Bureau of Entomology and Plant Quarantine.

Decreases in employment were reported in the Federal Emergency Administration of Public Works of 910 employees, in the Panama Canal of 799 employees, and in the Navy Department of 354 employees.

There was a total of 661,796 employees in the regular agencies on May 31, 1937. In the new agencies (agencies created since Mar. 4, 1933) there was a total of 51,528 employees, and in the agencies and parts of agencies financed by emergency funds there was a total of 126,835 employees.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. THURSTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and set out some statistics and Government tables therein.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. ROBINSON of Utah. Does the gentleman from New York [Mr. TABER] desire to use further time?

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, in 1936 the passenger revenue of the Pennsylvania Railroad Co. from train operations over 10,380 miles of track in the central-eastern region of the United States was $76,552,256.

The New York Central Railroad, another great passenger carrier, operating passenger service over 11,219 miles of track in the Great Lakes region, received in passenger revenue for 1936 the sum of $62,575,824.

In 1936 the Pullman Co., operating over practically every railroad in the Nation, had an income from operations of but $56,347,041.

In the fiscal year 1936, Mr. Chairman, this Government spent for travel expense alone $76,669,506, a sum greater than any of the greatest railroad systems has ever taken in, in 1 year from passenger fares.

Last week the attention of the Congress was directed to the enormity of these travel expenses. I now repeat my charges: "The galloping hounds of waste have spent, or will spend, over $206,000,000 of the taxpayers' money in the fiscal years of 1936, 1937, and 1938."

Mr. Chairman, when one stops to consider that the total income of all the railroads in the United States from passenger fares for the calendar year 1936 was only $412,143,933, it is easily conceivable that someone may next suggest we buy the railroads and operate them for the benefit of these New Deal travelers. Seventy-six million six hundred sixty-nine thousand five hundred and six dollars is rather a healthy sum of money to toss away for travel expense.

In a few days we will be called on to pass the third deficiency bill of this session. Undoubtedly, that measure will saddle on us some more travel expenses to pay, but before we pay them I suggest that these traveling bureaucrats of the New Deal be advised to pack up their old kit bags for a one-way trip home, where they may again become producing members of society who contribute to rather than abstract from the Federal Treasury.

Although the amounts spent for travel expense may seem to have been encouraging for the railroads and steamship lines, there is another side of the picture which should not be overlooked.

While the Pullman Co. had an operating income for 1936 of $56,347,041, after deducting their operating expenses, their net operating revenue was only $6,613,338. Of this sum, nearly half, $3,159,117, went for taxes.

Perhaps the new dealers will find some new method of taxing the Pullman Co. next year in order to get money for these travel expenses and to continue these hide-and-go-seek journeys in an attempt to find the rendezvous with destiny. [Applause.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, what excuse or reason is there for this legislation? Our House Select Committee on Government Organization have offered no explanations, but in this report from our committee they choose to quote from the President's own committee on administrative management showing that the Congress should take the advice that was presented to the President and then transmitted to us in the President's message last January. Again we are asked to give the President more power simply because he wants it. These gentlemen appointed by the President say:

This recommendation arises from the growing complexities and magnitude of the work of the President's office.

I believe that all Members of the House, regardless of party, will admit that as our population increases and our modern life becomes increasingly complex, occasionally there are added duties that government must perform, not only for the President but for Congress, too. That is just one of the reasons, Mr. Chairman, that this particular legislation should be defeated. Everyone is aware of the fact that our American democracy is fast degenerating into a bureaucracy. Bureaucracy feeds upon its own power and fattens upon its own funds. Already our Government is top-heavy and this dangerous bill, instead of making it more simple, makes it more complex.

Why has the office of President of the United States become so complex and grown to such magnitude in recent years? It is because, Mr. Chairman, the executive branch of our Government, since the 4th of March 1933 has pretty largely swallowed up the legislative functions of Congress, and if it could have achieved its ignoble purpose recently it would have destroyed the integrity and independence of the judicial arm of our Government. What is wanted and what this vicious measure will help to accomplish is one-man rule—government by executive decree. If the President would realize that the executive arm of government is only one of three coordinate, coequal, coextensive branches of government and not attempt to rule everything from the White House and to control all the activities of the American people, if he would just allow Congress to perform its own constitutional functions, if he would not trespass upon the judiciary but would be content to accept the impartial decisions rendered by able and competent, courageous and conscientious men, we would not have any need for these additional governmental employees. Let us insist that the President keep his word and fulfill his promise to abolish bureaus and reduce governmental expenditures made to us in 1932.

Only day before yesterday the press informed the American people that $1 out of every $3 of our income in this country goes in taxes, Federal, State, and local; 33⅓ percent of the total earnings of the American people are now being spent in taxation. And they propose to balance the Budget by hiring six additional and superfluous administrative assistants at $10,000 each in order to reduce those expenditures. The President and his committee would add fuel to the flame that is fast destroying us.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. DOWELL. Does not the gentleman believe that each one of these six executive secretaries will have a secretarial force of his own which will cause the employment of many more people?

Mr. SHORT. Of course; and new office equipment and supplies will be required. Perhaps traveling expenses will be allowed. God only knows where the end will be. More political parasites placed on the public pay roll to lobby, propagandize, and perpetuate the New Deal in power.

In the report of the President's own committee we are told that the "men for these positions should be carefully chosen by the President from within and without the Government", that "they should be installed in the White House itself, being directly accessible to the President." The report states further:

It also would facilitate the flow upward to the President of information upon which he is to base his decisions and the flow downward from the President of the decisions once taken for execution by the department or departments affected.

Are we to understand from this language that the President can secure quicker and more accurate information from these satellites and sycophants, these theoretical, intellectual,

professorial nincompoops who could not be elected dog-catcher in any jurisdiction in the United States than he could from the true leaders of his own party, the chairmen of congressional committees and members of his own Cabinet? [Laughter.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 2 additional minutes to the gentleman from Missouri.

Mr. SHORT. Certainly these six administrative assistants could not and would not be more willing to give him the information he desires from this House than our own beloved and able Speaker [Mr. BANKHEAD]. Certainly no assistant could give him more accurate or speedier information than Vice President Garner who stepped in just in the nick of time to redeem and hold together the disintegrating ranks of the Democratic Party. Oh, no! Mr. Roosevelt, it seems, would carry out not the advice of Thomas Jefferson, the patron saint and founder of the Democratic Party, who said, "That government is best that governs least." Mr. Roosevelt seems to be obsessed with the idea that that government is best that governs most, and perhaps he wants these six additional assistants in order that he might carry out his plans of regimentation throughout the United States. Then we would have a government of men rather than a government of law. Fleeting fancy would supplant fixed principles. Mr. Jefferson founded the Democratic Party—President Roosevelt has dumbfounded it. [Laughter.] Had Franklin Delano Roosevelt asked the advice of BENNETT CHAMP CLARK, of Missouri; of PAT MCCARRAN, of Nevada; of BURT WHEELER, of Montana; of TOM CONNALLY, of Texas; of WALTER GEORGE, of Georgia; of JOE BAILEY, of North Carolina; of ED BURKE, of Nebraska; of BYRD and GLASS, of Virginia; of MILLARD TYDINGS, of Maryland; of DAVID WALSH, of Massachusetts; of ROYAL COPELAND, of New York; of FRED VAN NUYS, of Indiana, or our own SUMNERS of Texas—if he had talked to even a few of these and other stalwart, patriotic Democrats instead of to a few pseudo new dealers such as this putrid bill would create, he never would have got his own party into the serious predicament and awful, impossible situation over the infamous, illegal, unconstitutional attempt to pack the Supreme Court which, thank God, by patriotic Democrats has been sent to the graveyard and the ignominious death that is justly deserved. [Applause.]

Mr. RICH. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman from Utah [Mr. ROBINSON] has control of the time.

Mr. RICH. Does not the Chair intend to recognize anybody except the gentleman from Utah?

The CHAIRMAN. That is a matter for the gentleman to decide.

Mr. RICH. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman is not recognized.

Mr. RICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from New York [Mr. TABER] yield for a parliamentary inquiry?

Mr. TABER. Not now.

The CHAIRMAN. Does the gentleman from New York [Mr. TABER] desire to yield time?

Mr. TABER. Mr. Chairman, I do. I yield 7 minutes to the gentleman from Massachusetts [Mr. TINKHAM].

Mr. TINKHAM. Mr. Chairman, the bill now pending before the Committee calls, in effect, for a reorganization of the executive branch of the Government. I agree that the executive branch should be reorganized, and the resolution which I am introducing today would effect that purpose.

When the Constitution of this country was before the Constitutional Convention there was much opposition to the proposal of a single executive. Actually three States voted against having a single executive. It was argued that with the executive power in the hands of one individual there might arise a Catiline who would seek to destroy the Republic and to impose bondage upon the people. It has since been argued that having the executive power in one person is not compatible with the permanence of popular government.

A resolution providing for an investigation to determine the desirability of a plural executive, such a change in the executive department of our Government to be effectuated through appropriate constitutional amendment is being introduced in the House of Representatives today.

Free government and free men will disappear from the United States if a dictatorship is established here as it has been established in other countries recently.

Against the tyranny of a dictatorship all liberty-loving Americans must mutually pledge to each other their lives, their fortunes, and their sacred honor.

Personal government cannot be set up in the United States and the United States survive.

No demagogue with personal-power madness must be allowed to assassinate the American Republic. Demagogic expenditures of public funds must be prevented so that the American people will not be debauched into submitting to dictatorship.

Dictatorship and tyranny must be made impossible in the United States, whatever the device, whatever the means, whoever the man.

One way to ameliorate the danger and to avoid the terrors of a dictatorship is to have a plural executive.

For a long time Sparta and Rome successfully avoided the despotism of a dictatorship and the oppression of a tyrant by having a plural executive.

If the executive power in this country rested in three persons instead of one, hatred of our form of government might not be so brazenly manifested, American traditional policies and precedents might not be so flagrantly violated and destructive and revolutionary policies might not be so boldly proposed.

A plural executive might well make less likely—

First. Constant appeals to class hatred, which inevitably foment revolution and ultimately result in the destruction of a republic. It was just such appeals which were used by the Russian revolutionist, Lenin, to foment the Russian revolution of 1917.

Second. Abolishing the rights of the states and setting up in their stead local soviets or prefectures, with all control in a centralized bureaucracy, thereby imposing Russian or Asiatic collectivism upon a free people.

Third. Cajoling the American people to forfeit their liberties and their freedom by promises of security and comfort which are impossible of fulfillment, and destroying completely the rights of the middle classes, of the small manufacturers and merchants, generally recognized to be a vital part of a true republic.

Fourth. Repeated demands for more and more power to meet new emergencies constantly created by the adoption of revolutionary policies.

Fifth. Attempting to make of the two Chambers of the Congress houses of ill fame through coercion, by means of brutal threats of political reprisals, and the prostituting effects of political patronage.

Sixth. Infamous attempts to put an end to a free and independent judiciary, the bulwark of minorities, and the protection of the rights and liberties of the individual. It is the essence of dictatorship to regard justice as a matter of political opinion.

Seventh. Coercing and abusing the judiciary, thereby developing a widespread disrespect for law and authority.

Eighth. Making use of the criminal courts, of public investigations, and of income-tax and other laws to persecute individuals for political purposes and for personal reasons, thereby promoting Government terrorism and tyranny.

Ninth. Cringing in silence when insurrectionist political campaign allies flaunt law and destroy lives and property.

Tenth. Treating the Constitution as a "scrap of paper" to be violated at will and committing "high crimes and misdemeanors" plainly impeachable in character.

Eleventh. Practicing the policy of Asiatic and European dictators of branding as public enemies all those who voice opposition to their policies.

Twelfth. Constantly proposing innumerable alleged emergency measures so as to divert public attention from the ruthless destruction of all rights of persons and property.

RESOLUTION

Resolved, That the Committee on Election of President, Vice President, and Representatives in Congress, as a whole or by subcommittee, is authorized and directed to investigate the desirability of amending the Constitution to provide that the executive power, instead of being vested in one individual as President, shall be vested in an executive body consisting of not less than three individuals, and, in connection therewith, to make a survey and study of plans for establishing and organizing the head of the executive branch of the Government in a representative republic, including the proposals made during the formation and establishment of the Constitution, in respect of the organization of the head of the executive branch, and including the various plans of organizing the executive head in other comparable forms of governments.

The committee shall report to the House during the present Congress the results of its investigations, together with such recommendations for amending the Constitution as it deems desirable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony as it deems necessary. Subpenas shall be issued under the signature of the chairman of the committee or any member designated by him, and shall be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

[Applause.]

Mr. ROBINSON of Utah. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Chairman, a few days ago Republican statesmanship and leadership in the House of Representatives reached a high level when, under the leadership of the minority leader, a roll-call vote was forced in the House on the question of creating a $1,200 janitorship. Today that statesmanship is reaching its peak in opposition to this measure.

There is no use of us on the majority side fooling ourselves. We had the assurance up to a day or so ago that there was practically no opposition to this measure, but on account of the tactics displayed here today by our friends on the minority side, this matter has been made a partisan issue and we Democrats are ready to accept the challenge. There is no reason why any Democrat, why any Progressive, or why any Farm-Labor Member should not support this bill on its merits, and there is no reason why any Republican should not support it, except for pure, plain cussedness.

Mr. RICH. Will the gentleman yield?

Mr. WARREN. I yield to the gentleman from Pennsylvania.

Mr. RICH. If we were building a house, we would not build a cellar foundation until we knew what was going to be put on top of the foundation, would we? If we accept this as a part of the reorganization plan, and we do not know what is going to follow, we would be just as dumb and just as blind to go ahead?

Mr. WARREN. Well, I can tell the gentleman what is going to follow.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. WARREN. Not right now. I can tell the gentleman what is going to follow.

It was agreed, so far as the House group is concerned, that reorganization would be divided into four parts. This is part no. 1. As has been stated by the gentleman from Missouri [Mr. COCHRAN], in a short while a bill affecting the Comptroller General's Office will be brought in here for consideration, and I may say to the gentleman from Pennsylvania [Mr. RICH], I sincerely believe we are going to bring in a bill, without destroying the effectiveness of that great office, that even the gentleman from Pennsylvania will support. After that a bill dealing with the civil service will be brought in and after that, and in due course of time—when I cannot say—a bill for the reorganization of the executive departments will be presented.

We have been talking today about delegation of power. I have no fear of supporting a bill in this House which delegates power for the reorganization of government. Time after time, in years gone by, the Congress has attempted to reorganize. Every time it has ever attempted to do that it has met with hopeless failure. Congress has never agreed to consolidate. Congress is never going to reorganize, because that has been apparent every time the question has been brought up for consideration. The only way you are going to reorganize, the only way you are going to effect economies by means of reorganization, is to give the power to an Executive who has the determination and the will to do it. Mr. Harding had it, Mr. Coolidge had it, Mr. Hoover had it, and Mr. Roosevelt had it, but all failed to use it within the time it was given to them.

Speaking only for myself, I may say further to the gentleman from Pennsylvania that I have no fear about delegation of powers. I think any delegation of power that we give for reorganization should be kept within bounds and limited and circumscribed for a certain period of time.

Mr. Chairman, this is the first bill to be offered. I rest the case simply on this: The Executive has made the request because he said it is necessary. Personally I think it is necessary now without reorganization.

Mr. O'CONNOR of Montana. Will the gentleman yield?

Mr. WARREN. In just a minute.

No Executive in the history of the Nation, so far as I know, has ever laid his hands on a legislative appropriation bill. That is our function. No Executive has ever questioned, so far as I know, what we write into a legislative appropriation bill. It is not up to us, therefore, to question the Executive when he says that extra assistants and secretaries are needed for the administration of his great office.

Mr. Chairman, this has been a field day and more will be heard along political lines. I do not have to go back again, because the story has been told too many times. That story is burning in the hearts and souls of the American people. For 12 long years the Republican Party, drunk with power, arrogant in its rule, sat here in complete charge of the Government under three of their Presidents and let the country go to its downfall. I do not have to remind even the Republicans that during 1932 and in the first 2 months of 1933 banks were tottering and crashing throughout this Nation. I do not have to tell them that farms and homes were being foreclosed and the auctioneer's hammer ringing in every county seat in the Nation. I do not have to remind them that agriculture was prostrate and every farm commodity was selling below the cost of production.

I do not have to remind them that factories were closed and smoke was no longer coming from the chimneys. I do not have to remind them that 14,000,000 American citizens were walking the streets of this Nation hungry and starving, and standing in bread lines and soup kitchens.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. WARREN. I will yield to the gentleman in just a minute.

A new leader came in. From the time he took the oath of office on that blue 4th of March in front of this Capitol he inspired hope and confidence in the American people. Since then in election after election that confidence of the American people has been justified.

Who stand here and attack him today? Beginning with his inauguration and down to date at times a majority of the Republican minority in this House have consistently supported much of the legislation he has proposed. Even the gentleman from New York [Mr. SNELL], and even our friend the gentleman from Pennsylvania [Mr. RICH], have gone

down the line time after time supporting measures the President has proposed for the general welfare of the American people. Talk about expense! We have passed all the appropriation bills at this session of Congress. So far as I can now recall, you have called for roll calls on only two of these bills. You have sat here supinely in your seats and voted for billions of dollars at this very session of Congress without ever demanding a roll call and not even expressing your opposition to such measures.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. WARREN. I yield.

Mr. RICH. May I say that all legislation which has been presented here that I thought good I have supported. I have not hesitated to vote against any bills I did not think were right.

However, I may say to the gentleman from North Carolina that when he offers his support to, and expresses his confidence in the President of the United States, all the gentleman needs to do is read the statements of the President at the time he accepted the Democratic platform of 1932, and many of his later statements, which deal with his promises of what he was going to do. He has not fulfilled these promises. I cannot support the President of the United States when he does not do the things he has promised he would do.

Mr. WARREN. The gentleman is like a candidate for office down in my district who said he was in favor of all good laws and against all bad laws. [Laughter and applause.]

I know mistakes have been made. I know the President has made mistakes and will continue to make them. There have been times when I have disagreed and there will be a time at this very session, I am sure, when I shall disagree again. However, I have followed him, and I have gone with him because I have believed in what he was trying to do and because in this time of crisis I believe he has been the only hope and salvation of the American people. [Applause.]

Gratitude, and I am speaking of the gratitude of the people, is the shining virtue of all. To my mind, ingratitude is the basest of all sins. Over 1,900 years ago, Mr. Chairman, there walked the earth a man who went about ministering to the sick and spreading joy to mankind. You recall the story of how He cleansed the ten, and waved to them to go out and spread it to the world. When only one returned to give him thanks, He said, "But were there not ten cleansed? Where are the nine?" I refuse to believe that gratitude is a thing of the past. I refuse to believe that appreciation no longer exists. I refuse to believe that in these attacks upon the President the men and women of this Nation, at times the inarticulate mass, have forgotten in the short space of 5 years. I believe they are the nine who will return and rise up and bless the name of Franklin D. Roosevelt. [Applause.]

Mr. TABER, Mr. ROBINSON of Utah, and Mr. RICH rose.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. I ask recognition, Mr. Chairman.

The CHAIRMAN. The Chair declines to recognize the gentleman.

Mr. TABER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I took my position upon this bill on February 16. On page 5 of the hearings, which are available to the Members of the House, appears the following:

> Does not the result of this administrative set-up look just about like this: It breaks the direct connection of the departments represented and presided over by Secretaries in the Cabinet, and does not that kind of a set-up destroy the present efficiency of the Executive resulting from the Cabinet meetings and the direct contact between these officers and the Executive?

I maintain that position today. The question here is not whether I or somebody on the Republican side of the House can make the welkin ring or whether I can make a grand appeal to the membership on the majority side of the House to support the administration, but the question is the merits or the demerits of this bill. I do not believe a man upon this committee believes this is a good bill or a good thing for the President or a good thing for the country. Frankly, I have heard that sentiment expressed by them.

What does this bill do? It sets up six administrative assistants, who are to be anonymous, who have "a passion for anonymity", who are to be the errand boys between the department heads and the President. What is the set-up of this Government under the Constitution of the United States?

The President is supposed to appoint Cabinet officers who are supposed, under the law, to organize their departments and operate them as the President wants them to be operated. These Cabinet officers are expected to come in direct contact with the President. They are expected to tell him what their important problems are. Now, if the President has not appointed this kind of a Cabinet, his remedy is not six administrative assistants, with anonymous characteristics, but a Cabinet that will go down the line in a constitutional way.

The great advantage of a Cabinet, under such a system as is developed by our Constitution, is that the President can have direct contact and direct support from his Cabinet ministers and at his Cabinet meetings can meet the situations that may arise. If we pass this bill, we are creating wedges that will be driven between the President and his Cabinet, as well as the independent agencies the heads of which the President also appoints.

This is the present situation: Are we going to pass this bill, which would be a wedge bill, driving a wedge between the President and the administrative agencies of the Government, or are we going to promote efficiency in the Cabinet and at Cabinet meetings, so they can function in a proper, honest, and honorable constitutional fashion? I hope if someone in favor of this bill takes the floor hereafter, he will discuss the bill and answer some of the suggestions I have made to you here. I do not believe there is the slightest justification for this kind of set-up.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield myself 1½ minutes more.

I hope that not upon fervent, partisan appeals, but upon lack of merit in the proposed legislation, which I believe is clearly apparent to any Member who has had the fundamental groundwork of the Constitution in his mind, this House will consider this measure and that it will vote against the setting up of this wedge bill which would prevent efficient administration of the Government and increase the expense and cumbersomeness of Government. There is no excuse whatever for a bill of this kind, and I hope the House here and now will set its stamp of disapproval upon this kind of extravagant, wasteful, and disorganizing legislation. I do not see how we can go forward with this kind of legislation and get anywhere except into trouble resulting in destroying the very fundamental constitutional set-up that this country has always had.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITE of Ohio. Can the gentleman tell me why the President wants six? He has not that many sons. [Laughter.]

[Here the gavel fell.]

Mr. ROBINSON of Utah and Mr. RICH rose.

Mr. RICH. Mr. Chairman, I ask recognition.

The CHAIRMAN. The Chair recognizes the gentleman from Utah.

Mr. ROBINSON of Utah. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, in his statements a few moments ago the gentleman from Missouri [Mr. SHORT] deplored the fact that, as he sees it, the Democratic Party is disintegrating. He also voiced regret at the way some Senators voted on the court bill; but, after all, since nothing is perfect you cannot expect a Senator to be perfect. As I see it, however, many of them are ready to correct their mistake.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I regret I cannot yield. I have just started.

This is the first time I have observed the gentleman from Missouri taking such an interest in the Democratic Party, but since he brings the matter up I hasten to assure him that there will be no disintegration of that party. I want the gentleman to know that the masses of the honest American people are heart and soul with the President and the Democratic Party, and they will continue to be with him because they trust him and believe in him. [Applause.]

If the gentleman will search his memory he may recall that under the last three Presidents—all Republicans—the country was led to the greatest panic and depression it has ever known. It fell to President Roosevelt and the Democratic Party to lead the country out of that depression, and even the Republican press joined in the appeal that immediate steps be taken to give relief to the nearly 14,000,000 unemployed, that something be done to reopen shops and factories, and that confidence be restored so that prosperity such as the country knew under the last Democratic administration could again be known.

Toward relieving unemployment, reopening factories, safeguarding banks, and protecting the farms and homes of citizens, new departments and bureaus had to be created. Among the important ones were the R. F. C., the H. O. L. C., the F. D. I. C., the F. H. A., and others.

Many new duties and responsibilities were imposed upon the President, as even the most unfriendly critic must admit. Four years ago, as a means of affording him assistance, it was recommended that he be given additional help. Again 2 years ago the subject was brought up, but today is the first time we have had a bill before us which contemplates giving him that help by authorizing the appointment of six assistants.

In three different messages the President has dwelt upon the need for such assistants, and I understand that this bill is but the first of four which seek to bring about a coordination of departments and bureaus and to eliminate needless expenditures.

Regardless of political differences, no one can charge that the present occupant of the White House, Franklin D. Roosevelt, is dishonest, or that he does not desire to bring about economy and improvement in conditions.

I notice that the gentleman from New York [Mr. FISH] is smiling. It may be that he is considering another ridiculous statement by which he hopes to mislead the people. It was tried in the last election, you will remember, but without deluding anyone. I am satisfied that all of the cunning efforts of the Republican Members will not succeed to even the slightest degree in shaking the confidence of our people in the President.

Another silly charge has been made that by this bill there would be a tendency toward centralization and dictatorship. The charge is amusing. The closest this country ever came to dictatorship was during the Republican administrations, when industrial and financial czars dictated policies. It may fairly be said that they are the ones who seek dictatorship—the return of a dictatorship which has vanished since President Roosevelt took office. [Applause.]

President Roosevelt's aim is not dictatorship but a fair and square deal for all. Equally unfair is the charge that the President has sought to usurp the powers of the courts. As I have often stated on the floor, it is not the President but the Supreme Court itself which has usurped powers by nullifying the acts of Congress whenever they were intended to improve the conditions of the underprivileged masses.

So, Mr. Chairman, fully realizing the need for additional aid for the President, I am heart and soul for this bill. I have served under seven Presidents, and know the needs of the Chief Executive. When the country has in the White House as able, honest, and fearless an Executive as we are fortunate enough to have today he should be given every possible aid and assistance. [Applause.]

Mr. RICH rose.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania rise?

Mr. RICH. I desire recognition.

The CHAIRMAN. The Chair respectfully declines to recognize the gentleman at this time. Does the gentleman from Utah [Mr. ROBINSON] desire to use more time?

Mr. TABER. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. FISH].

The CHAIRMAN. The gentleman from New York is recognized for 8 minutes.

Mr. FISH. Mr. Chairman, I approach this subject unselfishly, without any ulterior motive, because I am convinced from what the gentleman from Missouri [Mr. COCHRAN] had to say, that I am not apt to qualify for one of these appointments. But I am one of those who think the time has come when the Congress should take back some of its powers and prerogatives from the Chief Executive rather than concentrate more powers in the hands of President Roosevelt. I am inclined to think that if Thomas Jefferson knew what is going on today, that the machinery on the Democratic side is well oiled and using high-pressure methods to limit debate on this important measure and jam it through, he would turn in his grave at the thought of centralizing and concentrating more power in the Executive branch of the Government and in helping to establish further bureaucratic control in Washington. I have listened here patiently for more than an hour hoping against hope that someone would explain the bill, that someone would give the reasons for it, that someone would let us into their confidence and let us know the need for these six administrative assistants or the need for one single administrative secretary. But no one has advanced any reasons whatever except that the bill provides for six. No reasons are advanced, and no information is given as to what these men are to do. It is quite obvious there might be need for one or two coordinators if we should reorganize the Government and if such a bill is passed, but no one assumes that such a bill will be passed at this session of Congress. Therefore, why the need and the rush for six administrative secretaries for the President, when you do not even propose to put through the reorganization bill?

If this bill were for one coordinator after the reorganization bill is passed, that would be defensible. To my way of thinking, this is just a step to concentrate power in the hands of the President and set up a species of fascism or nazi-ism or an American form of dictatorship, far from the ideals of Jefferson and Lincoln. The Congress, acting like a rubber stamp, has already yielded a large part of its constitutional powers to the President and now proposes to further concentrate power in his hands, and thereby help to destroy our American system based on our three separate and independent branches of government. That is what happened in Germany and Italy. Step by step legislation of this kind centralizing all power in the hands of one man developed into a dictatorship. It may only be an embryonic dictatorship or a kind of benevolent despotism but a rose by any other name smells just as sweet, and a dictatorship just as rotten. This step is like all the others, setting up a one-man government in the United States of America the same as foreign dictators gradually assumed powers in Italy, Germany, and Soviet Russia. I do not ask you to take my word for it. I quote the words of a man who held a high and important position in the Federal Government, Gen. Hugh Johnson. He says:

> But no man can read carefully the legislation and communications sent to Congress since the first of the year, and escape the conviction that, taken altogether, they push our carefully guarded democracy some distance toward the Fascist and communistic experiments, which, for all that is said, are as alike as two peas—government by executive fiat with little, if any, popular participation.

No one has said what these six administrative assistants are to do. Are they to be the Ogpu of the American Government and the secret agents, snoopers, and spies of the President. Is one of them to compile a black list of

Democratic Members of Congress and know exactly how they vote on different legislative matters before they go to the White House to gather their patronage? Is another to set up a black list of Republicans? Then the right to criticize the administration, the only right of a minority, will become an unforgivable crime, and we will be singled out for reprisal and punishment. The New Deal ideology patterned on fascism evidently contends that criticism of the administration or the President must be curbed or crushed.

What is the use of these six assistants? The only answer I can find is to set up a supergovernment, a superbureaucracy to make for a one-man government so that the President can govern this country from the White House without the help of the Congress and in spite of the Supreme Court. Already Congress has surrendered its power over the purse strings. Already it has given a lump-sum control to the President. It has given him control of the finances and the monetary system of America, and now you propose to give him six administrative assistants to further centralize and concentrate power in the Chief Executive. If I had my way Congress would cease to be a rubber stamp and reassert its power and prerogatives and take back from the President the authority granted him in the emergency. My answer to this whole proposition is, Has not the time come to take back the powers from the President we have granted him and restore representative and constitutional government in the United States of America? [Applause.]

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes; I yield.

Mr. HOUSTON. Has the gentleman any more facts concerning this proposed legislation than he had about the evasion of income taxes?

Mr. FISH. If the gentleman will look in today's CONGRESSIONAL RECORD he will see I gave the facts that I was not permitted to present before the joint committee of Congress. I quoted the President from a statement he made 3 years ago, in which he said that he was taking advantage of income-tax loopholes himself like thousands of other American citizens. I am glad the gentleman from Kansas asked that question. [Applause.] The only reason I could not introduce it before the committee was that the committee, setting up a one-party government or Fascist control, refused me the right to criticize the President of the United States or even to the extent of quoting the very words that he had used himself and has never denied.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. WHITE of Ohio. Can the gentleman tell whether or not the bill we are considering today has been endorsed by the new spokesman of the majority party [Mr. LA FOLLETTE]? [Laughter.]

Mr. FISH. Well, I am much surprised to know that my friend, Mr. BOILEAU, and other real liberals will support a reactionary piece of legislation such as this, further centralizing bureaucratic regimentation, establishing a supergovernment and a one-man control, along the lines and precedents established by Mussolini, Hitler, and Stalin. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. FISH], has expired.

Mr. ROBINSON of Utah and Mr. RICH rose.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. ROBINSON].

Mr. ROBINSON of Utah. Mr. Chairman, I yield the balance of my time to the gentleman from Kentucky [Mr. FRED M. VINSON].

The CHAIRMAN. The gentleman from Kentucky is recognized for 11½ minutes.

Mr. FRED M. VINSON. Mr. Chairman, I really feel that it has been helpful to our friends on the other side of the aisle to have permitted them to pop off a little steam today. How low hath the mighty fallen! God bless them! I am glad you have had an opportunity to express yourselves today. You have been sitting over here for days, weeks, and months unable, because of the order from the high command, to take a position on an issue that has attracted the attention of the Nation. Then when that issue is temporarily put aside, here you rush, Goliath-like, into the arena offering your lives for your party, fighting this sort of thing. Upon my word, it is peanut politics.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I decline to yield. It is simply peanut politics. I regret from the bottom of my heart that my friends on that side can find no other issue.

Now, what was the situation 8 years ago when there was an effort made to increase the secretariat of the White House from one to three? It so happened that I was a member of the Committee on Appropriations at that time. I was a member of the subcommittee on appropriations for the independent offices. An amendment was adopted in the Senate increasing the secretariat from one to three. There was very little debate. It was stated in the Senate that there was one of the men whom they desired to appoint working down there for $7,500, but they felt his position and his work entitled him to a salary of $10,000. Then the gentleman in power desired a third secretary at $10,000 a year. The amendment was adopted in the Senate.

It came here by a unanimous conference committee report, which the gentleman from New York [Mr. CULLEN] and myself, as minority members, signed. If you will look at the CONGRESSIONAL RECORD of February 13, 1929, you will find there was not any roll call, there was not any fight. As a matter of fact, I assisted, in my humble way, to put that law upon the books. Why? Because the President of the United States needed additional help. He needed additional secretaries. There was no partisan issue drawn. The Democrats at that time had more fundamental issues than peanut politics. So it was adopted and the secretariat increased to three.

Now, let us see what the situation is in regard to the personnel in the Executive Office of the White House who are administrative, clerical, or fiscal aides. To hear some of the gentlemen, you would think it costs five or ten million dollars annually; that the President has an army down there assisting him do the things that the people of the country expect him to do. Look at the Budget message for 1938 and you will find clerical, administrative, and fiscal officers in the Executive Office of the White House totaling 37 people. Eighteen of those 37 are in minor capacities. Eight of them are in custodial service. Eight of them are in the unclassified service, chauffeurs, doormen, washers, and so forth. That leaves 29 people in the Executive Office, including all of the typists, clerks, stenographers, and secretaries, to do the biggest job in the United States.

In one breath our friends talk about bureaucracy and in another they do not want the President of the United States to have assistants in order to give him the knowledge and information that the Executive should have, which might well assist in meeting some of the objections to bureaucracy. I dare say there are 500 corporations in the United States whose executive heads have more personnel than the President of the United States.

In the Treasury Department there are 14 persons who are Assistant Secretaries or assistants to the Secretary.

There are 14 such persons assisting the Secretary of the Treasury in performing his tremendous job, yet they would deny to the President of the United States the right to have needed assistants to secure information needed by him. This information would not be from the viewpoint of the department heads, not from the viewpoint of the independent establishments, not from one side of the question, but information that would give him both sides of the question. To my mind it is simply a question of whether or not we want to equip the President of the United States with a sufficient force to do this job.

I submit that if Mr. Coolidge, in 1929, with his known characteristics in respect to spending money, if Mr. Coolidge would sign a bill increasing the secretariat to three, with

all the increased activities of the Government, with all the increased responsibilities of the President of the United States, they now ought to do what the Democrats did in 1929, when political blood was running about as high as it is now, it seems to me they ought to join with us in giving this personnel to the Chief Executive.

May I say also, Mr. Chairman, that until a couple of days ago I never had the slightest idea that there would be opposition to this bill? Oh! Gentlemen may read from the RECORD conclusions in regard to his attitude toward the whole reorganization bill, but after that question was asked, when we were face to face with the alternative of permitting the Executive to appoint six administrative assistants at $8,000 a year, which he can do without any added authority of law—the President can now select six administrative assistants at $8,000 a year, with the maximum salary of $9,000—or place these administrative assistants upon the same plane that the Secretaries now occupy, with an increase of $1,500 or $2,000 a year for each of these six assistants, say, $12,000 annual added cost, I heard no objection until a couple of days ago. We must decide whether or not, in cold dollars and cents, we could get better men for these positions, men on the same plane as the present three Secretaries. It appears to us it is economy to do so rather than to permit $8,000 men to be selected for these particular positions.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. FRED M. VINSON. I yield.

Mr. LUCAS. Am I correct in my conclusion that even though the remaining parts of the reorganization bill were defeated by the House when they are presented, that this phase of the Brownlow report would still be indispensable insofar as the President is concerned?

Mr. FRED M. VINSON. I say to my good friend from Illinois that in my opinion the President needs these men.

Mr. LUCAS. The select committee, as I understand it, now are acting more or less upon the Brownlow report.

Mr. FRED M. VINSON. The select committee has determined to present separate bills to the House so that each bill will stand upon its own bottom in order that the House will have an opportunity to pass upon the merits of the particular bill, and this is the first of the bills.

Mr. LUCAS. Mr. Chairman, will the gentleman yield further?

Mr. FRED M. VINSON. I yield.

Mr. LUCAS. The point I am trying to make is whether this phase of the Brownlow report is so connected with the remainder of the report that should the latter fail this also should fail?

Mr. FRED M. VINSON. Oh, not at all.

Mr. LUCAS. That is what I thought.

Mr. RICH and Mr. O'CONNOR of Montana rose.

Mr. FRED M. VINSON. Mr. Chairman, I am sorry, but I must decline to yield.

Mr. Chairman, according to the information I have, according to my observations, according to information that is available to all of us, the President of the United States not only needs these six administrative assistants, but every President in the last 20 years ought to have had an increased secretariat to perform the most stupendous task any executive could face; he is entitled to have both sides of a proposition submitted to him; and when the vote comes, Mr. Chairman, I trust that, upon reflection, our Republican friends will be as gracious toward the Chief Executive today as the Democrats in 1929 were toward the Chief Executive of that year. [Applause.]

[Here the gavel fell.]

Mr. ROBINSON of Utah. Mr. Chairman, I move that the Committee do now rise.

Mr. SNELL. Mr. Chairman——

The CHAIRMAN. The motion is not debatable.

The question is on the motion of the gentleman from Utah.

The question was taken; and on a division (demanded by Mr. SNELL) there were—ayes 102, noes 47.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PATMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants, had come to no resolution thereon.

Mr. SNELL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-one Members are present, a quorum.

Mr. ROBINSON of Utah. Mr. Speaker, I move that the House do now resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants; and pending that motion, I move that all debate on the bill do now close, and on that I move the previous question.

The SPEAKER. The gentleman from Utah moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7730; and pending that motion, the gentleman from Utah moves that all debate on the bill do now close. Upon that he moves the previous question.

The question is, Shall the previous question be ordered?

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Utah that all debate on the bill H. R. 7730 do now close.

Mr. TABER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 255, nays 79, answered "present" 1, not voting 96, as follows:

[Roll No. 126]

YEAS—255

Aleshire	Dingell	Hook	Miller
Allen, Del.	Disney	Houston	Mills
Allen, La.	Dockweiler	Hunter	Mitchell, Ill.
Allen, Pa.	Dorsey	Imhoff	Mitchell, Tenn.
Amlie	Doughton	Izac	Moser, Pa.
Anderson, Mo.	Drew, Pa.	Jacobsen	Mosier, Ohio
Atkinson	Drewry, Va.	Johnson, Luther A.	Mouton
Barry	Dunn	Johnson, Lyndon	Murdock, Ariz.
Beiter	Eckert	Johnson, W. Va.	Nelson
Bell	Edmiston	Kee	Nichols
Bernard	Eicher	Kelly, Ill.	Norton
Biermann	Elliott	Kelly, N. Y.	O'Brien, Ill.
Binderup	Evans	Kennedy, Md.	O'Brien, Mich.
Bland	Faddis	Kennedy, N. Y.	O'Connell, R. I.
Bloom	Farley	Kenney	O'Connor, Mont.
Boland, Pa.	Ferguson	Keogh	O'Day
Boren	Fitzgerald	Kirwan	O'Neill, N. J.
Boyer	Fitzpatrick	Kitchens	O'Toole
Boykin	Flannery	Kocialkowski	Owen
Bradley	Fleger	Kopplemann	Pace
Brooks	Fletcher	Kramer	Palmisano
Brown	Forand	Kvale	Patman
Buck	Ford, Calif.	Lanzetta	Patrick
Buckler, Minn.	Ford, Miss.	Larrabee	Patterson
Burdick	Frey, Pa.	Lea	Patton
Byrne	Fries, Ill.	Leavy	Pearson
Caldwell	Fuller	Lemke	Peterson, Fla.
Cannon, Mo.	Gambrill	Lesinski	Pfeifer
Casey, Mass.	Garrett	Lewis, Colo.	Pierce
Chandler	Gasque	Long	Polk
Chapman	Gavagan	Lucas	Rabaut
Citron	Gildea	Luckey, Nebr.	Ramsay
Clark, Idaho	Gingery	Ludlow	Ramspeck
Claypool	Gray, Ind.	Luecke, Mich.	Randolph
Cochran	Gray, Pa.	McAndrews	Rankin
Coffee, Nebr.	Green	McClellan	Rayburn
Coffee, Wash.	Gregory	McCormack	Reilly
Colden	Griffith	McFarlane	Richards
Cole, Md.	Griswold	McGehee	Rigney
Collins	Haines	McGrath	Robertson
Colmer	Hamilton	McGroarty	Robinson, Utah
Cooley	Harrington	McKeough	Rogers, Okla.
Cooper	Hart	McLaughlin	Romjue
Costello	Harter	McMillan	Sabath
Cox	Havenner	McReynolds	Sacks
Creal	Healey	McSweeney	Sadowski
Crowe	Hendricks	Magnuson	Sanders
Cullen	Hennings	Mahon, S. C.	Schaefer, Ill.
Cummings	Higgins	Mahon, Tex.	Schneider, Wis.
Curley	Hildebrandt	Massingale	Schulte
Daly	Hill, Okla.	Maverick	Scott
Delaney	Hill, Wash.	Meeks	Shanley
DeRouen	Honeyman	Merritt	Shannon
Dickstein	Hobbs	Mead	Sheppard

Smith, Conn.	Taylor, S. C.	Vinson, Fred M.	Whelchel
Smith, Va.	Terry	Vinson, Ga.	White, Idaho
Smith, Wash.	Thom	Wallgren	Whittington
South	Thomas, Tex.	Walter	Wilcox
Sparkman	Thomason, Tex.	Warren	Williams
Spence	Towey	Wearin	Wolverton
Sutphin	Transue	Weaver	Wood
Sweeney	Turner	Welch	Woodrum
Swope	Umstead	Wene	Zimmerman
Tarver	Vincent, B. M.	West	

NAYS—79

Allen, Ill.	Engel	Lord	Simpson
Andresen, Minn.	Englebright	Luce	Snell
Andrews	Fish	Mapes	Somers, N. Y.
Arends	Gearhart	Martin, Mass.	Stefan
Ashbrook	Gehrmann	Michener	Taber
Bacon	Gifford	Millard	Taylor, Tenn.
Bates	Guyer	Mott	Teigan
Bolleau	Halleck	Oliver	Thomas, N. J.
Brewster	Hancock, N. Y.	O'Malley	Thurston
Carlson	Holmes	Pettengill	Tinkham
Carter	Hope	Powers	Tobey
Church	Hull	Reed, Ill.	Treadway
Clason	Jarrett	Rees, Kans.	Wadsworth
Crawford	Jenkins, Ohio	Robsion, Ky.	White, Ohio
Crowther	Jenks, N. H.	Rogers, Mass.	Wigglesworth
Culkin	Kinzer	Rutherford	Withrow
Ditter	Kleberg	Sauthoff	Wolcott
Dondero	Knutson	Seger	Wolfenden
Douglas	Lambertson	Shafer, Mich.	Woodruff
Dowell	Lamneck	Short	

ANSWERED "PRESENT"—1

Rich

NOT VOTING—96

Arnold	Dirksen	Johnson, Okla.	Peyser
Barden	Dixon	Jones	Phillips
Beam	Doxey	Keller	Plumley
Bigelow	Driver	Kerr	Poage
Boehne	Duncan	Kloeb	Quinn
Boylan, N. Y.	Eaton	Kniffin	Reece, Tenn.
Buckley, N. Y.	Eberharter	Lambeth	Reed, N. Y.
Bulwinkle	Ellenbogen	Lanham	Ryan
Burch	Fernandez	Lewis, Md.	Schuetz
Cannon, Wis.	Flannagan	McGranery	Scrugham
Cartwright	Fulmer	McLean	Secrest
Case, S. Dak.	Gilchrist	Maas	Sirovich
Celler	Goldsborough	Maloney	Smith, Maine
Champion	Greenwood	Mansfield	Smith, W. Va.
Clark, N. C.	Greever	Martin, Colo.	Snyder, Pa.
Cluett	Gwynne	Mason	Stack
Cole, N. Y.	Hancock, N. C.	May	Starnes
Cravens	Harlan	Murdock, Utah	Steagall
Crosby	Hartley	O'Connell, Mont.	Sullivan
Crosser	Hill, Ala.	O'Connor, N. Y.	Sumners, Tex.
Deen	Hoffman	O'Leary	Taylor, Colo.
Dempsey	Jarman	O'Neal, Ky.	Thompson, Ill.
DeMuth	Jenckes, Ind.	Parsons	Tolan
Dies	Johnson, Minn.	Peterson, Ga.	Voorhis

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Parsons (for) with Mr. Reed of New York (against).
Mr. Crosser (for) with Mr. Cluett (against).
Mr. Maloney (for) with Mr. Plumley (against).
Mr. DeMuth (for) with Mr. Reece of Tennessee (against).
Mr. Greever (for) with Mr. Rich (against).
Mr. Sirovich (for) with Mr. Mason (against).
Mr. Thompson of Illinois (for) with Mr. Cole of New York (against).
Mr. Tolan (for) with Mr. Dirksen (against).
Mr. Boylan of New York (for) with Mr. Hartley (against).
Mr. Phillips (for) with Mr. Eaton (against).
Mr. Sullivan (for) with Mr. Gwynne (against).
Mr. Arnold (for) with Mr. McLean (against).
Mr. Greenwood (for) with Mr. Case of South Dakota (against).
Mr. Beam (for) with Mr. Hoffman (against).
Mr. Ellenbogen (for) with Mr. Brewster (against).

Additional general pairs:

Mr. Mansfield with Mr. Gilchrist.
Mr. Lanham with Mr. Johnson of Minnesota.
Mr. Kniffin with Mr. Clark of North Carolina.
Mr. Steagall with Mr. Bulwinkle.
Mr. Lambeth with Mr. Buckley of New York.
Mr. Hancock of North Carolina with Mr. O'Leary.
Mr. Sumners of Texas with Mrs. Jenckes of Indiana.
Mr. Fulmer with Mr. O'Connell of Montana.
Mr. Flannagan with Mr. Cannon of Wisconsin.
Mr. Jones with Mr. Murdock of Utah.
Mr. Johnson of Oklahoma with Mr. Martin of Colorado.
Mr. Kerr with Mr. Peyser.

Mr. LUCAS changed his vote from "nay" to "yea."

Mr. RICH. Mr. Speaker, the gentleman from Wyoming, Mr. GREEVER, was called to one of the Government departments on important official business. If he were here, he would have voted "yea." Having a live pair with the gentleman from Wyoming, Mr. GREEVER, I withdraw my vote of "nay" and vote "present."

Mr. KERR. Mr. Speaker, I cannot qualify. I was absent, together with some other Members of Congress, attending a very important meeting in regard to certain legislative matters; therefore I failed to be here at the first or second call of the roll. Had I been here I would have voted "yea."

Mr. FLANNAGAN. Mr. Speaker, I was absent when my name was called. I was attending a meeting of the tobacco growers and did not reach the Chamber until after my name had been called. If I had been present, I would have voted "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question recurs on the motion of the gentleman from Utah [Mr. ROBINSON] that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7730.

Mr. SNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7730, with Mr. PATMAN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. By order of the House, general debate is closed. The Clerk will now read the bill under the 5-minute rule for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to appoint not to exceed six administrative assistants and to fix the compensation of each at the rate of not more than $10,000 per annum. Each such administrative assistant shall perform such duties as the President may prescribe.

The CHAIRMAN. Does any member of the Committee desire recognition?

Mr. COLLINS and Mr. SHORT rose.

Mr. SHORT. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. SHORT moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. FRED M. VINSON. Mr. Chairman, I make the point of order that the motion just offered by the gentleman from Missouri [Mr. SHORT] is premature.

Mr. SNELL. Mr. Chairman, I would like to be heard on that point of order.

The CHAIRMAN. The bill has been read. The point of order is overruled.

Mr. SHORT. Mr. Chairman, it is regrettable that the Members of this House have not had more time to seriously discuss and debate this very important measure. In essence it is a corollary to the Supreme Court proposal. It removes the Executive one step further from the legislative and judicial branches of our Government.

If my motion should be withdrawn or voted down, and we are given the opportunity to offer amendments, I intend to offer an amendment which will add a paragraph at page 1, line 7, reading as follows:

The President shall appoint as his six administrative assistants other members of his immediate personal family, namely, Elliott Roosevelt, Franklin Delano Roosevelt, Jr., John Roosevelt, Anna Roosevelt Dall Boettiger, and Sistie and Buzzie Dall.

This amendment will be offered not facetiously but in all seriousness, because what are the qualifications, powers, and duties of these Presidential aides to be? In the words of the President's own committee, as subcommitted to the Congress on January 12 of this year, we are told:

These aides would have no power to make decisions or issue instructions in their own right. They would not be interposed between the President and the heads of his departments. They would not be Assistant Presidents in any sense. Their function

would be, when any matter was presented to the President for action affecting any part of the administrative work of the Government, to assist him in obtaining quickly and without delay all pertinent information possessed by any of the executive departments so as to guide him in making his responsible decisions; and then when decisions have been made, to assist him in seeing to it that every administrative department and agency affected is promptly informed.

In other words, these six administrative assistants will be nothing more than flunkies or errand boys to carry from the heads of the departments of this Government messages to the President and in return carry messages from the President back to the heads of the departments. And for this highly technical and indispensable work each assistant is to receive $10,000 per year.

Is there any Member of this body who thinks that Cordell Hull, a member of the President's Cabinet, needs a messenger to carry his orders to the President? Does anyone suppose Mr. Farley needs an interloper or someone to carry a message to the President when he wants to interview him? Does Mme. Perkins find it necessary that she have someone to carry her views on sit-down strikes to the President? Then, must the President have some messenger to carry his orders back to them, particularly when the President meets every week with his own Cabinet and associates with them in a close and intimate way?

Mr. Chairman, this measure stands condemned on the face of the report itself. The only cause for which the individuals I named in my suggested amendment might be disqualified would be their lack of "passion for anonymity." I submit to you they are thoroughly qualified from every other aspect to fill the high and important functions which are imposed upon them by the proposed legislation. It is inexcusable, unjustifiable, and unnecessary, and I am unalterably, unflinchingly, and unqualifiedly opposed to such legislation.

Mr. BOILEAU. Mr. Chairman, I rise in opposition to the motion of the gentleman from Missouri [Mr. SHORT].

Mr. Chairman, the gentleman from New York [Mr. FISH] stated a while ago he was surprised that I am supporting this legislation and referred to it as being Fascist and reactionary legislation. May I submit to the gentleman from New York I have supported a good deal of the New Deal legislation in the firm conviction that the legislation proposed during the tenure of the administration now in power has been for the purpose, not of fostering communism or fascism but of preserving democracy in this country. [Applause.] I submit the legislation that has been enacted has gone a long way toward preserving democracy. [Applause.] I submit further that in the absence of such legislation we might today have in this country either a communistic or Fascist state.

We Progressives have been the traditional enemy of fascism. We are the enemy of communism. We are the friends of democracy, and are firmly convinced that the present occupant of the White House is trying his utmost to preserve democracy in this country. [Applause.]. Because of the fact that the Progressives have supported much of the legislation which has put additional burdens upon the shoulders of the President, we are willing to go along and give him the assistance necessary to carry out the mandates of Congress. When we create new agencies and increase the responsibilities of the executive branch of the Government, it is our responsibility, we believe, to give the President the assistance he needs to carry out the mandates of the Congress and to carry out a program which is in the interest of the people of this country. [Applause.]

My distinguished friend the gentleman from Ohio [Mr. WHITE], in interrogating the gentleman from New York [Mr. FISH], made some reference to the President of the United States accepting the advice of the senior Senator from Wisconsin, BOB LA FOLLETTE. There is an incident I should like to recall to the gentleman from Ohio.

The first time I sought any national public office it was in only a minor way, of course, as a delegate to the Republican national convention in 1928. I was elected as a delegate to that convention from my congressional district, and went to Kansas City. The Senator from Wisconsin, BOB LA FOLLETTE, was at the convention, and I can recall some advice he gave to the Republican Party at that time in the form of a minority report from the committee on resolutions. The advice he gave to the Republican Party was in the form of a progressive political platform. Had the Republicans at that convention accepted the advice of BOB LA FOLLETTE there would be a Republican administration here in Washington at the present time and the country would have been a great deal better off. The trouble is that they turned down that advice because it was progressive.

I may say to the gentleman from Ohio and to his Republican colleagues in this House that if the rank and file of the people of the United States could express themselves in regard to whom they would like to have advise the President, I dare say there would not be a citizen in the United States who would receive such a popular acclaim and demand as an adviser to the President as the Senator from Wisconsin, BOB LA FOLLETTE [applause], because he understands the problems of the rank and file of the citizens of the Republic.

Most of the Progressive and Farmer-Labor Members of this House will support this measure, because we believe it is in the interest of good government to give the Chief Executive such assistance as he may require in order to perform his duties and carry out the responsibilities of his office.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. Would the gentleman be willing to see Senator LA FOLLETTE the Presidential nominee of the majority party in the next Presidential election?

Mr. BOILEAU. So far as BOB LA FOLLETTE'S candidacy for public office is concerned, I am personally for him for any office he may seek. His fine public record is one which commands the respect and confidence of the entire country. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the motion of the gentleman from Missouri [Mr. SHORT] to strike out the enacting clause.

Mr. ANDREWS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. An amendment is not in order. A motion to strike out the enacting clause is pending.

The motion was rejected.

Mr. ROBINSON of Utah and Mr. COLLINS rose.

Mr. ROBINSON of Utah. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

Mr. TABER. Mr. Chairman, I make the point of order against the motion that it is not in order at this stage of the proceedings.

The CHAIRMAN. The Chair may state that motions to amend take precedence over a motion that the Committee rise.

The gentleman from Mississippi offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: After line 7, insert the following:

"SEC. 2. (a) The joint resolution entitled 'Joint resolution providing for pay to clerks to Members of Congress and Delegates', approved January 25, 1923 (U. S. C., title 2, sec. 92), is amended by striking out 'to one or two persons' and inserting in lieu thereof 'to two or three persons.'

"(b) Section 2 of the Legislative Pay Act of 1929 (U. S. C., title 2, sec. 60 (b)) is amended to read as follows:

" 'SEC. 3. The clerk hire of each Member, Delegate, and Resident Commissioner shall be at the rate of $6,800 per annum and shall be paid in accordance with the joint resolution of January 25, 1923, as amended: *Provided*, That no person shall receive a salary from such clerk hire at a rate in excess of $3,900 per annum.' "

Mr. ROBINSON of Utah. Mr. Chairman, I make the point of order against the amendment that it is not germane and call the Chair's attention to the fact that the amendment pertains to the legislative branch of the Government, while the bill under consideration pertains wholly to the executive branch of the Government.

The CHAIRMAN (Mr. PATMAN). The gentleman from Utah makes the point of order against the amendment that

it is not germane. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. COLLINS. I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. COLLINS. Mr. Chairman, the joint resolution creating the Joint Congressional Committee on Government Organization in part is as follows:

> It shall be the duty of the joint committee to investigate the organization and activities of the departments, independent establishments, bureaus, boards, commissions, divisions, services, offices, and other agencies of the Government.

This is about as broad language as it is possible to put in a resolution. Pursuant to this authority this committee has brought in a bill which undertakes to add additional personnel to a certain agency of the Government. The purpose is to add additional personnel. This may not be what some of you may call them. You may call them clerks or executive assistants or by any other name, but, in reality, they are additional personnel.

If the Chair will read the amendment I have offered it will be seen that my amendment merely adds additional personnel to the legislative branch of the Government along with the executive, and I contend that under the rules of the House the amendment is germane.

The CHAIRMAN. This bill is to authorize the President to appoint not to exceed six administrative assistants. The gentleman from Mississippi has offered an amendment for the purpose of permitting Members of Congress to hire additional personnel as an amendment to the bill. The gentleman from Utah makes the point of order it is not germane.

In examining the precedents, in volume V of Hinds' Precedents, page 427, the Chair finds that to a paragraph appropriating for a clerk to one committee, an amendment providing for a clerk to another committee was held not to be germane. This decision was made on April 16, 1904. The general deficiency appropriation bill was under consideration in the Committee of the Whole House on the state of the Union when the Clerk read:

> For clerk to the Committee on Industrial Arts and Expositions, during the fiscal year 1905, $2,000.
>
> Mr. George W. Smith proposed an amendment to amend the paragraph by adding a provision so that it would read as follows: "For a clerk to the Committee on Industrial Arts and Expositions and for a clerk to the Committee on Private Land Claims during the fiscal year 1905, $2,000 each, in all, $4,000."

This was held not to be germane.

In another precedent, in volume VIII of Cannon's Precedents, at page 525, the Chair finds that to a proposition to pay employees of the House and Senate extra compensation, an amendment proposing to include clerks of Members was held not to be germane.

There are other precedents that could be cited, but the Chair believes these precedents to be sufficient.

This bill involves the executive branch of the Government. The amendment involves the legislative branch of the Government. It is the opinion of the Chair, after examining the precedents, that the amendment offered by the gentleman from Mississippi is not germane.

The Chair therefore sustains the point of order.

Mr. COLLINS. Mr. Chairman, I respectfully appeal from the decision of the Chair.

Mr. ROBINSON of Utah. Mr. Chairman, I move to lay the appeal on the table.

The CHAIRMAN. That motion is not in order in Committee of the Whole.

The question is, Shall the decision of the Chair stand as the judgment of the Committee?

Mr. LUCAS. Mr. Chairman, do I understand the Chair to rule that a motion to lay the appeal on the table is not in order?

The CHAIRMAN. A motion to table is not in order in Committee of the Whole.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 168, noes 58.

So the decision of the Chair stood as the judgment of the Committee.

Mr. ANDREWS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. ANDREWS: Page 1, line 3, after the word "appoint", insert "by and with the consent of the Senate."

Mr. ANDREWS. Mr. Chairman, I have no doubt that the amendment is too clearly understood to take the time of the committee in outlining it. I might point out that in all of the minor bureaus there are men at the present time employed at much lower salaries than $10,000, even in the W. P. A. administration, outside of Washington, wherein the appointees are obliged to have their names submitted to the Senate before appointment. Of course, that does not prevail in the case of the three Presidential secretaries; and, with no argument about the bill, one way or the other, it seems to me that the members of the majority should be in favor of the adoption of this amendment, for it is quite conclusive that such an amendment will, at any rate, be adopted when the bill gets to the Senate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. ANDREWS) there were—ayes 48, noes 145.

So the amendment was rejected.

Mr. McLEAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

Mr. FRED M. VINSON. Mr. Chairman, I move that all debate upon this amendment and all amendments to the bill close in 5 minutes.

The CHAIRMAN. Does the gentleman from New Jersey yield to the gentleman from Kentucky for that purpose?

Mr. McLEAN. I do not.

The CHAIRMAN. The gentleman from New Jersey offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. McLEAN: Page 1, after line 7, insert a new section, as follows:
>
> "SEC. 2. That the following amendment to the Constitution of the United States is hereby proposed to the several States, and when ratified by the legislatures of three-fourths of the said States shall become and be a part of the Constitution, namely:
>
> "In lieu of the first paragraph of section 1 of article II of the Constitution of the United States of America, insert the following:
>
> "'SECTION 1. The Executive power shall be vested in a President of the United States of America. Beginning the 20th day of January 1941 the President and Vice President shall hold office during the term of 6 years. No President nor Vice President, either by election or succession, shall be eligible for reelection. The President and Vice President shall be elected as follows.'"

Mr. ROBINSON of Utah. Mr. Chairman, I make the point of order against the amendment that it is not germane.

The CHAIRMAN. Does the gentleman from New Jersey desire to be heard upon the point of order?

Mr. McLEAN. I do. A moment ago the ruling of the Chair was that this bill pertained to the Executive Department. Certainly the amendment I propose pertains entirely to the executive department of the Government and is therefore in order. Much has been said about the physical and mental strain upon the Executive. The proposal for the election of the President for a term of 6 years, without eligibility to succeed himself, would relieve it. It would take the Presidential office entirely out of politics. The amendment reflects in no way upon the present occupant of the White House, but embraces a principle which is directed to our system of government pertaining entirely to the executive branch. It has as one of its purposes the relief of the mental and physical strain on the occupant of the Executive Office, enabling the President to give his entire time to the duties of the Presidency.

Now is the time to submit this proposition to the people for their consideration. There should be no opposition to it, because from time to time the principle has been included as a recommendation in the political platforms of both of the present-day major political parties.

Last Tuesday I submitted some observations on the subject which are included in the RECORD of July 20, and it has been my hope that all Members who are interested in reliev-

ing the physical and mental strain on the President would read those observations and see the way by which we can make a great reform in our system of government. It becomes more and more necessary because of the increasing complexity and magnitude of our affairs.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. McLEAN. Yes.

Mr. HOUSTON. Has the gentleman thought of providing that Representatives shall be elected for 4 years instead of 2 to help the thing along?

Mr. McLEAN. I cannot agree to that. A Representative's term should be limited to 2 years. The House of Representatives should be always immediately responsive to the people. A Representative is expected to reflect the wishes of his constituents. It was the theory of the framers of the Constitution that through the House of Representatives the voice of the people should be recorded, and it should be so recorded, even though it may take on some of the aspects of mob psychology. There are other means provided by our system to check it—the Senate, the President, with his veto power, and the judiciary. It was on this theory the term was made 2 years, and it should remain so.

The CHAIRMAN (Mr. PATMAN). The Chair is ready to rule. The bill proposes that the President shall be allowed to appoint not to exceed six administrative assistants. The amendment offered by the gentleman from New Jersey [Mr. McLEAN] proposes a constitutional amendment.

In volume 8 of Hinds' Precedents, page 542, appears this precedent:

To a proposition to effect a purpose by one method, a proposition to effect such purpose by another method, wholly unrelated, is not germane.

The point of order is sustained.

Mr. ROBINSON of Utah. Mr. Chairman, I move that all debate on this bill and all amendments thereto do now close.

The motion was agreed to.

Mr. KNUTSON. Mr. Chairman, I offer an amendment, which I have sent to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: On page 1, line 7, after the word "prescribe", insert a colon and the following: "*Provided*, That no person appointed to any of these positions shall be over 70 years of age."

[Laughter.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. KNUTSON) there were ayes 48 and noes 140.

So the amendment was rejected.

Mr. ROBINSON of Utah. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the same do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PATMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants, directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. ROBINSON of Utah. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. SNELL) there were ayes 227 and noes 73.

Mr. SNELL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 260, nays 88, answered "present" 1, not voting 82, as follows:

[Roll No. 127]

YEAS—260

Aleshire	Evans	Kitchens	Patterson
Allen, Del.	Faddis	Kocialkowski	Patton
Allen, La.	Farley	Kopplemann	Pearson
Allen, Pa.	Fitzgerald	Kramer	Peterson, Fla.
Amlie	Fitzpatrick	Kvale	Pfeifer
Anderson, Mo.	Flannagan	Lanzetta	Pierce
Atkinson	Flannery	Larrabee	Rabaut
Barry	Fleger	Lea	Ramsay
Beam	Fletcher	Leavy	Ramspeck
Beiter	Forand	Lemke	Randolph
Bell	Ford, Calif.	Lesinski	Rankin
Bernard	Frey, Pa.	Lewis, Colo.	Rayburn
Biermann	Fries, Ill.	Lewis, Md.	Reilly
Binderup	Fuller	Long	Richards
Bland	Gambrill	Lucas	Rigney
Bloom	Garrett	Luckey, Nebr.	Robertson
Boileau	Gasque	Ludlow	Robinson, Utah
Boland, Pa.	Gavagan	Luecke, Mich.	Rogers, Okla.
Boren	Gearhart	McAndrews	Romjue
Boyer	Gehrmann	McClellan	Sabath
Boykin	Gildea	McCormack	Sacks
Bradley	Gingery	McFarlane	Sadowski
Brooks	Gray, Ind.	McGehee	Schaefer, Ill.
Brown	Green	McGranery	Schneider, Wis.
Buck	Gregory	McGrath	Schulte
Buckler, Minn.	Griffith	McGroarty	Scott
Burdick	Griswold	McKeough	Shanley
Byrne	Haines	McLaughlin	Sheppard
Cannon, Mo.	Hamilton	McReynolds	Smith, Conn.
Casey, Mass.	Hancock, N. C.	McSweeney	Smith, Va.
Champion	Harrington	Magnuson	Smith, Wash.
Chandler	Hart	Mahon, S. C.	South
Chapman	Harter	Mahon, Tex.	Sparkman
Citron	Havenner	Massingale	Spence
Clark, Idaho	Healey	Maverick	Stack
Claypool	Hendricks	Mead	Sweeney
Cochran	Hennings	Meeks	Swope
Coffee, Wash.	Higgins	Merritt	Tarver
Colden	Hildebrandt	Miller	Teigan
Cole, Md.	Hill, Okla.	Mills	Terry
Collins	Hill, Wash.	Mitchell, Ill.	Thom
Colmer	Hobbs	Mitchell, Tenn.	Thomas, Tex.
Eckert	Honeyman	Moser, Pa.	Thomason, Tex.
Edmiston	Hook	Mosier, Ohio	Tolan
Cooley	Houston	Mouton	Transue
Costello	Hunter	Murdock, Ariz.	Turner
Creal	Imhoff	Murdock, Utah	Vincent, B. M.
Crowe	Isac	Nelson	Vinson, Fred M.
Cullen	Jacobsen	Nichols	Vinson, Ga.
Curley	Jarman	Norton	Voorhis
Daly	Jenckes, Ind.	O'Brien, Ill.	Wallgren
Delaney	Johnson, Luther A.	O'Brien, Mich.	Walter
DeRouen	Johnson, Lyndon	O'Connell, Mont.	Warren
Dickstein	Johnson, Minn.	O'Connell, R. I.	Wearin
Dingell	Johnson, W. Va.	O'Connor, Mont.	Weaver
Disney	Jones	O'Day	Wene
Dixon	Kee	O'Malley	West
Dockweiler	Kelly, Ill.	O'Neal, Ky.	Whelchel
Dorsey	Kelly, N. Y.	O'Neill, N. J.	White, Idaho
Doughton	Kennedy, Md.	O'Toole	Whittington
Drew, Pa.	Kennedy, N. Y.	Owen	Wilcox
Drewry, Va.	Kenney	Pace	Williams
Dunn	Keogh	Palmisano	Withrow
Eicher	Kerr	Patman	Wood
Elliott	Kirwan	Patrick	Woodrum

NAYS—88

Allen, Ill.	Engel	McLean	Shannon
Andresen, Minn.	Englebright	McMillan	Short
Andrews	Fish	Mapes	Simpson
Arends	Ford, Miss.	Martin, Mass.	Snell
Ashbrook	Gifford	May	Somers, N. Y.
Bacon	Gray, Pa.	Michener	Stefan
Bates	Guyer	Millard	Sutphin
Brewster	Halleck	Mott	Taber
Carlson	Hancock, N. Y.	Oliver	Taylor, S. C.
Carter	Holmes	Peterson, Ga.	Taylor, Tenn.
Cartwright	Hope	Pettengill	Thomas, N. J.
Case, S. Dak.	Hull	Polk	Thurston
Church	Jarrett	Powers	Tinkham
Clason	Jenkins, Ohio	Reed, Ill.	Tobey
Coffee, Nebr.	Jenks, N. H.	Rees, Kans.	Towey
Crawford	Kinzer	Robsion, Ky.	Treadway
Crowther	Kleberg	Rogers, Mass.	Wadsworth
Culkin	Knutson	Rutherford	White, Ohio
Ditter	Lambertson	Sanders	Wigglesworth
Dondero	Lamneck	Sauthoff	Wolcott
Douglas	Lord	Seger	Wolfenden
Dowell	Luce	Shafer, Mich.	Woodruff

ANSWERED "PRESENT"—1

Rich

NOT VOTING—82

Arnold	Dempsey	Hoffman	Reed, N. Y.
Barden	DeMuth	Johnson, Okla.	Ryan
Bigelow	Dies	Keller	Schuetz
Boehne	Dirksen	Kloeb	Scrugham
Boylan, N. Y.	Doxey	Kniffin	Secrest
Buckley, N. Y.	Driver	Lambeth	Sirovich
Bulwinkle	Duncan	Lanham	Smith, Maine
Burch	Eaton	Maas	Smith, W. Va.
Caldwell	Eberharter	Maloney	Snyder, Pa.
Cannon, Wis.	Ellenbogen	Mansfield	Starnes
Celler	Ferguson	Martin, Colo.	Steagall
Clark, N. C.	Fernandez	Mason	Sullivan
Cluett	Fulmer	O'Connor, N. Y.	Sumners, Tex.
Cole, N. Y.	Gilchrist	O'Leary	Taylor, Colo.
Cooper	Goldsborough	Parsons	Thompson, Ill.
Cox	Greenwood	Peyser	Umstead
Cravens	Greever	Phillips	Welch
Crosby	Gwynne	Plumley	Wolverton
Crosser	Harlan	Poage	Zimmerman
Cummings	Hartley	Quinn	
Deen	Hill, Ala.	Reece, Tenn.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Parsons (for) with Mr. Reed of New York (against).
Mr. Dies (for) with Mr. Gilchrist (against).
Mr. Maloney (for) with Mr. Plumley (against).
Mr. DeMuth (for) with Mr. Reece of Tennessee (against).
Mr. Sirovich (for) with Mr. Mason (against).
Mr. Thompson of Illinois (for) with Mr. Cole of New York (against).
Mr. Boylan of New York (for) with Mr. Hartley (against).
Mr. Cooper of Tennessee (for) with Mr. Dirksen (against).
Mr. Arnold (for) with Mr. Hoffman (against).
Mr. Sullivan (for) with Mr. Gwynne (against).
Mr. Crosser (for) with Mr. Cluett (against).
Mr. Greever (for) with Mr. Rich (against).
Mr. Phillips (for) with Mr. Eaton (against).
Mr. Greenwood (for) with Mr. Smith of Maine (against).

Additional general pairs:

Mr. Cox with Mr. Wolverton.
Mr. Fulmer with Mr. Welch.
Mr. Umstead with Mr. Maas.
Mr. Zimmerman with Mr. Ellenbogen.
Mr. Deen with Mr. O'Leary.
Mr. Hill of Alabama with Mr. Johnson of Oklahoma.

Mr. RICH. Mr. Speaker, my colleague, Mr. GREEVER, of Wyoming, was absent on important business at one of the departments. I am paired with the gentleman. If the gentleman from Wyoming were present, he would have voted "aye." I have voted "nay." Because of the gentleman's absence, I am compelled to withdraw my vote and answer "present."

Mr. WELCH. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. WELCH. I was on the first call, and did not hear my name. I was not present on the second call.

The SPEAKER. The gentleman does not qualify.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE LATE SAMUEL ROBINSON

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RAYBURN. Mr. Speaker, throughout the whole Government service there are men and women of great efficiency and great faithfulness to duty.

I rise to announce the death of an employee of the Government Printing Office who was, in that capacity, a servant of the House of Representatives. Samuel Robinson, for 57 years, with the exception of 3 months and 2 days, was an employee of the House of Representatives. When he died he was 77 years of age, all but 20 years of his life having been spent in the Government service.

For many years it has been my privilege and my pleasure to know this man, and of all the men I have ever known I can say without reservation that Sam Robinson was one of the most faithful and one of the most efficient men in his capacity that I ever knew.

We will miss him dreadfully. His place will be hard to fill. I thought it was only fitting, Mr. Speaker, that someone at this time should say a word in memory of this splendid servant of the people.

[Here the gavel fell.]

Mr. SACKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE PROPOSED PARTITION OF PALESTINE

Mr. SACKS. Mr. Speaker, I rise today to offer protest against the breach of trust just manifested by the British Government in its recent decree to divide Palestine.

On July 24, 1922, as the reconstruction period following the World War was being inaugurated, in London there issued forth the mandate over Palestine, which was approved by the Council of the League of Nations on September 16, 1922.

In this manifesto the British Government voluntarily assumed the guardianship of the homeland for the Jewish people of the world, and in this mandate, which was approved as previously referred to, it was agreed with the other signatory powers of the League of Nations and also with the consent of the Congress of the United States, to protect and enforce the rights and privileges given for the establishment of a Jewish homeland in Palestine.

As a result of this mandate the Jewish people throughout the world, and especially the Jewish people of the United States, harkened to the call of those Jews residing in persecuted lands, and, believing in the integrity of the British Empire, gave freely to the establishment of the Jewish homeland, known to the world as Palestine.

From a land of desolation and barrenness the Jews of the world, trusting in the fairness and honesty of the British Empire, built a new Palestine which is now on its way to being the "land of milk and honey" so expressly stated in the recordings of ancient history, Biblically and politically.

Millions of dollars contributed by the American Jewry to this cause went into the rehabilitation of Palestine. Today the British Empire is attempting to destroy not only its integrity toward the rest of the nations of the world but also to retard the rehabilitation of this land which has so remarkably taken place in the last 15 years.

In reviewing the preamble of the mandate we find that the allied nations of the world agreed to establish in Palestine a national home for the Jewish people, and that in so doing they recognized the ancient rights of the Hebraic people in Palestine; that the British Empire and His British Majesty solemnly accepted this as an evident truth and undertook, in carrying out this agreement, to exercise mandatory powers in accordance therewith.

This mandate was fully discussed and approved by the rest of the nations of the world sitting in the Council of the League of Nations, as well as the United States by resolution of the Congress. There was no compulsion or necessity for Great Britain to accept this responsibility; it was her voluntary act which placed Palestine under her mandatory power.

In these days of international uncertainty, in these times when every nation, including Great Britain, is claiming international law for the protection of the rights of nations in international affairs, it comes with bad grace for England to attempt to shirk its solemn obligations given in good faith by the rest of the world to Great Britain.

I strongly protest this action in view of the fact that the United States, through the Congress, had given its approval to this mandate, and I urge that the United States, by suitable resolution, take a position at this time which will cause Great Britain to recognize its duty and carry out the mandate as agreed to.

To that end I am today introducing a resolution protesting against the proposed partition of Palestine by the British Government.

Whereas under the mandate over Palestine given to Great Britain by motion of the League of Nations, under which mandate there was to be established a Jewish homeland in Palestine; and

Whereas the Congress of the United States under date of June 30, 1922, passed a resolution, which was signed by the President,

favoring the establishment in Palestine of a national home for the Jewish people; and

Whereas as the result of this action by the Congress citizens of the United States, both Jews and gentiles, have contributed millions of dollars toward the rehabilitation of Palestine: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States views with disfavor the proposed partition of Palestine by the British Government, as contained in the report of the Palestine Royal Commission. And we hereby respectfully petition that Great Britain fully and fairly fulfill the obligations of the trusteeship under which the administration of Palestine is held.

EXTENSION OF REMARKS

Mr. BOLAND of Pennsylvania, Mrs. ROGERS of Massachusetts, and Mr. SHORT asked and were given permission to revise and extend their remarks in the RECORD.

PRICE CONTROL OF ELECTRIC CONSUMPTION

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. PIERCE. Mr. Speaker, when I was speaking on the Bonneville bill before this House on July 23 I placed before my colleagues on the blackboard a very impressive table showing how electric consumption increases under low rates. The purpose of this table was to show clearly the relationship between the average residential consumption in kilowatt-hours per consumer per year and the average price in cents per kilowatt-hour. There have been many valuable tables incorporated in the RECORD during the discussions of public power projects. These should be preserved for reference, and I add my table to that collection for the benefit of my colleagues who are making studies of power, especially in its relation to public ownership

The following table gives the residential average rate and the average kilowatt-hour consumption per meter in 14 communities in the United States and Canada These communities, partly unnamed, were selected to cover the whole range of consumption in relation to price. These citations help to establish a definite economic law in relation to power. This law may be stated, "The cheaper the price the larger the use." This is fundamental in all discussions of electric power in relation to the public. The names of the cities having the high rates were purposely omitted.

These figures cover both public and private power distribution systems. The publicly owned systems are indicated with an asterisk.

City	Average sale price per kilowatt-hour	Average annual consumption
	Cents	*Kilowatt-hours*
An Arizona city	11.5	150
Do	10.5	300
A Missouri city	8.7	250
National average	4.8	710
Washington, D. C.	3.25	965
Southeastern utilities	3.20	1,050
Portland, Oreg.	2.80	1,110
Tacoma, Wash.*	1.68	1,565
Tupelo, Miss.*	1.78	1,864
Windsor, Canada*	1.60	2,130
Niagara Falls, Canada*	1.20	2,150
Ottawa, Canada*	.95	3,750
Winnipeg, Canada*	.90	4,250
Fort William, Canada*	.75	5,240

ADMINISTRATIVE ASSISTANTS TO THE PRESIDENT

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SNELL. Mr. Speaker, as I understand, the gentleman from Oregon just received permission to extend his remarks in the RECORD at this point.

The SPEAKER. The Chair did not so understand the gentleman's request.

Mr. PIERCE. That is the request I made, Mr. Speaker.

Mr. SNELL. Mr. Speaker, under the circumstances, inasmuch as the gentleman from Oregon has received consent to extend remarks "at this point" in the RECORD, I shall not object to the request of the gentleman from Pennsylvania, but I am opposed to that principle and I would have objected to the request of the gentleman from Oregon had I realized what he had asked. I serve notice now that I shall object to every similar request in the future.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DITTER. Mr. Speaker, the attitude of the Democratic majority in limiting drastically the debate today is unexplainable. The bill is an important piece of legislation. It is a distinct departure from established custom. It vitally affects the operation of the executive branch, and its relation to the legislative branch. It should have the careful, painstaking, and deliberative consideration of the Congress.

All efforts on the part of the minority to secure adequate time have been in vain as steam-roller methods have been resorted to for the purpose of shutting off debate. It need not be argued at great length that this procedure is indefensible. If this legislation has merit, if this bill is warranted, what is it, Mr. Speaker, that prompts the majority to refuse the minority a reasonable opportunity to be heard? Can it be that the majority is afraid of the possible unfavorable reaction of the country? Must the bill be slipped through the House surreptitiously to avoid possible criticism from the country? Shall it be said that the alleged merits will not withstand the searching light of noonday or be justified if subjected to the deliberative consideration of the House? The excuse of time cannot be made. Days, weeks, and months have been frittered away here during which frantic efforts have been made to make a pretense to the country that the legislative machinery was in operation when all of us knew that it only amounted to shadow-boxing. Now an important bill is before us, and debate is closed off in an arbitrary, autocratic manner in order to prevent the minority from expressing its opposition.

The bill has not been justified by its proponents. Much has been said to excuse its presentation, but nothing as a reason for its enactment. Only vague generalities have been given as to the duties of these six Presidential assistants. They have been called dignified errand boys, sleuths, snoopers, and exalted office boys. While their duties and powers have not been well defined, the majority has been careful to provide a generous stipend for their hire. No uncertainty is present with reference to salary. Six assistants, not to mention their secretaries, clerks, stenographers, and what nots, are to be created. Sixty thousand dollars for the six assistants is the salary scale. The taxpayers, Mr. Speaker, can be sure of this figure, even though they are left in the dark as to how these assistants are to earn their income.

Some sweet words have been spoken here today. There have been outbursts of eloquence. Much of it seems like soothing sirup. There have been forensic opiates, opiates to dull both reason and conscience. They have been most interesting to me, as I recalled events of the last few weeks. May I remind the majority of its catastrophic experiences of the last fortnight? Not from the minority; not from the opposition—but from your own party there has come a rebuke which left no doubt of its purpose and its meaning and against whom it was directed.

It was a revolution in your party against the effort of the President to extend his power, to exercise powers which were characterized in the N. R. A. decision by Justice Cardozo as "unconfined and vagrant." Leaders of your party were fearful of the consequences of ambition. No words were spared in denunciation and warning. Some wounds were made. Some sores were opend. Today the salve was generously applied here in the House to heal the wounds, to bind up the sores. They might well be called Balms of Gilead.

There are features in the present proposal which are difficult to understand and hard to explain. What will the reaction be on the distinguished members of the President's official family? How will the Cabinet members take to this idea of a super-Cabinet group, to this group of assistant Presidents? Can it be that they will welcome their intrusion? Of course, it may be that no objection will be heard because it will give a greater opportunity for political activities and propaganda programs by some holding Cabinet posts. This may be the explanation.

Again I find it hard to understand the frenzy of the majority to grant this additional power to the President, especially after the recent experiences of your party. A week or so ago you asserted a spirit of independence. Today you supinely invite dictation and accept domination. I fear you will regret the support you have given the measure. In the absence of justification statements and in view of the vague, uncertain commitments as to the powers and duties of these appointees, these six assistant Presidents, and in view of the tremendous potential undetermined cost, I cannot do otherwise than oppose the bill.

EXTENSION OF REMARKS

Mr. SIMPSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PETTENGILL. Has consent been granted to all Members to extend their remarks on the bill H. R. 7730?

The SPEAKER. It has not.

Mr. ROBINSON of Utah. I intend to make that request.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their own remarks on the bill (H. R. 7730) to authorize the President to appoint not to exceed six administrative assistants.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from Massachusetts [Mr. MCCORMACK] is entitled to be recognized for 30 minutes.

The gentleman from Massachusetts is recognized for 30 minutes.

NAZI STATE OF GERMANY

Mr. McCORMACK. Mr. Speaker, I rise to address the House on a subject which I believe to be not only timely but of transcendent interest today. The prime minister of the government of a nation for whom the people of this country have profoundest sympathy was recently in the United States on an official mission to solicit our cooperation as a nation to stave off and, if possible, prevent the war, fear of which fills the air in every chancellery of Europe. We are told this danger of war is the outgrowth of disorders, the major part of which are of an economic character. We are reminded that we are a wealthy people, prosperous in a world in which almost everywhere else national economy is in danger of collapse. We are asked to come to the rescue of a world which is faced with revolution at home and international war because of unbalance in matters economic.

I do not subscribe to the theory that the world situation today is the product of economic factors alone. Other factors today are even more controlling than economic factors.

For nearly a year the daily press throughout the world has, in headlines and news reports, been proclaiming the imminence of a new world war, which would be a clashing not precisely of territorial or other economic interests but of idealogies that are irreconcilable one with another. Men, particularly statesmen, do not fail to see that a war between conflicting idealogies might easily degenerate into a confusion and welter of civil strife and revolution, which civilization would find difficult to survive.

In the world situation today the totalitarian state, communism, or nazi-ism, or fascism, is the outstanding serious phenomenon. The totalitarian state conceives of the political power as subject to no law other than its own notion at a given time of what is best for the welfare, not of its citizens as individuals directly, but of the nation as a community. To the community the individual must subject his physical well-being, his property, even his life when called upon. He must stand prepared to subject to the will of a political party and even to sacrifice completely, when that party demands the sacrifice, his liberty as a man, his conscience, his notion of right and wrong, his intellect, his liberty of speech and expression, every right that through the centuries men have held to be inseparable from human personality and which among us are held to be inalienable.

Characteristic of the totalitarian state is the domination of national life by a minority which, highly organized, has been able in a time of national calamity to seize the controls of power, the armed forces, the legislature, the courts, and thus perpetuate itself in office. In the totalitarian state a minority of the people hold dominion over every phase of national life, over the well-being and liberties of the citizen, and dictate what is best for the community.

I propose today to confine myself, in the main, to the Nazi State of Germany in view of the recent courageous utterances of Cardinal Mundelein, of Chicago, and the false, vicious attacks made upon this great churchman by the controlled press of Nazi Germany.

National socialism—

Writes Otto Dietrick, Reich's press chief of the German National Socialist Party—

started to rebuild from the bottom * * *. The primary concept of our thinking and the key to our understanding of human society is not the individual but the community. The community is the foundation of our economic thought.

This is the opposite of the fundamental principles of democracy.

The supreme concept of its (national socialism's) program, therefore, is not through self-interest to the common good—but the opposite—through the common interests to the individual good.

National economy, the economic organ of the nation, must be served by all its members * * *. The individual cells, of which national economy is composed, are the factory units in which all, employers (shop leaders) as well as employees (shop followers), know that they are dependent on one another, and conceive of their work as a service to the national organization which supports them.

Thus the citizens of a totalitarian state are divided into two categories: Leaders—that is, the governing class—der Fuehrer and his lieutenants and followers; the laborers, the masses of the people. In such a system the right to property becomes a myth, government no longer representative, bound by no doctrine of human rights, subject to no constitution, with absolute dominion over the individual, can do whatever, at a given time, it deems to be conducive to the common good. That power was seized by the National Socialist Party in Germany at a time of national calamity. Recent elections had shown, beyond possibility of dispute, that at that time the National Socialist Party was far from representing a majority of the German people.

In seizing power the National Socialist Party had the help of big business, of the German trusts, its allies. That help was given not, perhaps, in good faith, but by men who, having found it possible to manipulate absolute government in the past, hoped to find state socialism unable to resist it. The trusts, for the time being at least, have found a master in Hitler. They are the victims of their own foolhardiness in preferring intrigue to open defense in the interest of economic justice.

Today the National Socialist Party in Germany has adopted the methods of monopolistic capitalism. It has adopted the morals and methods of monopolistic capitalism

as they had developed in Germany under the imperial Reich. Today it is employing the methods of monopolistic capitalism not in the sphere of economics alone; it is applying the methods of monopolistic capitalism in the management of the national socialist dictatorship.

We have subjected monopolistic capitalism under our antitrust laws. We have not forgotten, however, the ruthlessness, the total disregard for human rights, the contempt for moral principles which characterized monopolistic capitalism even in our country.

We have not forgotten the merciless, ruthless wiping out of competitors who were too weak to offer opposition or to defend themselves. The glorification of race in Germany today is nothing more than a smoke screen and camouflage under the shelter of which religion is being wiped out by national socialism under Adolf Hitler.

The glorification of the nation and the national tradition by national socialism in Germany is the smoke screen and camouflage in the shelter of which national socialism has sought to achieve dominion over other powerful influences.

What are those powerful influences? They are chiefly the churches—Lutheran, Evangelical, Catholic, Jewish. In connection with the Christian church, whatever its denomination, it cannot abandon its doctrine of the twofold nature of man. The church that would abandon faith in man's spiritual nature would be Christian no longer. Just as true as the church preserves its Christian faith in man's dual nature, attributing immortality to the soul, the church must maintain faith in the doctrine that because of that dual nature and immortal destiny, man, as a person, has rights which he receives not from society, nor from any political state, but from the author of his creation.

This Christian faith in the natural rights of man cannot be reconciled with any theory of absolutism which divides men into categories giving dictatorial undefined power to the leaders, and subjecting the masses, body and soul, without recourse, to the whims of judgment and caprice of that minority which happens to be in control.

Foreseeing the fight that, if the doctrine of national socialism were applied with all its implications in Germany, and knowing that no sound system of economic and social justice could be in unavoidable conflict with the truths of the Christian religion, the Catholic Church negotiated with national socialism an agreement under which Hitler and his lieutenants would have a free hand in what pertains exclusively to the economic and political state, the church would have her liberty in what pertains to the religious sphere, and matters of common interest would be the subject of friendly conference and adjustment.

In 1933, while those negotiations were being conducted, Chancelor Hitler in a widely publicized statement gave assurance that the program of national socialism could and would be carried out without conflict with Christianity. The Catholic Church in Germany accepted that statement and the bishops of Germany in a masterful joint pastoral statement called upon their people to cooperate with the Hitler administration in everything, respecting always the essential teachings and principles of the Catholic faith.

As these negotiations progressed there was a feeling of relief, not in Germany nor among Catholics alone but throughout the Christian world. The Protestant and Lutheran Churches seemed willing, even desirous, to undertake similar negotiations to insure religious peace in Germany. An attempt was made to impose nationalization on the Protestant and Lutheran denominations. These denominations, to their credit, refused to make of their religion an instrument for the promotion of the political ambitions of national socialism. Hitler found it impossible to seduce the church. Smarting under defeat, he abandoned all negotiations.

Thwarted thus in his design to reduce religion to the status of an instrument of the political state, Hitler and his government took brutal steps to prevent the opposition from organizing. The press was either destroyed or made to subject its editorial policies to the dictates of the dominant political party. Freedom of the press was at an end. Freedom of assembly was treated in the same manner. Spies were sent to the churches all over Germany to report on the sermon of the pastor and even on the conversations of the parishioners. Gatherings suspected of being political were ruthlessly suppressed. Even the life of opposition leaders was not respected.

Much of what happened in the early days of national socialism was in open violation of the laws of Germany. These laws were not repealed. New laws were not enacted. The National Socialist Government recognized no law but its own interpretation of the National Socialist platform and its own judgment of how that platform should be carried out. A year did not pass before the courts of Germany, under pretext of reorganization, were made subservient to the will of national socialism represented by Hitler. The Parliament sat only at the call of the party. Indeed it has met only twice since the access of Hitler to office, and then only to ratify acts of the National Socialist Government.

National socialism is, as its name implies, a nationalist movement. The German Republic had functioned as a representative federal republic under the Weimar Constitution. The National Socialists ignored the constitution, substituting for it their own party platform as the supreme law of Germany. They then suppressed the federal system which the German nation after long deliberation had approved at the constitutional convention of Weimar. State governments were ruthlessly suppressed. Even the powerful State of Prussia was forced to surrender the last vestige of state sovereignty. Germany became a centralized, nonrepresentative, totalitarian state governed by an autocratic dictatorship bound by no constitution or law, subject only to its own interpretation of the party platform.

It soon was apparent that in undertaking negotiations with the church, national socialism had been sparring for time. With big business coerced into cooperation, the federal system converted into a centralized autocracy, the courts manned with men whose only loyalty was to Der Fuehrer and whose only law was the platform of the National Socialist Party, having consolidated the party ranks behind him, Hitler now proclaimed a new religion for the German nation.

Denouncing Christianity as an oriental invasion that had perverted the teachings and moral principles of the Aryan races, agents of the Hitler administration appointed a commission to redraft the theology, dogma, and ethics of Christianity to bring it into line. Thus did Hitler attempt to set up the platform of national socialism as the religion of the German nation.

A pamphlet recently published by the German Faith Movement, sponsored by national socialism, has the following to say:

> Has Christianity brought us salvation? The German lived vigorously, racially conscious, and in harmonious accord with his god before international Christianity by brute force saddled him with the Jewish national god. Until then the German people knew nothing of religious or interchurch strife. Since Christianity was introduced into Germany there have been religious quarrels without interruption. For between Christianity which poceeds from the south and the Nordic knowledge of god there is an insoluble contradiction. Just as healthy blood must continually seek to expel injected foreign matter, so does the healthy, unspoiled German soul continually rebel against this alien faith. * * * Christianity has destroyed innumerable precious German values, racial as well as cultural and political * * *. Nearly all great German leaders, artists, thinkers, as well as millions of unknown Germans, have repudiated Christianity. Let us, therefore, tread worthily in their steps. More than once the German people were on the verge of shedding their blood on behalf of this alien belief. Shall the obscurantists of any creed once more be able to injure the German Reich? No! Resolve that it shall not be! Acknowledge the totality of German life! Accept the God-given endowments of people and race. Accept the value of German faith and German morality! Free yourselves from false training and sluggish custom. Be German in your creed also!

The device of the German Faith Movement is the swastika. The swastika is emblazoned on the pamphlet from which I have just quoted. Bearing in mind the severity with which the Hitler administration prohibits "misuse of the national symbol", can anyone doubt that this doctrine permitted to be published under the aegis of that emblem is evidence that the National Socialists recognize the new paganism of the German Faith Movement as completely attuned to their own conceptions?

Where terrorism is the order of the day; where public assemblies are suppressed; where everyone is subjected to a spy system; where the press is not free; where organized opposition is not possible; where the laws make escape beyond the country difficult, if not impossible, it is not surprising that, seduced by the hope of safety and promise of advancement, timid souls in Germany accept the grotesque preachments of the German faith movement. The morale of the German people is being destroyed. There still remain in Germany leaders willing to face national socialism. Among them are the Bishop of Paderborn and the Reverend Martin Niemoeller, who has recently been placed under arrest—as has his brother, Rev. Wilhelm Niemoeller, within the past few days—for their courageous opposition to the attempted establishment of a pagan state and the attempt to nationalize religion. In sermons both of these courageous spiritual leaders have denounced in detail the outrages committed against religion by national socialism. At the conclusion of a recent sermon the Bishop of Paderborn said:

> With regard to these numerous and disgraceful acts of sacrilege, which shock you no less than they do myself, and which may all be attributed primarily to the widespread intensification, by both written and spoken word, of anti-Christian propaganda and incitement of the people against religion, we shall rise as one man and unite under the glorious and ringing appeal of our church: Oh, cross, our sole hope, we hail you! However much the enemies of our faith may blaspheme, however loudly they raise their battle cries: "The crucified One shall not rule us! Away with the crucifix; away with it from private as well as from public life, from the home as well as from the school"—we shall not be intimidated. We shall stand as did the early Christians. Neither the deception of the hellish enemy, nor persecution by the heathen emperor, could restrain them in their reverence for the cross. In the cross is salvation! In the cross is victory!

In these words he spoke, in particular, the position of the Catholic Church and, in general, of all religions.

I would not, however, exaggerate or overemphasize the political significance of religious opposition today. The faithful Catholics and the loyal Protestants and Jews are, in the main, all that remain to defend conscience against the National Socialist dictatorship. How great are the odds against them becomes more and more apparent. Not a week passes without a report of some new outrage against the German clergy.

On June 24 the Berlin bureau of the New York Herald Tribune reported that seven pastors, affiliated with the confessional movement, which is an anti-Nazi opposition group in the Protestant Church, were arrested by secret political police at the Friedrichswerder Church in Berlin. One of their legal advisers was arrested at the same time. These arrests, the report says, brought to about 50 the number of Protestant pastors jailed by the Nazi authorities. Since then others have been arrested.

The men arrested are charged with having violated recent decrees of Dr. Wilhelm Frick, Minister of the Interior, forbidding the reading from pulpits of the names of persons resigning from membership in the church and another forbidding the taking of collections except at divine service.

At the same church on the same day 30 other pastors were detained and searched for incriminating evidence.

In the same dispatch it is reported that the bank account of the Council of Brethren, a religious organization, was seized.

It is reported further that the church conflict has spread to Berlin University. There theological students were arrested for having uttered expressions of sympathy for the confessional movement. Over 50 students have announced that they will not return to classes.

To further illustrate the seriousness of the situation in Germany and the profound consideration it is receiving here and elsewhere, I call attention to the fact that several years ago Rev. Dr. Charles S. MacFarland, venerable general secretary emeritus of the Federal Council of Churches, after a visit to Germany and talks with Chancelor Hitler, returned home prepared to break a lance for the Hitler regime. In particular he was convinced that, so far as Germany was concerned, Americans ought to exercise restraint, sympathy, and patience. He saw and talked with the Chancelor. As one outstanding writer, Barnet Nover, said in a recent article—

> He conferred with church leaders of many denominations. And, while perturbed by certain of the developments taking place in the Third Reich, he was assured that they were only temporary.

He thereafter wrote and spoke in favor of restraint, sympathy, and patience.

He has since become disillusioned. This venerable minister has discovered, as Mr. Nover said—

> That his first optimtistic conclusions regarding the religious situation in Germany were without basis.

In a recent letter to Chancelor Hitler he has sorrowfully but courageously admitted this fact. "You have violated", he said in his letter, "every assurance that you made to me."

He further made this righteous and severe condemnation:

> In the 4 years you asked, whatever you may have done for the economic life of Germany, you have wrecked its Christian ideals. As the conclusion of my study, I can only say that you have, by consenting or approving, permitted the desecration of ideals of honor, integrity, truth, and humanity associated with the Germany of my student days; that you are forgetting the respect of the civilized world, and that you are leading your adopted nation to an abyss, for you cannot build an enduring nation upon force and hate.

Dr. Alfred Rosenberg, a member of the Hitler cabinet, described as "the supreme head of German neopaganism", recently revealed, according to a news item contained in the New York Times, a very reliable publication, "that the National Socialist church policy aims at the slow but steady absorption of Christianity." That assertion contains a challenge that believers of religion of all forms, particularly Christianity, and all persons who believe in the right of a free religious conscience, cannot permit to pass unheeded and unnoticed.

I further quote from the article of Barnet Nover that appeared in the Washington Post of June 10, 1937, a powerful article, well presented, which shows the insincerity of the pledges of Chancelor Hitler:

> The Reverend Dr. MacFarland is not the only one disillusioned by developments in the religious life of the Third Reich during these 4 years. Within Germany itself there are a great many clergymen, Protestant and Catholic, who have discovered what ropes of sand the verbal and written promises of the Fuehrer regarding religious freedom have turned out to be. They know now, if they did not before, that the Nazi regime has been engaged from the outset in a war on organized religion; that having failed to bend the churches to its will, it now is seeking to break them; that at bottom there can be no real harmony, no permanent peace, between Hitlerism and Christianity.

It must be remembered that when the Nazi Government came into being the great majority of churchmen of all creeds indicated their readiness to give it their full support.

In discussing this great and serious question we must keep in mind the difference between the German people, as such, and the Nazi Government. The responsibility for what has occurred is definitely upon those in control of government. The German people, as such, do not approve of such policies. They no more favor this movement than the Americans of German blood in the United States favor any such movement in this country.

Not only does national socialism seem determined to destroy the influence of the Christian and Jewish clergy with the people; it has from the first directed its attack on the liberty of education. Under a regime in which the person-

ality of the individual is denied, in which the individual is in everything subservient to the group, the community, and the state, it is not surprising that education should be made an agency for the drilling of youth in mind and body to make him conform to the pattern as a leader or as a follower to which he is destined by those who control national life.

Control of the universities was seized as early as 1933. From the faculties of the venerable universities of Germany the National Socialists expelled every professor and instructor who by his racial origin or personal convictions was not acceptable to the National Socialist Party The vacancies thus made were not filled. The Hitler government instead reduced the number of students by about 50 percent. In this manner applicants for entrance at the professional schools and institutions of higher learning were more numerous than vacancies. Those to be admitted had to be selected. The National Socialist Party abrogated to itself the power to pass on the credentials of all students. In this manner the venerable institutions of Germany have been thrown down from the lofty pinnacle to which their achievements in science and research had lifted them and today they are degraded to the level of institutions for the drilling of a National Socialist militia subject in everything to the will of Der Fuehrer.

More recently control of the education of the child is being taken from the family. The church schools are being suppressed. The campaign of slander and persecution to which the members of the religious orders are being subjected is nothing more than a cloak for covering up the wholesale seizure of schools and the subjection of childhood in Germany to an anti-Christian education designed to build up a nation that will worship the National Socialist state.

Democracy has been on the defensive in Europe. It has fallen here—on the Western Hemisphere—before the onslaught of absolutism in Mexico, our southern neighbor in America. The battle between absolutism and democracy for control of other American States has already begun.

We cannot with safety remain indifferent to the conditions which confront the world today.

The time seems to be approaching, perhaps it is at hand, when we, as a nation treasuring our free institutions under representative federal constitutional democracy, must assume with vigor and courage the role of leadership in world affairs for which our natural resources and high cultural achievements so well equip us. We cannot, with safety to ourselves, leave to the threatened democracies of Europe the task of saving our free institutions from the insidious attacks to which they are exposed.

It is the hope of all tolerant-minded persons that reason and sanity will return to the leaders of those countries where the exercise of a religious conscience is either denied or persecuted. World public opinion is opposed to the persecution or suppression of religion and to persecution in any form. History has shown that no nation can destroy religion, or the religious sentiments of its people. History has also shown that where it continued to do so, where it did not heed the lesson of experience, that such a government came to grief.

The happenings in other countries where absolutism and dictatorship exist, with the destruction of religious liberty in one country, as a result of its antireligious policies, Soviet Russia, and the attempt to nationalize religion in other countries, the return to the days of paganism, with the destruction of all great human liberties that constitute personal liberty, which comes not from government but from the Creator Himself, is a lesson to each citizen of our country. It brings to our attention the meaning of democratic processes of government; it is the best evidence that we could have of the genius of the framers of the Constitution in planning and creating the institutions of government that we possess; of conferring upon us as a right the political liberties that we possess, and protecting them against encroachment or destruction by even government itself. The conditions existing elsewhere convey to us in a forcible and effective manner the meaning of the phrase that we have so often heard, "The blessings of liberty." It is our duty to see that such conditions never exist in the United States. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts.

The SPEAKER pro tempore (Mr. COX). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. FISH and Mr. BOREN asked and were given permission to revise and extend their own remarks in the RECORD.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized.

THIRD- AND FOURTH-CLASS POSTMASTERS

Mr. RICH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD, and to include therein five letters.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I have been trying for several weeks to secure time in order that I might reveal to the Members of the House of Representatives what is going on in the State of Pennsylvania and over this Nation through the effort that is being made by politicians to take the civil service away from third- and fourth-class postmasters. We have in this country 40,675 third- and fourth-class post offices and 4,361 first- and second-class post offices. These postmasters of the third and fourth class were to be excluded from all political interference.

Let me call your attention, ladies and gentlemen of the House, to the fact that there has been one organization, the National League of District Postmasters, who hold annual meetings in each State of the United States, and they also hold a national meeting annually at some point in the United States. This is a voluntary organization and has over 17,000 voluntary members. It is composed of third- and fourth-class postmasters. This organization, as I said before, is voluntary. Any postmaster can join it, or he does not have to, but they operate and maintain this organization for the purpose of bettering the service and for their social gatherings and entertainment. That is as it should be, as we want to eliminate politics from the Post Office Department and the Post Office Service.

But I often wonder how you can eliminate it when you have as Postmaster General one who is now in the person of Mr. James Farley, of New York, chairman of the Democratic National Committee, as well as chairman of the Democratic State organization of the State of New York—a funny combination to keep politics out of the Post Office Service, it seems to me.

Now, I want to call your attention, Members of the House, to the copy of a letter supposed to be written on the stationery of the United States Senate Committee on Finance of Washington to Mr. Joseph F. Gallagher, president of the Pennsylvania State Association of Postmasters and present postmaster of Philadelphia, Pa., and at the end of this letter appears the name of Senator JOSEPH F. GUFFEY, of Pennsylvania, urging membership in the new Pennsylvania State Association of Postmasters.

UNITED STATES SENATE,
Washington January 26, 1937.

Mr. JOSEPH F. GALLAGHER,
President, Pennsylvania State Association of Postmasters,
United States Post Office, Philadelphia, Pa.

DEAR JOE: As you know I was employed in the Postal Service some years ago. While in the Service I gained a real insight into its needs, and the opportunity afforded postmasters to serve the public in such a manner as would reflect credit upon themselves and the Service.

I feel that all postmasters of the State of Pennsylvania should be members of the Pennsylvania State Association of Postmasters. Their membership in such an organization brings them together

at various intervals and gives them an opportunity to consult with each other about and exchange ideas on betterments in the Service. It gives them an opportunity to obtain information which will help them better the service in their own communities. I, therefore, think that it is really the duty of every postmaster in the State of Pennsylvania to belong to the organization and I hope that you will be successful in obtaining applications for membership from all those who are not now members of that body.

With kindest regards,
Sincerely yours,

JOSEPH F. GUFFEY.

Then, I also want to call your attention to the Pennsylvania State Association of Postmasters stationery—a letter written by Ramsey S. Black, who is secretary and treasurer of this organization, calling attention to the fact that the postmasters of Pennsylvania should join the Pennsylvania State Association of Postmasters. This is a new organization, and what for? That seems to be the question in the mind of those who are not on the inside.

PENNSYLVANIA STATE ASSOCIATION OF POSTMASTERS,
Harrisburg, Pa., February 15, 1937.

MY DEAR POSTMASTER: In keeping with the policy of improving the Service and bettering the condition of postmasters, it is of vital importance that every postmaster in the State of Pennsylvania become a member of both the National Association of Postmasters and the Pennsylvania State Association. These organizations need the moral and financial support of every postmaster in the State and every postmaster needs the backing of these organizations.

No man ever traveled the roadway to success unaided and alone. No organization can achieve its purpose without the united help of those who believe in its fundamental necessity, its purpose, and its ideals. Therefore we ask for your enthusiastic support as we develop and broaden our ambitious plans for a greater State and national organization which shall be truly representative of all postmasters of every class.

As to what the Post Office Department thinks of organization, I want to refer you to a quotation from an address made by our chief, Hon. James A. Farley, who, in September 1935, at the Convention of the National Association of Postmasters in Chicago, said: "I congratulate you on your splendid organization, which is most helpful to the postmasters and to the Postal Service. We postmasters must be great believers in organization. It was by organization under efficient leadership that this great Government of ours was established."

Your attention is also invited to the attached letter from Senator GUFFEY, of Pennsylvania, who was at one time in the Postal Service, and is now 100 percent behind the postmaster's organization. While it was a personal letter to our president, Hon. Joseph F. Gallagher, postmaster, Philadelphia, Pa., it contains a message for every postmaster of the Keystone State.

The bill for your dues for 1937 is enclosed, and it would be appreciated if you would make your returns immediately.

In the State of Pennsylvania we have 2,614 postmasters, and it is the intention of the officers to have each and every one attain membership. For 1937, 2,614 members is our goal. We start today. Don't wait for the other fellow. You do your part and the others will follow. Watch pending legislation in Congress. Your association will watch it was keen interest and do everything within the bounds of propriety that will be beneficial to postmasters.

I said before the organization needs you and you need the organization, and please subscribe at once.

With best wishes and looking for your whole-hearted cooperation, I am,

Very sincerely yours,

RAMSEY S. BLACK,
Secretary-Treasurer.

It is claimed that it is a branch of the National Association of Postmasters, whose president is Mr. Alexander Graham, of Kansas City, Mo., the present postmaster, and whose vice president is Mr. I. A. Smoot, postmaster of Salt Lake City, Utah. The editor of their Official Gazette is Mr. W. H. McCarthy, postmaster of San Francisco.

In California they send a circular to the postmasters asking them to join the New Deal organization. I also call attention to the fact that in a State close to the District of Columbia, a fourth-class postmaster was called to the phone and told he should see every postmaster in the county, and this voice over the phone demanded of him that he secure every postmaster in the county to join the National Association of Postmasters—this new organization whose dues are $3 to $7 a year, depending on the size of the office. Either get the membership or someone will be ousted from office.

PENNSYLVANIA STATE POLITICAL MACHINE IN THE POST OFFICE DEPARTMENT

Now, ladies and gentlemen of the House, let me call your attention to another iniquitous letter written on the stationery of the Democratic State Committee of Pennsylvania located at 306 Keystone Building, Harrisburg, telephone no. 7255. I take this data from the heading of the letter which contains the following names:

David L. Lawrence, chairman; Mrs. Edith B. DeWitt, vice chairman; George H. Earle, national committeeman; Mrs. Emma Guffey Miller, national committeewoman; Carl K. Deen, resident secretary; Paul B. Noftsker, treasurer; and Ralph M. Bashore, State secretary.

David Lawrence is the chairman of the Democratic State committee; George H. Earle is Democratic Governor of the State of Pennsylvania; Emma Guffey Miller is the sister of Senator GUFFEY; and Ralph M. Bashore is secretary of the Department of Forests and Waters of the State of Pennsylvania, all Democratic offices.

Now, I insert the letter referred to, dated May 5, 1937:

DEMOCRATIC STATE COMMITTEE, PENNSYLVANIA,
Harrisburg, Pa., May 5, 1937.

MY DEAR POSTMASTER: Postmaster General James A. Farley, United States Senator JOSEPH F. GUFFEY, and myself, are interested in having you become a member of the National Association of Postmasters and the Pennsylvania State Association of Postmasters.

Your interest—and the interest of all postmasters—can best be served only by a strong organization. Therefore, I cannot too firmly urge the importance of you becoming a member.

I am advised that a bill for membership dues has been sent you by the Honorable Ramsey S. Black, secretary and treasurer, Harrisburg, Pa. I would suggest that you send your remittance for dues without further delay, and shall be interested in noting the result of this membership campaign.

Sincerely yours,

DAVID L. LAWRENCE,
Chairman, Democratic State Committee.

Mr. Speaker, on May 18 I wrote Postmaster General Farley a letter which I now insert; also his reply on the stationery of the office of the Postmaster General, Washington, D. C.

MAY 18, 1937.

Hon. JAMES A. FARLEY,
Postmaster General, Washington, D. C.

MY DEAR MR. FARLEY: There has come to my attention a letter written on the letterhead of the Democratic State committee of Pennsylvania and addressed to postmasters in Pennsylvania, dated May 5, 1937, copy of which is herewith enclosed.

Since the letter states that you as Postmaster General, and others, are interested in urging postmasters in Pennsylvania to become members of the National Association of Postmasters and the Pennsylvania State Association of Postmasters without giving any reason for joining such organization, excepting that the interests of all postmasters can be best served only by a strong organization, quite naturally postmasters are interested in knowing in what manner their interests can be best served by joining such organizations.

It is noted further that considerable urge is placed on the prompt payment of membership dues in these organizations.

My purpose in writing you is to inquire whether you have authorized the use of your name as Postmaster General in the solicitation of memberships and funds through what are obviously political channels.

There is no doubt that many postmasters are already members of the National League of District Postmasters, and this fact prompts further inquiry as to why postmasters are being urged by the Democratic State organization to join the Pennsylvania State Association of Postmasters for the purpose of strengthening their interests.

Now, many of the postmasters—and particularly those of the third and fourth class—receive small salaries and can ill afford additional and unnecessary expense. The receipt of communications such as is described herein quite naturally give rise to concern on the part of postmasters and must be regarded as important coming as they do at the suggestion of the Postmaster General and others in high political places.

I will appreciate a frank reply, which I am confident will enable me to make intelligent response to inquiries on the subject directed to me as a Member of Congress.

Thanking you, I am,
Very respectfully,

ROBERT F. RICH.

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., May 21, 1937.

Hon. ROBERT F. RICH,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN RICH: Your letter of May 18 inquiring whether I had authorized the use of my name as Postmaster General in the solicitation of memberships to postmaster organizations received.

I have no objections to postmasters and other postal employees belonging to the various postal organizations to which they are eligible, but I am not directing or insisting on their belonging, and any claim that anyone may make that I am is unauthorized.

Sincerely yours,

JAMES A. FARLEY,
Postmaster General.

Mr. Speaker, I just received an invitation to the third annual convention reunion of the Pennsylvania State Association of Postmasters, to be held August 19 and 20 at Scranton, and the Pennsylvania State Association of Postmasters claims to be the largest chapter connected with the National Association of Postmasters. Is the reason for this great organization the fact that the Democratic State committee has been fostering it, and also that Postmaster General James A. Farley will be in attendance—the largest chapter in Pennsylvania sponsored by the Pennsylvania Democratic State committee? What they want me there for is difficult to conceive. I am not a Democrat, and I promise you I never will be.

After reading this, ladies and gentlemen, do you think for a minute that this National Association of Postmasters and the Pennsylvania State Association of Postmasters has anything to do with politics when it claims that Postmaster General James A. Farley and United States Senator Joseph F. Guffey and David Lawrence, of the Democratic State committee, are all interested in having them become a member of the National Association of Postmasters?

If there is not a sting of politics in this such as has never been applied to the postmasters of Pennsylvania, then there is something "rotten in Denmark." Any man who would be fooled by anyone stating that there is not any politics in it must think we are all real dumb in Pennsylvania that do not belong to the Democratic Party. Mr. Speaker, I inserted above the letter from Ramsey S. Black, which the third paragraph of the Lawrence letter refers to, stating that bill for membership dues has been sent to the postmaster by Ramsey S. Black, of the Pennsylvania State Association of Postmasters. Why does this National Association of Postmasters and Pennsylvania State Association of Postmasters want to put out of existence the National League of District Postmasters? They may claim they do not, but why should postmasters want to belong to three organizations in the State of Pennsylvania? Could anyone give a satisfactory answer to that? It simply is ridiculous.

Now, Mr. Speaker, I took the occasion on May 18 to write a letter to Hon. James A. Farley, Postmaster General, and I insert this letter, as I want to be fair to everybody and am only desirous of trying to keep politics out of the Postal Service.

I also insert copy of letter I received from Postmaster James A. Farley, and you can see that he says he has no objections to the postmasters or postal employees belonging to various postal organizations to which they are eligible. Certainly he has not any desire to keep them from belonging to organizations set up for Democratic political propaganda. He was never known to keep anybody from doing such a thing that I know of. But I would like to ask the Postmaster General why does he permit David Lawrence, the Pennsylvania Democratic State chairman, to intimidate the postmasters of Pennsylvania into joining the Pennsylvania State Association of Postmasters. It is political and nothing else. The fact that the letter is signed by David Lawrence, of the Democratic State committee, notifying them their dues are wanted and that the writer will watch with interest their joining,—O Mr. Speaker, if it is not political, then black is white and green is red.

Mr. Speaker, I hold in my hand a list of the daily changes in fourth-class postmasters already made for 1937, more than 100 typewritten pages of changes in the fourth-class postmasters over the United States that are sent out to Members of Congress from the Post Office Department. If there is not politics in the Post Office Department, why would all these fourth-class postmasters be requested to resign? Why would their places be filled by somebody else? Anyone who would cause you to believe that this is not the case certainly does not want to give the true facts. And, Mr. Speaker and ladies and gentlemen of the House, if the Postmaster General is interested in keeping politics out of the Post Office Department, he will see that such letters are not sent out by the Democratic State committee of Pennsylvania or any other State intimidating the postmasters. I have received letters from postmasters in the State of Pennsylvania stating they belong to the National League of District Postmasters and that they have not the money to spend to belong to this Pennsylvania State Association of Postmasters, and they do not want to join any more organizations; but this great Democratic State committee is insisting they do.

Mr. Speaker, it is wrong to urge the civil-service postmasters to be intimidated and harassed by a State political set-up such as we have in Pennsylvania by the Guffey-Earle-Lawrence combine—worse ever than a Penrose or Vare machine could have been. You never heard of Penrose making such demands of postmasters as Guffey is trying to make on the postmasters of Pennsylvania.

Mr. Speaker, I also make an appeal to the Attorney General of the United States to make a thorough investigation of this charge of political corruption in the Post Office Department. It is vital to our laws to keep political activity from this branch of the Government service. I also request, yes, demand, that the Civil Service Commission take proper steps to check such ruthless political activity that is going on over the country to play politics with the postmasters who are under civil service.

Mr. Speaker, I have heard the membership of the House state they are for civil service, especially those on the Democratic side, but every time we have a vote on something that is in favor of civil service the Democratic Members of the House try to keep from having a record vote. They do not want to be recorded and up to this time have kept from being recorded. Actions speak louder than words, and when they state they are for civil service, and then vote to put appointees into various Government organizations without coming under the civil service, as I said before, their actions speak louder than words and they do not mean what they say. It is about time that the Attorney General and the Civil Service get busy on this proposition and get action to stop it.

I was invited to be at Mansfield, Tioga County, today to attend a Republican picnic, but I felt I should remain here in Washington and attend to the duties incumbent upon the office rather than be looking after the political set-up in Pennsylvania. While I am a Republican, more so today than ever in all my life, because when I see the things being done in the Government service by Democratic politicians and when the people of Pennsylvania and other States of this Nation wake up to the things being done contrary to the civil-service laws and contrary to good business in government, they will oust this great Democratic political machine we have in Washington and Pennsylvania, and place men back in the offices of government who will give them clean representation, men who will put forth efforts toward those things which are for the best interests of our country, and will eliminate from the ranks men whose sole object in holding office is to keep their political henchmen on the Federal Government pay roll. Let us take politics out of government and put in sensible, sane people who have the welfare of our country at heart and not any political party.

EXTENSION OF REMARKS

Mr. SHANLEY asked and was given permission to revise and extend his own remarks in the RECORD.

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from Indiana [Mr. LUDLOW] is recognized for 20 minutes.

LET US KEEP OUR BOYS OUT OF FOREIGN WARS—AN URGENT APPEAL TO MEMBERS TO SIGN DISCHARGE PETITION NO. 11

Mr. LUDLOW. Mr. Speaker, I have asked for this brief allotment of time today in order that I may make a special plea to Members of the House to sign discharge petition no. 11, which I have filed at the Speaker's desk to bring my war-referendum peace resolution before the House for debate and a vote.

Premier Mussolini, one of the outstanding archtyrants of the world, has just issued a statement which it seems to me ought to challenge the instant attention of every thinking person in America and arouse the Congress of the United States as it never has been aroused before to the necessity of doing something to keep our beloved country from being dragged into another world war.

Dispatches from Rome carry an editorial from Mussolini's newspaper, Popolo d'Italia of Milan, which in effect serves notice on the world that it may expect another war soon. In this editorial the Italian tyrant warns Europe "to abandon its illusions and face realistically the prospects of war." I quote from the editorial:

"Europe must come to its senses or perish", it says. "Some day these fictions will be overwhelmed by a reality that has ever been known by one irreplaceable name."

The dispatches say that Mussolini's defiant outburst has created a sensation in the worried chancelleries of London, Paris, Moscow, and other major capitals. It ought to create a tremendous sensation in the Congress of the United States by showing on what a tenuous thread world peace hangs at this moment.

Tyrants like Mussolini and Hitler and Stalin have recruited and whipped into shape all of their manpower for the coming war and are now reaching down toward the cradle for cannon fodder.

Sometimes a whole sermon is contained in a cartoon. I saw such a cartoon the other day in a newspaper published away up in Manchester, N. H. I want to compliment Mr. Shoemaker of the Manchester Union for giving us the finest example of the cartoonist's art I have seen in many a year. His cartoon, entitled "In Europe Any Day Now", ought to be displayed on every billboard and fence post in America. It presents a graphic heart-appealing illustration of the crime against humanity that is being committed by tyrants in organizing the children of their countries to kill and to be killed. All of the fathers and mothers in America should see this cartoon. It would sear their souls with pain, but it would do good by bringing them to an upstanding realization of what is going on in the nations where citizens are mere puppets and bloodthirsty tyrants are training even the children to kill and destroy.

If it were permissible to print cartoons in the CONGRESSIONAL RECORD I would ask unanimous consent to include this cartoon with my remarks.

In this master cartoon a helmeted general with beetled brows and bulging chest, armed cap-a-pie and with sword dangling at his side, yells "Atten—shun!" as he proceeds to call the roll of his recruits.

"DA-DA" AND "GOO-GOO"

The recruits are barefooted babies lined up in a row, each baby wearing a diaper and a helmet so large it drops almost to his chin. [Laughter.] One by one the big general calls their names "Snookums", "Honey Pie", "Lolly Popsy", "Sugar", and "Tootsy Wootsy" and as their names are called "Snookums", "Honey Pie", "Lolly Popsy", "Sugar", and "Tootsy Wootsy" perform their full duty to their sovereign by responding "Da-Da" and "Goo-Goo." [Laughter.] This cartoon is a withering revelation showing how tyrants are violating the sacred rights of childhood in their conscienceless efforts to build up military machines to override the world.

The other night I witnessed a movie entitled "The Road Back." I wish every Member of this House could see that picture. It vividly illustrates the realism and cruelties of war, not only in actual conflict but in its aftermath. Its characters are fine examples of young men who are drawn into war overseas, where they see so much of horror and of blood-letting that when the war is over those who are fortunate enough to have escaped death return as miserable misfits in the society which they once adorned, nervous and mental wrecks, having always the noise of cannon and machine guns in their ears and terrifying visions of death before their eyes.

While as a whole it is a wonderful picture for those who want to know what war does to our precious young men it was the climacteric scene of the play that impressed me most. In a grand, soul-stirring finale the screen presented in rapid succession vast marching armies of the various countries whose tyrannical leaders at this time are panting for war, the climax of the play being intended to bring home the fact that 20 years after the war that was to save civilization we are facing the horrifying prospect of another world war of indescribable proportions and destructiveness.

WOULD KEEP OUR BOYS OUT OF FOREIGN SHAMBLES

My war-referendum peace resolution, which I am seeking so earnestly and sincerely to bring before this House for debate and a vote, is intended to prevent our precious boys—the flower of American manhood—from being drawn into another world war which appears at this moment to be looming over the world horizon. In any event under its provisions our boys would not be dragged into foreign slaughter pens to die in the settlement of quarrels of alien origin until the people of America have a chance to vote on the question in a Nation-wide referendum, the women having equal voting rights with the men. And why should not the women have a right to vote on a declaration of war?

Women go down into the valley of the shadow of death to bring our boys into the world. Why should not the mothers of America have something to say as to whether their flesh and blood shall be hurled into the hell of a foreign conflict? My war-referendum resolution is based on the philosophy that those who have to suffer and, if need be, to die and to bear the awful burdens and griefs of war shall have something to say as to whether war shall be declared. What could be more elementally just than that? [Applause.]

War at this moment broods over three-quarters of the globe. With the world in a state of ferment and a general conflict likely to break out at any time we, as legislators, are under a tremendous responsibility to find some way to keep our country from becoming involved. I contend that the war-referendum plan I have proposed is sane and practical, and that it would be effective in protecting America from entanglement. Why do I say this? Because it is inconceivable that the fathers and mothers and the women of America would send their sons, their husbands, and sweethearts away to die in foreign shambles in wars generated by the age-old hatreds and rivalries of foreign governments where war is a perennial pastime. If my proposed amendment is adopted it will have to be a mighty good cause that will lead America to declare war. A declaration of war is no idle and inconsequential thing. It signs the death warrant of our fine young manhood. It breaks up happy homes and tears heartstrings asunder. It is a question of such preeminent magnitude that it should be submitted to the entire Nation for decision, the vote of every citizen having equal weight with the vote of every other citizen. When that time comes the principle of equality so sedulously nurtured at the birth of the Republic and so proudly proclaimed in our basic law and literature will become more than ever a living reality and an object lesson for all the nations of the earth to behold and emulate.

SOUND AS THE BILL OF RIGHTS

There is nothing chimerical about this plan to let the people decide whether or not they want their sons sent into foreign wars. How can any one who is steeped in the genius and spirit of our free American institutions say that it is unsound? It is as sound as Magna Carta is sound. It is as sound as the Bill of Rights is sound. It is as sound as "government of the people, by the people, and for the people" is sound. It is in entire harmony with the philosophy of the Bill of Rights, and if adopted it would round out and complete that immortal code of liberty. I firmly believe that if it had not been for defective means of communication in the pioneer days, which obviously made a referendum on war impractical at that time, a provision for a war referendum would have been included in the Bill of Rights.

In no way, shape, or manner does my proposed referendum amendment impair the national defense. In case of attack or invasion it would not apply. It merely changes the constitutional war-declaring mechanism so that the decision on a declaration of war will be by a national referendum to all of the people, whose combined verdict will be the verdict of the judgment and conscience of America on each particular war proposal.

Now, when the airplane, the railroad, and the telegraph and telephone annihilate time and space, and the President, sitting before the microphone in Washington, can talk to all of America, the means of communication have attained such perfection that there is no longer any reason on earth why our citizens should be denied the right to vote on declarations of war. In a Government whose cornerstone is liberty founded on the philosophy of Jefferson, who wrote into the great Declaration the precious doctrine that "All men are created equal", there is no reason why our people should longer be deprived of equality in reaching the greatest of all decisions—the decision that means war or peace.

NOW IS THE TIME TO ACT

With the red flames of war flaring up in both the Occident and the Orient and threatening to engulf humanity everywhere, let us not permit lethargy and laissez faire to lull us into lethal slumber at this critical period when civilization so much needs us to set an example of peace and stability in a war-torn world.

Let us get this great peace proposal up for debate in the House and for amendment, if deemed necessary to perfect it, and let us pass it and send it out for ratification to the 48 States where, if I sense public sentiment correctly, the people of America, worried by insecurity and the omens of trouble visible on every hand, sick of war and the depression and train of evils that follow in the wake of war, are yearning to act favorably on this peace measure. With humility born of a realization of my feebleness as the champion of so great a cause, my dear colleagues, I plead with each and every one of you to sign discharge petition no. 11 if you have not already done so. [Applause.]

Mr. DICKSTEIN. Will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from New York.

Mr. DICKSTEIN. Have we not the same condition here to which the gentleman referred in his speech; that is, where the German youth is being brought in and forced into military work in this country and we are sitting doing nothing?

Mr. LUDLOW. The gentleman is much more familiar with that than I. I thank him for his contribution.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CRAVENS (at the request of Mr. MILLER), for 10 days, on account of important business.

To Mr. PHILLIPS (at the request of Mr. SMITH of Connecticut), for 2 days, on account of death in his family.

To Mr. COOPER, for balance of week, on account of illness.

To Mr. QUINN, for 3 days, on account of official business.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 69. An act to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. DINGELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Wednesday, July 28, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MILITARY AFFAIRS

There will be a meeting of the Committee on Military Affairs, in room 1310, New House Office Building, at 10:30 a. m., Wednesday, July 28, 1937, for further consideration of H. R. 7985, to promote air commerce by providing for the enlargement of Washington Airport.

COMMITTEE ON FLOOD CONTROL

There will be a meeting of this committee on Wednesday, July 28, 1937, at 10:30 a. m., which you are respectfully invited to attend, to consider committee resolutions and S. 1570, compacts between the States of Minnesota, South Dakota, and North Dakota with respect to the Red River of the North.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Wednesday, July 28, 1937, at 10 a. m., eastern standard time, on H. R. 7486, known as the bill to increase the efficiency of the Coast Guard.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, July 28, 1937, at 10:30 a. m., on H. R. 6663 and H. R. 7546. Public hearings.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The subcommittee appointed by the Committee on the District of Columbia to consider the following bills, H. R. 5696, retirement for police and firemen; H. R. 7710, hours of employment for firemen, will meet Wednesday, July 28, 1937, at 10 a. m., in room 345, House Office Building.

COMMITTEE ON NAVAL AFFAIRS

Naval Affairs will continue open hearings on H. R. 5529, to replace the *Los Angeles*, at 10:30 a. m., Wednesday, July 28, 1937.

Full open committee will meet on Thursday, July 29, 1937, at 10:30 a. m., for consideration of H. R. 7809, to promote the efficiency of the Navy by creating a transferred regulars list, amending the laws relating to retirement and promotion, and for other purposes.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Friday, July 30, 1937. Business to be considered: Hearing on House Joint Resolution 260 and Senate Joint Resolution 95, Federal Trade Commission investigation of public utilities, electrical energy.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

752. A letter from the Acting Secretary of the Interior, transmitting a copy of legislation passed by the municipal council of St. Thomas and St. John, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

753. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 21, 1933, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Bayou Dupre, La., authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 321); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

754. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated July 21, 1937, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Upper Chesapeake Bay and Susquehanna River, Havre de Grace, Md., authorized by the River and Harbor Act approved August 30, 1935 (H. Doc. No. 322); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CROWE: Committee on the Territories. H. R. 5859. A bill authorizing the Territory of Alaska to transfer a certain tract of land to Sitka Cold Storage Co., a corporation; with

amendment (Rept. No. 1352). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEMPSEY: Committee on the Territories. H. R. 7867. A bill to amend section 11 of the act of Congress approved July 10, 1890 (26 Stat., ch. 664), relating to the admission into the Union of the State of Wyoming; without amendment (Rept. No. 1353). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALLGREN: Committee on Merchant Marine and Fisheries. H. R. 7278. A bill to authorize the Secretary of Commerce to grant and convey to the State of Washington fee title to certain lands of the United States in Jefferson County, Wash., for highway purposes; without amendment (Rept. No. 1354). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 7714. A bill to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului Townsite, Island of Maui, Territory of Hawaii, in exchange for two plots of land located in the same townsite and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co. and the Hawaiian Commercial & Sugar Co., Ltd.; without amendment (Rept. No. 1355). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 81. An act to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co., on the Isthmus of Panama; without amendment (Rept. No. 1356). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 446. Joint resolution to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York; without amendment (Rept. No. 1357). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANZETTA: Committee on Insular Affairs. H. R. 6747. A bill to amend section 3 of the act entitled "An act to provide a civil government for Puerto Rico, and for other purposes", increasing borrowing margin of municipality of Mayaguez; with amendment (Rept. No. 1358). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANZETTA: Committee on Insular Affairs. H. R. 7727. A bill to authorize the administration of oaths by the Chief Clerk and the Assistant Chief Clerk of the Office of the United States High Commissioner to the Philippine Islands, and for other purposes; with amendment (Rept. No. 1359). Referred to the House Calendar.

Mr. COLE of Maryland: Committee on Interstate and Foreign Commerce. House Joint Resolution 456. Joint resolution consenting to an interstate oil compact to conserve oil and gas; without amendment (Rept. No. 1360). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McFARLANE: A bill (H. R. 8023) to relieve unemployed workers deprived of employment opportunities through the mechanization of industry; to the Committee of Ways and Means.

By Mr. SCRUGHAM: A bill (H. R. 8024) to amend the act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars; to the Committee on Interstate and Foreign Commerce.

By Mr. SOMERS of New York: A bill (H. R. 8025) to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States; to the Committee on Coinage, Weights, and Measures.

By Mr. SHEPPARD: A bill (H. R. 8026) to authorize the Secretary of the Interior to lease or sell certain lands of the Agua Caliente or Palm Springs Reservation, Calif., for public airport use, and for other purposes; to the Committee on Indian Affairs.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 8027) to authorize the reservation of minerals in future sales of lands of the Choctaw-Chickasaw Indians in Oklahoma; to the Committee on Indian Affairs.

By Mr. ROMJUE: A bill (H. R. 8028) authorizing the erection of a monument at Athens, Clark County, Mo., to mark the site of the most northerly battle of the Civil War; to the Committee on Military Affairs.

By Mr. COCHRAN: A bill (H. R. 8029) to discontinue the issuance of certain commemorative coins, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. KRAMER: Resolution (H. Res. 285) providing for expenses of the select committee appointed under the authority of House Resolution 284; to the Committee on Accounts.

By Mr. TINKHAM: Resolution (H. Res. 286) providing for an investigation to determine the desirability of a plural executive; to the Committee on Rules.

By Mr. SACKS: Concurrent resolution (H. Con. Res. 22) protesting against any division of Palestine; to the Committee on Foreign Affairs.

By Mr. GRAY of Pennsylvania: Concurrent resolution (H. Con. Res. 23) to adjourn sine die; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASEY of Massachusetts: A bill (H. R. 8030) for the relief of A. Pritzker & Sons, Inc.; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H. R. 8031) granting a pension to Ruby McIntosh; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 8032) granting a pension to Martin Homer Doolin; to the Committee on Invalid Pensions.

By Mr. SUTPHIN: A bill (H. R. 8033) authorizing the President to appoint Lincoln Ellsworth a lieutenant colonel in the Officers' Reserve Corps; to the Committee on Military Affairs.

By Mr. TEIGAN: A bill (H. R. 8034) for the relief of Robert Wade; to the Committee on Claims.

Also, a bill (H. R. 8035) granting a pension to Effie G. Mallon; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3029. By Mr. ALESHIRE: Petition of F. E. Griffith, Springfield, Ohio, secretary, Seventh Ohio Congressional District Board, the Townsend National Recovery Plan, Inc., and 2,108 others, favoring House bill 4199; to the Committee on Ways and Means.

3030. By Mr. COFFEE of Washington: Petition of the City Council of Seattle, Wash., James Scavotto, president, and H. W. Carroll, city comptroller and ex-officio city clerk, pointing out the necessity of taking measurable steps looking toward the solution of national and local housing problems, and urging that Congress pass the Wagner-Steagall low-rent housing bill (S. 1685 and H. R. 5033) in order to help solve the national housing problem; to the Committee on Banking and Currency.

3031. Also, petition of the Washington State Federation of Teachers, B. M. Patten, secretary, urging that the adult education program of the Works Progress Administration and the Workers' Education Department thereof particularly, be continued and expanded because of the vital and

important function it has fulfilled in assisting the provision of educational and technical activity needed to solve present economic and social problems facing working men and women of America; to the Committee on Appropriations.

3032. By Mr. CURLEY: Petition of the Bronx Tuberculosis and Health Committee, urging adoption of Senate Joint Resolution No. 85, sponsored by Senator POPE, in regard to laborers migrating across State lines; to the Committee on Labor.

3033. Also, petition of Maritime Association of the Port of New York, opposing House bill 7365, to permit the transfer of the duties of the Corps of Engineers to another Government agency; to the Committee on Rivers and Harbors.

3034. Also, petition of the New York State League of Savings and Loan Associations, against Senate bill 1166, for the establishment and operation of Federal mortgage banks; to the Committee on Banking and Currency.

3035. Also, petition of the Mine Inspectors' Institute of America, recommending appropriations for the purpose of giving actual training in mine rescue and recovery work following mine fires and explosions; to the Committee on Mines and Mining.

3036. By Mr. KEOGH: Petition of the American Society of Civil Engineers, New York, concerning Works Progress Administration and Public Works Administration activities; to the Committee on Appropriations.

3037. Also, petition of the Journeymen Tailors' Union, Local No. 1, New York City, concerning the Schwellenbach-Allen resolution; to the Committee on Appropriations.

3038. Also, petition of the National Association of Tobacco Distributors, Inc., New York, concerning the Tydings-Miller bill; to the Committee on Appropriations.

3039. Also, petition of the American Numismatic Association, concerning Senate bill 1628; to the Committee on Banking and Currency.

3040. By Mr. KRAMER: Resolution of the G. O. 40 Association, Inc., Veterans Spanish-American War, Los Angeles, relative to making provisions to build air forces to surpass the world in air defense, etc.; to the Committee on Military Affairs.

3041. By Mr. LEAVY: Resolution of the Stevens County Pomona Grange, Stevens County, Wash., urging the enactment of national legislation to deal with noxious weeds on a national basis and setting forth the fact that the spread of noxious weeds has greatly increased the cost of food products to producers and resulted in the abandonment of many thousands of acres of agricultural land, and pointing out that noxious weeds have become a national menace, therefore making the control and eradication of such weeds a national problem that can only be effectively undertaken by the Federal Government through the enactment of appropriate Federal legislation, and urging that in the Federal Government's program of work relief, due consideration be given in setting up projects to stamp out the noxious-weed evil; to the Committee on Agriculture.

3042. By Mr. PAREDES: Resolution adopted by Catalino de Guzman and others, presumably employed in the Quartermaster Corps, Philippine Department, United States Army, petitioning the United States Congress for the amendment of the retirement law for civilian employees; to the Committee on Military Affairs.

3043. By Mr. PFEIFER: Petition of the Journeymen Tailors Union, Local No. 1, New York, concerning the Schwellenbach-Allen joint resolution; to the Committee on Appropriations.

3044. Also, petition of the American Society of Civil Engineers, New York City, concerning curtailment of Federal work-relief activities; to the Committee on Appropriations.

3045. By Mr. ROMJUE: Petition of the Midwest Farm Bureau Conference, in session at St. Paul, Minn., representing 300,000 farm families in the Mississippi Valley States, urging upon Congress the immediate passage of the farmers' bill; to the Committee on Agriculture.

3046. Also, petition of the Mine Inspectors' Institute of America, urging the United States Bureau of Mines to seek appropriations and maintain adequate facilities to cope with mine disasters; to the Committee on Mines and Mining.

3047. By the SPEAKER: Petition of the American Legion, Department of Alabama, petitioning consideration of their Resolutions Nos. 1 and 3, also Nos. 16 and 17, with reference to rehabilitation; to the Committee on World War Veterans' Legislation.

3048. Also, resolution of La Solidaridad Filipina, petitioning the Congress of the United States for the withdrawal of American sovereignty over the Philippines; to the Committee on Insular Affairs.

SENATE

WEDNESDAY, JULY 28, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, July 27, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I call attention to the fact of the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Andrews	Copeland	Lee	Reynolds
Ashurst	Davis	Lewis	Schwartz
Austin	Dieterich	Lodge	Schwellenbach
Bailey	Donahey	Logan	Sheppard
Barkley	Ellender	Lonergan	Shipstead
Berry	Frazier	Lundeen	Smathers
Bilbo	George	McAdoo	Smith
Black	Gerry	McCarran	Steiwer
Bone	Gillette	McGill	Thomas, Okla.
Borah	Glass	McKellar	Thomas, Utah
Bridges	Green	McNary	Townsend
Brown, Mich.	Guffey	Maloney	Truman
Brown, N. H.	Hale	Minton	Tydings
Bulkley	Harrison	Moore	Vandenberg
Bulow	Hatch	Murray	Van Nuys
Burke	Herring	Neely	Wagner
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Hughes	Overton	White
Caraway	Johnson, Calif.	Pepper	
Chavez	Johnson, Colo.	Pittman	
Clark	King	Pope	

Mr. LEWIS. I announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] have been appointed members of the committee to attend the dedication of the battle monuments in France and are, therefore, necessarily absent.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

Mr. AUSTIN. I announce that my colleague the senior Senator from Vermont [Mr. GIBSON] is absent on business of the Senate.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

APPOINTMENTS TO CERTAIN COMMITTEES

The VICE PRESIDENT. The Chair appoints the Senator from Michigan [Mr. BROWN] as a member of the Special Committee on the Reorganization of the Executive Agencies of the Government, created by Senate Resolution No. 217, Seventy-fourth Congress, to fill the vacancy caused by the death of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas.

The Chair also appoints the Senator from New Hampshire [Mr. BROWN] as a member of the following committees, to fill the vacancies therein caused by the death of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas:

Select Committee on Government Organization, created under Senate Resolution No. 69, agreed to January 29, 1937; and

Joint Congressional Committee on Government Organization, established by House Joint Resolution No. 81, approved February 3, 1937.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by Lumber Clerks' and Lumbermen's Local No. 2559, of San Francisco, Calif., favoring the carrying out of the present W. P. A. program without reductions in personnel, and also favoring the making of further appropriations when current appropriations for the W. P. A. become exhausted, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by the fifty-first annual convention of the Arizona Wool Growers Association at Flagstaff, Ariz., protesting against ratification of the Argentine Sanitary Convention, and favoring retention of the present embargo against the importation of livestock and its products from countries where either rinderpest or foot-and-mouth disease may exist, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a letter from Eugene Younghawk, Francis Bullhead, Thomas Crow Necklace, and Julian Long Elk, members of the resolutions committee of an Indian conference held June 26, 1937, at Bullhead, S. Dak., transmitting the memorial of that conference, with the names attached of George Red Fox, Willis Mountain, William Knocks Him Down, Leo Little Eagle, Luke Speaks Walking, and sundry other Indian World War veterans of Bullhead and vicinity, S. Dak., remonstrating against the terms of the so-called Indian Reorganization Act of 1934, and praying that emancipation be granted them; that they be made free from wardship, and that a commission be created to transfer, as a Government agent, to such Indians (ex-service men with honorable discharges and borne on the tribal rolls) any and all assets, real and personal property belonging to Indian ex-service men, which, with the accompanying memorial, was referred to the Committee on Indian Affairs.

Mr. COPELAND presented a resolution adopted by Boro Park Branch of the American League Against War and Fascism, of Brooklyn, N. Y., protesting against the making of increased appropriations for the Army, and favoring the diversion of such appropriations to relief purposes, the W. P. A., and constructive health projects, which was referred to the Committee on Appropriations.

He also presented resolutions adopted by Local No. 1199, United Retail Drug Store Employees Union of Greater New York, and the Central Labor Council of Buffalo, both in the State of New York, endorsing the so-called Schwellenbach resolution, being the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by a meeting of the board of direction, American Society of Civil Engineers, at Ann Arbor, Mich., favoring the liquidation of W. P. A. and P. W. A. activities as expeditiously as possible, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Chautauqua County (N. Y.) Pomona Grange, endorsing the so-called Ludlow joint resolution embodying a constitutional amendment requiring a vote of the people before the declaration of war, except in the event of invasion, and favoring an early report on such resolution, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by Local No. 103, American Federation of State, County, and Municipal Employees, of Buffalo, N. Y., endorsing the so-called Wagner-Steagall low-cost housing bill, which was ordered to lie on the table.

RESOLUTIONS OF YOUNG DEMOCRATIC CLUB OF DUVAL COUNTY, FLA.

Mr. PEPPER presented resolutions adopted by the Young Democratic Club of Duval County, Fla., which were ordered to lie on the table and to be printed in the RECORD, as follows:

Be it resolved by the Young Democratic Club of Duval County, Fla., in executive session:

Whereas the late strong and stalwart, beloved, and renowned leader of the Democratic majority in the United States Senate, the Honorable Joseph T. Robinson, has departed this life in line of duty—"A soldier fallen with his face to the battle"; and

Whereas the "battle" must be continued, with unbroken front, for the Democratic principles and objectives at this the Seventy-fifth Congress of the United States: Therefore be it

Resolved, That this club, the Young Democratic Club of Duval County, Fla., do hereby go on record as endorsing the principles and objectives of the Democratic Party at the Seventy-fifth session of the Congress of the United States, and do also hereby go on record and give a vote of confidence to the newly elected Democratic majority leader in the Senate, the Honorable ALBEN W. BARKLEY, and a vote of confidence to our great President, Franklin Delano Roosevelt, our great leader and unequaled and unparalleled friend of the people, for his help, his guidance, his beliefs, his courage, and his leadership; be it further

Resolved, That copies of this resolution be sent to Hon. Franklin D. Roosevelt, President of the United States, Hon. ALBEN W. BARKLEY, Democratic majority leader of the United States Senate, Florida's two Senators, Hon. CHARLES O. ANDREWS and Hon. CLAUDE PEPPER, to Duval County's Representative in Congress, Hon. LEX GREEN, and to the press.

Done and ordered in executive session at Jacksonville, in Duval County, Fla., on this the 22d day of July, A. D. 1937.

YOUNG DEMOCRATIC CLUB OF DUVAL COUNTY, FLA.,
By H. W. DESAUSSURE, *Its President*.

Attest:

MRS. CHAS. L. FOLZ, *Secretary*.

REPORTS OF COMMITTEES

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (H. R. 2260) to provide for appearance on behalf of and appeal by the United States in certain cases in which the constitutionality of acts of Congress is involved, reported it with amendments and submitted a report (No. 963) thereon.

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was recommitted the bill (S. 1567) to amend the act entitled "An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes' ", reported it with amendments and submitted a report (No. 964) thereon.

Mr. LODGE, as a member of the Committee on Military Affairs, submitted the views of the minority on the bill (S. 1567) to amend the act entitled "An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes' ", which were ordered to be printed.

Mr. RADCLIFFE, from the Committee on Commerce, to which was referred the bill (H. R. 6145) authorizing the Secretary of Commerce to accept title to a certain parcel of land at Gaithersburg, Md., reported it without amendment and submitted a report (No. 965) thereon.

Mr. WALSH, from the Committee on Printing, to which was referred the concurrent resolution (H. Con. Res. 21) authorizing the printing of the report of the subcommittee on technology to the National Resources Committee entitled "Technological Trends and National Policy, Including the Social Implications of the New Inventions" as a document, reported it without amendment and submitted a report (No. 966) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (H. R. 7127) authorizing the President to invite the States of the Union and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938, reported it with an amendment and submitted a report (No. 967) thereon.

He also, from the same committee, to which was referred the joint resolution (H. J. Res. 437) relative to determination and payment of certain claims against the Government of Mexico, reported it with amendments and submitted a report (No. 984) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (H. R. 4527) for the relief of Luther Jennings Workman, a minor, reported it without amendment and submitted a report (No. 968) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 593) for the relief of Emily Hyer LaVergne, executrix of the estate of W. K. Hyer, reported it with amendments and submitted a report (No. 969) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1114. A bill for the relief of Agnes Ewing Harter (Rept. No. 970);

H. R. 4775. A bill for the relief of D. E. Sweinhart (Rept. No. 971);

H. R. 5168. A bill for the relief of Ethel B. Lord, a minor (Rept. No. 972); and

H. R. 5703. A bill for the relief of Thomas H. McLain (Rept. No. 973).

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 991. A bill for the relief of Adelaide Guerini (Rept. No. 974); and

H. R. 1095. A bill for the relief of Dexter P. Cooper (Rept. No. 975).

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 4378. A bill for the relief of William Sperry (Rept. No. 976); and

H. R. 5158. A bill for the relief of John P. Ryan (Rept. No. 977).

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (H. R. 851) conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of A. F. Amory, reported it without amendment and submitted a report (No. 978) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1241. A bill for the relief of Dorothy Krick, Ernest Krick, and the estate of James Albert Ferren, deceased (Rept. No. 979);

H. R. 3192. A bill for the relief of Clifford L. Bonn (Rept. No. 980);

H. R. 5144. A bill for the relief of Ludwig Bahnweg (Rept. No. 981); and

H. R. 6010. A bill for the relief of William Sullivan (Rept. No. 982).

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 937) for the relief of Harry W. Dubiske, reported it with an amendment and submitted a report (No. 983) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2689. A bill to regulate the leasing of certain Indian lands for mining purposes (Rept. No. 985);

S. 2698. A bill to set aside certain lands in Oklahoma for the Cheyenne and Arapahoe Indians (Rept. No. 986); and

S. 2851. A bill to authorize the reservation of minerals in future sales of lands of the Choctaw-Chickasaw Indians in Oklahoma (Rept. No. 987).

INTERFERENCE WITH UNITED STATES MAILS (S. REPT. NO. 885)

Mr. BAILEY. Mr. President, some weeks ago the Committee on Post Offices and Post Roads conducted an investigation pertaining to Senate Resolution 140, relative to the delivery or nondelivery of mail to establishments where industrial strife is in progress. The committee filed a report. The junior Senator from New Hampshire [Mr. BRIDGES] filed a statement of his views. I am now filing a statement of my views.

After conference with the chairman of the Committee on Post Offices and Post Roads, the senior Senator from Tennessee [Mr. MCKELLAR], I request unanimous consent to have the report of the committee, the statement of the views of the Senator from New Hampshire [Mr. BRIDGES], and the statement of my own views printed in the RECORD.

Mr. MCKELLAR. Mr. President, would the Senator object to having all three printed not only in the RECORD but also in pamphlet form as one document?

Mr. BAILEY. I shall be very glad to agree to that. Let us have them printed in the RECORD and also in pamphlet form as one document.

There being no objection, the report of the Committee on Post Offices and Post Roads and the views of Mr. BRIDGES and Mr. BAILEY were ordered to be printed in the usual form of Senate reports and also to be printed in the RECORD, as follows:

Mr. MCKELLAR, from the Committee on Post Offices and Post Roads, submitted the following adverse report (to accompany S. Res. 140):

The Post Offices and Post Roads Committee of the Senate, to which was referred Senate Resolution 140, introduced by Senator BRIDGES, of New Hampshire, and an amendment thereto, introduced by Senator GUFFEY, of Pennsylvania, begs leave to report the same back to the Senate with the recommendation that what is known as the Guffey amendment, referring to the strike situation, be referred to the subcommittee of the Committee on Education and Labor now investigating such strike conditions in Illinois, Ohio, and perhaps other States; and insofar as the Bridges resolution refers to the conduct of the Post Office Department, that the same be not agreed to.

Your committee further reports that it has carefully investigated the charges in the resolution of Senator BRIDGES concerning the failure of the Post Office Department to do its duty in reference to the rejection and nondelivery of mail in the strike area, and from the evidence adduced at the hearings before your committee, the committee makes the following findings of fact and conclusions:

1. That the Post Office Department has not taken sides in the strike controversy.

2. That by reason of the strike and the attitude of the strikers on the outside and the armed conditions existing on the inside of the several steel corporation plants, the unusual service demanded of the Post Office Department could not be safely carried on; that to have done so would have subjected the postal carriers to jeopardy of life and limb.

3. That normal mail service was maintained by the Post Office Department.

4. That mail of an unusual or abnormal character was refused by the Post Office Department, by authority of the law.

5. That a proposal was openly made by the employers to the postmasters in the several strike areas that if the Department would take food and clothing into the plants and enter these in the employers' own plants, the employers would furnish the equipment and personnel to carry this unusual mail.

6. That the Post Office Department refused this proposal because the Department had no legal authority to enter into such an agreement, and such agreement would be contrary to public policy.

7. That the mail routes into the several plants were dangerous to the mail carriers.

8. That the pickets not only threatened to interfere with the delivery of mail but on several occasions did interfere with the prompt delivery of the normal mail.

9. That in every instance which constituted an interference with the mails, facts thereof were assembled by the post-office inspectors and by the postmasters, and said facts as soon as they could be obtained with accuracy were turned over to the Department of Jutice for its action, consideration, and attention.

10. That several cases are now in the criminal section of the United States courts.

11. That no agreement existed between the postal authorities or any postal employee and any other person or persons as to the delivery or nondelivery of the mail.

12. That no agreement whatsoever was entered into by the Post Office Department or any of its employees with any person or persons as to the censoring of the mail.

13. That there were instances where strikers tried to scrutinize the mail, and that these instances, where accurately ascertained, have been turned over to the Department of Justice for its action.

14. That the Republic Steel Corporation, through its legal division, has questioned the legal authority of the Postmaster General to refuse abnormal and unusual mail and has filed suit where the legal phases of the matter will be adjudicated.

15. That the Post Office Department bases its action in the matter on existing law as follows, to wit:

"Whenever, in the opinion of the Postmaster General, the postal service cannot be safely continued, the revenues collected, or the laws maintained on any post road, he may discontinue the service on such road or any part thereof until the same can be safely restored" (39 U. S. C. 493).

16. That the said matter being in the courts, your committee is of the opinion that no further investigation should be made by this committee or any other committee of the Senate.

17. Your committee further reports that it was conclusively shown that a subcommittee of the Committee on Education and Labor of the Senate is now investigating the strike situation in several States and strike areas, and that the amendment to Senate Resolution 140 by Senator GUFFEY be referred to that committee, this committee seeing no reason to appoint a special committee to examine into the same strike situation that the Subcommittee of Education and Labor of the Senate is now investigating.

Mr. BRIDGES, from the Committee on Post Offices and Post Roads, submitted the following minority views (to accompany S. Res. 140):

It was resolved that a special committee of five Senators, to be appointed by the President of the Senate, three from the majority political party and two from the minority political party, be authorized and directed to make a full and complete investigation (1) of all cases of alleged interference by any persons or organizations with the acceptance or delivery of mail tendered to or accepted by postal authorities for delivery to addressees within any business or industrial establishment in which industrial strife may be occurring and (2) of all cases of agreements between postal authorities and persons or organizations whereby such authorities agree not to accept mail tendered for delivery to addressees within any such business or industrial establishment. The committee shall report to the Senate, as soon as practicable, the results of its investigations, together with its recommendations, if any, for necessary legislation.

The minority challenges the majority claim that the committee has carefully investigated the charges in the Bridges resolution concerning the failure of the Post Office Department to do its duty in reference to the rejection and nondelivery of mail in the strike areas. The minority feels that although the hearings resulted in bringing to the public view some of the unlawful conditions existing in the strike areas and some arrests and prosecutions for violation of United States statutes, nevertheless the hearings could not by the nature of things have the beneficial results of an investigation as called for by the resolution. From the evidence adduced at the hearings before your committee, the minority of your committee makes the following findings of fact and conclusions:

(1) The Post Office Department has taken sides in the strike controversy because it has refused to deliver packages, parcels, newspapers, and magazines properly offered, properly addressed, and properly stamped. This refusal to carry out its proper business caused grievous harm to one of the parties to the strike. This unprecedented departure from its activities as a transportation system for the carriage of United States mail constitutes an affirmative act on its part which favors one side of the controversy and therefore amounts to taking sides.

(2) That the Post Office Department could have safely carried on its proper business despite the attitude of strikers on the outside of the several plants by calling upon other departments of the United States Government whose duty it is to protect the employees of the Government and the property of the Government from harm.

(3) That normal mail service was not maintained by the Post Office Department, since the post offices at several cities in the strike area refused to deliver and in some cases refused to accept or deliver mail matter properly offered, properly addressed, and with proper postage paid by the offerers, who were in most cases private individuals offering packages containing clothing, nonperishable foodstuffs, newspapers, and magazines, and were not a business concern offering a trainload.

(4) That mail was refused by the Post Office Department under claim of being unusual or abnormal in character, although nowhere in the United States Code Annotated or the Postal Laws and Regulations is mail so classified or characterized or is the Post Office Department or Post Office officials given any right to make such a classification or characterization as a reason for refusal to accept or deliver United States mail.

(5) That the majority report makes so much importance of the fact that one of the strike-bound companies offered to carry United States mail which the Post Office Department had refused to carry, whereas such an offer is absolutely irrelevant and immaterial to the questions called for investigation in the resolution, except insofar as such an offer further substantiates the fact that the Post Office Department was not transporting the mail, since if the Post Office Department was properly performing its duty and transporting United States mail, in all probability such an offer would not have been made.

(6) That the majority report goes on the assumption that the agreements charged in the resolution include this offer to carry United States mail made by one of the strike-bound companies when the Post Office Department refused to properly function, whereas in fact the agreements charged in the resolution are agreements not to accept mail tendered for delivery to addressees within the strike-bound plants. The minority is well aware that the Post Office Department has no authority to enter into agreements with outside persons for the carriage of mail and that such an agreement would be contrary to public policy, and if such an agreement were to be made the minority would be as incensed as the majority.

(7) That the evidence presented at the hearing showed that the interference with the United States mail was wholesale on numerous occasions and included not only threats of bodily harm to post-office carriers but actual handling of United States mail and blocking of United States mail trucks.

(8) That, while in a few instances of interference with United States mail, prosecutions by the Department of Justice have resulted, the interferences were so numerous and on such a large scale as to constitute a challenge to the Post Office Department and to the authority of the United States and should be the subject of investigation.

(9) That there was substantial evidence introduced to show the existence of an agreement or agreements between postal officials and outside persons as to delivery or nondelivery of the mails and as to the censoring of United States mail by the outside persons.

(10) That a witness testified that a postal official admitted strike leaders had passed on or censored United States mail.

(11) That a telegram was introduced which strike leaders had sent to a member of your committee in which the strike leaders admitted an agreement or understanding existed between themselves and postal officials as to the character of mails which would be permitted to pass through the picket lines.

(12) That the Post Office Department bases its action in the matter on existing laws as follows, to wit:

"Whenever, in the opinion of the Postmaster General, the postal service cannot be safely continued, the revenues collected, or the laws maintained on any post road, he may discontinue the service on such road or any part thereof until the same can be safely restored (39 U. S. C. 492)."

(13) That the Postmaster General is now involved in litigation as a result of his classification of United States mail but that the said litigation can have no bearing on whether the investigation called for by the resolution is warranted or not.

(14) That the section of the United States Code upon which the Post Office Department relied for its right to deliver certain packages and parcels and to refuse to deliver certain packages and parcels clearly does not apply in a situation where the Post Office Department makes some deliveries of mail on a post road at all times and refuses to make others and at no time discontinues all service.

(15) That the Postmaster General, in making a distinction between the type of mail matter rather than the place of delivery as a ground for his refusal to perform the services of his Department is in fact legislating and thus usurping the function of Congress.

(16) That the Postmaster General did not order the proper delivery of United States mail and did not order the discontinuance of delivery of United States mail by authority of title 39, section 492, of the United States Code, but did order delivery of some parcels of mail and nondelivery of other parcels of mail which amounts to censorship of United States mail on the part of the Postmaster General, an act he is given no right to commit in any United States Code or postal regulation.

(17) That the Postmaster General was not called upon to testify or to explain his actions or the basis upon which he relied for his right to censor United States mail although the minority of your committee on divers occasions urgently requested that he be called.

(18) That the resolution calls for a committee, not only to investigate interference with United States mail and agreements made between outside persons and postal officials but also for its recommendations, if any, for necessary legislation.

(19) That if it is not the desire of the Congress that the Postmaster General be permitted to make such deliveries of United States mail as his whims may dictate under presumed authority of section 492 of title 39 of the United States Code, legislation is necessary, and since your committee refused to call the Postmaster General so that information might be obtained it is urgent that the resolution be approved so that a complete investigation may be made possible.

(20) That public respect for the Post Office Department has suffered a severe blow which can only be remedied by a complete and thorough investigation of all interference, all agreements, and all censorships made by outside persons and all orders amounting to legislation and censorship ordered by the Postmaster General.

The minority of the Post Offices and Post Roads Committee of the Senate respectfully requests that the resolution be agreed to.

H. STYLES BRIDGES.

Mr. BAILEY, from the Committee on Post Offices and Post Roads, submitted the following individual views:

The undersigned does not agree with the report of the committee on Senate Resolution 140. The report of the committee states:

"That by reason of the strike and the attitude of the strikers on the outside and the armed conditions existing on the inside of the several steel corporation plants, the unusual service demanded of the Post Office Department could not be safely carried on; that to have done so would have subjected the postal carriers to jeopardy of life and limb."

It is true that by reason of the strike and the attitude of the strikers and so-called picketers the unusual service demanded of the Post Office Department could not safely be carried on, and that to have undertaken to carry it on would have subjected the postal carriers to jeopardy of life and limb. However, the fundamental conception of the Government is that the Government will make it safe for its servants to perform their duties in the functioning of the Government. Agreed that armed men threatened to kill carriers of the mail, it was the duty of the Government of the United States, primarily the duty of the Post Office Department, so to pro-

tect their postmasters and carriers as to make it safe for them to carry the mail notwithstanding the threats of violence.

A government must function notwithstanding men in violation of the law make it dangerous to do so. The primary obligation of a government is safety. It is no excuse for failing to carry the mails to say that it was unsafe to carry them. If it was unsafe on the first day, it should have been made safe the second day, and it was the clear duty of the Post Office Department to call upon the Department of Justice for the means of preserving the law, and thereafter upon the President, to the end that the full power of the Government should be employed without delay to make it safe to carry the mail. This might have required the calling out of the Army, but if this were necessary, the Army itself should have been called out in order that the mail might be carried. If it be said that such a course might have caused bloodshed, the answer is that any other course is likely to cause much more bloodshed.

Attention is called to the opinion of the Supreme Court of the United States (*In re Debs*, 158 U. S. 564), from which I quote:

"But there is no such impotency in the National Government. The entire strength of the Nation may be used to enforce in any part of the land the full and free exercise of all national powers and the security of all rights entrusted by the Constitution to its care. The strong arm of the National Government may be put forth to brush away all obstructions to the freedom of interstate commerce or the transportation of the mails. If the emergency arises, the Army of the Nation, and all its militia, are at the service of the Nation to compel obedience to its laws."

When a government suspends its functions simply because lawbreakers make it unsafe to perform them, it is surrendering the law to violators of the law. It is abdicating in favor of those who would take the law into their own hands.

Suppose the example set here by the Post Office Department should be followed. Of what function of the Government would we be assured?

A government can afford to weaken before a mob no more than it can afford to weaken before a highwayman.

The proper course for the Post Office Department was to have had warrants sworn out for the known offenders and have them brought at once before a United States commissioner and placed in jail or placed under bond pending trial, and if this procedure failed, then it was the clear duty of the Post Office Department to call upon the President of the United States to exert such force as was necessary to overcome the violent interference with the functioning of the Government. The evidence shows it delayed action 2 weeks, having in the meantime agreed to withhold lawful mail which the picketers objected to. The action in refusing to take the mail, taken under circumstances of duress, was calculated to encourage others to demand that the Government proceed with its functions according to the will of private citizens rather than according to law. The strike leaders first made it unsafe to carry the mail, then stipulated what mail might be carried.

I have little patience with the effort to make a distinction between normal mail and abnormal mail; but, if made, it must be made freely by the authorities and not under duress. An American citizen has a right under the law to transmit mailable matter through the post office upon the payment of the postage required by law. A citizen pays his taxes, renders his general service as a citizen, in order that he may receive the benefits of the Government; and the carrying of the mails is a monopoly enjoyed by the Government for the benefit of its citizens. It is a benefit to which they are entitled as a matter of right.

Wives were undertaking to send packages of food, medicine, and clothing to their husbands who were in industrial institutions making their livings. The wives were peaceful. The husbands were peaceful. Men who had taken the law into their own hands undertook to say what mail should go through and what mail should not go through. This was in violation of the law. Agreed that the amount of mail was abnormal on account of the unusual conditions, agreed that the character of the mails was abnormal, it is nevertheless true that the carrying of the United States mail is a function of the Government and the mail was lawful. No one else may carry the mail. An American citizen has a right to mail a package of food or clothing to another citizen, designating his address, and upon paying the postage has a right to demand the delivery of the mail. If it is unsafe at the moment to deliver it, it is the clear duty of the Government to make it safe to deliver it, and that without delay.

The failure of the Post Office Department to take steps to make it safe to deliver the mail cannot be condoned and ought not to be overlooked by the Congress. We have at our command always the processes of the courts and when these fail, we have the armed power of a great Government. If we shall not use this armed power when necessary to preserve order or to enable the Government to function, when do we propose to use it? Under what circumstances is it to be used?

The heart of the matter is not the carrying of the mail but the preservation of law by the Government charged with the duty of preserving the law. Civilization is always struggling for its life. There are many lawless men at large and there are many men who ordinarily are law abiding but who become lawless under exciting conditions. It is always the duty of the Government to cope with those who take the law into their own hands. It is always the duty of the Government to maintain the public peace. It must command respect for itself and its statutes. This is fundamental. It is true that it is primarily the duty of the State governments to maintain public peace within the States, but the carrying of the mails is a function of the Federal Government, and the last particle of power of the Federal Government must be employed whenever occasion demands. If men taking the law into their own hands make it unsafe for the humblest servant of the Government to perform his functions, it is the duty of the Government instantly to make it safe and to exhaust its powers to make it safe for him to function.

The humblest man in America, as well as the greatest, has the right to have his mail carried upon the payment of the postage required by law, and it is no excuse that men taking the law into their own hands have made it unsafe to carry the mail, or that the mail was unusual in quantity or character. The Government may wait when floods destroy roads or bridges until the roads are restored and the bridges shall have been rebuilt. In event of war, the Government may have to win a war in order to carry mails to its citizens, but when a mob or individual, whether a picketer or a highwayman, makes it unsafe for the Government to function, the Government must without a moment's hesitation make it unsafe for him and safe for itself and its citizens. To do less is to invite destruction of the Government, is to destroy the faith of the people in the capacity of their Government to perform its functions and to maintain order, and the maintenance of order is the fundamental function of the Government. Whenever it fails others must meet violence with violence. They have no choice.

I hope that the Post Office Department will never again undertake to excuse itself before the Congress by the plea that lawless men had made it unsafe to carry the mails. On the other hand, I hope that hereafter when lawless men or highwaymen or picketers or others interfere with the mails, instant action will be the rule and all the power necessary will be invoked in due season.

I may say that the evidence showed that the men who were interfering with the mails and making it unsafe for the Post Office officials to carry them were representatives of a labor organization known as the C. I. O. If this organization is to invoke the law, it ought to respect and obey the law. It cannot expect to be recognized as an agency for collective bargaining under the law unless it proposes to observe the law in other respects. An organization which makes a rule of disregarding the law cannot ask for the recognition of the law, nor may it expect the recognition of men and women who respect the law and look to it for their security. Government employees ought not to join an organization that does not respect and observe the laws of the Government.

Under the amendment to the resolution the committee heard testimony as to the Chicago riot. The testimony was consistent with the verdict of the coroner's jury that the homicides in that riot were justifiable. No representation is made here that it was all the testimony that might be produced. The police were dealing with an armed mob proceeding to a plant where peaceful men were at work. The police warned the mob as required by law. It would not yield, but continued in an attitude of menace. Missiles were thrown. A shot was fired. Then the conflict. A mob must disperse upon orders from police authorities. To refuse to do so and continue in an attitude of menace is to invite and become responsible for consequences. In this view the question of which side first attacked is of secondary importance.

Peaceful citizens expect peace officers to maintain the peace. Their actions as to the use of force are not to be "weighed in golden scales"—to use a phrase from the Supreme Court of North Carolina. In stopping the progress of the mob and then in breaking it up, the question whether they used excessive force arises, but this is a question which is referred, in the first instance, to the discretion of the police officers. They were charged with the duty of employing all the force necessary. They were on the ground; they had to deal with the situation as they saw it. Opinions may differ as to the amount of force necessary, but the police officers are entitled to the benefit of the presumption that they acted in good faith and were in the best position to determine what was necessary. In such a position "judicial temperament" is not expected.

Suppose they had run before the mob? If this is intolerable, who will say that in resisting and subduing it, after fair warning, they did more than their duty? Bloodshed is deplorable, but if the public peace requires it we must pay the price.

I may add that I question the policy of congressional investigations in matters of this character. Are police officers under Federal supervision? Are they to be informed that their actions are to be reviewed by us? Congress investigates solely with the view to legislation. What legislation is in contemplation concerning police officers in Chicago or elsewhere? What legislation is in contemplation concerning civil servants in the State of Illinois? And if there are wrongs to be remedied, what is proposed to be done? If murder is committee in Chicago, does Congress propose to take jurisdiction?

Is the power of Congress to be invoked under the fourteenth amendment? If so, it may be well to recall the famous *Slaughter-house case* (16 Wallace, 36), and to quite the following:

"It would be the vainest show of learning to attempt to prove by citations of authority that up to the adoption of the recent amendments no claim or pretense was set up that those rights depended on the Federal Government for their existence or protection beyond the very few express limitations which the Federal Constitution imposed upon the States—such, for instance, as the prohibition against ex-post-facto laws, bills of attainder, and laws impairing the obligation of contracts. But, with the exception of these and a few other restrictions, the entire domain of the privileges and immunities of citizens of the States, as above defined, lay within the constitutional and legislative power of the States

and without that of the Federal Government. Was it the purpose of the fourteenth amendment by the simple declaration that no State should make or enforce any law which shall abridge the privileges and immunities of citizens of the United States to transfer the security and protection of all the civil rights which we have mentioned from the States to the Federal Government? And where it is declared that Congress shall have the power to enforce that article, was it intended to bring within the power of Congress the entire domain of civil rights heretofore belonging exclusively to the States?

"All this and more must follow, if the proposition of the plaintiffs in error be sound. For not only are these rights subject to the control of Congress whenever in its discretion any of them are supposed to be abridged by State legislation, but that body may also pass laws in advance limiting and restricting the exercise of legislative power by the States in their most ordinary and usual functions as in its judgment it may think proper on all such subjects. And, still further, such a construction followed by the reversal of the judgments of the Supreme Court of Louisiana in these cases would constitute this court a perpetual censor upon all legislation of the States, on the civil rights of their own citizens, with authority to nullify such as it did not approve as consistent with those rights as they existed at the time of the adoption of this amendment. The argument, we admit, is not always the most conclusive which is drawn from the consequences urged against the adoption of a particular construction of an instrument. But when, as in the case before us, these consequences are so serious, so far-reaching and pervading, so great a departure from the structure and spirit of our institutions; when the effect is to fetter and degrade the State governments by subjecting them to the control of Congress in the exercise of powers heretofore universally conceded to them of the most ordinary and fundamental character; when, in fact it radically changes the whole theory of the relations of the State and Federal Governments to each other and of both these governments to the people, the argument has a force that is irresistible in the absence of language which expresses such a purpose too clearly to admit of doubt.

"We are convinced that no such results were intended by the Congress which proposed these amendments, nor by the legislatures of the States which ratified them."

I disavow the remotest reflection upon any other committee, but bring the matter forward to suggest that the power of Congress to sit in judgment upon acts of local police—or, for that matter, of Governors or mayors—is very slender indeed. As yet this is not a centralized Government, and the principle of local self-government is yet a fundamental principle. The Federal Government may interfere only where Federal functions are involved, or strictly Federal rights are in question, by reason of State action, or the maintenance of a republican form of government in any State requires the exercise of Federal powers. As to what are the Federal rights, i. e., one's rights as a citizen of the United States as compared with his rights as a citizen of a State, I suggest a reading of the Slaughterhouse case cited above.

The assembly was manifestly unlawful. It had gathered for an unlawful purpose and was proceeding to execute that purpose, to wit, to invade the property of others, take charge of it and expel workers from their posts of duty. It was armed with deadly weapons. The police had no choice; they had to uphold the law; to resist the mob and to disperse it. It was their duty to protect peaceful citizens at their work—in their right to work. They exhausted peaceful methods, and then met force with force. They are not responsible for the consequences, but the responsibility rests clearly upon those who were proceeding outside the law. If blame must be imposed for the bloodshed, it must be imposed on the mob that resisted the law and made bloodshed unavoidable.

To take any other view is to impose upon the guardians of the law condemnation for doing their duty, and to encourage the lawless accordingly. So long as this is a Government of law, and not of men, those who uphold the law, and those who execute it, ought to be supported.

There is nothing in the Wagner Labor Relations Act to justify or encourage violence. That act was intended to encourage lawful procedure. It is to be regretted that some agitators operating in the name of the organization known as the C. I. O. seem to have taken the opposite view. There is nothing in this act to encourage efforts of strikers to prevent others from working; nothing in it to encourage agitators to compel workers to join any organization or their organization; nothing to justify the resort to violence for the purpose of compelling employers to agree to or to sign contracts. Workers who desire the benefits of the act must proceed lawfully and within the clear spirit of the legislation. Those who proceed otherwise are doing more than any others to destroy the legislation. If workers desire the repeal of the Wagner Act, the sure way to proceed is to interpret it as authorizing methods which some of their leaders have persisted in following since it was enacted. If any labor organization would have the sympathy of law-respecting citizens, it must uphold the law.

I am fortunate in being able to conclude this expression of my views with a clear statement of the elementary law upon these matters by a distinguished North Carolina jurist, the Honorable N. A. Sinclair, supporting a judgment of his court in a recent case, as follows:

"There is nothing in this case that calls for injunctive relief. The law is plain. Employees have a right to stop work, to join a labor union, and to strike. On the other hand, employees have the right to work and to refuse to join a union or a strike. And it is the duty of the police authorities to protect both classes of employees in the exercise of such rights. Members of the union have a right to persuade other employees to join the union or to join a strike by use of methods that are peaceful and not calculated to disturb the peace, but they do not have the right to resort to methods of intimidation or annoyance. An employee is entitled to the same protection in his right to work as another is to his right to strike. The strikers have the right to picket in a lawful manner, and they have the same right to the public streets for that purpose that any other citizen has; but they do not have a right to intimidate or obstruct or annoy an employee going to or from his work or while he is actually engaged in work, nor do they have any right to invade or trespass upon any property or premises of the employer.

"It is the duty of the police authorities to protect striking employees in their effort to induce other employees to join a strike or that of members of the union to persuade others to join the union, as long as they pursue lawful means to such ends, but it is no less their duty to protect every man in his right to work and to protect such workers from insult, intimidation, obstruction, or annoyance while at work or when proceeding to or from their work. They are entitled to free ingress and egress to and from their work without interference, intimidation, or annoyance from anyone. If any member of the law-enforcing authorities refuses to furnish such protection to the rights of any employee, whether a member of a union or not, and whether a striker or not, he would be amenable to the law and subject to prosecution for neglect of official duty—and the courts are always open to anyone who has a complaint to make.

"But it is the duty of the police authorities to maintain peace and order upon the streets and prevent any conduct calculated to produce a breach of the peace, and this must be left to their sound discretion. It is not only impossible, but the courts have no power under the Constitution to control or direct the police authorities as to when and how they shall exercise their discretion in the performance of these duties. If for any reason the local authorities, after exhausting their resources, cannot maintain law and order and protect the lawful rights of all concerned, both workers and nonworkers, as well as the property owners, then it will become their duty to call upon the State to furnish such force as may be necessary for that purpose.

"But in the midst of the industrial strife and bitter controversies with which certain portions of the country are torn today, it is well to remember that North Carolina has not abdicated its duty nor surrendered its power to protect the rights of all alike—the employee and the employer, the union member and the nonunion member, the striker and the worker; others may do as they may, but in North Carolina the law is supreme and the State must exercise such authority as may be necessary to maintain law and order within its borders and to protect human rights and property rights and the right of every free man to work without molestation or hindrance by anyone."

A frequent recurrence to fundamental principles is essential to the preservation of our liberties. (Bill of Rights, Constitution of North Carolina.)

Respectfully submitted.

JOSIAH W. BAILEY.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on July 27, 1937, that committee presented to the President of the United States the enrolled bill (S. 2067) to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

A bill (S. 2853) to amend an act entitled "An act to refer the claim of the Menominee Tribe of Indians to the Court of Claims with the absolute right of appeal to the Supreme Court of the United States", approved September 3, 1935; to the Committee on Indian Affairs.

By Mr. CAPPER:

A bill (S. 2854) conferring jurisdiction upon the Court of Claims to hear and determine the claims of certain Indians of the Prairie Band of Pottawatomie Indians against the United States; to the Committee on Indian Affairs.

By Mr. PEPPER:

A bill (S. 2855) to amend the Revenue Act of 1932 with respect to the gift tax; to the Committee on Finance.

By Mr. COPELAND:

A bill (S. 2856) for the admission to citizenship of aliens who came into this country prior to February 5, 1917; to the Committee on Immigration.

By Mr. BARKLEY (for Mr. HAYDEN):

A bill (S. 2857) to provide for a modified 5-year building program for the United States Bureau of Fisheries; to the Committee on Commerce.

By Mr. RADCLIFFE:

A bill (S. 2858) authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Sinepunxent Bay, in Worcester County, Md., at Ocean City, Md., to replace a bridge already in existence; and

A bill (S. 2859) authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Cambridge Creek, in or near Cambridge, Dorchester County, Md., to replace a bridge already in existence; to the Committee on Commerce.

By Mr. DAVIS:

A bill (S. 2860) to amend sections 1 and 2 of the act entitled "An act to establish a retirement system for employees of carriers subject to the Interstate Commerce Act, and for other purposes", approved August 29, 1935, as amended; to the Committee on Interstate Commerce.

By Mr. SHEPPARD:

A bill (S. 2861) for the relief of Elizabeth Davis; to the Committee on Claims.

By Mr. BORAH:

A bill (S. 2862) to provide funds for cooperation with the school board at Worley, Idaho, in the construction of a public-school building to be available to Indian children in the town of Worley and county of Kootenai, Idaho; to the Committee on Indian Affairs.

By Mr. POPE:

A bill (S. 2863) to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LEWIS:

A joint resolution (S. J. Res. 188) to provide medical aid for the needy and the stricken with illness who are unable because of poverty to provide treatment and hospitalization; also to establish all licensed medical practitioners as civil officers of National Government; to the Committee on Finance.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE—AMENDMENTS

Mr. ANDREWS, Mr. BAILEY, Mr. BRIDGES, Mr. CONNALLY, Mr. DIETERICH, Mr. HARRISON, Mr. MCADOO, Mr. MCNARY, Mr. MOORE, Mr. SCHWELLENBACH, and Mr. VANDENBERG each submitted an amendment, and Mr. DAVIS and Mr. MURRAY each submitted three amendments, intended to be proposed by them, respectively, to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which were severally ordered to lie on the table and to be printed.

IMPROVEMENTS OF RIVERS AND HARBORS—AMENDMENTS

Mr. BYRD submitted two amendments intended to be proposed by him to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. SHEPPARD submitted an amendment intended to be proposed by him to House bill 7051, the river and harbor authorization bill, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 23 after line 4, to insert the following:

"Brazos River, Tex., a comprehensive survey with a view to preparing plans, estimates of the cost of improvements for navigation, flood control, water conservation and reclamation, excluding therefrom work now in progress under the Works Progress Administration. The expense of such survey shall be paid from appropriations heretofore or hereafter made for examinations, surveys, and contingencies of rivers and harbors."

AMENDMENT OF RIVER AND HARBOR AUTHORIZATION ACT, 1936—AMENDMENT

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 7646) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 5, after line 9, to insert the following:

"Brazos River and its tributaries, Texas."

ACTIVITIES OF AMERICAN COTTON COOPERATIVE ASSOCIATION—AMENDMENT

Mr. MCKELLAR submitted an amendment intended to be proposed by him to the resolution (S. Res. 137) to investigate certain activities of the American Cotton Cooperative Association in connection with the marketing of cotton financed by the Federal Government, which was ordered to lie on the table and to be printed.

ASSISTANT CLERK, COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. CONNALLY submitted the following resolution (S. Res. 160), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That resolution no. 111, Seventy-third Congress, agreed to January 19, 1934, and continued by subsequent resolutions through the first session of the Seventy-fifth Congress, authorizing the Committee on Public Buildings and Grounds to employ an assistant clerk to be paid from the contingent fund of the Senate at the rate of $2,000 per annum, hereby is continued in full force and effect until the end of the Seventy-fifth Congress.

REORGANIZATION OF COURTS AND REFORM OF JUDICIAL PROCEDURE

Mr. HATCH and Mr. BURKE submitted the following resolution (S. Res. 161), which was referred to the Committee on the Judiciary:

Resolved, That a special committee of five Senators who are members of the Committee on the Judiciary, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation and study of all matters relating to the reorganization of the courts of the United States, the appointment of additional judges for any of such courts, and the reform of judicial procedure, with respect to which any bills or resolutions (including resolutions proposing amendments to the Constitution of the United States) have heretofore been introduced in the Senate or may hereafter be introduced therein during the Seventy-fifth Congress, and to report to the Senate from time to time its recommendations with respect to such matters. The committee so appointed is further authorized and directed to make a special report to the Senate and to the Committee on the Judiciary with respect to any such pending bill or resolution, if such report is requested by the Committee on the Judiciary.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $7,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

REORGANIZATION OF FEDERAL JUDICIARY—EDITORIALS FROM NEW YORK POST

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD two editorials with reference to the reorganization of the Federal judiciary, published in the New York Post of Tuesday, July 20, and Wednesday, July 21, 1937, which appear in the Appendix.]

NEW ENGLAND FLOOD COMPACT—EDITORIAL FROM HARTFORD TIMES

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an editorial on the New England flood compact, published in the Hartford (Conn.) Times of July 26, 1937, which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7730. An act to authorize the President to appoint not to exceed six administrative assistants; and

H. R. 7949. An act to exempt State liquor-dispensing systems from the requirement of keeping certain records and

rendering transcripts and summaries of entries with respect to distilled spirits.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 7730. An act to authorize the President to appoint not to exceed six administrative assistants; to the Select Committee on Government Organization.

H. R. 7949. An act to exempt State liquor-dispensing systems from the requirement of keeping certain records and rendering transcripts and summaries of entries with respect to distilled spirits; to the Committee on Finance.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Oregon [Mr. MCNARY] to the amendment in the nature of a substitute reported by the Committee on Education and Labor.

The amendment of Mr. MCNARY was, on page 51, line 3, after the word "agriculture", to insert a semicolon and the words "or any person employed in connection with the canning or other packing or packaging of fish, sea foods, sponges, fruits, maple sugar, or vegetables, when the services of said employee are of a seasonal nature and do not extend over total periods of more than 6 months in any one year."

Mr. DAVIS. Mr. President, I ask unanimous consent to present three amendments intended to be proposed by me to the pending bill, and ask that they be printed and lie on the table.

The VICE PRESIDENT. Without objection, the amendments will be received, printed, and lie on the table.

Mr. HARRISON. Mr. President, I offer, for the purpose of having printed, an amendment which I desire to offer to the pending bill at some time during its consideration.

The VICE PRESIDENT. Without objection, the amendment will be received, printed, and lie on the table.

When the Senate took a recess last evening the Senator from Michigan [Mr. VANDENBERG] had the floor and yielded to the Senator from Kentucky [Mr. BARKLEY] to move an executive session. The Senator from Michigan is entitled to the floor this morning and is recognized.

Mr. VANDENBERG. Mr. President, the pending measure is vitally important not only in its text but in its very serious implications. The able Senator from Alabama [Mr. BLACK], the chairman of the Senate Committee on Education and Labor reporting the bill, made a very patient, persuasive, and temperate presentation yesterday of the entire subject, and, as I intend presently to indicate, I think that he and his committee are entitled to substantial credit for the great improvement they have made in respect to the bill. But many fundamental phases of the question of maximum hours and minimum wages were not explored in the address of the Senator from Alabama, nor in the discussions and debate upon the floor of the Senate.

I emphatically concur, as I am sure all other Senators will concur, in the notably humane objectives the Senator from Alabama voiced and to which this bill is addressed. But, Mr. President, good intentions and high motives alone are not enough. Practical legislators must ask themselves practical questions in respect to a practical matter of this nature. To begin with, will the bill do what it purports to do? Then, in the attempt to do what it purports to do, will it not create more problems than it solves? Does it not involve bureaucratic hazards suggestive of a tyrannical industrial dictatorship which threatens more harm than good? These are some of the fundamental questions to which no attention has as yet been directed and to which I wish briefly to address myself before introducing another and even more imminent phase of our contemporary industrial problems.

If by the magic of a vivid wish or by the mandate of a pious statute I could universally give American labor—all American labor—a 40-hour maximum workweek and a 40-cent minimum hourly wage, I would do it with unrestrained enthusiasm and approval. American workers are entitled to this advantage. But that is not what happens under this bill. True, these objectives are painted as an incentive and a goal. But what actually happens is that five men, within these boundaries and according to certain vague criteria and subject to many degenerating exemptions, are delegated the authority to decide for themselves what they conclude to be the proper minimum wage and maximum workweek for all the varied interstate industry of a vast, diversified nation.

Manifestly this can be a power of incalculable portent. It can hurt quite as easily as it can heal. It can hurt labor itself. Indeed, on the basis of erroneous wage and hour differentials as set by these five men, no matter how nobly meditated, it can build up one section of an industry to the destruction of another section and it can decimate one community to the advantage of another.

I doubt if Congress was ever asked to delegate a larger, wider, more potentially dangerous power to a bureaucracy. The glory of its dedication, the virtue of its purpose—these commendable values are not entitled to blind us to these ultimate implications nor to dismiss these fundamental considerations of democracy.

Let me hasten to one or two other preliminary statements. So far as these prospective and controlling differentials are concerned, I think my own State of Michigan, which I have the honor in part to represent on this floor, would stand to gain from such a law. I doubt if our interstate industry, in any appreciable degree, falls short of the 40-cent wage minimum and the 40-hour maximum workweek. But I am not entitled to assess the measure from this provincial viewpoint. The national welfare is the thing at stake. Indeed the national system, which has been known as the American system of industry, may well be at stake.

Let me hasten to say another thing. It seems to me the committee and its able chairman are entitled to great praise for the prudent statesmanship which is represented in the substitute which has been recommended for the original bill. In rewriting the original bill an excellent piece of work has been done. If any such bill were feasible at the present time this one would be.

But the bill frankly recognizes its own menace and courageously seeks to circumscribe it. It recognizes its own menace in its own text. We do not often find such frank admissions, in any piece of legislation. I read from page 58 of the bill, beginning at line 5. I quote the text of the bill:

Whereas it is impossible to achieve such results—

Referring to the development of American commerce and the protection of American workers described in the previous paragraph—

Whereas it is impossible to achieve such results arbitrarily by an abrupt change so drastic that it might do serious injury to American industry and American workers, and it is therefore necessary to achieve such results cautiously, carefully, and without disturbance and dislocation of business and industry.

Mr. WALSH. Mr. President——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. VANDENBERG. I yield.

Mr. WALSH. Did I correctly understand the Senator to say in the earlier part of his remarks that he would favor a bill providing for a 40-hour week and 40 cents per hour minimum wage?

Mr. VANDENBERG. The Senator from Michigan made no such statement. He favors the objective heartily. But the Senator is about to develop the theme that he does not believe sufficient information is available at the present time to determine what the appropriate limitations should be; that when such limitations can be determined they should be permanent limitations and should not be subject to the vicissitudes and whims of bureaucracy down Pennsylvania Avenue.

Mr. WALSH. I must have misunderstood the Senator. I thought in the earlier part of his address he said he would favor a law which would specifically and definitely, so it would be known to all industry, fix a limited number of hours per week and a minimum wage per hour.

Mr. VANDENBERG. The Senator from Michigan said he would be glad to do it whenever possible, but that it is impossible under the existing proposal, as I shall presently undertake to prove.

Mr. WALSH. My reason for rising at this time was to seek to have the Senator correct me if I had misunderstood him, and also to point out that whatever dangers may be left in the bill because of bureaucratic control and management there would be brought about overnight the collapse of hundreds of thousands of small industries in the country if any attempt should be made suddenly and quickly to establish a minimum wage of 40 cents per hour.

Mr. VANDENBERG. I completely agree with the Senator's observations.

Mr. WALSH. In my own State of Massachusetts—and this is why I agree with the Senator that great caution must be exercised in the administration of the provisions of the bill if it should become a law—there are tens of thousands, if not hundreds of thousands, of men and women who are working more than 40 hours per week at wages from $8 to $12 per week.

Mr. VANDENBERG. The only difference between the Senator from Massachusetts and me is that he thinks he has circumscribed or eliminated that hazard by permitting this bureaucracy a wide latitude to approach gradually to the goal. I am unwilling to trust the bureaucracy. I think it is equally fatal. That is the difference between us.

Mr. WALSH. I am in sympathy with the difficulty to which the Senator has given consideration, but I am concerned with another alternative, of leaving the millions of human beings employed in industry without any agency or any effort being made to relieve them from the conditions under which they have been forced to live.

Mr. VANDENBERG. We will discuss that a little later and in greater detail.

Mr. MALONEY. Mr. President——

Mr. VANDENBERG. Just a moment, if the Senator please. The distinguished and able Senator from Massachusetts, in whose sound judgment I have tremendous confidence, himself very frankly said in yesterday's debate, at page 7652 of the RECORD—and I quote the Senator's exact words:

> I fear, as many other Senators do, the manner of administering the power which we are creating. I can see the possibility of it operating to great disadvantage and harm.

Then he said further:

> As one of the Senators favoring legislation of this kind, I want to say that I pray that the bill may be administered with the care and caution, as one of the witnesses said before our committee, "of a physician and not with the club of a policeman."

The problem which confronts the able Senator from Massachusetts and me is one of frank concern respecting the manner and form in which this bureaucratic control shall be exercised. The Senator from Massachusetts has resolved his doubts in favor of bureaucracy for the reasons he has indicated. I have resolved my doubts against the bureaucracy for the reasons which I shall now present.

I yield now to the Senator from Connecticut.

Mr. MALONEY. Having in mind the Senator's colloquy with the Senator from Massachusetts [Mr. WALSH], in which he was asked concerning the 40-hour week and 40-cent per hour minimum wage, in his answer the Senator from Michigan referred to limitations, and I presume he meant the 40-hour week. I gathered from that, in the absence of any reference to the 40-cent per hour wage, that the Senator probably would be willing to support a simple bill favoring the 40-hour week?

Mr. VANDENBERG. Upon the base of available information, and with a complete lack here of sustaining data, I am unable to say what the week should be or what the wage should be. I am unable also to say at the present time whether it is a wise proceeding to attempt nationally to standardize hours and wages, whether or not it might be preferable to use the formula, let us say, of the Johnson-Wheeler Act to attempt to develop a stronger interstate protection of hours and wages fixed by State statutes. I shall undertake to demonstrate, at least to my own satisfaction, that there is not as yet a sufficient conviction in the country as to the methods that can be appropriately pursued at the present time.

Mr. MALONEY. Mr. President, will the Senator yield further?

Mr. VANDENBERG. I yield.

Mr. MALONEY. I think I appreciate the Senator's feeling and his position; and I seriously doubt, with him, that there is sufficient information available on which to draw at this time. I should like to call the Senator's attention, however, to the fact that I have offered an amendment in the form of a substitute which will provide the information which the Senator has so long desired, and which will leave to the economic force of labor the matter of wage adjustment. The amendment, as so drawn, is designed to give labor an economic force based upon a proper investigation by the board before it undertakes to do anything.

Mr. VANDENBERG. I thank the Senator for his observations. I have not seen his amendment. I am familiar with his general theory of the need for an authentic unemployment census and the related information that would flow from it; and I do not need to testify that I completely and cordially agree with his feeling as to the necessity for this authentic information. I have been vainly trying for many sterile months to get it, but it always has been denied.

Mr. LEWIS. Mr. President——

Mr. VANDENBERG. I yield to the Senator from Illinois.

Mr. LEWIS. I seek information from the Senator from Michigan. When he remarked but a moment ago that he found himself in disagreement with the provision of the bill which indicates varying, shifting action by a temporary board constantly repeating the process of adjustment, did the Senator mean that he favors, as a permanent policy of our Government, that there should be a permanent board for such objects as are described in the bill?

Mr. VANDENBERG. Mr. President, I favor no board at all with a delegation of fatal discretion to deal with this fundamental industrial factor in the United States.

Mr. President, before I was interrupted—and I am very happy to be interrupted at any time—I was undertaking to say that the bill itself textually confesses the existence of the menace in attempting to proceed down this new road. I desire to repeat my quotation from page 58 at line 5 of the bill, so that the continuity of the observation may not be destroyed.

I repeat that the bill says that it is impossible to achieve the development of American commerce and the protection of American workers—

> Arbitrarily, by an abrupt change so drastic that it might do serious injury to American industry and American workers, and it is therefore necessary to achieve such results cautiously, carefully, and without disturbance and dislocation of business and industry.

I assert that this quotation from the bill is an exact statement of the thing with which we are dealing. No critic of the bill could more candidly define the issue. I commend this candor and caution; but the textual assertion in the bill cannot relieve the Senate itself from the necessity of applying the same rule to its consideration of what the bill subsequently proposes and implies.

Again, from the text of the bill, the same page 58, line 18: The new board must find, before it acts—

> That the application of the minimum-wage provisions of this act to any occupation or occupations will not curtail opportunities for employment.

Mr. President, there are the danger signals in the text of the bill itself. Here is a Federal industrial control which, improperly administered, according to the text of the bill itself, could "do serious injury to American industry and American workers" and could "curtail opportunities for employment."

Will it do these things, Mr. President? Manifestly, the committee thinks not and hopes not; but manifestly the real answer cannot be given until this new bureaucracy determines the manner of the use of these enormous new powers.

For myself, Mr. President, I cannot accept these risks. Frankly, I do not believe it is humanly possible, granted a commission free from all bias and rich with wisdom and equity, for any five men successfully and satisfactorily to make the thousands of decisions which will govern the tens of thousands of industries and the hundreds of thousands of workers that must receive separate affirmative action from the commission under this proposal. It is more power than any bureau should have, and it is much more power than any bureau could hope appropriately and equitably to use. The country is simply too big, and so is the contemplated job.

Mark you, the passage of the bill really settles nothing. It does not create a minimum wage and a maximum workweek. It creates a commission to create a minimum wage and a maximum workweek. Nothing actually happens until the commission acts. No American worker can know, by consulting the text of the bill, what his minimum wage or maximum hours will be.

Grant—and I repeat it again and again—grant the bill all credit for asserting a noble, worthy, infinitely just and desirable objective; but the objective is not reached until this new bureau has exhausted all of its discretions. The commission, not the law, finally decides. The commission may, if it pleases, go lower than 40 cents as a minimum wage, and as much lower as its judgment indicates, within the definitions of the bill.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WALSH. Is not the criticism which the Senator is now making one which may be leveled against every State minimum-wage law?

Mr. VANDENBERG. No; I think not.

Mr. WALSH. Namely, is it not a fact that all the State minimum-wage laws set up a commission to take into consideration certain factors, study conditions, and fix a minimum wage suitable to particular industries?

Mr. VANDENBERG. Mr. President, the Senator from Massachusetts will be the first to agree with me that the problem of an intrastate commission in Massachusetts, intimately related to and familiar with Massachusetts, and intimately responsive to Massachusetts necessities and repercussions and reactions, is a totally different contemplation from five men brought to Washington from across this great Nation and expected to be familiar with the varying, diversified conditions and requirements in all the 48 States of this great, broad land. I see no analogy whatever.

Mr. WALSH. There is no disagreement between the Senator and myself that a commission set up in Massachusetts, such as we have, can deal very much better with the question of fixing minimum wages in the industries of Massachusetts than could a Federal commission. The Senator, however, is criticizing the elastic power that is given this commission; and I point out that it is the same character of power that is given to every State commission. It is true that a Federal commission will have more difficulty, because it has a Nation-wide scope of activities and industries to take into consideration; but the same elasticity that is provided for in this bill applies in every State.

Mr. VANDENBERG. There is not any doubt in the world about that; but I again respond that elasticity within the boundaries of one State and elasticity extending to the boundaries of 48 States are as different as day from night.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. TYDINGS. As one who would like to see the jurisdiction kept in the States, and not placed in the hands of a Federal Government commission, nevertheless this thought occurs to me:

Suppose a State has high minimum standards. Is it not at a disadvantage when it sends out its goods in competition with those produced in another State which has low minimum standards? I should like to know whether there is any way short of Federal action by which a State having high labor standards will not be penalized by having its products come in competition with those of States that have low labor standards.

Mr. VANDENBERG. The able Senator from Maryland has presented the unanswerable question. The correction of this competitive difficulty finally may be impossible without Federal action; but that is no reason why we should rush pell-mell into Federal action before there is any settled conviction as to the formula which should be pursued. There is such a thing as making haste too rapidly, as we found out when we wrote N. R. A.; and I am undertaking to develop, and I shall presently attempt to prove to the Senate, that there are some forward steps that we can take immediately, but that we should not undertake to move into this utterly tyrannical field of dictatorial bureaucracy in the name of the fine ideal which the bill contemplates.

Mr. TYDINGS. The Senator has answered the question I had risen to ask by saying that he is going to point out, later in his remarks, how the situation which I present may be dealt with. My own position is that I do not like this way of doing the thing; I do not like the elasticity that is provided for in the bill, and I do not believe that a commission of five men in Washington can handle this problem satisfactorily in many respects. On the other hand, I should like to do something to protect the State which has a fair minimum-wage law from being penalized for its progressive and forward-looking position.

Mr. VANDENBERG. I am inclined to agree with the Senator.

Mr. WALSH. A point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WALSH. There is so much confusion in the Chamber that we cannot hear the very able speech of the Senator from Michigan on one of the most important subjects that has been before the Congress at the present session. I hope we will have an opportunity to hear the splendid and exceptionally able presentation that is being made.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. VANDENBERG. I thank the Senator. When I was diverted by the last exchange of interruptions, which were quite welcome, I was undertaking to demonstrate that the bill settles nothing; that the commission settles everything. I repeat that the commission can, if it pleases, within the instructions of the bill, go lower than 40 cents as a minimum wage; it can, if it pleases, go higher than 40 hours; it can exempt industries; it can exempt individuals; it can regulate overtime; it can set up all-controlling differentials as between sections and cities.

This power is vastly more than a power to deal abstractly with hours and wages; it becomes, in its lengthened shadow, a power involving commodity prices and price fixing, and a power of life and death over industry itself, if improperly or ill-advisedly administered. Therefore, the power involved is a power over the very creation and existence of jobs. Long before it can be a boon to labor it may be a deadly threat to labor.

I submit that the substitute bill itself demonstrates in its own text the extreme difficulty of nationally standardizing these industrial factors, and confesses the inadequacy and incompleteness of our present thinking upon the subject, because, in the final analysis—and I make this observation with the greatest respect for the zeal of the authors—it practically says, "We just could not put it down on paper, so we have created another Federal bureau to put it down on paper for us."

Mr. President, it seems to me that the basic trouble at the moment is that there is no conclusive thinking on the subject as yet. We are not ready to proceed, however much we wish to proceed. If there were any way that I could completely emphasize my wholehearted sympathy with the objectives so eloquently described upon yesterday by the Senator from Alabama, I should like to do so. But this is a situation, it seems to me once more, as I have already indicated, where haste may well make waste, as we found, I repeat, in N. R. A.

Speaking of N. R. A., Mr. President, I think those who read the section of the bill on page 69, which creates com-

modity advisory committees, will find therein a substantial reminiscence of N. R. A., and those who remember the way in which the commodity code committees operated in N. R. A. will recall that when the big fellows in an industry were able to control the committee they were able to control the code and the net result of the law, to the everlasting devastation of the little fellow and the independent fellow in the field of business.

I do not know whether the same hand that wrote the code section of N. R. A. may have had something to do with writing the advisory committee section of the pending bill.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BLACK. I can inform the Senator very definitely that the same hand did not. It happens that I voted against the N. R. A., and that at the time we were considering it I pointed out this particular objection, and offered an amendment on the floor of the Senate to obviate it; and I hope the Senator voted with me.

Mr. VANDENBERG. I hope so.

Mr. BLACK. I have forgotten how the Senator voted. I know the Senator wants to be fair in the discussion——

Mr. VANDENBERG. Entirely so.

Mr. BLACK. And if there is any better method of framing a provision so as to develop the information from various groups than the particular method proposed, I should be glad to have it suggested, because the committee gave a good deal of thought to that.

I also desire to call the attention of the Senator to the fact that the proposed commission would not have the power, as I am sure he will agree, that was lodged in the committees under the old N. R. A.

Mr. VANDENBERG. I thank the Senator from Alabama for his statement, and I shall welcome any other statement from him at any time, because if I have one anxiety more than another today it is to deal with this problem literally within the facts, because it is too important to be submitted to any passion or idle conversation.

Let me confirm what the Senator from Alabama says to the effect that the advisory committees would not have the power the code authorities under N. R. A. had. Let me completely accept his statement that the same hand did not write both sections, but let me add that it could well have written both sections, from my point of view, because I find at least substantially the same power and the same hazard in the advisory committees that I found in the N. R. A. code authorities.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. TYDINGS. I should like to ask the Senator if he has considered whether or not it would be advisable to write a simple penal statute prescribing maximum hours of employment, with proper exemptions, as contained in the philosophy of the pending bill, and stating definitely a minimum wage, as against the proposal to leave those questions to the commission.

Mr. VANDENBERG. I wish I could answer the Senator conclusively. I am very frank to say that I do not know. I would wish it might be done, and that is all I can say in reply.

Mr. TYDINGS. I think we could with comparative ease write a bill dealing with maximum hours, with proper exemptions, and one that would not bear unfairly upon anyone. The difficulty would be to write a minimum wage bill. But it seems to me that is what the commission is going to do anyway, and I would much prefer to have Congress do it than to have the commission do it. Certainly we can get every bit of information which the commission can get, and we might eliminate a bureau and much expense for inspectors by doing the job ourselves, as we used to do it, rather than have a commission do it for us.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. GEORGE. May I suggest that we might at least require that no order of the commission respecting hours or wages should become effective until it had been referred to and approved by the Congress? It seems to me that would be a very simple answer to the difficulty in which the Senator from Maryland finds himself.

Mr. BORAH. Mr. President, the Senator from Michigan is now discussing what the committee discussed for many hours and many days. As the chairman of the committee knows, I was of the opinion that we ought to write a general minimum-wage law, basing a minimum wage upon what we would call a fair, decent standard of American living. It was my view that whether North or South, East or West, there was a standard of American living, and we ought to recognize that and fix a minimum wage upon that basis, and write it into the law. But I was met by the proposition that it was impractical, impossible to do that thing.

I wish to say that, in my opinion, the logical discussion of the pending bill will range around the question of whether it is practicable to do that thing, or whether it is necessary to have a board such as that provided for in the bill. The committee divided on that proposition. I know that members of the committee who were at once in favor of such a general law changed their minds because they thought it was utterly impracticable. I should like to have the Senator from Michigan discuss that as fully as he feels he ought to. Do the conditions with which we have to deal necessitate a board? I have contended for a general law, but I am told conditions are so varied we must have a board.

Mr. TYDINGS. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. TYDINGS. I wonder whether the Senator from Idaho—if the Senator from Michigan will yield the necessary time—would care to make an observation as to whether or not it is as impracticable to write a law dealing only with hours as it is to write one dealing with both hours and minimum wages.

Mr. BORAH. I do not know that I understand the question. I think we could write a law dealing with hours without very much difficulty, but I am frank to say that I think when we come to deal with the question of minimum wages there are strong arguments against it generally applying to the entire United States. I have not yet surrendered my view, but I must say that I have great respect for and have had some difficulty in answering the arguments presented by those who think it cannot be done, that it is not practicable.

Mr. WALSH. Mr. President, will the Senator from Michigan permit me to make an observation?

Mr. TYDINGS. I should like to conclude my colloquy. I have made no particular study of the matter, and am merely seeking information, but from a review of the situation, and listening to the debate, it seems to me we could very definitely write a bill at least touching the question of the hours of labor; and if we could do that, I see no reason for leaving that part of it up to a board. We should at least give the board no more authority than we have to give it, and if we can write a maximum-hour bill with the proper exemptions, we ought to take the hour provision out of the pending bill and not have that feature subject to the regulation of a board here in Washington.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WALSH. I wish that could be done. I wanted it done. However, I was confronted with evidence that in some States every small industry would go out of business, because there are States in which there are large numbers of employees working from 40 hours a week to 56 hours a week, and even 72 hours a week in a few cases, which were called to the attention of the committee. We were confronted with the proposition of passing a law which overnight would compel such industries, now working their employees 48, 52, and 56 hours a week, to come down to 40 hours a week; and, of course, with that situation we would be enacting a law which would mean immediate destruction to those industries.

Mr. TYDINGS. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I yield to the Senator from Maryland.

Mr. TYDINGS. Why could not provision be made that where concerns are now working their employees more than 40 hours a week there should be a gradual reduction every 3 months until the 40-hours-a-week basis was set up?

Mr. WALSH. That is the language we have provided in this bill. That is why we have issued warnings to the commission that it should not act hastily, that it should proceed with caution, and that its ultimate aim should be to bring all wage earners employed in industry to a basis of 40 hours a week, but only by gradual reductions covering a reasonable period of time.

Mr. TYDINGS. Mr. President, will the Senator again yield for one observation?

Mr. VANDENBERG. I yield to the Senator from Maryland for one observation.

Mr. TYDINGS. I have heard nothing in this debate as yet which would show the impracticability or impossibility of writing a definite law pertaining to hours of labor. I appreciate that when we come down to the question of wages the matter is more difficult; but I think I can see how we could write a bill dealing with hours and providing a sliding scale in cases where the situation which the Senator from Massachusetts suggests exists and gradually eliminate such conditions and have a national standard-hours bill.

Mr. WALSH. It would be much easier.

Mr. VANDENBERG. I doubt whether we are going to be able to rewrite this bill on the floor of the Senate.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from New Hampshire.

Mr. BRIDGES. I should like to call the attention of the Senator from Maryland to a bill, known as Senate bill 2776, which I introduced at this session, which, in a straightforward manner, and with no delegation of authority, does expressly what he desires to have done. I propose to discuss it before the debate is ended.

Mr. VANDENBERG. Mr. President, before this most recent skirmish interrupted me, I was about to observe that our difficulty is that there is as yet no conclusive thinking upon the problem which we are addressing. There has not yet developed a conclusive conviction as to the best legislative method of dealing with maximum hours and minimum wages. This fact is amply illustrated by the sharp differences of opinion developed in the Senate committee hearings on the pending bill, even among the most earnest advocates of legislation of this character; and it was illustrated again in the action of the committee itself in almost completely rewriting the original proposal between the time it was introduced on May 24 and the time it was reported back on July 8. It is further illustrated by what appears to be an equally sharp division of opinion between those who advocated the bill recommended by the Senate committee and the reported viewpoint of the House committee of similar jurisdiction. There simply is no meeting of minds, and as a result we are necessarily speculating in the destiny of American labor and commerce.

This fact is again illustrated by the basic controversy over differentials, to which the Senator from Illinois [Mr. LEWIS] adverted a few moments ago. Some high administrative spokesmen insist that industrial advantages incidental to geography and climate must be recognized and preserved; but other high administrative spokesmen—and I understand that this largely includes the dominant influence in the Department of Labor—insist that these standards must take one Nation-wide level, regardless of the sectional casualties which would be thus produced. Indeed, the whole problem still rests in controversy, and I am talking about sincere, good-faith controversy which has the ultimate welfare of labor directly at heart.

For example, there is a strong case to be made for the theory of a uniform basic Federal standard to equalize competitive conditions; but there is an equally strong case to be made against a national strait jacket in these matters, and a still stronger case against the creation of a new and additional Federal bureaucracy with large discretionary and dictatorial powers. There is doubt even of the effect upon labor itself, I repeat, and labor itself is divided in its opinion respecting it. Yes, and there are other doubts.

Before we may proceed with prudence and reasonable security to establish wages and hours by Federal fiat, the whole related economic problem must be painstakingly explored, lest our zeals lead us unwittingly astray. These related economic problems include new dislocations in relative agricultural parity, for example. They include the deadly menace of an ultimate consumer who will one day himself strike against commodity prices which are driven too swiftly upward by artificial means. They include the probability that Federal wage fixing, once initiated, may lead to Federal price fixing, which, as a general proposition, never worked and never will. They include the probability that Federal wage fixing and price fixing together will lead to compulsory arbitration in labor relations, not voluntarily but by sheer force of necessity as we are driven closer and ever closer to the centralized, authoritarian state with its tyranny of oppressive government-blessed monopolies. They include the probability of an enforced return to the exploded economics of "controlled scarcity" which vainly promises more wealth by producing less wealth—a sort of "share the poverty" movement.

There are other equally vital relationships which require to be thought through to their ultimate conclusion before we set our feet upon these even newer roads. The whole fabric of the Nation is ultimately involved. When we have thought these things through, I bespeak the willingness and the courage to proceed, though it be an undiscovered country. But we have not yet reached any such degree of conclusive or persuasive exploration.

But, Mr. President, there are social and economic advances in this field which we can safely make immediately. I am referring back now primarily to the able address made in the Senate yesterday by the distinguished junior Senator from Colorado [Mr. JOHNSON], supported as he was in it by the distinguished senior Senator from Montana [Mr. WHEELER]. Here is the so-called Johnson-Wheeler bill resting upon the calendar of the Senate, bearing the approval of a standing Senate committee, and generally conceded to be a measure which will substantially reach the child-labor problem through interstate controls and substantially cure it. There is not any speculation about it. There is not any geography in it. There is not any delegation of power in it. There is not any administrative discretion in it. It is a cold, blunt mandate which in its ultimate net result is calculated to do precisely what the able Senator from Colorado indicated, namely, stop child labor.

Not only that, Mr. President, but there is pending upon the Senate Calendar a new antichild labor constitutional amendment. It has the unanimous approval of the Senate Judiciary Committee, regardless of party. I have the honor to be its author. I know about the negotiations which proceeded its introduction. I know that in its terms it substantially achieves every desire to curb the commercial exploitation of children in industry, and I know, further, that practically all the organized opposition which has prevented previous action upon constitutional amendments of this character is prepared to be withdrawn, and that this constitutional amendment, waiting on the calendar of the Senate at this hour for action, in all human probability could be ratified within 12 months and go into the Constitution of the United States.

It seems to me that if we want to deal with the child-labor problem, at least the Senator from Colorado [Mr. JOHNSON] has pointed the primary way, that the thing to do is to pass the Wheeler-Johnson bill, and I should be delighted to vote for it this afternoon, and to pass the constitutional amendment which I have proposed and, of course, I should be delighted to vote for that.

But, Mr. President, the particular phase of the labor relationship which I wish especially to emphasize today lies in a different but definitely related field. We have already committed labor relationships, including hours and wages,

to the legalized process of collective bargaining under Federal direction; and until this process is standardized in practice and perfected in statute, I submit that it is unwise to attempt to inject a new and added Federal formula.

The question of hours and wages is at the true base of collective bargaining insofar as this process at the moment is not a sheer and naked reach for arbitrary power. It is involved in today's whole problem of equitable labor peace, which is antecedent to labor prosperity or prosperity for anybody else. It is a grave question of public policy whether this latter sector is not already so belligerently or so bewilderingly complicated that no good purpose for anybody is to be served by opening up new and added legislative regulations and resultant controversies at the moment, no matter how inherently persuasive.

There is such a thing, unfortunately, as economic indigestion; there is also such a thing as economic suicide. In the final analysis, the prosperity of the Nation, the provision of jobs for its workers, does not rely upon statutory formula; it relies upon the genius and ability and the capacity of American business itself to provide the jobs. I sometimes wonder how American business is going to find any time left to provide jobs if we are to persist in loading upon it these everlastingly multiplying governmental mandates and delivering it to the mercies of multiplying and hampering Federal bureaucracy.

I repeat, Congress has recently committed hours and wages to a statutory code of collective bargaining, and the Supreme Court has recently validated the process. The best welfare of collective bargaining, and of labor under it, calls for a period of adjustment to this new process before a new and additional code dealing with some of the same industrial factors is precipitated upon American industries.

The committee itself, in the initial stages of its consideration, recognized the close relationship between this bill and the so-called Wagner Act. It later decided upon a severance of the two propositions. But I revert to its earlier wisdom. It seems to me that the greatest present service we can render is to review a few fundamental phases of the so-called Wagner Act, not only to expand its equities but also to protect it against excessive reprisals if some existing vicissitudes much longer persist. The basic theory of collective bargaining, under statute, and of outlawing employer coercion and employer exploitation is, and should be, here to stay. I would not consciously weaken it. But it will fatefully weaken itself, Mr. President, unless it is speedily protected upon its own exposed flank. There are still employer practices and attitudes which are wrong, and there is law with which to deal with them. But it would be folly, so far as legitimate organized-labor progress is concerned, not equally to recognize that there are labor practices which cannot persist, which will not be condoned, and which threaten the best welfare of organized labor itself and the perpetuation of statutory collective bargaining.

Mr. President, the right to conclusive written contracts, after a voluntary process of collective bargaining, must be established; but, equally and simultaneously, some tangible degree of subsequent contractual responsibility must be established with it. The two things go together, and it is silly to pretend otherwise. The right to strike must be protected, but no less the right to work must be protected. The employees' right to initiate collective-bargaining elections must be preserved, but the employers' right and the public's right to invoke this peaceful instrumentality must be comparably recognized. And all the time, Mr. President, first, last, and always, the voice of government must be the voice of impartiality, the voice of equality under law, and there must be no doubt left in anybody's mind about it.

I believe these things, properly evolved, mean infinitely much to labor itself. Labor is entitled to a constantly broadening share of the fruits of its own production, but it does labor no good to achieve these benefits if an orderly society and a profitable economy in which to enjoy them is destroyed.

The labor relationship under the so-called Wagner Act is a four-party affair. These are the four parties: A majority of employees, a minority of employees, the employer, and the public. The Wagner Act speaks effectively for the first. It ignores the other three. It should deal equitably with all. Until it does it is in jeopardy itself.

Mr. President, I regret the unavoidable absence of the distinguished junior Senator from New York [Mr. WAGNER], for whom I have the highest possible regard. He holds a unique position of his own in the confidence of American labor, and in many aspects he richly deserves his prestige. Last Sunday, in the magazine section of the New York Times, the able, distinguished junior Senator from New York contributed a brilliant defense of the Wagner Act and a most persuasive and temperate reply to the critics of the act. The article is entitled "WAGNER Challenges Critics of His Act." The subhead is, "The Senator replies to charges of unfairness and to demands for amendment of the law."

The chief text of his discussion is the series of amendments which I offered to the Wagner Act in the Senate on June 15 and which since that time have been lingering in the pigeonholes of the Senate Committee on Education and Labor. Therefore, I have especial interest in this particular exhibit. I intend to quote from it, Mr. President, but, in fairness to my friend the Senator from New York, and in his absence——

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. LA FOLLETTE. Will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. VANDENBERG. If the Senator from Wisconsin thinks that would bring in the Senator from New York, I will yield, but my understanding is that the Senator from New York is not available.

Mr. LA FOLLETTE. My information is that he is in the city. Will the Senator yield for the purpose indicated?

Mr. VANDENBERG. Let me finish what I was saying, and then I will yield.

Concluding what I was saying, I think, in complete fairness to the Senator from New York, so that the full text of this exhibit may be available for subsequent consideration, and furthermore, because of the fact that on its own merits it is well entitled to study, I am going to ask unanimous consent that the full article by the Senator from New York [Mr. WAGNER] be inserted in the Appendix to the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LA FOLLETTE. Mr. President, will the Senator from Michigan now yield in order that I may suggest the absence of a quorum?

Mr. VANDENBERG. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Andrews	Copeland	Lee	Reynolds
Ashurst	Davis	Lewis	Schwartz
Austin	Dieterich	Lodge	Schwellenbach
Bailey	Donahey	Logan	Sheppard
Barkley	Ellender	Lonergan	Shipstead
Berry	Frazier	Lundeen	Smathers
Bilbo	George	McAdoo	Smith
Black	Gerry	McCarran	Steiwer
Bone	Gillette	McGill	Thomas, Okla.
Borah	Glass	McKellar	Thomas, Utah
Bridges	Green	McNary	Townsend
Brown, Mich.	Guffey	Maloney	Truman
Brown, N. H.	Hale	Minton	Tydings
Bulkley	Harrison	Moore	Vandenberg
Bulow	Hatch	Murray	Van Nuys
Burke	Herring	Neely	Wagner
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Hughes	Overton	White
Caraway	Johnson, Calif.	Pepper	
Chavez	Johnson, Colo.	Pittman	
Clark	King	Pope	

The PRESIDENT pro tempore. Eighty-nine Senators having answered to their names, a quorum is present. The Senator from Michigan has the floor.

Mr. VANDENBERG. Mr. President, referring now to the article in the New York Times by the able Senator from New York [Mr. WAGNER], I quote first his description and definition of the purposes and achievements of the so-called Wagner Act in general to date.

I may say to the Senator from New York, who has just entered the Chamber, that I have just expressed publicly my great appreciation of his services in the cause of progressive labor legislation and that I have taken the liberty of presenting for publication in the RECORD the exceedingly able article which the Senator contributed to the magazine section of the New York Times last Sunday in response to the critics of the so-called Wagner Act. I am now speaking briefly in respect to some excerpts from that article.

I quote from the definition and description of the act and at least a partial statement of its results:

It—

The Wagner Act—

did, however, give explicit recognition to the right of workers to bargain collectively and it established the sanctions necessary to safeguard that right. It provided that the right of workers to organize should not be interfered with by the "yellow dog" contract, the company-dominated union, or the discriminatory discharge; and that through majority rule workers might choose their spokesmen who would be entitled to bargain collectively with the representatives selected by their employer.

Events since the passage of the National Labor Relations Act have proved conclusively that it is directed against the anti-democratic practices which still remain the underlying cause for bitter industrial strife.

I interrupt the reading to express my complete and cordial agreement with that statement, although it is far from inclusive of all the subversive factors.

I continue the reading:

The recurrent trouble in industry has been the product of industrial espionage, discrimination, and discharge for union membership, and the flimsy pretenses of company-dominated unions. The five cases which reached the United States Supreme Court a few months ago disclosed in a wide variety of industries the same malpractices. They were roundly condemned by the Court in decisions which public opinion applauded.

To which, may I say, I should like to add my plaudits. I have no quarrel whatever with the statement. In this statement I think the Senator has conservatively and temperately stated a reality.

However, when he proceeds to analyze those who feel that the text of the law can and should be appropriately changed, he seems to decline to believe that one may propose amendments to the Wagner Act without being desirous in some way, directly or indirectly, of tearing down this great objective. Inasmuch as he particularly refers to my proposed amendments and those which I shall again offer this afternoon, I assume that my own motives and purposes fall under that general indictment.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. VANDENBERG. Certainly.

Mr. WAGNER. Did the Senator say "motives"? I never did and never will question the Senator's motives.

Mr. VANDENBERG. I thank the Senator.

Mr. WAGNER. We hold different views, and we have differed from the very beginning in respect to this matter.

Mr. VANDENBERG. I voted against the bill because I thought at the time it was unconstitutional. I was mistaken. I also thought at the time that it was not sufficiently mutualized, and I now know I was not mistaken in that respect.

However, if there is any question about the good faith with which one may propose changes in the law—and I think I can demonstrate from the Senator's text that there seems to be a lurking suspicion in his mind upon that score—I should at least like to say parenthetically for myself that for 25 years when I was an employer I dealt exclusively with labor unions under the American Federation of Labor. I was happy to do so. I considered it was to my advantage as an employer to do so because as a result of that contract I received complete disciplinary responsibility in the working sections of the particular industrial operation over which I was presiding. I am happy to testify that in all that 25 years there was never a moment's disagreement respecting a union contract. So that in a small way I think I have demonstrated my willingness to live in harmony with the union problem. I practice as well as preach.

I repeat that the thing which was so invaluable to me in those relationships was the complete disciplinary responsibility which I found in those American Federation of Labor unions. I think that is the greatest labor asset. I think that anything which contributes to disciplinary responsibility is a contribution to the advancement and advantage and welfare of the legitimate labor union movement. I want to commend the American Federation of Labor for its insistence upon disciplinary responsibility in respect to its contracts.

I want to go further and commend those localized officers of the C. I. O. in Michigan who are endeavoring, against odds within their own organization, to reach some similar basis of responsibility. But I insist that it is not inimical to the objectives of collective bargaining under the Wagner Act to strive for progressive and constructive statutory changes which trend in these same directions.

Again, reading from the Senator's article in the New York Times, I quote:

Under the pretense—

Note the invidious word—

of making the National Labor Relations Act "fair" there are those who inadvertently or otherwise would destroy all the fair gains which the worker has so painfully won in his fight for equality of bargaining power.

I hope the Senator, under his recent generous statement to me, would not include my effort in the category of pretense. At any rate, I deny that it is pretense. I deny that it is anything except to the advantage of statutory collective bargaining of a character that can defend itself against ultimate reprisals from organized society to put within the statute the ways and means fairly and equitably to create responsibility. Indeed, the able Senator from New York answered himself, so far as I am concerned, in the same article, in the following paragraph, to which I cordially and completely subscribe:

What I have said does not imply that labor has lived up fully to the responsibilities which the body of our law and public opinion place upon it. The exercise of collective bargaining involves necessarily the exercise of collective discipline. Workers should know that the most serious danger with which their newly won rights are beset may be of their own making.

I consider that a statesmanlike assertion.

Should they demonstrate a lack of capacity to exercise these rights they will find themselves running the gantlet of unfavorable public opinion—and public opinion is the final arbiter in a democracy.

The right to organize without interference by the employer, and the right of the majority to bargain collectively for all, are now protected by law. Where either right is denied it can be vindicated by recourse to law. Resort to violence or to violation of the employer's property rights, always unlawful, can no longer be justified, even by the most zealous of labor's advocates, as grounded in necessity.

Labor cannot have its cake and eat it too. If it wants the help of the law, it must be sure to take primary recourse to the instrumentalities of the law. There is no way for any statute to force such tactics without running the risk of keeping a minority group in compulsory servitude. But public opinion is stronger than law. Labor faces no greater hazard than that of cutting off its line of communication between its advance guard and the force of public support, for that way lies new restrictive legislation or regression from the progressive legislation already enacted.

Mr. President, I think that is as sound a statement upon the general relationships as I have ever read; but it seems to me equally that under that statement it is possible, without being charged with pretense, to seek the advantage of legitimately organized labor as well as the advantage of the rest of society through rational efforts sympathetically to amend this fundamental charter in the right of collective bargaining, to correct proven weaknesses. I desire to add parenthetically, inasmuch as the Senator in his discussion referred to the Norris-LaGuardia Anti-Injunction Act, that I was very happy to support and vote for that measure.

But, Mr. President, the article continues—and here we again drop into the field of controversy:

The plea for greater "legal responsibility" of unions is therefore largely specious. Its true character is well displayed in the fanfare about the violation of contracts by labor. The enforcement of labor contracts, like the enforcement of all other contracts, is in the hands of the courts of the country.

Mr. President, that is true, too; but that is specious, too, in view of the experiences which some sections of the country have sustained within recent sanguinary memory. This process of law and order, this process of reliance upon the courts, frequently has broken down, apparently under the mistaken notion in some quarters that all Government is now exclusively on the side of particular unions and particular strikes.

That may be a total misconception. I charge nothing. I assert what appears to be the inevitable reaction in some sections. It seems to me it is a favor to labor to correct any such misapprehension if it does exist.

Furthermore, courts alone are not enough. When a collective-bargaining contract under the so-called Wagner Act is broken 181 specific times within 90 days, each instance involving a suspension of work, as was the case with General Motors, it cannot be said that a contract under the act yet mounts to the dignity which it must achieve in order to have the substance and the permanence which I join the Senator from New York in hoping it may one day have. So it is not enough to talk about reliance on the courts for the preservation of these rights.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Michigan yield to the Senator from New York?

Mr. VANDENBERG. I yield.

Mr. WAGNER. Has the Senator collected any statistics to show how many employers in the country have broken collective-bargaining agreements and how many cases have finally reached the courts?

Mr. VANDENBERG. No, Mr. President; but I would join the Senator in any sort of discipline he would propose in that aspect.

Mr. WAGNER. If the Senator will recall, in my article I also referred to the fact that in only one-half of 1 percent of the contracts made between industry and labor has labor been guilty of a breach. Labor has a remarkable record for living up to the responsibility of its obligations under collective-bargaining contracts.

Mr. VANDENBERG. May I ask the Senator over what period those statistics run?

Mr. WAGNER. Over a period of at least 10 years; perhaps longer.

Mr. VANDENBERG. I thank the Senator.

Mr. WAGNER. If I may inform the Senator—perhaps I ought not to inject myself into this discussion, however.

Mr. VANDENBERG. The Senator is very welcome.

Mr. WAGNER. I prefer not to do it. I was about to speak of my own experience upon the bench in relation to these contracts.

Mr. VANDENBERG. I think it is very significant, Mr. President, that the statistics which the Senator quotes are for a period of 10 years. I should like to see the statistics since the so-called Wagner Act was passed 2 years ago. It is under the implied license which has been improperly read into the law by some labor influences that the difficulties to which I have reference have arisen; and I am perfectly confident that the contract casualties since the passage of the act in respect to relationships directly under statutory collective bargaining would be infinitely larger than those which the Senator indicates. Am I wrong about that?

Mr. WAGNER. Mr. President, if the Senator will yield further, the acknowledgment by employers of the right of labor to collective bargaining is a very recent matter. Up to the time of the enactment of the National Labor Relations Act, in all of the large industries, because of the economic power of the employer, not only was labor not permitted to organize but if employees used the word "union" they were at once driven out of town.

We have a history back of all this. I was about to suggest to the Senator that there are two Senators in this body who, I think, are more conversant than I am with the facts because of their close relationships with labor organizations as well as employers. They, perhaps, might supply the facts with greater authority than I can. One is the Senator from Pennsylvania [Mr. DAVIS], who has had a great deal of experience along that line. The other is the Senator from Tennessee [Mr. BERRY]. I do not see the Senators here just now. I think they know something about the responsibility of labor organizations in the observance of their contracts. I have never discussed the subject with either of them, but I am sure they can speak with some authority in regard to it.

Mr. VANDENBERG. Mr. President, let me say again that I think no greater contribution can be made to the perpetuation of the legitimate objectives of the so-called Wagner Act than to amend it in such a way as to make it plain that it is not a one-way street, and that industrial rights in America under collective bargaining are not a one-sided prerogative. The difficulty is that in many sections of the country the possession of a so-called right has apparently run into what some are trying to translate into license. That is not chargeable to the Wagner Act; I specifically say so; yet it is one of the coincident repercussions from this new formula to which we are trying to accommodate American industry, and it is a very serious matter, because it involves finally the sanctity of law and order itself, and it ultimately becomes almost a matter of sovereignty. Certainly it involves civil liberties.

The able Senator from Wisconsin [Mr. LA FOLLETTE] is the chairman of a special Senate committee which has been investigating the violation of civil liberties in respect to labor disputes. The disclosures of the La Follette committee in respect to some employer practices in regard to espionage, in regard to coercion and duress, must have been shocking to every citizen in the land, and the necessity for corrections in that behalf is not only obvious but imperative. But, having recognized that necessity in regard to civil liberties, Mr. President, I decline to close my eyes to the fact that there are other people in America who have civil liberties, too, and they are equally entitled to a protection of their civil liberties.

The able Senator from Wisconsin has been criticized in some quarters because of the fact that his committee is charged with not having been as assiduous in developing violations of civil liberties in the employer and nonunion field as in the union field. Before I go on I wish to testify on that point, as a matter of fair play.

I have been to the Senator from Wisconsin time and time again with complaints of the nature to which I advert, and in every instance the Senator from Wisconsin not only has welcomed the complaint, but has immediately proceeded to investigate; and if he has failed to produce publicly the net result, it is simply because in the very nature of the situation he was unable through his investigators to find the exhibits in tangible testimony; and I want to absolve him, so far as I am concerned, from any charge that he has not sought to do his whole job. I know nothing about the prejudice of his agents, as has been charged; I know nothing about the field operations of his representatives, but I know that it is unfair to say that the Senator from Wisconsin has a closed mind on the subject of civil liberty. I am very happy to make this testimony public.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. LA FOLLETTE. I very much appreciate the Senator's statement, and I should like to amplify it by the further statement that the subcommittee of the Committee on Education and Labor, which conducted the investigation authorized under Senate Resolution 266, has investigated every charge and complaint of undue interference with the right of labor to organize or bargain collectively, or interference with civil liberties, which has come to its attention. The

committee has endeavored to investigate each charge thoroughly, the only exceptions being in the cases of charges of an anonymous character, which did not contain sufficient internal evidence to enable the committee to investigate, not having the benefit of contacting the individual who wrote the letter or submitted the communication.

Mr. VANDENBERG. I wish to say, however, in connection with the problem of civil liberties, that unless the existing situation as it discloses itself in many constituencies is corrected, the inevitable reaction and repercussion, often in terms of violent vigilantism, are calculated in the long run to do the legitimate labor cause an infinite harm, and any statutory effort to stabilize the situation and to correct the difficulties I shall have to insist is in the interest of legitimate labor-union organization.

The civil liberties of the steel-mill worker who testified that he was stripped and degraded by the C. I. O. are just as precious as the civil liberties of the outraged mine worker in Kentucky who fell afoul of an equivalently dastardly employer tyranny.

The civil liberties of those workers who do not want to strike—and I have heard from hundreds of them who are too terrorized to dare to complain publicly—are just as sacred as the civil liberties of those workers who do want to strike. Majority rule is no less majority rule because the majority happens to disagree with some particular labor chief.

If it is finally conclusively shown that recent Chicago riots disclosed bitter brutality on the part of the police against peaceful strikers, there is no penalty too extreme to visit upon such violators of civil liberty. By the same token, if and when it is shown, as charged by a responsible Chicago newspaper, that some of these rioters were drilled in battalions in the strategy of war for days before the fateful event, and that it was the direct fruit of communistic instruction, it is no less important to the civil liberties of all of us, legitimate American labor included, that the facts should be impartially disclosed and the evils impartially corrected.

It is an outrageous violation of civil liberties if great industrial plants are armed as arsenals, as has been charged. It is no less an outrage upon civil liberties if the mayor of Johnstown, Pa., was entitled to wire the President of the United States on June 16 for the withdrawal of "the murderous element that now infests our city", adding, "The situation has grown so bad that strikers have resorted to the most dastardly crime in our Nation today, that of kidnaping." Or when Governor Davey, of Ohio, wired the mayor of Canton on June 19 that the reported seizure and detention of seven men seeking to return to work was "a clear violation of State laws pertaining to kidnaping."

What I am trying to say, Mr. President—and I repeat it again and again—is that this industrial relationship and these civil liberties are not and cannot permanently be a one-way street, no matter who controls the street, and it is not to the advantage of legitimate labor unionism to pretend otherwise.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WAGNER. The Senator is dealing with a very tragic situation, and I agree with the Senator that everything possible should be done to prevent the repetition of such an occurrence. But has the Senator followed the history of that whole tragedy? I think no one will deny that it resulted after a labor organization, representative of what they believed to be the majority of the workers, offered a contract to the head of the Republic Steel Co., on behalf of the workers. I think 90,000 men were involved, and therefore the contract must of necessity have been complicated, dealing with hours of labor, wages, and other conditions. The labor representatives have testified, and I think it has not been denied, that there was no objection to the terms of the agreement, but there was a refusal to sign it. The labor leaders took the position, as I recall, that there was not any memory on earth that could remember overnight the provisions of such a large and complex contract. But the employer refused to put his signature to the contract and said he would never sign a written agreement with any labor organization; and thus started this terrific tragedy.

My opinion is that if he had obeyed the Labor Relations Act, which the Senator is discussing, he would have signed that contract, and all these tragedies would have been avoided. They were avoided in many cases in the Senator's own State, like that involving the Packard Co., where the company agreed to an election and everything was settled very peaceably. And there have been thousands of other cases similarly settled since the enactment of the law.

I say that that is something which we ought to consider in connection with this tragedy, which I regret as much as the Senator does, and, as I emphasize in my article, I am opposed to any type of violence.

Mr. VANDENBERG. I thank the Senator for his observation, and that is precisely what I would expect him to say.

Mr. WAGNER. Am I incorrect as to the facts?

Mr. VANDENBERG. I am not familiar with all of the facts. But before I have concluded, which will be very shortly, I shall make it completely plain that I agree that if there is any sense on earth in having any kind of a contract, it ought to be in black and white, so that everyone can tell what all are talking about. But, at the same time, I add that there is no sense in any contract at all unless contractual responsibility is established.

Before the Senator from New York interrupted me I was speaking about the fact that these breaches of law and order have occurred at least coincidentally with the development of this new collective bargaining technique. One does not flow from the other, but the circumstances surrounding each make them inevitably interlocking and invite a consideration whether or not it is not the responsibility of the Government and of Congress to endeavor to do something about it by way of clarification and restraint.

I am unable to believe that there is anything inimicable to rational and legitimate labor unionism in seeking these restraints. On the contrary, it is the one and only way for legitimate unionism, and for stabilized collective bargaining, to protect the advanced ground which they are legitimately entitled to occupy.

The force of American public opinion finally controls such an equation as this; and public opinion will not indefinitely tolerate the spectacle of a handful of B. M. T. workers who happen to be in control of key machinery summarily tying up a transit network serving 2,000,000 people.

It will not tolerate the spectacle of a few strikers in possession of a few key places summarily prostrating all the electrical resources of some 400,000 innocent bystanders in the Saginaw Valley of Michigan. Whatever may have been the inciting folly of arresting the picket wife of a union leader in the night, public opinion will not tolerate the reprisals of a mob which took and ruled Michigan's capital city of Lansing for one whole day. It will not tolerate a march on Monroe, Mich., by an outside army which proposes to deprive the citizen workers of Monroe of their publicly expressed and inalienable right to earn their own livings as they see fit. It will never tolerate defiance of the courts.

It is this sort of thing—not the rule, but the exception to the rule—which invites a temperate, dispassionate, intelligent, constructive effort to see whether the so-called Wagner Act cannot be modestly amended, not in derogation of any existing right under the collective-bargaining statute, but in the protection of that right through the creation of new guideposts and new landmarks which will help save collective bargaining itself from these fatal repercussions.

Mr. President, it is in that spirit that I offer an amendment to the pending bill to be known as title II. It is in form practically the same as Senate bill 2712, which I introduced on June 15. I submit it, to lie upon the table, to be called up at the proper time.

In conclusion, I simply want to define very briefly what this amendment undertakes.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WAGNER. Is the Senator offering the so-called amendment to the Labor Relations Act as an amendment to the pending bill?

Mr. VANDENBERG. I am.

Mr. President, the first thing this proposal does is to amend the first paragraph of section 1 of the National Labor Relations Act so that it will read as follows:

The denial of or interference with the right of employees to organize, the refusal to accept the procedure of collective bargaining—

And this is the new language—

and the failure to perform the terms and conditions of collective-bargaining agreements lead to strikes and other forms of industrial unrest.

Just as a matter of elementary candor, Mr. President, if this statement in the first section of the first paragraph of the National Labor Relations Act intends to be a truthful statement of reality, it must now be conceded that the failure to perform the terms and conditions of collective-bargaining agreements is one of the factors leading to strikes and other forms of industrial unrest. Why not say so?

We now come down to the second amendment; and this deals with a key situation. The second amendment permits the employer the right of appeal to the National Labor Relations Board for the purpose of seeking an election to determine bargaining representatives for collective-bargaining purposes.

I can fully understand the original complaint that if that privilege had been originally inserted in the law, it would have given a large number of existing company unions a quick opportunity to crystallize a company-union situation before there was an opportunity for regular union organization to make its appeal and to present its formula; but I submit that if that hazard did originally exist, it certainly does not exist today, because labor is collective-bargaining-minded and Wagner-Act-minded from coast to coast; and now, as a matter of sheer elementary equity, the situation in which the employer wants to have an election to find out what his employees want to do in the way of collective bargaining is a proposition too obvious in equity to be denied.

The vice of many of the situations which have recently been created, Mr. President, is that this elective instrumentality of collective bargaining has not been invoked. Nobody has invoked it. Employers could not. Frequently unions would not. When there is failure to invoke it to determine the first and fundamental fact as to who is entitled to speak under the terms of the Wagner Act in behalf of the majority of the employees, the balance of the act falls to the ground; and I submit that it is strictly in line with promoting the elemental realities of the act that this amendment should be accepted.

The next amendment, Mr. President, deals textually with the insertion of the word "organizations" in paragraph (1) of section 2, simply for the purpose of bringing labor organizations within its purview.

Then we come to an essentially important proposal. Mr. President, Senators will recall that the Wagner Act includes a code of unfair employer practices. I subscribe to every single inhibition which is written in that employer code of unfair practices, and I would have every section of that unfair practice code rigidly enforced. But, Mr. President, why is it that in simple American fair play there should not be an equivalent code of unfair practice for labor also? My conception of the dignity and the authority and the rights of American labor is such that I do not believe it will object to the assertion of fundamental equities in regard to its responsibilities. It wants equality. It does not want special privilege.

Let us see what are these unfair practices which it is proposed to insert. First, Mr. President:

(b) It shall be an unfair labor practice—

(1) For any person to interfere with, restrain, or coerce employees in the exercise of the rights guaranteed in section 7, or to induce or compel or attempt to induce or compel any employee to become a member of any labor organization by means of any threat, intimidation, or coercion, or by the use of physical violence.

Mr. President, I realize that we had a vivid battle on this particular proposition when the original act itself was submitted, and I realize that this language at that time was excluded. But neither at that time nor this, have I been able to understand how it is possible to defend threats, intimidation, coercion, physical violence, in any of the relationships between American citizens one with the other, or in the industrial relationship between the employer and the employee reciprocally. I think that amendment stands and speaks for itself. It can handicap no one who does not rely upon threats, intimidation, coercion, and physical violence to obtain by revolution that which cannot be obtained by law.

What is the next section in the fair-practice code?

It is—

It shall be an unfair labor practice—

* * * * * * *

(2) For any person, in connection with any labor dispute, to interfere with the free exercise or enjoyment by any person of any right or privilege secured to him by the Constitution or laws of the United States, or to damage or destroy the property of any person, or to violate or interfere with the exercise of any person's rights in real or personal property.

If you want to deny the justification for that amendment, you have got to take the ground that the defense of legitimate labor unionism in the United States requires an interference with the free exercise of enjoyment of rights and privileges under the Constitution and the law, and requires the privilege of damaging or destroying the property of other people. I deny it. Who says otherwise? I deny that the American labor movement rests upon any such hypocritical basis as that.

What is the next proposition?—

It shall be an unfair labor practice—

(3) For any labor organization to make any compulsory assessment, or require any contribution, for political purposes.

What is the objection to that? Corporations cannot legally make contributions for political purposes. An employer can be criminally prosecuted for making a contribution of this general character. Of course, I realize a way has been found to get around that recently, and that all that is necessary is to get the President to autograph a few old, worn convention books and sell them at $250 apiece to the corporations of the country—and usually not deliver them. The fact remains, however, that the theory of the American law is that corporations shall not make political contributions, and they ought not to make political contributions.

Under the terms of the Wagner Act the employers and the organized unions are parties in interest to whom are accorded equivalent rights and authority, and having accepted equivalent rights and authority they ought to accept equivalent responsibility and restraint. I know of no reason why political contributions from labor organizations, as such, should be permitted under the circumstances or under the spirit of the so-called Wagner Act; and I doubt whether very many who hear me, and who may think they are the beneficiaries of some of the notorious union contributions in the last campaign, would not freely admit that they were and are a source of embarrassment. They ought not to be tolerated.

Mr. President, what is the next unfair labor practice?

It shall be an unfair labor practice—

(4) For persons other than citizens of the United States to act as officers, agents, or representatives of labor organizations.

That means just what it says. It seems to me that elementary vigilance warns a country that it cannot tolerate alien leadership in mass movements. After all, this is America; it is not a polyglot boarding house. Naturalized citizens, many of whom are among the very flower of our citizenship, are welcome to all the rights accorded our natural citizens, but unnaturalized aliens are merely visitors; the place does not belong to them as yet; and I think it is appropriate to say so.

It has been suggested in some quarters that this requirement does not apply to the officers of corporations. That is

true; but it can be applied to everybody, so far as I am concerned. "America for Americans" is good enough for me.

What is the next unfair labor practice? I wish particularly to call attention to the fact that I have eliminated paragraph 5, on page 3, of Senate bill 2712, as originally presented. That paragraph reads as follows:

(5) For any person to engage in any strike unless such strike has been voted for by a majority of the employees in the appropriate unit for collective bargaining.

Mr. President, I think that is a sound proposition, but I also think it is subject to misinterpretation, misconstruction, and misapplication. I think it might be deemed an effort to delimit the basic right to strike. I would not undertake, directly or indirectly, to delimit the basic right to strike. Therefore, pending a larger survey of that phase of the matter, I eliminate paragraph 5 from the proposal as submitted.

What is the next unfair labor practice?

It shall be an unfair labor practice—
(6) For any person to engage in any strike for the purpose of inducing or forcing any person to violate any contract or any law of a State or the United States.

It seems to me that is elementary.

Now comes a very important and interesting provision:

It shall be an unfair labor practice—
(7) For any person to refuse to sign a written contract or agreement embodying the terms and conditions of any agreement between an employer and employees, or their representatives, reached as a result of collective bargaining, or to violate the provisions of any such written contract or agreement.

In other words, I am in complete concurrence with the Senator from New York that if an agreement is voluntarily reached, by every elementary conception of common sense it ought to be in black and white so that the parties can ascertain what it is they are talking about.

Mr. WAGNER. Mr. President, is that amendment separate and apart from all the other amendments suggested by the Senator, so that it could be voted upon separately?

Mr. VANDENBERG. No, I think not; but I presume the Senator could ask to divide any amendment that he wanted to.

Mr. WAGNER. Then there are other provisions connected with that amendment?

Mr. VANDENBERG. There are other provisions to which I would not expect the Senator's assent.

I should not think that this particular amendment should stand by itself, Mr. President, because unless the contract which is to be reduced to writing is worth something it not only is not worth while to have it reduced to writing but it is not worth while to make it at all, in the first instance.

Mr. WALSH. Mr. President——

Mr. VANDENBERG. I will yield in a moment. So that the proposal to reduce it to writing is inevitably linked with a subsequent proposal, to which I shall shortly advert, to put at least a minimum of disciplinary responsibility behind these contracts after they are written. I now yield to the Senator from Massachusetts.

Mr. WALSH. I fear that several of the proposals of the Senator would have a tendency to rob a minority of wage earners of their civil rights. Take the proposal to which the Senator just called attention, providing that it is an unfair labor practice for a wage earner not to sign an agreement when entered into by collective bargaining. Suppose a majority of employees have entered into an agreement for collective bargaining and a minority have not. Is it going to be an unfair labor practice for a worker who does not want to accept that collective-bargaining agreement not to sign it? That is one of the difficulties I find with this and other proposals. It is being assumed that when a majority of employees have an organization and make an agreement with their employers and put the agreement in writing, the minority of men and women who do not believe in it are obliged to sign the contract or be accused of an unfair labor practice.

Mr. VANDENBERG. I could not agree to that interpretation. I would consider those who had negotiated the agreement were those who had signed and were those who were bound.

Mr. WALSH. I agree with the Senator that if every person employed in an industry was in a union and a part of the organization, and a collective-bargaining agreement was entered into, all might be compelled to enter into a written contract, but I cannot see in the case of minorities who do not belong to a union how they could be compelled to make a written contract with their employer.

Mr. VANDENBERG. I doubt if they could.

Now, let us come finally to that paragraph in the proposed amendment which approaches the mechanics of creating a new element of responsibility. Of course, there is a widespread demand in the country among certain types of industrial thinking for the incorporation of labor unions. I think there are legitimate reasons against the incorporation of labor unions, at least for the present; but I do not believe it is necessary to abandon the quest for contractual responsibility simply because the labor union does not incorporate. It is upon this point that section 5 of the proposed amendment is written. I read:

SEC. 5. The third sentence of subsection (c) of section 10 of the National Labor Relations Act is amended to read as follows: "If upon all the testimony taken the Board shall be of the opinion that any person named in the complaint has engaged in or is engaging in any such unfair labor practice, then the Board shall state its findings of fact and shall issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice; and if, in the opinion of the Board, it is necessary in order to effectuate the policies of this act, such order may also (1) require reinstatement of employees with or without back pay, (2) suspend any right or privilege conferred upon such person by this act, and (3) in the case of a labor organization, suspend or prohibit the collection or receipt of any dues, assessment, contribution, or other thing of value.

Mr. President, it is in that last section of the proposal that the teeth are found. I submit that if any labor union, recognized as such by the National Labor Relations Board, has made under the so-called Wagner Act a contract which has been reduced to writing, and it has been signed voluntarily by the employer and by the representatives of the employees, and if subsequently that contract is violated, and the National Labor Relations Board finds that it has been violated and orders the union to live up to it, and the union declines to submit, the National Labor Relations Board should shut off the union's source of supply.

It has a right at that point to prohibit the collection of assessments, revenues, and other means of financial support. In that fashion I respectfully submit that in this relatively simple way we have given the National Labor Relations Board, if it sees fit to do its duty, the weapon with which it can enforce the validity of a contract.

Mr. President, I simply wish to call attention that in addition to the language printed in S. 2712 I have added one additional amendment, which reads as follows:

The National Labor Relations Board shall submit no employee ballot which does not contain the names of all labor organizations qualified to carry on collective bargaining.

The obvious purpose is to prevent a monopoly of opportunity in the hands of one labor organization as against others that might be eligible to compete for consideration.

Mr. President, that is all I have to say upon the subject. The Senate has been exceedingly generous and tolerant. I apologize for the time I have consumed. I have told the Senate why I think the pending measure should not be passed. I have submitted to the Senate the reasons why I think, if it is passed, title 2 should be added for the purpose of amending the so-called Wagner Act.

I want to conclude in words of Samuel Gompers. I think Mr. Gompers was the greatest labor statesman who ever lived. He was a very warm personal friend of mine, I am proud to testify. It was under his able leadership that the great American labor movement took its great initial strides. He stands so highly in the annals of labor history that he is immortalized down yonder on Massachusetts Avenue with a great bronze statue. If those who are dealing with labor relations want to consult the greatest labor statesman who ever lived, I suggest they go down the avenue and read the

words of Samuel Gompers which are found upon the pedestal of his statue. This is what they will read:

So long as we have held fast to voluntary principles and have been actuated and inspired by the spirit of service we have sustained our forward progress, and we have made our labor movement something to be respected and accorded a place in the councils of our Republic. Where we have blundered into trying to force a policy or a decision, even though wise and right, we have impeded, if not interrupted, the realization of our own aims.

Mr. NYE obtained the floor.

Mr. WAGNER. Mr. President——

Mr. NYE. Mr. President, I should like to proceed at this moment; but in the light of the circumstances, and knowing the wishes of the junior Senator from New York [Mr. WAGNER], I shall waive my right at the moment and yield the floor in order that he may proceed.

Mr. WAGNER obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield to enable me to suggest the absence of a quorum?

Mr. WAGNER. There is a good attendance here now, and I prefer to proceed.

Mr. LA FOLLETTE. I hope the Senator will yield as I have requested.

Mr. WAGNER. Very well.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BULKLEY in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Andrews	Copeland	Lee	Reynolds
Ashurst	Davis	Lewis	Schwartz
Austin	Dieterich	Lodge	Schwellenbach
Bailey	Donahey	Logan	Sheppard
Barkley	Eliender	Lonergan	Shipstead
Berry	Frazier	Lundeen	Smathers
Bilbo	George	McAdoo	Smith
Black	Gerry	McCarran	Steiwer
Bone	Gillette	McGill	Thomas, Okla.
Borah	Glass	McKellar	Thomas, Utah
Bridges	Green	McNary	Townsend
Brown, Mich.	Guffey	Maloney	Truman
Brown, N. H.	Hale	Minton	Tydings
Bulkley	Harrison	Moore	Vandenberg
Bulow	Hatch	Murray	Van Nuys
Burke	Herring	Neely	Wagner
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Hughes	Overton	White
Caraway	Johnson, Calif.	Pepper	
Chaves	Johnson, Colo.	Pittman	
Clark	King	Pope	

Mr. LEWIS. I reannounce the absences announced upon the previous roll call, and for the reasons then stated.

The PRESIDING OFFICER. Eighty-nine Senators having answered to their names, a quorum is present.

Mr. WAGNER. Mr. President, I did not anticipate that the pending amendments would be offered to the proposed legislation now before the Senate. These amendments are so vital to the working people of the country that it seems to me unthinkable that the Senate, with this short discussion of an hour or two, would adopt them. In effect, these amendments would destroy all the rights which the laboring people of the country won by the enactment of the Labor Relations Act.

Mr. President, I have never taken the position that there may not come a time when, because of experience, amendments to the act may be required. My mind has been open upon that subject; but certainly I do not believe that time has yet arrived.

The laboring people of the country are alive to this situation and are frightened lest Congress may take away from them their well-earned gains of 20 years' struggle. They regard these amendments as inimical to their interests and destructive of the rights gained; and I speak with authority.

I am not going to speak at length, except to analyze some of the amendments. First, however, I desire to have read by the clerk a letter which was sent by Mr. Green, the president of the American Federation of Labor, to the Senator from Kentucky [Mr. BARKLEY], the leader on our side. I have not yet read the letter carefully, but I am willing to rely upon it. I think it expresses the wishes of the working people of the country.

The PRESIDING OFFICER. Without objection, the letter will be read.

The legislative clerk read the letter, as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., July 27, 1937.

Hon. ALBEN W. BARKLEY,
United States Senate, Washington, D. C.

DEAR SENATOR BARKLEY: According to press reports, Senator VANDENBERG proposes to submit from the floor amendments to the fair labor standards bill which is to be considered by the Senate this afternoon. These reports indicate that the amendments proposed by Senator VANDENBERG are designed to modify the National Labor Relations Act and are substantially the same as those incorporated in S. 2712 introduced by Senator VANDENBERG on June 28.

The American Federation of Labor regards these amendments as a bold attempt to restrict the freedom of self-organization of the workers, to enhance rather than mitigate the inequality of bargaining power between the employers and the workers, and to nullify the effectiveness of democratic self-government of our unions through Government interference.

The "unfair labor practices" contained in section 3 of the Vandenberg bill are clearly designed to carry out such a purpose. The first unfair labor practice is identical in purpose with the language of the amendments sponsored by the National Association of Manufacturers prior to the passage of the Wagner-Connery Act, the language which Congress had rejected without reservation.

Next, the amendment makes it an "unfair labor practice" for any person to interfere with rights secured by the Constitution or to damage or destroy property. I submit that under the American system of law enforcement this is a matter under the jurisdiction of our courts and not of the National Labor Relations Board.

The unfair labor practices (3), (4), and (5) provide for an extent of regulation of unions by the Government that falls little short of the example set by Fascist Germany. The amendment next makes it an unfair labor practice "for any person to engage in any strike for the purpose of inducing or forcing any person to violate any contract or any law of a State or the United States." Here again we find that such matters as the breach of contract and the breach of law are taken from the jurisdiction of our courts, where they properly belong, and placed in the hands of the Board.

The last unfair labor practice prevents any person from refusing to sign a written contract embodying the terms and conditions of any agreement between an employer and employees, or their representatives, reached as the result of collective bargaining, or to violate the provisions of any such written contract or agreement. This makes it possible for employers, under the guise of collective bargaining, to freeze the existing wages, hours, and conditions in his establishment by compelling their employees to sign agreements negotiated with dummy company unions.

When collective bargaining is carried on in good faith between a union and an employer, the mutual objective of both parties is an agreement. Such an agreement protects the rights and imposes duties on both the employer and the union. When an employer bargains collectively in good faith there is no reason for him to refuse to sign the union agreement. Any agreement, however, signed as a result of legal compulsion would be of questionable validity in law and of little usefulness in cementing a lasting industrial peace and good will. And again, as I already have pointed out, the breaching of a contract is a matter for judicial determination that does not fall within the jurisdiction of an administrative agency operating under a Federal statute.

Section 4 of the amendment makes it possible for the Board to determine representation or hold elections at the request of the employer. Such a provision would nullify section 8 (1) of the National Labor Relations Act, which forbids the employer to interfere with the rights of self-organization and collective bargaining guaranteed by section 7 of the Wagner Act. Union affiliation of his employees is not a matter for determination or interference by an employer.

The amendments proposed by Senator VANDENBERG are but a first step toward Government control of unions—a step similar to that which led to the elimination of free trade-unionism in Germany, Italy, and Soviet Russia. A justification of these amendments is attempted on the ground that they give the needed protection to employers and correct the alleged one-sidedness of the National Labor Relations Act. Only a minority of employers have contended that the Wagner-Connery Act is biased in labor's favor. The people of America today have been given an unchallengeable answer to the question of whether or not the National Labor Relations Act is equitable. The answer was given them in the decisions of the United States Supreme Court rendered April 12.

We protest the proposed amendments because we cannot accept restrictions jeopardizing the future freedom and democracy of the membership of the American Federation of Labor—restrictions which result from a reaction to sporadic acts of irresponsible alleged labor organizations. The American Federation of Labor stands for freedom, democracy, and the principle of voluntarism in every relationship of life, and it is our duty to resist any infringement upon democratic ideals and institutions.

Very truly yours,

WILLIAM GREEN,
President, American Federation of Labor.

Mr. WAGNER. Mr. President, I think that letter expresses the view of the American worker better than anything I could say.

I said before that it was unthinkable that we in a few moments should vote for these amendments without a thorough hearing and discussion at a place where both sides would have a chance to present their views and where a committee of the Senate would have a chance to study the effect of the proposals. It is utterly unreasonable to ask us in a few moments to vote, as President Green has said, to destroy the rights which culminated in the National Labor Relations Act, fought for by labor over a period of 20 years.

I inquired of the chairman of the committee having the amendments in charge whether there had ever been a request by the Senator from Michigan for a hearing upon his amendments. Certainly the Senate would want at least the considered judgment and opinion of one of its standing committees before which these amendments are pending. No such hearing has ever been requested; and here, as I say, without consideration and without a clear understanding of the effect of the amendments, we are asked to incorporate them in a bill to which they are not at all germane.

To justify my statement, let me say that, as much as I admire the intellectual capacity and integrity of the Senator from Michigan, these are not new suggestions. Many of them were made at the time the National Labor Relations Act was before the committee. Those of us who were interested in the legislation fought for over 2 years to enact it into law. We had hearings before the committee lasting for months, during the time the distinguished Senator from Massachusetts [Mr. WALSH] was chairman of the committee; and he, I am sure, can testify that everybody who wanted to be heard upon both sides of the question was heard.

Of course, we could not accede to the views of the anti-union gentlemen who appeared before the committee, who offered amendment after amendment, some of which are incorporated in those now offered, which would have frustrated our efforts; and if such amendments had been included in the bill then pending, those representing the workers of the country said they would not have wanted the bill enacted at all. One of those amendments later came before this body, was offered in the Senate, and was defeated; and I was authorized to state upon the floor of the Senate that if that amendment had been incorporated in the bill, labor would have preferred no legislation at all.

Progress has been made under this act in organizing the workers of the country. Those organized are still far short of a majority of all workers, but I think there has been an increase from one-tenth to one-fifth in the number of workers of the country who are organized. In only a few instances have there been these tragedies which are cited as a basis for the enactment of the proposed amendments. When we trace those tragedies to their roots, we find that they grew because of the defiance of employers to the Labor Relations Act. Had they abided by the act, those tragedies would never have occurred.

Mr. President, we forget that in many instances, not enumerated here, in over a thousand cases, peaceful elections have been held in small industries and large industries. After the Supreme Court decided finally that the law was constitutional, the enlightened employers, and they are in the majority in this country, recognized the law, permitted elections to be held, and at once made collective-bargaining agreements with their employees. There was an outstanding instance in Michigan, the case of the Packard concern, where the company refused to ignore the law. It held an election, and when a majority was selected by a certain union, a collective-bargaining agreement was made with that union within 5 days after the election.

Take the case of the Jones & Laughlin Co., which was one of the five cases before the United States Supreme Court. This company defied the law. Between the injunctions issued by the lower courts, and the definite sit-down strike by the employers of the country against the law, there was very little enforcement of the act.

The employers were advised by distinguished lawyers that the act was unconstitutional, and they took upon themselves a right which the workers of the country I am sure never would take, namely, the right to disobey the law, in fact to ignore it, just because some lawyer had advised them that the law was unconstitutional.

In other cases the employers had the protection of injunctions in the lower courts. Some of those injunctions were granted by judges who were not fit to sit upon the bench, and who had no understanding of the serious problems involved. In other cases, some of the decisions against the act were well reasoned, and I am sure the judges felt they were sincerely following the Constitution.

But that has all been cleared away. The United States Supreme Court has not found the law one-sided. It has not found the law unfair. It has commended the law, and it has established for all time that the workers of our country have a right to organize and bargain collectively so as to be on an equality in bargaining power with their economically powerful employers. That is democracy. Nothing one-sided about that.

I will say to the Senate that I am not an adamant individual. The Senator from Massachusetts [Mr. WALSH] knows that I gave in on amendments which the committee thought were appropriate. I think I might say I am a fairly good sport in these matters, and I will take the judgment of the Senate. But I would give my last blood to prevent the enactment of the suggested amendments, because they would destroy the rights these unfortunate workers, exploited for years, have finally won. Indeed, they have not entirely won them. There is enough economic power in this country among some of the "diehards" to continue the fight. Look at the Republic Steel Co., which has defied the law, and which is still preventing organization. That is why, Mr. President, only one-fifth of all the workers of the country are today in a position where they may bargain effectively for their services.

I do not wish to prolong the debate, but I may refer to the fact in 1928 I went as a member of a Senate committee to the coal and steel fields. Read the report the committee made after we came back. The workers of that area were not free men; they were slaves, economic slaves. They did not dare use the word "union." They did not dare organize. They were compelled to buy their food from company stores. They were compelled to live in company houses. They were compelled to go to the church the minister of which was selected by the operators. There were conditions there which literally prevented them from walking, from eating, from talking freely. That is no exaggeration. Read the report.

I said to my colleagues at the time that if we could ever do anything to make these unfortunate exploited workers of the country free we ought to do it. We started the movement which finally crystallized in the legislation which is now threatened with destruction.

Conditions are better, infinitely better, in the mining areas now because the workers there have largely won the rights of free men.

I feel convinced that the Senator from Michigan is sincere. But he is expressing the view of those employers who do not believe in unionization, who do not believe in high wages, who do not believe in collective bargaining. But that is a Fascist state; that is a communistic state; that is not a democracy as we have it in America. All the Labor Relations Act did was to make our workers, who were economic slaves, free men, and nothing more. It conferred no other right upon a worker except the right to decide for himself the question, "Shall I join with my fellowmen to organize into a group so that under group action we may get justice?" That is the fundamental of the legislation. And now, little by little, there is an attempt to break it down. Its opponents think the hour has struck when they may deprive the workers of the country of all these rights.

Mr. President, they are not going to do it. The workers of the country are awake to the gains they have made in

the progress toward social justice, and they are not going to sit idly by and see their rights taken away.

I did not intend to say even so much, but I felt sure that the Senate would not act upon amendments affecting the rights and liberties of the workers of our country after only 1 or 2 hours of discussion. Why did not the Senator ask the Committee on Education and Labor to have a hearing upon these amendments? Why did he not invite the labor organizations, the employers, all of those interested in the legislation, to come in? Why did he not say, "Let us discuss this thing", and if there were any fair features, enact them and reject the others?

I am interested in the welfare of employers; most of them are fair and they want to do right. But are the workers, without even a chance to be heard, to be deprived of the rights which they won after a very bitter fight? I went through the contest, and I know something about it and the opposition which was created and which is still at work. Propaganda is starting again. We are going to hear more upon this floor about this matter. We are going to hear more about the National Labor Relations Board being "red" or "blue" or something else. Of course, I have no objection to legitimate criticism; but let people stick to the facts in their criticism.

Mr. President, I believe the National Labor Relations Board has done its utmost to be fair to both sides, and I have heard of very few employers complaining about any injustice, except where they were opposed to collective bargaining. The Board may have made mistakes; we all make mistakes. I have not followed their actions case by case, but I know the Board is composed of conscientious men who are trying simply to do justice to both sides.

I suppose it is necessary for me to say something about the amendments. I had hoped it would not be.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BLACK. I was hoping, and I am sure it was the hope of the committee, that these amendments would not be presented in such a way as to leave the impression that any vote taken upon the proposals as amendments to the pending bill indicated a position either for or against the amendments. The committee, in its report, stated that we had stripped the bill down to the three considerations, namely, minimum wages, maximum hours, and child labor. The committee did not believe it was proper to go further in this bill. No study has been made of these amendments. I could not say that I would be for or against the amendments as presented, or the amendments as they might be changed after they went to the committee. I feel sure that is the viewpoint of other members of the committee which had the bill under consideration.

I desire to express the sincere hope that the debate may not reach such a stage that Senators will feel that in voting upon these proposals they are expressing their viewpoint either for or against the particular amendments.

Mr. WALSH. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WALSH. What is the amendment before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Oregon [Mr. McNARY] is the pending question.

Mr. WALSH. That is what I thought. So no actual move has been made by the Senator from Michigan to have his amendment adopted?

The PRESIDING OFFICER. The amendment of the Senator from Michigan lies on the table, to be called up at a future time.

Mr. WALSH. I thought the Senator from New York ought to know that he will have an opportunity later to present his views, when the amendment is formally offered.

Mr. VANDENBERG. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. I yield.

Mr. VANDENBERG. I think the statement made by the Senator from Alabama [Mr. BLACK] and the statement previously made by the Senator from New York [Mr. WAGNER] are rather persuasive respecting the lack of any opportunity to analyze these amendments in committee. When I first introduced them, if the Senator will permit me to make the statement, I very frankly stated that they were an objective rather than a formula, and I think there is a rather sound argument to be made against asking the Senate to pass upon them at the present time. While I do not wish to be foreclosed from doing it, and I have not yet offered them, I can say to the Senator that, so far as that part of his statement is concerned, I find myself quite responsive, and I shall be glad to consider it further with him and with the chairman of the committee.

Mr. WAGNER. Mr. President, I do not want to prolong the debate on this question. I am prepared to analyze all the amendments. I do not care to go through all of that now, although the Senator did present his amendments. The Senator remembers that I asked him whether he proposed to offer these amendments to the pending legislation, and the Senator said, "Yes, he did."

Mr. VANDENBERG. Yes.

Mr. WAGNER. Therefore I felt obligated at least to explain to the Senate my position in opposition to these amendments. I hope the Senator now feels as I think, if I judge correctly his sense of justice, he does feel, that the amendments, important as they are, should not be considered and voted upon in this slipshod way. I think the Senator is entitled to having the amendments studied and given consideration by the committee. I shall come before the committee in regard to them. There may be some virtue in some of the amendments. I have not discovered it except in one instance. I know the Senator from Michigan is sincere, and I know the Senator will do me credit and believe me to be sincere. We can sit down around the table and have a discussion with respect to his amendments.

Let us have a hearing on the whole subject. The Senator, I know, in all fairness, certainly feels that those representing the large labor organizations of the country and the unorganized workers are entitled to be heard on these amendments, or should be heard before these vital changes are made.

Mr. VANDENBERG. I agree with the Senator about that.

Mr. WAGNER. Let me say also that the employers of the country are entitled to be heard. They are not all in accord with this proposition. They have accepted the United States Supreme Court as their authority for the objectives of this legislation, as well as its legality. The Senate Committee on Education and Labor has studied this matter for 2 years. I am sure the Senator from Massachusetts [Mr. WALSH] is considered to be one of the great authorities of this country upon the subject as the result of the task—which was a pleasant task, I am sure—which was imposed upon him as chairman of the committee to study all phases of this particular legislation. Is it not a fair way for all of us to deal with so vital a question?

Mr. VANDENBERG. Will the Senator yield further?

Mr. WAGNER. I yield.

Mr. VANDENBERG. I was happy to hear the Senator say that he would be delighted to join with me in sitting around the table and having a committee hearing on the subject. That is progress. That produces the attention to this subject which has heretofore never occurred and which I have chiefly sought to precipitate. I assumed, from the statement made by him, that the able Senator from Alabama, the chairman of the committee, would agree that we may have that sort of formal committee consideration of this problem. Am I correct in that?

Mr. BLACK. I will state to the Senator that I have no desire to postpone consideration of any proposal that came before the committee. I think it is fair to say that on account of the very unusual amount of work that has been before that committee this year we now have a very large amount of legislation pending before the committee, and on four or five of the proposals we have already stated that we would have hearings as soon as we could after the housing measure and this wage-and-hour bill are disposed of. I have no objection whatever to having hearings as early as they can be had on the Senator's amendments. I could not

say for the committee as to just when they could be had. I not only have no objection but I personally shall be very happy to join in hearings whenever they can be had.

In this connection I may say that in the handling of the very large amount of work our committee has been handicapped this year, and is still handicapped, by lack of adequate assistance in the committee. It has been completely impossible for us to reply to many of the letters written to us. In fact, it has not even been possible to answer all the letters which have come to the committee from almost all of the Members of the Senate and the House. That is because of the large amount of work the committee has before it and the small number of employees who are serving in this committee. So far as I am personally concerned I will state to the Senator that although we have promised hearings on two or three other bills, which would not take long—I do not know how long we will be here—that I do believe the Senator has raised questions which are of sufficient importance that hearings should be held when it is practicable to do so.

Mr. VANDENBERG. Mr. President, will the Senator from New York yield further?

Mr. WAGNER. I yield.

Mr. VANDENBERG. I thank the Senator from Alabama for what he has said. I am very much of a realist in dealing with these matters, and I am fully cognizant of the fact that even if I pressed this amendment at the present time I could not hope for its favorable consideration in spite of its merit, because of the very fact that the Senator himself has urged; namely, a lack of adequate committee analysis.

Mr. WAGNER. Of course, I think the Senator should say, because of the lack of merit. In that connection we differ.

Mr. VANDENBERG. My conclusion is just the contrary, but both our conclusions arrive at just the same result.

Mr. WAGNER. That is democracy. Freedom to express differences of views makes for democracy.

Mr. VANDENBERG. Yes; and it makes horse races possible.

I have felt, Mr. President, that this question is so fundamental that it had to be raised. Having raised it, and having been met in a very fine spirit of willingness to explore and investigate and undertake to see whether there is an appropriate answer representative of the attitude both of the able Senator from New York and the Senator from Alabama, I think that what has now been suggested is the appropriate course to pursue, and with that general understanding, and fully realizing that it cannot be done immediately in view of the circumstances announced by the Senator from Alabama, with that tentative agreement may I suggest that I will not press the amendment upon this bill, and we may hope in an orderly fashion to explore the whole subject matter to the common advantage of all concerned.

Mr. WAGNER. I am quite willing to agree to that, in spite of the fact that as things end the Senator has the advantage, because I have what I regard as a very deadly analysis of all of the amendments proposed, which I intended to submit to the Senate. I will refrain from presenting them under the circumstances and spare the Senator from Michigan embarrassment and not tax the patience of the Senate.

Mr. NYE. Mr. President, I would not take away from American labor, organized or unorganized, one iota of any advantage which may accrue to it today. One cannot have knowledge of the experience of American labor without knowing of the state of slavery that has existed for it. One must acknowledge the degree of exploitation to which American labor has been subjected and is in some instances still subjected, and I am one of those who today feels that while there is large cause for complaint regarding some of the governmental set-ups which are functioning, presumably with the end in mind of ironing out differences between industry and its employees, I am, nevertheless, one of those who believes that no one has more largely invited the displeasure which is that of many American employers today than those employers themselves. Coming down through the years they have permitted themselves to remain blind, wholly blind, to the human interests that were involved behind the stone and the brick walls of factories to a point where extremes were quite to be expected when any gains were accomplished from the other side.

But, Mr. President, when one observes the effort to accomplish a set, given purpose and the failure that has so often been experienced, one comes to wonder if it is possible to gain the end desired by our merely sitting down here in legislative halls and delegating into the hands of an individual or into the hands of a commission a power to do this, that, and the other thing, without restrictions being provided that hold the action of that individual or commission within the confines of the intent of Congress itself. In at least two outstanding instances I think we have living examples of how far from accomplishment of purpose we may have been in some of our efforts where we delegated power. Even those who led the administration of N. R. A. during its life today acknowledge that the delegation of power to them was too great, that the field that they were trying to encompass was too great for them to manage. N. R. A. today—and I think for always—will stand condemned a failure because of failure properly to administer it.

The Senator from New York has insisted, if I understood him correctly this afternoon, that it was his contention that the National Labor Relations Board was administering justice to both sides. Incidents have come to my attention of late which have caused me very seriously to question that the National Labor Relations Board even intends to administer justice to both sides; indeed, there are those who contend that the law does not call upon the National Labor Relations Board to administer its duties with any thought of justice to both sides. So I wish this afternoon, as briefly as I can, to address myself to what I feel is a genuine weakness of the Wagner Labor Act and to express the hope that before the present session of Congress shall adjourn there may be such consideration of certain amendments pending as may afford a correction of some of the ills which I hope to call to the attention of the Senate this afternoon.

Within recent weeks, in discussions with individual Members of the Senate and with others, I have become acquainted with incidents which are not at all unlike many of the incidents which occurred during the N. R. A. days, and I have felt that the condition was constituting a challenge to decency and to fair play, a challenge to law and order certainly, a challenge to national recovery, and assuredly a challenge to the general welfare.

Last week I prepared to address myself to this subject, but when the Supreme Court issue assumed proportions which made it rather embarrassing to seek to interrupt, I issued what I had prepared in the form of a statement, which was published. I wish briefly to touch upon the points I made in that statement. I said therein:

> It is obvious that agencies of Government responsible for providing harmonious relationships have taken positions which smack of partisanship in controversies.

I said further:

> If the National Labor Relations Board had demonstrated its ability to handle the current industrial labor situation, no one would be more enthusiastic in its praise than I. But we have reached a point where we are only fooling ourselves if we refuse to look facts in the face. The National Labor Relations Board seems to have gone out of its way to demonstrate to the public that it is a partisan body rather than a judicial institution. It has disqualified itself as a referee between management and workers.

Again, I said:

> We would be less than truthful if we acted on the presumption that the N. L. R. B. has been nonpartisan and dispassionate in its activities. I have no grievance against any member of the Board nor any of its employees, but the solution of the labor industrial crisis is far more important than the consideration of feelings of any individual.

Further in my statement I declared:

> I believe that my record will substantiate my confidence in and my support of the cause of labor. My viewpoint is unchanged. But I do not want to see the governmental umpire

batting for either side. The friends of labor who hail the obvious partisanship of the National Labor Relations Board should bear in mind that it is quite possible that we will see a day when another governmental body of the same type will use its tremendous powers to oppress labor.

All thinking men and women must realize that the solution of our present difficulties rests not with the triumph of labor over management or management over labor but in a harmonious accord between the two. Governmental partisanship can do nothing but increase bitterness, promote discord, awaken cries of unfairness, and destroy the great hope of economic advancement at a time when such destruction would certainly bring disaster.

If management is unfair and oppressive, or tyrannical, let us punish management. If labor organizations are unfair, ruthless or violent, let us punish labor organizations.

Further on I made another statement in this language, to which I wish to call the attention of the Senate:

But the country expects and has a right to expect that its governmental institutions should be utterly nonpartisan, totally unbiased, and entirely fair, regardless of the political, economic, or social status of the persons who come under their jurisdiction. I say with regret that this description does not apply to the National Labor Relations Board. * * *

Public statements by these individuals—

Speaking, as I did in my statement, of the members of the Board itself—

Public statements by these individuals clearly illustrate that they are not only partisans but that they have also taken sides in labor's internal disputes at a time most injurious to the cause of the labor movement.

It is not to the interest of the worker or the employer or the consumer to have industrial disputes under the jurisdiction of individuals who have a bias one way or the other. In its far-reaching and ultimate effects it is just as dangerous to have such judicial consideration dependent upon labor leadership as it would be to have it dependent upon the legislative agents of the National Association of Manufacturers or the United States Chamber of Commerce.

But it is obvious—

I said in concluding my statement—

that the public has no confidence in the N. L. R. B., and the basis of the lack of confidence lies in the Board's failure to promote and restore economic harmony.

If there is no other alternative, it is far better to scrap a governmental bureau than to let that bureau make economic hash of our national welfare.

It is my desire, Mr. President, briefly to undertake a substantiation of some of the charges and allegations made in that statement of mine.

It has been a pleasure within the last few days to see that other members of Congress have chosen to speak openly as to what they found in their communities to be constituting a challenge.

I am sure that no one shall ever be in position to charge me with being a so-called "red baiter." One reads and one hears a great deal these days about the so-called "red" influence at play in the National Labor Relations Board. I am wholly unprepared and certainly lacking in any desire to discuss the possible complexion of the National Labor Relations Board, or any other board or bureau of the Government. My bone, if I have a bone to pick, is not with the individual members of the National Labor Relations Board; it certainly is not with any one labor leader who is so often accused of dictating the policy of the National Labor Relations Board; it certainly is not, as I have said, with the Labor Relations Board itself. If my studies of recent days have led to any conclusion at all, it is that the difficulty lies mainly with the regional directors who have been chosen to administer the work of the National Labor Relations Board. These directors, in many instances, are shown to be at fault, are shown to be entertaining a prejudice wholly out of keeping with what is expected of them, and reform in that field is assuredly invited at this time. Legitimate, long-standing labor organizations are, and, I think, ought to be, today deeply concerned about the general trend to which the National Labor Relations Board is so largely lending itself at this time.

I have before me a letter written by one Homer J. Odell, under date of July 12, from Houston, Tex., addressed to the secretary of the metal-trades department of the American Federation of Labor here in Washington. In this letter Mr. Odell invites the cooperation of the American Federation of Labor in Washington in accomplishing a successful appeal from a decision which has been rendered against labor in that community by the regional director of the National Labor Relations Board. I am going to read two paragraphs from that letter.

I am today appealing to Mr. J. Warren Madden, Chairman of the National Labor Relations Board, on a decision rendered by Dr. Edwin A. Elliott, regional director for this district, in which the rights of several of the members of this organization as well as several members of the plumbers' local of Fort Worth are involved. These men were discharged for union affiliation some 3½ months ago and a case was made before the Board here. A 3-day strike was called and an agreement was signed, without the reinstatement of the 26 men involved, it being understood that their case would be decided in the N. L. R. B. hearing.

In about 1 month it was found that the officials of the company were violating the agreement, and after two lengthy conferences a strike was again called, and at this time we were informed that our case before the Board had been pigeonholed and would have to be refiled. I did this at that time which was almost 8 weeks ago. The company has now offered some of these discharged men positions as strikebreakers, and the director here informs me that these men must return to work, as the offer of employment cancels their case with the Board. If they go back to work they have no recourse and the back time is lost, and if they do go back to work they have no case with the Board. I feel that the Board will not back up such decision on the part of the director here, and will deeply appreciate any support you may be able to render on this subject.

Mr. Odell, the writer of the letter, was the representative of the Hodcarriers' Building and Common Laborers' Union of America, with offices at Houston, Tex. He is affiliated with the American Federation of Labor.

(At this point Mr. NYE yielded to Mr. COPELAND, who spoke on the antilynching bill, and debate ensued, which appears in the RECORD following Mr. NYE's speech.)

Mr. NYE. Mr. President, when I was interrupted I had finished reading the letter of Mr. Homer J. Odell, of the national representatives of the International Hod Carriers' Union, who was seeking assistance on the part of his colleagues here in an appeal before the National Labor Relations Board. The letter very clearly reveals the impossible order which the regional director of the Board had laid down in Texas. It is not at all surprising that many leaders within the American Federation of Labor are wondering just what the purpose of the National Labor Relations Board might be these days.

Mr. John P. Frey, president of the metal trades department of the American Federation of Labor, in a letter to me, which accompanied that from Mr. Odell, says:

May I add that trade unionists have made many complaints to this office over the attitude taken by Mr. Elliott—

The regional director—

in connection with cases under his supervision. Apparently he believes that his function is to assist the C. I. O. under all circumstances while at the same time handicapping unions affiliated with the American Federation of Labor.

The contention is frequently advanced that often the National Labor Relations Board, in submitting to the employees of an institution the question with whom they desired to affiliate, whom they wanted to bargain for them, have repeatedly submitted the question which would qualify the C. I. O. for a favorable vote, but have in instances religiously kept the name of the American Federation of Labor off the same ballot. So, I repeat, it is not to be wondered at that there are American leaders of labor who are wondering what the direct purpose of the Labor Relations Board and its directors out in the various regions may be.

About the purpose and the prejudice of the Board, of which we are reading and hearing so much, it seems to me the RECORD ought to carry the assertion of the American Guild, which is found in a report published by the national executive board in its paper, the Guild Reporter, of May 15. Speaking of the real purpose of the National Labor Relations Board, this executive board says:

We believe the convention—

Meaning the guild convention—

might well warn guilds resorting to Labor Board action against regarding such as a substitute for the machinery of the guild or

as anything more than a means of publicizing our cause before the public.

It seems to me that is a very direct charge that the purpose of the National Labor Relations Board is that of affording a sound board for publicizing the interests of one faction or another within the cause of American labor.

In the Guild Reporter of September 1, 1936, one finds this language within a report:

> After these conferences the National Labor Relations Board representatives called W. V. Tanner, one of the two publishers of the Seattle Post-Intelligencer, before them and asked for the management's side of the story.

Now, Senators, listen to this, published within the Guild Reporter itself:

> The examiners told the publisher that there was little likelihood the National Labor Relations Board would believe the reasons given for the dismissals and suggested that he had better deal with the guild.

Mr. President, I submit that that may be indicative of the purpose of the National Labor Relations Board.

A question involving industrial relations affecting the management and employees of the Heine Boiler Co., of St. Louis, Mo., a subsidiary of the Combustion Engineering Corporation, was recently referred to the St. Louis Regional Labor Board. The facts developed there were as follows:

The C. I. O. had obtained a membership of a decided minority of the employees and customarily had demanded that the C. I. O. be recognized as the exclusive agency for collective bargaining for all employees. A company union had been in existence for some time, and this organization went over en masse to the International Brotherhood of Boiler Makers, Iron Shipbuilders and Helpers of America, an affiliate of the American Federation of Labor. Upon the C. I. O. petitioning the regional board to supervise an election, the International Brotherhood of Boiler Makers requested that their title appear on the ballot. This request was refused by the regional board; and the ballots, as prepared, carried only the title of the C. I. O., which required that the employees vote either "yes" or "no" for C. I. O. representation. As a result of the election the C. I. O. was hopelessly defeated, and conceded that the boilermakers had a majority. The management expressed a willingness to negotiate a working agreement with the boilermakers' organization and indicated this willingness to the officials of the regional labor board. The board, however, advised the management that such an agreement could not be negotiated; that a second election would have to be held with the boilermakers' title appearing on the ballot before it would be permissible for an agreement to be effectuated.

Again, the point is made, as it naturally would be made, that favoritism of a very high order, a large degree of it, is played by the National Labor Relations Board in these internal difficulties between labor organizations themselves.

Again, in Beaumont, Tex., the Gulf Refining Corporation admitted that the boilermakers had a decided majority of the employees in the boiler and tank departments. This admission was made when the international representative of the boilermakers' union presented to the management a list of the men who were members of the union, whereupon the management agreed to negotiate a memorandum of agreement with the boilermakers' representative. However, they expressed the belief that the advice of the regional labor board should be sought in order that they might not conflict with the terms of the National Labor Relations Act.

The regional board advised the management that an agreement could not be negotiated until confirmation had been obtained from Washington, headquarters of the National Labor Board. This case has been pending before the National Board for a period of more than 2 months, and as yet authorization to negotiate an agreement has not been granted. It should be definitely understood that no other organization has claimed jurisdiction over these employees, and the management is willing to bargain collectively through the boilermakers' organization for its employees.

A similar condition exists in Chattanooga, Tenn., where the Combustion Engineering Corporation, boiler manufacturers, have several plants, separate and distinct from each other. In the boiler manufacturing plants proper the employees are members, by a tremendous majority, of the boilermakers' union. In a comparatively small plant, also owned by the Combustion Engineering Corporation, but not engaged in boiler manufacturing, the C. I. O. predominates. This plant is not in the same yard as the boiler-making plant, and when the management expressed a desire to negotiate an agreement with the boilermakers' union, they were advised by the regional board that all plants would participate in the election, and the outcome of the election would decide the collective bargaining agency for all employees, regardless of the fact that there is a distinct difference between the operations of the boiler-manufacturing plants and the other accessory plants, another evidence of the favoritism shown by the National Labor Relations Board between a faction engaged in conflict within American labor today.

A very interesting thing is called to our attention.

In Baltimore, Md., the Union of Mine, Mill, and Smelter Workers, a C. I. O. affiliate, gained control of a tunnel project, and a young man, unemployed, sought to obtain work at the rate of 45 cents an hour. Before he was permitted to assume his duties, he was required to pay to the committeeman representing the C. I. O. organization $10, and to sign a card wherein he pledged himself to pay the regular monthly dues of the organization plus $1 a week strike assessment.

After working at the rate of 45 cents an hour for approximately 3 weeks, he was advanced to a position paying 55 cents an hour, and was immediately forced to pay the C. I. O. representative the sum of $25. He has now been advised that within a few weeks' time he will be assigned to a position paying 90 cents an hour, and has been notified by the C. I. O. that upon entering on his new duties he will be assessed $50 in order that he may perform the duties required at the higher rate of pay.

Mr. President, in all of these cases I am prepared to offer proof in documentary form if and when it shall be called for.

Upon publication last week of my statement from which I read this afternoon, I received from the pastor of a Lutheran Church in Philadelphia an extended letter which found me wholly unbelieving. I read his letter again and again and again and said to myself, "This cannot possibly be true." Yet so substantial did some of the allegations contained within the letter seem to me that I asked this gentleman to come to Washington, and for 3 hours yesterday morning I conferred with him, in the presence of others who might be helpful in bringing out the facts.

The story is one which certainly is basis for challenge if ever there was basis for challenge. If ever American labor was challenged it is challenged by reason of what I am ready now to say are the facts in connection with the case which this man, Rev. R. B. Naugle, pastor of the Resurrection Lutheran Church, Fifty-second and Thompson Streets, Philadelphia, has presented.

I think most Senators will remember having read some months ago of the strike within the Apex Hosiery Co. plant in Philadelphia. Just a brief review of what transpired there might be of interest for the RECORD at this time.

The Apex Hosiery Co. employs just a few short of 2,500 employees. There are other hosiery plants in the neighborhood where the Apex plant is located. The C. I. O. had organized a number of them, but had failed utterly in its attempt to organize the employees of the Apex Hosiery Co. It had succeeded after weeks of effort in winning the signatures—speaking now very conservatively—of something less than 200 of the 2,500 employees in that plant.

Word went the rounds one day that on May 6 there was going to be a great demonstration at the Apex Hosiery plant. Strangely enough, the employees of the surrounding plants, which C. I. O. had organized, were dismissed for that day, and before the day was over there were gathered around the Apex Hosiery plant something like 10,000 people. Who

they were I am not prepared to say. That many of them came from these other highly organized plants I have no doubt.

When the Apex Hosiery management that morning learned that there was apt to be trouble, the management excused for the day all the employees except 20 or 25 stenographers and clerks in the front office. The management remained in its offices, having been advised that it would be expected, contemplating a visit from the leaders of the strike movement. Let it be borne in mind that the employees within the plant itself had moved no strike, had made no demands.

With these 10,000 or more people gathered about, the hour came when, under a certain leader, whose name escapes me at the moment, a delegation moved in through the lines and into the front office of the Apex Hosiery Co., and it would appear that out of a desire to demonstrate their strength and their power, one after another of these visitors to the plant—not employees of the plant—picked up typewriters and smashed them to the floor, picked them up again and smashed them to the floor again, picked up chairs and banged them over the tables and the other furniture in the place, went to filing cabinets and took filing cards and correspondence and tore it and scattered it over the floor. I have pictures before me of the plant following that experience that afternoon.

Then there came the cry from the leader, "We declare a sit-down strike", in tones that could be easily heard out of doors, when more, following this leader, forced their way into the management offices, forced their way into other entrances of the plant, smashed windows with rocks and with bricks, climbed in, and then, in the finest organized fashion, the Reverend Mr. Naugle tells us, that one could ever hope to see, up came a line armed with sleeping cots, pushed them in through the windows, and they were set up, and here hundreds of men established themselves, most of them not employees of this plant, in a sit-down.

For days this strike went on. Hundreds of the employees wanted to work. The C. I. O. had done its best to organize the employees, but had won the signatures and the cooperation of less than 200 of them, I am told, and were not able to make any headway in organizing the C. I. O. within that institution.

Each day the leaders were waiting upon the management, insisting that they be received as the spokesmen for the 2,500 employees of that plant. The management would have nothing to do with them as spokesmen. The employees wanted to express themselves with respect to where they chose affiliation and who was to speak for them. They had a unit, an organization of their own. Some of them wanted affiliation with the American Federation of Labor; not many, perhaps, but some of them. The great bulk of them wanted to maintain their own organization and let it speak for them before the management.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. NYE. If the Senator will permit for just a moment and let me finish this thought, I shall be glad to yield.

Mr. SCHWELLENBACH. My question was about the last sentence the Senator uttered.

Mr. NYE. Then I am glad to yield.

Mr. SCHWELLENBACH. What was this organization of their own?

Mr. NYE. The National Association of Hosiery Workers.

Mr. SCHWELLENBACH. Is that affiliated?

Mr. NYE. It was not affiliated with either the C. I. O. or the American Federation of Labor.

Mr. SCHWELLENBACH. In other words, it was a company union?

Mr. NYE. A company unit; a company organization. Hopeless, the employees found themselves without labor, week after week found themselves distressed for want of income, unable to pay rent. Then the employees themselves and leading figures in the community, including the Reverend Mr. Naugle, volunteered to see if there could not be accomplished an election that would permit the employees to express themselves on the question of who should represent them—who should speak for them.

No less than five times I am advised was the National Labor Relations Board and the regional director asked to afford that sort of an election, and no less than five times were their requests denied or ignored utterly, until the community, rising up in revolt, said, "We will hold an election of our own and see what these employees want." The Reverend Mr. Naugle and his associates had ballots printed, had cards printed, which were sent to every employee at the plant, inviting them to participate in the poll that would be held within this Lutheran Church on the 26th day of June.

Two days before that election was to be held employees of this hosiery plant were subjected to unbelievable treatment upon the streets by C. I. O. organizers, who rode up and down the streets throughout the territory within eight blocks of this plant, challenging employees of the plant, threatening them, daring them to go and participate in that poll. Women there were, employees of the plant, who were given what has been referred to as the "elbow treatment", when in a crowd they were crushed to the ground by the elbows of these powerful organizers.

Election day came, and under that program I have referred to here something like a thousand of the employees of the plant failed to turn out and vote. Fifteen hundred of them did appear. Fifteen hundred did vote upon this ballot which asked them to determine whether they wanted to be represented by the National Association of Hosiery Workers or C. I. O. The vote was as follows: Out of the 1,500 voting, 1,412 voted for the employee union, a self-organized unit within the scope of the act. Six of the ballots were held void, and 82 voted for C. I. O.

Knowing as I do, since having checked it, the fairness of the poll that was conducted, it seems to me that the result was most emphatic evidence that the employees of that plant wanted no affiliation with C. I. O. They had obviously reached the end of their rope. There was not anything they could do. The sponsors of this ballot, which, of course, we must acknowledge was unofficial—it would not be recognized under the law—nevertheless called it to the attention of the National Labor Relations Board. C. I. O. organizers laid off. There is no appearance from them any more.

Then following upon their heels comes Mr. Edward McGrady from the office of the Secretary of Labor to mediate. He goes to the management of the hosiery corporation and insists—this is the representation made to me—that the management accept the spokesmen of C. I. O. as the spokesmen for the employees in that plant, and I am told that this afternoon there is occurring there in Philadelphia the determining conference on that issue, and the management of the Apex Hosiery Co. is asking this question: If we do not accept, what then?

Since the 6th day of May they have been closed. The strikers have damaged their plant to the tune of hundreds of thousands of dollars, and the management is anxious to get opened up, is anxious to afford employment again for those of its employees who want to go to work. I am inclined to believe that if it is true that Mr. McGrady is insisting that the management accept C. I. O. as the spokesmen for the employees of this plant, that the management is going to have to accept.

I insist, Mr. President, that if a great Government is going to tolerate administration by a board or a bureau which in turn is going to tolerate practices of that kind the hour is not far off when Americans are going to be reminded that things can happen here as they have happened elsewhere. The fault is with an agency of our Government, not with labor leaders, who but take advantage of their opportunity.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. SCHWELLENBACH. I should like to inquire of the Senator whether or not he discussed this matter with Mr. McGrady.

Mr. NYE. I have had no chance to discuss the matter with Mr. McGrady, because when I obtained my advice first hand yesterday from this Reverend Naugle, Mr. McGrady was on his way to Philadelphia, and, as I understand, he is still there today.

I want to say in this connection that I have stressed the point here that if this is Mr. McGrady's program then thus and so is going to follow. I find it exceedingly difficult to believe, Mr. President, that that would be his program, and yet I have it on such fine authority that he has pleaded with the management to accept C. I. O. spokesmanship there that I cannot ignore it.

Mr. SCHWELLENBACH. I do not want to be unfair to the Senator, but the impression I have gained from listening to the Senator in talking about the Apex case has been that the exclusive source of the Senator's information was Reverend Naugle, of the city of Philadelphia.

Mr. NYE. No; I will say to the Senator that that is not the exclusive source for that information.

Mr. SCHWELLENBACH. May I ask who else said that Mr. McGrady made this statement?

Mr. NYE. Yes; the Senator may ask it, but I am going to plead to be excused from answering that question at this time.

Mr. President, in conclusion I want to say only this: That as the law, the Wagner Labor Act, now stands, it does permit to the Labor Board certainly the power to recast, reshape, and reform the entire structure and the policy of the American trade-union set-up. I feel that there is desperate need for a change in the law that will afford some restriction there. However apt we may be to discount the danger of any foreign policy of government being visited upon us, nevertheless I think we should be constantly mindful of this, that where compulsory labor organizations are brought into being or come into being, there is danger.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. WAGNER. I wonder what the Senator meant by "compulsory labor organizations."

Mr. NYE. Just the case I have recited as having taken place in that Philadelphia hosiery plant.

Mr. WAGNER. Was an election held among the workers?

Mr. NYE. An unofficial election, because the National Labor Relations Board would conduct none of its own. The employees themselves wanted it.

Mr. WAGNER. Has the Senator ascertained the reason for the decision of the Labor Board?

Mr. NYE. I have not. Those who asked the Labor Board for action of that kind were not even able to get an acknowledgment.

Mr. WAGNER. I think, if the Senator inquires, he certainly will get all the facts. Let me say in justice to the Labor Board, that none of their acts, procedural or otherwise, are effective until they are approved by the court. Every one of these acts, procedural or otherwise, must be submitted to the court for order before they become legally effective, and the court reviews the action, the testimony, and everything else involved in any particular case. Up to date, outside of the question of constitutionality, which was subsequently decided by the Supreme Court, in not a single case was the Board reversed, or in instances where their findings were disapproved, not in a single case did the court order a rehearing of any kind. So that in all these matters of which the Senator complains their actions have been approved by the court, as my information goes. Chief Justice Hughes in his opinion in one of the cases—I think it was the Jones & Laughlin case—called attention to the fact that no act of the Labor Board has any legal validity or enforceability until after the court reviews and sustains its findings.

Mr. NYE. That is true unless and until a condition becomes so prolonged that it is no longer endurable, and employees and management alike accept what is a very, very bitter pill to them.

Mr. BORAH. Mr. President——

Mr. NYE. I yield to the Senator from Idaho.

Mr. BORAH. How could the matter the Senator from North Dakota has been narrating reach the court? The Labor Board had never acted upon it at all.

Mr. WAGNER. What I said was that because of the clear record with reference to every action of the Labor Board which reached a finality, I think it would be fair to inquire of the Board exactly what this situation is and why they acted one way or the other. I think that ought to be ascertained from the Labor Board. If I had any complaint with reference to anything before a committee, I would ask the committee or the chairman of the committee before I would indulge a criticism of the committee. I think that ought to be done in this case. I certainly would not criticize any Government agency in an instance where a question of judicial determination is involved unless I at least asked them for an explanation, because I would not want to do them an injustice. They may have a very clear explanation of what the Senator now complains of. I am sure they have.

Mr. NYE. They may have a clear explanation of it.

Mr. WAGNER. I am sure they have.

Mr. NYE. But I cannot guess for a minute what might be the explanation when day after day the National Labor Relations Board was asked to conduct a poll and those who asked it did not even receive a response from the Board.

Mr. WAGNER. Why, in all justice, does not the Senator ask the Board for an explanation? I am sure they will answer the Senator. Its members are very conscientious men, and I am sure they will give the Senator a reason which will satisfy him. I would not criticize the Board until I had ascertained the facts from it.

Mr. NYE. They should give an explanation, Mr. President.

In conclusion I say that if a state of affairs such as that is to be permitted to continue, if we are going to have more such cases—and if they happen successfully here they will happen elsewhere—we might well afford to be on our toes. This program, as some of the American Federation of Labor officials are pointing out, is a direct challenge to voluntary labor organizations, is an invitation, as they have said, to compulsory labor organization. I make the point, not as a "baiter", not as one who fears that we are going to get this "ism" or that "ism" in the United States, but I make the point that the first step in building the German Government into what it is today was the step which made the laboring forces of Germany wards of the State. The first step undertaken to accomplish the end ultimately reached in Italy was the abandonment of the voluntary trade-union organizations. The first step resulting in the condition that exists today in Russia—there, too—was the abandonment of the voluntary trade-union organizations and the establishment of the so-called compulsory trade-unions.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. NYE. I will yield the floor in a moment, unless the Senator wishes to ask a question. First, however, Mr. President, I ask unanimous consent that the statement issued by me some days ago from which I read in part in opening my remarks may follow my address in its entirety.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The statement referred to is printed at the conclusion of Mr. NYE's speech as exhibit A.)

Mr. WAGNER. Has the Senator followed all the elections that were held under the auspicies of the National Labor Board and the regional boards throughout the country?

Mr. NYE. Yes; to some extent.

Mr. WAGNER. Has the Senator ever found a case where an employer has complained that the election was not held under democratic auspices and with each man voting a secret ballot?

Mr. NYE. No; but I have evidence here of the failure and refusal on the part of the Labor Board to submit a question that would let the employees express themselves as being favorable to affiliation with the American Federation of Labor rather than with the C. I. O.

Mr. WAGNER. I think the Senator ought to inquire further as to that. I may say, however, that all large em-

ployers—and I was gratified to read the statements at the time—in cases where elections have been held, involving in one instance 27,000 workers, have universally said they were satisfied with the outcome and that the election was held fairly and impartially. That is the first time that democracy was introduced in our industrial system.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. The Senator said that "the first step" toward the advance of communism in Russia was making of the labor unions the wards of Russia. Will the Senator please tell us when and where that was and what labor unions existed in Russia prior to the revolution in that country?

Mr. NYE. No; I cannot tell the Senator what labor unions existed there, but we know that every organization resembling a labor organization became nationalized overnight.

Mr. SCHWELLENBACH. The Senator does not know of any labor union in Russia under the czaristic system of government. So the nationalization of labor unions in Russia was not "the first step", and the Senator knows that it was not "the first step."

Mr. President, if I may in the time of the Senator——

Mr. NYE. I will yield the floor if the Senator will permit me to make just one more request.

I ask unanimous consent, Mr. President, that there may be printed, following my remarks, in its entirety a letter under date of July 24, 1937, written by Rev. Reginald B. Naugle, of Philadelphia, addressed to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The letter referred to is printed as exhibit B.)

EXHIBIT A

STATEMENT BY SENATOR GERALD P. NYE

I fear the court controversy is causing fundamental issues to be overlooked. Every citizen is dependent on a restoration of economic balance and harmony. The agricultural part of our population still labors under severe handicap which must be challenged before Congress adjourns. And any degree of harmony obtainable is dependent upon mutual trust and satisfaction between employer and employee.

On every hand is acknowledgment that harmonious relations between worker and management do not exist. It is obvious that agencies of Government responsible for providing harmonious relationships have taken positions which smack of partisanship in controversies which should find them as judicially minded as they are specifically designated to be.

Realistically, my State and the United States as a whole are more interested in a happy solution of the vexing difficulties that beset us than in the manner in which they are to be solved.

If the National Labor Relations Board had demonstrated its ability to handle the current industrial labor situation, no one would be more enthusiastic in its praise than I. But we have reached a point where we are only fooling ourselves if we refuse to look facts in the face. The National Labor Relations Board seems to have gone out of its way to demonstrate to the public that it is a partisan body rather than a judicial institution. It has disqualified itself as a referee between management and workers. No governmental body enjoying the powers and privileges of this group can afford to take sides.

I am not interested in the merits of any particular case which comes up for adjudication before the Labor Board, but every American has a vital stake in the peaceful and progressive solution of the economic difficulties. We would be less than truthful if we acted on the presumption that the N. L. R. B. has been nonpartisan and dispassionate in its activities. I have no grievance against any member of the Board nor any of its employees, but the solution of the industrial labor crisis is far more important than the consideration of feelings of any individual.

I am primarily interested in the welfare of my State which is not directly affected by industrial strife, but which is indirectly and very seriously affected by a prolongation of economic war which ultimately hits the farmer, the worker and the consumer. I believe that my record will substantiate my confidence in and my support of the cause of labor. My viewpoint is unchanged. But I do not want to see the governmental umpire batting for either side. The friends of labor who hail the obvious partisanship of the N. L. R. B. should bear in mind that it is quite possible that we will see a day when another governmental body of the same type will use its tremendous powers to oppress labor.

All thinking men and women must realize that the solution of our present difficulties rests not with the triumph of labor over management or management over labor but in a harmonious accord between the two. Governmental partisanship can do nothing but increase bitterness, promote discord, awaken cries of unfairness, and destroy the great hope of economic advancement at a time when such destruction would certainly bring disaster.

If management is unfair, oppressive, or tyrannical, let us punish management.

If labor organizations are unfair, ruthless, or violent, let us punish labor organizations.

But the Government is not dedicated to the penalization of any group or class; on the contrary, we are striving for a harmonious meeting of minds which will enable us to go forward.

We cannot try any industrial labor dispute before a kangaroo court and expect either satisfactory results or public approval. The N. L. R. B. has such a pronounced pro-C. I. O. bias that the average man regards it as an adjunct. It would be equally bad or worse if it had a pro-capital bias.

But the country expects, and has a right to expect, that its governmental institutions should be utterly nonpartisan, totally unbiased, and entirely fair, regardless of the political, economic, or social status of the persons who come under their jurisdiction. I say with regret that this description does not apply to the National Labor Relations Board.

Mr. David J. Saposs, industrial adviser to the Board, an associate of the Brookwood Labor College, a close friend of William Zebulon Foster, author of a book entitled "Left-Wing Unionism", which endorses Foster's and Stalin's doctrine of boring from within, is, in effect, the public prosecutor or district attorney for the N. L. R. B. From the standpoint of maintaining the integrity of a quasi-judicial body, Mr. Saposs would seem to be just as desirable in his present connection as Henry Ford would be. I have no fault to find with Mr. Saposs' views or convictions, but it is evident that he has no place on a semijudicial body.

The Board itself is composed of Messrs. J. Warren Madden, Edwin S. Smith, and Donald Wakefield Smith. I have the highest respect for their personal integrity and the greatest regret that they have been forced to act in a judicial capacity where they have an obvious emotional partisanship. Public statements by these individuals clearly illustrate that they are not only partisans but that they have also taken sides in labor's internal disputes at a time most injurious to the cause of the labor movement.

It is not to the interest of the worker or the employer or the consumer to have industrial disputes under the jurisdiction of individuals who have a bias one way or the other. In its far-reaching and ultimate effects it is just as dangerous to have such judicial consideration dependent upon labor leadership as it would be to have it dependent upon the legislative agents of the National Association of Manufacturers or the United States Chamber of Commerce.

The charge has been made very openly that the N. L. R. B. is a recruiting office for the C. I. O. I do not attempt to pass on the validity of this indictment. But it is obvious that the public has no confidence in the efficacy of the N. L. R. B., and the basis of that lack of confidence lies in the Board's failure to promote and restore economic harmony.

If there is no other alternative, it is far better to scrap a governmental bureau than to let that bureau make economic hash of our national welfare. The common weal makes all other issues subordinate, and the time has come to speak out and speak plainly. We are at the cross-roads. Our future depends upon conciliation and cooperation. It is up to the referee to bring about accord between the disputants. This, most emphatically, is not being accomplished. What, after all these months of call for real helpful, constructive service, can N. L. R. B. point to as its accomplishment or accomplishments?

EXHIBIT B

RESURRECTION LUTHERAN CHURCH,
Philadelphia, Pa., July 24, 1937.

Hon. GERALD P. NYE,
Washington, D. C.

MY DEAR SENATOR: I read with pride the statement you made on the 22d re the N. L. R. B.-C. I. O. policies. As a result of many instances which have come to my attention since the date of June 24, 1937, when, at the request of the employees of the Apex Hosiery Co., together with other reputable citizens, I supervised (and the results were attested by notary) an election for them under sections (1), (7), and (9), sub (c), of the N. L. R. Act of July 5, 1935.

The result of that election (1,500 out of a possible 2,460 voting), 1,412 voted for the employee union, a self-organized unit within the scope of the act, 6 were void, and 82 voted for the C. I. O.

On June 22 the unanimous opinion of the Federal court decreed that the employees must not be coerced, molested, or threatened at the mill or at their homes; that the pickets must not gather in large numbers as a show of force, etc.; nevertheless, on the said date of election, in defiance of the said decree, 30 cars filled with C. I. O. organizers did molest all of the employees within 8 blocks of the mill who had not previously been forced to sign membership cards under threat of the alternative of "going to the hospital", at the same time compelling these to go to the picket line at the mill to prevent them from voting.

On June 25 I wired the N. L. R. B. at Washington the results of the election and requested confirmation upon proper evidence (sec. 9 (c) of the act), and if I received no reply I should instruct the employees' unit to proceed to negotiate with the management and return to work as soon as possible.

Not hearing from the N. L. R. B., I went to Washington on June 27, and wrote them fully, pointing out the law relating to the above procedure, following it with a conference the following day.

Mr. Madden was told that under section 6 he had the power to stop every source of strife over the entire Nation where interstate commerce was involved following the opinion of the Supreme Court of the United States of April 12, which made any violations a criminal offense under the act punishable by fine and/or imprisonment plus triple damages under the related antitrust laws. He was also told that his failure to perform his duty was directly responsible for the national condition of industrial chaos, riot, anarchy, and break-down of law and order.

Mr. Madden replied that strikers had paid penalties of jail sentences for their activities and no employer ever spent 5 minutes in jail, thereby justifying his policy to enforce the purposes of the act; thereby violating the intent and purpose of the act and in open contempt of a Federal statute and multiplied evidence of strictly factual nature amplifies this policy to be a menace to the rights of employees which the act presumes to espouse, and does in fact in this and other specific cases incite to riot and bloodshed as well as other revolutionary tragedies.

I learned through the Secretary of Labor on July 3 that the developments in this case did not involve conciliation and therefore Madam Secretary had no jurisdiction. Nevertheless, the conditions not having changed meantime as between the employees and the management of the Apex Co., on July 22, Mr. McGrady, of Madam Secretary's office, came to Philadelphia and compelled the management to sit through an all night conference starting at 4 p. m. and lasting until 5 a. m. on the 23d, with him and representatives of the C. I. O., notwithstanding the request of the management to permit the attendance of the employees representatives. During these conferences which continued through the 23d, Mr. McGrady stated, "I'll say who will be present at these meetings", and per the press he persisted in harassing the management into signing an agreement with the C. I. O. who only represent a maximum of 10 percent of the employees. These meetings were held in the offices of the regional N. L. R. B. and in the presence of its officers which implicates both the Department of Labor as well as the N. L. R. B. in a conspiracy to defeat the scope and purpose of the act and thereby causes great loss and damage to these taxpaying citizens.

I submit that the Secretary of Labor had full knowledge of the facts in this case following my personal phone conversation with her, prior to the last meeting held Friday afternoon, July 23; that there is planned a continued discussion scheduled for Wednesday July 28 to enforce negotiations between the C. I. O. and the company on a closed-shop agreement or otherwise is conclusive evidence of collusion with C. I. O. in contempt of this act of Congress by duressfully excluding and destroying the rights of the majority of employees.

I submit that, as representing a majority of these people and in the interests of preserving a rapidly waning confidence in our National Government due to this and many similar cases coming to my immediate attention, that immediate steps be taken to prevent further conversations under this unholy policy to the extent of indictments summarily brought against each and every administrative officer so responsible, and further that I may have immediate opportunity to present evidence to substantiate said charges.

I submit that in defiance of the Federal decree above recited, the C. I. O. has placed itself liable for contempt in its persistence to annoy and molest employees at the plant who are attempting to repair the tragic damage done on May 6 and in fact did on July 19 cause a demonstration at the mill in numbers ranging from 1,000 to 1,500 pickets as a result of a rumored return to work by the employees; therefore, I also charge the agents of the Department of Justice in their failure to execute the terms of the said decree.

In a very short time these employees will be enabled to return to work, but, due to apparent collusion with the administration policy of the city government, the C. I. O. has received immunity from the anarchial deeds of lawlessness as shown in the enclosed photographs of the interior of the plant, which is mild compared to the actual filth as a result of the weeks of sit-down occupation. They will have to face the alternative of assault, insult, or mayhem, signing the C. I. O. membership cards or stay away. C. I. O. has not been written into the act, and it is the duty of every representative of the people that the rights of employment be preserved, that industrial encroachments be lifted, and that commerce be protected or our whole economic structure will be destroyed, and wherein can the now too shallow moral force of the church preserve national balance. Many industries are now "folding up", and that means more unemployment. With Government spending on the decline and the C. I. O. grip ever widening upon this unholy warfare, there can be but one inevitable answer, revolution and bloodshed, coming from those who will be begging for bread.

I submit that there never was greater monopoly in restraint of trade than the C. I. O. seeks to promote, and therefore its officers are liable to the full penalties of the antitrust laws thereunto pertaining.

I shall come to Washington tomorrow p. m., and I should like to confer with you on the above and other cases of similar collusion and contempt supported by factual evidence.

Yours very truly,

Rev. REGINALD B. NAUGLE.

During the delivery of Mr. NYE's speech,

Mr. COPELAND. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I am glad to yield.

Mr. COPELAND. I ask the Senator from North Dakota to yield to me for a minute or two. I am under obligation to leave the Chamber and go to New York on a sad errand.

The other day I offered, as an amendment to the bill then pending, the antilynching bill which was written by the Senator from Indiana [Mr. VAN NUYS] and my colleague the junior Senator from New York [Mr. WAGNER]. I had desired to offer the same bill as an amendment to the measure now before the Senate because I am very anxious that it may be enacted into law. I know how controversial the measure it and how much dispute there is sure to be regarding it.

When I offered the amendment a few days ago a number of Senators, because of their vital interest in the 70-car-train bill then pending, felt it necessary to vote against the antilynching amendment, although they are heartily in favor of it as a bill. I had desired today to offer the antilynching bill as an amendment to the pending measure for two reasons; in the first place because of my great interest in it and, in the second place, because it would afford another opportunity to my colleagues to vote as in their hearts they desire to vote regarding the matter.

However, I am advised by friends of the measure that it would be unwise to attempt to attach it as a rider to any bill if there is a chance that it might be considered on its merits. I have understood that the administration is eager to have the antilynching bill enacted into law. May I ask my leader if he can give us some hope, if the measure is not presented now in the form of an amendment to the pending bill, that we may within a few days have an opportunity to consider the antilynching bill upon its merits and unattached to any other measure, in order that it may be considered by the Senate and dealt with according to the wishes of the Senate?

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Kentucky?

Mr. NYE. I yield.

Mr. BARKLEY. I am sure the Senator from New York realizes how difficult it is at this juncture to announce a definite program for the remainder of this session. It is hoped that within a few days, after consultation with all those who are entitled to be considered in the framing of such a program, it may be possible to make some definite announcement with respect to it.

The program, so far as I can state it now, is to dispose of the pending bill and follow it with the housing bill introduced by the junior Senator from New York [Mr. WAGNER]. The Judiciary Committee has reported today the modified judicial-procedure bill. Whether that will be taken up, following disposal of the housing bill, or whether something else may intervene, is not now certain.

So far as I am personally concerned, I shall have no objection to the consideration of the antilynching bill on its merits prior to adjournment, but, so far as guaranteeing now that that can be done, I am in no better position to do so than I am with respect to various other bills which are on the calendar and in which Senators are particularly interested.

I realize that is an indefinite statement, but, in view of the situation and the uncertainty as to the length of the session, I do not feel that I can say more at this time. So far as I am concerned, based on consultations that I have had with others on the subject, certainly serious consideration will be given to afford an opportunity to bring up that bill on its own merits.

Mr. WAGNER. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield.

Mr. WAGNER. May I ask the majority leader whether an opportunity will be afforded me to make the motion to bring the antilynching bill before the Senate?

Mr. BARKLEY. I know of no reason why that opportunity may not be given.

Mr. WAGNER. The reason why I ask the question is this: I fought in company with others during the last ses-

sion to bring about the enactment of the proposed legislation. We were confronted with a filibuster and were unable to reach a vote. I was interested in it because I am interested in fair treatment to the Negro, as I have been ever since I have been a Member of this body. My main ground of opposition to the confirmation of the nomination of Mr. Parker, when that committee was before the Senate for consideration, was because of his reflections upon the Negro race.

The Senator from Indiana [Mr. VAN NUYS] and I introduced the bill together. We steered it through the committee, and had favorable consideration for it there both last year and this year.

The other day, without consulting me or the Senator from Indiana, the bill was offered as an amendment to the then pending measure. I make no complaint about that at all. It is the privilege of any Senator to do that. I always consult the proponent in such cases, but that is not required as a matter of courtesy in this body, and I make no complaint about it at all.

I am vitally interested in passing the antilynching bill. I do not want to have it made a football on every piece of proposed legislation that may be brought before the Senate, and then have Senators tell me, as they did today, "I would have voted for the antilynching bill if it had come up in the regular course on its merits, but I could not vote for it under the circumstances." There are Senators who are vitally interested in the antilynching measure. I think it is one of the most important humane pieces of legislation that could be enacted.

Mr. NYE. Mr. President, how long may I expect this interruption to last?

The PRESIDING OFFICER. The Senator from North Dakota has the floor, and may decline to yield further if he so desires.

Mr. WAGNER. Mr. President, if the Senator will yield just a moment longer, I wish to say that I want to get a fair vote upon the antilynching bill. I am sure a majority of Senators are in favor of this humane proposal to do away with an uncivilized practice. I want to get a vote upon the bill on its merits. I do not want to have it defeated again on the same ground upon which it was defeated the other day. I want to make it clear that my colleague [Mr. COPELAND] is as much interested as I am in the antilynching bill. I am sure he is as anxious as I am to pursue the course which will bring about the enactment of the bill into law at the earliest possible time. That is why I asked the Senator from Kentucky the question I did.

The Senator from Indiana [Mr. VAN NUYS] has agreed that I should be the one to make the motion to proceed to the consideration of the bill when the opportunity presents itself. We have been conferring and conferring with different Members of the Senate for the purpose of reaching an understanding as to the time when we may have the bill brought before the Senate for consideration on its merits.

I should like, if I can do so, to have an assurance from the Senator from Kentucky [Mr. BARKLEY] that I may be afforded an opportunity to make the motion. Then the question will be before the Senate to be decided by it. I am sure a majority of the Senators are strongly in favor of the antilynching bill which the Senator from Indiana [Mr. VAN NUYS] and I have introduced and have been endeavoring to have brought before the Senate for consideration.

Mr. BARKLEY. Mr. President, will the Senator from North Dakota yield for a further brief statement?

Mr. NYE. Very well.

Mr. BARKLEY. I realize the antilynching bill is a matter of importance and ought to be disposed of. It has passed the House by a very large majority and has been reported from the Senate Committee on the Judiciary and is now on the calendar. It is not within my power to grant or withhold the right of any Member of this body to move to proceed to the consideration of the bill at any time. I have assumed that those interested are of course actuated by a desire to cooperate and work out an orderly program. I do not think the bill ought to be considered as an amendment to other legislation. It ought not to have been considered as an amendment to the bill under consideration the other day. In my judgment, it ought not to be considered as an amendment to the pending bill or to any other bill. It ought to be considered on its merits.

So far as I am concerned, I should be willing and glad to confer with the authors of the antilynching bill in an effort to work out an agreement as to a time at which it may be considered.

If I have anything to say about it, I do not want any measures brought forward that may involve any prolonged controversy and may be sandwiched in ahead of emergency legislation which it is desired to have enacted at this session or within the next few days. Subject to that reservation I am ready to cooperate with the Senator from New York.

Mr. WAGNER. As the Senator from Michigan said a little while ago, I am a realist. While the Senator from Kentucky says he does not control, as the leader of this body to some extent he controls the motions to take up various matters of business. Therefore, I want his sympathetic consideration in that regard.

Mr. BARKLEY. The Senator will have it, I am sure. I will guarantee that.

Mr. COPELAND. Mr. President, if the Senator from North Dakota will yield to me to finish my statement, I have been sufficiently spanked about what I did so that we do not need to bother about that any more; but I am not so optimistic as are some other Senators. In my judgment, the antilynching bill will never pass on its merits, as it should. It will have to be attached as a rider to a bill which will give wings to it and make it possible to enact it into law. But, Mr. President, I am going to take our leader absolutely at his word, as I should, and as I naturally do. We are going to have an opportunity to test the sentiment of the Senate, I take it, within a reasonable time. We could find out in an hour or two on almost any day what would happen to the bill as an independent measure. I want it passed. I have been shocked, as others have, for years by what has happened to the colored people, and I know that the people in the sections of the country where these outrages have occurred have been shocked; and we ought to decide once and for all what is the sentiment of the United States Government regarding this particular matter.

I am satisfied to leave the matter here, and to trust to my leader, with the cooperation of the leader of the other side, to bring the bill to the floor of the Senate and have it dealt with on its merits; but before the adjournment of Congress we should see to it that the colored people of America are given the protection to which they are entitled.

Mr. WAGNER. Mr. President, will the Senator from North Dakota yield to me for just a moment?

Mr. NYE. I yield to the Senator.

Mr. WAGNER. I do not know whether or not my colleague regarded my statement as a criticism of him. I certainly have too great regard for him personally and in every other way to suggest anything of that kind. He is my senior in this body. I said the unfortunate thing was that the vote which was taken defeated the legislation, and that in my opinion it was not a true reflection of the sentiment of the Senate, because the majority favor it. I desire to say further that in all I am doing in reference to this proposed legislation I am in constant contact with the great leaders in this country, both white and Negro, who are vitally interested in this measure, and whose guidance I have sought advancing its progress.

After the conclusion of Mr. NYE's speech,

Mr. LODGE obtained the floor.

Mr. SCHWELLENBACH. Mr. President, the Senator from Massachusetts is entitled to the floor, but I should like to have 3 or 4 minutes to say something in reference to the remarks of the Senator from North Dakota [Mr. NYE].

Mr. LODGE. I will be glad to yield to the Senator.

Mr. McNARY. Mr. President, if the Senator from Massachusetts will yield to me for a moment, at this time I

desire to withdraw the amendment offered by me yesterday, which is now the pending amendment, as it is my purpose to modify it.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon to the amendment reported by the committee is withdrawn.

Mr. LODGE. Mr. President, I move the amendment which I send to the desk, and after the Senator from Washington shall have concluded his remarks I should like to speak briefly on it.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. LODGE] offers an amendment, which will be stated.

The LEGISLATIVE CLERK. On page 53, lines 24 and 25, it is proposed to strike out "in any State;"; on page 54, line 5, to strike out the comma and the words "in any State"; and on page 66, between lines 12 and 13, to insert the following new subsection:

(e) The United States Tariff Commission is authorized and directed (1) to compute for each foreign country the average annual volume of each class of goods which were produced, manufactured, mined, handled, or in any other manner worked on in such country and which were imported into the United States during the 5-year period immediately preceding the date of enactment of this act, and (2) to certify to the Secretary of the Treasury the computations so made. Thereafter no goods of any class shall be allowed to be imported into the United States from any foreign country during any calendar year in excess of the average annual volume of that class of goods so computed and certified by the Commission unless it is shown to the satisfaction of the Labor Standards Board that the labor standards in such country which are applicable to the class of goods to which such computation applies are at least equal to the labor standards under which like or similar goods of that class are produced in the United States. The Commission and the Secretary of the Treasury are authorized, respectively, to make such rules and regulations as may be necessary to carry out the provisions of this subsection, and the various agencies of the Government are authorized and directed to cooperate to the fullest practicable extent with the Commission and the Secretary of the Treasury in carrying out their functions under this subsection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. LODGE] to the amendment in the nature of a substitute reported by the committee.

Mr. SCHWELLENBACH. Mr. President——

Mr. LODGE. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. Mr. President, I wish to refer for a few moments to the concluding remarks of the Senator from North Dakota [Mr. NYE]. Last week and for many weeks prior to that time we were told, and the people of the country were told, that "the first step" toward the advance of fascism, nazi-ism, and communism was the securing of control of the courts. It was interesting to me to hear the Senator from North Dakota in concluding his remarks, just a week after we had had it dinned into our ears that it was the control of the courts that was going to bring us to nazi-ism or fascism or communism, suggest that it is the control of the labor unions that is "the first step" and to have quoted to us again, "It can happen here."

I do not know how other Members of the Senate feel about it, but, so far as I am concerned, I am very tired of listening to arguments, the most specious arguments that have ever been made in debate in the history of this country, to the effect that the things which the present administration was doing, the things which the administration was attempting to do for the great mass of the people of the country were "the first steps" toward nazi-ism and fascism and communism.

I asked the Senator from North Dakota to tell us what labor union in czaristic Russia was seized as "the first step" toward sovietism. There was not any labor union under czaristic Russia that could be seized, and there was absolutely no relationship between the control of the labor unions in czaristic Russia and the advent of communism.

Mr. NYE. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. NYE. First of all, I should like to say to the Senator that he will not find in my remarks made this afternoon anything resembling a charge that the present administration was fostering the nationalization of the labor forces, as he has just intimated. Certainly, it was not my purpose to make any such suggestion, if anything of the kind did creep into my remarks.

However, coming back to the czarist days and the revolution in Russia that came ultimately, the Senator will recall that the promise that appealed to the laborers was the promise that the factories would be for the laborers; the promise that appealed to the poor tenants on the farm, the peasants, was the land for the peasant. Whether they got it or not is quite aside from the question, but there was that appeal to the unity of a class of people that made a successful revolution.

Mr. SCHWELLENBACH. The reason for the success of communism in Russia was the futility of the effort of Kerensky to break down the situation and the system that had been built up through the centuries by the Czars.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. WALSH. I do not think the Senator from Washington is conscious of the fact that my colleague [Mr. LODGE] has the floor.

Mr. SCHWELLENBACH. I asked the junior Senator from Massachusetts to yield to me for a few moments.

Mr. LODGE. For 3 or 4 minutes. I do not think my main speech will occupy a much longer time than the Senator from Washington has already occupied.

Mr. SCHWELLENBACH. I appreciate the courtesy of the Senator from Massachusetts.

Mr. President, we hear much said about fascism in Italy, and many talk as if it was advanced step by step, as if there was some method of procedure. To hear such persons talk one would think that a system of government was developed upon the basis of a slide rule. The basis for the success of fascism in Italy was created during the time of the World War. The Italian people entered the war; they turned their backs upon a former alliance with Germany and Austria, and they entered into the World War on the side of the Allies in the hope that they were going to secure certain territory by so doing.

The seeds for the success of fascism were sown in the city of Paris in May 1918, when Edouard Benes prepared the paper organization of the little entente, which was set up under the guidance of the French Government. When President Wilson went over with his idea of self-determination of nations and Lloyd George and others decided to accept his idea by not giving Italy what it wanted, but to let the little entente have their self-determination of nations at the expense of secret promise to Italy, the Italian people realized that their war hopes and aspirations had been frustrated, that they could not succeed, that they had impoverished the country, and Mussolini came along offering them a hope for the solution of their problems.

Mark Sullivan, David Lawrence, Dorothy Thompson, and other newspaper writers talk about the gradual encroachment of fascism in Italy. Fascism came there because of the refusal of the Allies on the Treaty of Versailles to carry out the undisclosed agreement which the Allies had with Italy prior to the time the United States entered the war.

Mr. NYE. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. NYE. When the RECORD appears in the morning I want the Senator to read the concluding paragraph of a letter from William Green, president of the American Federation of Labor, which was submitted for publication in the RECORD this afternoon.

Mr. SCHWELLENBACH. When William Green sees these ghosts, I have the same sort of criticism of him.

Mr. President, in his reference to the dangers with which the country was confronted as a result of the activities of the National Labor Relations Board, and the possibility of the labor unions of the country becoming controlled, the Senator from North Dakota referred not merely to communism and fascism but also to nazi-ism. I think it might be well for the sake of the RECORD—just as I tried to put in certain statements for the sake of the RECORD in reference to the other two—to consider for a moment the reason why nazi-ism

succeeded in Germany. Certainly, it was not because of any gradual step-by-step encroachment such as these columnists apparently have led some of the Members of this body to believe.

As a result of the Treaty of Versailles, Germany had her colonies taken from her. She was surrounded on all sides by governments not only unfriendly but bitterly antagonistic. Her people had placed upon them, as a result of the war, an enormous debt. It was under those conditions that an effort was made to establish a democracy in Germany.

The conditions under which that republic or that democracy was established were absolutely impossible. It has always been my belief that there was only a very short period of time during the life of the German Republic in which the Republic had even a ghost of a chance. I have always felt that after Locarno, if Von Stresemann had lived and been able to develop throughout the world the confidence which he was able to establish among the representatives of other nations at Locarno there might have been a chance for the German Republic; but with the death of Von Stresemann, in my opinion, the chance of the Republic of Germany died.

Here was an ambitious people, a people that had developed themselves individually, so far as their abilities were concerned, probably to a greater height than any other people in the world. They found themselves bound and shackled by the Treaty of Versailles. They had no outlet for their goods. They had no colonies. They had a debt which bore down upon them and almost destroyed them; and the confidence of the German people was completely and totally destroyed.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. MINTON. Is it not true that the dictatorships of communism, fascism, and nazi-ism all grew out of a situation in which the people felt themselves oppressed, and that their government was utterly helpless and powerless to help them, and that they traded their civil liberties for what they thought was a social advance?

Mr. SCHWELLENBACH. Let me answer the Senator in this way:

During the past few months, as I have read these columns and as I have listened to some quotations on the floor of the Senate, perhaps not verbatim quotations but nevertheless quotations in substance from David Lawrence and Mark Sullivan and Frank Kent and Dorothy Thompson, I have been impressed with the fact that apparently these columnists do not know that there was a single day of recorded history prior to the day Mussolini made his march upon Rome. We never hear them talking about any republics that were destroyed prior to that time. We never hear them talking about any dictatorships which succeeded republics prior to that time. I should like respectfully to suggest to these columnists and to Members of this body who see fit to follow the preachings of these columns that they realize that there were several years of recorded history prior to that time. I should like to have them brush up on their Greek history for a little time, and see the reasons for the destruction of democracy there, and for the success of those who did succeed in destroying democratic institutions and democratic principles.

Throughout the ages, democracies have been destroyed because of the feeling of futility upon the part of the people who went to make up those democracies. So long as a people in a country living under a democracy have faith in their government and faith in the ability of that government to solve the problems with which they are confronted, just so long will that democracy remain. But if there is instilled in the hearts of a people a feeling that their government is futile to solve their problems, an opportunity is provided for a dictator to march down the main street on a black horse and take charge; and that is precisely what happened that Sunday night when Lenin and Trotsky rode on that train into the Russian capital and took charge. It was because of the feeling of futility of the Russian people, their lack of faith in Kerensky, their realization that the revolutionary government which they had established could not solve their problems.

I think the most dramatic incident in all history was that Sunday night when Lenin and Trotsky appeared and took charge. Why were they able to take charge? Because of the futility of the Kerensky semi-democratic government. Why was it possible for Mussolini to succeed in his march on Rome? Because of the feeling of futility upon the part of the Italian people. Why was it possible for Hitler to take charge in Germany? Because of the feeling of futility upon the part of the German people. Futility has ever been the nemesis of democracy. More abysmal ignorance has been displayed upon this question in the columns of the newspapers and magazines of this country during the past year than upon any other public question since I have been old enough to read.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. MINTON. Did the Senator ever see any red flags of communism carried in this country?

Mr. SCHWELLENBACH. I never have yet.

Mr. MINTON. The only time I ever saw one was in the Hoover administration, when people were starving to death by the thousands, and they felt in this country the frustration about which the Senator has been talking.

Mr. SCHWELLENBACH. Mr. President, I have the feeling that we came closer to fascism, nazi-ism, or communism during the last 6 months of the administration of Herbert Hoover than we had ever come toward a dictatorship in this country during the history of the Nation. As the Senator from Indiana has pointed out, it was because of the fact that the American people at that time had in their hearts and their minds the same feeling of fear, the same feeling of futility that led the peoples of these other nations to give up their liberties in order to get economic security.

Mr. President, down through the ages mankind has sought two goals. One of them has been political liberty. The other has been economic security. The difficulty confronting those who put forth the doctrine today that none of these things must be done because they may destroy our political liberties is an absolute lack of realization upon their part that the reason why men have sought political liberties, why they have sought the right of freedom of speech, why they have sought the right of freedom of religion, why they have sought the right of freedom of the press was not for the purpose of securing those rights in themselves. It does not do anybody any good merely to have the right to make a speech, or merely to have the right to read a free newspaper, or merely to have the right to go to a church of his own choice, if at home his family is starving to death. Every organized government results in the relinquishment of a certain amount of liberty. When the original patriarchal or matriarchal tribes were formed, the individuals who agreed to the formation of those tribes gave up some of their liberties.

They had to conform to certain rules and regulations. They were willing to give up their absolute freedom because of the fact that the tribe would protect them from some poacher over at the right, or in front, or in the rear of them. They did it for protection against their enemies, and they were willing to do it.

These people who now claim that we have been confronted with the danger of dictatorship, who apparently never read any history prior to the march of Mussolini on Rome, who fail to consider the history of democracies throughout the world, should realize that so long as the American people have faith in their Government, so long as this Government of ours is able to perform its obligation to its people, so long as this democracy of ours is able to function, we do not need to fear dictatorship; but if we turn it back to the administration of men of a political and economic philosophy like that of Herbert Hoover, then we will face the same difficulties and the same dangers we faced during the last 6 months of his administration.

It was interesting to me, Mr. President, after we went through the experience of a few weeks ago, when we were constantly told that the first step toward dictatorship was

control of the courts, to come here this afternoon and find now that the first step toward dictatorship is control of labor unions.

A step toward dictatorship which the American people never can permit to be taken is the failure of its Government to perform its obligations to the American people, to protect them in their rights, their privileges, and their liberties, but with the appreciation and understanding that the protection of those rights, privileges, and liberties is not an end in itself. The goal of economic security is and always has been the goal which mankind has sought.

Mr. LODGE. Mr. President, my remarks will take only a few minutes.

Mr. SCHWELLENBACH. I apologize to the Senator from Massachusetts for the interruption, and thank him for yielding to me generously, as he has.

Mr. LODGE. Mr. President, I have offered an amendment which attempts to protect American workers against competition of substandard goods made in foreign countries. My amendment provides that the average imports of all classes of goods for the past 5 years shall be determined, and then no imports above that amount shall be allowed into the United States unless such imports are manufactured under conditions equivalent to those set up in the bill. In other words, the amendment proposes the mildest and, I think, the most practical system I have yet seen advanced in the effort to afford protection against substandard foreign competition.

This is the thought, as I think was generally known, which was uppermost in the mind of the late Representative Connery, of Massachusetts, who was chairman of the House Committee on Labor and who had prepared an amendment to the same effect. It is advocated in a communication which I think every Senator has received today from America's Wage Earners' Protective Conference, and I ask to have inserted in the RECORD a copy of that letter as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICA'S WAGE EARNERS' PROTECTIVE CONFERENCE,
Washington, July 27, 1937.

Hon. HENRY CABOT LODGE, JR.,
United States Senate, Washington, D. C.

HONORABLE SIR: The following amendment to the Black wage and hour bill, S. 2475, is requested on behalf of the organized workers affiliated with the American Federation of Labor, the products of which workers compete in the American market with the products of workers in foreign countries, which foreign workers, in many cases, are employed under what may well be defined as substandard labor conditions, as defined in the pending wage and hour bill.

This amendment is supported also by the National Grange, the National Cooperative Council, National Cooperative Milk Producers' Federation, Farmers' Union Federations, represented by E. E. Kennedy, as well as other farm and labor groups.

Page 65: Substitute the following in place of section 8:

"SEC. 8. The Labor Standards Board shall notify the Secretary of the Treasury of those substandard labor conditions which have been defined as oppressive, and the Secretary of the Treasury is thereafter directed to refuse or deny entry to goods, wares, or merchandise produced under such substandard labor conditions, which goods, wares, or merchandise are comparable to or competitive with similar goods, wares, or merchandise produced in the United States under fair labor conditions as herein defined. In the event of any complaint or dispute arising as to whether such goods, wares, or merchandise seeking entry were produced under substandard labor conditions, as herein defined, the Labor Standards Board shall make a thorough investigation, and the decision of said board shall be conclusive, shall be in writing, and shall be a matter of public record and open to public inspection."

We do not believe that permitting the distribution of foreign-made goods, produced under substandard labor conditions, in the American market in competition with comparable or competitive American-made goods, produced under fair labor standards, will, in any way, enlarge the employment opportunities of American workers.

As illustrated herein, the protection suggested in section 8, as at present written, based on actual experience with similar so-called protection contained in the N. R. A., affords no protection at all, as shown below.

ANALYSIS OF TARIFF PROVISION OF WAGE AND HOUR BILL AS REPORTED TO THE SENATE

The wage and hour bill, as reported by the Senate Committee on Education and Labor, provides, in section 8, that the United States Tariff Commission, under one of five stipulations, shall investigate the differences resulting from the operation of the act in the costs of production of any domestic article and of any like or similar foreign article, with a view to determining whether or not an increase should be made in the duty upon such foreign article for the purpose of equalizing such differences. All provisions of law applicable with respect to investigations under section 336 of the Tariff Act of 1930, as amended, are to be applicable to investigations under this section.

That this provision is little more than an empty gesture follows from the long delays which have always been involved in the application of the flexible tariff provisions of the tariff law. Section 336 requires prolonged investigations of both foreign and domestic costs of production for comparative purposes. The time required for final action by the President, after the filing of a complaint, is usually well over a year. In most instance foreign costs are not available, and then foreign invoices must be consulted. The accuracy of foreign invoices as evidence of foreign cost is very questionable, especially in view of foreign-trade manipulation by various nations during the past few years, notably Germany, Russia, Italy, and Japan.

Therefore, to rely on section 336 of the tariff act for relief against foreign competition arising as the result of increased wages brought about by the wage and hour bill, is to rely on a most unsatisfactory remedy.

Under the National Industrial Recovery Act, section 3 (e) provided for tariff increases when an industry, because of higher costs arising from shorter hours and higher wages, was menaced by foreign competition. That section was administered by a special division set up under the N. R. A. for the purpose. From July 1933 to May 27, 1935, when the act was invalidated by the Supreme Court, 56 formal complaints and some 220 informal complaints were lodged with the division. The informal complaints were those (to quote from the official report of the division charged with the administration of sec. 3 (e)) "with respect to which the limited data available either indicated clearly that no basis for action existed, or were entirely insufficient to establish a prima-facie case for action." In other words, these complaints were not followed out but dismissed.

The formal complaints "were those with respect to which sufficient information was submitted or available to indicate existence of problems or competition which appeared to justify a preliminary investigation."

Of the 56 formal complaints only 6 received relief by executive action. The commodities covered by these cases were: (1) cotton oriental rugs, (2) cotton rugs, (3) matches, (4) wood-cased lead pencils, (5) red cedar shingles, and (6) rice. The number of employees in the industries involved in the investigations were: In cases one and two combined, 767; in case 3 (matches), 3,722 (but only 800 in the portion of the industry affected); in case 4 (pencils), 2,800 (but only 700 in the portion of the industry affected); in case 5 (cedar shingles), 3,900; in case 6 (rice), 1,636 (1,468 in the portion affected).

As for the total number of employees in the industries covered by the 56 formal complaints only 127,000 out of 549,000 were in that part of the industries affected by the investigation of foreign competition.

When the N. R. A. was invalidated, nearly 2 years after the division administering section 3 (e) was established, 30 of the 56 cases were still pending. Five were dismissed by the Tariff Commission after investigation; 7 were dismissed without investigation. Eight complaints were withdrawn by complainants after preliminary investigation. As already stated, executive relief was granted in only 6 of the cases, or 3 percent. Only 7,500 employees were covered by the portion of the industries affected.

In view of the results obtained, affecting fewer than one-tenth of 1 percent of those employed in industry, it is interesting to read from the division's report of March 1936: "That the import problem represented by the formal complaints under section 3 (e) affected practically every important branch of American industry is indicated by the fact that the complainant industries represented every major industrial group listed in the census of manufacturers. The problems were most serious in those groups, such as textiles and miscellaneous industries, where the bulk of the commodities necessitated a large amount of fabrication or processing."

This admission throws a revealing light on the relief actually given in the six cases where executive action was taken: Industries in which the number of affected employees numbered 7,500. Yet, the formal complaints covered industries representing "every major industrial group listed in the census of manufactures."

Inasmuch as section 3 (e) provided for special treatment of tariff complaints whereas the wage and hours bill would simply throw them into the Tariff Commission, a still more delaying and evasive program could be expected. For that reason, the inclusion of that provision in the bill, is merely an empty gesture.

Several foreign countries protect their workers against unfair foreign competition of the products from low-wage countries—products produced under substandard labor conditions—by requiring that duty be paid on the basis of what the imported goods are worth after landing in said countries, including all charges. Thus the United Kingdom—Great Britain—lays down the following requirement on all goods seeking a market in that country:

"The value of any imported goods for the purpose of the act shall be taken to be the price which an importer would give for the goods if the goods were to be delivered to him, freight and insurance paid, in bond, at the port of importation, and the duty shall be paid on that value as fixed by the commission."

Even Japan requires that duties be levied according to the value of the article on arrival at the time of importation.

Canada requires that the fair market value of imports shall in no case be lower than the selling price thereof to jobbers or wholesalers generally at the time of shipment direct to Canada.

Belgium requires that the value may be not less than the normal wholesale value of similar goods on the Belgian market at the time of importation, less the duty they pay on importation.

Austria has a similar clause in her tariff law. Australia makes the current domestic value of (imported) goods or the price actually paid for them (imported goods), whichever is higher.

In other words, these countries protect their markets and assure their workers opportunities of employment and eliminate unfair competition of goods produced under what they might term substandard labor conditions, by assessing customs duties on the domestic value of similar goods, or on the landed cost, including duties, whereas we accept foreign invoices as to the value of these foreign-produced goods.

We respectfully request your active support in securing the adoption of the amendment herein suggested to the wage and hour bill in the Senate.

Sincerely yours,

M. J. FLYNN, *Executive Secretary.*

Mr. LODGE. I have received a letter from John F. Gatelee, president of the Massachusetts State Federation of Labor, which reads as follows:

On behalf of organized labor in the Commonwealth of Massachusetts, I am writing to request that you use your influence and vote to have a provision included in the Black-Connery wage and hour bill that will effect the elimination of sweatshop products in interstate commerce, whether such products are produced in the United States or elsewhere. This pertains particularly to manufactured articles and the processing of materials by certain competing countries, which are able to land these foreign-made products on the shores of this country at a price less than the actual manufacturing cost to produce the same in the United States.

We believe a proper check of this ruinous substandard competition can be produced by a proper provision within the Black-Connery wage and hour bill.

Trusting for your cooperation in this matter and assuring you of our appreciation of your efforts, we are,

Sincerely and respectfully yours,

JOHN F. GATELEE,
President, Massachusetts State Federation of Labor.

I believe this is such a self-evident matter that it is not necessary for me to take the time of the Senate to give elaborate statistics and facts. Every State in the Union today has industries, and every State, therefore, knows the importance of having its industries protected against substandard competition from abroad.

The bill now before us, on page 50, defines interstate commerce as meaning "trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof." I do not quarrel with that language at all, but it is noteworthy that the way the bill now stands, substandard products made in Massachusetts may not be sold in Alabama, but substandard products made in Czechoslovakia or in Japan may be sold in Alabama or any other State.

We have read in newspapers about the situation; every now and then we read stories about little girls 14 or 15 years old working at night in the textile mills of Japan for a few cents an hour. The choice confronting us is perfectly obvious. Either we can reduce American wages to conform to such a level—and to that I am unalterably opposed, as I am sure every other Senator is—or else we can use the great power of the United States Government to enact a law which will stop that kind of thing. That is what I favor and that is what I am advocating in offering the amendment.

We cannot go in two different directions at once. At the present time through one agency of the Government attempts are being made to eliminate tariff barriers, and through other governmental activities attempts are being made, which I think are praiseworthy, to raise wages and raise the American standard of living. We cannot do both. We have to choose the path which we want America's destiny to follow. In my judgment, the amendment which I have offered is indispensable to the success of the bill and the achievement of the ends which the bill seeks to attain.

Mr. BORAH. Mr. President, I desire to offer for printing in the RECORD as a part of my remarks a letter written by the chairman of the Committee on Education and Labor, the senior Senator from Alabama [Mr. BLACK], on the bill now before us. The letter appeared in last Sunday's New York Times. I offer it for publication in the RECORD because of its thorough discussion of the bill. I disagree with some of the views expressed, but it is a most excellent presentation of the measure which is before the Senate at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times of July 25, 1937]

WIDE BENEFIT SEEN IN WAGE AND HOUR LEGISLATION—PENDING MEASURE IS VIEWED AS A MODEST BEGINNING OF A BROAD EFFORT TO INCREASE PRODUCTION AND OUR CAPACITY TO CONSUME THE PRODUCTS

The proposed Federal minimum wage and maximum hour legislation is frequently referred to as labor legislation. It is intended to, and I am confident that it will, benefit workers in industry. But it is intended to, and I am confident that it will, benefit not only the industrial workers but the whole of American industry and agriculture.

In years past the rapid natural growth of our population, the influx of immigrants, and the availability of new lands constantly opened new opportunities for employment and new and enlarged markets for the products of our farms and factories. But in more recent years the natural growth of our population has slackened, the flow of immigration has abated, the frontier of new lands has disappeared. These changed conditions have made it much more difficult than in times past for workers to find a market for their labor and much more difficult for industry and agriculture to find a market for their products. Tariff barriers and other complications have whittled away our foreign customers, making us more and more dependent on domestic trade.

TECHNOLOGY A FACTOR

These conditions have also been aggravated and accentuated by recent developments in technology which have led to the introduction of machines which enable 1 worker to do the work previously done by 10 and sometimes 100. Workers displaced by machines have found it increasingly difficult to find employment. Deprived of purchasing power, the unemployed are not able to buy the products of farm and factory which they need, and they have even become a serious charge upon the community.

With the frontier gone, with the population ceasing to expand, with millions unemployed, the markets for industry and agriculture can be stabilized and strengthened only if we find ways and means of utilizing the productivity of industry and agriculture to raise the standard of living of our existing population. As President Roosevelt has said, "We cannot achieve lasting prosperity or political stability in this country so long as one-third of our people earn less than a decent living and many millions are unable to find work in private industry and business." Having conquered and overcome our geographic frontiers, we must extend the frontiers of social progress. A higher standard of living for the average man and woman is certainly desirable for humanitarian reasons; it is necessary for the future of American agriculture and American industry.

THE SUBMERGED THIRD

When business is good for those whose incomes come within the upper income-tax brackets there are some who forget that one-third of our population is ill-nourished, ill-clad, and ill-housed. There are some who are even irked by being constantly reminded of these unpleasant facts. It is important, however, that we face the facts without flinching. Over 42 percent of our American families have an annual income of less than $1,500 a year. Actually more than one-fifth of the families in rich America are forced to eke out a bare existence on less than $1,000 a year.

The budgets for such families will allow them little else than an unbalanced diet of potatoes, bread, and pork. For such city families green vegetables and fresh fruit are luxuries rarely to be had and even an adequate supply of milk for their children is too costly to be obtained. The meager incomes of such families afford the head of the family only one new suit of clothes in 3 years and a new overcoat only once every 5 years. Their budget cannot stand more than $20 a month for rent. Only one out of three families in typical American cities can afford gas or electricity for cooking, and electric refrigeration and steam heat are luxuries which few can afford. As the bill reported out by the Senate Committee on Education and Agriculture recites, some adult workers are earning as little as $5 a week and some adult workers are obliged to work as long as 80 or more hours a week.

BUYING POWER LAGS

As President Roosevelt stated in his recent message to the Congress, recommending wage and hour legislation: "Today you and I are pledged to reduce the lag in the purchasing power of industrial workers and to stabilize the markets for the farmers' products. The two go hand in hand. Each depends for its effectiveness on the other. Both working simultaneously will open new outlets for productive capital. Our Nation, so richly endowed with natural resources and with a capable and industrious population, should be able to devise ways and means of insuring to all our able-bodied working men and women a fair day's pay for a fair day's work. A self-supporting and self-respecting democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages or stretching workers' hours."

The proposed wage and hour legislation is but a modest beginning of a much-needed effort to increase America's capacity to consume. Such increase means increased production.

The proposed legislation recognizes the practical necessities which make it impossible to prescribe for all goods which enter into interstate commerce any single minimum fair-wage standard or any single maximum workweek standard. We all know that it is impractical to ignore the difference and diversities among industries and localities. We all know that uniform national standards cannot suddenly be imposed upon many and diverse industries without causing industrial dislocations which might seriously curtail the earning power of the workers and their opportunities for employment.

REALISTIC LEGISLATION

The proposed legislation deals realistically with the tough realities of American industry. It states clearly and definitely the objectives to be achieved and the standards to be applied. But it leaves the application of these standards and the progressive realization of these objectives to an administrative board, because that is the only practically feasible way that such legislation can be enacted and administered. As Justice Cardozo has stated, "the industries of this country are too many and diverse to make it possible for Congress in respect to matters such as these to legislate directly with adequate appreciation of varying conditions" (*Schechter case*, 295 U. S. 495, 552).

The proposed bill contemplates that the different parts of the United States shall be recognized in the appointment of these members, so that the board shall be familiar with the industrial, commercial, and agricultural problems of all parts of the United States. The board is given a flexible power to fix minimum wages industry by industry, craft by craft, locality by locality, after separate investigations and hearings and according to certain directions or "standards" written in the bill. Those standards require, for instance, that in determining what shall be a minimum wage the board shall take into consideration the cost of living; the wages established for work of a like nature by collective labor agreement; the wages paid for work of a like character by employers who voluntarily pay a fair wage; and facts which would influence a court in determining a fair and reasonable value of services rendered. There are similar standards for the establishment of the basic workweek.

The proposed legislation is radically different from the old N. R. A. First, it applies only to interstate industries and those local industries which substantially and materially compete with interstate industries. It does not affect local service trades or local retail stores or agricultural workers.

Second, it deals with labor conditions only—it has nothing to do with fixing prices, with trade practices, with production controls, and with monopolies.

Third, all the wage and hour regulation is done by the Government labor board itself—not by private code authorities in the industry. Under the bill one group in an industry cannot gang up on the others or run up expenses on the others. The Government labor board must consult industry and be guided by the industrial facts, but a dominant group in private industry is given no right to write its own ticket.

SCOPE LIMITED

Fourth, as reported by the Senate Committee on Education and Labor, the jurisdiction of the bill has stopped short at the equivalent of an annual worker's income of $800. The jurisdiction of the bill as so reported also stops short when hours are reduced to 40 per week. But the bill makes it clear that the attainment of shorter hours and higher wages by individual or collective bargaining is not to be obstructed.

Fifth, the new labor board is instructed under the bill to put the new labor regulations into effect slowly enough so that industry will not be dislocated and men thrown out of work in the process and to put them into effect in such a way that they will help rather than supplant collective bargaining.

How many workers are affected? Evidence given at the hearings on the bill indicated that something over 3,000,000 people are getting less than 40 cents an hour, and these 3,000,000 would be directly affected by the bill. The evidence also indicated that at least 6,000,000 people are now working more than 40 hours a week in industries affected by the bill, and these 6,000,000 would stand to benefit directly from its provisions.

The net effect of this bill for labor as a whole will be incalculable. By shortening hours it will create new jobs in the unskilled categories for millions of our unskilled unemployed. By setting up better standards of wages in the interstate industries directly affected, it will indirectly create competition for labor which should affect wages in all industries where the labor is interchangeable between interstate and local industries. The Federal standards will also stimulate State legislation for local industry, and bring about better labor standards for all workers. And finally the bill will underpin the whole wage structure, by law, at a point from which collective bargaining can build more surely and which will be a bulwark against the collapse of higher wages in the event of a business recession.

BROADLY BENEFICIAL

With comparatively little direct administrative application to industry, therefore, the effect of the bill and of action by the board will have indirect repercussions all through the labor market to the great benefit of all workers now employed—to the great benefit of millions on relief who want private employment—to the great benefit of the purchasing power supporting industry and agriculture throughout the country on which the permanence of all employment depends—to the great benefit of the Budget and the taxpayers of the United States; to the greater benefit of the health, comfort, and happiness of overworked and underpaid employees.

There are some who loudly cry that reasonable working hours and fair wages will decrease production and result in an economy of scarcity. I deny this. If all our factories were running to capacity and if every able-bodied worker in the land were now working to produce as much as he could, and the goods produced were being distributed as rapidly and as equitably as possible, there might be some basis for this theory. But when for years many millions of our working population have been unemployed and their capacity to work and produce has been wasted, and even those lucky ones at work get wages too low to enable them to buy the things which they would like to have and which the unemployed could produce, there is obviously some catch in a theory that tells us higher wages and shorter hours will hurt our working population.

That theory ignores the two most important facts of our business life—the growing displacement of industrial workers by machines and the growing dependence of a cash-crop agricultural population upon the purchasing power of the industrial worker. We are suffering today not from a scarcity of goods, not from a scarcity of factories, not from a scarcity of labor, but a scarcity of purchasing power among the underpaid and unemployed for the products of farm and factory.

Specialization and subdivision of labor have enormously increased man's ability to produce. It is estimated that individual productivity—an individual's ability to produce if given the chance—has increased more than 70 percent in the last 25 years. Yet there has been no comparable increase in the standard of living of the average man. Not only has this great increase in productivity brought no economy of abundance to the average man, but it has thrown millions of workers out of work. And, what is even more disturbing, this great increase in productivity has been accompanied by a growing sense of insecurity among all our people, employers, workers, and farmers alike. Most Americans, who only a few short years ago prided themselves on their confidence, enterprise and optimism, now reluctantly confess a great fear for the future. All of us share insecurity if not poverty in the midst of plenty.

EAGER TO BUY

Our present economy of scarcity is not due, as I have pointed out, to a scarcity of goods, or a scarcity of labor, but to a scarcity of purchasing power among the farmers and the underpaid and the unemployed industrial workers. There are plenty of workers now unemployed willing and anxious to produce more goods from farm and factory. The difficulty is that there are not enough workers who have the money to purchase the things they need. The absence of purchasers able to buy American goods has brought us to a curiously unstable condition—with great prosperity at the top, millions of unemployed at the bottom, and a tax burden for the support of the purchasing power of those unemployed which can permanently threaten the Budget.

We have been gradually, but all too slowly, reducing hours and raising the real standard of living of our lowest-paid workers for years. But if we would keep pace with the changes which the improvement of machines is now making upon the balance of our economic system, upon the number of men who can find work in the city which permits them to buy the surplus on the farms, farmers' earnings, and workers' wages must be sufficient to enable them to buy the output of our economic system.

THE MATTER OF COST

There is no reason why the price of goods, commodities, and services should rise in a vicious circle merely because the poorest paid wage earner gets part of the benefit of a machine civilization in increased leisure and a fair return for his work. The wages of the lower-paid ranks of labor are becoming less and less important in the final cost of the machine-made product as compared with the return on the capital represented by the machine. Labor costs do not average more than 25 percent of the costs of the things we buy.

While no law proposes such a result if wages were doubled, the cost of living would not at most experience an average rise of more than 25 percent, and the workers with their wages doubled would be able to buy three-fourths as much again of the products of farms and factories as they are now able to buy. In fact, however, increased efficiency and greater mass production would partially offset the rising cost of labor. And it should be remembered that doubling the labor costs of those particular producers who are chiselers and undercutters would not by any manner of means double the labor costs of all producers.

ECONOMIC THEORIES

Economic theories are sound only when they work. In the last 4 years a small group, both powerful and noisy, has insisted that everything that worked was theoretically unsound. We are wisely beginning to trust our own common sense rather than the charts and tables of that group. That common sense tells us that unless we solve the practical and moral problem of unemployment—unless we find ways to create jobs in private industry for those now supported against their will out of the Public Treasury—

our economic problems will steadily grow worse for farmer, for city dweller, for laborer, and employer alike.

That common sense also tells us that in addition to improving the health and happiness of the worker, it will help create those jobs and supply necessary purchasing power, if we shorten unreasonably long hours and if we raise the income of the whole lower-income third of our industrial and farm population to an American standard of living. And the common sense of the farmer tells him that his interests, here as elsewhere, lie with the welfare of the farmer's best customer and natural economic ally—the workingman of the city.

Federal wage and hour regulation is not the complete answer to the unemployment problem, nor to the problem of keeping our economy in balance. But it is a part, and a large part, of the answer—and a part that we can no longer delay putting in operation.

HUGO L. BLACK.

WASHINGTON, D. C., *July 23, 1937.*

Mr. McNARY. Mr. President, I have no desire to hold the floor. I simply announce that when the discussion of the amendment offered by the able Senator from Massachusetts [Mr. LODGE] shall have been concluded, I desire a yea-and-nay vote on it.

Mr. BORAH. Mr. President, I understand that the amendment now pending and upon which we are about to vote is the amendment offered by the Senator from Massachusetts [Mr. LODGE].

The PRESIDING OFFICER. The Senator is correct.

Mr. BORAH. I am aware, of course, that the Senator from Massachusetts spoke on it, but I think it has not been debated by other Senators. It provides:

> The United States Tariff Commission is authorized and directed (1) to compute for each foreign country the average annual volume of each class of goods which were produced, manufactured, mined, handled, or in any other manner worked on in such country, and which were imported into the United States during the 5-year period immediately preceding the enactment of this act; and (2) to certify to the Secretary of the Treasury the computations so made. Thereafter no goods of any class shall be allowed to be imported into the United States from any foreign country during any calendar year in excess of the average annual volume of that class of goods so computed and certified by the Commission unless it is shown to the satisfaction of the Labor Standards Board that the labor standards in such countries which are applicable to the class of goods to which such computation applies are at least equal to the labor standards under which like or similar goods of that class are produced in the United States.

Is this amendment satisfactory to the chairman of the committee?

Mr. BLACK. It is not. I am very much against it.

Mr. BORAH. I was going to say that I do think there is a sound principle involved in it, but the question which occurs to me is how would it be possible for us to know that the law had been complied with in the other countries. Undoubtedly, as the able Senator from Massachusetts has said, we ought to have protection against substandard conditions in other countries; but with the duties already provided for the board, I doubt whether it could possibly ascertain that the law had been complied with in other countries. I wish it could be possible for us to know that the law had been complied with.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. LODGE. My thought in connection with the amendment was that before any imports were permitted to come into the United States the party responsible for the imports would certify to the board that the products had been manufactured under the conditions specified.

Mr. BORAH. That is precisely what I had in mind. I could mention countries whose certificate I would not regard as of any importance whatever.

Mr. LODGE. I can quite understand that point of view. I realize that a great deal of work would be required of members of the board, but if by any chance the amendment should be adopted, I believe we could provide the necessary personnel and the necessary facilities to insure that the policy would be carried into effect.

Mr. BLACK. Mr. President, each time a bill has been presented relating to wages and hours this very question has arisen. Of course, without any criticism of anyone who has ever offered such a proposal, it has always been true that on each occasion the Manufacturers' Association, which is always against every piece of progressive legislation of this type, has initiated movements of this kind, and backing them up have been Mr. Matthew Woll and an association with which he is connected.

It is known to all who are familiar with the history of the first effort to pass a working hours bill that the bill was defeated on account of a provision of this kind being tacked on in the House committee. There is a provision in the bill already which applies the regular tariff law and the flexible-tariff provision of the law to the operation of the economic system in this country. We now have a flexible-tariff provision which relates to all imports into this country. Under that flexible-tariff provision, upon a hearing before the Tariff Commission and a report by the Tariff Commission, the proper action can be taken by the President of the United States.

Mr. VANDENBERG. Mr. President, I understood the Senator to say that the flexible-tariff provision applied to all imports. Is it not true that it does not apply to a third of the imports, which are on the free list?

Mr. BLACK. It applies to those imports which are in such a substantial amount as to cause Congress to believe there should be any tariff at all, and I think every person who is familiar with the tariff and with the pressure that is put on the Members of Congress every time a tariff measure is brought up is well aware of the fact that there is nothing a person can use in life or that can be used after his death that has not already had a tariff put on it if the imports represent as much as one one-thousandth of 1 percent of the domestic production.

Mr. BORAH. And may I say that nobody undertakes to take the tariff off?

Mr. BLACK. The Senator is correct; the tariffs rarely are taken off. When they start, they keep going up.

Let me state what the proposed amendment would do. There may be some who desire to enact such a provision into law, though I cannot believe there are many. This amendment would say in effect, "We are going to stop any importations of goods into this country in excess of the average for the last 5 years." It would further say that none of those goods may come from any other country in the world unless that country adopts the minimum wage which we adopt and unless it adopts the maximum hours which we conclude fit this Nation.

We must remember it is a truism that a nation does not export unless it imports. Trade is not all on one side. It is a beautiful and wonderful theory to assume that we may export all we want to sell abroad and import nothing, but as a matter of fact the theory does not work out in practice. If we desire to put into effect an embargo which would prohibit the importation of any goods in the future, the proper thing to do would be to put an embargo on all goods coming into the United States. It amounts practically to an embargo when we attempt to enact legislation which says that no country in the world may ship any goods into the United States unless it works its labor under the identical wage standards that we do.

Mr. President, at the instance of the junior Senator from Louisiana [Mr. ELLENDER], who was very much interested in this particular subject, and who desired to see that no injustice should be done to the people of the United States in connection with imports or exports, the committee adopted the amendment which he offered.

That amendment applies the provisions of the flexible-tariff law. I note that a substitute for that particular amendment has been offered by the senior Senator from North Carolina [Mr. BAILEY]. His amendment, however, apparently is based, as I read it hurriedly, upon the same principle as the regulation which is proposed in the bill.

The amendment offered by the Senator from Massachusetts [Mr. LODGE], however, departs completely from the time-honored method of attempting to provide protection; and, instead of considering the amount imported from year to year and all the other elements which are provided in the

flexible-tariff provision, it freezes imports at the average of importations for the past 5 years. Are we ready to legislate now in such a way as to make it against the law to import into this country any more goods of a certain type than the average of our importations for the past 5 years? If so, why not go the full length and make it against the law to export any automobiles? Why not make it against the law to export any cotton? Why not make it against the law to export any wheat? Why stop with any one thing?

I say it would be just as reasonable to attempt to stop importations of all types, or to freeze them on the basis of what they have been for the past 5 years, as it would be to attempt to freeze exports.

Mr. President, this is a very vital question in connection with this bill. The committee, desiring to take such action as would assure that no injustice should be done to American industry by the bill, if it should be enacted, and realizing that it only touches the lowest-paid labor so far as wages are concerned, adopted the suggestion of the junior Senator from Louisiana, and provided what I believe to be a fair amendment to the flexible-tariff law. In other words, after the enactment of this bill, upon a request made to the Tariff Commission, in accordance with the conditions that have previously existed and under some additional contingencies, the Tariff Commission is to hold a hearing. It is to take into consideration not merely all imports for the past 5 years, but all the elements that enter and should enter into consideration as to whether or not there should be any further tariff upon imports.

Are we to place ourselves in a situation where the law absolutely freezes the status quo in an industry, irrespective of the fact that it might be shown to be wholly and completely controlled by monopoly, irrespective of the fact that a very small percentage of the product involved might be imported into this country?

Mr. President, I sincerely hope the Senate will not vote to hang onto this measure a tariff provision which goes far beyond anything that has ever been suggested, and which in practical effect amounts to an embargo, a freezing of the status quo with reference to imports; a freezing, if we follow it to its logical conclusion, of the trade that we have with the other countries of the world.

I trust that the Senate will permit to remain in the bill the amendment which has already been placed in it at the suggestion of the junior Senator from Louisiana, who was on the alert from the very beginning with reference to this particular point and that the pending amendment may be rejected.

Mr. LODGE. Mr. President, I think the distinguished Senator from Alabama was not in the Chamber when I began my remarks. I made it clear at that time that I was offering the amendment at the instance of the Massachusetts State Federation of Labor.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. BLACK. I may state that I received one letter from a labor organization in Alabama making the same request. I wrote them and asked them who had urged them to make the request. I told them of experiences we had previously had in being urged to accept such amendments. It was found that the suggestion had been made to the labor organization by an organization in Washington, of which Mr. Matthew Woll is a member. I make no criticism of Mr. Matthew Woll, but we all know that in each instance where tariff bills have been considered he has been the sponsor of the very high tariff measures, including the Smoot-Hawley-Grundy tariff bill, as I recall.

Mr. LODGE. I thank the Senator for that information; but my experience with the State federation of labor in Massachusetts has convinced me that they can do their own thinking, and they always have. I also understand that an amendment which is much more drastic than mine is contained in the House bill, and that the late Representative Connery, whose constituent I was for many years, had an amendment in the House counterpart of this bill which would have stopped all imports. So that is why I said my amendment was mild.

The Senator says the amendment would freeze imports. It would freeze imports, because it seemed to me it would be better to freeze them at the 5-year average than to destroy them.

I also should like to call the attention of the Senate to the fact that the tariff provision now contained in this bill, to my mind, does not give definite protection. It provides that the Tariff Commission shall investigate the differences with a view to determining whether or not an increase of the tariff should be made. Of course, it is self-evident that if we are to have foreign trade, if we are to export, we must import. I would be the last person to deny that such is the fact. That is why the amendment protects our import trade to the extent that it does. But is it not equally self-evident that if we raise the cost of living and raise prices and raise standards, which we are in favor of doing, and do not protect ourselves against substandard foreign competition, we shall destroy our own standards?

That is the issue I should like to leave with the Senate.

Mr. McNARY. Mr. President, I stated a few moments ago that I desired a yea-and-nay vote on the amendment proposed by the Senator from Massachusetts [Mr. LODGE] to the amendment of the committee.

I wish to invite the attention of the Senator from Alabama [Mr. BLACK] to the recommendation of the National Grange, the national cooperative organizations, and several kindred farm organizations, with reference to the amendment offered by the Senator from Massachusetts. I have a letter which I received during the middle of the afternoon from these organizations commending, not the amendment by name, but language similar to the amendment proposed by the Senator from Massachusetts. So we certainly have the backing of the farmers of the country as well as many of the labor organizations.

Mr. President, upon the amendment of the Senator from Massachusetts to the amendment of the committee, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BLACK. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	King	Pope
Andrews	Connally	La Follette	Radcliffe
Austin	Davis	Lee	Schwartz
Bailey	Dieterich	Lodge	Schwellenbach
Barkley	Donahey	Lonergan	Sheppard
Berry	Ellender	Lundeen	Shipstead
Bilbo	Frazier	McCarran	Smathers
Black	George	McGill	Smith
Bone	Gerry	McKellar	Steiwer
Borah	Gillette	McNary	Thomas, Okla.
Bridges	Green	Maloney	Thomas, Utah
Brown, N. H.	Guffey	Minton	Townsend
Bulkley	Hale	Moore	Truman
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Hughes	Overton	White
Caraway	Johnson, Calif.	Pepper	
Chavez	Johnson, Colo.	Pittman	

The VICE PRESIDENT. Seventy-eight Senators having answered to their names, a quorum is present. The yeas and nays have been ordered on the amendment of the Senator from Massachusetts [Mr. LODGE] to the amendment of the committee.

Mr. McNARY. Mr. President, I appreciate that was the order made just before the absence of a quorum was suggested, but at this time I suggest, before the yeas and nays are called, that the amendment be reported from the desk.

The VICE PRESIDENT. The clerk will again report the amendment of the Senator from Massachusetts to the amendment of the committee.

The CHIEF CLERK. In the amendment of the committee it is proposed, on page 53, lines 24 and 25, to strike out "in any

State;"; on page 54, line 5, to strike out the comma and the words "in any State"; and on page 66, between lines 12 and 13, to insert the following new subsection:

(e) The United States Tariff Commission is authorized and directed (1) to compute for each foreign country the average annual volume of each class of goods which were produced, manufactured, mined, handled, or in any other manner worked on in such country, and which were imported into the United States during the 5-year period immediately preceding the date of enactment of this act, and (2) to certify to the Secretary of the Treasury the computations so made. Thereafter no goods of any class shall be allowed to be imported into the United States from any foreign country during any calendar year in excess of the average annual volume of that class of goods so computed and certified by the Commission unless it is shown to the satisfaction of the Labor Standards Board that the labor standards in such country which are applicable to the class of goods to which such computation applies are at least equal to the labor standards under which like or similar goods of that class are produced in the United States. The Commission and the Secretary of the Treasury are authorized, respectively, to make such rules and regulations as may be necessary to carry out the provisions of this subsection, and the various agencies of the Government are authorized and directed to cooperate to the fullest practicable extent with the Commission and the Secretary of the Treasury in carrying out their functions under this subsection.

Mr. BONE. Mr. President, I wonder if the Senator from Massachusetts would agree to an amendment to his amendment that not only would include foreign countries but would include the Philippine Islands, Hawaii, and Puerto Rico; for if there is any section of the globe where subnormal labor standards exist, it is under the American flag in our island possessions. I know no more reason why Americans should be protected from other forms of foreign labor than why they should be protected from that which exists under the American flag. Let us make either fish or flesh of this thing.

I have had the most bitter protests from my State against importations from the Philippine Islands. At the same time business interests and some farmers have assured me that trade with the Philippine Islands was the very breath of life for the Northwest. I do not believe in making fish of one thing and fowl of another. We have island possessions out in the Pacific where the lowest type of labor is employed at wages which in this country would be regarded as a disgrace. If the Senator from Massachusetts wants to protect American labor from the competition of cheap labor, then I think the Senator ought to be willing to have the bill amended to exclude competition that comes from labor which now operates under the American flag at starvation wages.

Again, let it be said that if we are to abolish foreign trade, if we are to do anything to injure it, let us be honest with ourselves and repeal the American Merchant Marine Act of 1936. Congress is about to vote millions and millions and millions of dollars to build ships almost as a gift for Americans to haul foreign trade. Of what avail is it to build those ships and sweat Americans in taxation to build them, only to do here something which negatives the very doing of that thing; that is to say, giving this money to American ship operators?

I wonder if the Senator will bring these subnormal workers under the American flag within the scope of his amendment.

Mr. LODGE. Mr. President, I shall be very glad to see the labor standards provided in this measure extended to all persons under the flag.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. LODGE] to the amendment, in the nature of a substitute, reported by the committee. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAILEY (when his name was called). I have a general pair with the junior Senator from New York [Mr. WAGNER]. I do not know how he would vote on this question if he were present. Therefore I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am informed, however, that if he were present he would vote as I intend to vote. I therefore feel at liberty to vote, and vote "nay."

The roll call was concluded.

Mr. DAVIS (after having voted in the affirmative). Has the junior Senator from Kentucky [Mr. LOGAN] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. DAVIS. I have a general pair with the junior Senator from Kentucky. I understand that if he were present he would vote "nay." I, therefore, withdraw my vote.

Mr. MINTON. I announce that the Senators from New York [Mr. COPELAND and Mr. WAGNER] are absent on their way to attend the funeral of an intimate friend, the late Mr. James J. Dooling.

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are members of the committee to attend the dedication of the battle monuments in France and are therefore necessarily detained.

The Senator from Arizona [Mr. ASHURST], the Senator from Michigan [Mr. BROWN], the Senator from Virginia [Mr. GLASS], the Senator from Iowa [Mr. HERRING], the Senator from Illinois [Mr. LEWIS], the Senator from Kentucky [Mr. LOGAN], the Senator from California [Mr. McADOO], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Maryland [Mr. TYDINGS] are absent on important public business.

Mr. AUSTIN. I announce the general pair of the Senator from Vermont [Mr. GIBSON] with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 19, nays, 57, as follows:

YEAS—19

Austin	Hale	Lundeen	Townsend
Bridges	Holt	McNary	Vandenberg
Burke	Johnson, Calif.	Maloney	Walsh
Capper	Johnson, Colo.	Nye	White
Frazier	Lodge	Steiwer	

NAYS—57

Adams	Clark	La Follette	Radcliffe
Andrews	Connally	Lee	Schwartz
Barkley	Dieterich	Lonergan	Schwellenbach
Berry	Donahey	McCarran	Sheppard
Bilbo	Ellender	McGill	Shipstead
Black	George	McKellar	Smathers
Bone	Gerry	Minton	Smith
Borah	Gillette	Moore	Thomas, Okla.
Brown, N. H.	Green	Murray	Thomas, Utah
Bulkley	Guffey	Neely	Truman
Bulow	Harrison	O'Mahoney	Van Nuys
Byrd	Hatch	Overton	Wheeler
Byrnes	Hitchcock	Pepper	
Caraway	Hughes	Pittman	
Chavez	King	Pope	

NOT VOTING—19

Ashurst	Davis	Herring	Reynolds
Bailey	Duffy	Lewis	Russell
Bankhead	Gibson	Logan	Tydings
Brown, Mich.	Glass	McAdoo	Wagner
Copeland	Hayden	Norris	

So Mr. LODGE's amendment to the amendment in the nature of a substitute reported by the committee was rejected.

Mr. HARRISON. Mr. President, I offer an amendment so that it may be pending.

Mr. McNARY. Mr. President, I desire to reoffer my amendment in modified form.

Mr. HARRISON. If the Senator from Oregon desires to offer his amendment now, I will withdraw mine.

Mr. McNARY. Yesterday I offered an amendment covering fresh vegetables and fruits. I withdrew it so that the Senator from Massachusetts [Mr. LODGE] might offer his amendment. Now I should like to offer my amendment in modified form.

The VICE PRESIDENT. The Chair will state to the Senator from Oregon that the Senator from Mississippi told the Chair he desired to offer his amendment so that it might be printed and lie on the table.

Mr. HARRISON. I withdraw my amendment.

The VICE PRESIDENT. The amendment of the Senator from Mississippi will be printed and lie on the table subject to his call. The Chair understands that the Senator from

Oregon now desires that the Senate consider his amendment.

Mr. McNARY. I offer it. I suppose it will not be considered until tomorrow, when the Senate reconvenes at 11 o'clock a. m.

The VICE PRESIDENT. Does the Senator from Oregon desire to have the amendment pending?

Mr. McNARY. Yes.

The VICE PRESIDENT. The Senator's amendment will be pending.

Mr. McNARY's amendment was, in the committee amendment, on page 60, line 20, before the period, to insert a colon and the following:

Provided further, That the provisions of this subsection shall not be applicable with respect to any person employed in connection with the canning or other packing or packaging of fish, sea foods, sponges, fruits, maple sugar, or vegetables when the services of such person are of a seasonal nature and do not extend over total periods of more than 6 months in any one year.

Mr. CONNALLY. Mr. President, I present an amendment for printing. I do not desire to offer it at this time; but I ask unanimous consent that it may be printed in the RECORD, and I should like to have it read from the desk for information.

The VICE PRESIDENT. The Chair understands that the Senator from Texas desires unanimous consent that his amendment be read for the information of the Senate.

Mr. CONNALLY. That is correct.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the amendment will be read for the information of the Senate.

The CHIEF CLERK. In the committee amendment, on page 66, it is proposed to strike out lines 18, 19, and 20 and in lieu thereof to insert the following:

(2) Shall be published in the Federal Register and shall not take effect until the Congress has been in session at least 60 calendar days after the date of such publication.

The VICE PRESIDENT. The amendment of the Senator from Texas will be printed and lie on the table. The amendment now before the Senate is the one offered by the Senator from Oregon [Mr. McNARY].

Mr. MURRAY. Mr. President, I send to the desk an amendment to be proposed to the pending bill, which I ask to have printed and lie on the table.

The VICE PRESIDENT. Without objection, the amendment will be printed and lie on the table.

Mr. WALSH. Mr. President, I ask to have printed in the RECORD, in connection with the debate on the pending bill, an analysis of the bill paragraph by paragraph, prepared by the Department of Labor, which I think will be helpful.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ANALYSIS OF S. 2475 (REPT. NO. 884, 75TH CONG., 1ST SESS.), KNOWN AS THE FAIR LABOR STANDARDS ACT OF 1937

S. 2475 was introduced in the Senate by Senator BLACK and referred to the Committee on Education and Labor. The committee held joint public hearings with the House Committee on Labor upon the original bill, and then reported an amended bill. The present analysis is of that amended bill. It is composed of 5 parts and 25 sections. For the sake of convenience it is analyzed by part and section.

PART I. LEGISLATIVE DECLARATION; DEFINITIONS; LABOR STANDARDS BOARD

Legislative declaration

Section 1, the legislative declaration, points out that the employment of workers under substandard labor conditions in occupations in and directly affecting interstate commerce is detrimental to such commerce and the workers therein, and that the correction of this unhealthy condition requires that Congress should both prohibit the shipment in interstate commerce of goods produced under substandard labor conditions and provide for the elimination of such conditions.

Definitions

Section 2 defines various terms used in the bill. The most important committee amendments are as follows:

"Employee" is defined to include all employees with the exception of any person employed in a bona-fide executive, administrative, professional, or local retailing capacity, or as a seaman, fisherman, or railroad employee subject to the Hours of Service Act, or any person employed in agriculture, including poultry or dairying.

"Oppressive child labor" means the employment of a person under 16 in any occupation, or the employment of a person between 16 and 18 in an industry which the Chief of the Children's Bureau declares to be hazardous or detrimental to the well-being of the employee, unless the employer is a parent of the employee.

The definition further provides that there is no oppressive child labor if the employer has a certificate from the Chief of the Children's Bureau that the employee is above the oppressive child-labor age, or if the Chief of the Children's Bureau declares that the employment of certain persons under 16 shall not constitute oppressive child labor because he has found that such employment does not interfere with their schooling or well-being.

"Substandard labor condition" means a condition of employment under which (a) an oppressive workweek exists; (b) an oppressive wage is paid; or (c) oppressive child labor exists.

(This is a significant change from the earlier bill, inasmuch as the double standards of the old bill, i. e., the nonoppressive wage and minimum fair wage and the nonoppressive workweek and a maximum reasonable workweek have been merged into a single wage and hour standard, namely, a minimum wage and a maximum workweek. The other substandard labor conditions mentioned in the prior bill, namely, such oppressive labor practices as strike breaking and utilization of labor spies, have been stricken from the substitute.)

Labor Standards Board

Section 3 creates a Labor Standards Board, composed of five members, to be appointed by the President, with the consent of the Senate, for staggered terms of 5 years each, at $10,000 per year.

Subsection (d) of this section broadens the number of employees exempt from civil service so that they now include an executive secretary, attorneys, examiners, regional director, accountants, special consultant, and experts. Other employees are to be appointed subject to the civil-service laws.

PART II—ESTABLISHMENT OF FAIR LABOR STANDARDS

Minimum-wage and maximum-hour standards

Section 4 is a substitute section, and authorizes the board to fix minimum wages and maximum hours. It takes the place of the former controversial section 4 (nonoppressive standards) and section 5 (fair labor standards) of the bill. The most striking feature of this section is the limitation of the board's jurisdiction to wages not in excess of 40 cents an hour or of hours below 40 in 1 week. It contains an expression of policy encouraging higher wages by collective bargaining (but not, it appears, giving them the force of law) and of discouraging abrupt changes which might dislocate American industry.

Section 4 (b) provides that in fixing the minimum wages the board must find that such action will not curtail opportunity for employment and that the wage will be as nearly adequate as economically feasible to maintain a minimum standard of living necessary for general well-being. However, the board cannot fix a minimum wage in excess of 40 cents an hour. In declaring minimum wages the board is to consider (1) the cost of living; (2) facts relevant in a court in a suit for value of services rendered; (3) the wages established for comparable work by collective agreement; and (4) the wages paid for comparable work by employers maintaining minimum standards.

Section 4 (c) provides that in fixing a maximum workweek the board must find that such action will not curtail earning power and that the workweek will be as nearly adequate as economically feasible to maintain health, efficiency, and general well-being. However, the board cannot fix a maximum workweek of less than 40 hours per week. In declaring a maximum workweek the board is to consider (1) the relations of the work to the well-being of the employees; (2) the number of persons available for employment in the industry; (3) the hours of employment established for comparable work by collective agreement; and (4) the hours of employment in comparable work established by employers maintaining a maximum standard.

Collective-bargaining agreements protected

Section 5 saves the rights of employees to bargain collectively and dispels any doubt as to the legality of wages or hours so obtained which are more advantageous to the employees than the standards fixed under the act.

Exemptions from labor standards with respect to wages and hours

Section 6 (a) allows an employer to maintain an oppressive workweek if he pays his employees time and a half for overtime, unless the board determines that such employment is substandard in order to prevent a circumvention of the act.

Section 6 (b) authorizes the board to declare exemptions for (1) apprentices and learners; (2) those of impaired capacity due to age or physical or mental deficiency or injury; (3) deductions for food, lodging, or other facilities necessarily furnished by the employers; (4) overtime in case of peak activities or emergency works; and (5) other cases or classes justifying special treatment.

PART III.—UNFAIR GOODS BARRED FROM INTERSTATE COMMERCE AND INTERSTATE COMMERCE PROTECTED FROM THE EFFECT OF SUBSTANDARD LABOR CONDITIONS

Prohibits shipments and employment conditions in interstate commerce and production for interstate commerce

Section 7 makes it unlawful to sell or ship in interstate commerce any unfair goods, or to employ under any substandard labor conditions employees engaged in interstate commerce or in the production of goods for sale or shipment in interstate commerce.

Protection of interstate commerce from effect of substandard labor conditions

Section 8 (a) authorizes the Board to eliminate substandard labor conditions existing in the production of goods not sold in interstate commerce which compete with goods produced under fair labor standards, which are sold or shipped in interstate commerce.

Section 8 (b) makes it unlawful to employ any employee in violation of an order under this section.

Section 8 (c) authorizes the United States Tariff Commission to investigate the differences resulting from the operation of this act in the costs of production of any domestic article and of any similar foreign article, with a view to determining whether an increase in duty on the foreign article should be made.

(It will be noticed that the constitutional basis for these provisions rests upon the theory that the Government can regulate the labor conditions in the factories using the channels of interstate commerce. The other titles of the original bill which have such alternative bases as the prison-made-goods theory, the unfair-trade-practice theory, the fluctuation-of-price theory, and the labor-disputes theory have been discarded.)

PART IV. GENERAL ADMINISTRATIVE PROVISIONS

Labor standard orders

Section 9 requires that a labor-standard order be made only after a hearing and that it define the occupation, place, class, craft, or industrial unit to which it relates.

It provides that an order may classify employers, employees, and employments according to locality, population, number of employees, nature and volume of goods, or other circumstances, but declares a policy to avoid excessive classification.

A labor-standard order may contain such conditions as are necessary to prevent the circumvention of the act, or the minimum wage from becoming the maximum wage.

Hearings

Section 10 provides that the hearings to be held before any order can be made shall be public and held only after notice.

Advisory committees on fair labor standards with respect to wages and hours

Section 11 directs the board to appoint an advisory committee of employer, employee, and public representatives to report to it on value of service and hours of employment in an industry before establishing a minimum wage or maximum workweek. However, the board is not bound by the report.

Investigations—testimony

Section 12 (a) authorizes the board to investigate to determine whether there has been, or is about to be, a violation of the act or any labor-standard order.

Section 12 (b) authorizes any member of the board to administer oaths, subpena witnesses, and require the production of books in pursuance of its investigatory powers.

Section 12 (c) authorizes the board to invoke the aid of the courts to compel testimony.

Enforcement

Section 13 authorizes the board to institute suits in the courts, enjoin violations of the act or a labor-standard order.

Records; labels

Section 14 (a) requires employers to keep records of employment, wages, and hours.

Section 14 (b) authorizes the board to require that goods be labeled.

Section 14 (c) authorizes the board to issue certificates of compliance to employers.

Powers of the Secretary of Labor and of the Children's Bureau

Section 15 directs the board to utilize the Department of Labor for all investigations and inspections under section 12 (a), and gives the Secretary of Labor the powers enumerated thereunder to conduct such investigations.

Section 15 (b) directs the board to utilize the Chief of the Children's Bureau for investigations under section 12 with respect to the employment of minors, and to bring actions under section 13 to enjoin oppressive child labor.

(This section might also be strengthened by consideration of the amendment submitted by the Secretary which provides that all the procedural powers related to investigations contained in section 12 should be conferred upon the Department in the performance of the duties imposed by this section, and that the Secretary should also have authority to issue regulations relating to officers and employees of the Department, including the Children's Bureau, in the performance of work pertaining to this portion of the act.)

Section 16 authorizes the board to issue appropriate regulations and orders.

Validity of contracts

Section 17 makes any contract in violation of this act void, and any contracts to waive compliance with this act void.

Reparation; release of goods

Section 18 (a) provides that employees employed under substandard labor conditions are entitled to receive as reparation the amounts that they should have received less the amounts actually received.

Section 18 (b) gives the employee the right to recover such reparation in a civil action, together with costs and a reasonable attorney's fee. Such action must be brought by the employee or by the board for the employee.

Section 18 (c) authorizes the board to exempt goods from the prohibition against interstate shipment, if the owners had no reason to believe that substandard labor conditions existed in the production of those goods, or such exemption is necessary to prevent undue hardship and is not detrimental to the public interest. However, such exemption cannot be granted unless provision is made for the payment of the reparation due to the employees producing the goods.

Relation to other laws

Section 19 provides that no provision of this act, or order of the board shall justify noncompliance with any other Federal or State law or ordinance imposing more onerous standards.

(This section contains an important proviso which was adopted by the committee at the suggestion of the Secretary of Labor which modifies this sentence by providing that any contractor who was subject to this act and who has a Government contract in excess of $2,000 is also subject to the Walsh-Healey Act, except that to the extent that the standards required under the Walsh-Healey Act differ from the wages, hours, and child-labor standards required by the bill, that the standards under this bill shall govern.)

Common carriers not liable

Section 20 provides that the act shall not impose any liability upon a common carrier for the transportation of goods which it did not produce.

Court review of orders

Section 21 (a) makes the orders of the board reviewable in the circuit courts of the United States on questions of law.

Section 21 (b) provides that the commencement of proceedings under subsection (a) shall not operate as a stay of the board's order. The court may grant such a stay if the complainant files an undertaking for the payment to the employees of the reparations which might be due to them under section 18.

Jurisdiction of offenses and suits

Section 22 confers jurisdiction on the district courts over any civil or criminal proceedings arising from violations of the act or the orders of the board.

Penalties

Section 23 makes any willful violation of the act a misdemeanor, and provides a fine of $500 or imprisonment for 6 months, or both for such violation.

Section 23 (e) prohibits the shipment in interstate commerce of goods produced in an establishment in the United States in which, within 30 days prior to removal of such goods, any oppressive child labor has been employed.

Separability

Section 24 is a separability clause.

Effective date of act

Section 25 provides that the act shall take effect immediately, except that no provision requiring the maintenance of any fair-labor standard or giving effect to any substandard condition is effective until 120 days after the enactment of this act. No labor standard order is effective until that date.

Mr. BRIDGES. Mr. President, I offer an amendment to the pending wage and hour bill, and ask to have it printed and lie on the table.

The VICE PRESIDENT. Without objection, the proposed amendment will be printed and lie on the table.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed, without amendment, the bill (S. 2416) relating to citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2193. An act to authorize the construction of certain auxiliary vessels for the Navy;

H. R. 6906. An act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording;

H. R. 6958. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes; and

H. R. 7564. An act to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

DRAFT CONVENTIONS OF INTERNATIONAL LABOR CONFERENCE

Mr. PITTMAN. From the Committee on Foreign Relations, I present a communication from the President of the United States, enclosing draft conventions and recommendations adopted at the twentieth session of the International Labor Conference held at Geneva in June 1936, and ask that the communication, together with the English text of the accompanying papers, be printed as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nomination of First Lt. Russell Lloyd to be a captain in the Marine Corps from the 1st day of July 1937; and also the nominations of several citizens to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July 1937.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. HARRISON, from the Committee on Finance, reported favorably the nominations of Drs. Leon S. Saler and Richard H. Smith to be assistant surgeons in the United States Public Health Service, to take effect from date of oath.

He also, from the same committee, reported favorably the nominations of Assistant Dental Surgeons Ralph S. Lloyd, John W. Knutson, William P. Kroschel, and George E. Jones to be passed assistant dental surgeons in the United States Public Health Service, to rank as such from July 2, 1937.

He also, from the same committee, reported favorably the nomination of Clement L. West, of Omaha, Nebr., to be collector of customs for customs collection district no. 46, with headquarters at Omaha, Nebr. (reappointment).

Mr. CONNALLY, from the Committee on Finance, reported favorably the nomination of Fred C. Pabst, of Galveston, Tex., to be collector of customs for customs collection district no. 22, with headquarters at Galveston, Tex. (reappointment).

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will read the nominations on the Executive Calendar.

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

The legislative clerk read the nomination of George A. Gordon, of New York, to be Envoy Extraordinary and Minister Plenipotentiary to the Netherlands.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Leo J. Keena, of Michigan, to be Envoy Extraordinary and Minister Plenipotentiary to the Union of South Africa.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John D. Erwin, of Tennessee, to be Envoy Extraordinary and Minister Plenipotentiary to Honduras.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Franklin Mott Gunther, of Florida, to be Envoy Extraordinary and Minister Plenipotentiary to Rumania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. McKELLAR. Mr. President, I ask that the President be notified of the confirmation of the nomination of John D. Erwin, of Tennessee.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Clinton E. MacEachran, of Massachusetts, to be consul general.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Horatio Mooers, of Maine, to be secretary in the Diplomatic Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John H. Morgan, of Massachusetts, to be secretary in the Diplomatic Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Carl A. Fisher, of Utah, to be consul.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George T. Summerlin, of Louisiana, to be Foreign Service officer of class 1, a consul general, and a secretary.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. PITTMAN. I ask that the President be notified of the confirmation of the nomination of George T. Summerlin, of Louisiana, to be Foreign Service officer.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified.

SOCIAL SECURITY BOARD

The legislative clerk proceeded to read sundry nominations under the Social Security Board.

Mr. BARKLEY. Mr. President, I desire to submit a request for unanimous consent.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. The Senator from Tennessee.

Mr. MINTON. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Indiana?

Mr. McKELLAR. I yield.

Mr. MINTON. I desire to object to the request the Senator from Kentucky is about to make.

Mr. McKELLAR. The Senator from Kentucky has not made a request.

Mr. BARKLEY. I have no intention of making it if it is to be objected to.

Mr. McKELLAR. So far as the appointments under the Social Security Board are concerned, many Senators are interested in these appointments, and I think each appointment on the list has been recommended by the two Senators from the State from which the appointee comes. But in order that there may be no doubt about the appointments, I ask that they be taken up severally, rather than en bloc.

Mr. BARKLEY. Mr. President, in view of that request and the lateness of the hour, I ask that the nominations go over.

The VICE PRESIDENT. Is there objection to the nominations under the Social Security Board going over until the next executive session? The Chair hears none, and it is so ordered.

POSTMASTERS

The legislative clerk read the nomination of Ella M. Perot to be postmaster at Campti, La., which had been reported adversely by the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

The nomination was rejected.

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters favorably reported be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations for promotions and appointments in the Marine Corps.

Mr. WALSH. I ask that the nominations reported from the Committee on Naval Affairs for promotions and appointments in the Marine Corps be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Thursday, July 29, 1937, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 28 (legislative day of July 22), 1937

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

George A. Gordon to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Netherlands.

Leo J. Keena to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Union of South Africa.

John D. Erwin to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Honduras.

Franklin Mott Gunther to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Rumania.

DIPLOMATIC AND FOREIGN SERVICE

Clinton E. MacEachran to be a consul general of the United States of America.

Horatio Mooers, to be a secretary in the Diplomatic Service of the United States of America.

John H. Morgan to be a secretary in the Diplomatic Service of the United States of America.

Carl A. Fisher to be a consul of the United States of America.

George T. Summerlin to be a Foreign Service officer of class 1, a consul general, and a secretary in the Diplomatic Service of the United States of America.

REGISTER OF THE LAND OFFICE

Thomas F. Thomas to be register of the land office at Salt Lake City, Utah.

PROMOTIONS AND APPOINTMENTS IN THE NAVY

MARINE CORPS

Thomas B. Gale to be lieutenant colonel.
Melvin E. Fuller to be major.
Francis I. Fenton to be major.
Gerald C. Thomas to be major.
Otho C. Ledbetter to be captain.
Harry C. Lang to be captain.
Allbert F. Moe to be captain.
Joseph H. Berry to be captain.
Orin K. Pressley to be captain.
John B. Hill to be captain.
Chester R. Allen to be captain.
William F. Parks to be captain.
Clarence J. O'Donnell to be captain.
George H. Cloud to be captain.
Wallace M. Greene, Jr., to be captain.
Richard A. Beard, Jr., to be second lieutenant.
Golland L. Clark, Jr., to be second lieutenant.
Parker R. Colmer to be second lieutenant.
John P. Coursey to be second lieutenant.
Edmond M. Glick to be second lieutenant.
Robert D. Heinl, Jr., to be second lieutenant.
William F. Lantz to be second lieutenant.
Neil R. MacIntyre to be second lieutenant.
William J. O'Neill to be second lieutenant.
Ronald R. Van Stockum to be second lieutenant.

POSTMASTERS

LOUISIANA

Amos C. McLanahan, Florien.
J. Wiley Miller, Many.
Laverna O. Ramsey, Pleasant Hill.

NEW JERSEY

Henry N. McKay, Haddon Heights.

NEW YORK

Edward T. Hayden, Castle Point.
Cornelius J. O'Connell, Chestertown.
Darius P. Marlette, Fultonville.
Walter A. Soule, Minoa.
Arthur Congdon, Palenville.
Richard J. Longtin, Paul Smiths.

NORTH CAROLINA

William A. Allison, Troutmans.

SOUTH DAKOTA

James M. Stanford, Midland.

TEXAS

Jack Jones, Bivins.
Ruth Berger Reeves, Boling.
Fowler Magee, Montague.
John A. Blasdel, Richmond.
Hattie M. Sims, Ropesville.
Thomas M. Sherman, Rusk.
Ruth L. Hooks, Saratoga.
Dorothy B. Statton, Skellytown.

WISCONSIN

Ray L. Truskowski, Sobieski.

REJECTION

Executive nomination rejected by the Senate July 28 (legislative day of July 22), 1937

POSTMASTER

LOUISIANA

Ella M. Perot to be postmaster at Campti, in the State of Louisiana.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 28, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

It is a good thing to give thanks unto the Lord and to show forth Thy loving kindness in the morning and Thy faithfulness every night. O Lord God, how great are Thy works, and Thy thoughts are very deep. Bless the Lord, all His works, in all places of His dominion. Heavenly Father, give us that bread that shall feed the heart, enrich the mind, and grant us forgiveness when we are blind to the common treasures of this world. We pray Thee to keep us conscious of our birthright, that our acts and aims may be filial and fraternal and loyal to our Lord and Master. Guided and guarded by Thy presence, may this day be filled with peace and cooperation, and forbid that we should judge others hastily or uncharitably, and Thine shall be the praise. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 7564. An act to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 363. Joint resolution to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 183. Joint resolution consenting to an interstate oil compact to conserve oil and gas.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2193. An act to authorize the construction of certain auxiliary vessels for the Navy.

COMMITTEE ON THE JUDICIARY

Mr. CHANDLER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have permission to sit during the sessions of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

MACE OF THE HOUSE OF REPRESENTATIVES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, to the right of the chair which the Speaker occupies as the presiding officer of this body stands the only visible emblem of national legislative authority in the United States. It is the mace of the House of Representatives. It is the symbol of the majesty of the law. Its form and pattern had their inception in a custom established in the days of the Roman Republic. It was adopted in this Nation upon the founding of the Government in 1789. The identical mace which we who now serve in this body view from day to day has been in use since 1842. Abraham Lincoln, James A. Garfield, William McKinley, Jefferson Davis, John C. Calhoun, Henry Clay, and other eminent and illustrious men of the Nation who have served in this historic Chamber have looked upon it as we look upon it today, and all have acknowledged its authority. Not more than 12 times in the history of our Republic has the mace been brought forth on the floor of the House. It has never failed. This fact alone testifies to the respect and the awe with which the Members who have served in this Chamber during its history have regarded this symbol of legislative authority. Only 25 men in the history of the Nation have been entrusted with the responsibility of its custody.

There has recently come to the desk of every Member of the House a little pamphlet or brochure prepared by our admirable and amiable friend, Mr. Romney, the present Sergeant at Arms of the House and the present custodian of the mace. This booklet is an item of absorbing interest, well prepared, and worth the reading by every Member of this body. I feel that the House is indebted to Mr. Romney for the service he has performed for us, and is entitled to our appreciation and gratitude. I commend the reading of his pamphlet to every Member of the House of Representatives. [Applause.]

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement I made before the Department of the Interior with regard to public lands in Alaska. This statement embraces a few brief excerpts from statutes and from the CONGRESSIONAL RECORD.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

CALL OF THE HOUSE

Mr. FISH. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Obviously, a quorum is not present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 128]

Allen, Pa.	Drew, Pa.	Kniffin	Rutherford
Arnold	Driver	Lambeth	Ryan
Biermann	Duncan	Lamneck, Ohio	Schuetz
Boehne	Eaton	Lanham, Tex.	Secrest
Boylan, N. Y.	Eberharter	McGroarty	Sheppard
Buckley, N. Y.	Ellenbogen	Maas	Simpson
Bulwinkle	Ferguson	Magnuson	Sirovich
Burch	Fernandez	Mahon, Tex.	Smith, Maine
Caldwell	Fries, Ill.	Maloney	Smith, Va.
Cannon, Wis.	Fulmer	Mason	Smith, W. Va.
Celler	Gasque	Meeks	Snyder, Pa.
Clark, Idaho	Gilchrist	Mitchell, Ill.	Starnes
Cluett	Gray, Ind.	O'Connell, Mont.	Steagall
Collins	Greenwood	O'Leary	Sullivan
Cravens	Harlan	Parsons	Taylor, Colo.
Crosser	Harrington	Patterson	Taylor, Tenn.
Crowther	Hill, Ala.	Peyser	Voorhis
Cummings	Hoffman	Phillips	Wadsworth
Deen	Jenks, N. H.	Plumley	Weaver
DeMuth	Johnson, Minn.	Reece, Tenn.	Wene
Dirksen	Johnson, Okla.	Reed, N. Y.	White, Idaho
Disney	Kelly, N. Y.	Rees, Kans.	White, Ohio
Doxey	Kloeb	Robinson, Utah	Zimmerman

The SPEAKER. Three hundred and forty Members have answered to their names, a quorum.

On motion of Mr. RAYBURN, further proceedings under the call were dispensed with.

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

DISTRIBUTION TO NATURALIZED CITIZENS OF THE STORY OF THE CONSTITUTION

Mr. DICKSTEIN (when the Committee on Immigration and Naturalization was called). Mr. Speaker, by direction of the Committee on Immigration and Naturalization, I call up the bill (H. R. 7077) to provide for the distribution to each naturalized citizen at the time of issuance of his certificate of citizenship of a copy of The Story of the Constitution.

The Clerk read the title of the bill.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. May I ask the gentleman from New York, since I presume he is going to bring up several bills from his committee this afternoon, if he will specify in order the bills he expects to call up, so that we may be better prepared?

Mr. DICKSTEIN. I shall be pleased to give the gentleman the information if he will let me proceed, and while doing so I shall give the gentleman all the numbers of the bills that will be called up. Does the gentleman want the information right now?

Mr. JENKINS of Ohio. I should like to have it now, if I could.

Mr. DICKSTEIN. First, the bill (H. R. 7077) to provide for the distribution to each naturalized citizen at the time of issuance of his certificate of citizenship of a copy of The Story of the Constitution, which is the present bill. The next will be the bill (S. 2416) relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama. Following that will come the bill (H. R. 7647) to further the neutrality policy of the United States. That is all.

The SPEAKER. Under the rule, the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of the bill.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7077) to provide for the distribution to each naturalized citizen at the time of issuance of his certificate of citizenship of a copy of The Story of the Constitution, with Mr. THOMASON of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from New York [Mr. DICKSTEIN] is recognized for 1 hour.

Is any member of the committee opposed to the bill?

Mr. JENKINS of Ohio. Mr. Chairman, I would like to reserve time in opposition to the bill.

The CHAIRMAN. Does any member of the committee desire recognition in opposition to the bill? If not, the gentleman from Ohio [Mr. JENKINS] will be recognized for 1 hour.

Mr. DICKSTEIN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, this bill was introduced by the gentleman from Massachusetts [Mr. MCCORMACK] and has a unanimous report from the committee.

If this bill is enacted into law, we shall be taking a step in the right direction. We are going to try to have the newly naturalized citizen know something about the Constitution of the United States. We should have given attention to this matter many years ago. Although the people who become citizens of the United States are supposed to understand and to have read the Constitution of the United States, some of them do not know it, and some of them do not know where to find out about it. This bill proposes to give each naturalized citizen at the time of the issuance of his certificate of citizenship a copy of The Story of the Constitution. I believe if we had done this long ago we would have had as naturalized citizens a better and finer class of citizens, people who could tell us something about the Constitution. Probably we would not have had a lot of subversive agitators in this country if they had known we are living in this country under a constitutional form of government.

The cost involved in this distribution is very small.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. DICKSTEIN. I yield.

Mr. SNELL. Is The Story of the Constitution which you are referring to in your legislation here the story written by our colleague, Mr. SOL BLOOM?

Mr. DICKSTEIN. I do not know by whom it was written, and I do not care——

Mr. SNELL. You must have had something definite before your committee about its authorship.

Mr. DICKSTEIN. That is my understanding; but I would not care whether it was written by the gentleman from New York or by any other Member of the House.

Mr. SNELL. So the gentleman knows it was written by SOL BLOOM.

Mr. DICKSTEIN. I so understand.

Mr. SNELL. And that is what you expect to give out?

Mr. DICKSTEIN. Yes.

Mr. SNELL. Does this measure provide for an autographed picture of the editor?

Mr. DICKSTEIN. No.

Mr. SNELL. I think that ought to be in the book.

Mr. DICKSTEIN. The committee did not think so. We are just going to give them a plain, simple story of the Constitution. It will be given to them at the time of their naturalization, so they may know something about our form of government.

Mr. JOHNSON of Minnesota. What are you going to do for the children born in this country?

Mr. DICKSTEIN. They are presumed to understand the Constitution.

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I have risen at this time so that we may understand this little bill. On the face of it it seems harmless and, personally, I have no serious objection to it, except it is going to cost us, perhaps, a great deal of money. I think we could put some amendments on it that would cut down the expense.

I also wanted the Members to know just what the bill does. As you know, a book has been published about the Constitution. We all know something about the book. It is a very beautiful little booklet entitled "The Story of the Constitution." It is now proposed that the Immigration and Naturalization Service of the United States shall furnish to the various clerks of the courts of the country enough of these books so that a copy may be given to each immigrant when he gets his naturalization papers.

There are several Members in the House here who want to offer amendments to this bill and I shall be pleased to yield them some time so they may talk about their amendments, because I suspect these amendments will be important, will be very profound, and that their profundity will reflect the time and energies spent by the gentlemen and the great learning of the gentlemen. [Laughter.]

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. JENKINS of Ohio. It is always a great pleasure to yield to my able friend from New York, who has shown such great financial acumen as the ranking Republican member of the Appropriations Committee.

Mr. TABER. Why is it we have this particular book on the list?

Mr. JENKINS of Ohio. Of course, the gentleman is coming to the wrong place to get such information. I must confess both my ignorance and my innocence. I have wondered somewhat myself why we should give out any special booklet, and in this connection I may state that that is one of the weaknesses of the bill. It provides that we have to give them this one certain book, The Story of the Constitution. Suppose in a year from now some other very distinguished Congressman comes along and writes a prettier book and puts it in a prettier cover, then we shall no doubt want to adopt that booklet. I do not know why we should go on record accepting this particular booklet. I do not flatter myself with the thought that this answers the gentleman's question, but I have a sort of suspicion that there is a sly effort to put into circulation this beautiful booklet because one of our distinguished Congressman has had much to do with it.

Mr. TABER. If the gentleman will yield again, the way this bill is drawn, it is subject to a point of order.

Mr. JENKINS of Ohio. I am sorry the gentleman did not raise the point of order in time.

Mr. TABER. There will be plenty of time to raise the point when the bill is read. The first section constitutes an appropriation of funds, and the Committee on Immigration and Naturalization never had authority to bring in a bill appropriating money.

Mr. JENKINS of Ohio. The gentleman from New York is running true to form when he finds a loophole of that sort in a measure, and being the ranking minority member of the great Committee on Appropriations, I dare say he is going to do his country a great service if he can stop the passage of this bill on that ground.

Mr. TABER. Is there any provision for including a proper picture of the author of this book?

Mr. JENKINS of Ohio. No; I think not. Someone missed a great opportunity to get a little publicity, but it may be that the author is one of those who would qualify for one of those six Presidential assistants that we provided for the President yesterday, for, no doubt, he has shown that he has "a passion for anonymity."

Mr. SNELL. Mr. Chairman, will the gentleman yield to me.

Mr. JENKINS of Ohio. I do not want to be discourteous to my friend the gentleman from New York [Mr. TABER]. If he has any further questions, I will be pleased to answer them. If not, I now yield to my distinguished leader, the gentleman from New York.

Mr. SNELL. If any evidence was needed as to why Congress should adjourn and go home immediately, such evidence has been furnished by the presentation of a bill of this character to the House of Representatives at this time. [Applause.]

I am sorry that any man would introduce such a bill, and I am also sorry that the Committee on Immigration thought the House had nothing more important to do than to consider such a measure on the floor of the House at this time.

The distinguished chairman of the committee stated he did not know what book is to be distributed. Why, there is not a man in this House who does not know that SOL BLOOM's book is the one that it is intended to present on these occasions, and I agree with my colleague from New York that if we are going to present the book I want his autographed picture included on the first page, and when we get the book properly autographed and the author's picture, perhaps the Democratic National Committee can persuade various corporations to buy it at $250 per copy the same as it did with the autographed copy of the President's 1936 Campaign Book.

Mr. JENKINS of Ohio. I may say that I agree with the gentleman. I think the book would otherwise be incomplete. It must, by all means, have a photograph of the author, else many may never know who the author is.

Mr. SNELL. And does not the gentleman agree that this is evidence that Congress has nothing to do and that we ought to adjourn and go home, and the majority ought to be ashamed to keep us here for legislation of this kind.

Mr. JENKINS of Ohio. Being a Methodist, I think the most fitting answer I can make to the question of the gentleman is "Amen."

Mr. SNELL. I say, "Amen and amen."

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JENKINS of Ohio. Mr. Chairman, in view of the fact that everybody seems to be having a good time, I yield myself 5 additional minutes.

Mr. THURSTON. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes. I am delighted to yield to the gentleman from Iowa, the home of the tall corn.

Mr. THURSTON. Does not the gentleman think it would be more appropriate to supply the native-born Americans with a copy of the Constitution than these newly naturalized Americans?

Mr. JENKINS of Ohio. I think they probably could make more use of it inasmuch as they can read it better. At the same time I do not want to go on record as belittling the idea of furnishing an immigrant with whatever will tend to make him a good citizen. I know that the House is clearly showing that it does not favor taking time for such a trivial bill at this time, but if we can cut out of this plan all personal advertisement and all unnecessary expense, it might not be a bad idea. But we can well get along without the passage of this bill.

Mr. FLETCHER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. It is with unalloyed pleasure that I yield to the gentleman from Ohio.

Mr. FLETCHER. For two questions. How many pages are there in this book?

Mr. JENKINS of Ohio. I do not know, but I should judge about 50 pages. It is a very beautiful little book, and the outside cover is a credit to the artistic temperament of someone.

Mr. FLETCHER. The gentleman from New York [Mr. FISH] indicates that there are 65 pages in the book. I would inquire why, in the interest of economy, it could not be put into the RECORD by Mr. BLOOM or by Mr. DICKSTEIN and then franked out to these people if it is necessary? If we are trying to get this information to these people, why print a book?

Mr. JENKINS of Ohio. To the gentleman's question I cannot make answer. He raises a question of economy. One of the reasons I took the floor is to bring out the fact that this bill has been fashioned on the basis of the practice in the United States district courts of the large cities. For instance, it provides that the Immigration Service shall send to each clerk of a court a sufficient number of these books so that he can give one to each of those who become naturalized. If he should send them to the clerk of the courts in my city, which is no inconsiderable city, though not a large city, this clerk would probably use three or four of them in 3 years. If these are to be sent out by the Immigration Service, I suppose the Service would feel that it would not want to send less than 100 at a time, and surely by the time that 100 is exhausted in these smaller places, some other very astute man in this Congress will have gotten out a more beautiful book. Then those already sent will never be used. Therefore, I think there should be some restriction in that respect, and I think if the gentleman would take time to prepare an amendment that would control the financial end of the matter, he would be doing the country a very great service, because this is going to be very expensive if carried out in the way I think it might be carried out.

Several Members rose.

Mr. JENKINS of Ohio. I am glad that there is so much interest manifested in this measure. I shall get around to all of these gentlemen, Mr. Chairman, as I have an hour of time and I will give each one a chance. It is a pleasure to be able to grant time for a learned and exhaustive discussion of this measure, which seems to be the only matter that the majority leaders can find ready for consideration.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes; I yield with pleasure to the learned gentleman from New York.

Mr. CULKIN. I rise to inquire of the gentleman whether he thinks it is fair to the new citizens to have the new citizens believe, or expect the new citizens to believe, that SOL BLOOM had really written this book.

Mr. JENKINS of Ohio. I am sure that you will all agree that that is a profound question. I confess it stumps me. I think he would know just as much about SOL BLOOM as he would about George Washington, because Mr. BLOOM is nearer to him than Washington, and I hope he does have a good opinion of SOL BLOOM, as I do, and I am not indulging in sarcasm or irony when I say that.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes, for I assume from the gentleman's serious demeanor that he is going to do or say something that needs to be said or done.

Mr. FISH. I make the point of order that this is such an important matter that we ought to have a full membership here. I make the point of order, Mr. Chairman, that there is no quorum present.

The CHAIRMAN. The gentleman from New York makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and nine Members present, a quorum.

Mr. JENKINS of Ohio. Mr. Chairman, among those clamoring for recognition I see many illustrious colleagues. I now yield to the gentleman from Minnesota [Mr. KNUTSON], but before I do, I wish to assure him I do that because he appears to be so earnest and because I recognize him to be the most natural wit in the House. His humor has made him famous. It is so natural, it is so personable and is expressed in such quaint words and phrases that one surrenders to him without a struggle. He is irresistible when he makes a request.

Mr. KNUTSON. I yield back the remainder of my time, Mr. Chairman. [Laughter.]

Mr. JENKINS of Ohio. I did not mean to excite the gentleman's modesty so much. In fact, I never knew him to have any modesty. Of course, he knows that none but the best of friends can act and speak this way toward each other. Mr. Chairman, I now yield to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, I have asked for this time to ask the chairman of the committee if he has made an arrangement so that the House may use this book, which is a copyrighted book. The House would have no right to use the book if it is copyrighted.

Mr. JENKINS of Ohio. I yield to the chairman of the committee, Mr. DICKSTEIN, to answer that inquiry, and to make any explanation that he cares to make at this time.

Mr. DICKSTEIN. Mr. Chairman, I have no explanation I desire to make at this time, but I do say that all of this kidding on the other side ought to stop. In my opinion gentlemen there are just propounding questions that have nothing to do with the matter before the House at all. This is permissive, so far as the appropriation is concerned. The gentleman from New York [Mr. TABER] is a member of the Committee on Appropriations. That committee does not have to appropriate one cent so far as the committee is concerned. I am not the author of this bill. I am merely performing my duty in presenting the bill.

Mr. JENKINS of Ohio. I yield 1 minute of time to the gentleman from Michigan. I think the gentleman from Michigan made a profound inquiry.

Mr. MICHENER. Mr. Chairman, the inquiry was profound, but possibly on second thought I might be wrong. If we purchase the books, of course we have a right to give them away. They are copyrighted, and the House would have no right to print the book. Are we to purchase the book from Mr. BLOOM, the owner of the copyright, or are we to print the book as a document without Mr. BLOOM's consent?

Mr. DICKSTEIN. I could not answer that question at this moment. Mr. BLOOM is here, and he can talk for himself.

Mr. MICHENER. Inasmuch as the book is copyrighted, no one has a right to print it and sell it or give it away, unless he has the consent of the man who owns the copyright.

Mr. DICKSTEIN. That will be explained.

Mr. MICHENER. If we are going to buy the books from Mr. BLOOM with his consent, that is one thing; but if the Congress is contemplating printing books that are copyrighted and selling them, we might get into trouble.

Mr. DICKSTEIN. I agree with the gentleman, but I do not think that is the case.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from New York, that he, too, might contribute to this discussion that is getting more interesting as it runs along.

Mr. CULKIN. It occurs to me that the modern, ethical way of publishing a book produced by a ghost writer, as I understand this book was, is to carry on the title page the name of the collaborator or ghost writer. I understand in this case, inadvertently, of course, that has not been done. It seems to me that should be corrected before this performance goes any further.

Mr. MICHENER. If the gentleman will yield?

Mr. JENKINS of Ohio. In reply to the gentleman from New York [Mr. CULKIN] I suggest that when this bill is read for amendment he bring forward such an amendment as he thinks will be necessary to clarify it in that respect.

I now yield to the gentleman from Minnesota [Mr. KNUTSON], who is irresistibly drawn to the fray, regardless of the fact that his modesty caused him to retreat a few minutes ago.

Mr. KNUTSON. I think we should write a provision in this bill, and I will have no objection providing an amendment is incorporated making it compulsory that these books be printed in the English language.

Mr. JOHNSON of Minnesota. Then the Members of Congress cannot understand it.

Mr. JENKINS of Ohio. I suggest to the gentleman from Minnesota that he bring forward an amendment to that effect.

I now yield to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Does not the gentleman think that since we are going in for book publishing and going into the book-distribution business, there are a great many of our colleagues who have written books, and there should be some arrangement made so that their books could be given away? They would be good books and would be good reading.

Mr. JENKINS of Ohio. I think that is a fine suggestion. There are some books I know published by some of the Members of the House that I should like to send to one or two people that I do not like very well, and there are some that I should like to send to some of my best friends.

Mr. O'MALLEY. We might add to that Gone With the Wind and other books of which publishers have many copies left over.

Mr. JENKINS of Ohio. That is fine. I hope the gentleman will offer an amendment to that effect. Yes; and we might tell Jim Farley that if he has any of those campaign books that he failed to sell for $250 apiece we could use some of them instead of Sears-Roebuck catalogs.

Mr. TOBEY. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield with pleasure to the distinguished former Governor of New Hampshire.

Mr. TOBEY. Amplifying the remarks of the gentleman from Wisconsin [Mr. O'MALLEY], who suggested Gone With the Wind, why not also include in this bill a copy of the Life of Maverick?

Mr. JENKINS of Ohio. That would be very fine.

Mr. O'MALLEY. And I might suggest also the Specialist, by Chic Sale. [Laughter and applause.]

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield, but I should admonish the gentleman not to look so serious, for everybody seems to be enjoying this matinee.

Mr. CASE of South Dakota. I have two questions to ask the gentleman. In the first place, this bill provides that these books are to be issued to each person to whom the clerk issues a certificate of citizenship. As I understand the naturalization laws, before a certificate of citizenship is issued, the applicant must pass a test on the Constitution and must show that he knows the Constitution already. Does the gentleman think that after he has passed this examination he should have this pamphlet on the Constitution?

Mr. JENKINS of Ohio. He should have the book before the examination if he is going to be permitted to put it to the greatest personal use, and my personal opinion is that most of these poor people will not be able to read and understand this book when they receive it.

Mr. CASE of South Dakota. Will the gentleman yield for a further question?

Mr. JENKINS of Ohio. I yield.

Mr. CASE of South Dakota. I would like to know whether or not the Immigration and Naturalization Service has the funds for this? As I recall, the initial authorization for the printing of these books provided for $200,000. In this session of Congress this House added $150,000. Then by amendment it added $75,000 more, making a total of about $425,000 for the publication of these books. I wonder why the Naturalization Service should be asked to furnish these books and pay for the cost of them? We have already appropriated somewhere approaching a half million dollars for the furnishing of these books.

Mr. JENKINS of Ohio. I cannot answer the gentleman; but the gentleman is asking a serious question which, in a way, is out of place this afternoon, apparently. [Laughter.]

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Chairman, I yield myself 5 additional minutes.

I now yield to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Would not the gentleman please offer an amendment to this bill along these lines: There seems to be a great deal of worry about and interest, at times, in aliens. There are quite a few in my State. We want to reward them, apparently, when they become citizens, by giving them this wonderful book to study. There is another section of our country where they have so very few voters, so many appear not to be qualified to vote, and I think we should have a great deal of interest in those people. Can we not amend this so that every town clerk shall hold this bait out, that everyone who qualifies to vote shall have this wonderful book, and therefore get a larger number of people on the voting list from States that now seem to be suffering very badly from lack of voters. They came in here with only 25,000 votes in a district. We have 150,000 in

our district. That is where the trouble with the lack of education apparently is in the matter of government, but will not the gentleman think it over and try to make that amendment?

Mr. JENKINS of Ohio. I suggest the gentlemen from Massachusetts collaborate with his colleague from the New England territory [Mr. TINKHAM], who is an expert on that matter, and bring forth an amendment to this bill when we read it under the 5-minute rule.

Mr. GIFFORD. I would offer the amendment, but somehow I do not think they take me as seriously as they do the gentleman from Ohio.

Mr. JENKINS of Ohio. The gentleman underestimates his popularity and he flatters me unduly. If the gentleman will formulate the amendment, I will offer it. [Laughter.]

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the distinguished gentleman from Texas, the president of the Demagogue Club.

Mr. DIES. With reference to the suggestion of the gentleman from Wisconsin [Mr. O'MALLEY] that we send out books written by our colleagues, I am opposed to that, because if we send them out no one will read them, and if they do read them they will defeat our colleagues. [Laughter.]

Mr. KNUTSON. As I understand this bill, these books are to be given at the time the certificate of naturalization is issued?

Mr. JENKINS of Ohio. I am glad to reply to my modest humorous friend in the affirmative.

Mr. KNUTSON. They are over the hurdle then; they do not need to know anything about the Constitution after they have received their citizenship papers. It should be given to them when they apply for citizenship.

Mr. JENKINS of Ohio. Most assuredly; but, of course, they might read the decisions of the Supreme Court occasionally. They deal with constitutional matters, and they are about as understandable to the average immigrant as Mr. BLOOM's beautiful book so bountifully distributed.

Now, Mr. Chairman, I yield to the gentleman from Illinois [Mr. KELLER], who has been so forbearing and patient in waiting his turn, then I am going to yield to the gentleman from New York.

Mr. KELLER. I would like to ask how many men and women are naturalized each year in the United States.

Mr. JENKINS of Ohio. I cannot answer that, I am sorry to say. I do not know whether the chairman of the committee can. I shall ask him how many people are naturalized in the United States each year.

Mr. DICKSTEIN. From 140,000 to 155,000.

Mr. JENKINS of Ohio. These figures seem high, but since nobody else wishes to guess we will accept them. Mr. Chairman, I now yield to the gentleman from New York [Mr. FISH] to ask me a question.

Mr. FISH. I would like to ask the gentleman from Ohio some serious questions.

Mr. JENKINS of Ohio. Very well. But do not take yourself too seriously, for nobody else does.

Mr. FISH. This is a highly important piece of legislation.

Mr. JENKINS of Ohio. The gentleman is certainly being serious, to start with.

Mr. FISH. Before I vote I would like to have some more information. Can the gentleman inform me whether his committee held hearings on this important legislation?

Mr. JENKINS of Ohio. The gentleman does me an honor that does not belong to me, for I am no longer a member of this committee. Today I appear, as we lawyers sometimes say, as "a friend of the court."

Mr. FISH. Does the gentleman from Ohio know whether the committee held extensive hearings on the bill and whether they have been published?

Mr. JENKINS of Ohio. We probably could find out, but it might take a little time before we got the information. And since time is so precious here this afternoon we cannot afford to waste it.

Mr. FISH. Should this legislation reach the point where we are called upon to vote upon this matter, I think it should be held over until the hearings could be published so that we could read them and know how we should vote on the matter.

Mr. JENKINS of Ohio. I think the gentleman's suggestion a good one. But it is my personal opinion that when we get through with this bill this afternoon it will go where the President's Supreme Court plan went.

Mr. FISH. How would it be to have this matter go over until we could have the hearings printed, or have hearings held and printed if they have not yet been held?

Mr. JENKINS of Ohio. I think it would be well to do that. But I would not advise the gentleman to be any too sanguine that he will ever see this bill again as long as he lives.

Mr. Chairman, I now yield to the gentleman from Indiana; like Henry Clay, he is a great pacificator. He may bring us into the light, for he lives along the Wabash.

Mr. LUDLOW. Is it not true that legislation is on the way which will allow each Member of Congress, House and Senate, to distribute 2,000 copies of this excellent book?

Mr. JENKINS of Ohio. It would seem that that should be enough.

Mr. LUDLOW. That is 1,070,000 copies altogether. Would it not be possible to squeeze out of that number enough copies to satisfy the needs of this bill?

Mr. SNELL. I will contribute a few.

Mr. JENKINS of Ohio. That is a very good suggestion. I think the gentleman should develop it.

Mr. Chairman, I now yield to the gentleman from Iowa [Mr. DOWELL]. I cannot yield further, because my time is very valuable.

Mr. DOWELL. Has any way been provided to get a copy of this book into the hands of those already naturalized who would not receive the book?

Mr. JENKINS of Ohio. I think the gentleman has asked a very pertinent question.

Mr. DOWELL. May I make this suggestion seriously: I think there is something in the statement that sometime we may desire to use another book. Would it be proper to provide that the naturalized citizen be furnished with a copy of the Constitution. In a few years from now another book on the Constitution may be written.

Mr. KNUTSON. Maybe another Constitution.

Mr. DOWELL. I hope not another Constitution.

Mr. JENKINS of Ohio. I think the gentleman's observation very pertinent. I just want to say this in all seriousness: I do not know whether this bill will ever come to the point where it will be voted upon or not, but if it does go so far that we consider it under the 5-minute rule, I want to ask the attention of the chairman to the proposition that we ought to restrict this in such way that the number sent out should be limited so that we may curb expense. Then, as has been suggested, the bill should be amended so as not to provide for the distribution of only this particular book, The Story of the Constitution, for some other pamphlet might come along that would answer the purposes better and that we might want to supply. I want the gentleman from New York to be thinking about that.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. Yes; I shall be pleased to yield to the chairman of the committee.

Mr. DICKSTEIN. In all seriousness, I may say this committee held hearings and the minority members of the committee were there. Public men discussed it. We have not printed the hearings because we did not think it was necessary. So far as the committee believes, there is but one Constitution which will last forever. The Constitution is not going to be changed. If any of you gentlemen think you have something to offer in substitution for the Constitution to give to the alien, offer an amendment to that effect.

Mr. JENKINS of Ohio. We do not claim we have anything better than the Constitution. All we want is a more strict compliance with our present Constitution and we would be better satisfied.

Mr. Chairman, while I think we have already shown enough reasons to justify the gentleman from New York

[Mr. DICKSTEIN] in withdrawing the bill from further consideration by the House, I feel constrained to yield enough time to our distinguished minority leader to put onto this bill the finishing touches necessary to kill it, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, I listened with interest to the chairman of the Immigration Committee for 30 minutes the other afternoon when he talked about various immigration matters. I was really impressed with what he said at that time and even read part of the statement over the next morning. After the seriousness that the gentleman showed on that occasion, I cannot see how he would be led astray to bring such a foolish bill as this into the House for consideration at this time.

Mr. DICKSTEIN. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from New York.

Mr. DICKSTEIN. I am simply performing a function, as any other chairman of a House committee would do, in presenting a bill for consideration. I have taken no side one way or the other.

Mr. SNELL. I am sure the gentleman did not understand the bill. In fact, I had not read it over when I asked him some questions previously. At that time I asked him if this was a book that was written by SOL BLOOM, and he said he did not know.

Mr. DICKSTEIN. I want the gentleman to have the same opinion of me now that he had 2 days ago.

Mr. SNELL. I will after today, but I cannot just now.

Mr. DICKSTEIN. I tried to answer the gentleman in the best way I could. I say now this is the book. Whether you want to pass this or not, I am not concerned with, but it appears to me when the committee voted to present the bill to the House, it felt there is one Constitution, and the American people ought to know it, particularly the people who are about to take the step of citizenship, and they ought to take it home and study it.

Mr. SNELL. Now, I cannot yield further.

Mr. DICKSTEIN. I will yield the gentleman some time. I am not criticizing the gentleman's statement. I say I am simply performing my duty.

Mr. SNELL. I take it the gentleman is not very much interested in this bill.

Mr. DICKSTEIN. I am just presenting the bill. I have no interest in any special bill.

Mr. SNELL. I am glad to know the gentleman is not very much interested in the bill. I asked him if this was the book on the Constitution that was written by SOL BLOOM. I had not read the bill and the gentleman said he did not know whether it was or not.

Mr. DICKSTEIN. I still say I do not know whether SOL BLOOM wrote it or you wrote part of it.

Mr. SNELL. It says right here in the bill that it is "The Story of the Constitution", edited by the Director General of the United States Sesquicentennial Commission, and I thought that was Mr. BLOOM.

Mr. DICKSTEIN. It does not necessarily mean that SOL BLOOM wrote it.

Mr. SNELL. He admits he wrote it.

Mr. DICKSTEIN. I assume it was done under his direction. That is all I am concerned with.

Mr. DUNN. Will the gentleman yield?

Mr. SNELL. I would like to ask the chairman of the Immigration Committee a question; then I will yield to the gentleman from Pennsylvania. When this bill is under consideration for the offering of amendments, I propose to offer the following amendment, and I would like to have the gentleman give it consideration:

And provided further, That the copyright now owned by SOL BLOOM shall be assigned to the United States before this act becomes effective.

Would the gentleman oppose that amendment?

Mr. BLOOM. If the gentleman will yield, I should like to answer that question. I would like to have the gentleman yield me about a minute.

Mr. SNELL. I yield to the gentleman.

Mr. BLOOM. I have sat here and listened to the remarks made by the gentleman from New York and the other gentlemen, and I think it is about time that someone understood something about this book.

Mr. SNELL. The gentleman has commented on it many times.

Mr. BLOOM. This controversy might be considered good advertising in some quarters. It would be considered good advertising by some people who might be selling something. For the information of the gentleman from New York, may I say that all of the copyrights that have been taken out by the George Washington Bicentennial Commission and all of the copyrights taken out by the Constitution Commission belong to the Government of the United States. There is nothing personal in this at all.

May I say further to the gentleman from New York that there is nothing in the book that says it was written by SOL BLOOM? SOL BLOOM is not looking for advertising. He does not need that kind of advertising. The book belongs to the Government of the United States; it was paid for by the Government of the United States, and it is being distributed by the Government of the United States.

Mr. SNELL. When the gentleman put out this book, why did he not say it was published by the Sesquicentennial Commission rather than that it was published by SOL BLOOM? Now, just answer that question.

Mr. BLOOM. I am going to answer it, but I would like to answer it in my own way, because the gentleman has asked me a question. There is nothing there that says it was published by SOL BLOOM.

Mr. SNELL. That is what I read on the front leaf.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield the gentleman from New York 5 minutes.

Mr. JENKINS of Ohio. Mr. Chairman, I yield the gentleman from New York 5 additional minutes.

Mr. BLOOM. Tnere is nothing in the book that says it was written by SOL BLOOM.

Mr. SNELL. Never mind the writing now. I am asking about the publication now.

Mr. BLOOM. The book is being published by the United States Constitution Sesquicentennial Commission.

Mr. SNELL. That is not what is stated on the first page of the book, as we had it here last week. It stated it was published by SOL BLOOM.

Mr. BLOOM. I have sent for a copy of the book, and I will let the gentleman see it does not say it is published by SOL BLOOM, and it is not published by SOL BLOOM.

Mr. SNELL. The bill does not state anything about the director general.

Mr. BLOOM. It is not my bill. If it is wrong, correct it.

Mr. SNELL. The gentleman should have known something about this bill. It is the gentleman's book. If the gentleman states he does not know anything about this bill, I think somebody should make an explanation on the floor. Let me read what appears on the front page of the book.

Mr. BLOOM. Please do. Look at all the pages.

Mr. SNELL. "The Story of the Constitution—SOL BLOOM."

Mr. BLOOM. Yes; that is what it states. That is what I told the gentleman it stated. Now read further.

Mr. SNELL. Then down at the bottom of the page it states:

The United States Constitution Sesquicentennial Commission.

Mr. BLOOM. I will leave it to the Members of the House if that is not exactly what I stated was in the book.

Mr. SNELL. This is copyrighted by SOL BLOOM. There is the book right there. It states:

The Story of the Constitution—SOL BLOOM.—

in large letters. If that means anything at all it means published or written by SOL BLOOM, and that is the reason it is printed in that way.

Mr. BLOOM. Absolutely, and copyrighted by SOL BLOOM. Now, for the information of the gentleman, it is copyrighted by SOL BLOOM because the Government of the United States cannot copyright anything.

Mr. SNELL. The gentleman's Commission could copyright something, or arrange to have it copyrighted.

Mr. BLOOM. It could not.

Mr. SNELL. It certainly can.

Mr. BLOOM. It cannot.

Mr. DUNN, Mr. O'CONNOR of New York, and Mr. MOTT rose.

Mr. SNELL. I yield to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. If this bill is passed in its present form, does it mean this particular book would have to be sent out, and no other book could be used?

Mr. SNELL. It does.

Mr. DUNN. I do not think that is altogether fair, as much as I love my friend [Mr. BLOOM].

Mr. SNELL. I may write a book some day on the Constitution of the United States, and I may want to have a chance to sell it.

Mr. BLOOM. I wish the gentleman would.

Mr. DUNN. I also might like to do so.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. I have heard a lot of talk about this copyright by SOL BLOOM, and I want the matter straightened out.

Mr. SNELL. A lot of other people would like to have it straightened out, too.

Mr. O'CONNOR of New York. As I understand, it was just a technical necessity to copyright the book in the name of an individual. The book could not otherwise be protected. Is that correct?

Mr. BLOOM. That is correct.

Mr. SNELL. Does the gentleman from New York [Mr. O'CONNOR] state that it was a technical necessity to publish SOL BLOOM's name in large print right under The Story of the Constitution?

Mr. O'CONNOR of New York. I am talking solely about the book copyrighted by SOL BLOOM. I inquired of the gentleman from New York [Mr. BLOOM] sometime ago concerning this matter, and was informed that the only way the book could be protected was to have it copyrighted by an individual. I understand from the gentleman from New York [Mr. BLOOM] that this is correct.

Mr. BLOOM. The gentleman is correct.

Mr. SNELL. I am not a lawyer, but I know that a corporation of which I am a stockholder once took out a copyright on exactly the same kind of written document.

Mr. BLOOM. If the gentleman will permit, this Commission is not incorporated. It is not a corporation.

Mr. SNELL. The gentleman could incorporate it if he wanted to.

Mr. BLOOM. No.

Mr. O'CONNOR of New York. If the gentleman will yield, let us get this straight. I think this is an important matter and should be cleared up for the record. I understand that this Commission could not copyright a book.

Mr. BLOOM. Absolutely not.

Mr. ROBSION of Kentucky and Mr. DOWELL rose.

Mr. SNELL. I yield to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. May I inquire of the gentleman from New York [Mr. SNELL] and the gentleman from New York [Mr. BLOOM] if this book does not belong to the gentleman from New York [Mr. BLOOM] if it is copyrighted in the name of "SOL BLOOM"?

Mr. SNELL. As I understand, it does.

Mr. ROBSION of Kentucky. Could there be any claim that it belonged to the United States Government?

Mr. SNELL. I do not believe so.

Mr. BLOOM. Is the gentleman asking me or the gentleman from New York [Mr. SNELL]?

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman from New York [Mr. BLOOM] stated a short time ago that all copyrights taken in the name of the Commission belonged to the United States Government.

Mr. BLOOM. No; I did not make that statement.

Mr. BOILEAU. If so, what copyrights did they take out? If this copyright is taken in the name of the gentleman from New York [Mr. BLOOM], why has the gentleman from New York [Mr. BLOOM] not assigned his copyright to the United States Government?

Mr. SNELL. That is one of the provisions I am going to insist be put in this bill.

Mr. BLOOM. Is the gentleman asking me that question?

Mr. BOILEAU. When the gentleman from New York [Mr. SNELL] asked that question a short time ago of the gentleman from New York [Mr. BLOOM], the latter replied by saying that all of the copyrights taken by the Commission belonged to the Government. This one was taken by SOL BLOOM. Why has not the gentleman from New York [Mr. BLOOM] already made such an assignment to the Government?

Mr. SNELL. I should like to know that also, and that is why I am trying to bring this up today.

Mr. KNUTSON and Mr. BLOOM rose.

Mr. SNELL. I yield to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. I assume this book was written and published for the purpose of giving the people who are being naturalized an understanding of the Constitution. Am I correct in my assumption? I would like the gentleman from New York [Mr. BLOOM] to answer my question.

Mr. BLOOM. The gentleman is asking that of the gentleman from New York [Mr. SNELL]. However, may I say, if the gentleman is asking me, that if anyone is going to ask a question, I should be permitted to answer that question.

Mr. KNUTSON. I am asking the gentleman the question.

Mr. BLOOM. Excuse me; the gentleman is asking me the question? Now, let us get this thing right. You had your field day yesterday, and you are having one again today. If anyone wants to ask me a question and be serious about it——

Mr. KNUTSON. I am serious about it.

Mr. SNELL. I am very serious about this.

Mr. KNUTSON. What was the purpose of writing this book?

Mr. BLOOM. Wait just a minute. May I be permitted to answer first the question of the gentleman from New York, and then I will be pleased to answer your question.

Mr. SNELL. Yes.

Mr. BLOOM. I stated, in answer to the gentleman from New York, that all of the copyrights are taken out in my name. This has been the custom for the last 10 years. Immediately they are transferred to the Government of the United States, because if the Government of the United States could take out a copyright it would immediately go into the public domain. So they cannot take out a copyright. This is answer to no. 1. Let me tell you, further——

Mr. BOILEAU. If the gentleman will yield, I must either apologize to the gentleman or else the gentleman made a mistake and did not say what he meant to say.

Mr. BLOOM. I beg your pardon, and the RECORD will show what I said. I am not going to look at the RECORD, and it will stay just the way it is.

Let me say, further, that all checks are made payable to the Treasurer of the United States.

Mr. SNELL. Let us not get off the subject.

Mr. BLOOM. The gentleman from New York gave me permission to answer, and I would like to answer.

Mr. SNELL. I want the gentleman to answer, but I do not want him to take all my time.

Mr. BLOOM. I would give the gentleman all the time, if I had it.

The checks are made payable to the Treasurer of the United States. So the gentleman from New York, referring to myself, does not handle any money. The money goes into the Treasury and it stays there. So SOL BLOOM is not interested except in one thing—to see that the Government of the United States gets protection.

Mr. KNUTSON and Mr. BOILEAU rose.

Mr. SNELL. I yield first to the gentleman from Minnesota.

Mr. KNUTSON. What was the purpose in writing this book?

Mr. BLOOM. To instruct the people of this country, and especially some Congressmen, in the story and history of the Constitution. That is why the book was written.

Mr. KNUTSON. Of course, the gentleman must not assume they are all like the New York City delegation.

Mr. BLOOM. If they were, they would be pretty smart.

Mr. KNUTSON. If the purpose is what the gentleman stated, why copyright the book, which would restrict its circulation?

Mr. SNELL. I do not yield any further, Mr. Chairman.

Mr. BLOOM. The gentleman asked me the question.

Mr. SNELL. I want to talk now. The gentleman is talking about money and has not answered the question why he has not assigned this copyright to the Commission.

Mr. BOILEAU. The gentleman states that he has.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Wisconsin.

Mr. BLOOM. The gentleman asked me a question. Let me answer it.

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Chairman, I yield my floor leader 5 more minutes.

Mr. SNELL. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. I will say for the information of the gentleman that, so far as I have been able to learn from the little study of the copyright law that I have given it after 5 years on that committee, the Government of the United States cannot copyright any publication; it does not do so because a Government publication is public property, and anybody can quote from it or use it, and there is no need to protect it.

Mr. SNELL. I think that is a good explanation, and I am glad to have somebody give it to us.

Mr. O'MALLEY. I want to make one more statement, if I may. If a copyright remains in the name of a person and that person should become deceased tomorrow, the copyright or the publication under the copyright belongs to the estate of that person, if it has not been assigned.

Mr. SNELL. And if the gentleman from New York should die tonight——

Mr. O'MALLEY. Which I hope will not happen.

Mr. SNELL. Yes; it would belong to his estate, and I have been told it is worth $1,000,000.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield at that point?

Mr. SNELL. I have been told the copyrights connected with this Commission are worth a million dollars.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from Oregon.

Mr. MOTT. In order to clear up a part of this controversy I would like to ask my colleague from New York [Mr. BLOOM] who wrote this book.

Mr. BLOOM. What part of it?

Mr. MOTT. All of it.

Mr. BLOOM. I did not write the Constitution.

Mr. MOTT. Did the gentleman write the book?

Mr. BLOOM. Most of it; yes.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Yes.

Mr. BOILEAU. I would like to ask the gentleman from New York just one question to clarify this whole thing. Has the gentleman assigned this particular copyright over to the Government?

Mr. BLOOM. All copyrights.

Mr. BOILEAU. That clarifies the matter I have in mind.

Mr. SNELL. Where is a copy of that assignment?

Mr. BLOOM. Over in the office—does the gentleman want to get it?

Mr. SNELL. I think it would be a good thing to have, as it is of no value whatever until filed with the Librarian of Congress.

Mr. BLOOM. Let me say to the gentleman that you have members on that Commission. Congressman Taber is on that Commission, Mr. Darrow is on that Commission, and you have Senator Borah on that Commission, and Senator McNary, and as soon as you file an assignment of copyright in the Copyright Office of the United States Government it becomes public property.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Let me say this: If you will kindly read the book, you will see where credit is given to the people who helped write the book. You are asking a lot of questions, which proves that you have never read the book or the introduction to the book.

Mr. SNELL. I read the first page, and that was enough.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield.

Mr. BLOOM. May I just answer this one thing? The book was planned—and I want the gentlemen to get this, so that there will not be any more questions of who wrote the book—and if you read further than the first page you may learn something. This book was planned and edited by the Director General and prepared under the immediate supervision of Historian David M. Matteson, who is mainly responsible for the text and statements, and so on, and this answers all of your question:

> Upon application, permission will be granted for the reprint or use of any portion of this book, provided that no change be made and that full credit be given to the Commission.

Not to SOL BLOOM but to the Commission; and the only reason that is there is that we wanted to protect the text of the book.

Mr. SNELL. Who would ever read that fine print on the inside?

Mr. BLOOM. I beg the gentleman's pardon. It is the largest print in the book.

Mr. SNELL. It is not on the first page.

Mr. BLOOM. It is on the first page. There is the first page of that book right there. The gentleman does not know much about books; he must know very little about books.

Mr. SNELL. I never have written any book to advertise myself and had somebody else furnish the money, either.

Mr. BLOOM. The gentleman just said that the copyright of this is worth a million dollars.

Mr. SNELL. I yield to the chairman of the committee [Mr. DICKSTEIN].

Mr. BLOOM. The gentleman just said that the copyright of this is worth a million dollars. If it is, in view of the few dollars that have been appropriated to the Commission, then we have given $10 to $1 back to the Government for every dollar that it has given the Commission.

Mr. SNELL. That may be true, but the Government has got nothing yet; it is all in your name.

Mr. BLOOM. If the gentleman will go to the Treasury, he will find out.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. Mr. Chairman, the floor has been yielded to me for the purpose of asking the gentleman from New York [Mr. BLOOM] a question.

Mr. BLOOM. I would be glad to answer any question if the gentleman will give me 10 minutes.

Mr. WOLVERTON. It is a very short question.

The CHAIRMAN. The time of the gentleman from New York [Mr. SNELL] has expired.

Mr. DICKSTEIN. Mr. Chairman, I yield to the gentleman from New York [Mr. BLOOM] whatever time he desires.

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. Yes.

Mr. WOLVERTON. I dislike to ask the question or even make the suggestion which I am about to make.

Mr. BLOOM. That is perfectly all right with me.

Mr. WOLVERTON. It certainly is not my desire to take any credit away from the gentleman from New York for any part he may have had in the preparation of this book, but I have received within the last few days a letter from a constituent who has given a great deal of attention to the preparation and publication of material similar to that which appears in the book which is the subject of this controversy, and he has informed me that the material in this book, in some particulars, has been taken from his book, and he asks for an investigation in respect to it. I am sorry I did not know that this matter was coming up today or I would have had all the available information here. Having a high regard for the gentleman from New York [Mr. BLOOM], I do not wish to assume that he would be a party to any such practice, and I shall therefore gather such information as may be available and submit it to him at the earliest possible day.

Mr. BLOOM. Now, may I answer that?

Mr. WOLVERTON. Yes.

Mr. BLOOM. Mr. Chairman, the most sincere kind of flattery is to be accused of plagiarism, so I can assure the gentleman or his friend or constituent——

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. No.

Mr. ENGEL. Mr. Chairman, who has the floor?

Mr. BLOOM. I have the floor, and I am going to keep it; and when the gentleman asks me to yield, I will yield in proper time. I am speaking to gentlemen on the Republican side, and I prefer not to be interrupted. I say to the gentleman from New Jersey that there is no plagiarism in this book. This is a book of the story of the Constitution; and who can plagiarize anything in writing history? So I do not claim authorship of this language, because there is nothing new in this book. The only thing in this book that is different from any other book is that this book is true; it is absolutely correct and gives all the information necessary on the history of the Constitution, and sells for only 10 cents, or by mail for 15 cents.

Neither you nor anyone else can bring me a literal text of the Constitution that is correct. I will say further that I brought to the floor of this House a short time ago a publication of Rand-McNally, of Chicago, which had 1,496 mistakes in a 10-cent book.

Mr. WOLVERTON. I am not referring to what references might have been made in the gentleman's book setting forth what is the text of the Constitution, but there is much in the book aside from and beyond what the gentleman is referring to.

Mr. BLOOM. I shall be pleased to have that letter and have the gentleman write to me about it.

Mr. WOLVERTON. I will be pleased to submit the letter and any additional information obtainable, so that no injustice may be done to either party.

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. ENGEL. In order to settle the issue, I called the Congressional Library, Copyright Division, and they informed me that the application for the copyright was signed by Mr. BLOOM, and he said he was the author and owned the copyright, and he was the man who paid for it.

Mr. BLOOM. That is right.

Mr. ENGEL. I thought the gentleman said he did not represent himself as the author?

Mr. BLOOM. The gentleman asked me a question, and I will answer it.

Mr. ENGEL. Certainly.

Mr. BLOOM. To receive a copyright—please remember I have been copyrighting my own publications for over 50 years—to receive a copyright you must conform to the rules of the Copyright Office. Certainly I did make that statement. Certainly I paid for it. Certainly the Government of the United States has received the money. Now, if you get your copyright, then you can do whatever you want with it.

Mr. O'MALLEY. Will the gentleman yield?

Mr. BLOOM. I yield.

Mr. O'MALLEY. A misunderstanding ought to be cleared up here. The fact that the gentleman copyrighted the book in his own name is entirely in accord with the law and the practice of everybody. Even though the gentleman was not the author, some individual must have his name attached to that book to have it copyrighted.

Mr. BLOOM. Certainly.

Mr. O'MALLEY. After the gentleman has copyrighted it, the contents of the book are his. It is a restricted book. The statement just made shows it is restricted to the copyright owner, and cannot be used or quoted from by even the Government of the United States without permission of the copyright owner. To clear that up, as with all corporations where an employee of the corporation writes a book and copyrights it, the corporation requires that he immediately assign the copyright, and the Government of the United States does not own that book today until it is assigned to the Government.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. BOILEAU. I think it is unfortunate that all during this debate and on a previous occasion the gentleman from New York [Mr. BLOOM] did not clarify this one point as he has now—that is, that he did assign this copyright over immediately after receiving it. Had the gentleman made that statement before, it would have saved a lot of misunderstanding.

Mr. DOWELL. I do not understand that yet. I do not understand the gentleman has made an assignment.

Mr. BOILEAU. The gentleman stated a while ago that he did make an assignment.

Mr. BLOOM. Mr. Chairman, I want to make a statement. I refuse to yield further to anybody.

Mr. DOWELL. I think that should be cleared up and I think the gentleman should make a positive statement that he made that assignment to the United States Government, and when he made it and to whom, and where the document is now located. The gentleman knows, and he can state it so that we will all understand it.

Mr. ENGEL. And is the assignment recorded in the Copyright Office?

Mr. BLOOM. No; it is not. If it was recorded, there would be no more copyright.

Mr. ENGEL. Then it is not effective.

Mr. BLOOM. Now, if you will wait a minute. I know something about copyrights and I will try to explain it. The first transfer of copyrights of any commission was made when Senator Fess was chairman of the Bicentennial Commission. When other copyrights were taken out by this Commission, by me, for protection, immediately a letter was written at that time—I forget the exact date—that all of the properties copyrighted by me personally belonged to the Commission or the Government of the United States.

Mr. DOWELL. That is not an assignment at all.

Mr. BLOOM. Let me ask the gentleman——

Mr. KNUTSON. Who was the letter addressed to?

Mr. DOWELL. If the gentleman made an assignment, there is a proper way to make an assignment to the Government of the United States, and the gentleman knows how that is done.

Mr. BLOOM. Yes; but let me tell you something——

Mr. DOWELL. I want to know whether that has been done.

Mr. BLOOM. Not that way; no, sir.

Mr. DOWELL. Then the Government of the United States does not own it.

Mr. BLOOM. It certainly does, and the Commission followed exactly what we did when Senator Fess was vice chairman, exactly the same.

Mr. DOWELL. That has nothing to do with it. The question now is, Does this copyright belong to the Government of the United States?

Mr. BLOOM. Absolutely; yes.

Mr. DOWELL. But the gentleman has just stated that he has never made an assignment of the copyright.

Mr. BLOOM. I say that all of the property of the United States Constitution Sesquicentennial Commission that has been copyrighted belongs to the Government of the United States, and that is in the record. All these gentlemen are witnesses to it. I will give you any kind of assignment you want.

Mr. DOWELL. Will the gentleman make a legal assignment to the Government of the United States?

Mr. BLOOM. Will the gentleman draw it up?

Mr. DOWELL. I will say that the gentleman has a way of doing it.

Mr. BLOOM. Please do, and let us have it notarized.

Mr. DOWELL. The gentleman knows the proper way of doing it.

Mr. BLOOM. But the Government is getting the money.

Mr. DOWELL. I understand it is now, but the Government does not have the copyright.

Several Members rose.

Mr. BLOOM. It certainly has. Mr. Chairman, I must decline to yield further; I would like to make a statement.

The CHAIRMAN. The gentleman has 1½ minutes remaining.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. The time is within control of the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. I have no further time to yield.

The CHAIRMAN. The gentleman is out of order in asking that his time be extended.

Mr. BLOOM. I am asking the question if my time can be extended.

The CHAIRMAN. Under the rules of the House the gentleman's time cannot be extended without the consent of the Member who has control of the time.

Mr. BLOOM. I want to say, Mr. Chairman, that it is not my idea in any way——

Mr. LUCAS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from New York yield to permit the gentleman from Illinois to submit a parliamentary inquiry?

Mr. BLOOM. Not if it is to be taken out of my time.

The CHAIRMAN. It comes out of the gentleman's time.

Mr. LUCAS. I am trying to help the gentleman.

Mr. BLOOM. Mr. Chairman, I must decline to yield. I would like to make this statement: It does not make any difference to me whether you pass this bill or not. I do not care whether you withdraw the bill or not.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York [Mr. BLOOM].

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. COCHRAN. I would suggest to the gentleman, in view of the situation that has developed here, that the bill be amended.

Mr. BLOOM. I would suggest that the bill be withdrawn. Let these gentleman over here have their field day; it does not make any difference to me.

Mr. COCHRAN. Let me finish my suggestion. I would suggest that the bill be amended so as to provide that the book be placed in the hands of clerks of the United States courts to be sold if the applicant desires to purchase one at the time of the issuance of his certificate.

Mr. BLOOM. Do anything you want; it does not make any difference to me.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I think a short statement from me will dispose of this matter. I brought on this floor a bill dealing with immigration, but it turned into a discussion of the Constitution and other matters on this floor. A number of amendments have been suggested to me by members of the committee which I think ought to be given more study and consideration. In view of the circumstances, I ask unanimous consent that the bill be recommitted to the committee.

Mr. MICHENER. Mr. Chairman, reserving the right to object, we have discussed a lot of things here today; but those of us who have read this book on the Constitution must all agree that it is a splendid book. It is a book that is attracting attention. I dropped into a drug store today, one of the Peoples Drug Stores, and saw four people step up and buy it. I have bought and distributed and intend to buy and distribute more copies, but I am opposed to appropriating the taxpayers' money for this purpose at this time.

Mr. DICKSTEIN. But from the atmosphere that has been created here you would imagine it was something on Soviet Russia.

Mr. MICHENER. The difference is that now you are going to give these copies away in competition with those that are being sold.

The regular order was demanded.

Mr. DICKSTEIN. Mr. Chairman, I withdraw my request and move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMASON of Texas, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7077) to provide for the distribution to each naturalized citizen at the time of issuance of his certificate of citizenship of a copy of The Story of the Constitution, had come to no resolution thereon.

Mr. DICKSTEIN. Mr. Speaker, by authority of the Committee on Immigration and Naturalization, I call up the bill (S. 2416) relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama.

Mr. O'MALLEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'MALLEY. Is the bill that was just reported back from the Committee of the Whole still the business of the House? I refer to H. R. 7077.

The SPEAKER. The bill still remains on the calendar for any future action that the House may care to take.

Mr. O'MALLEY. How was that bill withdrawn from the consideration of the House?

The SPEAKER. It was not withdrawn. It is still the unfinished business on the calendar of the House.

Mr. O'MALLEY. It does not go back to the committee?

The SPEAKER. It does not.

CITIZENSHIP OF CERTAIN CLASSES OF PERSONS BORN IN THE CANAL ZONE OR THE REPUBLIC OF PANAMA

Mr. DICKSTEIN. Mr. Speaker, I call up the bill (S. 2416) relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama.

The Clerk read the title of the bill.

Mr. DOWELL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and seventy-three Members present, not a quorum.

Mr. DICKSTEIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 129]

Allen, Pa.	Boehne	Burch	Carter
Arnold	Buckley, N. Y.	Caldwell	Chandler
Biermann	Bulwinkle	Cannon, Wis.	Clark, Idaho

Cluett	Gilchrist	McGroarty	Reece, Tenn.
Cravens	Goldsborough	Maas	Rutherford
Crosser	Gray, Ind.	Magnuson	Ryan
Crowe	Greenwood	Maloney	Schneider, Wis.
Deen	Halleck	Mason	Schuetz
DeMuth	Harlan	Meeks	Simpson
Dingell	Hartley	Miller	Sirovich
Dirksen	Hill, Ala.	Mott	Smith, Maine
Ditter	Hoffman	Mouton	Smith, Va.
Doxey	Jacobsen	O'Connell, Mont.	Smith, W. Va.
Driver	Johnson, Okla.	O'Leary	Starnes
Duncan	Kennedy, N. Y.	Parsons	Steagall
Eaton	Kloeb	Pettengill	Sullivan
Elcher	Kniffin	Peyser	Taylor, Colo.
Ellenbogen	Lambeth	Phillips	Wadsworth
Fernandez	Lanham	Plumley	Wene
Fulmer	McGranery	Powers	Wolfenden
Gavagan	McGrath	Quinn	Wood

The SPEAKER. Three hundred and fifty Members have answered to their names. A quorum is present.

On motion of Mr. DICKSTEIN, further proceedings under the call were dispensed with.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That any person born in the Canal Zone on or after February 26, 1904, and whether before or after the effective date of this act, whose father or mother, or both, at the time of the birth of such person was or is a citizen of the United States is declared to be a citizen of the United States.

SEC. 2. Any person born in the Republic of Panama on or after February 26, 1904, and whether before or after the effective date of this act, whose father or mother, or both, at the time of the birth of such person was or is a citizen of the United States employed by the Government of the United States or by the Panama Railroad Co. is declared to be a citizen of the United States.

Mr. DICKSTEIN. Mr. Speaker, I yield 10 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JENKINS of Ohio. I would like to ask what arrangement, if any, we can make with reference to time?

The SPEAKER. Does the gentleman from Alabama [Mr. SPARKMAN] yield?

Mr. SPARKMAN. I yield to the gentleman.

Mr. DICKSTEIN. I have only 1 hour, and I have a number of requests for time.

Mr. JENKINS of Ohio. We want some time on this side.

Mr. DICKSTEIN. I will yield the gentleman 10 minutes. In so doing I am depriving myself of time.

Mr. SPARKMAN. Mr. Speaker, my purpose in rising at this time is to explain the bill that the Committee on Immigration and Naturalization has brought before you for consideration. I am doing this at the request of the chairman of the Committee on Immigration and Naturalization.

This bill has been passed by the Senate and has been reported by our committee by the unanimous vote of all those present when the vote was taken. It has to do with the citizenship of a certain class of persons born in the Canal Zone and in the Republic of Panama.

I may say that in 1855 a law was enacted which provided that the children of American parents or of an American father born on foreign soil were considered citizens of the United States. The fourteenth amendment, as you all know, extends citizenship to all persons born within the United States. But when we came to the Panama Canal and the Canal Zone we had a rather curious situation arise.

It has been held that the Canal Zone is not such foreign territory as to come under the law of 1855 and, on the other hand, it is not a part of the United States which would bring it within the fourteenth amendment; consequently there has been great doubt as to the citizenship status of children born in the Canal Zone since February 26, 1904, the date the United States assumed jurisdiction over the Canal Zone.

Of course, the second generation of children is coming along now and there is still greater doubt as to their citizenship status. There is another question that arises. American citizens living in the Canal Zone frequently go over to the American hospital in the city of Colon, Panama, for the birth of children. They are, therefore, not born within the Canal Zone, although born in an American hospital operated by Americans and are children of American parents.

Mr. O'MALLEY. Will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Would not the act of 1855 cover that contingency?

Mr. SPARKMAN. The act of 1855 might cover the last contingency, but I want to go further, if I may.

The first section of the bill takes care of those persons born in the Canal Zone. The second section takes care of those born in Panama. I call your attention to the fact now that under the second section, having to do with those persons born in Panama, it is required not only that the parents be American citizens but also that they be employees of either the United States Government or of the Panama Railroad.

In 1934 our laws were amended to allow citizenship to descend through the mother as well as through the father when born on foreign soil, but there was a limitation put in. If you will get a copy of the report, you will find all of the limitations set out in the report. Under the law of 1934 it was required that the parent, if only one parent be an American citizen, must have previously resided in the United States, and, furthermore, that for 5 years at least preceding the eighteenth birthday of the child the child itself must have resided in the United States. Then within 6 months after attaining his majority that child must take the obligations of citizenship.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Georgia.

Mr. TARVER. Has the attention of the committee been called to any specific cases where hardships have resulted because of the alleged defects existing in the law about which the gentleman has been speaking?

Mr. SPARKMAN. Yes.

Mr. TARVER. How many such cases have been called to the attention of the committee?

Mr. SPARKMAN. If the gentleman will look at page 2 of the report he will see that the number of cases that would be affected includes a total of 1,843 persons born in the Canal Zone and 1,517 born in Panama. One thousand four hundred and forty-one of those born in the Canal Zone are children both of whose parents were American citizens, and the same thing is true of 1,079 of those born in Panama.

Mr. TARVER. The language of the bill in both sections is that a person born under the circumstances detailed in the bill is declared to be a citizen of the United States. A person born in 1904 in the Republic of Panama very possibly may have acquired citizenship either in Panama or some other country of the world since that time. However, under the language of this bill, without regard to what changes in the status of the person with regard to his citizenship may have occurred since that time, such a person is declared to be now a citizen of the United States.

Mr. SPARKMAN. As a matter of fact, under the general law of the United States, in any other country in the world except this one particular place if a child is born of an American mother or of American parents, both of them being American citizens, the same thing would be true.

Mr. TARVER. No; I think the gentleman has misunderstood my inquiry. I am not talking about whether or not it should be declared through this legislation that at the time of his birth the child should be considered to have been a citizen of the United States. In view of the lapse of perhaps more than 30 years in some cases since birth, and the possible acquisition of citizenship in some other country of the world by the person so born, I do not think we should now declare by legislative act that this person without regard to whether he has acquired citizenship in some other country is now a citizen of the United States.

Mr. SPARKMAN. I see the point the gentleman makes. In other words, there should be a saving phrase inserted to this effect, "provided he has not become a citizen of some other country in the meantime."

Mr. TARVER. Perhaps we should declare that at the time of his birth he was a citizen of the United States and

let his status since then be controlled by what his actions may have been with regard to having acquired alien citizenship.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. I may say that if this bill passes as worded many of these persons could be citizens of Panama and also citizens of the United States, depending on how the Republic of Panama looks at the language of this act.

Mr. SPARKMAN. According to my understanding, this bill was prepared at the request of the War Department. Its enactment is requested by the War Department, the Labor Department, the State Department, and also the Attorney General, in order to clarify the situation which I have described.

Mr. TARVER. If the gentleman will yield further, does the gentleman think these 3,000 or more people to whom reference is made in the report, who would come within the terms of this proposed legislation, ought to be made citizens of the United States by legislative act without their even having applied for this consideration? Perhaps these people do not want to be citizens of the United States. Should not an application for recognition of citizenship at least be required? Does not the gentleman think some action on the part of such persons should be required?

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I yield 10 additional minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. JENKINS of Ohio. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. JENKINS of Ohio. As I understand the rules, if the Speaker should recognize me, I would be entitled to an hour in my own right. This is a very important bill. I think on our side we ought to have some time. Will the Speaker recognize me now, or when will be the proper time for me to make this request? May I make the request at this time?

The SPEAKER. If the hour is exhausted without the previous question having been ordered on the bill, the gentleman will be entitled to recognition for an hour.

Mr. JENKINS of Ohio. Will the Chair recognize me at this time?

The SPEAKER. The gentleman from Alabama has the floor.

Mr. SPARKMAN. May I now answer the question of the gentleman from Georgia [Mr. TARVER]?

The relation of the Canal Zone to us is almost parallel to that of our Territories, although the Canal Zone does not have a territorial status. However, if a child had been born under these same circumstances in a Territory of the United States, it is my understanding the child would be a citizen unless since then he had expatriated himself. Frankly, I do not know whether or not under this measure that ruling would apply.

Mr. TARVER. According to the argument of the gentleman, these 3,000 or more people are not now citizens of the United States.

Mr. SPARKMAN. I shall not say they are not citizens, but the Attorney General has ruled there is doubt about their status.

Mr. TARVER. Unless they are not citizens of the United States, there is no need for this legislation. Assuming they are not citizens of the United States, the gentleman is proposing to legislate them into citizenship without any expression on their part of desire to become citizens, without their having filed an application with anybody and without their having taken an oath of allegiance to our Government and the Constitution of our country. Does not the gentleman think some form of application for the benefits available under this bill ought to be provided by its terms and some method of procedure established by which the applicant may show he desires the benefits granted by the bill and wishes to become a citizen?

Mr. SPARKMAN. As far as my personal opinion is concerned, I have always believed that a person living in a foreign country ought to show by some affirmative action that he desires his citizenship in this country protected. I may say I had nothing to do with drawing this bill. It was prepared, as I stated a few minutes ago, with the approval and help of the various departments. Whether or not they took those things into consideration I cannot say.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. May I say to the gentleman the discussion appears to indicate the bill was rather hastily drawn, and there were not taken into consideration the contingencies which may occur. If we pass this bill there may be people who were born in 1904 that are already citizens of the Republic of Panama, although we declare them to be citizens of the United States. By so doing we may imperil some of the rights or privileges they may hold as citizens of Panama. We do not know definitely regarding this situation.

Then we come to section 2 and we seek to apply this law only to the children of Government employees or employees of the Panama Railroad. If there are people down there who are children born of American citizens who are not such employees, why should this bill declare only the children of Government employees to be citizens? Obviously it is discriminatory. There may be a broker or a fruit dealer or a mechanic living with a wife in the Canal Zone whose child was born in a hospital in Panama and such child would be excluded from the benefits of this bill.

Mr. SPARKMAN. The gentleman has asked so many things——

Mr. O'MALLEY. I have only asked two things.

Mr. SPARKMAN. Let me answer them as the gentleman has asked them.

First, in regard to the bill being hastily drawn, I cannot say about that, because, as I have stated, it was prepared, as I understand, under the direction of the various departments that had been confronted with the problem, and the bill passed the Senate in its present form and then was referred to our committee, where it received a careful hearing.

As to the second question, such children born in Panama may become American citizens under the law of 1934. They are in a different status. The purpose of this bill is to take them out from under the provision which would require the child to come back to the United States and live here 5 years prior to becoming 18 years of age, and this exemption is made only for the benefit of the employees of the United States Government and the Panama Railroad in order that the hardship may not be put upon them of bringing their children back here.

Mr. O'MALLEY. Why should the children of employees of the United States Government be saved a hardship which we do not save the children of other Americans who are not fortunate enough to be in the employ of the United States?

Mr. SPARKMAN. Because that is where their job is.

Mr. O'MALLEY. That is true, but other Americans may earn their livelihood down there also.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. DONDERO. I think the question raised by the gentleman from Georgia is well taken, that they should not be declared citizens simply by an act of this body. Could we not correct that by adding after the words "United States" in line 7, "upon making application therefor to the proper courts"?

Mr. DICKSTEIN. Mr. Speaker, if the gentleman will yield, the general law takes care of that. We are now dealing with children of American citizens who have been there for years, and as the gentleman from Alabama [Mr. SPARKMAN] has well said, they are assigned to duty in running the Canal on behalf of the United States.

Mr. DONDERO. But they should perform some particular act indicating their intention or their desire to become citizens.

Mr. SPARKMAN. I may say, personally, I would not object to that; but I do not have charge of the measure, and

I am simply trying to explain it as written, and I respectfully call your attention to the fact that the bill has already passed the Senate in its present form.

Mr. ENGEL. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. ENGEL. Under section 2 of this bill, if a prostitute in the Republic of Panama gave birth to an illegitimate child and claimed that an American soldier was the father of that child, the child would become a citizen, would it not?

Mr. SPARKMAN. I am not prepared to answer about obtaining citizenship in that way. It seems to me she would certainly have to establish the fact that he was the father, and simply claiming that would not be sufficient.

Mr. ENGEL. Could not that be done by affidavit?

Mr. SPARKMAN. I would not believe that an affidavit would be sufficient.

Mr. ENGEL. How would you determine the matter?

Mr. SPARKMAN. I cannot tell the gentleman. The gentleman is asking a question that I cannot answer.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. LESINSKI. The bill only refers to citizens of the United States employed either in the Canal Zone or in the city of Panama. They must be citizens of the United States, and the children must be born of a legitimate father and mother, and the bill would not apply to illegitimate children.

Mr. ENGEL. Where does the bill say anything about a legitimate father and mother? The bill states "whose father or mother", not "father and mother", but "father or mother both at the time of the birth of such person was or is a citizen of the United States." The bill does not say anything about legitimacy, and, as I read the bill, either the father or the mother may be a citizen.

Mr. SPARKMAN. This is the same provision that is in the general law, and if such a situation applies to this bill, it applies to our general law.

Mr. ANDERSON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. ANDERSON of Missouri. I gather from the gentleman's speech that this bill is retroactive. How far does it go back?

Mr. SPARKMAN. It goes back to the time the United States assumed its present relationships in the Panama Canal Zone under the treaty which went into effect February 26, 1904, and the reason for that is that there is now a second generation of children.

Mr. KITCHENS. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. KITCHENS. I am very much concerned about the question raised by the gentleman from Georgia [Mr. TARVER] and the gentleman from Michigan [Mr. DONDERO]. It seems to me if we pass this bill, if we make a person who may now be construed as a citizen of Panama a citizen of the United States, he is then a citizen of two countries at one and the same time, which is not consistent. It appears to me that there should be some provision in the law that would require such a person to elect and allow him to remain a citizen of Panama, if he be now a citizen of Panama, or to submit a petition to become a citizen of the United States.

Mr. SPARKMAN. I will repeat to the gentleman that my own personal opinion is that something like that ought to be done, but the gentleman may not be aware of the fact that it is not unusual under our present law to have dual citizenship, I will not say with any country, but with many different countries of the world there are people who are citizens of the United States and citizens of some other country at the same time, so long as they have not taken the oath of allegiance.

Mr. DICKSTEIN. Mr. Speaker, will the gentleman yield at that point?

Mr. SPARKMAN. Yes.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I yield the gentleman 2 more minutes.

If a child is born of an American citizen, as the gentleman has so well presented, and if he were born in Panama, he could not very well be a citizen of Panama and still be an American citizen. Under the basic law, in filing a petition, he would have to take an oath of allegiance. Is not that the fact?

Mr. SPARKMAN. That is true under our law as it exists now, but under the second provision, if the further condition existed, and his parents were American citizens and employees of the Government or of the railroad, then he would be relieved. His status would not be any different. He would simply be relieved of the necessity of coming back to the United States and living here 5 years prior to his eighteenth birthday.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mr. TARVER. I desire to ask the chairman of the committee a question. Does the gentleman insist that the people affected by this proposed act would have to do anything by way of application to any court or any other authority or assume any oath of allegiance to the United States in order to receive the benetfis of this act? Such a position is absolutely unsupported by any language in the bill or in the law as it exists.

Mr. DICKSTEIN. I do not think the gentleman understands or has read the naturalization law. He is just making a guess at it.

Mr. TARVER. That is only one of the things about which the gentleman from New York is misinformed.

Mr. DICKSTEIN. The organic law provides for a proper oath of allegiance.

Mr. TARVER. I have asked the gentleman a question and he seems unable to answer it. May I repeat the question so that he may have an opportunity to answer it, as in the further discussion he may have forgotten all about it.

The SPEAKER pro tempore (Mr. O'CONNOR of New York). The time of the gentleman from Alabama has expired.

Mr. DICKSTEIN. Mr. Speaker, I yield 15 minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Speaker, I have not devoted a great deal of study to this measure. However, it seems to me that the bill could be materially improved if it provided that the offspring of father or mother, citizen of the United States, shall be legitimate. I suggest to the chairman that the bill be amended so as to provide that these children shall be legitimate offspring of the father or the mother, or preferably of both.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Tennessee. Yes.

Mr. CULKIN. I notice in the letter of the Secretary of War, on page 4 of the report, that he transmits a bill prepared under the direction of the Governor of the Panama Canal, after extensve studies into the question. We have these questions up more or less in the Committee on Merchant Marine, affecting the Panama Canal, and have great respect for their conclusions. My inquiry is whether this bill, S. 2416, is identical in text with the bill that was transmitted by the Secretary of War, as stated on page 4 of the report.

Mr. TAYLOR of Tennessee. As I understand it, the bill was drafted by the Secretary of War.

Mr. CULKIN. Does the chairman of the committee know about that?

Mr. DICKSTEIN. It is the same identical bill that passed the Senate, and the committee has not changed it.

Mr. CULKIN. I am inquiring whether it is the bill that was transmitted by the Secretary of War, after a draft by the Governor of the Panama Canal Zone.

Mr. DICKSTEIN. I do not know, but I have been so informed. It was not alone prepared by them, but the Governor of Panama and the State Department were called in on it.

Mr. CULKIN. Of course, there is a tremendous problem there. During the construction of the Canal, after repeated failures, they finally decided on labor from the Barbadoes,

and there are a great many of them there at the present time. I assume that this would confer citizenship on them.

Mr. TAYLOR of Tennessee. It would not. The father or the mother must be a citizen of the United States.

Mr. CULKIN. That is the full scope of the bill?

Mr. TAYLOR of Tennessee. Yes. That disposes of that question. I think there is another objection to the bill, however, and that is that it applies only to employees of the Panama Railroad. It seems to me it ought to apply to any American citizen who happens to be in Panama or in the Canal Zone, regardless of whether they are employed by this railroad.

Mr. CULKIN. I think that will be clarifying, and I think the children of men who go down there to work in the Tropics should not be penalized.

Mr. TAYLOR of Tennessee. I agree with the gentleman.

Mr. JENKINS of Ohio. Mr. Speaker, I ask recognition in my own right.

The SPEAKER pro tempore. The gentleman from New York [Mr. DICKSTEIN] has control of the time. He has yielded 15 minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. DICKSTEIN. Mr. Speaker, I assumed that the gentleman from Tennessee would yield some time to the gentleman from Ohio.

The SPEAKER pro tempore. The gentleman from New York [Mr. DICKSTEIN] has control of this hour, and unless he yields to the gentleman from Ohio, the Chair cannot recognize the gentleman.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. JENKINS].

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 11 minutes.

Mr. TARVER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER pro tempore. The gentleman from Georgia makes the point of order that there is no quorum present. Obviously there is no quorum present.

Mr. DICKSTEIN. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, and the Sergeant at Arms will bring in absentees. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 130]

Allen, Pa.	Disney	Hook	Plumley
Arnold	Ditter	Johnson, Okla.	Powers
Biermann	Doxey	Keller	Quinn
Boehne	Driver	Kennedy, N. Y.	Reece, Tenn.
Bradley	Duncan	Kerr	Reed, N. Y.
Buck	Eaton	Kloeb	Rutherford
Buckley, N. Y.	Ellenbogen	Kniffin	Ryan
Bulwinkle	Fernandez	Lambertson	Schuetz
Caldwell	Fitzpatrick	Lambeth	Scrugham
Cannon, Wis.	Flannagan	Lanham	Shafer, Mich.
Champion	Fletcher	Long	Shanley
Chandler	Ford, Calif.	McGroarty	Simpson
Chapman	Fries, Ill.	Maas	Sirovich
Citron	Fulmer	Magnuson	Smith, Maine
Clark, Idaho	Gasque	Maloney	Smith, Va.
Clark, N. C.	Gavagan	Martin, Colo.	Smith, Wash.
Cluett	Gifford	Mason	Smith, W. Va.
Coffee, Nebr.	Gilchrist	May	Starnes
Cooper	Gray, Ind.	Meeks	Steagall
Cravens	Green	Millard	Sullivan
Creal	Greenwood	Miller	Taber
Crosser	Greever	Mouton	Taylor, Colo.
Crowther	Griffith	Murdock, Utah	Transue
Cummings	Hancock, N. C.	O'Connor, Mont.	Wadsworth
Deen	Harlan	O'Leary	Wene
DeMuth	Hartley	Parsons	Wilcox
DeRouen	Hill, Ala.	Peyser	Wolfenden
Dirksen	Hoffman	Phillips	

The SPEAKER pro tempore (Mr. O'CONNOR of New York). Three hundred and twenty-three Members have answered to their names. A quorum is present.

Mr. DICKSTEIN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects: First, capital gains-and-loss tax; and, second, Nazi activities.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

CITIZENSHIP OF CERTAIN CLASSES OF PERSONS BORN IN THE CANAL ZONE OR THE REPUBLIC OF PANAMA

The SPEAKER pro tempore. The gentleman from Ohio [Mr. JENKINS] is recognized for 11 minutes.

Mr. JENKINS of Ohio. Mr. Speaker, this is a very important measure. It is not a measure of any great consequence from every angle. By that I mean it does not involve a question of constitutionality and if we do not pass it the Republic will not fall down about our heads, but it is a matter that we ought to understand.

I think this bill springs from a laudable sentiment. The Governor General of the Canal Zone has recommended it. I may say, however, the Secretary of State does not recommend it. Mme. Perkins does not recommend it wholeheartedly. She says she cannot find any serious objection to it, but that is as far as she goes. She says she is moved to that position because of the interest of the Governor General of the Canal Zone.

Now, what does the Governor General want to do? He wants to do what everybody who has ever been in Panama knows is, in some respect at least, a pretty good thing. Panama is the most polyglot place in the world. By that I mean there are more nationalities and more cross-breeds of all kinds in the Isthmus of Panama than any other place in the world. He wants to give the children of an American citizen who is down there legitimately the right to American citizenship. But this bill goes further than that. It goes entirely too far. I will recite the facts and see if you do not agree with me. The Canal Zone is American territory. It is only 10 miles wide across the isthmus. The land on either side of this 10-mile strip is the Republic of Panama. You would not want to give the people of the Republic of Panama any more rights than you would give to the people of Canada. From the standpoint of sanitation and wholesome environment, Panama is one of the worst places in the world.

If a man who is an American citizen goes into Panama and lives with some woman and a child is born, even an illegitimate child, that child may under this law become an American citizen, whether it wants to be or not. We ought not do that. We do not do that with Canada. In order for a child to become an American citizen, born in Canada, it must be the child of American parents. Both the parents must be American citizens. This bill provides for a child of one American parent. It does not provide that that child must be the issue of a lawful marriage. If the laws of Panama were to provide that when an unmarried Panamanian woman can establish that the father of her child is an American, then that child is included in this bill. That ought not to be.

We should also strike out section 2 of this bill. Section 1 of this bill provides that any child born on the Isthmus of Panama, and by that I mean the Canal Zone, 10 miles wide, if his father is an American citizen, he becomes an American citizen. The United States Government controls a strip 10 miles wide across the Isthmus of Panama. The principal occupation is working for the railroad. The Panama Railroad is just a legal fiction in a way. It is owned by the Government of the United States. The Government cannot own a railroad, hence it builds up the Panama Railroad, and owns, I think, the whole town of Cristobal on the Atlantic side, and the town of Balboa on the other side. In the 10-mile-wide strip the railroad company owns much of the property, and what the railroad company does not own belongs to the United States Government.

Now, what do they seek to do? The bill covers more territory than is necessary. I think everybody in this House

would be willing to grant citizenship to an American citizen who was working down there, or a soldier, who has his wife with him. If a child is born to them in the Canal Zone, why not make this child an American citizen? Up to this time, under some conditions, they cannot become American citizens, even though both parents are American citizens. The child cannot be an American citizen because, as I understand it, there is some misunderstanding with reference to the organic law which set up the Panama Canal Zone. I do not know the exact facts in this respect, else I would elaborate on this point.

I do not want to get the reputation of being against everything which the Immigration Committee reports out, but I do want to impress upon you that we do not want to be misled by something that even Mme. Perkins does not endorse wholeheartedly and something which the Secretary of State will not endorse at all. We ought not to give these people any more than we give the people in Canada or Mexico. Somebody asked me here what would be the result if an American had married a French woman down there. Well, he knew she was a French woman when he married her. We should not give him any more rights than anybody else. We should not give his children the right of full citizenship. If he married an American citizen, then we should give that child full rights. We are not taking any rights from him. He should not ask for more rights than he would have if he married a French woman in France.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. KRAMER. I did not favor this bill when it was presented in the committee. I suggested that we strike out the words "father or mother", and insert in lieu thereof by amendment "and mother."

Mr. JENKINS of Ohio. That is exactly right, as far as it goes.

Mr. KRAMER. That was my amendment, and I am sorry I was not present when the bill was passed out of committee, or I would have insisted on that amendment.

Mr. JENKINS of Ohio. I would like to ask the chairman of the committee if he would agree to that amendment when this bill is taken up for consideration under the 5-minute rule? Will he consent to amending the first section and making it read "father and mother", so that we can do what the Director General of the Zone is trying to do. If he will do that, then I will make no effort to defeat the bill. Of course, I may not be able to do it anyway, but I can try it.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. KRAMER. You cannot strike out section 2 because the mothers go to the hospital in Panama to have their children born, and if you strike out this section, then those children cannot come under the provisions of the bill.

Mr. JENKINS of Ohio. There is an arrangement between the United States Government and Panama, and I am sure that the United States has full control of that large, beautiful hospital. When we built the Panama Canal it was stipulated that the city of Panama would have to yield to the United States Government many concessions for the purpose of constructing and supervising the water system of the city of Panama, which is in Panama, so we could stop all the yellow fever and other similar tropical diseases. Right outside of the 10-mile Canal Zone is the city of Panama. At first glance it looks to be a city of not more than 15,000, but there are many thousands of people in the city. The streets in some of the congested residence sections are narrow, not much wider than the width between these rows of seats. This is one of the oldest cities in the Western Hemisphere. It is not wise for us to become involved in the civic life or national interests of the Republic of Panama or the city of Panama. If we do this we will not be able to stop with Panama. I know a lot of people—I would not call them the best people—but a lot of good people, who work in the Canal Zone and who have their real homes up in Costa Rica, for instance, 100 miles up the coast. They go to Costa Rica and have their homes there and, of course, their children are born there. This law should apply to them also, but it will not. The people find themselves there in an unfortunate situation. I am not saying anything against the citizens of the Republic of Panama, but for over 400 years the Isthmus of Panama has been a crossroads for all the peoples of the world. I shall say no more on that subject, and I pause to inquire why we have not yet gotten the answer of the chairman as to whether he will agree to my proposed amendments.

Mr. DICKSTEIN. So many suggestions have been made to me that if I were to agree to all of them I could not recognize the original bill.

Mr. JENKINS of Ohio. Then I feel impelled in my own weak way, to call upon the House, if the chairman will not agree to these amendments, to beat this bill on the first vote. We ought to beat it in its present form. It is a terrible concession. The Secretary of State does not want it; the Secretary of Labor does not say that it is necessary. You know that you ought not to give any rights to those people down there in the Canal Zone, and especially in the Republic of Panama, that you do not give to people in Canada. If you refuse to pass this bill, we are not going to take any rights from anybody. Of course, we are all willing, as I have already stated, to give to the children of American parents every consideration, and this applies to our men in the Army in the Canal Zone and thousands of other fine American citizens down there. Why, of course, their babies ought to be American citizens. Let us give them that right. That is what they started out to do in this bill, but let us not give everybody from there to the Equator on the south and to the city of Mexico on the north the right to become American citizens. Look at the involvements we would have. You would have nothing but eternal trouble down there.

What is the use of being so free with American citizenship when it is the most priceless heritage we have? What is the use of peddling it around this way? Why, we make the Germans, the Irish, the English when they come to our shores to become citizens reside in our country for 5 years. I call on you in the interest of fair play to ourselves and our American people in other sections of the world, let us beat this bill today. We can then take up another bill another day, when the Secretary of State and the Secretary of Labor and the Congress shall have had time to consider it thoroughly.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. RICH. Should we not preserve this priceless heritage of American citizenship for America whether the advantage be for American industries, for American labor, or for any other class of her citizens?

Mr. JENKINS of Ohio. Surely we should. When an American citizen goes down there he goes advised of the circumstances. Yes, I say, let us treat them as we treat our citizens in Canada, Germany, and elsewhere.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. KRAMER. Would the gentleman be satisfied if the bill were amended to strike out the word "or" and insert in lieu thereof the word "and", so it will read "father and mother"?

Mr. JENKINS of Ohio. What about the Republic of Panama proposition? That is where we are going to have lots of trouble.

Mr. KRAMER. That will be necessary, if the gentleman understood it, because American citizens go there to avail themselves of hospital facilities, and a baby born in the hospital at Panama would be born in Panama.

Mr. JENKINS of Ohio. I have asked the gentleman from New York if he would agree to certain amendments; if he does not agree then let us fight it out.

Mr. KRAMER. I am asking the gentleman if he would agree to this amendment.

Mr. JENKINS of Ohio. At the present time I do not want to agree to it, for I should like to have the bill amended so as to do what should be done.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. SCHULTE].

Mr. SCHULTE. Mr. Speaker, this bill was introduced at the request of American citizens, fathers, and mothers whom we sent down to the Panama Canal, sent by the American Government in 1904.

The gentlemen from Ohio seeks to strike out section 2, which is practically the meat of the bill, that any person born in the Republic of Panama on or after February 26, 1904—that is the date that they were sent down to the Panama Canal Zone to operate that Canal for the convenience of the United States Government. These people, as I said in the beginning, were sent down there in 1904. Thus a period of 34 years has expired since that time. Those folks have had children. It is the second generation that we are trying to give citizenship to.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SCHULTE. I yield.

Mr. JENKINS of Ohio. Does the gentleman mean to say that this would not apply to people who just went down there 5 years ago?

Suppose an American man and his wife went down there 5 years ago and a baby is born. According to this language you do not want them included.

Mr. SCHULTE. Yes; that is included in here.

Mr. JENKINS of Ohio. They ought to be included.

Mr. SCHULTE. This goes back to 1905. The fact is, they have no hospital in the Canal Zone proper. The hospital is located across the boundary and is controlled by the Panamanian Government, with the result that the mothers must go to the hospital located in that foreign territory. The child is born over there, and automatically if both parents are not American citizens the child is not an American.

Mr. MAVERICK. Will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Texas.

Mr. MAVERICK. If two Americans go to France—the gentleman, myself, or anybody else, with his American wife—the children born over there are Americans, are they not?

Mr. SCHULTE. Yes.

Mr. MAVERICK. Does not this mean, then, if a person goes to Panama and he marries a foreigner that the children become American citizens?

Mr. SCHULTE. No. I may say to the gentleman that Panama is a "no man's land." That is the point we are trying to make.

Mr. MAVERICK. Even if born over in the Panama Republic? Suppose a child was born in France or any other foreign country, both of the parents have to be American citizens in order for the child to be an American citizen?

Mr. SCHULTE. No.

Mr. MOTT. Will the gentleman yield?

Mr. SCHULTE. I cannot yield.

The question is, Are we going to restore citizenship to those people who left the shores of this country and went down there to render service to the United States? The Panama Canal Railroad referred to is the property of the Government. The Canal Zone itself is the property of the Government. It is stated in section 2 of this bill:

> Any person born in the Republic of Panama on or after February 26, 1904, and whether before or after the effective date of this act, whose father or mother or both at the time of the birth of such person was or is a citizen of the United States employed by the Government of the United States or by the Panama Railroad, is declared to be a citizen of the United States.

A great many things have been said about the Panama Canal Zone. Unfortunately I have never had the pleasure of visiting that particular place. A great many aspersions have been cast upon that little republic down there or upon that little zone. However, I am not apprehensive of that. The thing I have in mind is that we should be fair with those who were sent down there in the past, and we certainly should not deny their children's children the right of citizenship because they were serving the American Government in a "no man's land."

Mr. COCHRAN. Will the gentleman yield?

Mr. SCHULTE. I yield to the gentleman from Missouri.

Mr. COCHRAN. With reference to section 1, does the gentleman tell us a child born in the Canal Zone now is an American citizen regardless of who its father or mother is?

Mr. SCHULTE. No; it is not.

Mr. COCHRAN. If that be so, why does not the gentleman add to section 1 the same words that are used in section 2, that the children must be the son or daughter of someone employed by the United States Government or a member of the military or naval forces of the United States! There are a lot of people in Panama and a lot of people living in the Canal Zone who are not employed by the Government or in the military or naval forces of the United States. Section 2 has the proviso; why not put it in section 1, which is wide open?

Mr. SCHULTE. This bill does not apply to those people nor can they take advantage of this bill. The bill gives the right only to those who are employed by the Federal Government.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. MAVERICK. Will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Texas.

Mr. MAVERICK. Does this act give to persons in the Canal Zone a superior right over persons going to other foreign countries?

Mr. SPARKMAN. Let me answer that in this way: Under the general law as it exists today, if an American citizen goes to any foreign country, it does not matter whether that citizen is father or mother, if either one of the parents is an American citizen, the children born are American citizens. There is the requirement, however, that prior to their eighteenth birthday they must come back to this country and spend at least 5 years as a resident of the United States, and 6 months after reaching their majority they must apply for United States citizenship. I mean by that, they must take the obligation.

The Canal Zone is a "no man's land." Every place in the world except the Canal Zone has been covered by either the law of 1855, which applies to foreign countries, or by the fourteenth amendment, which applies to the United States and its possessions. That answers the Canal Zone question.

The reason the provision is in there with reference to the Republic of Panama is because the people of the Canal Zone go over there in maternity cases. It is the only hospital they have. We have required that they not only be born of American citizens but also that those citizens be employed by the United States Government or by the Panama Railroad.

The only advantage they have through this act over children born in any country in the world is the relief from that requirement to come back here and spend 5 years. The reason they are included is because it is the sentiment of the committee that it is not fair to require employees of the United States Government to send their children back here for 5 years. We do not require it of the Army, the Navy, or the people attached to the various United States posts throughout the world.

Mr. COCHRAN. Will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from Missouri.

Mr. COCHRAN. That is just exactly what I was trying to tell the gentleman from Indiana. You provide that in section 2, but in section 1 you do not provide that they must be employed by the United States Government or be a member of the Military or Naval Establishment.

Mr. SPARKMAN. The reason for that is that section 1 applies to the Canal Zone, which, to all intents and purposes, is United States territory, and ought to be governed by the fourteenth amendment.

Mr. COCHRAN. Yes; but there are a lot of people in the Canal Zone who are not American citizens, and neither the man nor the woman is an American citizen, and there are American citizens in the Canal Zone not employed by the Government.

Mr. SPARKMAN. This bill applies only to the offspring of American citizens.

Mr. COCHRAN. Furthermore, may I say to the gentleman, if I am not mistaken there is a very fine hospital in the Canal Zone, I think, at Ancon.

Mr. SPARKMAN. That was the information before our committee. I know nothing about it.

Mr. KRAMER. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield to the gentleman from California.

Mr. KRAMER. The gentleman knows that when I came before the committee the first time I raised an objection to the word "or" in line 5 and made the suggestion that it should be stricken out, so that the phrase would read "father and mother", striking out the following words "or both", and that the same thing be done in section 2, and stated I would then have no objection to the bill. I raised before the committee the very objection that has been raised here on the floor today.

Mr. SPARKMAN. The gentleman is correct.

Mr. KRAMER. I believe the gentleman was with me on my suggestion at that time. I am sorry I could not appear before the committee when the bill was voted out, for I would have made the same objection.

Mr. SPARKMAN. I may say that is a correct statement. We had a second day's hearing, when these other facts were laid before us, and by a unanimous vote of those present the bill was reported out in its present form.

Mr. KRAMER. Was there a quorum?

Mr. SPARKMAN. If we wrote into the bill the requirement which the gentleman wanted we would be placing higher requirements on our own citizens in the Canal Zone than we place on them in France, Germany, Italy, Japan, China, and every other nation in the world.

Mr. KRAMER. How so?

Mr. DIES. I think that is an inaccurate statement.

Mr. SPARKMAN. It is not.

Mr. DIES. Will the gentleman let me tell him why? Because in the case of other countries you require the child to return and do certain things as a prelude to becoming a citizen, but in this case you do not require any such thing.

Mr. SPARKMAN. No; but let me call the attention of the gentleman to the fact that under the provision suggested by the gentleman from California [Mr. KRAMER] you would have required both the parents to become American citizens, and we do not require that anywhere else in the world.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I yield 3 additional minutes to the gentleman from Alabama.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I will yield just this one time and very briefly, because I want to make a concluding statement.

Mr. RICH. The gentleman states that children born abroad of American parents must return to this country for 5 years before they are 18 years of age if they want to become American citizens?

Mr. SPARKMAN. If they are born outside of the United States they must return and spend at least 5 years here prior to their eighteenth birthday.

Mr. RICH. If not, they must take an obligation when they return. What is this obligation? Is it an obligation to support and uphold the Constitution of the United States?

Mr. SPARKMAN. No. If they do not return and spend 5 years here prior to their eighteenth birthday, they must be naturalized just like a foreigner coming in.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield just briefly.

Mr. BROOKS. Is it not true that the law applies only to children of the father?

Mr. SPARKMAN. That was true prior to 1934. In 1934 the law was amended to allow citizenship to descend by the mother as well as the father, but the 5-year residential restriction was added.

Mr. MOTT. Mr. Speaker, will the gentleman yield for a question?

Mr. SPARKMAN. I yield for a question.

Mr. MOTT. Will the gentleman tell us why the committee did not report out a bill making the same provision for the Canal Zone and the Republic of Panama as for other countries?

Mr. SPARKMAN. Yes. This is the last time I can yield. I have stated three times that the Canal Zone is in every sense of the word United States territory and should be covered by the fourteenth amendment. The Republic of Panama is foreign territory and should be covered by the law of 1855, and is covered by it, with the amendment of 1934. The only thing this bill does is relieve such children of the necessity of returning and spending 5 years here prior to their eighteenth birthday.

Mr. MOTT. Why relieve them of that requirement if it is required of all others?

Mr. SPARKMAN. Because they are employees of the United States Government. We do not require it of our men in the Army, the Navy, or any other service.

I am sorry I cannot yield further.

Mr. MOTT. Will the gentleman answer another short question?

Mr. SPARKMAN. I am sorry, I cannot yield further.

It seems to me we are making a great to-do over a rather simple measure, which is here simply due to the fact that a territory over which we exercise jurisdiction as a part of the United States——

Mr. MOTT. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. SPARKMAN. Mr. Speaker, I do not yield for that purpose.

Mr. MOTT. Mr. Speaker, I make the point of order a quorum is not present.

Mr. SPARKMAN. This is a territory over which we exercise jurisdiction.

Mr. MOTT. A point of order, Mr. Speaker.

Mr. SPARKMAN. These citizens are entitled to all of the rights of citizens anywhere in the United States.

Mr. MOTT. A point of order, Mr. Speaker.

Mr. SPARKMAN. This law gives such rights to them, and I submit the House ought to pass this measure.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I move the previous question on the bill.

Mr. MOTT. Mr. Speaker, a point of order.

The SPEAKER pro tempore (Mr. O'CONNOR of New York). The gentleman will state it.

Mr. MOTT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently, a quorum is not present.

Mr. DICKSTEIN. Mr. Speaker, I move a call of the House.

The SPEAKER pro tempore. The gentleman from New York moves a call of the House.

The question was taken, and the Chair announced the noes seemed to have it.

Mr. DICKSTEIN. Mr. Speaker, I move the previous question.

Mr. MOTT. Mr. Speaker, a point of order. I make the point of order a quorum is not present.

The SPEAKER pro tempore. The gentleman from Oregon [Mr. MOTT] again makes the point of order a quorum is not present.

Mr. MAPES. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MAPES. The Chair has already announced a quorum is not present, and the House has refused a call of the House.

Mr. DOWELL. Only one motion now can be made, and that is a motion to adjourn.

Mr. DICKSTEIN. Mr. Speaker, I demand a division on the motion for a call of the House.

The question was taken; and there were—ayes 52, noes 37.

So a call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 131]

Allen, Pa.	Ditter	Kerr	Reece, Tenn.
Andresen, Minn.	Dixon	Kloeb	Reed, N. Y.
Arnold	Doxey	Kniffin	Richards
Bates	Driver	Lambertson	Robsion, Ky.
Biermann	Duncan	Lambeth	Rogers, Okla.
Boehne	Eaton	Lanham	Rutherford
Buckley, N. Y.	Ellenbogen	Long	Ryan
Bulwinkle	Farley	Lucas	Schuetz
Burch	Fernandez	McGroarty	Scott
Caldwell	Flannagan	McLaughlin	Scrugham
Cannon, Wis.	Ford, Calif.	Maas	Shanley
Champion	Fries, Ill.	Magnuson	Short
Citron	Fulmer	Maloney	Simpson
Clark, Idaho	Gavagan	Mason	Sirovich
Clark, N. C.	Gilchrist	May	Smith, Maine
Cluett	Gray, Ind.	Meeks	Smith, W. Va.
Coffee, Nebr.	Greenwood	Millard	Starnes
Cravens	Harlan	Miller	Steagall
Crawford	Hartley, N. J.	O'Leary	Sullivan
Creal	Hill, Ala.	Palmisano	Taylor, Colo.
Crosser	Hoffman	Parsons	Wadsworth
Crowe	Hook	Peyser	Wene
Curley	Hunter	Phillips	White, Idaho
Deen	Johnson, Okla.	Plumley	Wolfenden
De Muth	Keller	Powers	
Dirksen	Kennedy, N. Y.	Quinn	

The SPEAKER pro tempore (Mr. O'CONNOR of New York). Three hundred and thirty-one Members have answered to their names, a quorum.

Mr. DICKSTEIN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. DICKSTEIN. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. JENKINS of Ohio) there were—ayes 99, noes 45.

Mr. JENKINS of Ohio. Mr. Speaker, I object to the vote on the ground that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and ninety-four Members present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 149, nays 145, not voting 137, as follows:

[Roll No. 132]

YEAS—149

Aleshire	Dunn	Kocialkowski	Patton
Allen, Del.	Eckert	Kramer	Pierce
Anderson, Mo.	Edmiston	Kvale	Poage
Ashbrook	Eicher	Lanzetta	Polk
Atkinson	Evans	Larrabee	Rabaut
Barry	Fitzgerald	Lea	Ramsay
Bell	Fleger	Leavy	Rayburn
Bernard	Forand	Lesinski	Reilly
Biermann	Gambrill	Lewis, Colo.	Rigney
Binderup	Gildea	Luckey, Nebr.	Robinson, Utah
Bland	Goldsborough	Luecke, Mich.	Romjue
Boland, Pa.	Gray, Pa.	McAndrews	Sacks
Bradley	Greever	McCormack	Sadowski
Brooks	Griffith	McGranery	Schulte
Buck	Haines	McSweeney	Scott
Burdick	Halleck	Mahon, Tex.	Secrest
Casey, Mass.	Hamilton	Mansfield	Sheppard
Celler	Healey	Martin, Colo.	Snyder, Pa.
Chandler	Hendricks	Massingale	Somers, N. Y.
Citron	Hildebrandt	Maverick	South
Claypool	Hill, Wash.	Mills	Sparkman
Coffee, Wash.	Hobbs	Mouton	Stack
Costello	Honeyman	Murdock, Ariz.	Teigan
Cox	Hook	Murdock, Utah	Thom
Crawford	Houston	Nelson	Thomas, Tex.
Crosby	Hunter	Norton	Tolan
Crowe	Imhoff	O'Brien, Ill.	Towey
Cullen	Izac	O'Brien, Mich.	Turner
Cummings	Jacobsen	O'Connell, Mont.	Voorhis
Daly	Jarman	O'Connell, R. I.	Walter
Delaney	Johnson, Luther A.	O'Connor, Mont.	Welch
Dempsey	Johnson, Lyndon	O'Connor, N. Y.	West
Dickstein	Jones	O'Day	Wilcox
Dingell	Keller	O'Neal, Ky.	Wolverton
Disney	Kelly, N. Y.	O'Neill, N. J.	Wood
Dockweiler	Kenney	O'Toole	
Dorsey	Kirwan	Patrick	
Drew, Pa.	Kleberg	Patterson	

NAYS—145

Allen, Ill.	Engel	Kitchens	Sauthoff
Allen, La.	Englebright	Knutson	Schaefer, Ill.
Amlie	Faddis	Lamneck	Schneider, Wis.
Andresen, Minn.	Farley	Lemke	Seger
Andrews	Fish	Lord	Smith, Conn.
Arends	Flannery	Luce	Snell
Bacon	Fletcher	Ludlow	Spence
Barden	Ford, Miss.	McClellan	Stefan
Bates	Frey, Pa.	McFarlane	Sutphin
Bolleau	Fuller	McGehee	Taber
Boren	Garrett	McLean	Tarver
Boyer	Gasque	Mahon, S. C.	Taylor, S. C.
Brewster	Gearhart	Mapes	Taylor, Tenn.
Brown	Gehrmann	Martin, Mass.	Terry
Caldwell	Gifford	Michener	Thomas, N. J.
Carlson	Green	Mitchell, Ill.	Thomason, Tex.
Carter	Gregory	Mitchell, Tenn.	Thurston
Cartwright	Griswold	Moser, Pa.	Tinkham
Case, S. Dak.	Guyer	Mosier, Ohio	Tobey
Chapman	Gwynne	Mott	Transue
Church	Hancock, N. Y.	Oliver	Treadway
Clason	Hancock, N. C.	O'Malley	Umstead
Cochran	Hart	Pace	Vincent, B. M.
Coffee, Nebr.	Harter	Patman	Vinson, Fred M.
Colden	Havenner	Pearson	Vinson, Ga.
Cole, N. Y.	Hill, Okla.	Peterson, Fla.	Warren
Colmer	Holmes	Peterson, Ga.	Whelchel
Cooley	Hope	Pettengill	White, Ohio
Crowther	Hull	Randolph	Whittington
Culkin	Jarrett	Rankin	Wigglesworth
Dies	Jenckes, Ind.	Reed, Ill.	Williams
Dondero	Jenkins, Ohio	Rees, Kans.	Wolcott
Doughton	Jenks, N. H.	Rich	Woodruff
Douglas	Johnson, Minn.	Robsion, Ky.	Zimmerman
Dowell	Johnson, W. Va.	Rogers, Mass.	
Eberharter	Kee	Rogers, Okla.	
Elliott	Kinzer	Sanders	

NOT VOTING—137

Allen, Pa.	Driver	Lewis, Md.	Rutherford
Arnold	Duncan	Long	Ryan
Beam	Eaton	Lucas	Sabath
Belter	Ellenbogen	McGrath	Schuetz
Bigelow	Ferguson	McGroarty	Scrugham
Bloom	Fernandez	McKeough	Shafer, Mich.
Boehne	Fitzpatrick	McLaughlin	Shanley
Boykin	Flannagan	McMillan	Shannon
Boylan, N. Y.	Ford, Calif.	McReynolds	Short
Buckler, Minn.	Fries, Ill.	Maas	Simpson
Buckley, N. Y.	Fulmer	Magnuson	Sirovich
Bulwinkle	Gavagan	Maloney	Smith, Maine
Burch	Gilchrist	Mason	Smith, Va.
Byrne	Gingery	May	Smith, Wash.
Cannon, Mo.	Gray, Ind.	Mead	Smith, W. Va.
Cannon, Wis.	Greenwood	Meeks	Starnes
Champion	Harlan	Merritt	Steagall
Clark, Idaho	Harrington	Millard	Sullivan
Clark, N. C.	Hartley	Miller	Sumners, Tex.
Cluett	Hennings	Nichols	Sweeney
Cole, Md.	Higgins	O'Leary	Swope
Collins	Hill, Ala.	Owen	Taylor, Colo.
Cooper	Hoffman	Palmisano	Thompson, Ill.
Cravens	Johnson, Okla.	Parsons	Wadsworth
Creal	Kelly, Ill.	Peyser	Wallgren
Crosser	Kennedy, Md.	Pfeifer	Wearin
Curley	Kennedy, N. Y.	Phillips	Weaver
Deen	Keogh	Plumley	Wene
DeMuth	Kerr	Powers	White, Idaho
DeRouen	Kloeb	Quinn	Withrow
Dirksen	Kniffin	Ramspeck	Wolfenden
Ditter	Kopplemann	Reece, Tenn.	Woodrum
Dixon	Lambertson	Reed, N. Y.	
Doxey	Lambeth	Richards	
Drewry, Va.	Lanham	Robertson	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Phillips (for) with Mr. Eaton (against).
Mr. Maloney (for) with Mr. Plumley (against).
Mr. Boylan of New York (for) with Mr. Mason (against).
Mr. O'Leary (for) with Mr. Cluett (against).
Mr. Gavagan (for) with Mr. Dirksen (against).
Mr. DeMuth (for) with Mr. Hartley (against).
Mr. Sirovich (for) with Mr. Reece of Tennessee (against).
Mr. Sullivan (for) with Mr. Wolfenden (against).
Mr. Pfeifer (for) with Mr. Powers (against).
Mr. Buckley of New York (for) with Mr. Reed of New York (against).
Mr. Kennedy of New York (for) with Mr. Ditter (against).
Mr. Byrne (for) with Mr. Hoffman (against).
Mr. Bloom (for) with Mr. Simpson (against).

General pairs:

Mr. Parsons with Mr. Wadsworth.
Mr. Cannon of Missouri with Mr. Shafer of Michigan.
Mr. Beam with Mr. Maas.
Mr. Smith of Virginia with Mr. Gilchrist.
Mr. Steagall with Mr. Millard.
Mr. Sumners of Texas with Mr. Smith of Maine.
Mr. Cooper with Mr. Lambertson.
Mr. McReynolds with Mr. Rutherford.
Mr. McMillan with Mr. Withrow.

Mr. Robertson of Virginia with Mr. Buckler of Minnesota.
Mr. Woodrum with Mr. Fries of Illinois.
Mr. Arnold with Mr. Harlan.
Mr. Drewry of Virginia with Mr. Owen.
Mr. Weaver with Mr. Clark of Idaho.
Mr. Taylor of Colorado with Mr. Kniffin.
Mr. Mead with Mr. Swope.
Mr. Flannagan with Mr. Wearin.
Mr. Boehne with Mr. Ford of California.
Mr. Ramspeck with Mr. Bigelow.
Mr. Kennedy of Maryland with Mr. Gingery.
Mr. Crosser with Mr. Palmisano.
Mr. Thompson of Illinois with Mr. Clark of North Carolina.
Mr. Miller with Mr. Long.
Mr. Driver with Mr. Dixon.
Mr. Cole of Maryland with Mr. Hennings.
Mr. Kelly of Illinois with Mr. Ryan.
Mr. Sabath with Mr. Creal.
Mr. Bulwinkle with Mr. Meeks.
Mr. May with Mr. Allen of Pennsylvania.
Mr. Fitzpatrick with Mr. Gray of Indiana.
Mr. Hill of Alabama with Mr. Cannon of Wisconsin.
Mr. Lanham with Mr. Schuetz.
Mr. Starnes with Mr. Curley.
Mr. Greenwood with Mr. Merritt.
Mr. Fulmer with Mr. Nichols.
Mr. DeRouen with Mr. Shanley.
Mr. Boykin with Mr. Fernandez.
Mr. Burch with Mr. Peyser.
Mr. Johnson of Oklahoma with Mr. McGrath.
Mr. Doxey with Mr. Sweeney.
Mr. Collins with Mr. McKeough.
Mr. Deen with Mr. McLaughlin.
Mr. Lucas with Mr. Scrugham.
Mr. Lewis of Maryland with Mr. Lambeth.
Mr. Keogh with Mr. Kerr.
Mr. Richards with Mr. Smith of West Virginia.

Mr. SPENCE changed his vote from "aye" to "no."

Mr. GARRETT changed his vote from "aye" to "no."

The SPEAKER. The vote on this bill is so close that the Chair feels justified in requiring a recapitulation of the vote. The Clerk will call the names of those who voted "aye."

The Clerk called the names of those who voted "aye."

The SPEAKER. The purpose of the recapitulation is to learn whether or not all Members are recorded correctly on the roll call of those who voted "aye." If there are any corrections to be made in the record of the roll call, Members will make it known.

The Clerk will call the names of the Members who voted in the negative.

The Clerk called the names of those who voted "no."

The SPEAKER. Are any corrections desired on this recapitulation of those who voted in the negative.

Mr. EDMISTON. Mr. Speaker, I change my vote from "no" to "aye."

The SPEAKER. The gentleman from West Virginia desires to change his vote from "no" to "aye."

Mr. DOWELL. Mr. Speaker, I rise to a point of order. This is a recapitulation of the vote that was cast?

The SPEAKER. Yes.

Mr. DOWELL. The gentleman from West Virginia voted "no" on the original roll call, and therefore his vote should be so recorded.

Mr. EDMISTON. Mr. Speaker, the vote has not been announced, and I have a right to change my vote.

Mr. O'CONNOR of New York. Mr. Speaker, I desire to be heard on the point of order. It has been held by Speakers heretofore that on a recapitulation there could be a change in a Member's vote. On March 16, 1934, in the second session of the Seventy-third Congress (CONGRESSIONAL RECORD, p. 4700), during the consideration of the independent offices appropriation bill, Mr. Speaker Rainey held that before the final result of a recapitulation was announced, any Member might change his vote. In so ruling Speaker Rainey cited a similar ruling by Speaker Gillette as a precedent.

The SPEAKER. Does the gentleman from Iowa make the point of order that the gentleman from West Virginia at this stage of the proceedings cannot change his vote before the vote is announced?

Mr. DOWELL. When there is a recapitulation, it is to determine the vote that was cast, and my point is that when that vote has been cast and the recapitulation shows that it is correct, that is the vote to be announced.

The SPEAKER. In answer to the point of order the Chair refers to section 3123, volume 8, Cannon's Precedents. The syllabus recites that "under the more recent practice recapitulation of a vote may be had either before or after the announcement of the result of the vote."

There has been no announcement on the part of the Chair of the result of the vote.

A Member may change his vote at any time before it is announced.

That was held by Mr. Speaker Gillette. The Chair, therefore, overrules the point of order. The vote of the gentleman from West Virginia will be changed from "no" to "aye."

Mr. AMLIE rose.

The SPEAKER. For what purpose does the gentleman from Wisconsin rise?

Mr. AMLIE. Mr. Speaker, I desire to change my vote from "aye" to "no."

The SPEAKER. The vote will be changed from "aye" to "no."

Mr. CARTER rose.

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. CARTER. To inquire as to whether or not I am recorded in the negative. I did not hear my name called on the recapitulation.

The SPEAKER. The gentleman is recorded as voting "no."

Mr. GRAY of Pennsylvania rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. GRAY of Pennsylvania. Mr. Speaker, I desire to change my vote from "no" to "aye."

The SPEAKER. The gentleman from Pennsylvania changes his vote from "no" to "aye."

Mr. RAMSPECK rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. RAMSPECK. I want to know whether I can vote. I just came into the Chamber.

The SPEAKER. The gentleman cannot vote at this stage of the proceedings.

Mr. KRAMER rose.

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. KRAMER. To see if I am recorded as voting "no."

The SPEAKER. The gentleman voted "no."

Mr. KRAMER. I change my vote from "no" to "aye."

The SPEAKER. Are there any other corrections? [After a pause.] On this vote the yeas are 146 and the nays 144.

A motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS

Mr. VOORHIS. Mr. Speaker. I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks by inserting a number of names, about 10 or 15 names of places of alien Nazis in the United States.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a letter I have received.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks and include brief excerpts from a grand-jury indictment.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a letter addressed to the President of the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an editorial appearing in the United States News.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a copy of the District of Columbia minimum-wage law. I do this for the information of Members, as there has been a considerable demand for this information. This law was passed in 1918 and declared unconstitutional in 1923, and that decision was reversed in 1935.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. THOMAS of New Jersey and Mr. SHANLEY asked and were granted permission to extend their remarks in the RECORD.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6906. An act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording;

H. R. 6958. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes; and

H. R. 7564. An act to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2193. An act to authorize the construction of certain auxiliary vessels for the Navy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LANZETTA, for 1 day, to attend a funeral.

To Mr. GRAY of Indiana, indefinitely, on account of illness.

To Mr. DOXEY, indefinitely, on account of illness.

To Mr. SMITH of Maine, indefinitely, on account of illness.

ADJOURNMENT

Mr. COSTELLO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Thursday, July 29, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

Committee on Naval Affairs will hold continued hearings on H. R. 5529, to replace the airship *Los Angeles*, Thursday, July 29, 1937, at 10:30 a. m.

Hearings previously scheduled on H. R. 7809, to promote the efficiency of the Navy by creating a transferred regulars list, amending the laws relating to retirement and promotion, and for other purposes, has been postponed from Thursday until some later date, due to the fact that the bill to replace the *Los Angeles* is still before the committee.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Friday, July 30, 1937. Business to be considered: Hearing on House Joint Resolution 260 and Senate Joint Resolution 95, Federal Trade Commission investigation of public utilities, electric energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SADOWSKI: Committee on Interstate and Foreign Commerce. H. R. 7433. A bill to advance a program of national safety and accident prevention; with amendment (Rept. No. 1361). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEA: Committee on Interstate and Foreign Commerce. S. 607. An act to authorize improvement of navigation facilities on the Columbia River, and for other purposes; without amendment (Rept. No. 1362). Referred to the Committee of the Whole House on the state of the Union.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.; without amendment (Rept. No. 1363). Referred to the House Calendar.

Mr. LEA: Committee on Interstate and Foreign Commerce. S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.; without amendment (Rept. No. 1364). Referred to the House Calendar.

Mr. EICHER: Committee on Interstate and Foreign Commerce. H. R. 6975. A bill granting the consent of Congress to the county court of Saline County, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Arrow Rock, Mo.; with amendment (Rept. No. 1365). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 6979. A bill to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.; with amendment (Rept. No. 1366). Referred to the House Calendar.

Mr. HOLMES: Committee on Interstate and Foreign Commerce. H. R. 7266. A bill authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown; with amendment (Rept. No. 1367). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 7440. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; without amendment (Rept. No. 1368). Referred to the House Calendar.

Mr. PEYSER: Committee on Interstate and Foreign Commerce. H. R. 7766. A bill to declare Burr Creek, from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., a nonnavigable stream; with amendment (Rept. No. 1369). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. H. R. 7767. A bill creating the Owensboro Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky.; with amendment (Rept. No. 1370). Referred to the House Calendar.

Mr. COLE of Maryland: Committee on Interstate and Foreign Commerce. H. R. 7806. A bill authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Sinepunxent Bay in Worcester County, Md., at Ocean City, Md., to replace a bridge already in existence; with amendment (Rept. No. 1371). Referred to the House Calendar.

Mr. COLE of Maryland: Committee on Interstate and Foreign Commerce. H. R. 7807. A bill authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Cambridge Creek, in or near Cambridge, Dorchester County, Md., to replace a bridge already in existence; without amendment (Rept. No. 1372). Referred to the House Calendar.

Mr. MALONEY: Committee on Interstate and Foreign Commerce. H. R. 7849. A bill authorizing State Highway

Commission of Arkansas and State Highway Commission of Mississippi to construct, maintain, and operate a toll bridge across the Mississippi River at or near Lake Village, Chicot County, Ark., and to a place at or near Greenville, Wahington County, Miss., with amendment (Rept. No. 1373). Referred to the House Calendar.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 8025. A bill to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States; without amendment (Rept. No. 1374). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Coinage, Weights, and Measures. H. R. 8036. A bill to prohibit the issuance and coinage of certain commemorative coins, and for other purposes; without amendment (Rept. No. 1375). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARTER: Committee on Military Affairs. S. 2463. An act to authorize an additional number of medical and dental officers for the Army; with amendment (Rept. No. 1376). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARTER: Committee on Military Affairs. H. R. 7494. A bill to amend the act entitled "An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes' "; with amendment (Rept. No. 1377). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOUTH: Committee on Irrigation and Reclamation. H. R. 7953. A bill to provide for studies and plans for the development of reclamation projects on the Cimarron River in Cimarron County, Okla.; the Washita River in Oklahoma, and the North Canadian River in Oklahoma; with amendment (Rept. No. 1378). Referred to the Committee of the Whole House on the state of the Union.

Mr. SOUTH: Committee on Irrigation and Reclamation. H. R. 5960. A bill to provide for studies and plans for the development of a reclamation project on the Cimarron River in Cimarron County, Okla.; with amendment (Rept. No. 1379). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL of Washington: Committee on Irrigation and Reclamation. H. R. 7567. A bill to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes; without amendment (Rept. No. 1380). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 1591. A bill to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes; without amendment (Rept. No. 1381). Referred to the Committee of the Whole House on the state of the Union.

Mr. KENNEY: Committee on Interstate and Foreign Commerce. House Joint Resolution 445. Joint resolution granting the consent of Congress to a compact between the States of New York and New Jersey providing for the creation of the Palisades Interstate Park Commission as a joint corporate municipal instrumentality of said States with appropriate rights, powers, duties, and immunities, for the transfer to said commission of certain functions, jurisdiction, rights, powers, and duties together with the properties of the bodies politic now existing in each State known as "Commissioners of the Palisades Interstate Park", and for the continuance of the Palisades Interstate Park; without amendment (Rept. No. 1382). Referred to the House Calendar.

Mr. HARTER: Committee on Military Affairs. S. 1040. An act placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and privileges as are now or may hereafter be provided by law, orders, and regulations for said emergency officers, and for other purposes; without amendment (Rept. No. 1386). Referred to the Committee of the Whole House on the state of the Union.

Mr. THOMASON of Texas: Committee on Military Affairs. S. 1278. An act to authorize exchange of lands at military reservations, and for other purposes; without amendment (Rept. No. 1387). Referred to the Committee of the Whole House on the state of the Union.

Mr. THOMASON of Texas: Committee on Military Affairs. S. 1281. An act to authorize the sale of surplus War Department real property; without amendment (Rept. No. 1388). Referred to the Committee of the Whole House on the state of the Union.

Mr. THOMASON of Texas: Committee on Military Affairs. S. 2751. An act to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the West Point Military Reservation, N. Y., for the construction thereon of certain public buildings, and for other purposes; with amendment (Rept. No. 1389). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Connecticut: Committee on Military Affairs. S. 46. An act for the relief of Ernest S. Frazier; without amendment (Rept. No. 1383). Referred to the Committee of the Whole House.

Mr. HARTER: Committee on Military Affairs. S. 57. An act extending the benefits of the Emergency Officers' Retirement Act to Walter Conner; without amendment (Rept. No. 1384). Referred to the Committee of the Whole House.

Mr. HARTER: Committee on Military Affairs. S. 869. An act for the relief of John A. Flagg; without amendment (Rept. No. 1385). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COCHRAN: A bill (H. R. 8036) to prohibit the issuance and coinage of certain commemorative coins, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. FADDIS: A bill (H. R. 8037) to amend the law relating to appointment of postmasters; to the Committee on the Post Office and Post Roads.

By Mr. GREEN: A bill (H. R. 8038) to amend the Revenue Act of 1932 with respect to the gift tax; to the Committee on Ways and Means.

By Mr. HAINES: A bill (H. R. 8039) to authorize the attendance of the Marine Band at the observance of the seventy-fifth anniversary of the Battle of Gettysburg to be held at Gettysburg, Adams County, Pa., on July 1, 2, and 3, 1938; to the Committee on Naval Affairs.

By Mr. IZAC: A bill (H. R. 8040) to provide travel allowance for the families of enlisted men of the Navy or Marine Corps to their homes, upon their retirement or transfer to the Fleet Naval Reserve or Fleet Marine Corps Reserve; to the Committee on Naval Affairs.

Also, a bill (H. R. 8041) to readjust the allowances of retired enlisted men of the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 8042) to amend an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1921", approved June 5, 1920, to extend commissary privileges to honorably discharged officers and enlisted men of the Army, Navy, or Marine Corps who are receiving out-patient treatment or hospital treatment from the Veterans' Administration; to the Committee on Military Affairs.

By Mr. LEMKE: A bill (H. R. 8043) authorizing and consenting to an interstate compact between the States of Minnesota, South Dakota, and North Dakota, relating to the utilization of, the control of the floods of, and the prevention of the pollution of, the waters of the Red River of the North

and streams tributary thereto; to the Committee on Flood Control.

By Mr. McGEHEE: A bill (H. R. 8044) to authorize the construction of an improved highway from Vicksburg, Miss., to the United States Waterways Experiment Station; to the Committee on Roads.

By Mr. TARVER: A bill (H. R. 8045) authorizing the Post Office Department to cooperate with the several States in the collection of State taxes; to the Committee on the Post Office and Post Roads.

By Mr. CHANDLER: A bill (H. R. 8046) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith; to the Committee on the Judiciary.

By Mr. GEHRMANN: A bill (H. R. 8047) to amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers; to the Committee on Agriculture.

By Mr. O'NEILL of New Jersey: A bill (H. R. 8048) relating to the eligibility of certain persons for admission to the civil service; to the Committee on the Civil Service.

By Mr. SUMNERS of Texas: Resolution (H. Res. 287) authorizing the Committee on the Judiciary to investigate various practices in the inferior courts of the United States, and for other purposes; to the Committee on Rules.

Also, resolution (H. Res. 288) providing for the expenses incurred by the select committee of the House of Representatives authorized under House Resolution 287; to the Committee on Accounts.

By Mr. VOORHIS: Joint resolution (H. J. Res. 461) directing the Secretary of Labor to investigate and report to Congress on all matters pertaining to the welfare of the employees of agriculture and related pursuits; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Missouri: A bill (H. R. 8049) to provide for the admission into the United States of Mary Hovarth, an alien; to the Committee on Immigration and Naturalization.

By Mr. BOREN: A bill (H. R. 8050) for the relief of Mrs. J. E. Fidler; to the Committee on Claims.

By Mr. COLE of Maryland: A bill (H. R. 8051) for the relief of Roswell H. Haynie; to the Committee on Claims.

By Mr. DALY: A bill (H. R. 8052) for the relief of Isadore Lechtman; to the Committee on World War Veterans' Legislation.

By Mr. FLETCHER: A bill (H. R. 8053) granting an increase of pension to Laura Moore; to the Committee on Invalid Pensions.

By Mr. JENKINS of Ohio: A bill (H. R. 8054) for the relief of Lizzie Butricks; to the Committee on Claims.

By Mr. LUTHER A. JOHNSON: A bill (H. R. 8055) for the relief of Helry P. McCaig; to the Committee on Military Affairs.

Also, a bill (H. R. 8056) authorizing the President to reappoint and honorably discharge David J. Sawyer, second lieutenant, National Army, as of May 11, 1919; to the Committee on Military Affairs.

By Mr. SPARKMAN: A bill (H. R. 8057) for the relief of Fred O. Smith; to the Committee on Claims.

Also, a bill (H. R. 8058) for the relief of John Morgan Branum; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 8059) for the relief of Nancy Ann Bishop; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3049. By Mr. Beiter: Petition of the Common Council of the city of Tonawanda, Erie County, N. Y., opposing enactment of the so-called Rankin and Mansfield bills to create regional power authorities; to the Committee on Rivers and Harbors.

3050. By Mr. COFFEE of Washington: Petition of the American Radio Telegraphists Association, Local No. 6, Seattle, Wash., urging the continuation of the adult education program of the Works Progress Administration, as being of inestimable value in bringing long-delayed educational facilities to great numbers of underprivileged persons, raising the cultural level of the people generally, clarifying the social issues of the day through the dissemination of objective facts; to the Committee on Appropriations.

3051. By Mr. LUTHER A. JOHNSON: Petition of J. W. Sutton, of Centerville; E. C. Hawkins, vice president, Ennis State Bank, Ennis; Earl Eagan, vice president, The Citizens National Bank, Waxahachie; O. E. Clift, of Waxahachie; Pat Fain, secretary, Mexia Compress & Warehouse Co., Mexia; D. L. Wilson, secretary, Bryan and Brazos County Chamber of Commerce, Bryan; Roy Connally, secretary, Chamber of Commerce, Waxahachie; and M. C. Strange, president, The First National Bank, Wortham; all of the State of Texas, opposing the Black-Connery wage and hour bill; to the Committee on Labor.

3052. Also, petition of H. R. Stewart, financial secretary, Woodmen of the World, Navarro Camp No. 5, Corsicana, Tex., opposing House bill 6032; to the Committee on the District of Columbia.

3053. Also, petition of Mrs. Buck Lutcher Stark, grand secretary of the Pi Beta Phi Fraternity, favoring House bill 7410; to the Committee on Ways and Means.

3054. By Mr. POLK: Petition of Robert F. Doerr and 32 other citizens of Portsmouth, Ohio, urging that office workers be included in the 40-hour-week bill now pending the action of Congress; to the Committee on Labor.

3055. By the SPEAKER: Petition of lumber clerks and lumbermen of San Francisco, Calif., petitioning the President and the Congress of the United States to carry out the present Works Progress Administration program without any cuts in personnel; to the Committee on Appropriations.

SENATE

THURSDAY, JULY 29, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, July 28, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Pope
Andrews	Connally	Lee	Radcliffe
Ashurst	Davis	Lewis	Reynolds
Austin	Dieterich	Lodge	Schwartz
Bailey	Donahey	Logan	Schwellenbach
Barkley	Ellender	Lonergan	Sheppard
Berry	Frazier	Lundeen	Shipstead
Bilbo	George	McAdoo	Smathers
Black	Gerry	McCarran	Smith
Bone	Gillette	McGill	Steiwer
Borah	Glass	McKellar	Thomas, Okla.
Bridges	Green	McNary	Thomas, Utah
Brown, Mich.	Guffey	Maloney	Townsend
Brown, N. H.	Hale	Minton	Truman
Bulkley	Harrison	Moore	Tydings
Bulow	Hatch	Murray	Vandenberg
Burke	Herring	Neely	Van Nuys
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Johnson, Calif.	Overton	White
Caraway	Johnson, Colo.	Pepper	
Chavez	King	Pittman	

Mr. LEWIS. I announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent from the Senate in the performance of duty as members of the committee to attend the dedication of the battle monuments in France.

The senior Senator from New York [Mr. COPELAND], and the junior Senator from New York [Mr. WAGNER] are absent attending the funeral of an intimate friend, the late Mr. James J. Dooling.

The Senator from Delaware [Mr. HUGHES] is detained from the Senate on important public business.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the performance of official duty as a member of the committee appointed to attend the dedication of the battle monuments in France.

Mr. POPE. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

PETITIONS

Mr. LODGE presented petitions, numerously signed, of sundry citizens of the State of Massachusetts, praying for the enactment of legislation to abolish the Federal Reserve System as at present constituted, and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which were referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1351) to amend the Packers and Stockyards Act, 1921, as amended, and for other purposes, reported it without amendment and submitted a report (No. 988) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1344) providing for relief in cases of desert-land applications or entries of lands within the Verde River Irrigation and Power District, Arizona, reported it adversely and submitted a report (No. 989) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 3421. A bill to quiet title and possession with respect to certain lands in Tuscumbia, Ala. (Rept. No. 990); and

H. R. 7086. A bill to direct the Secretary of the Interior to notify the State of Virginia that the United States assumes police jurisdiction over the lands embraced within the Shenandoah National Park, and for other purposes (Rept. No. 991).

Mr. HATCH, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2613) for the relief of certain applicants for oil and gas permits and leases, reported it without amendment and submitted a report (No. 992) thereon.

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (S. 112) for the relief of O. W. Waddle, reported it without amendment and submitted a report (No. 993) thereon.

He also, from the same committee, to which was referred the bill (S. 181) for the relief of Lowrenza D. Johnston, reported it with amendments and submitted a report (No. 994) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2671. A bill to reserve certain lands in Utah as an addition to the Goshute Indian Reservation (Rept. No. 995); and

S. 2862. A bill to provide funds for cooperation with the school board at Worley, Idaho, in the construction of a public-school building to be available to Indian children in the town of Worley and county of Kootenai, Idaho (Rept. No. 996).

Mr. THOMAS of Oklahoma also, from the Committee on Indian Affairs, to which was referred the bill (S. 1473) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi, reported it with an amendment and submitted a report (No. 997) thereon.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that today, July 29, 1937, that committee presented to the President of the United States the enrolled bill (S. 2193) to authorize the construction of certain auxiliary vessels for the Navy.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BULKLEY:

A bill (S. 2864) to correct the military record of Clayton R. Miller; to the Committee on Military Affairs.

By Mr. McADOO:

A bill (S. 2865) to authorize the Secretary of the Navy to proceed with the construction of certain public work, and for other purposes; to the Committee on Naval Affairs.

By Mr. JOHNSON of California:

A bill (S. 2866) for the relief of Vincent Ford; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 2867) to amend the Social Security Act, approved August 14, 1935; to the Committee on Finance.

By Mr. HARRISON:

A bill (S. 2868) conferring jurisdiction upon the United States District Court for the Southern District of Mississippi to hear, determine, and render judgment upon the claim of the heirs of Joseph W. Corry; to the Committee on Claims.

By Mr. TYDINGS:

A bill (S. 2869) authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Sinepuxent Bay in Worcester County, Md., at Ocean City, Md., to replace a bridge already in existence; to the Committee on Commerce.

By Mr. THOMAS of Oklahoma:

A bill (S. 2870) for the relief of Margaret Turney and Bertha Turney LaMotte, heirs of Theresa Turney; to the Committee on Indian Affairs.

By Mr. THOMAS of Utah:

A bill (S. 2871) for the protection of certain enlisted men of the Army; to the Committee on Military Affairs.

By Mr. BILBO:

A bill (S. 2872) to amend section 204 of the act entitled "An act to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled 'An act to regulate commerce', approved February 4, 1887, as amended, and for other purposes", approved February 28, 1920; to the Committee on Interstate Commerce.

INTERVENTION BY UNITED STATES IN CASES INVOLVING CONSTITUTIONALITY OF ACTS—AMENDMENT

Mr. HITCHCOCK submitted an amendment intended to be proposed by him to the bill (H. R. 2260) to provide for appearance on behalf of and appeal by the United States in certain cases in which the constitutionality of acts of Congress is involved, which was ordered to lie on the table and to be printed.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE—AMENDMENTS

Mr. BONE, Mr. McCARRAN, and Mr. REYNOLDS each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which were severally ordered to lie on the table and to be printed.

CONSERVATION OF HELIUM GAS—AMENDMENT

Mr. LOGAN submitted an amendment intended to be proposed by him to the bill (S. 1567) to amend the act entitled

"An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes' ", which was ordered to lie on the table and to be printed.

SWEDISH CONTRIBUTION TO AMERICAN PROGRESS IN THE WEST—ADDRESS BY SENATOR JOHNSON, OF COLORADO

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD an address on the subject, Swedish Contribution to American Progress in the West, delivered by Senator JOHNSON of Colorado at the American-Swedish Historical Museum, in Philadelphia, Pa., on June 27, 1937, which appears in the Appendix.]

COMMENTS ON THE ROOSEVELT ADMINISTRATION—ADDRESS BY SENATOR RADCLIFFE

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD a radio address on the Roosevelt administration, delivered by Senator RADCLIFFE on July 22, 1937, which appears in the Appendix.]

CONNECTICUT RIVER FLOOD-CONTROL COMPACT

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an editorial from the Hartford (Conn.) Courant of the issue of July 28, 1937, relative to the compact between States of New England for flood-control purposes, which appears in the Appendix.]

RESTRICTION OF IMMIGRATION—LETTER FROM ASHEVILLE CITIZEN

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a letter relative to the restriction of immigration, published in the people's forum of the Asheville Citizen of July 18, 1937, which appears in the Appendix.]

ACTIVITIES OF AMERICAN COTTON COOPERATIVE ASSOCIATION

Mr. SMITH. Mr. President, I ask unanimous consent for the present consideration of Senate Resolution 137, which some weeks ago was reported from the Committee on Agriculture and Forestry, and subsequently also reported from the Committee to Audit and Control the Contingent Expenses of the Senate. If the consideration of the resolution involves any debate, I will not press the request.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The legislative clerk read the resolution (S. Res. 137) submitted by Mr. SMITH on May 24, 1937, subsequently reported from the Committee on Agriculture and Forestry, and also from the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of (1) the activities of the American Cotton Cooperative Association in connection with the grading, stapling, reconcentration, and marketing of cotton financed by the Federal Government by means of loans and advances made by the Commodity Credit Corporation and the Cotton Producers Pool, and (2) the profits derived by such association and other persons and the losses incurred by farmers as a result of such activities. The committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with its recommendations.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents of persons, firms, and corporations who have dealt in any of such cotton, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

Mr. McKELLAR. Mr. President, I have shown the Senatortor from South Carolina an amendment I desire to offer enlarging the scope of the proposed investigation. I will ask the Senator from South Carolina if he will accept the amendment.

Mr. SMITH. I will.

Mr. McKELLAR. Then, I offer the amendment.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. McNARY. Just a moment, Mr. President. My attention was diverted. What is the nature of the resolution?

The VICE PRESIDENT. The clerk will again read the resolution.

The resolution was again read.

The VICE PRESIDENT. The Senator from South Carolina states, as the Chair understands, that the resolution was unanimously reported from the Committee on Agriculture and Forestry. Is there objection to its present consideration?

Mr. BLACK. Mr. President, reserving the right to object, I will state that I know that my colleague, the junior Senator from Alabama [Mr. BANKHEAD] was very much interested in the particular subject covered by the resolution, and I would appreciate the courtesy if the Senator from South Carolina would wait until I may wire him concerning the measure.

Mr. SMITH. The junior Senator from Alabama was present in the committee when it was voted to report the resolution favorably.

Mr. BLACK. On that statement, then, I shall offer no objection. I myself am not familiar with the resolution.

Mr. SMITH. The Senator's colleague was present in the committee when the vote was taken to report the resolution.

The VICE PRESIDENT. Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. McKELLAR. I now offer the amendment referred to by me.

The VICE PRESIDENT. The amendment will be stated:

The LEGISLATIVE CLERK. On page 1, line 11, after the word "activities", it is proposed to insert a semicolon and the following:

(3) the bona fides of membership in the American Cotton Cooperative Association or its affiliates, its interlocking directorates, if any, its financial structure and operations, whether or not such American Cotton Cooperative Association is a cotton cooperative or is simply a buying and selling organization for the benefit of its officers, the lending of money by the Government to individual associations for the use of the American Cotton Cooperative Association, its operations with the seed-loan borrowers, the solvency or insolvency of it or its various member associations, its borrowing money from the Farm Credit Administration, the Commodity Credit Corporation, or other governmental agencies and from private companies, its present indebtedness to the Government or its agencies, any speculations made by said association or its members in cotton, the interest rate it pays or has paid to the Government or its agencies and the interest rate it charges or has charged the farmers, waiver of prior liens by the Government or its agencies, the American Cotton Cooperative Association or its affiliates' investments in real estate and a complete accounting of the Farm Credit Administration and its predecessors representing the Government with the American Cotton Cooperative Association and its affiliates, including total amount of losses sustained in dealing with the Government by the American Cotton Cooperative Association and its predecessors and affiliates up to date, and the total loss of the farmers and the Government.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKELLAR].

The amendment was agreed to.

The resolution as amended was agreed to.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On July 26, 1937:

S. 2295. An act to amend the act approved June 7, 1935 (Public, No. 116, 74th Cong.; 49 Stat. 332), to provide for an additional number of cadets at the United States Military Academy, and for other purposes.

On July 27, 1937:

S. 1762. An act to add certain lands to the Rogue River National Forest in the State of Oregon; and

S. 1972. An act to authorize the Secretary of War to sell, loan, or give samples of supplies and equipment to prospective manufacturers.

On July 28, 1937:

S. 1806. An act to extend the boundaries of the Papago Indian Reservation in Arizona;

S. 2521. An act to authorize the assignment of officers of the line of the Marine Corps to assistant quartermaster and assistant paymaster duty only, and for other purposes;

S. 2587. An act providing for the sale of the two dormitory properties belonging to the Chickasaw Nation or Tribe of Indians in the vicinity of the Murray State School of Agriculture at Tishomingo, Okla.;

S. 2661. An act granting the consent of Congress to a compact entered into by the States of Maine and New Hampshire for the creation of the Maine-New Hampshire Interstate Bridge Authority; and

S. 2662. An act authorizing the Maine-New Hampshire Interstate Bridge Authority to construct, maintain, and operate a toll bridge across the Piscataqua River at or near Portsmouth, State of New Hampshire.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed the consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MCNARY].

Mr. AUSTIN. Mr. President, I support the amendment offered by the Senator from Oregon [Mr. MCNARY] to add a proviso on page 60, line 20, reading as follows:

Provided further, That the provisions of this subsection shall not be applicable with respect to any person employed in connection with the canning or other packing or packaging of fish, sea foods, sponges, fruit, maple sugar, or vegetables when the services of such person are of a seasonal nature and do not extend over total periods of more than 6 months in any one year.

I ask the Senator from Oregon if any other amendment of his is now pending?

Mr. MCNARY. Mr. President, I assume that is the amendment which I offered for consideration last evening prior to adjournment?

The VICE PRESIDENT. The Chair is advised that the pending amendment is one offered by the Senator from Oregon on page 60, line 20. The Parliamentarian informs the Chair it is the amendment offered by the Senator from Oregon yesterday afternoon.

Mr. MCNARY. Is it the amendment which I modified and offered late yesterday afternoon?

The VICE PRESIDENT. The clerk will report the amendment for the information of the Senator from Oregon.

The LEGISLATIVE CLERK. In the committee amendment, on page 60, line 20, before the period, it is proposed to insert a colon and the following proviso:

Provided further, That the provisions of this subsection shall not be applicable with respect to any person employed in connection with the canning or other packing or packaging of fish, sea foods, sponges, fruits, maple sugar, or vegetables, when the services of such person are of a seasonal nature and do not extend over total periods of more than 6 months in any one year.

Mr. AUSTIN. Mr. President, I support the amendment and hope it will be adopted, so that in the event the bill should pass this part of the burden contained in the bill may be lifted from those affected by the exception.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Idaho?

Mr. AUSTIN. I yield.

Mr. BORAH. Is the Senator going to discuss the question why they should be excepted?

Mr. AUSTIN. Yes; I intend to do so.

Mr. BORAH. I should like to know why they should be excepted.

Mr. AUSTIN. Mr. President, my understanding of the bill is necessarily limited to such study as could be made by a Senator not on the committee which considered the bill. Of course, in my own case I had the experience of hearing practically every word of testimony that was introduced on the Black 30-hour bill in 1935, which was reported favorably to the Senate, and relative to which I submitted a minority report which is quite complete, being Report No. 367, part, II, Seventy-fourth Congress, first session.

It seems to me there are so many outstanding objections to the bill which come within the scope of the study made 2 years ago that I cannot lend it my support. I think every Senator should ask with reference to this proposed legislation, What is the price of it? Assuming there are benefits, assuming there is a certain element of security which might be enforced upon the people from "on high" here in Washington, what is the cost of it? What does the farmer pay for it? What does the laborer pay for it? What do all the inhabitants of the United States pay for it?

As I discuss the matter, I want it understood that I assume every Senator as well as every other thinking person in the United States recognizes without debate the cost in dollars and cents, the cost in additional debt, and the cost in increased taxes; and that is the reason why I do not debate those elements of cost involved in the proposed program.

What I intend to discuss is the direct immediate economic loss to labor, the restrictions and limitations upon labor's right to contract and right to work or not to work, the curtailment of labor's opportunity to sell the only thing that labor has to sell for the number of hours that labor is willing to sell it, and for the price that labor is willing to ask for it. I shall discuss, if I can, that other cost to higher values, that cost of so great importance, the consideration of which, I think, has split this country politically and divided the thinking people of the United States into two camps, one of which is for the revolution of American institutions and American Government, and the other of which is for the preservation of the fundamentals, the retention of that division of sovereignty between the Central Government and the several States, and the perpetuation of that separation from each other of the different departments of Government.

I shall try to emphasize that great cost which all citizens of the United States must pay for this program in the loss of protection, in the loss of freedom, in the loss of independence, in the loss of incentive, in the loss of nearly all those spiritual values which have contributed to the superb achievements of the American people in business, in culture, in art, and in those social virtues which we have dubbed during the New Deal as "social justice." They are unequaled anywhere else on earth, and they have been acquired by virtue of those higher values which have been held dear to the hearts of all Americans and have inspired every individual in the country to be a rugged individualist and to contribute the best that God has helped him to give for the building up of a great nation, a leader among nations.

With respect to the price paid by agriculture, the enforcement of the industrial regulation imposed by the bill will adversely affect the agricultural industry of America. The farmer will not be exempted as the bill pretends that he will be from the effects of its provisions. When the board fixes codes of wages and hours for grain elevators, creameries, cotton gins, canning plants, compressors, packing plants, oil mills, and like character of plants throughout the agricultural sections of the country, it will be impossible to keep the action from extending directly or indirectly to agricultural employment in such sections.

Furthermore, the increased cost of operating all industries which handle agricultural products will be passed on to the farmer and will be reflected in reduced prices to him for his products.

Mr. BILBO. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Mississippi.

Mr. AUSTIN. I yield to the Senator.

Mr. BILBO. With the Senator's permission, I should like to offer an amendment to the pending amendment, so that the Senator may discuss it at the same time with the original amendment.

Mr. AUSTIN. I yield for that purpose.

The PRESIDENT pro tempore. The Senator from Mississippi offers an amendment to the amendment of the Senator from Oregon [Mr. McNARY], which will be stated.

The LEGISLATIVE CLERK. It is proposed to amend the pending amendment on line 4 by inserting, after the word "with", the words "the ginning of cotton."

Mr. AUSTIN. I assent to that, Mr. President. In fact, I think it is obvious to those who are interested in this measure that I would assent to the addition of every industry in the United States, because I believe the principle of the pending bill has been tried out and has failed. I am talking about the economic benefits that are sought for labor and industry.

Is there any difference in principle between this bill and the N. R. A.? Probably somebody can answer that question. It contains the centralized power of fixing codes and placing upon labor a strait jacket. The very first price that labor will realize here, in my opinion, is that it is in a strait jacket. Labor may work only so long as a Government at Washington tells labor it may work. No matter what the wages may be, is it not apparent that this element of the pending bill is identical with the N. R. A.? It fixes a limit to the pay envelope, regardless of the height of the rate of pay. It tends to destroy hope of progress.

By the operation of a statute through the executive department of the Government of the United States it effectually freezes the opportunity of labor to sell its services. You may assume whatever price per hour you wish to assume; I say labor will rue the day that it got itself or was forced into the position of a statutory monopoly of the right of labor to work.

Mr. President, is it possible that labor does not see this thing? I say no laborer in America should be so far degraded that he must submit to a supreme authority in Washington the question of how many hours he may work; and let no man undertake to say that this power is not given by the pending bill.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Idaho?

Mr. AUSTIN. Certainly.

Mr. BORAH. The Senator says labor should not submit to an authority prescribing the hours labor may work, or the wages it should have, referring now to minimum wages. The Senator would not carry that statement to its logical conclusion and say that labor should not be protected in some way against long hours or low wages, would he?

Mr. AUSTIN. Mr. President, I think the Senator from Idaho expanded my statement to include wages, did he not?

Mr. BORAH. Yes.

Mr. AUSTIN. I limited it to hours. I assumed in my statement the highest imaginable wages. I say, no matter what the wages may be, the fatal thing, the high price economically that labor pays for security, which we all want labor to have, is a freezing of the hours of the laborer's valuable life that may be used for the service of his fellow man and for the benefit of himself and his own family. That is what I said.

Mr. BORAH. Mr. President, when I came to the Senate the steel industry was employing labor 12 hours a day and 7 days in the week. That, I am sure, the Senator would not advocate.

Mr. AUSTIN. Not at all.

Mr. BORAH. There had to be some way to stop it.

Mr. AUSTIN. As a matter of fact, there probably is no more glorious story of progress in humane relations between employer and employee anywhere else on earth than there has been in this free country; and how has it been done? By a supreme power, a fascistic power here in Washington bludgeoning labor and capital together? Or has it been done by the evolutionary process which is the result of intelligent cooperation and of intelligent competition—in other words, freedom; the right and the dignity of the laborer on his own part to say, "My service shall command such a price. I am willing to work so many hours. I have the right to say how long I will work and what price I shall get"?

It is through that process that progress in labor relations has been made, employer competing with employer all the time, a difficult and complex process, and a slow one, to be sure, but, nevertheless, steadily advancing and gaining all the time, reducing hours and increasing wages, until the men of this country are the finest laborers in all the world, and the women of this country are the smartest women in the world.

I have studied this problem, not merely by sitting here in the United States and looking around among my neighbors but also by examining the problem in Asia and in Europe under all kinds of governments and conditions; and I know as an eyewitness that there is no place on earth where the laborer and his wife are so fortunate as right here in the United States. They gained that wonderful position by virtue of free trade among the several States of the United States and a protected trade abroad.

Now, however, we are confronted by this fallacy, as I claim, of restricted, limited, regimented trade among the several States, and free trade abroad. Let us increase our business with the rest of the world. Let us invite here the products of the coolie, and set them up in our shops in competition with the products of men who are chattels, men who may not work more than a certain number of hours a day and a certain number of days a week. Put the products of cheap labor, rendered cheaper by the amazing generosity of the present administration, against the expensive and costly and well-made products of the United States, which will be made more costly, if the bill passes, by its restrictive clause reducing production.

Mr. WALSH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Massachusetts?

Mr. AUSTIN. I yield to the Senator from Massachusetts.

Mr. WALSH. I assume that the Senator believes in collective bargaining between labor and capital?

Mr. AUSTIN. That is a fair assumption. He does.

Mr. WALSH. And collective bargaining can be successfully carried on, and to the welfare of the worker, only through the organization of workers. Is that correct?

Mr. AUSTIN. The second premise is also correct.

Mr. WALSH. Very well. Then those workers and wage earners who are not organized, if they are to enjoy the benefits of collective bargaining, must organize and form unions or organizations of labor of one kind or another, or be assisted in collective bargaining and in preventing substandards by some governmental agency. Is not that correct?

Mr. AUSTIN. Perhaps that is the solution. Certainly, however, it is not a solution for them to turn over to a government here at Washington the matter of bargaining for the sole thing of value they have to sell, and at the same time recognize the fundamental principle which this bill does recognize, that in this vast country of ours, spread over a whole continent, there are localities which differ from each other in respect of the kind of products that are produced; that they differ from each other in respect of the standards of living and the cost of living; that they differ from each other in respect of the advantages of transportation from them to their market and other things. I know the Senator from Massachusetts recognizes that the pending bill says to all the world that which the 30-hour bill of 2 years ago did not say: "We do not try to make a horizontal, level standard of hours and wages that is arbitrarily laid down over this vast continent, because it is absolutely unworkable"; and so we say, "Let this power at Washington adapt these hours and wage standards to the local conditions. There can be a set of codes and rules up in New England of one standard and another set in Louisiana of a different standard."

So the bill has done what in that respect? The bill has recognized what always ought to be recognized in the United States of America, as it was when we founded this Government, that for a great continent, with diverse interests, diverse cross sections of civilization, diverse products, there cannot be a centralized government at Washington applying one rule and one regulation over the entire country. We must recognize these diversities. Therefore I say that the aid which should come to the call of labor is the power and sovereignty of the several States. The bill has recognized that principle. The bill has no excuse for transgressing it, and it is a transgression of fundamental law to do it, as I hope to point out.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. WALSH. I should like to call the Senator's attention to a benefit which, in my opinion, the bill gives to employers, leaving aside, now, possible benefits to the millions of unorganized wage earners working in sweatshops and under other substandard labor conditions.

The Senator agrees with the principle of collective bargaining, and that it is operating successfully and beneficially to wage earners who are organized. This means that all employers who have organized wage earners working for them are compelled, by reason of the pressure of collective bargaining, to reduce their hours of employment and to increase their wages. Yet those very employers are compelled in the markets of the country to compete with employers who do not pay the wages the advanced and progressive employers do, and who require their employees to work long hours. So it seems to me one of the benefits of the pending bill is to raise the wages and to lower the hours of workers in the substandard industries, to the end that the industrialists who have good labor standards will not have to be subjected to ruthless competition from substandard industries.

Mr. AUSTIN. Mr. President, I think the premise of the Senator from Massachusetts is perfectly accurate, and I wish to say to him that I know, from conversations with some industrialists in New England, that they would love to have the bill passed.

Mr. WALSH. I think that may be true of the larger units of industry that do not work their employees over 40 hours and have no wage under 40 cents per hour and that are now obliged, by collective bargaining, to meet these conditions, and it may be true of the units in large industries which are monopolistic and have not the fear of sweatshop competition and competition from industries which are substandard; but it is my judgment that most of the small industries, in every part of the country, New England included, are fearful of the bill, and they have some justification for that fear, because of lack of confidence in the inefficient administration of any law by a bureau. So I cannot agree with the Senator that there is a uniformity of approval of the bill among the the industries, even of New England. In fact, all industrials everywhere are opposed to subjecting their labor conditions to a Federal bureau.

Mr. AUSTIN. I do not claim that. I do not think we disagree about the facts.

Mr. WALSH. I agree with the Senator, too—and he is pointing it out in his speech, as he has a right to do—that if the bill is not carefully administered, the net result will be injurious to the small industries of the country and promotive of the movement of all industry into monopoly, and as the next step in order to protect the consumers, as prices and wages go up and hours go down, there might have to be some legislation to control prices.

Mr. AUSTIN. Mr. President, I appreciate the judicial attitude of the Senator from Massachusetts. Of course, I should like to fight shoulder to shoulder with a man who takes the position he has indicated is his with respect to controversial matters. I cannot quite go with him, however, in this matter, as I am sure he understands.

Mr. WALSH. I do.

Mr. AUSTIN. I have no doubt that what the Senator from Massachusetts says may be a consequence of this bill will occur, because it has occurred in another instance. We are not talking here about a theory which has never been tried. This principle was tried under the N. R. A., and the small industries went out of business. I can tell of a number of small manufacturers on our shining rivers up in the Green Mountains who had to break the law in order to live, and I can tell of others who complied with the law and died as an actual result thereof, obeying the terms of codes fixed by a centralized government under the advice of the big fellows, the conditions of whose operations were wholly and entirely different from the conditions of operation of the small industries.

For an example, there was a little mill which manufactured wooden golf tees on one of our small streams. Surrounding this mill were 20 small houses. There was nothing there at all for those people save that manufactory. I do not know the number of people there, but I guess there were a hundred altogether whose livelihood depended on that mill running.

The operator of the mill had no operating capital. He was operating on his contracts. He had contracts which required the delivery of the goods on time, because these goods are seasonal in character, and he had taken his contract to the bank, and the bank, out of a great deal of liberality to him, had taken that type of security and given him, by loan, the capital with which to operate. Along came the N. R. A. and commanded him, by virtue of codes that were made by his great competitors, to limit the hours of the work of those poor people, who were thoroughly satisfied with their condition, who loved their liberty and their ability to keep their heads aloft. The N. R. A. compelled him to turn those people out of the mill and lock the door at a certain hour of the day.

What was the effect? Had that man obeyed the law he would have locked his door permanently, because he could not find the capital wherewith to get the additional employees to come there and fulfill the contracts, in which time was of the essence of the contract, and on the breach or failure of which a penalty was imposed.

I wish to finish what I had started to say when I was interrupted. I started to point out that the bill is like the N. R. A. in respect of its capacity to freeze the opportunity of labor to work. I will read section 6 (a) found on page 62 of the bill:

> Unless an applicable order of the Board under this act shall otherwise provide, the maintenance among employees of an oppressive workweek shall not be deemed to constitute a substandard labor condition if the employees so employed receive additional compensation for such overtime employment at the rate of one and one-half times the regular hourly wage rate at which such employees are employed.

Why not leave that alone? Labor, do you hear my voice? Do you not want that opportunity to get time and a half? Can you get it? Hear the next sentence:

> But the Board shall have power to make an order determining that such overtime employment in any occupation shall constitute a substandard labor condition if and to the extent the Board finds necessary or appropriate to prevent the circumvention of this act.

It puts the power right in the fist of this great central Government, which, if we had passed the court reorganization bill, would have had nobody to stop it.

Time and a half? It may be enjoyed by you, Labor, if this centralized power in Washington does not deprive you of it by a finding, which cannot be meddled with, that it is appropriate to cut it off to prevent the circumvention of the act.

Let me say to labor, this measure is so tyrannical that if a laborer should happen to be on the premises after the hour when it has been determined by the Federal statute that he shall cease work, that would be prima-facie evidence that the act was being circumvented.

Mr. President, let us face this thing. In this country we depend on a market in Russia.; we depend on a market in France; we depend on a market in Japan and in China. In fact, labor has had that foreign market as one of its most stabilizing assets. What will this bill do to that?

One of the prices labor will pay for the security proposed to be provided by the bill is its liberty. "I lay down my liberty

in order that I may buy the security which a benign master at Washington can give me." In a sentence that is the spirit of all legislation which undertakes to tamper with economic laws and to give the Federal Government the power to say what may be done in production, manufacture, and mining. It is proposed to give the Federal Government the power to violate the Constitution—not merely to regulate commerce among the several States but to reach within the State. Every one of these bills, by an artful device of language, undertakes to break through the barriers that our forefathers erected against the Central Government, and to reach into the State and undertake to regulate production and manufacture and mining.

Let me say, Mr. President, that this is not merely a price paid by labor; it is a price also paid by the employer, because if there is any one sure way of destroying capital, recognized by the Bolsheviks from the beginning, it is to get control of labor. A statutory control is better than any other, of course; but any kind of control of labor by government will ultimately enable government to seize capital by the throat.

Of course, it is better at the same time to have a breakdown of credit. That condition always expedites the process, because if a candidate for dictator wants to make speed toward his dictatorship he will get there a great deal faster if he can invent two crises where one crisis existed before. He is likely to be successful if he can beat the other fellow to two crises instead of one. So we always see devised for this purpose emergency—emergency!

Within a few months after the candidate for President was out on the stump bragging about the economic progress and recovery of this country, he was broadcasting that a tremendous emergency had arisen; and today, within 24 hours after his Postmaster General and chairman of the Democratic National Committee bragged in Wisconsin about the continued advancement in prosperity of the country, we have this bill brought in here under the guise of emergency—of a crisis!

I may call attention to the testimony given on the 30-hour bill, which is applicable in principle to this bill, by Professor Saxon, who then was not in the employ of the Republican National Committee, as I understand, but was teaching in Harvard, and who had had business experience, and had made a special study of industry throughout the world. He said:

> I might say that unemployment in Great Britain is today at the lowest stage that it has been at any time since 1920, with the exception of the year 1926.
>
> All this has been effected without wage increases, reduction in hours of work, drastic price increases, limitation of production, et cetera. As a matter of fact, since the spring of 1933 our average price rise has been approximately 25 percent in finished goods and 38 percent in raw materials, while in England the maximum rise since the fall of 1921, when they suspended gold, has not exceeded 11 percent and for 3 years has held at not over 3 percent. In fact the trend has been toward lower real wages.

Mr. President, that is another price that labor must pay—lower real wages. That is to say, how much can be put in the market basket at the end of the period for the consideration found in the pay envelope? It makes very little difference how high wages may be in money denomination if the clothes the wage earner must wear, the food he must eat, the shelter he must have, cost so much more than they did before that the pay envelope will not buy as much of those things necessary for a good diet and a comfortable living.

Senators will study the record, I believe, in vain in an effort to prove from it either that the cost of production will not be increased, or that the price of living will not be increased; and labor will pay that price. There is a sales resistance on the part of every market to increases in the prices of goods offered for sale. It is followed by the taking of a diminished quantity. How will labor be affected by that?

I pointed out that I claim it will be affected by the price it has to pay; but it will also be affected in a worse and more serious way than that. It will be affected by the loss of employment, because in order to compete in the markets the producer, the manufacturer, must employ mechanization to reduce his costs, and mechanization to reduce costs drops men off the pay roll. Men are dropped off the pay roll in order to make it possible to lower costs, so that the goods may flow in the markets in competition with those that come here from countries where manufacturing is cheap.

With respect to our export trade, upon which a great many of our laborers depend for their employment, is it not obvious that a change of 33⅓ percent in the price Russia has to pay for the goods it buys of us would slow down the business; that Russia might go elsewhere than here to buy; that the Russians themselves might even develop manufacturing which would compete with us? I have used the figure 33⅓ percent because that was what the testimony showed the adoption of a 30-hour week would add in cost to the production of this country. Of course I recognize that the adoption of a 40-hour week would not involve so large an increase in cost; but, Mr. President, I have been unable to find in the present hearings evidence which would show what this increase of cost will be.

Against the export of goods we have the goods that we import. The goods that are imported, if they are of a similar character to the goods we produce in this country, represent labor. For example, a certain quantity of wheat imported would represent a certain number of farm laborers' work in this country to produce. That is so simple a proposition that anyone on earth will recognize it to be so. A shipload of shoes produced in a foreign country and brought in here would be in competition with American laborers making shoes. There is not any doubt about that, is there? And for every hour of work on that shipload of shoes it may be said that the laborers of this country have lost that hour of work.

Now we enter upon the fallacious plan, part of the New Deal, that we will reverse the system, we will reverse the plan and the policy that has made us great among the nations of the earth. Instead of having free trade among the several States, unregimented and flowing freely, but well regulated as interstate commerce, we will now regiment, we will now control it here at Washington. We will say that when goods cross a State boundary they shall conform to certain codes. And, so far as our foreign trade is concerned, we will reverse that, too, and instead of protecting labor here in America by a protective tariff, representing the difference between the cost of production at home and abroad, we will now enter into that benevolent relationship of inviting more importations to our shores from foreign countries. In other words, we will "soak it" to labor in America, and we will bestow the benefits of the great American market to labor in Europe and in Asia. I am not for that, I am against it, and I shall continue to be against it just so long as I have the power to speak and to act.

But, Mr. President, however earnest I may be about that, what I claim is that the greatest cost to all the inhabitants of this country is the destruction of that higher value, a free government, a government that encourages the individual and incites him to do the most and the best that he can. The masses of the people are individuals. They are great; they are noble; they are productive if the individual is great and noble and productive, and they are just the reverse if they sell their liberty and their individuality and merge themselves in a mass and bow down to a centralized authority at Washington. That is what this bill and other bills of the New Deal contemplate. Why not be frank about it. There is a group in this country that do not like our Government. They want it changed; they are bound to change it. They know full well that if they went before the people of this country with a constitutional amendment designed to effectuate their purposes and offered it to them the people would emphatically say "No." So what do they do? They introduce a bill here providing just one little step in that direction and a bill over there making another step in that direction. If they could have secured the enactment of the court bill the Constitution could have been subverted and no citizen of this country would have had any sanctuary to which to resort for the

protection of his civil rights or his economic rights or his liberty.

In this bill we find this language, appearing on page 55, section 8 (a).

SEC. 8. (a) Whenever the Board shall determine that any substandard labor condition exists in the production of goods in one State and that such goods compete to a substantial extent in that State with other goods produced in another State and sold or transported in interstate commerce, in the production of which such substandard labor condition does not exist, the Board shall make an order requiring the elimination of such substandard labor condition and the maintenance of the appropriate fair labor standard in the production of goods which so compete.

Mr. President, if that is not an artful, insidious, and cunning way of subverting the Constitution of the United States, tell me what it is. Senators, we have no business doing that. We have no power save the powers the people have given us by the Constitution. They have given us the power to regulate interstate commerce. Let us not by these sly and artful methods try to reach over that limitation and go into the States and regulate the production of goods, in the State of Vermont, for example. The board to be created, sitting here at Washington, is to tell a manufacturer in the State of Vermont, whose business is limited to the confines of that State, who does not sell a dollar's worth outside the State of Vermont, but all of whose business is intrastate, how many hours he may operate his plant and how many hours he may require his employees to labor. Why? Because when some big fellow from another State ships some goods into the State of Vermont he discovers, "Oh, the standard of living in Vermont is high." Why? Because the price of goods made by the manufacturer in Vermont is low and the contents of the wage envelope of his employees will buy more and fill the market basket higher than in the place where the big fellow operates his plant; and so the board at Washington says to him, "You have got to shut your doors at a certain hour of the day", and says to the laboring man there, "You cannot sell your time; you cannot sell your services beyond a certain length of time." Therefore, he has to ask in the State of Vermont a higher price for his goods, and he finds himself in impossible competition with the local manufacturer. Then, what happens? Under this tyrannical bill, if enacted, the Federal Government can go to the State of Vermont and undertake to regulate a purely domestic affair and impose a code on the manufacturer in the State of Vermont, who does not step outside of the State, just because he is in competition with the manufacturer from another State. Yes, we have got to roll up our trousers when it rains in Washington. That is the point of the program. That was the point of the court bill.

The only thing in the wide world that has preserved us from destruction as a free government has been the judiciary department. Yet the attempt was made to capture that department. Mr. President, if the court bill had passed and the Supreme Court had been packed and those members of that Court had passed upon the question of the constitutionality of the very act that seated them, where would we be? It would accomplish a coup d'etat as perfect and complete as if the United States Army was enforcing it.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. LOGAN. I understand from the remarks of the Senator from Vermont that he is looking now for safety to the Supreme Court so far as this proposed legislation is concerned, and he evidently expects the Supreme Court to say that Congress cannot regulate minimum wages and maximum hours. Is that the position of the Senator?

Mr. AUSTIN. Mr. President, I would never be so intemperate as to take such a position. I am expressing my own opinions, and the opinions of no one else. I am praising a great court for a good record. Time after time it has stood as a barricade against crazy waves of emotionalism and suggestions of revolution and efforts to change and override the Constitution without submitting the question to the people. It has been the only sanctuary to which the laboring man could resort in order to be saved from having just what is proposed by this bill being brought about, namely, a statutory monopoly of him and his time and his wages. Strikes! Reserve the right to strike, and how long do you think, Mr. President, that it will operate? Once this step is taken, and the centralized Government here in Washington has obtained control of the hours as well as the wages of labor, do you think there will be any freedom left to labor to say whether or not it will work or not work?

Mr. BLACK. Mr. President, will the Senator yield?

Mr. AUSTIN. Do you think there will be any safety in a strike which the centralized Government thinks ought not to take place? I say, once you start this thing you will destroy all elements of freedom that labor now enjoys. I now yield to the Senator from Alabama.

Mr. BLACK. The Senator has made a very forceful argument upon his side of the case on the destruction of liberty of the worker if he is protected by law from unfair wages and conditions. I have thousands of letters from workers throughout the country. I have one very short letter from the city of New Orleans from a worker himself. I wonder if the Senator would object to my sending that letter to the desk and having it read in order that we may get the viewpoint of one of the workers?

Mr. AUSTIN. I have no objection at all; but I wish, Mr. President, if it is not out of order and unseemly, to say to my colleague from Alabama that I recognize his idealism and broadmindedness; I know he has studied this problem with sincerity and that he has achieved a wonderful improvement in the bill. I will say that I think, from his point of view, that the proposal now being considered is far superior to the original plan of a horizontal fixation of hours and wages, as conceived in the original hour and wage bill. I compliment the Senator from Alabama upon that service.

Mr. BLACK. I appreciate the Senator's statement.

Mr. AUSTIN. I do not agree with him, but we do not have to be unfriendly because of that.

Mr. BLACK. I thoroughly understand that, and I agree with the Senator, and I appreciate his statement. I wanted to get in the RECORD the letter at this point on the other side of the question of liberty, and for that reason only.

Mr. AUSTIN. I am quite ready to have the Senator do it. I will be glad to have the letter read.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

NEW ORLEANS, LA., *July 19, 1937.*

Senator BLACK,
Washington, D. C.

GENTLEMEN: After reading your wonderful talk on your policy to aid workers in the Times-Picayune, I thought about writing you and telling you some of the working conditions in New Orleans. I have been a baker all my life and never have seen conditions as they are now. The majority of the shops work long hot hours with very little pay. They work on an average of 13 or 14 hours per day, and on week ends work 18 hours or over. I cannot say anything under this corruption, as we poor will lose our slaving jobs. I want to continue to exist. We have to take it and like it, as there is hundreds of other starving men with families waiting to take our job for a salary of $10 to $15 a week or even less. Some of the expenses we have to meet on that small sum: Rent, $18; water, $1.75; gas and light, $4 to $5; food, clothes, medical care, carfare, lunch—if there is anything to take along. As for amusement and recreation, it is out of the question. We are too tired, weak, and penniless. Its from work to bed and from bed to work. I firmly believe the life of a mule is better than the one of a poor working man, because they at least have their Saturday night and Sunday off, while we work 7 days a week and no days off—no rest, very little to eat, underweight, and undernourished, health ruined and life shortened. So unless something is done for the laboring people, and done soon, Heaven will be our only hope.

Mr. AUSTIN. Mr. President, I believe that letter was written from Louisiana?

Mr. BLACK. Yes.

Mr. AUSTIN. Wherever it is from, I should not like to consider that picture as accurate of all laborers in that State. I hardly believe the Senator from Alabama regards that as typical. I have no doubt he could produce a great many letters from all over the United States picturing very sad conditions which we all desire to alleviate and expect to alleviate. In doing so, however, we must consider the

cost. My whole argument has been in favor of improving and ameliorating the conditions of labor. It has been against paying the price which this bill would make labor pay. That is the point.

Let me read a statement from another laborer which I think bears on the principle we are here discussing. I take this from an editorial published in the Burlington Free Press and Times of February 5, 1935. I invite particular attention to the following excerpt from the editorial:

This point of view is well set forth in an article by Matthew Woll, vice president of the American Federation of Labor, published in The Magazine of Wall Street.

Mr. President, I am firmly of the belief that the American Federation of Labor believes in what I am about to read:

Mr. Woll declares most emphatically that labor does not want any form of dictatorship. He said:

"Yet it is apparent that we are drifting toward some form of radical collectivism which seems to be a mixture of German Hitlerism and Italian fascism. If some of the present tendencies are not checked, if we do not regard more seriously essential principles which have been traditional since the founding of the Nation, we may find in the very near future that most of us are working directly for the Government or under orders from Washington."

That is what I am saying. I say when the Government at Washington, an executive department, can be vested with judicial power forbidden by the Constitution, when power can be handed out by the Congress of the United States to a department to step over the State lines and exercise the judicial function of finding facts and judging upon them with reference to labor within the States, labor engaged in nothing more than production, manufacturing, or mining, then labor will already have put itself within the powerful arm of despotism.

I desire to call particular attention also to this statement in the editorial, being a quotation from Mr. Woll:

Organized labor reserves the right to bargain collectively with employers without interference by government unless there be unusual violence in connection with a strike—then it becomes a matter for local or State police.

Not the Federal Government, not a board here at Washington appointed by the President of the United States, subject to removal by the President of the United States and under his control.

For the past 2 decades the relations between workers and employers have been steadily improving.

This is a quotation from a laborer that all the world knows well and in whom all the world has confidence.

But for the past year and a half, with government taking a hand and undertaking to settle all disputes by governmental fiat, has produced a record of unsual disputes and strikes.

Is not that according to facts? Every listener is a witness to that fact.

Organized labor and employers should be encouraged to settle their disputes as between themselves and without any assistance by commands and prohibitions devised by academic theorists in or out of Government service.

Mr. President, I ask that the entire editorial may be incorporated at this point in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press and Times of Feb. 5, 1935]

LABOR AND CAPITALISM

Organized labor is a stanch defender of capitalism, because it is realized by well-informed labor leaders that the moment capitalism gives way to fascism, communism, or any other system of a similar nature the Government will become the master and the worker will be its slave, without bargaining power. That is the case in Russia today, and to a lesser degree in Italy and Germany.

This point of view is well set forth in an article by Matthew Woll, vice president of the American Federation of Labor, published in the Magazine of Wall Street. Mr. Woll declares most emphatically that labor does not want any form of dictatorship. He said:

"Yet it is apparent that we are drifting toward some sort of radical collectivism which seems to be a mixture of German Hitlerism and Italian fascism. If some of the present tendencies are not checked, if we do not regard more seriously essential principles which have been traditional since the founding of the Nation, we may find in the very near future that most of us are working directly for the Government or under orders from Washington.

"Organized labor, in the second place, does not want any form of inflation", Mr. Woll declared. "Inflation is the inevitable outcome of a steadily increasing public debt.

"Our public debt—national, State, and local—is increasing at a terrifying rate. It must not be forgotten that the easiest way to turn a democratic government into some form of dictatorial collectivism is by running it so deeply into debt that business and industry can no longer carry the burden. This is the road along which we are traveling and will continue to travel unless and until the voters take the matter into their own hands and see to it that campaign promises of balanced budgets, economy in the conduct of government, and a gradual lessening of the economic burden under which taxpayers are staggering are kept."

Mr. Woll declared that what the working people of the United States want more than anything else is not charity but work. He said Government relief must be paid eventually by the people through taxes. "It makes no difference whether these taxes are paid in the first instance by big business, industry, the public utilities, the banks, or insurance companies, it is the ultimate consumer who pays them in the end, for they must be reflected in the price of everything which he has to buy for himself and his family.

"Organized labor wants to see a check placed on the further extension of Government into our economic life. By this I do not mean that business should not be regulated by certain forms of restrictive legislation. Natural monopolies such as the public utilities and the railroads must be regulated with a firm hand in the interests of both the public and the security holders in these enterprises. Insurance companies must be regulated in the interests of their policyholders for whom, after all, they act in a purely fiduciary capacity. Banks must be regulated in the interests of their depositors, their stockholders, and their customers for credit.

"But when I say that labor wants to see a very definite check placed on undue Government interference in business, I mean, first of all, the rapidly growing tendency on the part of Government to compete with its own citizens which, if carried out to its logical conclusion, must eventually lead to political ownership and operation of all of the processes of production and distribution. This may satisfy the aspirations of the average foreign worker but is entirely foreign to the aspirations of the average American worker."

Mr. Woll said electric utilities have done many things for which they should be condemned, resulting in rates out of all proportion to the service rendered, but added:

"I wonder, however, if they are seeking the solution of public-utility problems in quite the right way. The Government is spending hundreds of millions of dollars—which will eventually run into billions—of the taxpayers' money in order to engage in a constructive competitive battle with its own citizens, and I sometimes wonder if the public really knows what the Government's hydroelectric policy, coupled with its policy of stimulating municipalities to go into the electric-light and power business in competition with local plants, really means to every man, woman, and child in the United States.

"First, it is bringing about the destruction of billions of dollars of security values, representing tangible operating enterprises in which millions of people have a very definite stake. These people are not confined to the security holders themselves. Every owner of an insurance policy is affected, because this scheme of political sabotage must affect insurance-company reserves established for the protection of the policyholder. In the same manner every man or woman who has a savings-bank account is affected, for the banks have hundreds of millions of dollars invested in public-utility bonds. Organized labor is no more in favor of political sabotage than it is in favor of industrial sabotage."

Mr. Woll declared he believed regulation of utilities in the public interest, so that the public will receive a maximum amount of service at a minimum cost, is preferable to Government competition to drive out the private utilities. He did not believe successful Government regulation to be impossible, as some say. With courageous officials appointing courageous and fair-minded men to public-service commissions, regulation can be made successful.

Mr. Woll is concerned over what will happen to the workers in privately owned and operated public utilities, such as coal, oil, gas, and transportation industries, if Government competition continues. He foresees the Government moving large industrial establishments where they can use the power developed in its hydroelectric plants, without regard to the effect on the community or workers in the industry, or else building factories of its own to enter into destructive competition with private industry.

"Organized labor reserves the right to bargain collectively with employers without interference by government unless there be unusual violence in connection with a strike—then it becomes a matter for local or State police. For the past two decades the regulations between workers and employers have been steadily improving. But for the past year and a half, with government taking a hand and undertaking to settle all disputes by governmental fiat, has produced a record of usual disputes and strikes. Organized labor and employers should be encouraged to settle their disputes as between themselves and without any assistance by commands and prohibitions devised by academic theorists in or out of Government service."

If this viewpoint represents the majority opinion of labor in the United States, New Deal theorists had better watch their step.

Mr. AUSTIN. Mr. President, I think the statement by Mr. Woll contained in the editorial to which I have just

referred is entitled to more consideration than the letter placed in the RECORD by the Senator from Alabama [Mr. BLACK]. I think the unfortunate condition described in the letter must excite the pity of every person hearing it. I also think the great State of Louisiana is more competent than centralized power here in Washington to assist labor with benign statutes which are adapted to the genius of the people of the State of Louisiana.

They are more likely to adopt a method of assistance to labor that is so adapted than are we here in Washington. They should know their own conditions, and I believe they do know them.

I feel, with respect to the State of Vermont, just as Ethan Allen did when he walked out and said to Congress, at a time when Congress was trying to force Vermont into the State of New York, "I am as determined to preserve the independence of the State of Vermont as Congress is that of the United States, and rather than fail I will retire with my hardy Green Mountain boys into the caverns of the mountains and make war on all mankind."

I feel that way. I feel that earnest about it. Although I would not incite any such consequences as implied in that remark I feel as earnest as that remark expressed Ethan Allen's earnestness, that we should, if possible, prevent the passage of this bill modified in any form, whether by amendment as offered by the Senator from Oregon [Mr. MCNARY] or in any other form that can be conceived. I regard the bill as pernicious and dangerous, and a great step in the direction of a dictatorship in the United States.

Mr. BLACK. Mr. President, in view of the fact that I placed in the RECORD a letter from Louisana, I send to the desk and ask to have read a letter which came with it, in the same envelope. It is very short. It bears the title of the Louisiana Manufacturers' Association. I call particular attention to the interest of the Louisiana Manufacturers' Association in the farmer. It will explain many of the arguments which have been made in connection with the farmer and this bill, because the same suggestions have been sent out by manufacturers from every other State and by the United States Chamber of Commerce with reference to the argument in regard to the farmer.

The PRESIDENT pro tempore. The Chair hears no objection, and the letter will be read.

The legislative clerk read the letter, as follows:

LOUISIANA MANUFACTURERS' ASSOCIATION,
New Orleans, La., July 16, 1937.

QUICK ACTION IMPERATIVE

Do these things at once:

1. Wire Senators ELLENDER and OVERTON your opposition to Black wage and hour bill, S. 2475. This modification of original bill does not remove objections. If you have already written or wired them, do it again.

2. Wire your Congressman.

3. Talk to the farmers in your community. Point out to them that if this bill passes fertilizer will cost $2 a ton more, that there will likely be a shortage of farm labor in peak periods, that ginning costs will be greater, that articles they buy will cost more, and urge them to write or wire their Congressman and Senators.

4. Talk to your banker. You know what this bill will do to you. He has a definite interest in your successful operation. Get his help.

5. Your merchants are interested. Enlist their help.

6. Talk to your newspaper editors. Get them to run editorials on this.

Takes time? Of course, it will. But it will take less time and less money than it will if the bill passes and you have to go to Washington and beg an arbitrary board for differentials in hours and wages.

The time element is important. Don't put this off. Don't depend on the other fellow—it's important to you, too.

SAM B. DUNBAR, *Manager.*

Mr. SCHWELLENBACH. Mr. President, in view of a statement made yesterday very bitterly criticizing an official of the Government, Mr. Edward McGrady, Assistant Secretary of Labor, for his activities in reference to the strike at the Apex Manufacturing Co. of Philadelphia, I should like to have the RECORD show that this morning, exclusively through the efforts of Mr. McGrady, the strike and the labor controversy at the Apex Manufacturing Co. of Philadelphia have been settled.

Mr. GEORGE obtained the floor.

Mr. HARRISON. Mr. President——

Mr. GEORGE. I yield to the Senator from Mississippi.

Mr. HARRISON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Pope
Andrews	Connally	Lee	Radcliffe
Ashurst	Davis	Lewis	Reynolds
Austin	Dieterich	Lodge	Schwartz
Bailey	Donahey	Logan	Schwellenbach
Barkley	Ellender	Lonergan	Sheppard
Berry	Frazier	Lundeen	Shipstead
Bilbo	George	McAdoo	Smathers
Black	Gerry	McCarran	Smith
Bone	Gillette	McGill	Steiwer
Borah	Glass	McKellar	Thomas, Okla.
Bridges	Green	McNary	Thomas, Utah
Brown, Mich.	Guffey	Maloney	Townsend
Brown, N. H.	Hale	Minton	Truman
Bulkley	Harrison	Moore	Tydings
Bulow	Hatch	Murray	Vandenberg
Burke	Herring	Neely	Van Nuys
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Johnson, Calif.	Overton	White
Caraway	Johnson, Colo.	Pepper	
Chavez	King	Pittman	

The PRESIDING OFFICER (Mr. GERRY in the chair). Eighty-six Senators having answered to their names, a quorum is present.

Mr. GEORGE. Mr. President, I think it would be well to inquire who is included in and affected by the bill as it now stands.

Broadly speaking, and without any attempt to cover every person who may be affected by the bill, it is proper to say that under the recent decision of the Supreme Court and under a provision of the bill to which I shall later refer, interstate and intrastate commerce employees and employers come directly within the purview and terms of the bill; so that virtually every worker who is in any way concerned with the production, distribution, or sale of any commodity may be considered to be engaged in interstate commerce or intrastate commerce, which is actually and substantially affected by the transportation and sale within the State of any article produced outside of the State under conditions fixed in the bill.

With the exception of local retail employees, who are specifically exempted, transportation and farm workers, practically all other workers in the country are within the terms of the bill.

On the question of who are exempted as farm workers, or what businesses affecting agriculture may be said to come clearly within the terms of the bill, let me say that I have no doubt that any primary processor of cotton, for instance, such as the operator of a cotton gin, certainly a cotton compress, certainly a cotton warehouse in the local community, and every employee in the cotton warehouse, is directly within the terms and purview of the bill.

Similarly, every peanut picker who goes from farm to farm to pick the farmer's nuts when they are ready for market is within the purview and terms of the bill.

Practically the whole operation from the time fruit is removed from the tree, and oftentimes the removal of fruit itself from the tree, are covered by the terms of the bill. Certainly the preparation of fruit for packing, its precooling, its storage in the packing plant, and its actual packing are steps in the processing or marketing of most fruits and most vegetables not performed by the farmers themselves.

The threshing of wheat and of oats, when done by the farmer or done by someone else for the farmer, but not by someone else under contract, is, of course, not within the purview and scope of the bill; but the threshing of oats or the threshing of wheat when done by someone other than the farmer for hire or for toll unquestionably falls within the terms of the bill as it stands.

Seamen, people who take sponges and fishes from the ocean and from other waters, are not within the bill. Girls who work—and if there are any underpaid, if there are any people who are worked excessively long hours in

the United States, they are to be found in the department stores and in the chain stores operating throughout this country—are not given the protection of the bill. Certainly farm labor is low-paid labor in most parts of the country. So that the three classes of labor which may be said to fall within the lowest bracket—fishermen, including sponge fishermen, girls in department stores and employees in the chain stores, and farm labor—are not under the bill. All retail clerks and helpers in retail establishments and all agricultural labor are out of the bill.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BLACK. May I ask the Senator whether he believes that under the definitions which have been given of interstate commerce it would be possible for the Congress to regulate the hours of those working in the retail stores throughout the country? I am interested in the Senator's viewpoint, in connection with his statement.

Mr. GEORGE. If the Senator will forbear, I will get to that in just a little while. I hope to discuss that phase of the subject.

In order to popularize the bill with agriculture it is said, for instance, to the cotton farmer, "You are not affected by the bill." He is affected by the bill when his cotton goes to the gin, because the ginnery and everyone working thereabouts is clearly within the terms of the bill.

He is affected by the bill when his cotton goes to his county or town warehouse, because the warehouseman and everybody working in and around the warehouse is within the terms of the bill.

He is affected by the bill in the increased cost of every tool and of every implement and of every piece and particle of machinery used upon his farm.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. GEORGE. I decline to yield for the moment, but I will yield in a little while.

The farmer is affected by the bill in the increased cost of every bag and in the increased cost of every cotton tie.

He is affected by the bill in the increased cost of every yard of cotton bagging or jute bagging with which his cotton is wrapped.

He is affected by the bill in the increased cost of every pound of commercial fertilizer that goes to make his cotton crop, because all of these industries are within the terms of the bill, clearly and unmistakably within the terms of the bill.

Finally, he is affected by the bill, of course, by such general increase of wage levels as must result from the operation of the bill, if the bill is successful, as it is hoped by its proponents it will be.

Mr. President, I will not describe how other farmers are affected by the bill; but they are affected similarly.

Mr. President, what does the bill undertake to do? First it provides for the appointment of a board of five members, who are to be given jurisdiction over practically all the employers and employees in the country, except as stated heretofore. I, of course, have made no reference to the fact that employees of a city or of a State or of the Federal Government fall outside of the terms of the bill. They are not included in it. I have made no reference to the fact that the employers and employees of common carriers, who are affected by other law already, are not within the terms of the bill.

The bill authorizes the President to appoint five members to the board, who, incidentally, of course, are to receive $10,000 a year. The bill authorizes the President, moreover, to change from time to time, without restriction, the chairman of the board. Under the terms of the bill the chairman of the board may be changed overnight. Under the terms of the bill the chairman of the board may be changed whenever the President sees fit to order the change.

What may this board do in the first instance? The board may employ without limitation any number of people to carry into execution the powers vested in the board. There is no limitation upon the number of people who may be employed, whether attorneys, or people possessing executive experience, or clerks, stenographers, or what not. The number is unlimited. They may employ them to carry out the provisions of the law.

The board may sit at Washington; in fact, the bill provides it may sit at Washington; but it may sit anywhere else in the country. It may carry on its activities not only through its membership but through any agency selected by it. Through any person or agent selected and created by the board it may carry on its activities in any part of the country.

I dare say that we have given to few boards broader power to employ a large army of Federal employees, and I dare say, also, that we have given to few boards, if to any, the power to carry on its activities simultaneously through such agencies and through such instrumentalities as it may elect in any part of the country.

The board is called upon by the bill to utilize certain agencies of the Government in gathering the information which it is authorized to gather, and that includes everything that an employer may do in any line of business which comes within the measure. The board may examine his private papers, and it may publish them to the world, under the very terms of the bill. They may go into his books and they may publish them to the world. They may publish anything they find. They may do this through agencies and agents selected or utilized by the board.

Particularly, Mr. President, they are authorized to make use of the Secretary of Labor in the gathering of all of the information deemed by the board essential in the administration of the act. I have no criticism to offer of the Secretary of Labor, save as her public acts justify criticism. One thing is very clear—that the present Secretary of Labor does not believe in any differentials in the wages of industry in different sections. She has manifested that from time to time, and I dare say that no one will undertake to controvert the statement. If any differential is to be allowed, in the opinion of the Secretary of Labor, then the differential is inconsequential, wholly inadequate, at least, to preserve great systems of industry, which have not grown up under theories but which have grown up under competitive conditions and circumstances under which they were obliged to survive, if they survived at all. But the Secretary of Labor does not think so.

While I am on that point, let me say that the bill provides for the creation of an advisory committee, and it is entirely useless. It is an appendage which has little place in the bill. The committee authorized is all right, and the committee is to function in a very orderly way, and, presumably, the committee is to be of some service to the board; but what are the powers of the committee? When the committee has done all that it is authorized to do under the act, when it had made its investigation and submitted its report to the board, the board, quoting from the act, section 11, "may accept or reject, in whole or in part, the recommendations of an advisory committee."

I do not care how fairly the committee may organize; it is immaterial with what words and language the committee is brought into being and what fair and just and obviously proper things the committee may do; when it is written into the law that the board may reject the report of any advisory committee in any industry, in whole or in part, I know that the advisory committee is out of the window, and this country knows it.

There is no need for anyone to take refuge back of the advisory committee. There is no need for anyone to point to this committee and say, "Before we put hours and wages on you we are going to appoint an advisory committee", and that committee is going to protect you. It is wholly immaterial what that committee may think, what it may find, what it may report, what it may recommend; it is out of the window when the board says, "We reject it in whole or in part." Under the terms of the bill as it now stands the only recourse open to anyone who is aggrieved is to take an appeal to the circuit court. The report of the advisory committee is not affirmatively made a part of the record. None of its recommendations becomes a part of the record by virtue of

the report itself. It may be made a part of the record, of course, by the board.

Mr. President, we now come to what the board may do. It may fix the maximum hours and it may fix the minimum wages within the limitations of the bill, and for the sake of brevity, at least, there is no need to go into that again.

Again, the language of the bill is very clear; that is, how it shall arrive at the maximum hours and how it shall arrive at the minimum wages. There is some poetry in the bill, poetry of the same kind as the poetry written into the bill for the purpose of creating an advisory committee.

The board may take into consideration, of course, the cost of living in one section of the country as compared with the cost of living in another section of the country. It may take into consideration a great many things as enumerated in the bill in fixing the maximum hours or the minimum wages.

But, Mr. President, we must look a little further than that if we want to see what the board is, and what, under the terms of the bill, we are asking of the board and what we charge it with doing.

In the bill it is textually stated that the objective of the bill is the fixing of hours not to exceed 40 and the fixing of minimum wages not less than 40 cents per hour. In language it is said that that is the objective of the legislation. That is the purpose of it. Indeed, it has no other purpose here, and can have no other, if that is not the purpose. It does not make any difference what we may say about taking into consideration the cost of living in one section as compared to the cost of living in another, the difference in the freight charges from one section to the consuming markets as compared to freight charges on the same goods from other sections to the same consuming markets. It matters not a whit what may be said about those matters. The legislative declaration is made in the bill that the objective of the board is to fix the maximum hours and the minimum wages at a given point; and everything else in the discretion of the board must yield to that declared public policy of the Congress. That the board will yield to it must be accepted by all open-minded Americans as beyond the peradventure of a doubt.

What has the National Labor Relations Board done? I am not going to say that it is not administering the National Labor Relations Act. I am going to say that the objective of that act is written in the act, and that the National Labor Relations Board is administering it with a view to the expressed public policy contained in the act itself. Everyone knows that. If we were running an industry in any part of the country, we would know it. If we have any experience with industries, large or small, big or little, in any State in the Union, we know that the National Labor Relations Board is administering the act in accordance with the declared purpose stated in the act as they interpret it.

There is no mistaking the objective of the bill, because the word "objective", when we come down to the final power of the board, is expressly used with reference both to hours and to wages.

Mr. President, under the terms of the bill the power of life or death over industry is to be given to the present Secretary of Labor, who long ago had the idea that the children in the South and the people of the South were without shoes, who long ago had the fixed and settled conviction that there was no sense in having a different wage in the same industry in the South as compared with similar industries in other parts of the country, although in reaching that conclusion the good souls who generally have written bills of this kind seem to have closed their eyes to all the facts of our economic life. They do not understand why there should be one wage paid in the far South and another wage paid in closely knit and thickly populated New England. They cannot understand it save on one theory, which ought to be repudiated by every southern man, and that is that both our employers and our employees are in the one instance without conscience, and in the other instance without a love of liberty and the power to protect themselves.

The industrialists of the South are as honorable as the industrialists of any section of the Nation. They are as wise; they are as well informed. The labor in the South is made up of as pure blood as can be found in the arteries of American men and women in any section of the Nation. Why, then, is there a different wage? We may account for it on a theoretical basis, but the hard fact is that wages in every section, by and large, in the long run are fixed by economic, natural conditions that we cannot change, drastically as it is proposed to be done in this legislation, without great injury to our whole business structure.

I want to repeat that I think the men who own and operate all of our industries, from the paper plant up through all the lumber interests of the South to all the naval-stores interests of the South, all of our iron and steel industries, all our textile plants of every kind and description are as good—they are not any better, but they are as good—as men engaged in similar business in any State and in any section of the country.

I repeat, they are as well informed, they are as humane, they are as honest, they are as decent, they are just as much Americans as men who own and engage in like business in any other part of this country. I warn southerners who defend this bill that those who write this kind of laws cannot understand the existing difference in wage except upon the ground that in the South we are deliberately guilty of exploiting the labor of our fellow men. The men who labor in the South and the women who labor in the South are just as honest, they are just as decent, they have the same love of liberty, they are doing their dead level best just as the men and the women in every other section of the country.

How are we going to fix this minimum wage and these maximum hours? Obviously, we cannot do it by considering individual cases. We would never get through with the task if we did that. Obviously, that is an impossibility. The bill recognizes that. The bill recognizes that it must be done through classification into groups of the persons who come under its terms, and who are affected by it. In no other way could it be accomplished. In no other way can anyone conceive of any board exercising the vast powers and meeting the vast responsibilities placed upon the board by this bill. So I am not quarreling with that provision of the bill; but it must be done by groups. It must be done by industries, with the power in the board, to be sure, to note particular cases and instances, but in the nature of things the board cannot give consideration to particular industries, nor to particular instances of hardship.

The proponents of the measure may think so. It does their humanitarian purposes very great credit to say that they do sincerely think so. But the board will not do it; the board cannot do it; and if it could, in the very nature of things, it would not be able to do it throughout a country that occupies a half continent and that has industrial conditions as variant and as divergent as are the industrial conditions in sections of the country itself.

So hours must be fixed with reference to groups, with reference to industries as industries. Even if the standard should be varied as between sections it would be a very remarkable performance upon the part of the board. But will the board do it? With the express objective set forth in the bill will the board do it, when the language of the bill is that the five members of the board must be appointed with reference to industrial and geographic conditions? How many members of the board will that give to the entire South? Not more than one. And what will one man do on the board? He cannot do a great deal; whatever his wisdom and his honesty and whatever his desire to be of service, he can do nothing under the bill which presents as its express objective the fixing of hours and wages at particular and given points and figures.

The Secretary of Labor may administer this bill through labor organizations. That provision is in the bill. I am not going to make any assault on labor organizations; I support organized labor in all its legitimate endeavors and activities; but when it is understood that the Secretary of Labor may march into a department store in Atlanta or in Oklahoma City or in Waco, Tex.; when it is understood that the Secretary of Labor may send down her agents to a little

packing plant in southern Georgia or southern Mississippi or southern Virginia or North Carolina; when it is understood that into every industry in the country she may send her representatives, and that under the bill she may also send a representative of organized labor, what sort of a picture is presented? What will the bill do to the country?

Suppose, let us say, that the Secretary of Labor should send Mr. John L. Lewis down into a rayon plant in North Carolina; suppose, let us say, that she should send Mr. Lewis down into a little cotton mill in Alabama or Georgia; suppose that she should even send Mr. Sidney Hillman, a close associate of Mr. Lewis—I am using them merely as examples—suppose she should send them into the mills and factories of the South to look at the books, to examine the private correspondence, to go into all the intimate details of the business, and to make those things public in America—think of it!

I do not understand how maximum hours and minimum wages may be fixed on any fair basis by people who all during their existence have been fighting upon one side or the other of a given issue. I am not overstating what this bill provides.

I do not say that the Secretary of Labor will do so, but suppose, let us say, that she should send John L. Lewis or Sidney Hillman down into Georgia and into a little mill where for days and days a strike had been in progress, where, until the Secretary of Labor suddenly discovered it was illegal to carry on a sit-down strike, a sit-down strike had once been inaugurated. Is that going to do labor any good? Is it going to do the men and women who work in our mills and our factories and our warehouses and our jobbing houses any good? Is it going to do business any good? Is it going to do America any good? That is the question, Mr. President, that ought to be asked in the consideration of this bill.

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BROWN of Michigan in the chair). Does the Senator from Georgia yield to the Senator from Massachusetts?

Mr. GEORGE. I will yield in just a moment.

The distinguished Senator from Alabama [Mr. BLACK] read into the RECORD during the course of the first day's discussion of the bill certain letters from large sawmill operators. The letters were entirely proper, and those operators had a right to send the letters. I believe that any citizen has the right to approve or disapprove pending legislation. I am not going to quarrel with them; but I am not surprised that some large sawmill operators should have written here approving this bill.

Mr. President, the big sawmill operators approved the N. R. A. They approved it when the little mill was being closed. They approved the quota system which it was attempted to put on the little mill, and under which the little mill could cut only so many thousand feet of lumber per day or per week or per month. They approved it for the express purpose of driving out competition; they approved it for the express purpose of establishing a monopoly, and in the South they did establish a monopoly. Wherever the little sawmill operators and lumbermen were frightened by the N. R. A. and screams of the "eagle", they took to the woods. Down in my State, in the very beginning, I stated to a sawmill man, "Do not pay any attention to it." The agents of the N. R. A. went out into the woods and found a little sawmill man who had paid all his money, all his earnings of a lifetime, for a tract of timber, and they said, "You have got to pay a certain wage, you cannot work your employees more than a certain number of hours, and, moreover, you cannot cut more than so many thousand feet of lumber per month." One such sawmill operator came to me and said, "Here is my timber tract; in it are invested the earnings of a lifetime, but under the hour and wage scale they have prescribed I cannot earn a penny out of it, and on the quota they give me my lease will have expired before I can cut one-third of my timber." I said, "Do not pay any attention to them; you bought that timber; go ahead and cut it within the terms of your contract. You have a 12 months' or a 24 months' or a 36 months' lease on your timber. It is yours. I do not care what kind of quota they put on you; go ahead and cut it."

But what happened? The little mills closed up all through the Carolinas and all through Georgia; small lumbermen went out of business, and literally hundreds of them who did not go out of business went up to the very door of bankruptcy, and today they are bankrupt because they undertook to comply with the requirements and conditions fixed by the N. R. A. That is not theory; that is fact; and everyone familiar with the situation knows it to be a fact.

The finishers of lumber came day after day and said, "We want to sell the lumber at a certain price, flooring and ceiling and finished lumber; but the N. R. A. says we must sell it at a higher price. We do not want to ask a higher price, because our customers cannot buy it at a higher price, but they can buy at a price at which we are willing to sell and at which we can make a reasonable profit." But right then the big lumbermen were saying that the N. R. A. was a godsend. Of course, it was a godsend, because the big lumbermen had created a monopoly through the very agency of the Government and had driven the little competitor out of the field. So the big operator could put his prices up to anybody's code; indeed, he helped to make the code; he wrote it. The same big lumberman thinks he is in sight of another N. R. A., and so he likes this bill. But the hundreds of little lumbermen do not like this bill, and the thousands of men who work for them do not like this bill, because they believe, as I believe, that yielding to economic conditions their employers are willing to meet them half way and to deal with them on a fair basis.

Mr. President, let me reply to another thing that has been injected into the debate. It has been said that in all the great industries of the country labor is organized—and it should be. It is said that through organization labor is enabled to assert its rights. In a measure that is true, and I am glad that it is true. But it is said that in a large number of other industries labor is not organized and there is, therefore, no collective bargaining in a very true or real sense.

Answering for the industries of the South, and I believe it is largely true everywhere, labor is organized or will organize whenever there is any real reason for organization. But in the little industries, where a fine personal relationship exists between the employer and the employee, labor organizations have not been able to make much headway for the very substantial reason that there is no actual necessity for an organization of the type that exists in the large key industries of the country in such businesses or such enterprises.

Labor has the right to organize down to two men, down to three men, down to a minimum. Labor may do it if it wishes, and it may affiliate with a national organization. I think it should in all industries where the industry is large enough to make impossible that intimate relationship which exists in the smaller enterprises of the country. Wherever labor desires to organize it may do so, and labor will organize in the smaller industries of the country when there is any substantial reason for it, because all of our people are one; they are moved by much the same motives and purposes; they are controlled by much the same sentiment in consideration of self-interest and advancement; and labor in large and in small enterprises now unorganized will organize whenever there is the necessity for it.

Mr. President, I am no apologist for cheap labor. I do not desire cheap labor. I am no apologist for unusual hours of labor. I do not desire long hours for labor. Locally I have said many times, sometimes when it cost a little to say it, that I thought the labor in the community was not paid enough—the labor on the farm, in the store, in the little manufacturing plant. That is my sentiment and that is my view.

I know that through legislation we can do much so far as excessively long hours are concerned, particularly in hazardous enterprise and industry, particularly in an industry which presents any element of danger or any factors which produce or ordinarily produce unhappy results either in the

physical or mental or moral character of the people employed in those industries. Much can be done through proper regulation of hours. Much can be done, unquestionably, through legislation in the fixing of reasonable hours, or at least outlawing unreasonable hours.

But when we undertake to fix either a flat minimum of wages or maximum of hours through any board at Washington for all the industries of the country under a law that will not admit in actual practice of any real differential or any substantial differential or any peculiar consideration of special hardship cases—when we undertake to do that we undertake to do what nature, what economic laws, what the development that has gone on in this country simply say we cannot do unless we want to disrupt and disorganize the industries in some parts of the country.

Mr. BYRNES. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from South Carolina?

Mr. GEORGE. I yield.

Mr. BYRNES. I believe the minimum wage paid by the Government through the Works Progress Administration is approximately $22 for common labor in Georgia, and for the same labor in New York City approximately $52. If the Senator is correct in the statement he made a moment ago, that, in his opinion, there would be no differential, how could we reconcile the action of the Government through the W. P. A. making a differential of $30 in the minimum wage for Government employees and through another department of the Government striving to see that there is no differential?

Mr. GEORGE. We would not be able to reconcile it. The Secretary of Labor would probably reconcile it on the theory that Works Progress Administrator Hopkins had done it, and therefore it must be all right. That is the only basis on which it could be reconciled.

Mr. President, I want to refer to some of the things the board is authorized to do by way of investigation. I invite the Senate to keep in mind the fact that under the terms of the bill the board is specifically directed to carry on, wherever feasible or possible or practical, these investigations through the Secretary of Labor:

> The board in its discretion may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any occupation subject to this act, and may inspect such places and such records (and make such transcripts thereof) and investigate such facts, conditions, practices, or matters as it may be deemed necessary or appropriate to determine whether any person has violated or is about to violate any provision of this act.

In a subsequent section, section 15, the board is specifically charged in this language:

> So far as practicable, the board shall utilize the Department of Labor for all the investigations and inspections necessary under section 12 (a).

I read only a part of the things that could be investigated under section 12.

> The Secretary of Labor shall have the powers enumerated therein in the conduct of such investigations and inspections and shall report the results thereof to the board.

The Secretary of Labor may, if she wishes, select one of the branches into which organized labor unhappily finds itself divided at this moment, may select one branch of the great labor group in this country, and send them down to make investigation, to go into the places of business and to find out all these facts, making transcripts of records, and subsequently publishing them as the act itself provides.

Let us suppose the Secretary of Labor did, in all of the investigations, take only one division of organized labor as it exists today. Let us suppose, for instance, that she never sought any agent except an agent of Mr. Lewis and those associated with Mr. Lewis, for all the purposes of investigation under the provisions of this bill. What would be the situation in this country? Would we not be inviting labor troubles and labor difficulties? Would we not be disorganizing labor and industry? Would we not actually be retarding progress in the United States?

Mr. President, there are many other phases of the bill that ought to be discussed. I shall refer to one. Recourse is given to any party aggrieved, whether an employee or an employer, to the courts, as I have just said, to the circuit courts. Obviously that should be amended so that any aggrieved person should have a right to make appeal to the district court of the district in which he resides.

But passing that by, what may the court do after the appeal is taken? The court may correct errors of law, and it may correct a finding of fact if there is no evidence on which the finding is based; that is, if the finding is arbitrary and capricious.

What does that mean? It means that an aggrieved person has an appeal only on error of law, because if there be any fact or any evidence on which the board fixes its finding, the court cannot say that it was an arbitrary and capricious ruling by the board.

Every lawyer understands that principle. Every lawyer knows it. Not only is that true, but in the bill itself it is declared textually that the board shall not observe or be bound by technical rules of evidence or procedure. The bill takes the board as far away as it can from the finding of legitimate facts which are subject thereafter to review by any impartial tribunal. It gives to the board the power to find all the facts on which the industry of the country may be raided by the board without a right of appeal to any court of the land, save on a question of law or on a finding of fact which was so obviously unsupported by any evidence, which does not have to comply with technical rules of evidence or procedure in its presentation, as to enable the court to say, "Here is an arbitrary and a capricious finding by the board."

Not only is the board here at Washington, the chairman of which may be changed overnight, given the power of life and death over the industry of the country, but it is charged with one objective. It has before it constantly one objective, and all the poetry with which it has been clothed may be thrown to the winds.

Not only that, but its finding of fact based on the conclusions of Secretary Perkins and of such labor organizers as she wants to select to conduct the investigation never can be called in question in any court of law or of justice in America if there is a single line of evidence to support it. Will not partial investigators always find some evidence to support it? Is there a single employer who cannot get one man in his mill to swear that the employer is an angel in disguise? Is there a single business in all the Union that cannot find in its list of employees one who will swear that the employer is a devil in human form?

So there is no appeal. There is no right of appeal. This thing is bureaucracy run mad, with power of life and death over every industry in America, with minor exceptions. This thing, within 12 months after it is set up, will be the right hand of some partial labor group favored by the Secretary of Labor.

I am speaking plainly, Mr. President, because I owe it to my people to speak plainly. Down there in the South we have over 70 percent of the actual spindles in this country in our textile mills, and we consume more than 80 percent of the cotton produced and consumed in America. Will that condition be allowed to go on under a Secretary of Labor who has said in effect that the people of my section are incapable of asserting their rights? Will that condition be allowed to continue under a Secretary of Labor who, time after time, has said that the South was not entitled to any material wage differential in any of her industries; under a Secretary who can close her eyes to all the facts that actually exist in this country, and account for them only on the supposition of lack of character and conscience upon the part of our employers, and lack of character and strength and decency on the part of our employees?

I subscribe to no such doctrine. This is the wildest dream that was ever presented to the American Congress. The N. R. A. was declared unconstitutional by the Supreme Court, but before it was declared unconstitutional it was falling of its own weight; and that is what will happen to any law of

this kind whenever the Government commits itself to the folly of trying to regulate all the industry and all the wages and all the labor in a country with such divergent interests, stretching over so vast an area as ours.

Will that be healthy? Will it be good for America? Let no one say that those of us who oppose this thing want to see low wages continued. We do not; but we know very well that wages must keep pace with economic conditions. We know very well that the cost of property, the cost of taxes, the cost of transporting or carrying goods to the consuming market, are all matters that must be considered when industry is established anywhere, in any part of this or any other country; and we know very well that those things will not be considered by this board. I state deliberately that no appeal has penetrated the minds and hearts of the men who compose the National Labor Relations Board save an appeal that they wanted to hear and wanted to entertain; and no appeal will ever reach the hearts and souls of this board that it does not want to hear and does not want to entertain.

Mr. President, no group of men in all the long stretches of human history has ever been entrusted with absolute power over any long period of time without abusing that power. I know what this means. In my own conscience, I know what it means. The people of the South know what this thing means; but let not southern industry and southern labor think this measure will affect them alone.

Through the mechanism provided for in this bill the ax will fall more swiftly and more certainly and with greater force upon the neck of the South, upon the industry and business of the South; but back of this thing is something far greater than the crucifixion of the industries of a single section. Back of this thing is the same steady encroachment upon the liberties of the citizen that has actuated those who have written much of the law we have been called upon to pass during the past 4 years. Back of this thing stands the almost undisguised purpose of putting into the hands of a board at Washington all the industry, all the labor of America, with all its economic and political consequences. That is far more important than the crucifixion and burial beyond possibility of resurrection of every little mill and factory and place of business in all the South that would come within the jurisdiction of the bill.

Mr. President, let me read section 8 (a) to see the breadth of the operation of this bill on industry:

> Whenever the board shall determine that any substandard labor condition exists in the production of goods in one State and that such goods compete to a substantial extent in that State with other goods produced in another State and sold or transported in interstate commerce, in the production of which such substandard labor condition does not exist, the board shall make an order requiring the elimination of such substandard labor condition and the maintenance of the appropriate fair labor standard in the production of goods which so compete.

There is the end of State lines. Here is the doctrine of the Shreveport case carried to an extreme, carried into every little cotton warehouse, carried into every store, save as the retail stores have been excepted by the terms of the bill; carried into every little sawmill, carried into every little manufacturing plant of every kind, character, and description. There is the end of State authority and of State power, the doctrine of the Shreveport case carried to its utmost limit.

What happened under the Shreveport case? I see about me Members of the Senate who have occupied positions as chief executives of their respective States. What happened to the freight-rate structure in this country under the Shreveport decision? The State commission was stripped of its power. The State commission could not put in a sidetrack on a little railroad that had its beginning and ending within a single State without the approval of the Interstate Commerce Commission here in Washington. They lost all power to say at what cost an intrastate railroad, with both ends of its line within the State, never having traversed a State line, must carry the perishable fruits and vegetables of the farmer to a near-by market within the State. The State commission lost all power over it, and they have not gotten the power back, and will not ever get it back.

If section 8 (a) is written into the law, there will be written into the law a provision giving power to the Federal Government to regulate practically all business, because pretty nearly every business will be included within this broad declaration in section 8 (a) of the bill. Once that power of the State is lost, it will be lost for good; that will be the end of it; it will be gone.

Mr. President, there is a statement I do not care to make, and yet I think I should make it. Our friends would disclaim any purpose or intention of regulating labor on the farm, with regard to either hours or wages. I would favor a higher minimum wage on the farm if it could be accomplished by law and safely and properly provided by law. The friends of this measure would disclaim all purposes of regulating wages on the farm.

Let me remind the farmers, however, that already in one bill having to do with and relating to agriculture in the Congress it is textually provided that no benefits, benefits which come out of the taxpayers' pockets can be paid to any producer of a particular commodity unless that producer has complied with the age, wage, and hour restrictions and limitations fixed by the Secretary of Agriculture or his administrator.

As certainly as that the day follows the night, and even upon a basis of justice and equity, if the pending bill shall be passed and shall stand with this provision in it, it will ultimately, and at no distant date, include those excepted classes of labor, at least, which now fall outside of the terms of the bill, and it will also be ultimately extended even to agriculture itself.

Mr. President, I have just one other observation to make. There is an observable tendency on the part of some of those expert in the drafting of legislation, who have had far more consideration during the last few years than they ever deserved, and far more than they deserve in and of themselves—there is evidence of a tendency to include within the legislative scheme which has been constantly developing the vast populations in the industrial centers in America. I acquit the administration entirely as not desiring to be unfair or to deal unequally with agriculture, but there are unmistakable signs, as I have seen them—and I have tried to see them fairly—of an intent and purpose to bring under Washington, under a bureau at Washington, under an agency at Washington, with vast power, virtually unrestricted and unrestrained, the great populations in the industrial and commercial centers.

What does it mean? I hope I am wrong, but I think I have seen in it the possibility at least of controlling America through a group of industrial and commercial cities in America, and not the least effective means of control will be agencies at Washington which possess a power which should never be vested in any board or any bureau, or delegated by any Congress, conceding that Congress has all of the power that is sought to be given by the bill.

Whenever that day comes, Mr. President, in one way or another, through these agencies, and through the power which may be exerted by these agencies and bureaus, it will be quite possible to control a majority of the people of the United States through the control of the great American centers of population. Indeed, it will be quite possible for government in power to exert a political control which ought not to be desired by any party, and which can never be safely delegated or given by the people to any political party in America.

Mr. President, the pending bill should go back to the committee. It demands an impossibility. It assumes that a board, wise enough, well informed enough, disinterested enough, may be found and organized to exercise safely, and even wisely, all of the vast power given this board. It assumes it is necessary to give that power directly to the board, when no Senator knows how many people within his own State would actually come within the operation of the measure, when no Senator here can tell what the average minimum wage in his own State is today.

Moreover, Mr. President, it assumes this at a time when there is no emergency, at a time when business is on the upgrade, and for many months has been steadily on the upgrade. It assumes it at a time when we are faced by no necessity for prompt and unconsidered action.

The bill should go back to the committee, and the committee should be given ample time to find out all of the essential and pertinent facts upon which this kind of legislation should be based, if it is to be passed by this Congress, or by any subsequent Congress.

When the N. R. A. was enacted we were at the depths of the depression. There were many in this body who supported the N. R. A. probably who did not approve it. But, with few exceptions, we recognized the necessity for immediate emergency measures and action. That condition does not obtain now; there is no excuse for hasty action at this time. In my opinion, there can be no justifying cause for keeping the pending bill here, after the Congress has been in session for 7 months, when it is literally worn out with its labors and ought to be permitted to go home. Above all, Mr. President, the people of this country should have time to consider and weigh this bill and to understand fully its meaning, if they wish the Congress to pass it.

Mr. BILBO. Mr. President, I am as anxious to go home as is any other Member of the Senate, but I want to announce that I am willing to stay here until Christmas Eve, if necessary, in order that some definite legislative action may be taken to relieve the cotton farmers of the South from the bankruptcy which faces them. When we view the present condition of the cotton market we find there is something wrong somewhere. There is a dead cat on the line somewhere. The cotton farmer of the South seems to be the unfortunate member of the great agricultural family.

By examination of the reports from the markets of the country it will be found that today all the major crops are enjoying parity prices. The wheat farmer has had a bounteous yield, and he is getting parity for his wheat, as figured by the experts in the Department of Agriculture. Corn is bringing a parity price. Hogs are bringing a parity price. Cattle are bringing a parity price. But when it comes to cotton we find a different condition. The parity price of cotton today is estimated to be between 16 and 17 cents a pound, yet cotton is selling now for 11 and 12 cents a pound, or between 5 and 6 cents a pound below its parity price. There is something mysterious about it. It cannot be the result of the surplus that exists, because the surplus is low. It cannot be the threatened cotton yield, because thirteen or fourteen million bales, the estimated yield, is not an abnormal yield. If we were to have a possible yield of eighteen or twenty million bales of cotton the situation might be different.

Mr. President, I think the Congress owes it to the cotton farmer of the South, who is getting the raw end of the deal, to do something before it adjourns, and I call upon my colleagues of the Cotton Belt to take some interest in and make some move to have a resolution adopted or some legislation passed to relieve the cotton farmer. I specially call upon the chairman of the Committee on Agriculture and Forestry of the Senate to answer to the cotton growers of the South why something has not been done, and what is going to be done.

I am not advised whether the Secretary of Agriculture or the President himself has the right to peg the price of cotton. If it can be done, that fact should be announced promptly to the farmers of the South, who are now beginning to pick and market their cotton. They should be notified of that fact. If the fault lies with the speculators in the cotton market, they should have notice that they are not going to be allowed to beat down the price of cotton and then sell the market short.

Mr. President, something ought to be done for the cotton farmer. I beg of my colleagues to object to every suggestion of an adjournment sine die until something is done to guarantee at least a parity price to the cotton farmers, when all the other major crops that have been protected and helped by the Government are today enjoying the parity prices.

It has been suggested that one reason why the price of cotton is low is because of the overproduction of cotton in foreign countries. I do not agree with that suggestion. I know that our exports of cotton have been cut short, but, my friends in the Senate, the crop in prospect today will not justify the present price.

Mr. OVERTON. Mr. President, I send to the desk four amendments which I intend to offer to the pending bill. I will ask the clerk to read them, and then I should like to have the amendments printed and lie on the table

The PRESIDING OFFICER. The clerk will read the amendments submitted by the Senator from Louisiana.

The Chief Clerk read the amendments intended to be proposed by Mr. OVERTON to the amendment reported by the committee, as follows:

On page 51, line 2, after the word "in" to insert the following: "the ginning and baling of cotton."

On page 59, line 13, after the word "living" to insert the following: "in the particular locality wherein the person is employed."

On page 60, line 2, to insert the following new paragraph:

"The difference between various localities and sections of the costs of transportation to market."

On page 60, line 20, to insert the following: "*Provided further*, That the provisions of this subsection shall not be applicable with respect to any person employed in connection with the processing of beets, cane, and maple into sugar and sirup."

Mr. BRIDGES. Mr. President, inasmuch as I wish to address myself partially to the amendment which I yesterday submitted, I ask now that the amendment be read.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	La Follette	Pope
Andrews	Connally	Lee	Radcliffe
Ashurst	Davis	Lewis	Reynolds
Austin	Dieterich	Lodge	Schwartz
Bailey	Donahey	Logan	Schwellenbach
Barkley	Ellender	Lonergan	Sheppard
Berry	Frazier	Lundeen	Shipstead
Bilbo	George	McAdoo	Smathers
Black	Gerry	McCarran	Smith
Bone	Gillette	McGill	Steiwer
Borah	Glass	McKellar	Thomas, Okla.
Bridges	Green	McNary	Thomas, Utah
Brown, Mich.	Guffey	Maloney	Townsend
Brown, N. H.	Hale	Minton	Truman
Bulkley	Harrison	Moore	Tydings
Bulow	Hatch	Murray	Vandenberg
Burke	Herring	Neely	Van Nuys
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Johnson, Calif.	Overton	White
Caraway	Johnson, Colo.	Pepper	
Chavez	King	Pittman	

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present.

The clerk will read the amendment intended to be proposed by the Senator from New Hampshire [Mr. BRIDGES] to the amendment reported by the committee.

The CHIEF CLERK. In the amendment reported by the committee at the proper place it is proposed to insert the following:

That it shall be unlawful for any person to employ in interstate commerce or in the production of goods to be shipped in interstate commerce any person for more than 40 hours in any week and to pay to any person so employed a wage of less than 40 cents an hour.

SEC. 2. It shall be unlawful for any person to transport any goods in interstate commerce in the production or processing of which goods in the United States any person was employed for more than 40 hours in any week or any person was paid a wage of less than 40 cents an hour.

SEC. 3. No provision of this act shall supersede or justify noncompliance with any State law or municipal ordinance establishing a minimum wage higher than that wage established by this act or a maximum workweek shorter than that established by this act.

SEC. 4. No provision of this act shall impose any liability or penalty upon any common carrier for the transportation in interstate commerce in the regular course of its business of any goods not produced by such common carrier, and no provision of this act shall excuse any common carrier from its obligation to accept any goods for transportation.

SEC. 5. Any person who willfully performs or aids or abets in the performance of any act declared to be unlawful by any provision of this act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000 or imprisoned for not more than 1 year. As a part of the judgment of the court in any criminal proceeding for a violation of this act the court may issue a permanent injunction prohibiting further violations of this act by the defendant.

SEC. 6. (a) This act shall not apply to agricultural laborers as defined by the Department of Agriculture, nor to executive, administrative, and professional employees.

(b) It shall be lawful to employ any person for 48 hours in any week if such person is paid for any work in excess of 40 hours but not exceeding 44 hours in any week at a wage for each hour equal to one and one-quarter times his normal hourly wage, and for any work in excess of 44 hours but not exceeding 48 hours in any week at a wage of one and one-half times his normal hourly wage.

(c) In the case of any industry covered by this act that normally operates less than 26 weeks per year, it shall be lawful for an employer to employ workers for more than 48 hours in any week if such hours of employment and the rate of pay therefor are arrived at by collective bargaining between the employer and his employees.

(d) It shall be lawful to pay any person less than the minimum hourly wage provided for by this act if the department of labor of the State (or its duly appointed representative) wherein such person resides certifies that he is an apprentice or a learner.

(e) It shall be lawful to pay to any person less than the minimum hourly wage provided for by this act if the public-welfare agency of the town, city, county, or State wherein he resides certifies that his earning capacity has been impaired by physical or mental injuries or defects.

SEC. 7. No person receiving relief or work relief which is financed in whole or in part from funds appropriated by Congress shall be paid a weekly wage in excess of 80 percent of the weekly minimum wage fixed under this act as applicable in the State wherein the relief is being given.

SEC. 8. Section 336 of the Tariff Act of 1930, as amended, shall be administered in such manner, without regard to the limitation imposed by such section upon the total increase or decrease in the rates of duty expressly fixed by statute, as to equalize the differences in the increased costs of production or processing of any domestic article resulting from this act and the cost of production or processing of any like or similar foreign article, including any article with respect to the importation of which into the United States a foreign-trade agreement has been concluded.

SEC. 9. (a) There is hereby established a joint congressional committee to be known as the Committee on Sectional Wage Differentials (hereinafter referred to as the "joint committee").

(b) The joint committee shall be composed of six Members of the Senate, to be appointed by the President of the Senate, and six Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original appointment.

(c) It shall be the duty of the joint committee to investigate and determine the advisability of establishing sectional wage differentials in different parts of the country, and to report to the Senate and the House, within 6 months after the date of enactment of this act, its recommendations, if any, for necessary legislation.

(d) The joint committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the chairman of said joint committee, and shall be served by any person designated by him. Amounts appropriated for the expenses of the joint committee shall be disbursed one-half by the Secretary of the Senate and one-half by the Clerk of the House. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena, or to testify when summoned, under authority of this section.

(e) The joint committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The joint committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government.

(f) There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $250,000 to carry out the provisions of this section.

SEC. 10. Sections 1 to 8, inclusive, of this act shall take effect upon the expiration of 1 year after the date of enactment of this act.

Mr. BRIDGES. Mr. President, at the proper time I propose to offer to the so-called Black bill the amendment which has just been read by the clerk, which, if agreed to, would strike out the entire substance of the pending measure and substitute what has just been read.

I am approaching the wage-hour problem and wage-hour legislation from a little different angle than most of the other Members of this body. For a long, long time I have believed in minimum-wage and maximum-hour legislation. In the State of New Hampshire, during the period when I served as Governor, I advocated and put into actual operation a minimum-wage department, which is operating successfully in that State. I have long advocated the principle of a shorter workweek and a higher minimum pay. I think those principles are sound.

I am opposed to the Black bill, so-called, because I believe it is unsound and un-American in its approach to the problem. I am opposed to it primarily because of the vast delegation of power conferred upon one board, a board composed of five members, to be appointed by the Chief Executive.

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Massachusetts?

Mr. BRIDGES. I yield.

Mr. WALSH. As I understand, the Senator's proposal is that he prefers fixing by law an absolute workweek of 40 hours per week for the employees of all industries whose products enter interstate commerce, and an absolute minimum wage of 40 cents an hour, the law to become operative 1 year after the date of passage?

Mr. BRIDGES. That is the substance of my proposal, with certain exceptions.

Mr. President, as I was saying, I am opposed to this delegation of power to a five-man board, first, because I have no confidence in the board that will be appointed, based upon the evidence of past appointments to similar bodies, such as the National Labor Relations Board. The bill as drawn proposes an absolute delegation of power and will make the men constituting the board virtually czars of all American industry and labor.

Industry and labor are not unanimous for the pending bill. This morning the president of one of the great unions affiliated with the American Federation of Labor, Mr. John Frey, head of the United Metal Workers of America, called at my office and told me very frankly of his opposition to the pending measure. His sentiments are expressed by others, both leaders of industry and leaders in the labor movement.

My judgment is that the pending bill, if enacted into law, will result in a millstone being hung about the necks both of American labor and industry in the years to some. Such discretionary power as is proposed should be given to no board and to no individual in this land for any purpose.

The power given to the board would involve the economic life or death of American industry and the rights of American labor. The board could make its own rules. Justice could very well become a mockery. It would discriminate against small businesses, because small businesses would be unable to lobby and present their rights to a board having such wide discretionary powers as would big businesses.

When Mr. Roosevelt took office as the Chief Executive of this land we had approximately 583,000 Federal employees. Today we have approximately 835,000 Federal employees. The bill, if enacted into law, would vastly increase this number.

I agreed with the distinguished Senators from Montana [Mr. WHEELER] and Colorado [Mr. JOHNSON] when they, in the first day of the debate, advocated separation of the child-labor features of the bill from the measure as a whole. It is important that child labor should receive individual consideration, and legislation regarding it should stand on its own feet. I believe the child-labor features should be segregated from the bill and enacted separately.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MINTON. Will the Senator support the child-labor provisions of the Wheeler-Johnson bill?

Mr. BRIDGES. I will.

Mr. President, briefly I want to analyze the differences between a direct approach to wages and hours of labor legislation and an indirect approach to the same objectives by means of a board given wide discretionary power, a board as

to whose personnel no one knows anything, but as to which many may be suspicious of the influences which may be brought to bear upon the appointments to be made.

In section 3 of the Black bill provision is made for the creation of a board of five persons, to hold office for a period of 5 years. The board will be vested with wide discretionary power, and it will require an extensive staff of probably more than 10,000 employees. The amendment which I have offered provides for no board and no administrative staff. The provisions of my amendment, if enacted into law, would be enforced by the United States district attorneys and by the Federal courts. No discretion would be involved in the application of its provisions. It is a straightforward attempt to place upon the statute books of the country minimum-wage legislation and maximum-hour legislation. It is as simple and straightforward an approach as it is possible to make.

The Black bill provides that the board can fix a minimum wage of not more than 40 cents an hour, but that this wage may be varied from industry to industry, from plant to plant, and from region to region at the discretion of the board. The amendment which I have offered provides a mandatory minimum wage of 40 cents an hour applicable to all industries subject to the bill. There is no discretion involved in the application of this provision of my amendment.

Relative to hours of labor, the Black bill provides for the fixing of a maximum workweek of not less than 40 hours. This can be varied from industry to industry, from region to region, from plant to plant, at the discretion and whim of the board. My amendment provides for a uniform maximum workweek of 40 hours applicable to all work falling under the authority of the statute, with no variation.

Overtime: The Black bill allows overtime at the rate of time and a half, but the labor standards board can prohibit all overtime if it so desires. The amendment which I have offered permits overtime at the rate of time and one-fourth up to 44 hours per week, and time and one-half above 44 hours to a maximum of 48 hours.

Occupations exempted: The Black bill exempts executive, administrative, and professional employees, persons engaged in local retailing, seamen, railway workers, and persons employed in fishing and agriculture. My amendment would exempt executive, administrative, and professional employees and persons engaged in agriculture.

Applications: The Black bill applies to interstate commerce and to intrastate commerce so far as goods produced in intrastate commerce compete with goods produced in interstate commerce. My amendment would apply only to interstate commerce.

Employment of apprentices: The Black bill would permit the employment of apprentices at less than the minimum wage fixed by the bill. The licensing of such persons would be conducted by the board itself. My amendment provides for the payment of less than the minimum rate of pay to learners and apprentices certified by State departments of labor.

Employment of physically or mentally incapacitated persons: The Black bill allows the employment of physically or mentally incapacitated persons at less than the given rate of pay, and the existence of such incapacity to work is to be determined by the board. My amendment would permit the employment of physically and mentally incapacitated persons at less than the rate of pay when such incapacity is certified by the welfare society of the town, city, county, or State.

Penalties: The Black bill provides for a fine of $500 or imprisonment for each offense, and each person employed would constitute a separate offense, which would be a tremendous penalty to inflict and one that would ruin almost any industry or any business if applied. My amendment would provide a fine of $5,000 or imprisonment for 1 year, but each person hired would not constitute a separate offense.

Discretion: The Black bill confers upon the board absolute discretion to classify employers regionally, by occupations, by industries, by size of plants, size of communities, and so forth. This would give the board almost unlimited power to discriminate against any plant or employer, making it a lobbying proposition. Under my amendment no discretionary power would be allowed.

Labels and licenses: Under the terms of the Black bill labels and licenses may be required by the board. This is comparable to the "blue eagle" of the N. R. A. Under my amendment none would be required.

Regional differentials: The Black bill would permit a board of five men to allow regional differentials, or would give them the power of economic life and death over industries in different sections of the country. My amendment provides for a congressional committee of 12 members to make a thorough study from a scientific and economic viewpoint of wage differentials and report to the next session of Congress.

Tariff: Both bills had the same effect as to tariff, but I may point out that with Secretary Hull's policy of reciprocal-trade agreements the provisions of the Black bill would be nullified.

Seasonal industries: The Black bill makes no exemptions in this respect. My amendment provides that seasonal industries that normally operate less than 26 weeks a year may be exempted.

Relief work: A very important consideration involved is the question of wages on relief work. The Black bill contains no provision on that subject. My amendment provides that persons on relief may not be paid more than 80 percent of the minimum wage provided by the bill. It is a very constructive step in the direction of removing from relief rolls some of those names now found upon them.

Mr. President, I approach wage and hour legislation from the viewpoint of a friend of such legislation, but I am not content to give discretionary power to a board to sit here in Washington and determine the life or death of the industries of the people of my section of the country or the life or death of the people working for a livelihood in my section or the industries and workers employed in industries all over this great Nation.

Such action is not based on sound public policy. Congress is dodging the issue when it delegates that responsibility. Let us have minimum-wage and maximum-hour legislation, but let us meet the responsibility. Let us put it upon our statute books as a straightforward statute that is clearly definable. Let us not create any more executive boards with wide discretionary powers in view of the fact that probably, with some of the influences that may be brought to bear upon the Chief Executive in making the appointments, we may have another biased board. From the point of view of labor and from the point of view of industry, they have everything to gain and nothing to lose by having written upon the statute books an out-and-out standard of minimum-wage and maximum-hour legislation. The small industries and isolated groups of labor have a great deal to gain by such a type of legislation. Let us provide definite standards, both as to minimum wages and as to maximum hours, but preserve the right of collective bargaining above those standards.

I should like to see this bill recommitted to the Committee on Education and Labor and a thorough study given to this problem, and after due consideration a sounder measure brought forth having the same objectives, but not the same objections.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATCH in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bone	Byrnes	Ellender
Andrews	Borah	Capper	Frazier
Ashurst	Bridges	Caraway	George
Austin	Brown, Mich.	Chavez	Gerry
Bailey	Brown, N. H.	Clark	Gillette
Barkley	Bulkley	Connally	Glass
Berry	Bulow	Davis	Green
Bilbo	Burke	Dieterich	Guffey
Black	Byrd	Donahey	Hale

Harrison	Lonergan	O'Mahoney	Steiwer
Hatch	Lundeen	Overton	Thomas, Okla.
Herring	McAdoo	Pepper	Thomas, Utah
Hitchcock	McCarran	Pittman	Townsend
Holt	McGill	Pope	Truman
Johnson, Calif.	McKellar	Radcliffe	Tydings
Johnson, Colo.	McNary	Reynolds	Vandenberg
King	Maloney	Schwartz	Van Nuys
La Follette	Minton	Schwellenbach	Walsh
Lee	Moore	Sheppard	Wheeler
Lewis	Murray	Shipstead	White
Lodge	Neely	Smathers	
Logan	Nye	Smith	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. BORAH. Mr. President, when this body assigned to the Committee on Education and Labor the task of presenting a bill on the question of minimum wages and maximum hours, it assigned it a most difficult task. As difficult in many respects as any measure coming before the Senate since I have been a Member. This measure involves principles as far reaching, economically and politically, as any bill which could be presented upon a question of this nature.

I am a member of the Committee on Education and Labor. During most of the time when the committee was considering this bill I was deeply interested in another question; but I found time to read all the hearings, and I attended the sessions of the committee when the measure was being framed. I desire to say that I think the committee as a whole recognized the great difficulty of the problem, and I am sure it earnestly labored to find a solution for it. The bill which came from the committee itself, as contradistinguished from the bill which was first introduced, discloses the earnestness and ability with which the committee dealt with the measure. I have only commendation for the ability and sincerity of my colleagues on the committee.

Mr. President, to me this problem is one of method. The question is, How shall we reach the problem of minimum wage and of maximum hours? I feel that every man or woman who is worthy of hire is entitled to sufficient compensation to maintain a decent standard of living. It is upon that theory that I proceeded to the consideration of the measure, and upon that theory I now consider it.

We are not undertaking to fix a full wage; we are not dealing with that question at all. We are not undertaking to fix a maximum wage; we are not dealing with that subject at all. We are dealing with one question, so far as wages are concerned, and that is a minimum wage. I associate the question of a minimum wage with what I call a minimum standard of decent living. I think every part of the country North or South, East or West is prepared to pay a sufficient wage to maintain workmen in a standard of decent living. As a nation we must do that.

I do not think any business has the right to demand the labor or to employ the labor of another at a wage below that on which the employee can live, and live in a fairly decent way. It must be that our industries can take care of that kind of a standard. If we were dealing here with the question of a full wage or maximum wage, I could understand perfectly that it would be impracticable to deal with it without taking into consideration questions of differentials and questions of location, environment, and all conditions. But it costs just about so much to live fairly decently in every part of the United States, and it seems to me that we ought to be prepared, as we are moving out of the depression which we have suffered, to pay a wage which will maintain the workman upon a standard of decent living.

Therefore, I felt that we could establish a uniform minimum wage in the United States. I would recognize immediately, as I have said, that if we were dealing with the full wage question no such uniform rule could be established, but when we are dealing purely with the question of a minimum wage, which must not be lower than that upon which the workman can live, and as it costs about the same to live in different parts of the United States, I thought we could approach a reasonable minimum wage and write it into the law. That was my view as I entertained it after studying the hearings and talking with my colleagues. I recognize the arguments against a uniform minimum wage but after considering the matter from all angles I favor writing the minimum wage into the law. I look upon a minimum wage such as will afford a decent living as a part of a sound national policy. I would abolish a wage scale below a decent standard of living just as I would abolish slavery. If it disturbed business, it would be the price we must pay for good citizens.

I am unable to get away from that theory. I feel, as a legislator, that I owe a duty to the minimum-wage employees in the United States, and that I ought not to shift that responsibility to a board over whom I have no control, who may take care of the minimum-wage employees according to my conception of what is right and wrong, or who may not.

Mr. President, I cannot forget that during the days of the N. R. A. the small-business man, or what we might call the little man in the industrial world, did not have a fair chance to present his cause, and that was not necessarily by reason of the fact that anybody desired to deny him a fair opportunity; it was by reason of conditions and circumstances which no one could control, and over which no one had control. The small man would come here to Washington, stay a day or so, or a week, if he got here at all, and then be compelled to return to his home. The men of great means, of powerful industrial organizations, were here all the time. They had their agents and representatives here all the time. They had their case complete and thorough, ready to present, and in the end it was their view which prevailed, necessarily.

I have a very strong feeling that the employees of this country, who most need protection, will never see the proposed board, and the board will never see them and never hear of them. If the members of the board take trips over the country, they may see where the employees are at work; but so far as the real facts of the employment and the conditions which confront them are concerned, the facts with which the board has to deal, I have a feeling that as a practical proposition the board will never be able to reach them, never be able to see them, never have their case before them.

The question of a minimum wage will be presented by the employer. He will have the case thoroughly organized and thoroughly fixed for presentation. He will come here to Washington, or meet the board at the office of the leading citizen of the local town or city, the meeting place of the community where the board goes, and he will present the case. Then, associated with this employer will be the business concerns of the city, the business concerns of the community, those who are opposed to increasing wages, fearing it will hurt business or close up business. All the facts, all the arguments, all the pressure will come from those who will say these industries cannot pay higher wages; if you increase wages they will have to quit. The man or woman working for 15 or 20 cents a day will not have much to say. As a legislator, I feel it is my duty to write his protection in the law.

Mr. President, I feel from experience and observation that the man who most needs attention will not get attention from the board. I am not one of those who are concerned with or feel uneasy about the board jacking up the minimum wage too high. I do not feel concerned about that. The tremendous pressure which will be brought to bear on the board to leave things as they are in the different parts of the country will prevent any radical uplifting of the minimum wages. But I do fear that these wages will be left almost indefinitely where they are.

I would, therefore, fix a minimum wage. I would fix it upon the basis of the reasonable cost of decent living. No one has a right to call upon labor on any other basis. I would write it into the law. I would make it uniform, so far as minimum wages are concerned, throughout the United States. For this reason I hesitated to follow the committee in establishing a board.

Another reason why I hesitated to support the proposition of establishing a board was that if we give the board sufficient power to do what it is necessary for it to do, we have to grant it a power which I hesitate to grant to any board.

I am of the opinion that the proposed board would practically control and determine the industrial interests of the different communities of the United States if it should exercise the power proposed to be granted it, and undoubtedly it would do so.

It is entirely too much power to grant to any five men. If they should exercise the power unwisely or inefficiently, it would be disastrous. If they should undertake to exercise it efficiently, it would take 1,000 men instead of 5 men in order to survey this entire situation, get the conditions as they say they must have them, and understand the different situations in which the people work. If you depart from a uniform wage based on a decent standard of living and undertake to examine into all questions touching possibility of injury to this or that business, it is an impossible task.

So we are imposing upon them a task which in the first place, in my judgment, will be governed largely by those who are interested in maintaining the wage at its present level. All the powerful influence of newspapers in the community, and the business in the community, and the employers in the community, and everyone else concerned with the community, will be telling the board how it will break up business if you increase wages in this community. I prefer to write it into the law. I think it can be done, and I think that was the view of a number of the labor leaders, although not of all of them.

Mr. President, if we establish this precedent of giving to a board the power to fix minimum wages and the power to fix maximum hours, what does that precedent mean when we come to follow it up throughout the course of the years and consider how it may be used in other instances? We will be used to justifying things now now contemplated. When you establish a precedent in a new field we ought to hesitate long, and try to think out where we are going.

I recall under Mr. Hoover's administration that we established the precedent of permitting Mr. Hoover, through his Tariff Board, to increase or decrease tariffs, 50 percent up or 50 percent down. It was said on the floor of the Senate at the time that that precedent would be spread over the entire subject of tariffs and revenues, but the power was granted. I recall that when the succeeding administration came in it availed itself of the precedent established by Mr. Hoover and extended it to international tariffs, and today, my friends, the Congress of the United States sits on the side lines and has not a thing on earth to do with the question of exports and imports or with tariffs and revenues from that source.

That is the way it spreads. And when we establish the precedent of giving to a board the power to fix minimum wages and maximum hours it must inevitably follow in years to come that prices will be fixed in respect to other matters.

Yesterday there was a spirited debate on the floor of the Senate for a few minutes on the question of dictators and dictatorships. Mr. President, ordinarily when we speak of a dictator we think of some strutting colonel at the head of a ragamuffin army, or of street barricades, or regimented "shirts." We may have in mind some person of extraordinary ability who, appealing to the homeless and the hungry, undertakes openly to seize the reins of arbitrary power. But that is not the way that arbitrary government will come in the United States. That is not the way by which arbitrary power will be established. For myself, when I think of "dictator" in the United States, I think of precedents rather than persons. I think not of individuals but of systems. I do not think of some adventurer whom the assassin's dagger might remove, but I think of institutions set up, often for a perfectly good purpose, which secretly, silently, remorselessly undermine and sap the character and the stamina, the self-reliance, and the self-governing capacity of the people. I think of governmental institutions superimposed upon the people, but which the people are powerless to change. And what power could the people have over these five men? Who could control them so far as the people are concerned? They are not elected by the people. They are not subject to their recall. They are created from another source, and you have to travel many different ways to reach them at all.

It is precedents of which I am afraid. Washington might have been President as long as he lived had he desired. As conditions then were it would have been as well, but it would have established a precedent upon which personal government might have been and probably would have been established in this country. Abraham Lincoln is the only man in the history of the world, so far as I, from my limited reading, have discovered, who at the head of a vast army, devoted to him, in the midst of civil war, permitted his continuance in power to rest upon the result of a popular election. Doubtless no thought of doing otherwise ever entered his mind, or, if it did, it did not linger long enough to taint the loyalty of his steadfast soul. But we know he was surrounded by able men, leaders and statesmen, who contended that the Constitution was suspended, that he could not be elected, and that if he was not elected the cause would be lost. So we can hear them say to him, "It is your duty to save the Union, and after you are through with the emergency restore to the people whatever rights they may have left."

We know, my friends, that when Bruening appealed to article 48 in the Weimar Constitution he established a precedent which enabled his successor to walk in and without even the violation of law wipe out the last vestige of liberty of a great people.

It is easy to establish precedents and to do so with the best of faith, but we certainly ought to stop, when we are establishing a precedent, and see in what respect it will ultimately work as to the interest or to the disadvantage of the American people.

I noticed the other day in the press dispatches that beginning in September and continuing for 1 year Rome is to celebrate the two-thousandth anniversary of Augustus Caesar. That calls up a wealth of precedents. It tells the story of how the Roman Republic passed into the Roman Empire through precedent, never by acknowledged violation of law—always under color of law, never in avowed violation of law, but by establishing precedents having the appearance of loyalty.

When Julius Caesar was assassinated in the senate chamber his great-nephew, young Octavius, was 18 years of age. When Mark Antony read Caesar's will over the body of the dead chieftain it was discovered that the great-nephew was also his adopted son. Immediately young Octavius desired to raise an army of 3,000 men, composed of his uncle's veterans, and place himself at the head of the army. But under the constitution of Rome no private citizen was permitted to place himself at the head of an organized force. To do so would bring him speedily to the Tarpeian Rock. Young Caesar appealed to Cicero, the greatest authority on the constitution in Rome, the defender of the constitution, and asked Cicero to find him a way by which he could be permitted to raise an army of 3,000 men, he agreeing to pay the expenses himself. There was no precedent for it. There was no law permitting it. But Cicero finally engineered a plan by making Caesar praetor, which was also in violation of the constitution, and permitted him to raise an army of 3,000 men. Two years after that, both consuls being killed upon the field of battle, young Caesar desired to stand for the consulship, but the constitution of Rome required that the consul be 40 years of age, and Caesar was only 20. So Caesar sent word to the senate that he desired to stand for the consulship. The senate promptly rejected the proposal. Thereupon Caesar sent a deputation from this little army which he had been permitted to raise advising the senate that he desired to stand for the consulship.

The senate—rather reluctantly, but finally—rejected the proposal. The next news which reached the senate was that the little army which he had been permitted to raise was on the march to Rome. Thereupon the pusillanimous senate began to hunt for precedents which would justify permitting young Caesar to stand for the consulship. They could find no precedents, but, their courage giving out, they permitted

him to stand, and he was elected consul. Immediately upon his election he procured the election of his cousin, a complacent and rather inconsequential person, to the other consulship. Thereupon Caesar made friends with Mark Antony, with whom he had been in conflict, and they formed the first triumvirate. Immediately upon forming the first triumvirate they established a court composed of their own friends to try their enemies, and there began the bloodiest proscription that Rome ever knew. The first head to come off its shoulders was that of Cicero, who had helped to establish the precedent 2 years before which enabled Caesar to raise his own army.

It is by establishing precedents, oftentimes in perfect good faith, that we encroach further and further upon the rights of the people, possibly not intending and not desiring to do so, but nevertheless effectively limiting their rights and their powers. I say that when we place all the minimum-wage employees of the United States under the control of a board at Washington we have placed them at the mercy of a board over which they have no control and against which they can exercise no power. It is a precedent almost startling in its significance. It will be relied on to do things we have no thought of justifying by our action at this time. I do not want to place the wage earners of this country under control of a bureau.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. ELLENDER. Will not the board be appointed by the President, and must not the nominations of members of the board be confirmed by the Senate under the bill?

Mr. BORAH. That is correct.

Mr. ELLENDER. What distinction does the Senator from Idaho make between the board selected in that way and the method that is now employed in appointing the judges of the Federal courts?

Mr. BORAH. I do not make any distinction at all. The judges of the Federal courts, however, are confined to the duty of deciding only such matters as the citizen brings before them and according to law written by the people or the representatives of the people.

Mr. ELLENDER. But they are appointed for life, whereas in the case of the board its members would be appointed only for a short tenure, 1 year to 5 years under this bill, and they could be removed, could they not?

Mr. BORAH. I suppose they could be, but not at the instance of the minimum-wage worker. The man or woman dissatisfied with their wage would have no say, no appeal—they are powerless.

What I am contending is that it is attempted to give the board a power which is supreme with reference to the rights of the workers. Suppose the board should fix a minimum wage that is unsatisfactory to the people in the Senator's State, what would he do about it?

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BORAH. Yes.

Mr. ELLENDER. Suppose, under the plan of the Senator from Idaho, the Congress should fix a wage that was unsatisfactory; how would the workers get relief?

Mr. BORAH. The Members of the Congress, both in the Senate and in the House, have to be elected, and the people could express themselves at an election and remove them from office if they desired.

Mr. ELLENDER. In the same way, I say that a board which fixes wages which were unsatisfactory could be kicked out.

Mr. BORAH. They could not be kicked out by the power of those who would be affected by the minimum wage which had been fixed. They would have no control over that situation.

Mr. ELLENDER. Would their retention not form the same issue at an election?

Mr. BORAH. I suppose one could say that if he thought it was the best he could do. I do not say that. I say that when we place over the workers a power which they cannot remove, which they cannot control, and which I cannot control, then I have shifted my responsibility. I contend that it is my duty, as a legislator, to say what the minimum wage should be, and it is no more difficult for me to find that out than it is for the board to find it out, and I am directly responsible to my constituents. I do not for my part propose to speculate with human misery or procrastinate with human needs. Who knows when this board will act; who knows what it will do when it does act? Who knows what relief it will give to those working at pauper wages? No, no; we cannot shirk our responsibility.

Mr. McADOO. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Idaho yield to the Senator from California?

Mr. BORAH. I yield.

Mr. McADOO. I am very much interested in the argument of the Senator from Idaho, and I should like to ask him whether he has in mind any minimum wage which he would incorporate in the proposed legislation?

Mr. BORAH. I would provide in the first instance 30 cents an hour. I would give time to readjust and then I would increase. We are in session every year.

Mr. McADOO. And what would the Senator provide as to maximum hours?

Mr. BORAH. I would leave the provision concerning maximum hours as it is now. I do not think there is so much trouble about maximum hours. There are instances where maximum hours of 40, perhaps, would work some injury; but if we are going to establish the rule of minimum wages and maximum hours, we have got to consider that it will be necessary to pay something for it somewhere in order to be right in this matter.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Florida?

Mr. BORAH. I yield.

Mr. PEPPER. I should like to ask the Senator from Idaho if he would impose such a rigid minimum wage as that upon an industry which could not possibly continue to exist and pay such a wage?

Mr. BORAH. That brings us right back to the proposition of which I have just spoken. Are we going to select a commission of five who will permit employers to pay a wage upon which the workers cannot live? That is what we are selecting them for. The truth of the business is that we are turning this job over to a board which is going to do what we do not want to do; namely, leave wages where they are. The whole argument in favor of the board is in favor of letting these low wages stand.

Mr. PEPPER. Mr. President, will the Senator yield to a further question?

Mr. BORAH. I yield.

Mr. PEPPER. Is the Senator from Idaho not overlooking the fact that in respect to the board exercising the power conferred by this bill they will act as a fact-finding body, in the first place, and raise the existing wage up to 40 cents, when such a raise of an existing wage can be made without curtailing opportunity for employment, without reducing production, in the case of a reduction of hours, and without disturbing or dislocating business? In other words, the power of the board is to require a fair division of profits when it can be done, so as to raise the existing wage, whereas the Congress——

Mr. BORAH. Mr. President——

Mr. PEPPER. If the Senator will allow me to conclude, whereas the Congress, in fixing an arbitrary minimum, would exercise no discretion whatever and could not possibly have the facts before it to justify the exercise of such judgment?

Mr. BORAH. The Congress has one fact before it, which is easily ascertainable and easily demonstrable, and that is what it costs to live.

Mr. PEPPER. Does the Senator expect a private individual to pay other private individuals the necessary cost of their living out of the employer's business when he cannot afford to do that?

Mr. BORAH. I take the position that a man who employs another must pay him sufficient to enable the one employed to live.

Mr. PEPPER. What if he cannot afford to pay it?

Mr. BORAH. If he cannot afford to pay it, then he should close up the business. No business has a right to coin the very lifeblood of workmen into dollars and cents.

Mr. PEPPER. What becomes of the constitutional guaranty against taking property for private use without just compensation?

Mr. BORAH. I do not understand that that would have any application.

Mr. PEPPER. We entrust boards with the power to regulate public utilities. Can any board require a public utility to put into effect a rate which will not give it a fair return on its investment without violating the due process of law provision of the Federal Constitution?

Mr. BORAH. No. A public utility is a public carrier, and, of course, being a public carrier, it is impressed with a public interest and we can control it. But we are not even attempting to do that with business concerns. We simply say that a certain wage shall be the minimum wage, the lowest upon which a person can sustain a decent standard of living. We are not calling upon John Jones or John Smith to employ any man; we are not compelling them to employ anyone at all; we are simply saying that the worker is entitled to so much, and if they want to employ him they must pay him that wage. They need not employ him if they do not desire to do so. Let us not make the mistake of assuming that the employers own these people and that we are taking their property without just compensation.

Mr. PEPPER. What difference is there between the Senator's position as he is now expressing it and the position he would be taking if he said the Congress and not the Interstate Commerce Commission should fix freight rates?

Mr. BORAH. Undoubtedly it would be a more difficult proposition for the Congress to fix freight and passenger rates, but we would have the power to do it, and it is our primary duty to do it. I recognize that there are times when administrative boards are necessary but not here. I would never extend bureaucracy beyond absolute necessity. We selected a commission to do it but fixing freight rates is a wholly different proposition in my mind from fixing the wage the man must receive in order to live.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. ELLENDER. At that point, let me ask the Senator what would be the difference? In one case the effect would be upon industry and in the other the effect would be upon labor. What other difference would there be?

Mr. BORAH. One affects human life, human existence, and the right to live. I insist that American industry can pay its employees enough to enable them to live.

Mr. ELLENDER. Without exception?

Mr. BORAH. Yes; without exception. If it cannot do so, let it close up. I say that we have not any right to work slaves in this country, either white or black. I am opposed to peon labor, whether it is employed by one man or another. I start with the proposition that the right to live is higher than the right to own a business.

Mr. ELLENDER. I agree with the Senator, except as to the method of accomplishing the purpose.

Mr. BORAH. I do not want a board created to which big lumber companies can come and control, and leave unprotected the poor devil who must live upon a wage that would be less than he could actually sustain life upon.

Mr. ELLENDER. Of course the Senator from Idaho is assuming that the board would be controlled by big business.

Mr. BORAH. I have never seen many bureaus in Washington that were not. [Laughter.]

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BORAH. I will yield in a moment. I know that one of the brainiest men and one of the most candid men at the head of the N. R. A. said to one of my colleagues, "I feel sorry for the poor devil, but the time has come when the little man must go. Our economic system does not fit in with him." I do not want the little man to get into that kind of a situation.

I now yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, is not the Senator from Idaho now making the same argument against the creation of a proposed board to carry out a congressional function that was made against the creation of the Interstate Commerce Commission, the Federal Trade Commission, the Federal Reserve Board, and all the other boards and commissions that have necessarily been created in order to administer acts of Congress because the Congress could not do the necessary work itself without assuming to do it as a town meeting and undertaking to go into the details with respect to all matters of freight rates, and passenger rates and practices on railroads, and also into the functions of finance and banking, and undertaking to do the same thing with respect to illegal practices that are now corrected or regulated by the Federal Trade Commission? All these boards and commissions have been created because the Congress, from time immemorial, ever since it realized it had to enter such fields, recognized the fact that it could not sit continuously and do the things that were necessary to be done without the intervention of some board as its agent.

Mr. BORAH. I was not here when the Interstate Commerce Commission was created. Very likely I would have said something like I am saying now, but it would have presented a different case entirely to my mind. I am not misled about what is happening here. I know perfectly well we are creating a board for the purpose of having these things to continue. The whole argument in favor of a board seems to be that we must raise wages. A board gives delay.

Mr. BARKLEY. If that is true, though I am sure the Senator does not mean to do so, yet by implication he impugns the good faith of the committee which has tried to work out this matter. At least by implication he undertakes to convince the Senate that the committee and the Senate and the Congress, if they passed this bill and create the board, are doing it deliberately in order that the status quo may be maintained with respect to low wages.

Mr. BORAH. I am not impugning my colleagues at all. I discussed this matter in committee. I am not impugning my colleagues at all. I have a high respect for my colleagues, as they well know.

Mr. BARKLEY. The implication is that this is being done in order to maintain the status quo.

Mr. BORAH. I do not go into men's motives. I have been here too long to inquire into men's motives. I cannot find out anything about what their motives are. I do not question the motives of anyone. I am dealing with a fact, and I say the creation of this board will result in millions of these people never being helped at all.

Mr. MINTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Indiana?

Mr. BORAH. I yield.

Mr. MINTON. I am sure the Senator is quite familiar with the much-talked-of case of Adkins against Children's Hospital and the opinions rendered both by the Court and the dissenting Justice in that case. In connection with the argument the Senator is now making about minimum wages, in the dissenting opinion which was rendered in that case Mr. Justice Holmes, as I am sure the Senator will recall, had this to say:

> I see no greater objection to using a board to apply standards fixed by the act than there is to the other commissions with which we have become familiar or than there is to the requirement of a license in other cases.

Mr. BORAH. I have a very profound respect for Justice Holmes, but with some of his opinions I thoroughly disagree.

Mr. MINTON. And that is one of them?

Mr. BORAH. No; I might agree with him in that opinion. They were fixing it for the District of Columbia. He was a great Justice, a very great Justice. I wish we had more of his like.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. ELLENDER. As I understand the Senator from Idaho, he would have Congress fix the rate of pay. How would that be enforced?

Mr. BORAH. It could be enforced in numerous ways.

Mr. ELLENDER. What would be the Senator's suggestion?

Mr. BORAH. We could provide a penalty for its violation.

Mr. ELLENDER. To the same extent as has been provided in the bill now before the Senate?

Mr. BORAH. I do not remember the penal offense provided.

Mr. ELLENDER. The bill provides a penalty if the regulations of the board are violated.

Mr. BORAH. I have no objection to that.

Mr. ELLENDER. The Senator would follow the penal clauses contained in the bill?

Mr. BORAH. I have not looked into the penal clauses in this bill, and I am not familiar with them. I would make it a penal offense. I do not know whether I would use the language contained in the bill. The committee was very fortunate in its use of language and very likely I would adopt it.

Mr. ELLENDER. Suppose the district attorneys throughout the country failed to do their duty, or suppose they were dominated to the same extent as the Senator apprehends the members of the board may be, what then, may I ask the Senator, would happen—would not labor be penalized to the same extent, following your same line of argument?

Mr. BORAH. In the first place, any private citizen could file a complaint and have the violator prosecuted. He would not have to depend on the district attorney for the filing of the complaint. I am not assuming that district attorneys would likely disregard it if anybody filed a complaint.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Washington?

Mr. BORAH. I yield.

Mr. SCHWELLENBACH. For my own benefit I want to get a statement from the Senator to enable me to determine whether I correctly construed the answer of the Senator in which he made the remark, concerning the Adkins case, that the wage was fixed for the District of Columbia. As I understand, practically all the minimum-wage laws we have, in Oregon, New York, the District of Columbia, and elsewhere, provide for the creation of a board and give that board the power either upon the first standard which we had in our Washington and Oregon laws to fix a standard of living, or upon two standards, as in the New York case, where they said the job was worth that amount as well. Almost uniformly in the passage of minimum-wage laws by the States that power has been given the board.

In answering the Senator from Indiana [Mr. MINTON] the Senator from Idaho said it was all right because it was for the District of Columbia. I should like to know at this point whether or not the Senator's objection is to the fact that there is one national board governing the whole country or whether his objection is to the giving of the power to the board itself.

Mr. BORAH. In the first place, I think the fact that the national board covers the whole country makes it practically impossible of application. Fundamentally, I am opposed to creating these boards which deal with the most vital matters of human life and, we might say, with practically no power upon the part of those who are directly affected to control the board. It may be that I am all wrong. I am perfectly satisfied the other way is all wrong.

We are up against the proposition of whether we are prepared in this country to pay a reasonable wage based upon the standard of a reasonable minimum decent standard of living. Are we ready to do it? If we are, let us put it in the law as we do in democracies. Let us enact a law which shall serve as a rule and a guide for every citizen so he may know where he stands, what he has to do, and that he does not have to come to Washington to find out that he will not have to take the ipsi dixit of a board; that he may know as a citizen that his country has laid down the rule, and that guides him. That is democracy.

I am just as much opposed to bureaucracy as I am to dictatorship. I am not nearly so much concerned about dictatorships, which we ordinarily speak of, as I am about bureaucracy.

The Senator from Kentucky [Mr. BARKLEY] said I would be opposing other propositions of this kind. I have always done so. I presume it does not make any difference, but it is a conviction which I carry with me, and I have always done so. I may not live to see the day when it happens, but I am just as well satisfied as that I am living that the time will come when the people will uproot and throw out of existence a vast number of these bureaus. The most burdensome, the most demoralizing system of government on earth is the bureaucratic system of government.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BORAH. Certainly.

Mr. BARKLEY. Would the Senator, therefore, abolish the Interstate Commerce Commission? Would he abolish the Communications Commission, that brought order out of chaos in the air?

Mr. BORAH. If the Communications Commission continues along its present course I certainly would abolish it without the slightest hesitation.

Mr. BARKLEY. Even though it restored the atmosphere to the chaotic condition which existed when the Commission was first created?

Mr. BORAH. It would not follow that the air would have to be restored to chaos if the Commission were abolished.

Mr. BARKLEY. Would the Senator vote to abolish the Federal Trade Commission?

Mr. BORAH. No; I think that exists on an entirely different basis. I favor the Federal Trade Commission. It is wholly different from this.

Mr. BARKLEY. Or the Federal Power Commission?

Mr. BORAH. Yes; I would. I would make radical changes it in, although that board is wholly different from this.

Mr. BARKLEY. The Federal Reserve Board?

Mr. BORAH. Yes. I voted against the Federal Reserve Board.

Mr. BARKLEY. The Senator did?

Mr. BORAH. Yes; I did. I was opposed to it and I have never been more proud of any vote in my life than of that one.

Mr. BARKLEY. If there had been no Interstate Commerce Commission, if there had been no Federal Trade Commission, no Communications Commission, no Federal Reserve Board, no Power Commission, what would have been the condition of the people of the country with an unregulated monopoly in the fields with which those agencies were set up to deal?

Mr. BORAH. Let me ask the Senator a question. Does he contend that there was no way by which to deal with those matters except through commissions?

Mr. BARKLEY. I contend that Congress, by detailed legislative regulation, cannot deal with them. There may be some other way to deal with them besides the creation of a board. It may be that one man could be set up to do it, and in that event we should not have a board, but should just have one man, and would approach nearer a dictatorship than with a board. But in a vast region like the United States of America, where our country has been knitted together by rail and wire and by every form of modern transportation, where business seeks its own level as water seeks its own level, without regard to artificial or natural barriers, I do not see how Congress could attempt, by detailed legislative regulation, to protect the American people not only from injustice and from monopoly, but from chaos in carrying on our great economic and industrial enterprises and in the adjustment of our labor relations.

Mr. BORAH. The Senator assumes that the commissions do protect the people, that the commissions do protect their

rights. I do not agree with that. Many of them spend the people's money and waste the people's savings.

Mr. BARKLEY. I assume, and I think it is true, that the only protection the people get is through the commissions.

Mr. BORAH. Oh, yes; what they get! What justice they get they get through the commissions. That shows how little they get. [Laughter.] I do not admit that the Congress of the United States cannot establish rules which will govern these cases to a very large extent. I do not say at this time that I would abolish the Interstate Commerce Commission, but there are a number of commissions which I should unhesitatingly abolish.

Let me ask the Senator from Kentucky whether he believes in turning over the entire money power and the entire regulation of the money power of the United States to a board.

Mr. BARKLEY. I voted for the Federal Reserve System and for the creation of the Federal Reserve Board; and while I have not always agreed with the policies which it has adopted in the exercise of its authority, I know of no way by which the so-called money power—by which, of course, we mean not only the control of the issue and circulation of money, but also the means by which the banking institutions of our country, which are known as money institutions, are regulated and controlled—can be regulated and controlled except through the creation of an agency which has the power and the necessary coherence of organization to do that. In other words, I do not think Congress, sitting as a Congress all the time, could do that efficiently, or at all. Therefore, we must create these agencies to carry out the policies of Congress, because Congress itself cannot do anything more than to lay down broad rules and regulations which must be followed by the boards.

Mr. BORAH. Would the Senator be willing to write into this bill a provision that all goods produced by monopoly shall be excluded from interstate commerce?

Mr. BARKLEY I should want to think that over before I committed myself to it. Who would exercise the right to determine what goods were produced by monopoly?

Mr. BORAH. This omnipotent board of five men.

Mr. BARKLEY. The Senator, then, is in favor of a board to do that?

Mr. BORAH. No, I am not; but I say there is just as much reason for putting the monopoly-controlled interests of the country under a commission as there is for putting these other things under a commission; but we have never done it.

Mr. BARKLEY. Considering the various geographical situations and the differences in conditions of the whole country, does the Senator think Congress could intelligently write into the law a rigid requirement that there should be a minimum wage paid in all industry, to be the same in all sections of the United States, so that nobody could change it, and nobody could make any variation in it, and nobody could make it flexible, depending upon the conditions which might exist in various sections of the country?

Mr. BORAH. I take this position, Mr. President, which I have stated once, and I state it again:

When we are fixing a minimum wage we are undertaking to determine what is a minimum standard of decent living in the United States; and that is all we are undertaking to determine. We are not undertaking to determine what a full wage should be or what the different conditions may be which affect wages in different circumstances. We are simply determining what it costs to live; and, in my opinion, that can be determined with a fair degree of certainty; and it is much more desirable to undertake it than it is to leave its determination where it will be uncertain, because those who will suffer most will be those who need protection most.

Mr. BARKLEY. Does the Senator think Congress knows what it costs to live in various parts of the country?

Mr. BORAH. I think some Congressmen do.

Mr. BARKLEY. Have we the information which would enable us to fix an inflexible standard which would not work injustices in various communities?

Mr. BORAH. Some of the great labor leaders and some of those who have studied the labor question most say we have.

Mr. BARKLEY. And some say we have not; so there is no agreement there.

Mr. BORAH. Well, I do not know; I think it is very generally agreed. I do not think it requires very much investigation to determine the cost of living in the different parts of the United States. I should not expect the figure to be exact, but I should make it high enough so that a person could live.

Mr. TYDINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Idaho yield to the Senator from Maryland?

Mr. BORAH. I yield.

Mr. TYDINGS. How will the board know what the standard of living is, or how to fix the minimum wage? It will have to make an investigation in order to do it. It seems to me, if a board can do it, Congress can do it. Certainly, if Congress cannot find it, I do not believe a board can.

Mr. BARKLEY. The board would be in perpetual session and not subject to seasonal or long adjournments, to which Congress is subject.

Mr. WALSH. Mr. President, today there is scarcely a human being in the United States of America who does not believe in collective bargaining. That was not so a few years ago. That was not so until very recently. The approval of collective bargaining between capital and labor has been brought about by education, and by law recently enacted by the Congress; namely, the National Labor Relations law.

A great deal has been said about the National Labor Relations law. It has been very extensively criticized. The objective has not been criticized. The criticism has related to its mechanism and the methods of enforcement. I think it appropriate, because it is interlocked with the proposal now before the Senate, that we ask ourselves just what the National Labor Relations law provides; but before asking ourselves what that law provides, and before asking ourselves what this bill provides, let us recall the fundamental fact that virtually all laws are the result of evils or abuses practiced upon human beings through some irresponsible elements of human society.

There is no reason for a law to regulate the relations between honest and humane and conscientious employers and employees. There is no need of a law guaranteeing the right of collective bargaining to honest and conscientious employers and employees. There is no need of a motor-regulation law to regulate the speed at which motorcars shall be run by careful and conscientious motorists. There is no need of a law against larceny upon those who are honest and conscientious, and do not covet the property of others. Laws, as a rule, are enacted to eliminate and eradicate abuses. We are dealing here with human abuses and inequalities and we are confronted with the problem how and in what way we should eliminate these abuses.

Let us revert to the National Labor Relations Board. What was the abuse there? We all believe in collective bargaining. Honest and conscientious employers recognized it, and dealt with their employees; but here and there, when a small group of employees sought to organize, the economic pressure that employers possess was exercised, and one by one the employees were marched out from the factory and sent into the ranks of the unemployed because, forsooth, they were seeking to organize their fellow employees in order to engage in that which all of us conceded, and the Supreme Court said in its decision, is a "fundamental" right inherent in labor.

Not only was there that abuse, but abuses existed in other ways. Some employers even refused to recognize committees of their workers for purposes of collective bargaining. They did not think the workers had any right to consult with them as a group about the terms of their employment and the terms of their occupation. To eliminate these abuses and to define the rights of wage earners in their rela-

tionship as human beings in partnership with their employers in the production of goods and profits, we enacted a law which permitted employees to knock on the door of their employer and say, "Mr. Employer, will you please sit down with us and talk over problems of mutual interest and mutual concern?"

That is all we did. We provided the right of an employee, without pressure from his employer, without being discharged, without being intimidated, to join an organization of his own choosing, and to send free, independent agents to negotiate with the employer as to the labor conditions under which he should work.

There is nothing in that law which compels a workingman to join any union. There is nothing in that law which compels or permits any one union more than another to be used as an agency of collective bargaining by employees. There is nothing in that law which compels an employer to sign any agreement whatever with his employees. It does suggest to the employer, "Mr. Employer, your employees have the right to assemble and gather together and organize for the right to talk to you about the things that concern their and your mutual welfare, about the things that concern their social rights."

That is, in brief, the law called the national labor relations law. I am frank to admit that the enactment of that law led to a tremendous rush, a tremendous movement into organized labor unions in this country. It was not our purpose to bring this about. We were trying to remove the evils that prevented wage earners from freely organizing. I frankly concede that it did have that effect. Many new unions sprang up overnight, new and untried and inexperienced leaders reached leadership that they were not equipped to assume. Rivalries between different labor organizations followed; and, unfortunately, nearly every one of the strikes and other labor troubles we have had has been due to rivalries between different labor groups, inexperienced leadership, and not to fundamental differences between employer and employee.

We now realize that it was inevitable, as the result of the enactment of this law, that millions of workers and wage earners should enlist to enjoy the privilege of collective bargaining by joining some form or organization of organized wage earners.

I will frankly make another concession. I do not think the Federal agency created has functioned to perfection. A host of difficulties has followed. The board is sailing through uncharted waters. I think there has been a failure somewhere in officialdom to execute some of the fundamental laws of this country in order to stop some of the abuses which have followed as a result of the enactment of the law.

Officials are as much, if not more, to blame than misled wage earners for much that has occurred in recent months. I think that we can rely, as we always have to in the last analysis, on the public conscience. In the last analysis the public conscience will say to labor and to capital, "You shall not continue these abuses and lawlessness which are in violation of the public interest."

Every human being has at stake an interest in every strike which takes place in any part of the Nation. The strike in the glass factory on the far western coast affects the automobile industry in every part of the country, and the workers in that industry. There is not a strike that can occur in this country that does not vibrate its consequences all over the country, and as time goes on, and as capital and labor and these new leaders come to realize their responsibility, in my judgment the public conscience is going to settle this matter by compelling labor to exercise its rights in an orderly way and not in violation of law and compelling capital to respect the law and do justice by its employees. So much about the National Labor Relations Board.

Did we by that law solve all the evils suffered by men and women who toil and work? The act gave them a right to go to their employer; it demanded that the employers should hear them, with no compulsion as to what the result would be. It left the employer free, as he must be left free, to close his shop and factory when he sees fit; and leaving the employee, however small or large the group, the right to refuse to work whenever they saw fit to. Unless we are going into the business of legalizing slavery, we cannot compel any man to work when he does not want to work, and we cannot compel any employer to keep his factory open when he does not want to continue to operate and carry on his business.

Oh, yes; you may point out abuses of the power we entrusted to the National Labor Relations Board. It has not insured industrial peace. It was intended to promote and facilitate peaceful settlements of disputes in industry by encouraging collective bargaining thereby minimize strikes, but it does not preclude them. Temporarily it might appear to have the opposite effect. The law is a safeguard to labor, but it is not a cure-all, and as to the question of hours and wages, it has no application whatsoever except by providing the means intended to facilitate collective bargaining to that end. It is possible that some of the members of the board have not performed their functions conscientiously and honorably. I do not know about that. It is possible they have been dominated or controlled by one side or the other in the performance of their official duties. But the principle that a man or a women is free to join their fellows for the purpose of negotiating agreements with their employers for their general welfare no one can deny. We might have to reform the administration of the law, but the principle stands as almost one of the inalienable rights defined in the Constitution.

Nor is that all. What is the next abuse? The workers have the right to organize; but there are millions of wage earners in the United States who are not organized, who have no way of organizing. Shall we say to them, by direction or by statute, "Go out and organize and take advantage of the National Labor Relations Act and we will guarantee you the right to enjoy collective bargaining—organize and exercise your right to negotiate"?

This in many small industries is impractical—it is impossible. As soon as it is whispered in the little factory that John Brown is seeking to organize his men, John Brown is dismissed, and the next leader of the employees is dismissed.

Let us be practical. We are talking perhaps about the few and extreme cases, but they exist. All the evils in human nature are the result of selfishness and greed. Men organize themselves into corporations and industries for the purpose of getting more profits through organized units. That is the fact. Instead of investing our $5,000 in some undertaking, four of us come together with $20,000 in order that we may get more by putting $20,000 together than by investing $5,000 as an individual. We are dealing with human nature, and it is inherent in human nature to be selfish and greedy, and when these large units get together and treat men and women like machines, as they have done, selfishness knows no limit. Unless they can meet this urge to increase profits as organized resistance upon the part of the wage earner, the wage earner is the victim of injustice and economic exploitation.

What are we to say to the group of workers in the lowest scale of wages and who are the most exploited? Are we to tell the workers to form a labor union? We have told them we would protect them if they did.

Let me give the Senate some figures which have been handed me by the Senator from Louisiana [Mr. ELLENDER]. Unfortunately, when we talk about the problems of the wage earner with the employer we think we are talking about the steel industry, and the automobile industry, and the textile industry, and the other great industrial units in the country. We might eliminate them all in the consideration of the bill. The wage earners in those industries can take care of themselves. They are organized. They are winning, in a very effective and emphatic way, the benefits of collective bargaining. But what percentage of the wage earners in this country do these big units represent? Let us see.

Where the average number of employees is between one and five there are 57,152 establishments.

Where the average number of employees is between 6 and 20 there are 40,176 establishments.

Where the average number of employees is between 21 and 50 there are 18,576 establishments.

Where the average number of employees is between 51 and 100 in an industry there are 9,262 establishments.

Where the average number of employees is over 100 and under 500 there are 10,304 establishments.

Where the average number of employees is between 500 and 2,500 there are only 1,661 establishments.

Where the number of employees in an establishment is over 2,500 there are only 120 establishments, which represents an insignificant percentage of all the wage earners of this country.

These millions in small industries are unorganized; they are in competition with industries and employees that are organized. They are in competition with employers who have accepted the principle of collective bargaining, and who have lessened the hours of employment and raised wages. They are in competition with the organized employees, because when such an employee goes to the door of his employer and presents his requests and demands, his employer presents to him the long hours of employment and the low wage scale in these establishments that are unorganized. He soon realizes that his unorganized fellow wage earners are retarding his efforts for better working conditions. To be sure, to this mass of unorganized wage earners working in these small establishments we have given the right to engage in collective bargaining, but for purposes apparent to all, they are not in a position to organize. The national labor relations law is ineffective so far as they are concerned. The organized wage earner is now handicapped by his fellow wage earner who cannot enjoy collective bargaining.

The pending bill does nothing more nor less than say, "You will not be left helpless. You few wage earners in the most remote part of this country, you 200 wage earners in a mill along the Canadian border, far from the centers of population, who cannot organize, you in sections of this country unable to exercise the right of collective bargaining—we will not leave you helpless. We will not permit your plight to injure the progress made by other employees who have acquired better working conditions. We will not punish the employer who has yielded to them. We will see to it that you, too, are given some of the benefits and some of the privileges of collective bargaining."

The bill does nothing more nor less than reach down to the lowest-paid wage earners in this country and provide machinery to enable them to engage in collective bargaining. That is all there is to the bill. The machinery is not composed of the representatives of a labor organization but the machinery is the Federal Government seeking to control and undertaking to regulate wages and hours of employment in the industries engaged in interstate commerce.

There is nothing more to the bill except the administrative features of it. The purpose and intent of the bill is that the poorest, the lowest, the humblest wage earner in this country shall not be left helpless because he has not the facilities of a labor organization to help him enjoy social justice. The Federal Government will study his plight, examine his situation, determine what are the conditions under which he works and lives, and seek to provide for him a limited number of hours of work and a minimum wage.

This bill is not concerned about wage earners that can protect their rights through collective bargaining. It excludes them from its provisions. It is only the lowest unprotected and unorganized wage earner that it seeks to protect from exploitation.

I appreciate more than any man on this floor the reluctance which we all have to delegating this great power to a Federal bureau. When I listened to the masterful speech of the Senator from Georgia [Mr. GEORGE] and the powerful and, as always, effective speech of the great Senator from Idaho [Mr. BORAH] I could not help but feel that the argument which they made—and I do not criticize it—must have been made against every effort to establish regulation of social abuses in this country. It must have been made when the Interstate Commerce Commission was being established. It must have been made when the Federal Trade Commission was being established. It certainly was made when the National Labor Relations Board was being established. We have never set up a commission here when the force and power of that argument could not be made and has not been made. I do not resent it, for it might possibly result, in case this bill shall be enacted into law, in restraining and checking the purposes or desires of boards and commissions to exercise functions and powers that the Congress never intended to give them.

Mr. President, what is the practical question? As a member of the committee dealing with the question, I have come to believe that we could not provide for having all these protective rights settled and provided for in the bill. I sought in the first instance to have the bill provide that every industry in this country should limit its workweek to 40 hours. What was the result? Every large industry in this country welcomed the suggestion. Every organized industry welcomed the suggestion. Why? They already have a 40-hour week. They do not need the law. The law does not reach them. The law does not reach in any way, shape, or form or manner any industry in this country that is working its employees 40 hours or under. So the big industries were not disturbed and were not concerned about it.

Suppose we wrote a 40-hour week provision into the law, what would happen? What would happen to the 5 or 8 or 10 small industries in my home town in Massachusetts that are working their employees more than 40 hours a week, and paying their employees from eight to twelve and thirteen and fourteen dollars a week? What would happen if with one fell swoop we enacted a law cutting down hours of employment which in some instances are as high as 72 hours, to 40 hours a week? It would ruin and bankrupt every small industry in this country. In our desire to help the small-wage earners we would put them out on the street. The improper enforcement of this law may yet do it. But I am talking now about how we are going to meet this problem, whether we are going to leave the exploited wage earners alone, or whether we are going to endeavor to find some method which will be of assistance to them.

Mr. President, think of the proposal to enact a law that will become operative abruptly, in which every single little operating plant, and in which every person engaged in interstate commerce must go on a 40-hour-per-week schedule. How is it to be done? It ought to be done. There ought to be some way for these millions of men and women, wage earners who happen to be in small industries and have not got the power or influence of organized labor, to be enabled to get the 40-hour-per-week schedule. This bill does the only thing that can be done—it leaves it to a bureau to determine and fix the schedules. Realizing as I do all the arbitrary methods, the mistakes, and all the shortcomings of bureaucracy, yet I see no other way of dealing with the problem effectively. The board will not be in a position for weeks and months and years to get all the industries of this country down to 40 hours per week, to say nothing about the objective minimum wage of 40 cents per hour.

Mr. President, the other proposal in this bill relates to wages. There is nothing in this bill which requires this board to fix any minimum wage whatever that would injure any existing business or that would cause any unemployment. It is emphatically expressed in the bill that the objective of this Government is to express through its Congress that we shall reach, as soon as practical, for all wage earners, 40 hours per week and that we shall reach, as soon as practical, a minimum wage of at least $16 per week. But there is nothing to prevent this board from fixing the wage for the next year in many of the industries of this country at $12, at $10, at $15 or less.

Mr. President, with this background, what is the problem before us, so well stated by the Senator from Idaho [Mr. BORAH] today? We want to help these poor unfortunates. We cannot in justice to many employers do it by specific and definite hour-and-wage provisions in the law.

What defense have we to offer when we go back to these wage earners and look them in the face? Can we explain to them and their families by asserting, "I did not trust a bureau. I did not rely on a commission. I believe you are working too long. I believe you ought to have some rights as unorganized workers. I believe your pay is low and miserable and I would give it to you if there were any way of doing it, but the country is so diversified, with so many industries, we could not pass one general law in Congress, and we were afraid, we were frightened to entrust your rights to a bureau, lest it be too arbitrary"?

As for me, I have reached the conclusion that my duty in helping to improve the working conditions of these classes of wage earners is fulfilled by writing into this bill every limitation, every suggestion, every condition that we can think of, and then leave all question of final adjudication and judgment as to maximum hours and minimum wages to this board.

Mr. President, I have not made this argument for the purpose of influencing anyone. I want the RECORD to show my position, and this position I have come to after long study, after long consideration of this measure, after trying to find some way under heaven that we could get rid of another bureau or could find some other way of handling this problem. I confess that I have failed to find any other way without immediate ruin and destruction that would accomplish this most important desideratum.

Mr. President, I have said all I care to say. I ask unanimous consent to have inserted in the RECORD at this point as part of my remarks the table to which I previously referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

1933

	Number of establishments	Percent of all establishments	Average number of wage earners	Percent of all wage earners
0	4,518	3.2		
1–5	57,152	40.3	158,275	2.6
6–20	40,176	28.3	445,088	7.4
21–50	18,576	13.1	600,670	9.9
51–100	9,262	6.5	659,347	10.9
101–500	10,304	7.3	2,126,216	35.1
501–2,500	1,661	1.2	1,519,674	25.1
2,501 and up	120	.1	546,196	9.0
	141,769	100.0	6,055,736	100.0

Mr. WALSH subsequently said: Mr. President, in connection with the remarks I made sometime ago I ask permission to have printed in the RECORD certain tables which were submitted to the Committee on Education and Labor during the hearings on the bill now under consideration. These tables will show that in 71 industries employing a total of 784,000 employees, 287,582 were receiving less than 40 cents per hour. The percentage of the number of employees receiving less than 40 cents per hour is 36.7 percent of all employees.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Employees with hourly wages less than 40 cents, classified by industries (prior or during N. R. A.)

SUMMARIZATION

Industries	71
Total employees	784,000
Receiving less than 40 cents per hour	287,582
Percent with hourly wage less than 40 cents	36.7

Industry	Date	Total number	Number with hourly earnings less than 40 cents	Percent with hourly earnings less than 40 cents
Boot and shoe:				
Male	March 1934			27.0
Do	March 1935	110,060	24,873	22.6
Female	March 1934			60.3
Do	March 1935	89,849	54,628	60.8
Wool felt	September 1933	1,638	178	12.6
Rayon and silk dye and print:				
Male	November 1933	4,683	311	6.6
Female	do	738	620	84.1
Carpets and rugs	March to September 1933.	11,930	6,013	50.4
Drapery and upholstery trimming.	Sept. 15, 1933	763	426	55.9
Cotton pickery, female	1932 pickery	420	420	[1]100.0
Bias tape	June 1933	649	549	83.8
Floor help in coat and suit	February 1934 to February 1935.	634	134	21.1
Cotton garment:				
South	October 1934	38,562	32,601	84.5
North	do	3,428	3,265	95.2
Cotton-garment employees of contractors in North.	August 1934	10,748	8,199	76.3
Cotton-garment employees in Pennsylvania.	February 1934	9,289	7,550	81.2
Leather:				
Male	November 1933	48,478	2,542	5.2
Female	do	5,773	3,542	61.4
Fur dress and dyeing	September 1933	2,285	316	13.8
Fur manufacturing	1932 census	1,005	312	31.0
Manganese-steel products	June 1933	1,179	455	38.6
Fabricated metal	December 1934	156,461	24,401	15.6
Storage equipment, business furniture, etc.	September 1933	6,387	3,045	47.6
Office-equipment manufacturing	July 1933	19,409	3,635	18.7
Piano manufacturing	September 1933	1,130	254	22.5
Can manufacturing	April 1934	27,506	9,480	34.4
Watchcase manufacturing	April 1933	466	160	35.8
Metal window	July 1933	711	232	32.7
Porcelain breakfast furniture	June 1933	665	502	75.5
Beauty- and barber-shop mechanical equipment.	do	679	448	65.9
Steel wool	do	393	263	66.8
Collapsible tube	do	1,461	807	55.3
Small arms and ammunition	August 1933	7,488	3,426	45.8
Commercial fixture	June 1933	1,849	474	25.6
Drop forging	do	5,573	1,441	99.2
Clock manufacturing	do	7,162	4,720	66.0
Fountain-pen manufacturing	do	2,412	1,675	69.4
Periodical	February 1933	4,951	2,881	[1]58.2
Duplicating and mail	May 1934	2,737	1,706	65.7
Transit, intrastate	July 1933	54,686	2,451	4.5
Scrap iron, waste material	June 1933	1,583	1,399	88.3
Woodwork machine	do	1,098	276	25.2
Water-meter manufacturing	August 1933	1,582	323	20.5
Rolling-mill machine and equipment.	June 1933	2,819	832	29.5
Conveyor and material prep manufacturing.	do	1,473	545	37.1
Roller and silent chain manufacturing.	do	492	138	28.1
Bakery-equipment manufacture	do	1,928	363	18.8
Refrigerator-machine manufacturing.	do	2,464	664	27.0
Hydraulic-machine manufacturing.	do	539	133	24.7
Cereal machine manufacturing	do	658	268	40.8
Railroad special-track equipment.	do	1,099	328	29.8
Shoe-machine manufacturing	do	2,922	134	4.5
Sewing machine	October 1933	10,327	1,192	11.6
Mechanical packing:				
Male	August 1933	1,047	250	26.8
Female	do	262	249	95.0
Bicycle manufacturing	June 1933	593	264	44.6
Trailer manufacturing	do	801	406	51.0
Cotton-ginning-machine manufacturing.	do	865	531	61.5
Commercial vehicle body	do	2,623	973	37.1
Stoker	do	720	264	36.7
Linseed-oil manufacturing	do	1,538	355	23.1
Ice-cream cone	1932 peak	399	298	74.7
Bottled soft drink	June 1933	450	264	58.8
Glace fruit	Peak, 1932	1,271	1,120	88.1
Preserve	do	1,524	1,052	68.9
Candy manufacturing:				
Male	June 1933	8,485	4,483	52.8
Female	do	16,373	15,842	96.7
Yeast	do	1,566	69	4.5
Cigarette factories	May 1934	2,022	1,989	98.4
Cigarette manufacturing	June 1933	11,368	8,264	72.7
Smoking-tobacco manufacture	do	5,411	4,426	81.8
Snuff	do	1,063	411	38.7
Chewing-tobacco manufacture	do	5,024	3,522	70.1
Vinegar	1932 peak	1,637	1,381	84.4
Baking powder	June 1933	857	497	58.0
Biscuit and cracker:				
North	do	14,605	6,561	44.9
South	do	1,252	1,020	81.4
Cane-sugar refining:				
South	do	3,075	2,774	90.2
North	do	9,445	2,370	25.1
Cotton compress and warehouse, males:				
Port	1932 peak	3,853	3,374	87.5
Interior	do	10,634	10,570	99.4
Warehouse	do	1,339	1,283	95.8
Edible gelatin	do	782	157	20.1

[1] Less than 20 cents. [2] Less than 37.6 cents.

Source: Division of Review, N. R. A. report: Wages and Hours in American Industries, Work Material No. 9.

Mr. MALONEY. Mr. President, I desire to discuss briefly an amendment which I have submitted in the form of a substitute for the committee amendment, and I ask that it be read.

The PRESIDING OFFICER. Without objection, the amendment to the amendment will be read.

The CHIEF CLERK. In lieu of the matter proposed to be inserted by the committee it is proposed to insert the following:

That (a) there is hereby created a Board, to be known as the Labor Standards Board, which shall be composed of five members who shall be appointed by the President and with the advice and consent of the Senate and in such appointment industrial and geographic regions shall be given consideration. The President shall from time to time designate one of the members of the Board to act as chairman. One of the original members of the Board shall be appointed for a term of 1 year, one for a term of 2 years, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years, and their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(b) A vacancy in the Board shall not impair the right of the remaining members to exercise all the powers of the Board. The Board shall adopt its own rules of procedure including provision as to the number of members necessary to constitute a quorum but no order establishing a working week shall be made except by a majority of the Board. The Board shall have an official seal which shall be judicially noticed.

(c) Each member of the Board shall receive a salary of $10,000 a year, shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment.

(d) The Board may select, employ, and fix the compensation of an executive secretary and such attorneys, examiners, regional directors, accountants, special consultants, and experts as it deems necessary to carry out the functions and duties of the Board, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States. The Board may, subject to the civil-service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the Board and shall fix their salaries in accordance with the Classification Act of 1923, as amended. The Board may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may at the direction of the Board appear for and represent the Board in any case in court. In the appointment, selection, classification, and promotion of officers and employees of the Board, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

(e) The principal office of the Board shall be in the District of Columbia, but it may meet or exercise any or all of its powers at any other place. The Board may, by one or more of its members or authorized representatives, or by such other agents or agencies as the Board may designate, prosecute any inquiry necessary to its functions in any part of the United States.

(f) The Board shall submit annually a report to the Congress covering the work of the Board for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this act as it may find advisable.

SEC. 2. (a) The Board shall take a census of unemployment, as hereinafter provided, for the purpose of determining the number of unemployed persons in the United States over 16 and under 65 years of age who are physically and mentally employable. Said unemployed persons shall be classified by race, sex, age, customary occupation, and the causes and duration of their unemployment.

(b) The Board shall establish throughout the several States and the District of Columbia local agencies and, where practicable and desirable, shall establish one such agency in each county and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of the Census of the Department of Commerce. Such agencies shall consist of three members, who shall be appointed by the Board without regard to the civil-service laws or the Classification Act of 1923, as amended.

(c) All said unemployed persons shall register with such local agencies in such manner and at such times and places as the Board shall direct. Upon the completion of such registration, the local agencies shall report promptly the results, classified as provided for in paragraph (a) of this section, to the Board and such local agencies shall then be abolished.

(d) Beginning on January 1, 1938, and every 3 months thereafter, said persons, so long as they remain unemployed, shall register at the nearest office of the United States Employment Service in accordance with such rules and regulations as the Board shall prescribe. The Director of the United States Employment Service shall report promptly the results of each such registration to the Board.

(e) No part of any funds heretofore or hereafter appropriated for relief or work relief shall be used or expended, directly or indirectly, for the benefit of any person who willfully fails or refuses to register as provided for in this section.

SEC. 3. (a) Upon the receipt of the registration report provided for in paragraph (c) of section 2, the Board shall establish working weeks as follows: (1) If more than 8,000,000 such persons are found to be unemployed, a 30-hour working week; (2) if more than 6,000,000 but not more than 8,000,000 such persons are found to be unemployed, a 32-hour working week; (3) if more than 4,000,000 but not more than 6,000,000 such persons are found to be unemployed, a 34-hour working week; (4) if more than 2,000,000 but not more than 4,000,000 such persons are found to be unemployed, a 36-hour working week; or (5) if 2,000,000 such persons or less are found to be unemployed, a 40-hour working week.

(b) The working weeks established by the Board shall continue in force until the subsequent registration reports provided for in paragraph (d) of section 2 show a sufficient change in the number of such persons unemployed, in which event the Board shall establish a new working week in accordance with paragraph (a) of this section.

SEC. 4. On and after January 1, 1938, no article or commodity shall be shipped, transported, delivered, or received in interstate or foreign commerce which was produced or manufactured under conditions which are inimicable to the public interest in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed: *Provided*, That upon the submission of satisfactory proof of the existence of special conditions in any industry included herein, making it necessary for certain persons to be employed for a longer period of time than that provided for in the established working week, the Board may issue exemption permits with respect to such persons, relieving the employer from the provisions of this act with reference to such persons.

SEC. 5. (a) No article or commodity shall be purchased by the United States, or any department or organization thereof, from any business enterprise operating contrary to any provision of this act, or if such article or commodity was produced or manufactured in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed on and after January 1, 1938, for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed on and after such date.

(b) Each contract made with a contractor for any Federal public work shall contain a provision that the contractor will buy no article or commodity to use on or in any public work from any business enterprise violating any of the terms or provisions of this act, and will buy no article or commodity which was produced in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed on and after January 1, 1938, for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed on and after such date.

SEC. 6. (a) No Federal governmental agency shall make or renew any loan to any employer of labor in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed on and after January 1, 1938, for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed on and after such date.

(b) On and after January 1, 1938, any such employer of labor who applies for a loan from any such governmental agency shall agree at the time of making application for such loan that so long as he is indebted to the United States he will not permit any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, to work for a longer period of time than that provided for in the working week established by the Board and that he will not employ child labor. In the event that there is a violation by any such employer of his agreement, the full amount of the unpaid principal of the loan made to such employer shall be immediately payable.

SEC. 7. On and after January 1, 1938, it shall be unlawful to sell, ship, transport, deliver, or receive into any State any goods or commodities produced or manufactured in any mine, quarry, mill, cannery, workshop, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed, if the State into which such goods or commodities are delivered or proposed to be delivered has in effect a statute prohibiting the employment in such business of employees for a longer period of time than that provided for in the working week established by the Board, or a statute prohibiting the employment of child labor.

SEC. 8. On and after January 1, 1938, it shall be unlawful for any employer subject to any of the provisions of this act to reduce, directly or indirectly, the daily, weekly, or monthly wage rate in effect on such date (or, in the case of an applicant for a loan from a governmental agency, on the date his application is submitted) with respect to any of his employees until a reasonable opportunity has been afforded to his employees, through rep-

resentatives of their own choosing by a majority vote, to meet with the employer or his representatives and to discuss and consider fully all questions which may arise in connection with the reduction of such wage rate.

SEC. 9. Any person who violates any of the provisions of this act, or who fails to comply with any of its requirements, shall, upon conviction thereof, be fined not more than $1,000, or be imprisoned for not more than 3 months, or both.

SEC. 10. (a) This act shall not apply to commodities or articles produced or manufactured prior to January 1, 1938.

(b) Nothing in this act shall be construed to apply to agricultural or farm products processed for first sale by the original producer.

SEC. 11. As used in this act—

(a) The term "30-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 6 hours of work is required or permitted.

(b) The term "32-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 6⅖ hours of work is required or permitted.

(c) The term "34-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 6⅘ hours of work is required or permitted.

(d) The term "36-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 7⅕ hours of work is required or permitted.

(e) The term "40-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 8 hours of work is required or permitted.

(f) The term "child labor" means the labor of any person less than 16 years of age.

SEC. 12. If any provision, clause, or paragraph of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision, clause, or paragraph to other persons or circumstances, shall not be affected thereby.

SEC. 13. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. MALONEY. Mr. President, I shall not trespass long upon the time of the Senate nor impose upon its patience. Mine is a simple amendment, written in simple language.

No one appreciates more than I do the handicap I suffer by speaking after the sincere oration of the Senator from Alabama [Mr. BLACK], the enlightening address of the Senator from Georgia [Mr. GEORGE], the educational and penetrating speech of the Senator from Michigan [Mr. VANDENBERG], the devastating speeech, as it seems to me, of the brilliant Senator from Idaho [Mr. BORAH], and the impassioned plea for distressed people made by the Senator from Massachusetts [Mr. WALSH].

There is not much new in the amendment I have offered.

Sometime ago, before the introduction of the so-called Black-Connery bill, I introduced a bill which is in large part the same as the amendment about which I speak at the moment. The pending bill came rather suddenly upon me out of the committee, and I felt a need for a hurried preparation of an amendment. Just a little while ago we observed the experience of one piece of proposed legislation which the President of the United States vetoed because it developed that the Congress had undertaken to usurp the executive power.

In my original bill, in an attempt to avoid bureaucracy completely, and in a further attempt to avoid any unnecessary expenditure of money, I proposed that a Federal unemployment commission should be created. It was my suggestion in that bill that the commission be composed of the Attorney General, the Secretary of Commerce, the Secretary of Labor, the Chairman of the Federal Trade Commission, and the Chairman of the Social Security Board. I was of the opinion that those officials, high among those in administrative circles of the Government, were, and should be, more closely connected with this subject than anyone outside of Congress. But, fearful that this was trespassing upon the powers of the Executive, and anxious to submit an amendment to a bill which it seemed to me was to be hurried through the Congress, I adopted in part a proposal which came originally from the Committee on Education and Labor. A large part of the amendment which I have offered is in the exact language of the proposal which came from that committee.

I am perfectly willing that there should be a board, a salaried board, to administer the provisions of the bill if it should be enacted into law. I am willing to give some power to a board or a bureau, but I am not willing to put into the hands of any bureau or governmental agency the power to punish or the opportunity to make grave mistakes. In the very simply phrased amendment which I have offered, which contains little that is new, there is afforded the power to a board to relieve industry, to answer some of the questions raised by members of the Senate from various parts of the country, to take care of the canner who might be affected, to take care of the farmer who is engaged in a seasonal processing of his own product, or to take care of any emergency that might arise, in order that industry might not be penalized by too exacting a law.

Mr. President, since the beginning of the depression I have favored regulation of working hours. It has always seemed to me that we were challenged by inventive genius, and that it became the responsibility of the Government and the Congress to meet that challenge. I say this lest someone have the mistaken notion that this proposal of mine is an attempt at sabotage. I want the Senate to adopt my amendment. I want my substitute for the Black-Connery bill to be adopted. If I may be sure of a reading of the CONGRESSIONAL RECORD tomorrow morning by the Members of the Senate and of the House of Representatives, I am sure it will get more than passing attention.

I have no particular pride about it, but long before the regulation of working hours was considered by anyone in the Congress I considered and made such a proposal. I believe—and I say this with some hesitancy, but for the purpose of impressing upon my colleagues my sincerity of purpose and intensity of feeling—that I was the first public official in this country to propose a Federal regulation of working hours.

I have in my hand a pamphlet that I published on May 16, 1932, and sent to every Member of Congress at that time, entitled "Governmental Regulation of Working Hours and Permanent Relief." I have not changed my mind a bit since that time. I have thought that a 30-hour bill might be drastic, but in the dark days I would have favored it.

I voted to regulate Wall Street and voted for the "death sentence" on holding companies, and have tried to aid in attempts to restrain unfair monopolistic abuses. I would join in an effort to banish investment trusts, because they represent something worse than monopoly. There will be no trouble in getting me to give my probably feeble assistance in any attempt to regulate any public utility, and I think my record of 5 years in Congress will prove it. I could not vote a day or two ago for the so-called 70-car bill, sponsored by the Senator from Nevada [Mr. McCARRAN], because I personally felt that it was a kick at the railroads when they were down. A vote for the bill appeared to me to be a vote against labor, and a vote against collective bargaining, and a vote against safety; for under constant pressure the railroads cannot survive as independent transportation systems, and we shall see them pass to governmental ownership and operation.

I want to avoid that. I am opposed to the Government being in business, although I think it is a governmental responsibility to regulate certain kinds of business. In New England our largest railroad is in process of reorganization. The stockholders are being wiped out. The railroads cannot of their own desire raise rates to meet new expenses. The added millions they would be forced to expend under the 70-car bill, in my opinion, might well mean a curtailment elsewhere that would hurt labor. If they felt compelled to raise rates—and recently they were lowered—some of their business would go elsewhere. That would afford little comfort to railroad men and their families.

I may say parenthetically, however, that I had no hesitancy in voting for another proposal presented by the very able Senator from Nevada [Mr. McCARRAN]. I remember that it was decided by one vote. I voted for the McCarran prevailing-wage amendment because it seemed to me it was of great concern and need to labor.

I voted for the Wagner Act. I voted for the first Agricultural Adjustment Act, and I voted for the N. R. A. at the same time, and for the same reasons, because there was distress, Mr. President. We were then staggering helplessly and blindly, and some persons were staggering hopelessly, in the wilderness.

I can vote for almost any kind of a regulatory bill. The amendment that I propose in the form of a substitute bill this afternoon is not anything more than a 40-hour-week bill. That is all it provides, unless there are millions of men out of work. After that, it is intended to give labor economic force by creating a little competition for labor. I am willing that there should be a minimum wage, although I make no provision for that in the amendment; but to me it seems a farce to propose a minimum wage of $16 a week. I want to give labor a position of strength by keeping apace with inventive genius. My amendment is intended to do that, and will do it.

The original bill may have the effect of retarding wages. There is a ceiling for wages in the bill, but there is no floor, Mr. President.

My amendment cannot be laughed off or brushed aside by those who want to help labor. As I said a few moments ago, I introduced it in the form of a bill before the pending original bill came to the attention of the Senate; and I should like to take just a moment to say that I experienced a pleasant feeling just a little while ago when the so-called Black-Connery bill was under consideration before the combined committees of the House and Senate.

I noticed that the proposal which I now offer was submitted to the House by no one other than the able, brilliant, generous, self-effacing, and self-sacrificing chairman of the Committee on Labor of the House. I did not ask Representative Billy Connery to introduce that bill. I do not know why he did it, Mr. President; but I assume that he must have seen some possibilities in it, that he must have recognized some plausibility in it, when of his own accord he presented it to Congress in order that it might be before his committee.

In fairness to him and in fairness to my own feelings, I think I ought to take just a moment here—and I am sure the Senate will not deny me this—to pay a word of tribute to that great chairman. There used to be a practice here, Mr. President, as you (the President pro tempore in the chair) will remember better than some other Members, of setting aside in the Senate a day each year when Members of this body might digress from their regular labors to give expression to their sentiment and their admiration and their feelings for Members of the body who had been called away. It seemed to me a noble and a beautiful practice. I am sorry it has been abandoned, because while all of us here have the right to get up and pay any kind of tribute we may desire, there is a feeling on the part of some of us who do not speak often that it is trespassing a little bit on the regular business of the Senate. Such a practice exists in another body. A great many Members there have paid tribute to this man who worked so untiringly and successfully on behalf of labor; and for my own sake and comfort, and because of the great admiration and affection I had for him, I should like to pay a word of humble tribute to my former colleague in the House.

Mr. President, I said that this is a simple amendment, but I want to point out that it approaches the subject of unemployment in a way that seems to me most important. It has been said on the floor of the Senate this afternoon that no member of the Committee on Education and Labor can know how many industries will be affected if the pending bill becomes law. There is a great difference of opinion concerning how many persons are out of work. We use different figures at different times. We do not know how many industries will be involved. We do not know how many persons who are without employment are physically and mentally able to go to work. It seems to me that even at this late day Congress should assume its responsibility and take steps to find out what is the true situation concerning the greatest problem that has ever confronted the American people except in time of war.

Recently Members of Congress suffered great mental anguish because of a proposal concerning the Supreme Court. We have been torn almost apart many times because of unusual proposals which have come before us concerning agriculture and concerning industry.

I come from an industrial neighborhood. I hope not, but perhaps I am a little partisan in that direction. I like to believe that I am just as much concerned with the sharecropper of the South and the tenant farmer of that section, and just as much concerned with the little man who lives in a dimly lighted home on the plains or on a hillside in Vermont, as I am interested in the people of my State. But most of our problems, most of our legislative proposals of serious importance, go back to one thing—the subject of unemployment, the need for taking care of those people who are out of work.

I was stirred, as were other Members of the Senate, by the eloquence and the sentiment of the speeches of the Senator from Alabama and the Senator from Massachusetts. I remember the campaign pledges of my party in 1932 and 1936. I am concerned with the forgotten man, the forlorn woman, and the forsaken children. All because of unemployment we are here this late, and experiencing a great difference of opinion.

The proposal I make provides for a census of unemployment, not one that will take months, not one that will require a great army of men, but a census just like that taken during the uncertain days of another period, the uncertain days of 1917, when millions and millions of the young men of this country went to the schoolhouses to enroll, on one day, the 5th of June, I think it was.

There is now scattered all over this country almost enough machinery to start such a proposal. In every district are the reemployment offices of the Department of Labor, manned by those familiar with unemployment, men who to a considerable extent are familiar with the details which go with unemployment.

The proposal I make intends to set up boards comparable to the draft boards of another day, not compelling, but inviting people who are unemployed to register, with an additional provision; and I ask the attention of those Senators who are concerned with balancing the Budget, and I ask the attention to those Senators who were willing to submit the residents of my section to the necessity of a pauper declaration in connection with the relief roll. I call attention to the proposal in this amendment that if men willfully refuse to register in this voluntary census with purpose or intent, they be denied the opportunity to further obtain work on governmental relief rolls.

I might say, as I made an appeal for this proposal, that it will get little applause from industry. I cannot honestly believe that industry wants this suggestion of mine carried out. I did notice in the press, however, that one man who operates three factories in this country suggested to the chairman of the combined committees of the Senate and the House that they discard the proposal they were considering and accept the proposal I had made.

I did not in person ask labor how it felt about this proposal. The idea is my own. It probably needs correction and revision, even if it can work; but I have not had a word of opposition from any of those concerned with labor, and I have sent copies of the proposal far and wide among laboring men. I have heard of no opposition from the heads of any large labor organization.

I ask permission to insert in the RECORD at this point, in connection with my remarks, a letter which came to the offices of Senators yesterday from Mr. John Possehl, general president of the International Union of Operating Engineers. I commend it to the attention of Senators. It is a most interesting analysis of the matter now under consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
Washington, D. C., July 23, 1937.

Subject: Fair Labor Standards Act of 1937 (as reported with an amendment).

Mr. WILLIAM GREEN,
President, American Federation of Labor,
Washington, D. C.

DEAR SIR AND BROTHER: On date of June 3, 1937, I addressed to you an analysis of the Fair Labor Standards Act of 1937, as originally introduced in the Senate and the House of Representatives by Senator BLACK and Representative Connery, respectively. I am taking the liberty of sending you now an analysis of the amended bill as it is at present before the Senate:

On May 24, 1937, the President sent to Congress a special message in which were discussed methods for the establishment of fair labor standards. On the same day two bills—S. 2475 in the Senate and H. R. 7200 in the House, and together known as the Black-Connery bill—designed to fix such standards by law, were introduced and referred to appropriate committees. Hearings were held before a joint committee and on date of July 8, 1937, Senator BLACK reported S. 2475 to the Senate with an amendment in the nature of a substitute and a report, No. 884.

The bill, and hereafter that term refers to the bill as amended and reported, exhibits marked changes in a comparison with that originally introduced. It is less devious. More important, it does not carry, providing it is enacted into law, so sweeping an assumption of authority. On the other hand, it does include elements which are faulty and which should be discussed.

From the legislative declaration part I, section 1 (a) have been eliminated two clauses: (4) Which states that the employment of workers under substandard conditions "causes industrial dislocations directly burdening and obstructing interstate commerce"; and (6) "causes undue price fluctuations impairing the stability of prices of goods in interstate commerce." It seems a reasonable conclusion that the clause last quoted was excluded with the thought that in it were to be read potentialities if not necessities of price fixing. An assignable reason for the omission of the first of the two quoted clauses does not as easily come to mind. Its principle appears to be clear and if it was the truth in the original, it probably is also the truth in the amended bill.

Whatever may have been the motives or the reason on the broad ground that the phrasing of legislation should be made as simple as possible, the result of the two exclusions is doubtless salutary. The opening sentence of the section, however, remains unchanged, and it still stands as the declaration of the evils of employment under substandard labor conditions in the production of goods for interstate commerce or "otherwise directly affecting interstate commerce."

But little commerce exists which does not directly affect interstate commerce. In a nation woven into as solid a unit as are the several States of the United States through all the varied systems of communication that part of commerce which is so purely intrastate as to have no direct effect on interstate commerce is relatively unimportant. In those few words last quoted the pending bill holds a device which opens the way for Federal regulation of all commerce.

In the section given over to definitions one commendable change is to be noted. The offending definition of a labor organization which made possible the legal recognition of the company union has been omitted. Others have been excluded, including that perfect rhetorical gem which stated that "The singular includes the plural and the plural includes the singular."

Other definitions are broadened. That, for instance, of employees includes workers in agriculture, as in the original bill, and then proceeds to define agriculture as including cultivation and tillage of the soil, dairying, market gardening, poultry, and so on through a substantial list of activities. In respect of that definition a single thought is expressed, that in some branches of agriculture, particularly the last three of those named above, are employed workers of exactly the same trade classifications as those to be found in other forms of industry who are presumed to benefit under the terms of this bill.

The definition of child labor is also greatly broadened. That, however, is not discussed here, nor are any of the effects of the bill upon the employment of child labor given discussion. It is felt that those parts of the bill can be treated much more effectively by those whose field of endeavor brings them more clearly into contact with that form of employment.

In no important particular does that section devoted to the Labor Standards Board vary from the corresponding section in the bill as originally introduced. Indeed, with the single exception that the amended measure includes a statement giving to the board authority to adopt its own rules of procedure, the two are identical. That fact does not indicate, though, that the section is not open to critical comment.

The truth is quite the opposite. In the matter of the appointment of the board there is no lessening of the evil, no shrinkage in its impracticabilities. The difficulty of reconciling industrial areas with geographical reasons is present in the same language as before; the same complete lack exists of expressed qualifications which shall be possessed by those who may be appointed to membership on the board.

The failure to define requirements satisfactorily for service makes that section of the bill objectionable to organized labor. It is not necessary, it will be observed, that members should be acquainted with even the most simple rudiments of industrial practice. No requirement is introduced that members shall possess any specialized skills. There is no suggestion that there should be demonstrated any degree of interest in the problems of labor, whether organized or unorganized.

Parenthetically, it should perhaps be said that at the convention of the American Federation of Labor held in 1936 at Tampa, Fla., the question of legislation covering various aspects of labor relations held the attention of the committee on resolutions. That committee reported a resolution, unanimously adopted by the convention, which assumed the position that the American Federation of Labor would not support legislation which did not provide for direct representation of labor on any administrative body to be established by the measures under discussion. The pending bill carries with it no such provision.

The fourth section is opened with a series of propositions followed by a declaratory paragraph which concludes subsection (a) of that section of the bill. Of those premises there are six with some of which complete agreement comes swiftly and quite without effort. Others require thought before full accord can be reached and in one instance it is difficult to give much more than a somewhat qualified assent.

There is but little hesitation in saying that a weekly wage of $5 or less is unconscionably low. There is none at all in a further statement that if the conditions of the business are so unstable, if its debit and credit relationships are so precarious or its margin of profit so narrow as to compel the payment of a $5 wage, then the time is at hand for that business to conclude its affairs and to turn its capital into other channels of investment. To those industrial organizations which, operating under normal conditions, find it essential to engage in a workweek of 84 hours, the same thoughts, though perhaps somewhat modified, are applicable.

No doubt can be entertained that such low schedules of wages and such high schedules of hours create unfair competition among employers of labor. The necessity that workers in the United States be protected by the elimination of substandard wages and hours will not be denied. General agreement will be found in the expression of an opinion that the changes necessary to achieve the results must be developed carefully and cautiously without disruption or dislocation of business and industry.

On that last a word may be offered. It must not be construed as a defense of low wages and high hours when it is said that the resulting change, if the bill becomes law, is bound to be drastic. No matter how careful and cautious may be the procedure, disturbance and dislocation of industry are certain to occur. It is impossible through mandate having the force of statute, to impose new schedules of wages and hours upon an industry without disturbing that industry. The disturbance may or may not be far reaching; it may or may not be particularly grave. It may extend over a long period or be only temporary, but disturbance will follow.

Against the premise which says that those workers whose wages are the lowest and whose hours are the longest and who are unable to improve their condition through the medium of collective bargaining, a certain dissent must be laid. There are organizations ready and qualified to give them aid. There have been such organizations in the past. On that single point nothing further need be said.

The series of propositions having been stated, it is declared to be the policy to maintain minimum-wage and maximum-hours standards at levels which shall be conducive to the general well-being of workers and, at the same time, operate to the profitable operation of business. It is all notably praiseworthy.

The text plunges, then, into the details of the measure. First to be noted is that it is mandatory upon the board to declare minimum wages, whereas in the original bill that was a qualified authority; that is, only when the board had reason to believe that wages lower than fair minima were paid was it obliged to make investigation and determination and to issue corrective orders. Until the board had been persuaded of a substandard condition nothing could happen.

Providing, then, that opportunities for employment shall not be curtailed, the board shall from time to time declare minimum wages which shall be adequate for the occupation or occupations to which they are applicable. From the context the word "occupation" obviously refers to the means of livelihood pursued by the worker. There is no reference to industry.

The omission is important. An occupation in one industry may command a different scale or wages, may differ widely in its requirement of skill from the same occupation when pursued in another industry. The tool maker in the precision-instrument industry is in every way, excepting only in the knowledge of the fundamentals of his craft, a different mechanic from the tool maker in an industry where the principal requisite of the tool is that it be sufficiently rugged to withstand long service under hard and not particularly intelligent usage.

It is not necessary to confine illustration to skilled trades. Common labor, for example, employed in the foundry industry is

not the same as common labor employed in, say, the knitted-fabric industry. The differences are both quantitative and qualitative.

Still speaking of common labor, the same differences persist in the separate units of the same industry. In the machinery and machine-tool industry both quantity and quality vary as between the foundry, the several contributive divisions, and the machine shop proper. One of the conspicuous characteristics of common labor is that, in the sense ordinarily accepted, it is not common.

So, if minimum wages for an occupation are to be declared without regard to the varying requirements demanded of that occupation by different industries, the problem, insofar as the board is concerned, is comparatively simple—that is taken strictly in a comparative and not an absolute sense. Great inequities and grave injustices to large groups of workers will result, but those do not affect the problem as it is before the board. If minimum wages are fixed with full consideration of all the differing qualifications for workers in the craft imposed by each one of the employing industries, the board has before it a problem of great and widely ramifying perplexities. If attention is extended not only to occupational characteristics as modified by the needs of the different industries, but beyond those to the distinctions of those characteristics within each industry taken by itself, perplexities multiply beyond ready imagination.

Notwithstanding the enormous maze of detail, how, indeed, can minimum wages otherwise be declared than with full regard to the refinements of differences in occupational employment. If a workman is so unfortunate, so hapless in his birth, family, training, education, ambition, and mentality as to be incorporated into the great mass of common labor, is he to be deprived by statute of the scant advantage in earning power which is his by reason of the fact that he is the possessor of the narrowest of margins of intelligence, physical strength, and willingness over his fellow workers? Whether or not it is easily believed, the fact is that even in the great body of common labor are gradations of ability. They would not be visible to the collective regulative mind of a board but they are clearly apparent to direct employers and to the other workers in the group. It is no denial of the principle of minimum wages to say that those degrees of difference should be recognized and their rewards protected.

Perhaps something of that sort is rather vaguely contemplated by the bill, for it reads that minimum wages shall be declared for the occupation to which they are applicable from time to time. The meaning is not clear. Does it mean that a minimum wage will be fixed for an occupation in one industry at one time and for the same occupation in a different industry at another? Or does it mean that wages for the same occupation in the same industry will be subject to frequent change, or again does it mean that adjustments will be made so carefully and so often as to take account of all or many of the different individual gradations of ability? The last question is probably not the correct one, and yet if it is not, how small a degree of equity, in last analysis, resides in the bill.

After all, the industry in which the occupation finds expression is a most important factor. To the industry, as before mentioned, there is no reference. Apparently, it is not considered necessary that the members of the board should be acquainted with the peculiarities of requirement of the different industries. To it, no matter where or how employed, a laborer is a laborer and that is all there is to it.

It may be the intent to compensate for the failure, to mention industry or the board's conceivable lack of knowledge of industry through the appointment of advisory committees as provided by section 11. There once more is a departure from the original bill, for the measure now pending makes mandatory the use of advisory committees. In the bill, as first presented, the use of such committees was discretionary with the board.

Even in that section of the bill no mention is made of industry. The personnel of advisory committees—equal numbers of persons representing the employees and the employers in the occupation under investigation—justifies a hope that the minimum wage determined will be declared for the occupation in a specific industry, but that is pure assumption. The bill does not so state. The reference is solely to the occupation. By the composition of the advisory committee the difficulties above discussed may be reduced, but not necessarily so. They will not be eliminated.

The minimum wages to be declared by the board shall be as nearly adequate "as is economically feasible, without curtailing opportunities for employment", to maintain a standard of living necessary for health, efficiency, and general well-being. Excellent. But in the minds of the authors of the amended bill as in those who drafted the original measure, although not so clearly apparent, is the same haunting fear that effectuation as law will reduce opportunities for employment.

The feeling is not without justification. How could the fact be otherwise? Again, without defending the low-wage industry or a section—either producing or geographical—of an industry which is definitely substandard in the matter of wages, how is a new-wage structure to be imposed without affecting employment? It cannot be done.

If such an industry employing, for example, a labor force made up in large proportion of unskilled or common labor has reason to believe its average hourly rate of wages is subject to sharp increases ranging upward to perhaps 100 percent, what is likely to be its attitude toward immediate business relationships? Obviously it could well be one of caution. It will be slow to accept orders or contracts involving any considerable volume because of an apprehension that increasing wage costs under law will bring positive loss instead of anticipated gain. It will be reluctant to make substantial commitments for raw materials lest increased cost succeeded by an increased selling price will cause goods to remain unsold or to become stagnant and unmoved until the market shall have had time to adjust itself and become accustomed to the change. So delicate is the mechanism of the market that once out of balance it does not always move back rapidly to a state approximating equilibrium.

Those two conditions out of many which could be recited are not offered in opposition to the adoption of schedules of minimum wages. They are presented merely as indexes of a certain decrease in the employment of labor. Hesitancy in the solicitation of new business and slowness in making commitments for necessary materials can result only in the curtailment of opportunities for employment.

That is not all. What of the workers in the occupational wage brackets next above those for which minimum-wage schedules are declared? Suppose the minimum wage for an occupational group were to be advanced by order of the Board to 40 cents per hour. What happens to those who received that rate before the increase was ordered?

Will the wages of those be correspondingly increased? Probably not. Indeed, from the viewpoint of the employer why should they be increased? If the services they rendered before the enactment of the statute were worth only 40 cents per hour, why should they be worth more after the passage of a law which admittedly does not apply to them? They are not, of course, worth more.

Occurs, then, a congestion of labor around the 40-cent level or at the level to which the board has advanced minimum wages for the occupational group. The employer notes a decided bulge at the declared level and as he believes should be the case with an overexpansion in any particular group of workers at any specified wage rate, he proposed to himself that it be reduced. Let those who have been benefited under the law earn their increased wages. If 40-cent men must be employed, let them earn 40 cents per hour.

The possibilities of curtailment of employment through numerical reduction of occupational groups extend much more widely and in far greater detail than can possibly be recited here. Those constitute a study in themselves. Merely as an index of the evils inherent in the fixation of wages by statute a single and altogether obvious illustration will suffice.

Three workmen, one at 35 cents and two at 30 cents have been employed on a particular job—a total wage cost of 95 cents per hour. Why not speed up a bit—two 40-cent men required under statute—and drop one of the others. The result is both interesting and, as the employer sees it, extremely practical: one man less, a reduced wage cost of 15 cents per hour, and complete obedience to the law. The scheme is sound and it will be followed.

As earlier suggested, the bill carries no price-fixing provisions. It is not argued that such requisites should be included, but in their absence increased wage costs are extremely likely to be translated into increased costs to the consumer. Evidently the authors had that rather strong possibility in mind when the bill was drafted, for in section 8 is found a provision which authorizes the United States Tariff Commission to investigate increased costs resulting from its operation should it become law, and to propose adjustments in rates of duty which would not hold domestic goods in a position of disadvantage in relation to foreign goods.

In identical language, excepting only that the words "maximum workweek" are substituted for the words "minimum wages", the board is placed under mandate to declare a maximum workweek for any occupation or occupations which shall be as nearly adequate as possible to maintain the health and well-being of the workers. The discussion directed toward the minimum wage provisions of the bill does not require any very substantial modification to render it applicable to the subsection devoted to maximum hours. No new points of consideration are raised.

One fact coming from the combination of maximum hours with minimum wages does require brief mention. A maximum of 40 hours of work per week applied to a minimum wage of 40 cents per hour above and below which, respectively, the board cannot function, brings a wage of $16 per week. On the basis of 50 weeks of work—under present conditions a hope rather than a conviction—the return to the individual would be $800 for the year's work. It is not much money.

That is not written scornfully. Any advance that can be secured to labor is worth a great deal. On the other hand, it must be noted that according to the Statistical Abstract of the United States for 1936, the average wage paid common labor in the United States in 1935 in several different industries, all of which come within the terms of the bill, was slightly in excess of 45 cents per hour. The inadequacy of that figure and the data which support it is admitted, but it does point to the strong probability that the benefits of the legislation, if completed, will not extend as widely as its supporters have hoped.

Succeeding that section given over to the establishment of minimum wages and maximum hours is section 5, by which agreements consummated by collective bargaining are presumed to be afforded protection. Apparently a satisfactory measure of protection is granted, but by some who have analyzed the bill it has been pointed out that the inclusion of the phrase "allowed by law" in the opening sentence of the section extends its protective features to the

company union. If that is true, then nothing has been gained by omitting from the amended text section 2 (a) (8) of the original bill, which opened the way to legal recognition of that form of organization.

Even in the face of the probable intent of the language it is difficult to resist a feeling that the bill operates to weaken the structure of collective bargaining. There seems to be evident no reason why employers should enter into agreements with those labor groups which come within the scope of the bill. They will observe the law, if passed, and stop short with observance, excepting only as some unforeseen or uncontrollable factor forces them into a more advanced position. Certainly there is no reason why employers should make collective agreements, for example, 42 cents if under statute they can secure equally good labor at a legalized rate of 40 cents per hour. More and more labor will be brought within the wage schedules fixed by the Board—increases in wages will be met, in large part, by reductions and the strong tendency will be to delay collective-bargaining agreements and to permit existing agreements to lapse without renewal, until by each employer the limit of regrouping labor within declared schedules has been reached.

In section 9, where are recited the general administrative provisions of the bill, it is required that a labor standard order "shall define the occupation or occupations, the territorial limits within which such order shall operate, and the class, craft, or industrial unit or units to which such order relates." In that language the objection that no reference is made to industry appears to be answered. That, in truth, is precisely not the case.

What is meant by the term "industrial unit"? Does it mean one industry—the steel industry, for example—as differentiated from another, say, the leather goods industry? Or does it mean the manufacture of shoes taken apart from the basic leather industry. Or further, could it mean without regard to other materials, the manufacture of fabric shoes. Or once more, could it mean only the foundry division of the machinery industry, and if that is the event, what community of basis will be discovered between the commercial foundry and the foundry as a single unit included in any broader industry?

In that is perplexity, in what follows is real danger, for not only must the board define the class or craft covered by its order, but it has permissive authority to classify employers, employees, and employments. A host of questions immediately arises. They are so many and so varied that they cannot even be suggested here.

Let it be stated briefly that the classification of employers and employees or employments constitutes a task of enormous, if not insurmountable difficulties. So far as this analysis is concerned, employers may be left to speak for themselves and this paragraph will be limited to employees. By whom are they to be classified? Classifications made heretofore by bodies organized for that purpose have wandered so far from fact and practicability as to reduce quickly to absurdity. Most industrial plants, whether they employ many or only a few, have among their workers some whose duties are such as to defy classification by employer, by the employee himself, or by other employees. Even accurate classification, if it were possible, would not satisfy the basic question: the real criterion of the wage lies in the value of the work and not in the classification to which he may be assigned.

In that section of the bill no matter how conscientiously administered, lie certain injustices and an incalculable harm which cannot be avoided. Classification of employees and employments inevitably will rob great numbers of individual workmen of the fruits of their aptitudes. It will take away the rewards of lesser skills and reduce all workmen in the lower wage occupational groups to the level of the mass.

In many respects the bill holds no improvements over the measure as originally introduced. The exempting paragraphs include all the evils, particularly those respecting the employment of learners which were apparent in the bill as first drawn. The full use and meaning of the union label is endangered now as it was before. Probably it is genuinely the intent to limit the operation of the bill strictly to interstate commerce, but ambiguities of language suggest possible confusion in that direction. If anything, the time element is given even less consideration than before. In the bill, as it now reads, almost any period can be devoted to investigation before declaration need be made by the board. That stands as the most serious kind of fault, for it is still a truth—without meaning to be at all cryptic—that the best time to adjust a labor issue is before it arises.

In the bill as it is today before the Senate, appears but little of positive good to labor. It holds even less of positive good for industry. It may be argued that it represents a start toward better conditions for labor and that very likely is true, but any gain which may be accomplished must accrue at such tremendous cost to all, excepting only the comparative few who will benefit directly—to the great numbers of the workers, to the employers, to industry, and to the Nation—that it seems better to postpone those scant advantages until through further time and considerable study, a bill may be introduced which will be demonstrably utilitarian in its scope.

It is but a cold and cheerless argument to say that a poor bill is better than no bill at all. A poor bill is altogether unnecessary. A bill hurriedly prepared is equally unnecessary. The possibilities of positive harm are too grave and far-reaching; the potentialities of danger too apparent to justify hurry. In this case time should not be of the essence.

With kindest regards. I am,

Fraternally yours,

JOHN POSSEHL, *General President.*

Mr. MALONEY. Mr. President, I do not know Mr. Possehl, but I should like to take the time to read a telegram which came to me at noontime in the Senate. A part of this I should like to disregard, that part making personal reference to me, but I want to show the opinion of at least one labor organization. I have since been advised that this is the opinion of other labor organizations about the country on the proposal I have made. The telegram reads:

WASHINGTON, D. C., *July 29, 1937.*

HON. FRANCIS T. MALONEY:

This organization heartily supports your effort to substitute your amendment for the Black wage and hour bill now pending in the United States Senate. Your efforts to secure a 30-hour workweek, to our knowledge, was in full force 5 or more years ago when you were mayor of Meriden. We trust your efforts will be successful.

This telegram is signed by John Possehl, a gentleman I have not met, general president of the International Union of Operating Engineers, and Frank A. Fitzgerald, general secretary and treasurer of the organization.

Mr. President, I have pointed out that this proposal sets up machinery for the purpose of finding out how many physically and mentally able people who are seeking work are without employment. It seems to me that if we are to regulate working hours—and I am committed in that direction, and active as I can be in the movement—we should regulate working hours on the basis of unemployment and need, not by guesswork, not hoping that we can find out by rubbing Aladdin's lamp, or looking into a crystal ball, what the facts are. This is too exalted a stage on which to play that kind of a drama. We should regulate working hours on the basis of the existing situation, and I maintain that this census proposal I have made will furnish to the board which we would create to administer the law the necessary information in a very short time.

I would not stop there, however, because I would not give that board the power to set the hours. So this proposal makes provision that there shall be a flexible and a fluctuating scale of working hours.

I said before that my amendment was really a 40-hour bill. It provides that if 8,000,000 or more able-bodied, physically and mentally efficient people are out of work, we shall have a 30-hour week. It further provides that if there are 6,000,000 and less than 8,000,000 of that type unemployed, we shall have a 32-hour week. It makes the provision that if there are 4,000,000, but less than 6,000,000 of that kind of people without gainful occupation then we will have a 34-hour week, and so on. It seems to me that this provision is most fair. It does not seem to me that those who believe in the regulation of working hours and the need for them can successfully make argument against this suggestion.

Mr. President, I am going down the pathway of the chairman, the very able and brilliant chairman of the Committee on Education and Labor. He wrote a mandatory proposal a long time ago. He proposed a 30-hour week bill. It cannot be said that my suggestion is more drastic than that. Happily the need now is not so great, but I build on his suggestion; I accept his idea and his philosophy, a philosophy that he abandons with his present proposal, and I do it—and I say this with a feeling of humility, of course—upon the economically and scientifically sound suggestion that we have a census to determine what the situation might be.

Mr. President, if Senators want to try to help, if they want to avoid the danger of bureaucratic power, if they want to keep unto themselves the control that belongs to the Congress of the United States and they still want to vote to regulate the hours of labor within reason, they can do it within my proposal.

A little while ago the distinguished Senator from Idaho [Mr. BORAH] made an interesting statement. Perhaps I will not use his exact language, but he began his remarks by the citation of a precedent that was established under the administration of President Hoover, when the Congress delegated its power, within limitations, concerning the tariff. He said he made the prediction here at that time—and I

was then a distant admirer of his—that a precedent was being established which would some day come back and haunt the Congress and the American people. This afternoon he said, "I told you so", because in recent days a law was enacted concerning reciprocal tariff treaties, and now Congress sits on the side line.

That can happen here, Mr. President. We can delegate this authority if we so desire. I question the constitutionality of the delegation. I question very much the wisdom of the procedure. I do not say the board will cause havoc. I do not say that this board under any circumstances will create chaos. I cannot be certain that it will not work just as well as the great-hearted chairman of the committee, the senior Senator from Alabama [Mr. BLACK], hopes it will work. But I know the inherent danger that lies in it. I have been a long time with this proposal. I know the possibilities that may result from it. I know the uncertainty that it gives to men in an industry. I know that they will wonder today, as they like to plan for tomorrow, what may be in store for them.

So I say again, Mr. President, that those who want to give economic force to labor, who want to do something for labor, for that kind of labor which gets more than $16 a week, as well as for the unfortunate and abused and exploited labor that gets less than $16 a week, cannot do it through this proposal, and I seriously doubt that they can do it through the original bill. I cannot see that this proposal is helpful to the vast majority of men and women who work in this country, because most of them get more than $16 a week. There is no protection there for them, excepting the possibility that by taking care of some of the few—and I hope they are few—underneath, we can add to the spending power.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. MALONEY. I yield.

Mr. BLACK. The Senator does not understand, does he, that the bill under consideration is limited, insofar as hours is concerned, to those who make under 40 cents an hour?

Mr. MALONEY. No; if I understand the bill correctly, however, the board can set hours at 68 hours a week, if it so desires.

Mr. BLACK. The board has the right to fix hours down to 40; the Senator is correct. I do not understand the Senator, do I, to believe that the Government should attempt to fix wages in the higher brackets? I understood it was an implied criticism of the bill, because the bill does not attempt to fix wages over 40 cents an hour.

Mr. MALONEY. I should like to say in reply to that, that up to now it has not seemed to me necessary that we attempt to fix wages. It seems to me that our problem is to provide a way for men to go to work, a way to provide an economic force for labor, a way to create competition for labor. If we give labor an economic force, labor in this country is well able to take care of itself concerning wages.

Mr. BLACK. Then, as I understand, the Senator does not believe that this bill should attempt to adjust wages in any way over 40 cents an hour, does he?

Mr. MALONEY. It would not hurt my feelings by going above that. As I said a moment ago, I have left it entirely out of my proposal.

Mr. BLACK. I understood that the Senator did not favor even a minimum wage.

Mr. MALONEY. I did not say that. I am sorry if my language misled the Senator. I said that I left that from my bill. I say that I would not oppose it. I am not sure that it is necessary. I think perhaps a minimum wage is necessary, but I think it is rather futile to set a minimum wage at $16 a week, and I say that with this qualifying statement that I know it would do good, because in my part of the country I have seen labor exploited.

I have seen sweatshops move in there from other places. No one here needs to make a sentimental speech to attract my vote. No one here needs to make any special plea concerning people who work in order to get me on his side. I know more about it than most Members of the Senate. I know what it is to go to work before the break of dawn in the morning and get home after dark at night—and work for 5 cents an hour. I know where this one-third of our people, who are ill-clad, ill-nourished, and ill-housed, live. I know their problems. I have lived where they live. I have worked where they work. I want to write a law that will protect these people. I am concerned with that subject.

Mr. BLACK. Mr. President, will the Senator from Connecticut yield?

Mr. MALONEY. I yield.

Mr. BLACK. As I understood the Senator—I may have been wrong—he criticized this bill impliedly because it left the jurisdiction to fix a minimum wage at 40 cents an hour. The committee was of the opinion that it was not wise for the Federal Government to attempt to fix wages in this country above the minimum. The committee was of the opinion that that should be left to bargaining between the employees and the employers, and that the jurisdiction should be left at that point—simply to provide a minimum wage. Is the Senator out of sympathy with that position of the committee?

Mr. MALONEY. Let me answer the Senator by saying that I am in hearty accord with that.

Mr. BLACK. I thought the Senator was, but I wanted to get that clear in the RECORD.

Mr. MALONEY. Yes; I am in hearty accord with that, but otherwise the bill does not go far enough for me.

Mr. President, I have said that if Senators want to avoid the delegation of power to a bureau, if Senators want to hold in Congress the power that belongs to Congress and still want to vote for the regulation of working hours, my amendment affords a way.

If Senators want to relieve manufacturers of the terrors of uncertainty and still help labor, it seems to me the amendment which I have offered points the way. If Senators want to regulate working hours without raising the question of the delegation of congressional power, it seems to me my amendment affords the opportunity. If Senators want to try to help those whose training and skill carry them above a $16-a-week wage, it seems to me my amendment gives that chance. The minimum-wage proposal does not very much help anyone who now gets over $16 a week; but if Senators want to kill sweatshops, if they want to help the honest and fair manufacturer who is concerned with fair treatment of those who work for him, in my opinion, my amendment gives that opportunity.

There is a difference of opinion in the Congress and a difference of opinion everywhere concerning the plight of agriculture, concerning the way in which agriculture could best be helped. There are those who come from the farming sections of the country who maintain that we should take care first of the farmer. Most of the time here, about all of the time, if my recollection serves me well, I have been concerned with helping the man who devotes his life to agriculture; but it seems to me the best way we can help agriculture is by giving a buying power to labor through economic force. Give labor a chance to buy the produce and the products of the farm. Men and women in the large cities, men and women in the urban communities, have no chance to buy in abundance the things raised on the farm; but if Senators will join in the adoption of my amendment, which would regulate hours of labor and protect industrial workers, I am satisfied they would be casting bread upon the waters.

I might say that, although it was not contained in my original suggestion, my amendment contains a clause relating to child labor. I inserted it because it was in the original bill and because I favor it. To those who are concerned with the great and terrifying problem of foreign labor, foreign competition, the importation of foreign-made goods, "coolie labor", as it was called on the floor of the Senate today, I say that my amendment will safeguard against those things.

Mr. President, I am very grateful to the Members of the Senate for listening to me so long. If I have impliedly made any charges against the Black-Connery bill, I did not mean to make them. I think the Committee on Education and Labor, as has been said by other Senators, under all the diffi-

cult circumstances, did a splendid job, considering, too, the brief time they had to devote to the proposal. If we are going to act upon that kind of a measure, let us have a little more time. Let us not give away something that we cannot get back. Let us not give away something that I sincerely believe cannot much help labor.

I know this proposal has some labor applause in high places. I know this is an administration bill. I know how it came up here. Mr. President, I love it here, and I should like Presidential favor. As much as any man, I want Presidential friendship, and I think I have it. I said sometime ago, in another body, in a speech, that the President of the United States would burn at the stake for his opinion. If that is true—and I believe it is—he must have a great respect for every man who would go far to maintain the convictions he has. He must have a natural admiration, because he is that kind of a man, for one who will endeavor to foster the things he thinks right.

I believe the Black-Connery bill is not the best way to go about this matter. I believe that if there is a right path, if there is a safe road within the Constitution and the traditions of democracy, it is pointed out by my amendment, and I commend it to the consideration and judgment of the Senate.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LA FOLLETTE. What is the pending amendment?

The PRESIDENT pro tempore. The question is on the adoption of the amendment of the Senator from Mississippi [Mr. BILBO] to the amendment of the Senator from Oregon [Mr. MCNARY].

Mr. HARRISON. Is not the question on the adoption of the amendment of the Senator from Oregon?

The PRESIDENT pro tempore. The junior Senator from Mississippi [Mr. BILBO] offered an amendment inserting the words "the ginning of cotton." The pending question is the amendment of the junior Senator from Mississippi to the amendment of the Senator from Oregon. Therefore, any other amendment is not in order at the present time.

Mr. REYNOLDS. Mr. President, I send to the desk an amendment to the pending bill, which I ask may be printed and lie on the table in order that I may offer it at an appropriate time.

The PRESIDENT pro tempore. The amendment will be printed and lie on the table.

The question is on agreeing to the amendment of the Senator from Mississippi [Mr. BILBO] to the amendment of the Senator from Oregon [Mr. MCNARY].

Mr. BILBO. Mr. President, I understand the Senator from Oregon will accept my amendment.

Mr. MCNARY. Mr. President, I was about to announce that fact. After conferring with a number of Democratic Senators I have perfected my amendment by including the amendment offered by the Senator from Mississippi. I ask that the clerk may now report my amendment as perfected.

The PRESIDENT pro tempore. The amendment of the Senator from Oregon, as modified, will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 60, line 20, before the period to insert a colon and the following:

Provided further, That the provisions of this subsection shall not be applicable with respect to any person employed in connection with the ginning and baling of cotton, the canning or other packing or packaging of fish, sea foods, sponges, or picking, canning, or processing of fruits, or vegetables, or the processing of beets, cane, and maple into sugar and sirup when the services of such person are of a seasonal nature.

The PRESIDENT pro tempore. The Senator from Oregon has the right to modify his own amendment by incorporating in it the amendment of the Senator from Mississippi. Therefore the question is on the modified amendment of the Senator from Oregon to the amendment reported by the committee in the nature of a substitute.

Mr. HARRISON. Mr. President, I desire to ask the Senator from Oregon whether his amendment applies only to hours, or whether it applies both to wages and to hours.

Mr. MCNARY. It applies only to the provision relating to the maximum hours for which labor may be employed.

Mr. WAGNER. Mr. President, I am really in search of information. As I heard the amendment read—perhaps I was mistaken—it seemed to strip the bill bare of almost everything. I should like to ask for a statement as to the number of employees earning low wages who would be excluded from the protection of the pending measure by the proposed amendment as now modified.

Mr. MCNARY. Mr. President, I have not any data with regard to the number of employees. The amendment touches only seasonal labor, and only that portion of the bill which affects the hours of employment, and not the wage to be paid.

Mr. WAGNER. It affects only what type of labor?

Mr. MCNARY. It affects seasonal labor only in the enumeration set forth.

Mr. WAGNER. Does that include the canneries throughout the country?

Mr. MCNARY. Those that have seasonal employment of labor. Furthermore, the amendment affects only the hours that may be worked, and not the wages to be paid.

Mr. WAGNER. Of course there are some canneries in the country which have so reorganized their operations that they are no longer seasonal in character. They operate throughout the year; but it would be a very simple matter for them to revert to a seasonal plan in order to escape the operation of this measure.

I am thinking of our experience in New York. I am wondering if the Senate would desire to exempt from the operation of this measure cannery employees of the class whom we discovered in our own State to be among the most exploited industrial workers. The canning industry is a truly manufacturing industry. The canneries employ very young persons, and even extreme child labor is used in many States; although in New York some years ago we entirely abolished this type of exploitation.

What is being proposed here is that an exploited class of workers who are employed in a manufacturing industry shall be excluded from the protection of the bill. It is not a question of children working upon the farm, or picking berries, or something of the kind. I visited many of them in my State as head of a commission and I know that the canneries are large manufacturing institutions all over the country.

Mr. KING. Mr. President, may I make a suggestion to the Senator?

Mr. WAGNER. Yes; I yield to the Senator from Utah.

Mr. KING. I know of some canneries which operate only a few months during the year. The work is entirely seasonal; and in some of those cases the farmers who raise the product that is canned are themselves interested in the canneries. As I say, some of those canneries operate only 6 weeks or 2 months during the year, and, of course, it would be impossible for them to observe an 8-hour day or a 7-hour day, because the products spoil very quickly, and sometimes the canneries have to run all day and all night. How would the Senator deal with cases of that kind?

Mr. WAGNER. Mr. President, I am not familiar with these very small canning institutions. There may be some such as the Senator mentions; but, in any event, my answer is this: I do not care whether the manufacturing unit is a small one or a large one; the American people are opposed to the exploitation and oppression of workers in plants of any size.

We discovered, during our investigation in New York, that prior to the time any legal protection was afforded, women were actually working 19 and 20 hours out of 24 during the seasonal period, under the apology that "the work had to be done in a short time." After the disclosures, we passed laws which limited the hours of work, absolutely prohibited child labor, and we also regulated wages. The same canneries today are more prosperous than they were during their enjoyment of the privilege to exploit the young and defenseless.

Mr. WALSH. Mr. President, I should like to understand the amendment of the Senator from Oregon. First of all,

I understand that his amendment does not ask for any exception as to compensation in the case of wage earners in the industries mentioned in his amendment. He provides that they shall all be subjected to the provisions of this measure in their desire to receive a minimum wage of 40 cents per hour. Am I correct?

Mr. McNARY. That is correct.

Mr. WALSH. The amendment simply and solely seeks to eliminate the penalty provided in the bill if more than 40 hours' work per week are required in the case of seasonal occupations and excludes all industries which work more than 6 months per year?

Mr. McNARY. That is correct.

Mr. WALSH. In view of those facts, I am inclined to support the amendment.

Mr. BLACK. Mr. President, I do not desire to discuss the amendment again. I expressed my views on it yesterday. I fully agree with the Senator from New York [Mr. WAGNER] in the views he has expressed.

Mr. HARRISON. I ask for the yeas and nays on the amendment of the Senator from Oregon.

Mr. WALSH. Mr. President, I dislike very much to disagree with the chairman of the committee; but I understand that the only purpose of the amendment to exclude industries which operate only 6 months in the year, during the rush season of canning, from the penalty provided for working over 40 hours per week.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. WALSH. Yes.

Mr. BLACK. I may say to the Senator that I stated on the floor in the beginning that, in my judgment, it would be improper for industries purely of a seasonal nature, such as those that can perishable fruits or vegetables, to be brought under the law by the board. I made the same statement with reference to the business which has been mentioned by the junior Senator from Mississippi [Mr. BILBO], the cotton gin. These are purely seasonal industries that require work to be speeded up during the brief period of operation. There are others in the canning business, however, such as those mentioned by the Senator from New York, that are not purely seasonal.

Mr. WALSH. Where such establishments can give their wage earners only 6 months' work during the year, if they can give them 10 hours' or 12 hours' work a day during those 6 months, why should they not have the right to do so without being penalized?

Mr. BLACK. I agree with the Senator that they should. The bill at the present time provides for such matters being taken up by the board which is to consider them in order that we may not exclude from the operation of the bill other establishments of the type mentioned by the Senator from New York.

Mr. WALSH. In other words, the difference between the Senator from Oregon and the Senator from Alabama is that the Senator from Oregon wants the exception definitely fixed in the bill, while the Senator from Alabama believes that the bill itself provides discretionary power for the board to make the exceptions.

Mr. BLACK. There is no disagreement whatever between the Senator from Oregon and me as to the necessity for excluding purely seasonal activities which cannot operate in any other way except by speeding up the work at a particular time. The difference is that the Senator from Oregon has an amendment which proposes to write it into the legislation. It is my idea that in doing that the act might go further than even the Senator from Oregon, or some other Senators, desire to have it go, because I am sure the Senator from Oregon does not desire that institutions which are not seasonal, and which can extend their work over the year, should be excluded from the operation of the law. It is merely a difference in method and not a difference in opinion as to the particular type of activity.

Mr. WHEELER. Mr. President, if I may make a statement, I understood from the Senator from New York that the bill does include at the present time seasonal occupations, such as canning. Quite frankly, if we are to exclude them—and it is said they are excluded now—they can be excluded under the bill, whereas under the bill it is simply left up to a board to exclude them. If that is the case, I should rather see written positively into the law a provision to exclude them than I would to have it left to a board to say whether they should be excluded or should not be excluded. I had thought that the bill provided that they should not be excluded.

Mr. BLACK. Those of a seasonal nature. The bill does give the power to provide exemptions for those of a seasonal nature, as in my judgment, it should do.

However, I may state, as I said yesterday or the day before, I have no hope of defeating in the Senate any amendment which is brought up with reference to the canners. I have had such amendments up before, and while I would like to hope they could be defeated, I have little hope that they can be defeated.

Mr. BARKLEY. Mr. President, let me ask the Senator from Oregon a question. Is not 6 months a little long for a seasonal period in canning industries? The canning season is during the tomato season or the fruit season. Is not a period of 6 months a little lengthy?

Mr. McNARY. That criticism was suggested, and I met it by striking that provision from the amendment, which now reads "seasonal in nature."

Mr. WAGNER. Mr. President, I am still looking for enlightenment. Of course, there are industries other than the canning industry which run for a period of 6 months. One of the great studies upon the question of employment has dealt with "regularization", namely, the spreading of job opportunities over the full-year period.

But so far as this amendment is concerned, every industry which is not "regularized" is left free to grind its workers down for 20 out of the 24 hours. What Senator wants to leave an opening for that kind of oppression?

Mr. WALSH. Mr. President, I agree with all the Senator has said about the miserable wages paid in the canneries and the long hours the employees work. But the pending bill will give permission to fasten upon any industry that is in the canning business 40 cents an hour as the minimum wage, and the amendment of the Senator from Oregon would permit them to get 40 cents an hour 2 hours or 4 hours longer during the short period they are working. I agree with the Senator that if there were no provision written into the bill giving them control over minimum wages the Senator would be absolutely correct. All the amendment does is to provide, "You will have control to limit it to 40 cents, but all we will require is that, in view of the fact that you are not going to work the year around and these people have to earn in a short period enough to support them the year around, we will let them work 10 or 12 hours, but the minimum wage shall be paid for every hour."

Mr. WAGNER. You do not say 10 hours. You say they may work whatever hours the employer may exact from them.

Let me say something about the employees in the canneries. They are not an organized group. Most of them are women, and in many of the States children as well. How are they to be protected against conditions ruinous to their health?

Mr. WALSH. I am surprised to hear the statement from the Senator from New York. I would assume the State of New York would have taken some action earlier.

Mr. WAGNER. The State of New York did.

Mr. WALSH. Could they not stop it?

Mr. WAGNER. We did stop it; but it is being permitted under this bill.

Mr. WALSH. Where?

Mr. WAGNER. In the proposed law the only limitation placed upon the employer is that he is compelled to pay a certain amount per hour, but the number of hours that the unfortunate person may be compelled to work is not limited. There is no free will in the matter when work is the only alternative to starvation.

Mr. WALSH. Under the system in effect in the past they were hired by the day and employed 15 or 16 or perhaps

longer hours. The proposal is that they cannot be hired for more than 8 hours, which would penalize them, because it may be useful and important for them to have 10 or 12 hours a day, in view of the fact that they work only 6 months. But in working them these hours the employer must pay them 40 cents an hour.

Mr. WAGNER. Will you limit it to 10 hours per day? If so, I will go along with you.

Mr. WALSH. I do feel that if a wage earner is living in a locality where the only hope of earning a livelihood is to get 2 or 3 or 4 or 5 months' work, he ought not to be restricted to working 8 hours a day, the same as the worker who works 12 months in the year; and if the employer is in a position to give them 2 or 3 hours' more work during that short period of time, and compelled to pay them a decent living minimum wage, I cannot see very much objection to it. To my mind, it is to the benefit of the wage earner. He gets 80 cents a day more if he works 2 hours longer than 8 hours.

Mr. WAGNER. Let me repeat that tremendous numbers in the canning industry are women; and I cannot understand how anybody can say that it is to the great advantage to women who are forced to work to be forced to work excessively.

Mr. WALSH. Are they now paid per hour or per day?

Mr. WAGNER. Per hour.

Mr. WALSH. Paid per hour now?

Mr. WAGNER. Yes.

Mr. WALSH. So the Senator's objection is not that they do not get enough wages per hour but that they are obliged in this period of time to work 16 or 18 hours a day?

Mr. WAGNER. Exactly. I do not think it is a healthy thing.

Mr. WALSH. Do they get this minimum wage we are providing for?

Mr. WAGNER. When we made the investigation in New York, we took pictures of children 7, 8, and 9 years of age.

Mr. WALSH. When were children 7 years of age working in New York for wages?

Mr. WAGNER. Up to 1911. I do not know whether in the Senator's State children are forbidden to work in canneries, because in most States canneries are excluded from the provisions prohibiting child labor.

Mr. WALSH. My State has had for years a very rigid and a very strict child-labor law and a limitation upon the hours women can work anywhere.

Mr. WAGNER. Including canneries?

Mr. WALSH. Including everything.

Mr. WAGNER. The Senator will find that in most States canneries are an exception. But even so far as the Senator's State is concerned, protection would be denied under the proposed measure where the employers are engaged in interstate commerce. For then the State law would have no application, and the only law applicable would be the law which we are now considering.

Mr. WALSH. The State law would have application until the passage of this pending bill. When this bill is adopted, then, I understand, the industries engaged in interstate commerce will come under Federal jurisdiction and be lifted from under State jurisdiction.

Mr. WAGNER. I do not want to debate endlessly. But I shall never assent to the proposition—whether it be in canneries or anything else—that in this age of enlightenment any employer should be permitted to enslave women or men for 24 hours out of 24. That is what would be permitted if the amendment is adopted.

Mr. President, perhaps I am too advanced. Or perhaps I am too narrow-minded. Possibly women should be permitted during the busy season to work 23 or 24 hours per day. But I cannot believe so. The doctors who went with our commission said that such long hours of work were destructive of women; that it destroyed their opportunity for motherhood; that it undermined them bodily and spiritually.

Mr. WHEELER. Mr. President, I am glad I come from an advanced State which has State laws which do not permit women to work in the canneries 20 or 24 hours a day nor permit men to work in sugar factories or in any other industries for such long hours. However, I wish to ask the Senator from New York a question. In the case of a substandard industry located in any State, an industry engaged in interstate commerce, are not the bars being thrown down by saying to the bureau which it is proposed to establish, "You can permit this industry, by reason of the fact that it is engaged in interstate commerce, to work people longer than the State law provides"?

Mr. BLACK. Mr. President, will the Senator from New York permit me to answer that question?

Mr. WAGNER. Yes.

Mr. BLACK. The bill does not make any such provision.

Mr. WHEELER. Of course it does not make any such provision. However, when Congress passes a law applicable to factories of the type I have mentioned, is the State law effective then so far as interstate commerce is concerned?

Mr. BLACK. The bill specifically provides that the State law does remain effective so far as hours and wages are concerned, if the State provides for a wage higher than the minimum fixed in this bill, or if it has provision for less hours than the maximum provided in the bill. So I am sure the Senator will be glad to know that the question he asks is fully taken care of in the measure.

Mr. WHEELER. I am glad to know that. I gathered from the remarks of the Senator from New York that the bars are being thrown down.

Mr. WAGNER. If the amendment proposed by the Senator from Oregon is adopted they will be thrown down. If I am mistaken I wish to be corrected.

Mr. WHEELER. Either the Senator from New York is wrong or other Senators are wrong in respect to that.

Mr. WAGNER. If the amendment of the Senator from Oregon [Mr. McNARY] is agreed to, is it or is it not true that the owners of canneries throughout this country will be permitted, during the seasonal period of 6 months, to work their employees any number of hours they choose, without limitation? Am I right or wrong about that?

Mr. McNARY. The Senator is entirely wrong. In the State law of Oregon there is a factory act, for instance, which limits the hours for women, and children—not under 16 but over 16—to 9 hours a day. Lately the State of New York failed to ratify a constitutional amendment which would place an inhibition on child labor, but in Oregon it was ratified.

Mr. WAGNER. If that is so, what is the purpose of taking the canneries of the country out of the hour limitation imposed by this bill?

Mr. McNARY. The purpose is so that it shall not be left to the discretion of the Board. I have tried to take that discretion away from the Board and make it statutory in this bill, so that we shall know that the employers must pay at least 40 cents an hour if their goods go in interstate commerce.

Mr. WAGNER. I understand that. But I think the Senator from Oregon misunderstood my question.

Mr. McNARY. But when they have perishable fruits and berries and other things to can which must be canned immediately, they can work their employees in excess of the limitation of this bill, which it is necessary to do in order to preserve the products and to protect the producers as well as the canners. I do not know about the canneries in New York State.

Mr. WAGNER. I am not talking about New York now. I am talking about the effect of this amendment.

Mr. McNARY. The Senator is talking about New York canneries. In my State we do not have canneries that can be operated the year around. I do not know of any cases in which it is possible to operate canneries the year around on seasonal work and with seasonal labor.

Mr. WAGNER. I am sure I have not made myself clear to the Senator. This measure, of course, can affect only industries engaged in interstate commerce. But insofar as such industries are concerned, the entry of the Federal Government into the field would preclude further State action. Therefore, the exemption from this bill of a specific

interstate industry would be congressional action as to that industry, and State legislation would be rendered inapplicable. Would not employers in canneries then have a free hand to exploit?

Mr. McNARY. If they do not come in conflict with State laws and if it is agreeable to the workers.

Mr. WAGNER. If it is agreeable to the workers? The workers must eat, and they must work for whatever number of hours are prescribed. They are not even organized in these industries.

Mr. McNARY. That is wholly a misstatement of the situation that prevails everywhere outside of New York State. I know that in my own State the canneries employ women and men, and children above 16, and some of the workers have become dissatisfied and have quit on account of the wage. It is a free country with free labor. This amendment gives them an opportunity to get an additional sum of money over the proscription made in this bill, if they so chose.

Mr. WAGNER. Of course, I want them to get as high wages as possible, and there are many operators of canneries who will not exploit their labor. But we have always to protect the workers against the menacing exploiter. I still would like a definite answer to my question. Is it true that the canneries, if engaged in interstate commerce, may, during the seasonal period, employ workers any number of hours they choose under the terms of this amendment?

Mr. McNARY. If it is agreeable to the worker.

Mr. WAGNER. If it is agreeable to the worker, that is so, is it not?

Mr. NcNARY. The amendment does not change the philosophy of the act. It is within the power of the board to do precisely the thing that I am trying to do by placing the language in this measure which the Senator from Alabama suggested a moment ago.

I want to take it away from the discretion of the board and leave it in the law as an act of Congress. That is all I am doing. I do not change the general philosophy or purpose and the working conditions at all.

Mr. WAGNER. Mr. President, I should like to get clear what the Senator has——

Mr. BARKLEY. May I assist the Senator, if I can?

Mr. WAGNER. Yes.

Mr. BARKLEY. I am not disposed to support this amendment, but I think it ought to be clearly understood just what it does. If I understand the amendment, it leaves out of the bill these seasonal factories engaged in the canning of perishable fruits, so far as hours of work are concerned.

Mr. McNARY. That is all.

Mr. BARKLEY. Therefore, any State law applicable to those canneries would still be in force, just as they would be if this bill were not passed at all. Is that not a fact?

Mr. McNARY. That is what I stated a few moments ago; yes.

Mr. WAGNER. One further question. After the proposed Federal statute is passed, can a State law regulate the hours of labor in an industry engaged in interstate commerce?

Mr. BARKLEY. It cannot unless it occupies that field.

Mr. WAGNER. We are occupying that field, are we not, by passing this law?

Mr. BARKLEY. No; if we exempt them we do not occupy that field.

Mr. WAGNER. I wish to make clear what my understanding of the situation is. As I see it, a specific Federal exemption of an interstate industry would represent Federal legislation on the subject just as surely as a specific Federal inclusion. In either case State action would be precluded because of Federal occupation of the field. Therefore interstate canneries exempted from this bill would be free from all law and free to do as they please.

May I ask the Senator from Kentucky if it is the desire to vote on the amendment tonight?

Mr. BARKLEY. Yes; we would like to get a vote on it tonight.

Mr. WAGNER. Very well.

Mr. PEPPER. Mr. President, I want the Senator from New York to regard this matter for just a moment. I am in favor of the amendment which the Senator from Oregon [Mr. McNARY] has offered. All of us recognize that we have numerous instances where there should be a reasonable regard for seasonal operations. I am referring to bona-fide emergencies which may accrue from seasonal operations. I am not referring to an industry which may take advantage of a seasonal pretext or excuse to exploit labor.

I think the amendment of the Senator from Oregon has adequate safeguards against exploitation in this way. His amendment affects only the second power to regulate which the board may exercise, namely, the power to reduce hours down to a floor of 40 hours per week. The board could exercise that power with respect even to a seasonal operation were it not for the amendment of the Senator from Oregon if it should be adopted. If, however, the employer is going outside the scope of legitimate emergency in respect to a seasonal operation and is doing what the Senator from New York indicated, exploiting his labor, the board still has a way to protect the employee. That way is the power of the board to regulate wages, which is not impaired by the amendment of the Senator from Oregon.

Where the board would ordinarily permit an existing wage of 20 cents an hour for example in a canning plant, and hours appropriate to seasonal operations legitimately operated, they may, in the case of the exploitation of employees, increase the wage to 40 cents an hour, not for the excess hours, but for every hour the employee works. In other words, they may impose a wage of 40 cents an hour for every hour the employee works, even in a seasonal operation, if the operator is exploiting his labor instead of conducting a legitimate seasonal operation.

If the board does that, what incentive could an employer have to work a person, who has already worked 8 hours, an additional 8 hours instead of getting a fresh employee to do the same work? What incentive to exploitation could there be on the part of the employer to use the same employee to work 18 hours when it would not cost him a penny more to have fresh employees working in shifts of 8 hours each? So I say I think, under the amendment proposed, the board still has supervisory power to protect employees against exploitation, and at the same time that the law itself will take care of seasonal emergencies instead of resort having to be made to the board in every case.

Mr. WALSH. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. Certainly.

Mr. WALSH. Using the illustration of the distinguished Senator from New York [Mr. WAGNER], if an employer should work his men 24 hours a day, he would have to pay 40 cents an hour and they would make $9.60 a day if they worked all day.

Mr. PEPPER. That is exactly true. There would be no incentive for him to work his employees overtime.

Mr. WAGNER. Mr. President, may I ask the Senator from Florida if the wages in canneries are below 40 cents an hour?

Mr. PEPPER. That is the only sphere in which the board has the power to operate.

Mr. WAGNER. Some of them pay more than 40 cents an hour.

Mr. PEPPER. If so, they are outside of the scope of the bill.

There is one very fundamental thing involved in this bill. Many people want us to regulate hours and wages throughout all industries in the United States. I am not in favor of doing that. That is too great a responsibility for any lawmaking body to undertake, and too much power for any board to exercise. I am willing in a reasonable manner to go down to the very bottom of the ladder among those who cannot help themselves, and help them up to a substantial position, a subsistence wage, provided it is done reasonably.

Mr. BARKLEY. Mr. President——

Mr. PEPPER. I yield to the Senator from Kentucky.

Mr. BARKLEY. Am I correct in the assumption that in every industrial plant in the United States where they pay 40 cents per hour or more, the board would have no jurisdiction to take any action of any sort?

Mr. PEPPER. None whatsoever.

Mr. BARKLEY. And where they are working their employees 40 hours per week or less, then neither the law nor the board would intervene in the situation?

Mr. PEPPER. Exactly. It cannot be made too clear, then, that this bill is not designed to regulate hours and wages in industry. Some organized labor groups came before the committee and wanted us to put the ceiling of wage up to 60 or 70 cents an hour. So far as I am individually concerned, if the ceiling ever passes 40 cents an hour I shall vote against the bill because I am not going to be enticed into the field of regulating wages and hours in all business in the United States. If that is to be done, why have collective bargaining? Why have the labor unions and the other groups that want to be self-protecting? What we want to do is to help the disorganized or unorganized group down at the bottom of the ladder that cannot speak for itself and cannot help itself. If we exercise a reasonable restraint upon our own idealism we are going to stop where the limits are fixed in this bill.

Mr. WAGNER. Mr. President, if the bill is idealistic, why place no limitation upon the number of hours one may be employed? Why not fix longer hours?

Mr. PEPPER. I am very glad the Senator asked that question, and I shall be glad to answer it if he wishes.

Mr. WAGNER. Why not say not more than 14 hours or not more than 12 hours, if that is the desire? I do not believe any exception should be made; but, if an exception is to be made, let us make it a reasonable one—not an invitation to exploitation.

Mr. President, I have expressed my convictions, and the matter is now in the hands of the Senate for decision.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oregon, as modified, to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. BARKLEY. Mr. President, it is obvious we cannot conclude the consideration of the bill today. Therefore, it is my purpose to move a recess until 11 o'clock tomorrow morning. It is the desire of those concerned with the proposed legislation to try to complete the consideration of the bill at the earliest possible moment consistent with fair discussion. I am making no complaint at all about the discussion today, because it has been of high order and has been very constructive; but I feel that tomorrow we ought to try to make some speed. Therefore, I am serving notice now that I shall presently move to take a recess until 11 o'clock tomorrow morning.

In that connection, in view of the fact that a committee of the Senate is to confer tomorrow with one of the departments upon an important matter, I will say that I have agreed that we shall not have a roll-call vote on any amendment until after 12 o'clock tomorrow; but we may go ahead meantime with the discussion.

Mr. HARRISON. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. HARRISON. The Joint Committee on Tax Evasion has worked every morning in an effort to report some legislation, so that if the Senate and the House are to adjourn at an early date we may be ready with it and be able to get through. It is utterly impossible for the members of the joint committee on the part of the Senate to meet with the members of the joint committee on the part of the House if the Senate is to meet at 11 o'clock. The joint committee started its session this morning at 9 o'clock, and worked until 11 o'clock. It is absolutely necessary for Senators to give a little time to their offices.

Mr. BARKLEY. I realize that, but I do not think there will be any disadvantage or any inconvenience from the course I propose. The Senator from Mississippi, I know, is interested in an amendment to the pending bill, and the bill probably will be considered most of the day tomorrow; and I shall, of course, see that all Senators who are engaged in committee work are protected between the hours of 11 and 12, so that no advantage will be taken of their absence from the floor.

Mr. HARRISON. I am not only interested in the amendment I have offered but I am interested in the bill itself, because I think it is a very dangerous bill; and I had hoped we might not have to leave the committee to come here at 11 o'clock tomorrow.

Mr. BARKLEY. I think the Senator from Mississippi will suffer no disadvantage in that regard. There will be no roll-call vote between 11 and 12 o'clock tomorrow.

Mr. BLACK. Mr. President, before the Senator from Kentucky makes a motion to take a recess, I desire to say that a great many statements have been made today about the position of the various units of the American Federation of Labor. It has even been reported and rumored that the American Federation of Labor is against the pending bill. I do not believe any such statement to be true.

For example, I hold in my hand a telegram—and I have hundreds of them from all over the country—from Birmingham, Ala., from an organization which represents the 52 local unions of the American Federation of Labor. I have telegrams from all over the State of Alabama, and in fact I have them from all over the country, and whatever may happen I have no doubt as to where the members of the American Federation of Labor stand on the pending bill.

Mr. WHEELER. Mr. President, will the Senator from Kentucky yield to me?

Mr. BARKLEY. I yield to the Senator from Montana.

Mr. WHEELER. Let me say that some members of the American Federation of Labor have telephoned me and telephoned other Members of the Senate and said they wanted to have the bill recommitted. I do not know for whom they were speaking, but they said they were speaking for the American Federation of Labor.

Mr. BLACK. I desire to reply to the Senator by saying that I heard that report, and I called up the president of the American Federation of Labor to ask if he had told anyone that he desired to have the bill recommitted, and he said he had not.

Mr. WHEELER. I think it is due to the Members of the Senate that the president of the American Federation of Labor states publicly where he stands on the bill, because these statements have been made to Members of the Senate by officers of the American Federation of Labor, and were made this afternoon to different Senators whom they called up.

Mr. WALSH. Mr. President, I have just one further word to say about this matter. If the bill is recommitted, it may come back in more drastic form than its present form, because some forces are at work seeking to have incorporated in the bill the terms of the House bill; namely, a minimum-wage limit of 70 cents per hour, and a maximum workweek of 35 hours.

Mr. WHEELER. Mr. President, so that there shall be no misunderstanding on the part of the Senate so far as I am concerned, I desire to say that I am not in favor of recommitting the bill. I am in favor of the passage of the bill. I may support an amendment with reference to the child-labor provision, but I am in favor of the passage of the bill.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. GLASS, from the Committee on Appropriations, reported favorably the following nominations under the Social Security Board:

Benjamin S. Beecher, of Wisconsin, to be principal technical analyst; and

Bernice Lotwin, of Wisconsin, to be principal attorney.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nomination of Robert W. Macy to be postmaster at Moorcroft, Wyo., in place of A. J. Macy, resigned.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

JOHN A. BLASDEL

Mr. CONNALLY. Mr. President, under the head of reports of committees I ask unanimous consent to reconsider the vote by which the Senate yesterday confirmed the nomination of John A. Blasdel as postmaster at Richmond, Tex., and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

Mr. McKELLAR. I have no objection.

The PRESIDENT pro tempore. Without objection, it is so ordered.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

SOCIAL SECURITY BOARD

The legislative clerk proceeded to read sundry nominations of experts and attorneys of the Social Security Board.

Mr. McKELLAR. Mr. President, a number of Senators have spoken to me about various nominations under this head. I therefore ask unanimous consent that they may go over until tomorrow.

The PRESIDENT pro tempore. Without objection, the nominations will be passed over.

Mr. HARRISON. Mr. President, there are some nominations in this category which it seems to me ought to be confirmed. The nominations have been here a long time. In the case of those to which there is no objection, I see no reason why they should not be confirmed. Action on them was put off yesterday. Now a request is made that it be put off again.

Mr. McKELLAR. That is only 2 days, and no harm will be done by letting the nominations go over until tomorrow.

Mr. LA FOLLETTE. Mr. President, I wonder if Senators realize that these employees and servants of the Government have not been able to draw any salary since the 15th of July because of the provision of law applicable to them. It is all well enough to ask that the nominations may go over until tomorrow; but in the case of some of these nominees it is very important that their nominations be acted upon if there is no objection to them. I am not urging the confirmation of the nominations of any to whom there is any objection or about whom there is any reasonable question; but, so far as there is not any objection to the confirmation of the nominations, it seems to me, in all fairness, that the Senate should act upon them.

Mr. McKELLAR. All these nominees are receiving salaries of over $5,000 a year, and no harm will be done to them. They will get their money.

Mr. LA FOLLETTE. I should like to know how many Senators would like to go without their salaries for 2 or 3 weeks beyond pay day.

Mr. McKELLAR. We are not asking that that be done in these cases. We are asking only that these appointments which have been on the calendar for 2 days shall go over until tomorrow. I think that ought to be done, and I think it would be safer for everyone concerned to have them go over.

Mr. GLASS. Mr. President, let me say that these matters have been delayed because of the dereliction of Senators in answering the letters I sent to every one of them asking whether or not there was objection to the nominees, and not until yesterday did the Wisconsin Senators agree upon the nominees from Wisconsin.

Mr. McKELLAR. And their names do not happen to be on the Executive Calendar.

Mr. LA FOLLETTE. Mr. President, I am not referring merely to the nominees from Wisconsin. As a matter of fact, their nominations are not even on the Executive Calendar. They were reported only today. So far as I am concerned, I interposed no objection to the confirmation of the nominations of those men.

Mr. GLASS. I know; but the Senator's colleague [Mr. DUFFY] asked that the Wisconsin nominations be held over.

Mr. LA FOLLETTE. I am not discussing this matter just from the point of view of Wisconsin. There are two or three pages of nominations here.

I desire to ask the Senator from Virginia a question. In every instance of nominations of this character reported from the committee have not the two Senators from the States concerned indicated their approval?

Mr. GLASS. I have. The members of the committee largely have.

Mr. LA FOLLETTE. But may not Senators assume, from the fact that these nominations have been reported from the committee, that no objection has been interposed, so far as the Senators from the States from which the nominees come are concerned?

Mr. GLASS. I assume that that is not the case, because one of the Senators came and asked that the nominations of men from his State be held over.

Mr. LA FOLLETTE. Then I was misinformed. I thought I was informed yesterday by the Senator from Tennessee [Mr. McKELLAR] that in every instance the Senators from the respective States had indicated that they did not desire to interpose objection to those whose nominations had been reported.

Mr. McKELLAR. That is entirely true; but, on the other hand, a number of Senators say that these persons do not actually come from the particular States in which they are interested, and they have asked that the nominations go over. That is true of the Senator from Utah [Mr. KING], the Senator from Pennsylvania [Mr. GUFFEY], and other Senators.

Mr. WAGNER. Mr. President, has the Senator from Utah [Mr. KING] any objection to the nominees from New York?

Mr. McKELLAR. I do not know whether the nominees attributed to New York actually come from New York or whether they come from some other State. I know that one of the men nominated from my State, for instance—and, by the way, I have approved the nomination—has not lived there for many years.

Mr. WAGNER. Where has he lived—in New York?

Mr. McKELLAR. He has not lived in Tennessee for many years.

I ask unanimous consent that when we meet in executive session tomorrow afternoon we may take up these nominations severally, so that no mistake may be made about the matter. I do not think they ought to be taken up this afternoon.

Mr. GLASS. Incidentally, I want it distinctly understood that the Appropriations Committee, to which these nominations were referred, has not been derelict in any sense.

Mr. McKELLAR. Absolutely not.

Mr. GLASS. The very day the nominations were referred to the Appropriations Committee I sent out a letter to the Senators from each State involved; and the report going around that I have opposed the consideration of these nominations is utterly without foundation in fact.

Mr. McKELLAR. I know that to be true.

Mr. BARKLEY. Mr. President, these nominations went over from yesterday until today, and a delay of 1 more day will not do any particular harm. Therefore, I think we may agree that when we take up the Executive Calendar tomorrow the names shall be called individually, and if there is any objection to the confirmation of these nominations it may be made known; otherwise, they shall be confirmed.

Mr. McKELLAR. That is my request.

Mr. CLARK. Mr. President, reserving the right to object, and I do not intend to object, I have no disposition to oppose the confirmation of any nomination on this list, because it may be that it is entirely necessary in setting up this Board to make the appointments almost exclusively from New York and Massachusetts and Wisconsin, but I should like to inquire of some Senator, whoever may be able to answer, how the Committee on Appropriations got jurisdiction of these nominations. The original bill creating the Social Security Board was reported from the Committee on Finance, and how the Committee on Appropriations got jurisdiction of it is something which I think should be cleared up in passing.

Mr. GLASS. Mr. President, the Committee on Appropriations got jurisdiction because it was the Committee on Appropriations which was sufficiently interested in the qualifications of these appointees to provide that their appointments should be subject to the advice and consent of the Senate. Of course, they are not subject to the advice of the Senate, but the Senate must consent.

Mr. CLARK. The Senator will agree with me, will he not, that the original bill was reported from the Committee on Finance, where it was carefully considered for a period of many weeks?

Mr. McKELLAR. That is entirely true, but the Committee on Finance did not require that the nominations be approved by and with the advice and consent of the Senate. When the Committee on Appropriations was considering the appropriations this year it provided that the nominations be made by and with the advice and consent of the Senate, and that brought the matter to the Committee on Appropriations.

Mr. CLARK. I agree with the Senator and with the Senator from Virginia that the Committee on Finance was derelict in its duty, and that by performing a duty which the Committee on Finance should have performed the Committee on Appropriations became entitled to jurisdiction.

Mr. GLASS. The chairman of the Committee on Appropriations and the chairman of the Committee on Finance discussed the matter, and the nominations were referred to the Committee on Appropriations. The Finance Committee is welcome to them.

Mr. HARRISON. Mr. President, when this matter was brought up the distinguished Senator from Nevada, who now presides (the President pro tempore in the chair) expressed the viewpoint that these nominations should go to the Committee on Finance, and stated the reasons why, but the Senator from Tennessee made the motion to send them to the Committee on Appropriations, and the Senate sent them to that committee.

Mr. McKELLAR. That is correct.

The PRESIDENT pro tempore. That is the parliamentary situation.

Is there objection to the request of the Senator from Tennessee that these nominations be taken up tomorrow in executive session?

Mr. McKELLAR. Seriatim.

The PRESIDENT pro tempore. They would be taken up seriatim, anyway, except by unanimous consent.

Mr. BLACK. Mr. President, reserving the right to object, does that carry with it the idea of the time the Senate is to meet in executive session? The request means if we have an executive session, does it not?

Mr. BARKLEY. At the next executive session.

The PRESIDENT pro tempore. Is there objection to the request? The Chair hears none, and it is so ordered.

GEORGE A. GORDON—NOTIFICATION OF PRESIDENT

Mr. BARKLEY. Yesterday the Senate confirmed the appointment of Hon. George A. Gordon to be Minister to the Netherlands. I ask unanimous consent that the President be notified of the confirmation.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the President will be notified.

The clerk will call the next nomination on the calendar.

COLLECTORS OF CUSTOMS

The legislative clerk read the nomination of Clement L. West to be collector of customs for customs collection district no. 46.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Fred C. Pabst to be collector of customs for customs collection district no. 22.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of Leon S. Saler to be assistant surgeon.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Richard H. Smith to be assistant surgeon.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the remaining nominations in the Public Health Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the remaining nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. WALSH. I ask unanimous consent that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Marine Corps are confirmed en bloc.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 30, 1937, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 29 (legislative day of July 22), 1937

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

Robert Frazer, of Pennsylvania, now a Foreign Service officer of class 1 and consul general at London, England, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to El Salvador, vice Frank P. Corrigan.

Frank P. Corrigan, of Ohio, now Envoy Extraordinary and Minister Plenipotentiary to El Salvador, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Panama, vice George T. Summerlin.

DIPLOMATIC AND FOREIGN SERVICE

George D. Hopper, of Kentucky, now a Foreign Service officer of class 4 and a consul, to be a consul general of the United States of America.

INTERSTATE COMMERCE COMMISSIONER

John L. Rogers, of Tennessee, to be an Interstate Commerce Commissioner for a term expiring December 31, 1943, vice Hugh M. Tate.

UNITED STATES ATTORNEY

George T. Mitchell, of Mississippi, to be United States attorney for the northern district of Mississippi, vice Lester G. Fant, whose term has expired.

PUBLIC HEALTH SERVICE

Assistant Surgeon James C. Archer to be passed assistant surgeon in the United States Public Health Service, to rank as such from July 12, 1937.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 29 (legislative day of July 22), 1937

COLLECTORS OF CUSTOMS

Clement L. West to be collector of customs for customs collection district no. 46, with headquarters at Omaha, Nebr.

Fred C. Pabst to be collector of customs for customs collection district no. 22, with headquarters at Galveston, Tex.

UNITED STATES PUBLIC HEALTH SERVICE

Leon S. Saler to be assistant surgeon.
Richard H. Smith to be assistant surgeon.
Ralph S. Lloyd to be passed assistant dental surgeon.
John W. Knutson to be passed assistant dental surgeon.
William P. Kroschel to be passed assistant dental surgeon.
George E. Jones to be passed assistant dental surgeon.

PROMOTIONS AND APPOINTMENTS IN THE NAVY

MARINE CORPS

Russell Lloyd to be captain.
Zedford W. Burriss to be second lieutenant.
James A. Embry, Jr., to be second lieutenant.
Lawrence C. Hays, Jr., to be second lieutenant.
Sidney M. Kelly to be second lieutenant.
William W. Lewis to be second lieutenant.
Austin C. Shofner to be second lieutenant.
McDonald I. Shuford to be second lieutenant.

POSTMASTERS

CALIFORNIA

Ellen Clark Martin, Beaumont.
Ward Robertson, Delano.
Ray Brackett, Geyserville.
Clarence R. Pierce, Gridley.

MONTANA

Clayton S. Hall, Poplar.

NEW JERSEY

Vincent J. Tuite, Harrison.
Frank A. Hynes, North Bergen.

PENNSYLVANIA

Catherine McElhinny, Lincoln Place.
Lewis H. Mensch, Marienville.
Sara A. Jeffries, New Salem.

WASHINGTON

Easton L. Mudgett, Coupeville.
Harry A. Mykrantz, Twisp.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 29, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Help us, O God of our salvation, for the glory of Thy name's sake; deliver us and purge away our sins. Let Thy light break forth as the morning and let Thy righteousness go before Thee. Oh, let us hear the word of the Lord. Who shall ascend into the hill of the Lord and who shall stand in His holy place? He that hath clean hands and a pure heart, who hath not lifted up his soul unto vanity nor sworn deceitfully. Heavenly Father, do Thou help us to live so earnestly and so nobly that we shall prove our title now to all our hopes and dreams. We entreat Thee, blessed Lord, to be graciously near our afflicted Members; may they lean on Thee for returning health and strength. Bless their firesides with good cheer. In the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

Mr. SNELL. Mr. Speaker——

The SPEAKER. For what purposes does the gentleman from New York rise?

Mr. SNELL. Mr. Speaker, I ask unanimous consent to ask the majority leader what the program is going to be for today and tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RAYBURN. Mr. Speaker, answering the gentleman from New York, the program for today is a rule making in order the flood-control authorization bill.

Another matter that may come up today is an extension of an oil compact between certain States which has been reported out by the appropriate House committee.

Mr. SNELL. Is that a different bill from the oil bill we passed in the House a short while ago?

Mr. RAYBURN. The bill to which the gentleman from New York refers is known as the Connally-Dies hot-oil bill. State compacts extend for only 2 years. The matter to which I refer is simply the renewal of a compact. The Senate bill providing for the renewal is on the Speaker's table and I think probably the gentleman from Maryland [Mr. COLE] will ask unanimous consent to consider that bill this afternoon.

Tomorrow in all probability—and I see the chairman of the Rules Committee is here and also the gentleman from Virginia [Mr. BLAND]—there will be a rule providing for the consideration of the Panama Canal tolls bill.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. O'CONNOR of New York. There will be a meeting of the Rules Committee at 2:30 this afternoon to pass on the Panama Canal tolls bill. So it may come up tomorrow.

Mr. SNELL. The gentleman thinks that is the entire program?

Mr. RAYBURN. That is the complete program for this week.

Mr. SNELL. Has the gentleman anything further to tell us about the general program? The report in the newspapers this morning is not very encouraging.

Mr. RAYBURN. I think the report in the newspapers is encouraging.

Mr. SNELL. I am glad to hear that.

Mr. RAYBURN. With the Senate passing the wage and hour bill today, which in all probability they will do, and with the House Committee on Labor saying that they can probably report it out the latter part of this week, certainly the first part of next week; with the housing bill in the Senate in all probability this week, the Senate reaching the court bill next week, and considering the legislative program announced in the papers this morning, unless there is a tie-up on the court bill in the Senate caused by something arising that would cause more debate than ordinary, we can finish all of this program within 3 weeks and feel certain that we can adjourn at that time and not be forced into a session between now and the 3rd of next January.

Mr. SNELL. I thank the gentleman for that information.

COMMEMORATIVE COIN RACKET

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, recently I notified the Members of the House that in the very near future I proposed to address the House upon the subject of commemorative coins and the racket that has grown up as a result of their issuance. I also stated that I would present to you an argument which should prevent the passage of such measures for all time.

I have devoted a great deal of time and study to this subject and in an effort to cut off the further coinage and

issuance of commemorative coins, I have drafted and have today introduced a bill (H. R. 8036) to suspend the execution of commemorative coin acts. This bill will prohibit the further coinage and issuance of such coins under any act of Congress with three exceptions. In order to accomplish this, the bill specifically ratifies any refusal by the Director of the Mint to coin or issue any coins subsequent to the date of its introduction. It is drafted to cover all such acts and will give room to no possible complaint on the ground of discrimination. I have been advised that coins have been ordered and issued under every such authorizing act. The bill is worded so as not to affect those bills which recently were passed by the present Congress. In all fairness to the sponsors of those measures, it is my feeling, shared by other members of the Coinage Committee, that they should be afforded an opportunity to place their orders and receive their coins. In any event, those acts themselves contain express limitations as to time, that is, they expire 1 year from the date of their enactment, with the exception of the Texas Act.

Within recent months, I have thoroughly schooled myself in the undesirable practices which have grown up and the regretful use to which our coinage system has been put by so-called coin dealers. Indeed, the President of the United States, in several communications to the Congress has deplored the abuses and other ill effects resulting from the coinage of commemorative coins and strongly recommended the consideration of legislation which would authorize the coinage of medals in lieu of coins, thus preserving inviolate the coinage system of the United States. I have talked to the President on several occasions concerning commemorative coins and I know he will welcome this legislation.

Congress, many years ago, being cognizant of the dangers and confusion which flow from a multiplicity of designs in our coins, wisely enacted section 3510 of the Revised Statutes of the United States, which reads as follows:

* * * no change in the design or die of any coin shall be made oftener than once in 25 years from and including the first adoption of the design, model, die or hub for the same coin * * *.

With the flood of commemorative coin authorizations, this statute, while still on the books, has in recent years been more honored in the breach than in the observance. I believe that in the enactment of section 3510, Congress enunciated a wise general public policy. Adherence to such a policy would have prevented the present abuses which result from numerous authorizations for the coinage of commemorative coins. The effect of such authorizations has been to encourage trafficking in such issues for private profit, to increase possibilities of counterfeiting, and in general, to detract from the fundamental purpose for which money is issued, namely, to provide a medium of exchange.

From 1892, when the first issue of commemorative new design half dollars was approved, through 1928, a period of 36 years, 18 new design half dollars were authorized. From 1934 to 1936, inclusive, a period of 3 years, 26 new half dollar coins were authorized. In other words, and I want to stress this fact, in the last 3 years we passed more commemorative coin bills than during the entire 36-year period from 1392 through 1928. Surely, this must end sometime and I think you will agree that that time has arrived.

Besides orders for new coins recently approved, continuing orders are received at the mints for coins authorized as far back as 10 years ago—mind you, coins are still being ordered under acts passed over 10 years ago. Under the terms of an act passed in 1926 (act of May 17, 1926, sec. 3, 44 Stat. 559), which authorized the issue of 6 million pieces, the mint is required to fill orders from the interested organization or, as a matter of fact, from a coin dealer, in any amount, large or small, and they may be called for at any time, until this vast quantity is absorbed or until the act is repealed or suspended. Annual orders of coins in situations like this naturally are small, since the fewer coins minted in a given year, the higher the price may go. The change of date each year or, in fact, the slightest change gives the coins a new status to collectors and dealers. This also applies to the minting of the same coin at each mint.

In 1933 one act (act of June 15, 1933, 48 Stat. 149) authorized the coinage of 1,500,000 pieces; in 1934 another (act of May 26, 1934, 48 Stat. 807) authorized the issue of 600,000 pieces; another act passed in 1934 (May 14, 1934, 48 Stat. 776) authorized the issue of 500,000 pieces; and a second act in 1936 for the same organization and commemorative purpose (June 26, 1936, 49 Stat. 1981) authorized an additional coinage of not less than 25,000 nor more than 50,000 pieces with the change of design on one side. One act passed in 1936 (act of May 15, 1936, 49 Stat. 1277) provides that the interested organization shall not take less than 25,000 pieces, leaving the case open for any number above that amount. Consequently, the organization can demand delivery of any number that it can pay for, provided that not less than 25,000 be ordered. It can issue coins forever unless this law is repealed.

By the act of May 3, 1935 (49 Stat. 174), a new coin was authorized for an exposition. The act authorized 250,000 pieces and the organization requested the entire number. At the close of the exposition 180,000 pieces, bearing date of 1935, were returned to the mint to be melted and additional legislation was enacted (act of May 6, 1936, 49 Stat. 1262) permitting the recoinage of the 180,000 pieces, bearing date of 1936.

By the act of June 26, 1936 (49 Stat. 1972), the issue of 200,000 coins, in commemoration of the opening of a bridge was authorized. Only 100,000 coins were called for and of this amount 30,000 are now to be returned to the mint to be melted. The House passed a bill a few weeks ago to permit the additional 100,000 to be minted to commemorate another bridge in that vicinity.

The most casual review of these conditions will indicate the amount of special work imposed upon the already overburdened mints. Such special work diverts the use of machinery, manpower, and consumable supplies from regular channels of operation, when every facility of the mints is needed to meet the demands of the business of this country. Special commemorative orders affect every department of the mints from the engraving department, including intricate and exacting engraving and die cutting, down to the delivery department. Last year the mint had to displace regular coinage while the necessary facilities were being diverted to the manufacture of 734,464 pieces of this special interest coinage. The total coinage in 1926 amounted to about 315,000,000 pieces; coinage in 1936 amounted to about 723,000,000 pieces. The country's demands for coinage are being attempted to be met with the same number of mints now that were in use 27 years ago. It is frequently necessary, therefore, to operate the mints on a 24-hour basis for long periods.

Furthermore, it is believed by the Treasury Department that the ever-increasing issues of special coins is an unwarranted expense and burden to the Government and that some limitation should be put on the time and place for the consummation of such acts as are now on the statute books. It is true that the cost of preparing the models for these coins is borne by the interested organization and that the master dies are paid for by such organization, but the Government must be put to the expense of making working dies and manufacturing the coins. Here is a waste of capital invested in metals required thus diverted from regular coinage. There is, it is true, the seigniorage on the minting of such coins which accrues to the Government. However, the seigniorage, or its equivalent in amount, is gradually lost to the Government over a series of years when subsidiary coins are continuously returned to be melted. Thousands of commemorative coins are continuously returned to be melted. Thousands of commemorative coins which have remained unsold by special organizations, come back to be melted. The metallurgical loss which necessarily occurs in melting silver coins, and the abrasion, must be made up by the use of new silver when such coins are again remade into regular issues, and this is an expense to the Government. The manufacture of such coins requires that part of the rolling mills, counting machines, coinage presses and all other manufacturing equipment must be withdrawn from

regular coinage and used on coinage for special interests. The cost of coinage is a charge against regular appropriations, and absorbs the funds granted for regular coinage.

FIVE 50-CENT PIECES BRING $93

Another disturbing feature of this whole policy, which had developed in the last 2 years, is the appalling extent to which the coins have been exploited for private gain, when coins are intended to be made on Government account. One set of commemorative coins which the wording of the act permitted to be made at each mint, consisted of five types, all made in 1935; one from each mint, two bearing double dates and separate mint marks. This set of five pieces is advertised by a dealer for $93 (five 50-cent pieces worth the face value of $2.50). Another dealer offers two of these coins for $100. Still another issue limited by the act to 15,000 pieces with provision for having them made at "the mints" is advertised at $45 for three 50-cent pieces.

In all cases the coins are delivered by the mint to the agent named in the act. Practice on the part of the interested organizations appears to have grown up of delivering a large number of such coins to dealers for disposal to the public. There is no control over the charge which dealers may make. It is conceded that individuals may pay what they please for a coin, but attention is called to the fact that it is the intention of Congress when the coins are auhorized that the proceeds of the sale of such coins at a reasonable profit, shall be applied to the cost of the celebration which they are intended to memorialize. When coins are gathered up by dealers and offered at such absurd premiums, the profits do not go to the organization but to individual merchants.

No country in the world permits such abuse of its coinage as has been permitted in this country. The practice of issuing commemorative coins is so entrenched that determined resistance seems called for. Every time the importunities of an organization for special coins are yielded to, the defense against the whole pernicious policy is weakened.

Upon a vigorous appeal having been made in 1927 before the Committee on Coinage, Weights, and Measures, when the bill was pending for the issue of the Bennington coin, the committee agreed to cooperate with the Treasury in discouraging the issue of special coins. The committee went on record, in its report on the Bennington coin, in the following terms:

> The committee desires at this time to go on record as not favoring legislation of this class because of the great number of bills introduced to commemorate events of local and not national interest and because such quantities of the coins so authorized have had to be taken back by the Government, melted, and reminted.

In addition, the hearings of a subcommittee of the Senate Committee on Banking and Currency, of April 15, 1937, on the subject of commemorative coins generally, are enlightening. Senator Adams, as chairman of the subcommittee, stated as follows with respect to the issuance of such coins, page 8:

> • • • For instance, in the case of the Oregon Trail • • • there was authorized the very large issue of 6,000,000 pieces of 50-cent coins. There were some issued in 1926, and some in 1928, and some in 1933, and some in 1934, and some in 1936, and some in 1937. And they had them issued in some of those years from two mints at a time.
>
> Now, there isn't a market in the country for any very large number of any particular issue of commemorative coins. But whenever they have a new mint mark, or a new date, they reopen the market for the coin collector. It becomes, not as some members of the committee, or some Senators, may think, only a matter of commemoration. If we issued a coin to commemorate an event, that was one thing. But when we open the way to the coin dealer to perpetrate a racket we have felt the United States Government was lending itself to a petty thing, and not in furtherance really of commemoration. And we believe there are many instances showing the possibility of this thing. For instance, while I do not want to draw any invidious comparisons, yet I will refer to S. 1268, now before this committee, which is to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the changing of the name of Sawpit to the village of Port Chester, N. Y.

I intend to enumerate some specific instances which I am sure will convince every member of Congress this bill should be passed and sent to the President for his signature without delay.

I gathered this information from the Treasury Department and from coin collectors. There is a distinction between coin collectors and coin distributors. The collector must pay what the distributor asks.

THE OREGON TRAIL COMMEMORATIVE COIN

In 1926 the Oregon Trail memorial half dollar was authorized for a coinage not to exceed 6,000,000 pieces. In the same year there were coined first 48,000 pieces from the Philadelphia Mint and then 100,000 pieces from the San Francisco Mint. Being coined at different mints they are classed as separate coins by coin collectors.

Out of the 48,000 Philadelphia pieces, 17,000 were remelted. In 1928, the Oregon Trail Commission asked that there be coined at the San Francisco Mint 50,000 more pieces. The Commission, however, failed to call for them, and they were left in the mint until April of 1933. Undoubtedly it was because of this, that Mr. Hoover, then President of the United States, vetoed all coin bills presented. The President could veto bills but he could not repeal this law and more were issued.

At that time in 1933, 44,000 of the 50,000 were remelted, leaving a limited issue of only 6,000. These were offered for sale by a coin and stamp distributor of New York, who at the same time advertised "Sole distributors of the Oregon Trail commemorative half dollars." At the same time, this company announced that there would be available 5,250, 1933 Denver Mint half dollars. One year later, in September of 1934, this company announced 7,000 Denver Mint 1934 coins.

In April of 1936, this same company announced 5,000 San Francisco Mint half dollars, saying then there would be no more from that mint in that year. Later 10,000 were issued at the Philadelphia Mint, and these were not advertised publicly, but to their customers by mail.

In February this year, there were coined 12,000 at the Denver Mint, and it seems that the commission finally woke up to the fact that they themselves could make some money off the poor coin collector. They are distributing them themselves.

Thus we have 8 issues in 11 years, all commemorating the Oregon Trail, the only difference being the date and mint mark, but coin collectors must buy all. Here are the issues:

Year	Number coined	Mint	Remelted	Left	Original price	Price now
1926	48,000	Philadelphia	17,000	31,000	$1.00	$1.35
1926	100,000	San Francisco		100,000	1.00	1.35
1928	50,000	do	44,000	6,000	2.00	5.25
1933	5,250	Denver		5,250	1.50	9.75
1934	7,000	do		7,000	2.00	5.00
1936	5,000	San Francisco		5,000	1.65	9.00
1936	10,000	Philadelphia		10,000	1.65	4.50
1937	12,000	Denver		12,000	1.60	1.60
	237,250		61,000	176,250	12.40	37.80

The 1937 half dollar is still being distributed by the Commission.

At the rate these coins are being minted, we will have Oregon Trail coins for the next 300 years, unless Congress repeals this law.

THE TEXAS CENTENNIAL

The Texas Centennial was held in 1936 but has been continued this year. In 1934 their bill was passed authorizing the issuance of 1,500,000 pieces. In that year, they had coined at Philadelphia, 205,000 pieces. No doubt they are still obtainable from the Commission. In 1935 they had coined at each of the three mints, 10,000. The small number raised the price from $1 to $1.50. Again in 1936, 10,000 from each mint. A notice has just appeared in a local paper that they expect to have their 1937 coins available shortly.

The coins can be issued until the full 1,500,000 pieces are exhausted unless the law is repealed. Here are the issues so far for the Texas Centennial:

Year	Number coined	Mint	Original price	Price now
1934	205,000	Philadelphia	$1.00	$1.10
1935	10,000	do	1.50	1.85
1935	10,000	San Francisco	1.50	1.85
1935	10,000	Denver	1.50	1.85
1936	10,000	Philadelphia	1.50	1.75
1936	10,000	San Francisco	1.50	1.75
1936	10,000	Denver	1.50	1.75
1937	8,000	Philadelphia		
1937	8,000	San Francisco		
1937	8,000	Denver		
	289,000		10.00	11.90

The total coined to date is 289,000 out of an authorized 1,500,000. The price on the 1937 coins is not available as they have not been distributed but will be in a few weeks.

It is but proper to state that the money raised from the sale of commemorative coins under the Texas act is being used entirely for the purpose of constructing a memorial building on the grounds of the Texas University. This building is partly completed, $300,000 of the amount appropriated by Congress to celebrate the centennial being used to start the structure. The board of regents of the university supervise the distribution of the coins.

THE DANIEL BOONE BICENTENNIAL

This law has developed into a racket, the extent of which no one dreamed of. The Daniel Boone Bicentennial Act authorized 600,000 pieces in 1934. That year they coined 10,000 at the Philadelphia Mint. In 1935, 10,000 from the Philadelphia Mint and 5,000 from each of the other mints. Keep in mind each half dollar has a special value—the smaller the issue the greater the graft.

It was about this time that the groaning and muttering of the coin collectors, who were footing the bill, began to be heard. They protested that the coins were being issued from year to year with no change except date and mint. In other words, they did not even go to the expense in changing the design, which would have been the honorable thing to do at least, but they simply changed the date, pocketing the cost of the new design. Was it any reason the coin collectors complained?

Mr. Dunn, the distributor of this Daniel Boone half dollar, took it upon himself to issue what he termed a "bonus issue" of 2,000 from each of the western mints. He claimed these were only for those who had stuck with him, by ordering all of the previous issues. But the worst is yet to come. The coins were issued but not all distributed. Coin collectors have always defied this distributor to produce a list of 2,000 names of the people who got these sets. I have heard the cost of this issue is now about $100.

In December of 1934 Mr. Dunn claims to have assigned all the entire issue, yet there is a case of distribution late in April of the next year by him. In July of 1936, this same distributor offered a set of these rare coins to anyone who would purchase 500 of the 1936 Philadelphia coins for $510, express collect. In the same advertisement he says, "From some sets—as far as they go—made available to the Daniel Boone Bi-Centennial Commission approved by Congress." Evidently he was trying to deceive the collectors into believing that more had been coined.

In 1936 there were coined at Philadelphia 10,000, and then 5,000 from each of the branch mints. Now Mrs. Dunn, his wife, advertises 15,000, 1937 coins from the Philadelphia Mint.

Late in 1935, we have Mr. Dunn's word that he wanted to sell only 300,000 more coins, and now it is stated they expect to continue for 5 years! My bill will end his racket.

The issues under this act follows:

Year	Number coined	Mint	Original price	Present approximate price
1934	10,000	Philadelphia	$1.60+	$3.50
1935	10,000	do	1.10	3.00
1935	5,000	San Francisco	1.60+	5.00
1935	5,000	Denver	1.60+	5.00
1935-34	10,000	Philadelphia	1.10	2.75
1935-34	2,000	San Francisco	3.70	65.00
1935-34	2,000	Denver	3.70	65.00
1936-34	12,000	Philadelphia	1.10	1.35
1936-34	5,000	Denver	1.60	5.00
1936-34	5,000	San Francisco	1.60	5.00
1937-34	7,500	Philadelphia	1.60	2.50
1937-34	3,750	Denver	1.60	7.50
1937-34	7,500	San Francisco	1.60	5.50
	84,750		19.80	176.65

A total of 13 coins, the only difference being the date and mint. Remember coin collectors are like stamp collectors, they must buy each issue. Take the issue of 3,750 coins just ordered from the Denver Mint. It was bad enough to place an order for 7,500 at San Francisco and Philadelphia, but the Denver coin will net Mr. Dunn thousands of dollars in profit. Who are the suckers? The poor coin collectors who must buy to complete their collections. While the price quoted is announced in advertisement, coin collectors tell me the 3,500 issue will surely bring around $50. They say try and buy them for $7.50. Are we to permit this? My bill will stop it if enacted at once.

THE ARKANSAS COINS

Arkansas secured a late start, but they are evidently making up for lost time. The act authorized 500,000 in 1935. The first were coined at the Philadelphia Mint, 10,000. Then they began to get more orders than they had coins. I understand they consulted a coin dealer and acting on his advice, coined an additional 3,000 at the Philadelphia mint and 5,500 at each of the branch mints. This dealer later admits having practically complete control of the branch minted coins. These coins were originally sold by the Commission at $1, but very few collectors got the branch mint coins. The dealer immediately raised the price to $2.75 each.

In 1936 they coined 10,000 from each of the mints. Then it seems they had some difficulty in selling them all, according to the wording of their advertisements, and so they reduced their price to $1.50 from $2. After these were coined, a bill to authorize three new reverses was introduced which would have meant nine more coins. Fortunately it was amended to only one new reverse.

Twenty-five thousand of these were coined, and distributed only by a New York dealer who set the price at $1.85 plus postage, whereas the commission only charged $1.50. And now, notices are being sent out by this same dealer that they will have shortly a 5,000 set issue from the three mints of 1937. And they have set the price at $8.75. At the same time this coin dealer advertises "Exclusive distributors of the Arkansas half dollars."

The coins so far issued for Arkansas follows:

Year	Number coined	Mint	Original price	Present approximate price
1935	13,000	Philadelphia	$1.00	$2.75
1935	5,500	San Francisco	1.00	5.00
1935	5,500	Denver	1.00	5.00
1936	10,000	Philadelphia	1.50	1.95
1936	10,000	Denver	1.50	1.95
1936	10,000	San Francisco	1.50	1.95
1936 (Joe Robi)	25,000	Philadelphia	1.85	3.50
1937	5,000	do	4.40	4.40
1937	5,000	Denver	4.40	4.40
1937	5,000	San Francisco	9.35	21.00
	94,000			

The authorization is for 500,000 coins and they can go on until that number is minted unless we repeal the law.

Thus in the above-mentioned cases, instead of only 4 coins, 39 were issued or have been ordered and only 667,250 out of an authorized 8,650,000. There is nothing to prevent them from issuing the balance of nearly 8,000,000 unless we repeal the laws. Is Congress going to sit quiet and let this racket continue? The commissions are probably out of existence, the celebrations have been held, but there was nothing in the law to prevent the turning over of the additional number to coin dealers who are working the racket and reaping a harvest.

SMALL ISSUES AND THEIR DISTRIBUTION

In 1935 a Hudson, New York, issue was authorized for 10,000 pieces. Coined in June 1935, delivered to the commission on June 28, and all sold out July 2 with their advertisement appearing about July 6. They were sold to dealers in large blocks, and it is whispered that one New York dealer, secured the most of them. The price was immediately raised by these dealers. The original price was $1; the present price, $7.50.

Providence, R. I., authorized the coinage of 50,000. Surely this appears plenty for all who wanted them. Yet they were never advertised for sale by the original commission. There was a description of the coin published in February of 1936. At the time there was an advertisement by a shop in Providence offering to secure the coins for the collectors at $1.50, although the collectors who had already written to the commission were informed that they would be available at $1 each.

The commission began accepting money from collectors as early as November of 1935. They coined 20,000 from the Philadephia Mint and 15,000 from each of the branch mints.

Then in April it was announced they had sold out in 6 hours. The astonishing part of it is in the entire State of Rhode Island there were only five members of the American Numismatic Association, which is the largest organization of coin collectors in the United States.

Where did all the coins go? This Providence dealer immediately raised his price to $7.50 a set, and the next month raised it to $9. He admitted securing 11,500 for orders that he had, then later offered 50 sets to trade and 25 to sell, and I have seen a letter over his signature wherein he admits selling another 500 sets to dealers. A set is two coins, one to show the face, the other the back.

Here is what happened to the collectors. The Commission accepted their money. Then, after all were sold, sent most collectors back their money, saying that they had sold them all to natives, but the money sent back was not the original money orders and checks sent in, but checks from the Commission drawn on a Providence national bank. Was the coin collectors' money used to send to the mint to get the coins?

I have seen a letter where this Commission admits selling a dealer a greater number than was allotted to others, due to the fear that they would be unable to sell the entire 50,000.

In December, the Providence dealer criticizes the Columbia, S. C., commission for not properly distributing a small issue.

This Columbia, S. C., issue was coined in November to celebrate a 1-day exposition held in the previous January. The Columbia, S. C., sets, original price $6.45, now $15.

Last year the Cincinnati committee had 5,000 coins minted from each mint, or 15,000 in all. What was the result? You have three issues and a half dollar of any one of the issues now brings $11.95.

The San Diego issue was authorized for 250,000 in 1935. The commission minted 250,000 at San Francisco in 1935 and returned 180,000 to be melted, and in 1936 minted 180,000 at Denver Mint, returning 150,000 to be melted. The price was changed three times. Originally it was $1.50 for each half dollar and now the coins are selling for $3 each.

EIGHTY-ONE NEW BILLS PENDING

What is the situation that confronts the Congress today? Since this session convened in January there has been introduced in the House and Senate 81 bills which provide for the issuing of commemorative coins. If we are justified in passing one we are justified in passing the others so you can realize for yourself what is going to happen in the future if the Congress continues the policy it has adopted in the past, and enacts such legislation into law.

Feeling I have supplied sufficient information to justify the repeal of the old laws I will not burden you further, but there are many more cases that can be cited showing beyond question where the coins were issued and distributed, not for the purpose of really commemorating an event, but for the purpose, not only to defray the cost of the various celebrations, but to enable coin distributors to practically fleece the public.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. RICH. Mr. Speaker, in 1934 Jim Farley, Democratic National Chairman, said in Utah that the present administration was the most economic administration this country ever had. Laugh that off as the biggest joke of the past 6 years.

Speaking of the present administration, may I say that in the year 1934 we went in the red over $4,000,000,000? Yesterday, July 28, at Salem, Ill., James Farley, the Postmaster General, said the depression had been wiped out by the present administration. He forgot to mention the fact that the country has been burdened with an exorbitant debt of $18,000,000,000 for this joy ride, which your children, your grandchildren, and some other grandchildren will have to pay sometime. Last year we went in the red $3,000,000,000. Our national debt is over $36,657,685,000 on July 27 as per the Treasury statement. O Mr. Speaker, Jim Farley did not mention that the bill is yet to be paid.

Mr. Speaker, there is something wrong with James Farley. He does not know what he is talking about. There is something wrong with this Congress, because it does not know what it is doing; or there is something wrong with the President of the United States, because he does not know what it is all about or where he is leading you.

If you will look at the statement of July 22 and compare the receipts with the expenditures you will see we have gone in the red for the first 22 days of this year over $5,694,000, a day more than we went in the red last year. Remember, more each day, more each day, than you went in the red last year. It is appalling in the light of the statement by the President that he would have a balanced budget this year. If we went in the red last year $3,000,000,000, where in the world are you Democrats taking this country? You certainly are giving us a joy ride. The wreck will come later from this insane method of doing things.

When James Farley makes the statement he has made, he is only thinking of one thing, and that is the political aspect. He is not thinking of where this Nation is being led up to the precipice for a great fall. If you do not watch out you are going to wreck this Nation and do that very soon. I advise you to be more vigilant in your spending, get down to a sane, judicial, sensible administration of Government expenditures. Jim Farley does not know what the word "economy" means. The Jeffersonian Democrats should advise him, if there are any of them left in Congress. The New Deal, I am sure, does not know what economy in government means.

[Here the gavel fell.]

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I have introduced a House resolution for the investigation of the W. P. A. Of course, every one knows I am friendly to the W. P. A. and Harry Hopkins.

But every year when the appropriation for the W. P. A. is taken up in this House, Mr. Harry Hopkins is denounced for about 2 months beforehand. We have a long controversy and waste a lot of time; then we go ahead and pass the

bill and turn over one and a half or two billion dollars to be spent as he sees fit.

Besides the House resolution, I have introduced a bill providing for the appointment of an unemployment commission, to be composed of 12 members, appointed by the President of the United States. The commission is to consist of three Senators, three Representatives, and six citizens. This bill is now before the Labor Committee. They have promised hearings; I hope the bill is reported out, that we get a rule, and it is adopted.

This commission is directed to make a report at the beginning of next year. We would then know what we were doing and could, moreover, fix the permanent policies and create a standing committee on Public Works and Welfare, on which I have also introduced a House resolution.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. MAVERICK. I yield to the distinguished gentleman from New York.

Mr. O'CONNOR of New York. Has not the Senate authorized the appointment of a committee to investigate that subject?

Mr. MAVERICK. Yes; the gentleman is correct. In fact, the Senate has authorized two committees, one just a Senate committee, the other an unemployment commission, but the House has not done anything. The unemployment commission is my bill, and on which I have also introduced a similar bill, already mentioned.

That Senate bill is now pending before the Labor Committee in the House, along with my bill, one by Mr. VOORHIS, but none has so far been acted on. I believe if we would create this unemployment commission now, next year we could establish some permanent policy in connection with the question of relief, unemployment, social security, and old-age pensions. That is a very important thing, in which I hope the Republicans will join.

Mr. SNELL. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from New York.

Mr. SNELL. The gentleman has had the same experience with the Rules Committee I have had. I introduced a resolution 2 weeks ago to investigate the sale of the President's Democratic Handbook. I would like to join with the gentleman from Texas and see if we cannot get both of our resolutions reported.

Mr. MAVERICK. I do not think an investigation of the Democratic Handbook is quite as important; but seriously, the questions I present are of the greatest importance to the people of this country. This is simply congressional policy—common sense—and whether we agree on other subjects, it seems we could agree on this.

Whatever our ideas or opinions, we certainly ought to know what we are doing on relief—how and why we are spending the money. Such matters have no congressional committees of any kind now, and I believe any member of any political party can vote for this conscientiously and be doing an intelligent and patriotic thing.

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, a few days ago the Members were kind enough to listen to me on an exposure of subversive and un-American activities in the United States. During my discussion I pleaded with you to support the Dies resolution, which provides for a proper and thorough cleaning of house in the United States as far as all these groups are concerned.

At that time I listed about 46 agitators, spies, dopes, aliens, smugglers, and everything else. I promised the country a second list; and I ask unanimous consent, Mr. Speaker, that I may insert in the RECORD a list of about 17 more of these smugglers, alien agitators, Hitlerites, and propagandists who are seeking to undermine this Government in one way or another, to substitute their form of propaganda in order to disturb our American people, to breed intolerance, and to array one American against another.

I think it will be very interesting to see the names of those who are connected with this movement, and I may say it is becoming worse and worse every day. The German Reich in yesterday's newspapers did not deny the charges I have made, but it suddenly found out that I was Jewish, and it wants the American people not to believe my charges. It does not deny a single fact or statement made by me on the floor of the House or in other public places.

Mr. Speaker, I ask unanimous consent to incorporate the names to which I referred in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. The following is an additional list of people who are seeking to destroy our democratic form of government. Their propaganda is being spread not only throughout the United States but throughout the world.

Severin Winterscheidt, representing the German Ministry of Propaganda sworn in at Erlangen, Germany, September 18, 1936, by Julius Streicher. Lives at 267 St. Nicholas Avenue, Brooklyn; is an alien. He is the only one with a complete list of German representatives in the United States. Works directly with the Weckruf & Beobachter and speaks on meeting.

Carl Lange, also at 267 St. Nicholas Avenue, Brooklyn. He is the representative of the Alfred Rosenberg Pagan Movement in the United States, who actually receives a salary of the Edda Bund, the local of the Rosenberg movement in the United States. A good speaker, he collects dues to be transferred on German ships to Germany; $1 per month, membership about 4,000 in the States. Particularly interested in smashing Free Masonry in the United States.

Carl Kienzle, West New York, N. J.; employed at the North German Lloyd but actually carrier of propaganda material from and to ships; has passes on every railroad in the States, Canada, and Mexico, and the only one to be the actual go-between in matters of Bund and Captain Mensing.

C. K. Froehlich, also with the North German Lloyd; representing all German societies in the United States who actually have become directly connected with the Nazi Party in Germany; averages 8 or 10 trips to Germany annually but never pays fare or uses a passport; an American citizen. Finances are always very good with him.

Dietrich Worthmann, New York Turnverein president and also a member of the A. A. U., working directly under the Propaganda Ministry of Germany; responsible for the participation of the United States of America at the past Olympics; carries out instructions of Captain Mensing; an American citizen.

Capt. H. Rehm, of the North German Lloyd, representing Mr. Schulze; only member of the S. A. in the United States of America. Mr. Schulze is military attaché of the German embassy in Washington; particular work is to get military secrets out of the United States.

Guenther Orgell, Staten Island, representing the West Deutscher Beobachter in the United States of America; sort of liaison officer between the party and Government officials in the United States of America.

C. Hinnrichsmeyer (alias Ullrich) now in the United States of America in charge of publicity of the propaganda ministry—cartoons, and so forth—supposed to get forged documents from Captain Mensing; staying at either the Barizon Plaza or with Vice Consul Dr. Draeger.

Dr. Zimmerer, of Hanover, Germany; here on a lecture tour making anti-Semitic speeches in particular; was the one who reorganized the Friends of the New Germany in January last year.

August Klapproth, Jersey City, N. J., at 1158 Bergenline Avenue. District leader for the State of New Jersey and director of the Camp Nordland in Andover. Citizen. Morally irresponsible; has, as a matter of fact, been arrested on a moral charge. New Jersey.

Ernst Mueller, 16–28 Himrodt Street, Brooklyn, N. Y. Local leader of Brooklyn and camp director of Camp

Siegfried. Importer of German clocks and watches. Very active in the boycott of Jews. Citizen of the United States of America.

George Nebbe, Staten Island leader, friend of Mr. Orgell and Colonel Emerson. Liaison officer for the consulate. Living in a common-law marriage.

Emil Ebner, 1627 Second Avenue, New York City. Representing the Nord Deutsch Hefe Industrie of Germany, importing yeast. Mr. Ebner was arrested as an Aryan on a moral charge with a Negro woman of Newark, N. J., and fined $100, which the bund paid in February 1935. Mr. Ebner carried the proceeds of a no. 3200 on a celebration of Hitler's advent to power to Germany and was personally rewarded by Hitler. A personal friend of Julius Streicher.

The following radio announcers conduct German programs in the United States where German consuls and visitors of the German Government are allowed to speak freely: Elsie Maria Troja, WBNX; Herbert Oedgen, WBNX; John Veistel, WFAB; Otto Veller, WHOM; Hans Muennz, WBBC; Helmuth Wessels, WWRL.

H. von Boeckmann, representing the German broadcasting units in the United States, furnishes the above announcers with the material to be used weekly. Lobbying for sale of helium gas to Germany.

Dr. Curt Sell, Washington, D. C., also representing the radio units, and lobbyist for German industries. Very popular with United States Government representatives. In Embassy service.

German News Service, under the direction of Mr. von Doemming, 204 Park Avenue, distributor of propaganda material, receiving short-wave direction directly from Germany.

John Brueckner, president of the Amerop Travel Service, a close friend of Hitler, also at Park Avenue, is in charge of printing of propaganda in the United States of America.

Mr. Speaker, ladies, and gentlemen, I have a further list of over a hundred or more names, but I do not intend to put it into the RECORD at this time. It will be available for the public when Congress will authorize an investigation, as it has been my experience in the past that in many instances where names and locations are exposed the worst culprits flee from the country or change their addresses so often that it is humanly impossible to keep up with their whereabouts.

As I have previously stated, drilling in foreign uniforms, saluting the swastika, goose stepping, and preaching of Hitlerism in this country must stop.

Congress has no right to adjourn until such a resolution is adopted by it which would authorize a committee to make proper investigation of all un-American activities at the earliest possible moment.

[Here the gavel fell.]

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. O'CONNOR of New York. Mr. Speaker, reserving the right to object, I trust there will be no more requests for time to make speeches, as we are anxious to dispose of a rule.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. MARTIN of Colorado. Mr. Speaker, reserving the right to object, is the gentleman going to make a speech on adjournment?

Mr. KNUTSON. No.

Mr. MARTIN of Colorado. I would like to have 2 minutes myself on that.

Mr. KNUTSON. There are no politics in this.

Mr. MARTIN of Colorado. Under the unusual circumstances just stated by the gentleman, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. In the time allotted me I would like to have read for the information of the House a joint resolution.

The SPEAKER. Is there objection to the reading of the resolution? [After a pause.] The Chair hears none.

The Clerk will report the resolution.

The Clerk read as follows:

HOUSE JOINT RESOLUTION AUTHORIZING ACCEPTANCE ON BEHALF OF THE UNITED STATES OF A COPYRIGHT AND ALL INTEREST THEREIN

Resolved, etc., That the Library of Congress is hereby authorized and directed to accept on behalf of the United States a title of copyright and all interest therein now registered in the name of SOL BLOOM, and the publication prepared and published by the direction of the United States Commission for the celebration of the one hundred and fiftieth anniversary of the formulation of the Constitution of the United States, entitled "The Story of the Constitution."

"That the Library of Congress is hereby authorized and directed to receive, hold, and administer all increment resulting from the possession of such copyright for the benefit of the people of the United States and that any sums of money accruing to the Library of Congress in excess of the cost of publication and administration of the matter covered by the aforesaid title of copyright shall revert to the Treasury of the United States."

Mr. KNUTSON. Mr. Speaker, in the debate in this body yesterday afternoon considerable doubt was expressed concerning the legality of an alleged conveyance made by a certain copyright holder. In order to set all doubts at rest with reference both to his good faith and the legality of his action, I ask unanimous consent for the immediate consideration of this resolution.

Mr. RAYBURN. Mr. Speaker, this is a rather important matter. I do not know what is in the resolution and, therefore, I cannot agree to its immediate consideration.

I object, Mr. Speaker.

NATIONAL PLAN FOR FLOOD CONTROL

Mr. O'CONNOR of New York. Mr. Speaker, I call up House resolution 270.

The Clerk read the resolution, as follows:

House Resolution 270

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. J. Res. 175, a joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking member of the Committee on Flood Control, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. Speaker, this is a rule for the consideration of a flood-control measure, a joint resolution providing for a survey of all the rivers of the United States.

Mr. Speaker, I yield 10 minutes to the gentleman from Arkansas [Mr. MCCLELLAN], the author of the bill.

Mr. MCCLELLAN. Mr. Speaker, after adoption of this rule, I ask only that this resolution be considered on its merits. If it is good legislation, give it your support. If it is bad, it should be defeated. When I came to Congress 2½ years ago I asked to be assigned to the Committee on Flood Control because of a major flood-control problem that exists in my district and involves the lower Mississippi Valley. After the great flood of 1927, Congress in 1928 passed a law adopting a plan for the solution of the floods in the lower Mississippi Valley. The plan was never executed. Some work was done on it, but in the course of construction it developed that the plan should be substantially changed and modified. My district was suffering irreparable injury from the effects of that delay and from the continuing menace of recurring floods. Therefore, I was prompted, first through my own interest in flood control, to try to take care of my own people and procure legislation for their relief and benefit. After being assigned to the Committee on Flood Control and after it had held hearings for several

months on a bill which had been proposed, based upon the report of the Chief of Engineers, dealing with the problem of flood control in the lower Mississippi, I began to get a general view of the whole national situation with regard to the menace of floods and the necessity for the Federal Government's exercising greater authority and adopting, if possible, a national plan to try to relieve the fertile valleys and densely populated areas from the menace of disastrous floods.

We made an appeal to the Congress, and it responded by enacting what is now known as the Overton bill, which we hope will prove adequate to deal with the lower Mississippi Valley. I appreciate that action of the Congress. In that legislation we declared that the responsibility was on the shoulders of the National Government and did not rest primarily with the States and local interests, as had therefore been the policy of this Government in flood-control legislation.

After this bill was passed other problems developed in my district. Since then we have had the floods of 1936 and the great floods of 1937. Enough destruction has been wrought by floods within the past 18 months to arouse this Nation and to arouse this Congress to immediate action.

I do not subscribe to the belief that local interests can plan flood control. I believe it is necessary for the Federal Government to make such a plan with the aid of local communities. We may build a sea wall around a city and protect that city, but the sea wall does not protect the agricultural valley which extends for miles in between the great populated centers. It is necessary, if we are to preserve our soil, if we are to preserve our national resources, if we are to preserve the wealth of this Nation from which we must draw our revenues in the future, to take immediate steps not only to conserve our natural resources but we should develop and use them for man's advancement, convenience, comfort, and service.

After the Committee on Flood Control had held many hearings, a bill was passed to solve my greatest flood problem. However, I have others that are pressing. My State has more miles of navigable streams than any other, but I can not hope to have all my projects authorized and constructed while others of possibly equal value are being neglected.

Once I made an appeal for passage of the Overton bill, because it was the major problem of the Nation. It was a project which had already been approved and remained unexecuted because modification and changes were found to be necessary. I made an appeal then for national responsibility for a project in the Mississippi Valley. Today I am not making an appeal for my district or section alone, I am making it for every valley of this Nation, for anyone whose home or property is or hereafter may be threatened by the menace of future floods. I am urging a comprehensive, coordinated, and integrated plan that will include all major streams and their principal tributaries in order that we may conserve our national wealth and utilize it for our enjoyment and future security. Before we proceed to any great extent in the expenditure of Federal moneys, it is wise to devise a national plan with reference to what shall be the ultimate objectives of this Government. It is the responsibility of Congress to formulate a policy with reference to the contributions of local interests and distribution of cost. That is your duty and mine, but it is necessary to have expert counsel and advice in the formulation of engineering plans. That is primarily what this measure proposes to obtain.

During the past 9 or 10 years the War Department has expended $12,000,000 in making surveys and in assembling data, according to the testimony of the Chief of Engineers in the hearing which was recently held by the Committee on Flood Control on the bill with reference to the Ohio Valley that was passed a few days ago by the House. I asked the Chief of Engineers if, being familiar with this resolution, he was now prepared, from the data in his office and surveys already made, to submit to the Congress of the United States a report which would give us a plan for the control of floods on all the major streams of the Nation. He answered in the affirmative, that he is now prepared to make such a report and that practically all surveys needed had already been completed.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. McCLELLAN. I yield to the gentleman from California.

Mr. COLDEN. In what way does this bill affect the bill recently introduced in the House by the gentleman from Texas [Mr. MANSFIELD], the chairman of the Committee on Rivers and Harbors, for regional planning throughout the country which would deal with navigation, flood control, power, reforestation, and kindred subjects?

Mr. McCLELLAN. Is that bill the same as the bill introduced in the Senate by Senator NORRIS?

Mr. COLDEN. Yes; practically so, although not the same in all details.

Mr. McCLELLAN. It is along the same line and has the same objective?

Mr. COLDEN. Yes.

Mr. McCLELLAN. May I answer the gentleman by saying that whether you favor that bill or whether you are opposed to it, would make no difference. This measure cannot do it any harm, and if you were opposed to the bill, this would be another way, probably, of reaching the same objective insofar as undertaking to plan a flood-control program for the Nation. This bill should do no injury to the Norris or Mansfield measures. If you are going to have it done by seven different authorities, they are not going to act without planning.

This bill calls for a report and plan from the War Department by its Corps of Engineers upon which we must rely for engineering advice and counsel. It will obtain for our information a report and a plan based upon surveys already made and data the War Department has or may assemble. We do not have to adopt the plan after it is submitted. This is only to present us with a picture, it is only to get their recommendation and the Congress reserves the right as to what action it shall take on it. We may adopt all or any part of it, retaining the good and discarding that which we may regard as objectionable.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. TREADWAY. I want to congratulate the gentleman from Arkansas on his fine presentation of the subject of flood control, but I call his attention to the suggested amendment on page 2 and ask whether or not the resolution and the surveys thereunder which the Government will undertake, being primarily for flood control, is it advisable to bring in the further question of hydroelectric development when our objective is flood control.

Mr. McCLELLAN. I may answer the gentleman by stating that my thought in introducing this bill was to get a flood-control plan.

Mr. TREADWAY. I judged that.

Mr. McCLELLAN. I certainly had nothing else in mind, but in studying the question we find that if the Government is going to build a dam in a river, for instance, for flood control, if we are going to act wisely and plan wisely, we ought also to take into account whether the dam should be constructed with a view of utilizing its power values. I indorse the views expressed by the President in his message to Congress on this subject on June 3, 1937, when he said, "The water-power resources of the Nation must be protected from private monopoly and used for the benefit of the people.

Mr. TREADWAY. There is just one further thought, if the gentleman will permit. Your original program places this objective in the hands of the Army engineers, while the amendment brings in the Department of Agriculture. Does not this complicate your flood-control situation?

Mr. McCLELLAN. No; it does not. I think the Congress and the people of the Nation and the experts who are giving this matter thought and study today will agree that if we are to have a wise and effective flood-control program, we must take into account the influence, force, and the effect of a drop of rainfall from the time it leaves the

heavens throughout its complete course until it reaches the sea again. You must deal with it in all of its aspects.

If I may answer the gentleman further in this respect, this bill, as originally introduced by me, has already been passed by the Senate. It was introduced in the Senate after I had introduced it here, and was passed by the Senate unanimously on June 14. I am not proceeding without having taken into consideration and sought the counsel of all who should be consulted, insofar as I know. I took this matter up to ascertain whether it would meet with any objection with respect to the national plan that is now proposed by the bill that the gentleman from California [Mr. COLDEN] referred to, and I am assured that in all probability this will be an aid rather than a hindrance to that measure. In other words, we have practically all the data down here in the War Department. The agents of the Government have already expended your money, made surveys, assembled the data, and all we want to do is to bring it in here in the form of a report, with the War Department's endorsement, that will give us a plan and a true picture—a blueprint, so to speak—of a comprehensive coordinated plan.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. DONDERO. I compliment the gentleman upon his very earnest presentation of his subject. Does the gentleman think this bill would in any way conflict with the bill recently assigned to the Rivers and Harbors Committee, which came to the committee based upon a message received from the President of the United States, in which the entire subject of flood control was included?

Mr. McCLELLAN. I am sure it does not.

Mr. DONDERO. The question of flood control having been assigned to the Rivers and Harbors Committee, does not the gentleman think the report of the Army engineers or the Secretary of War should be made to that committee for study by the committee rather than being made first to the Congress, and then let the Rivers and Harbors Committee report back to the Congress?

Mr. McCLELLAN. I do not see anything to prevent them from getting the full benefit of this report when made to the Congress. No bill is pending with that committee with respect to such a report. We know now, that in order to find out anything about a flood-control plan, we must have a report made to the Congress instead of having to go first to one place and then to another. Let us bring it here, where it is available to all Members of Congress. What we want to do is to have brought in here a complete picture of all projects heretofore authorized or now under construction, together with all others which the Corps of Army Engineers recommend as essential and necessary to control floods and prevent disaster from their occurrence. It can be done, and it is our duty to enact legislation that will direct that it shall be done. [Applause.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas in order that he may answer a question of the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Is it not true that the Army, in every instance, is building dams for flood control so that later on they may be enlarged and used for the development of power? I know this is true in the case of the Merrimack River in my own district.

Mr. McCLELLAN. I am sure that is true; and I do not think this Government, under any system, ought to ever take away from the Army engineers the making of recommendations with reference to the navigable streams of this country.

Mrs. ROGERS of Massachusetts. I am very pleased that the gentleman feels that way about it.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. COLDEN. Is it not a fact that the development of power will help defray the cost of these flood-control projects?

Mr. McCLELLAN. Certainly.

It will be observed that under the provisions of this resolution we not only propose to secure a plan for levees on the main channels and construction of dams for reservoirs, but we undertake to obtain a report from the Secretary of Agriculture, from studies made by the various agencies in that Department, dealing with the retardation of waterflow so as to hold back rainfall from the watersheds and thus prevent to a great degree soil erosion as well as relieve the stream channels from the burden of an accelerated flow of rainfall from the watersheds into the streams. We also seek to have embodied in the report facts and recommendations pertaining to the utilization of waters that may be stored by the construction of retention dams for flood-control purposes. In other words, it should be our purpose as we expend huge sums of money to get the full benefit by way of flood protection, soil conservation, reclamation, irrigation, and power development. All of these are in the interest of our national welfare. They deal directly with our future security and prosperity. Continuous waste and dissipation of the great wealth of natural benefits with which our country was endowed will be disastrous. Further procrastination, neglect, or failure to approach intelligently and courageously this problem of major importance will be inexcusable. If human lives are to be protected and immeasurable property loss averted, we will not only obtain this plan but will follow it up by enacting legislation that will put it into execution and authorize and direct construction of projects the Congress finds necessary to accomplish these desired results.

In the past we have not had adequate or wise planning and have attempted to enact legislation which contained projects that had not been thoroughly investigated and which, if properly considered in connection with the whole drainage basin in which they were proposed, would not be economically justified nor practical.

It is only natural that each Member of Congress would like to have the projects in his district authorized and moneys appropriated for their construction, but I have no more right to seek Federal moneys for flood-control projects in my district than does any other Member for his own district; and often when measures are proposed for flood-control purposes the charge is made that it is "pork barrel" legislation. We are "panned" because we attempt to secure Federal moneys for local improvements, and yet when the floods come we are again "panned" because we had not done something to protect against them.

This resolution may offer only a humble beginning, but it is a sincere effort to find a solution on an impartial basis for flood-control relief for all of those valleys of the Nation on terms and conditions that are fair and equitable and which do not give an advantage to one section of the country over another. Projects recommended and adopted under the terms of this resolution will, we believe, stand strictly upon merit. No valley should have preferment over another, except as it can or may be determined where the greater flood dangers exist.

After the plan has been adopted it will take several years to have all projects constructed. If we had had such a plan in 1930, when the depression came with all its force and distress, instead of giving a dole and having weed-cutting and leaf-raking jobs for the unemployed we might have more profitably utilized their skill and labor in the building of flood-control works. We should and we must look ahead.

Before I conclude, I again wish to quote approvingly from the message to Congress on this subject from the President of the United States on July 3, 1937, in which he said:

> Taking care of our natural estate, together with the stopping of existing waste and building it back to a higher productivity is a national problem.
>
> At least we have undertaken a national policy.
>
> Having put our hand to the plow, let us not look back.

After discussing the work that would be involved with the Chief of Army Engineers, I am persuaded that the report and plan called for by this resolution can be ready by the time we convene in January. There will be no more flood-control legislation at this session.

I ask the membership of this House on both sides of the aisle to join with me in support of this measure. Let us lay aside all politics and partisanship. This is too great and important, and of such necessity, to permit of opposition from any Member, regardless of party affiliations. It is sufficiently meritorious, in my opinion, to command the aggressive support of everyone interested in the subject with which it deals. [Applause.]

Mr. TAYLOR of Tennessee. Mr. Speaker, in view of the fact there is no controversy whatever, so far as I know, about this measure, I shall consume very little time in discussing it.

I believe this measure is one of the most important, one of the most imperative, and one of the most meritorious pieces of legislation that has been presented to this Congress.

The terrible havoc wrought by the floods of last January have awakened the American people to the importance of steps necessary to curb this terrible menace to both life and property. This bill merely provides for a general survey of all of the major rivers of the United States by the War Department. It will apply to every nook and corner of the United States. Particularly since the construction of the Norris Dam in my district in Tennessee, the menace of high water has been very greatly reduced. However, I am personally tremendously interested in the solution of this problem not only on account of local interest but for the country as a whole. It is up to the Congress to provide every possible means to prevent the recurrence of the devastations that have been wrought by the floods of the past.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I repeat my compliment to the gentleman from Arkansas [Mr. MCCLELLAN], who has made such a fine presentation of the question of surveys for flood control. For some time we have been studying this problem of flood control and need to secure results. Floods come along periodically and do enormous damage. A year ago the section of the State of Massachusetts which I represent suffered very severely, and other sections of New England as well. We had numerous conferences at that time with representatives of the Army engineers and were very much encouraged as to the prospects of something being promptly done. I realize, as, of course, we all do, that in order to make a complete survey and study it requires quite a considerable period of time. Nevertheless, I think the gentleman from Arkansas is correct in urging haste—not undue haste at the expense of information but that we keep interested in these studies our officials who are under obligation to the Congress to carry out its wishes, and show a disposition by the adoption of such a resolution as the one before us to carry on as rapidly as possible, so that the possibility of further damage and serious loss of life and property may be overcome at the earliest practical moment. It was in that spirit, to a certain extent, that I wondered whether the amendment including hydroelectric study should be brought forward in connection with flood control, but since making that comment I have been informed that the amendment, which will be proposed by the committee, is already law.

That being the case, of course, there is no harm in including it in the resolution; but in behalf of my constituents in western Massachusetts who have suffered severely from the floods of the Connecticut, Hoosic, and Westfield Rivers, and in behalf of other citizens who have also suffered from floods in our State, I hope that this resolution will bring about as prompt action as possible on the part of the Army engineers. In this way the chances of further damage being done in our area, as well as in other sections of the country, may be as promptly as possible overcome. Therefore, I am glad indeed to join with those other sections of the country where suffering has resulted from floods in what I hope will be the unanimous passage of this resolution, and prompt action by the Board of Engineers under it.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. COLDEN. Under the Boulder Dam project, the people of southern California are defraying the expenses, not only of flood control but also conserving water for irrigation.

Mr. TREADWAY. I do not care to go into any detail in respect to the matter. I think we can safely leave the details to the Army engineers.

For quite some time the flood conditions in western Massachusetts have been a source of inquiry by the Army engineers. Without taking the time to describe the survey in detail, it can be said that in the judgment of the engineers a group of reservoirs should be constructed. This survey had progressed sufficiently far so that recommendation probably would soon have been made to Congress for the adoption of the plan had it not been for the severe and disastrous flood in the early spring of 1936. That flood brought so much higher water than shown in previous departmental records that the data theretofore assembled required revision and marked enlargement of the contemplated plans. To what extent this revision has progressed I am not informed at this time, but I assume that the division engineer of the Army has been actively engaged in the work. Recently a four-State compact has been entered into which evidently was not satisfactory to the Federal Power Commission. The great need, however, in our area is not the development of electrical energy but definite and positive flood control. It is, therefore, to be hoped that the attitude of the Federal Power Commission will not delay prompt action on the part of the Army engineers in carrying out what appears to be the unanimous wish of the States involved and the Federal Government.

In addition to the serious floods in the Connecticut River, great damage has been done in northern Berkshire by flood conditions in the Hoosic River and also in portions of adjoining counties by the overflow of the Westfield River. During the past year some aid has been obtained through the allotment of W. P. A. funds, which have been used in protecting valuable land in the city of Holyoke, in the district I represent, and in the city of Springfield, which is in the district represented by Congressman CLASON, who has actively participated in all efforts to secure adequate flood relief.

Having had occasion to inspect the flood areas of this year in the Middle West, I, as a New Englander, readily realize that the problem of flood control on the Mississippi and Ohio Rivers is very much greater in extent than in the area to which I am referring, nevertheless in proportion to size our problems are as important and as pressing to us as those in other sections. It is therefore to be hoped that the day is not far distant when the region I represent in western Massachusetts may have material aid and benefit from the Federal Government in removing the ever-present menace of great damage by floods.

The resolution under consideration is directed to this end. It, therefore, has not only my hearty endorsement, but my sincere expectation that it will hasten the day of greater safety from flood damage in Massachusetts.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Speaker, I am glad to know from my observation of the temper of the House today that it will pass this resolution and the bill that it makes in order without any opposition. I think the reason for this state of mind is that everybody recognizes that this is a very important resolution. I would not say that it is a matter that just must be passed, I would not say that we could not get along without it, but at the same time there is no use of having the Government spend millions of dollars getting up reports and making studies on flood conditions and then failing to keep them current. I hold in my hand a very valuable House document, House Document 306, Seventy-fourth Congress, which deals primarily with the Ohio River and its effects in the Mississippi territory. It contains a wealth of information. It has been produced as the result of many days of work by many competent engineers and statisticians, and at a tremendous expense. One could hardly imagine the great amount of classified and accurate information contained therein. These studies and

surveys have been made by the Army engineers. Included in this are maps showing locations of proposed improvements and tables of figures as to costs and dimensions that have taken great care by competent experts. What would be the use of our maintaining the finest corps of engineers in the world if we did not provide them with facilities to keep abreast of the times, and authority to carry on the work. For instance, let me point out something that happened in connection with the flood of 1937, the last January flood, in the Ohio Valley, and compare it with the flood of 1936 to show that there is much to consider in flood-control matters besides surveying. The courses and frequency of storms as well as the amount of precipitation must be studied. The flood of 1936 was very disastrous in Pittsburgh. The flood of 1937 did not damage Pittsburgh very much. The flood of 1936 did not damage my home town very much, but the flood of 1937 covered 90 percent of it. Both of these cities are on the Ohio River, within about 280 miles of each other. Why was that? That is because of different atmospheric conditions, different rain conditions. In the flood of 1936 there were certain flood conditions that were not present at all in the flood of 1937. For instance, one town in my district at the upper end of the district did not suffer very much from the flood of 1937, but from that town on down the river the rainfall in the Ohio Valley for about 50 miles on each side of the Ohio River was about 10 inches in 11 days. That is what caused the disastrous flood of 1937—the excessive rainfall in the immediate vicinity of the Ohio River itself.

If the time ever comes when we have the conditions which we had in 1913, conspiring together with the conditions which we had in 1937, then we will have a bigger flood than we have ever thought about. The Army engineers made reports with reference to the floods up to 1937, and they made some predictions, but they have changed their predictions since the 1937 flood very materially. They, like all of us, appreciate the fact that the power and resources of Mother Nature have not yet been measured. They know the uncertainties of the wind and weather, yet they know that experience is the best teacher. The causes of the 1937 flood mean that new studies must be made. We ought to furnish them with the money to make the necessary studies. It would not take anything like the amount that has already been spent. The cost will not be in any measure as great as it has been—not one dollar to twenty, I would say. This bill only provides that we bring these studies up to date. If any of the Members of the House are very much interested in flood control and the flood surveys already made, I would advise you to get this House Document 306 of the Seventy-fourth Congress and 308 of the Sixty-ninth Congress, and you will have the story pretty well told. You will find that they go extensively into conservation. One gentleman here this afternoon raised the question as to whether or not we should go into conservation. It is absolutely necessary that we consider the conservation of water in order to know what to do with it when the flood comes. What do I mean by conservation? I do not mean the conservation of soil or the conservation of water at the headwaters of every little creek in the country, although I think that is necessary, and it fits in admirably with this program. I mean that we should impound this floodwater not only to keep it from doing damage but we should impound it as against the disaster of the dry seasons as well. We have in Ohio now two great examples of what I mean in the Dayton conservancy district and in the Muskingum River project. I mean all kinds of water-conservation studies should be made. For instance, I went to the site of the dam at Grafton, W. Va., about 2 weeks ago. That is one of the dams covered in this report. They are about to finish it now. It is a tremendous undertaking. It is a larger dam than the Norris Dam. One of the chief engineers told me that when they came to lay the foundations of this dam they found this situation—

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. JENKINS of Ohio. They found certain strata of rock that indicated that they were not impervious to water; that subterranean water came from various sources and promised to be a serious hindrance to the construction of that dam. They made certain tests that indicated that the water which was troubling them came by subterranean channels from far back up the river from the place where they were going to construct the dam. They made arrangements to divert that water and it removed all threatening menace to the construction of that dam.

The movement of water underground is a very curious thing. For instance, over in Bellevue, Ohio, in the district represented by my colleague Mr. WHITE, about 3 or 4 weeks ago they had a flood; that is a level country. That city is not on any river at all. That flood inundated that city in some places 4 or 5 feet deep. That city has no river connection at all. The surface water passes off through subterranean channels. The subterranean drainage that carries the water off stopped up. That was an unusual instance, but through the prompt action of Mr. WHITE, the United States Army engineers were right there on the job in a day or two. They soon solved that situation, and in the solution of that situation they showed that the water from that place found itself in a far-away section of Ohio in a very few days. From all indications, it went underneath a topographical divide and found itself emptying into another water system by subterranean passages 100 miles from there. Of course, I do not mean to imply that a special study of subterranean waters is contemplated in this bill, but I only mention this to show that nobody knows everything about the flowage of water. This bill contemplates as its primal objective the control of surface water. It seeks to make such studies as will best enable us to do that for the best interests of all the people. Nobody can do that as adequately and altogether as efficiently as can the Army engineers.

My understanding is that this bill does not contemplate any investigations by any other organizations than this fine, upstanding organization that is superior to any engineering organization in all the world. Am I right about that?

Mr. McCLELLAN. That is correct.

Mr. JENKINS of Ohio. With that assurance and the assurance that the resolution is going to pass, I yield the floor, Mr. Speaker.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR of Montana. Mr. Speaker, I want to ask one or two questions at this time of the gentleman from Arkansas [Mr. McCLELLAN]. The gentleman is to be congratulated, in my opinion, for bringing this bill before the House. It is one of the most worthy bills that has been presented during this session of Congress.

I note in the gentleman's statement he said one of the Army engineers made the statement that sufficient data had already been collected upon which to make a report to Congress. My thought about that is this, that before this report is made, additional information should be received. For instance, in my own State we have the Yellowstone River, rising in the Yellowstone National Park and flowing nearly across the State of Montana. It is one of the principal tributaries of the Missouri River and assists materially in causing the destruction in the South about which the gentleman is complaining. The Yellowstone River has been in a measure surveyed, in a cursory way, by the War Department, but additional information is necessary. I am wondering if this bill is broad enough to include a resurvey of the Yellowstone River?

Mr. McCLELLAN. I will answer the gentleman by stating that the provisions of the bill are not only broad enough but they direct the thing to be done, if, in the opinion of the Army engineers, it is necessary to comply with this bill in making a complete report.

Mr. O'CONNOR of Montana. Then, as I understand the gentleman, that would be a direction to the Secretary of the Interior or the Secretary of War to make this additional survey and get this additional information?

Mr. McCLELLAN. If they find it necessary in order to submit a plan for the control of floods on the major streams, it is their duty to do it under this resolution.

Mr. O'CONNOR of Montana. The gentleman would consider that the Yellowstone River, being one of the two principal tributaries of the Missouri River, ought to be resurveyed, would he not?

Mr. McCLELLAN. I certainly would.

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I think the House joint resolution on flood control made in order by the pending rule is a very sensible and sane piece of legislation. You are putting into the hands of the Corps of Army Engineers, under the leadership of General Markham, the privilege and the power of furnishing this Nation with a comprehensive flood-control plan. How much different this is than the plan we had yesterday for the reorganization of the Government departments, when they brought in a bill to give the President six additional Secretaries without letting us know what else is to follow in this reorganization. It would seem to me that before you started to build the foundation of a house you should have a plan for the house, so that you would know exactly what kind of a foundation to construct; you should have a comprehensive plan before you started the project. That is the sensible approach to the proposition, and that is the plan contained in the bill made in order by this rule. I heartily recommend and endorse this proposal—a sane course to pursue.

I call attention, however, to one particular item in the bill having to do with the development of hydroelectric power. If General Markham undertakes to tackle that phase of the matter, he will have his hands full. These power dams, 300 to 500 feet high, are not going to be of any value in flood control. Heretofore we have been greatly concerned with coastal defense, but now you will have to make preparation for dam defense, and by this I mean that not only will General Markham have charge of building these dams but he will have to take care of them by the United States Army if we are not to have some of the greatest floods ever known. Last week I called your attention to an earthquake in Alaska. Day before yesterday there was an earthquake near Vera Cruz, Mexico, which cost the lives of 30 people. You do not know how soon you may have another great earthquake in Charleston, S. C.; you do not know how soon you may have another earthquake in Montana; you do not know how soon you may have another earthquake in California. Should one occur and open up one of these great power dams 6 or 8 inches, or a foot, and let this water rush out of dams, such as the Grand Coulee or Bonneville, on the Columbia River, it would be a catastrophe that would make us all sorry and regretful that they were ever built. Should these dams burst asunder the water would rush down those valleys and annihilate the people living in them. I hope and pray this horror will never happen.

There is a great difference between flood control and the development of hydroelectric power. One is opposite to the other. Let me call your attention to another feature in connection with the necessity of protecting these dams: One of those Russian planes could come across the North Pole and drop a big 5-ton bomb onto the Grand Coulee Dam, break it asunder, and the rushing waters would drown all the people living in that valley in Washington and Oregon; or a military airplane may come over from some other Asiatic or European country. So I warn you now of this other very serious matter of military defense that is inextricably woven into this seven-regional-conservation program. Do not start seven till you finish the two already started, and each one to cost over a billion dollars each.

In trying to develop the President's illusion of putting this country into the power business you will drive everybody else out of the power business but the Government. A Russian program, socialistic. If you adopt this resolution in such form that General Markham will be confined to flood control and not concerned with the building of great power dams to put the Government in the power business all over this country, you will probably get somewhere; but if you are going to develop power out of these dams that you hope to build for flood control, if you insist that General Markham do that, then this resolution might just as well not be passed, it should then be scrapped. A full dam of water is no good for flood control.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. WHITTINGTON. I call the gentleman's attention to the fact that the pending resolution makes no departure from but merely brings forward the report that the engineers are required to make under the existing law with respect to power and irrigation.

Mr. RICH. I say to the chairman of the Committee on Flood Control that if you hold this legislation to that one phase, flood control, and can stop Members of Congress from loading this bill up with a lot of unrelated matters, it will be a meritorious bill. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Tennessee. Mr. Speaker, I yield 3 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. I want to add my thanks and the thanks of the people of the Fifth Massachusetts District to the chairman of the Flood Control Committee, Mr. WHITTINGTON, the gentleman from Mississippi; and the gentleman from Arkansas, Mr. McCLELLAN, who introduced this bill, for reporting this measure to the Congress for consideration.

During the flood of 1936 over 3,000 families lost their homes at Lowell, Mass., alone. At that time, had it not been for a gate that was built by Mr. Charles B. Francis, a very able and forward engineer, 86 years ago, when he was director of the locks and canals, the entire city of Lowell would have been under water and a great deal of valuable property destroyed and many lives would have been lost. At the time that engineer built the gate it was known as the Francis Folly. It was considered a visionary, unnecessary thing. It only proves the importance of very expert advice in these matters. Mr. Francis' genius saved Lowell twice. The gate was used once before, years ago, and won for its builder an inscribed silver token of esteem. During the flood of 1936 that gate was watched by everybody in Lowell, because the people knew if it did not hold it would be the end of Lowell for a good many years—but it held, Mr. Speaker. It was a very dramatic thing. Crowds of people gathered about the gate, watching by lantern light as the water crept up to alarming heights on the regular gate until it appeared certain to break. Then, just as that seemed imminent, an employee of the canal company climbed to the roof of the structure and released the guard lock and Francis' Folly performed the service its designer had expected of it when he built it 86 years before. A great shout of thanksgiving went up when the floodwaters began to recede.

You see, Mr. Speaker, how intensely we, the people of Lowell, feel about preventative flood measures. We know that by doing more for us, so far as flood prevention is concerned, you are insuring the safety of Lowell.

Colliers 2 weeks ago spoke of Lowell as being one of the most interesting cities in the entire country. The people there deserve help and I am so grateful you are going to give it to them. The story in Colliers told how Lowell was the first planned industrial town in America and that it might be termed the Detroit of the days before the Civil War. It traced its ups and downs in industrial life and paid tribute to the spirit of New England and to the workers from afar who came to labor in its mills.

These were the people who faced the flood disaster of March 1936 with a bravery and lack of panic that won the admiration of the more fortunate parts of the country. I was tremendously proud of the way the city where I live responded to the crisis. It was the same wartime spirit that dominated America when we faced a world crisis in 1917,

but it was mobilized as a peacetime cooperation to help neighbors and friends. There is not praise enough that I can offer the Red Cross for its work in the emergency. Red tape was cut, people were fed, housed, and clothed to relieve actual suffering. Homes were thrown open; churches were placed at the disposal of refugees; doctors and nurses cooperated in long and arduous hours of duty. Women sewers of the W. P. A. arose to the occasion and along with volunteers made the sandbags that saved the city from even worse damage. Some of these women worked from 12 noon until 4:30 the following morning. Telephone operators, the police, and firemen worked without rest or relief. City workers and W. P. A. men remained on the firing line hour after hour without relief and for long periods with no food or a chance to get dry clothing. The Legion and other veteran organizations, of course, were on the job from the first moment of danger. They always are.

I want to give my praise to General Markham, head of the Army engineers, as well as to General Pillsbury, his assistant, who I may say comes from Lowell and graduated at the head of his class from West Point; also Captain Clay, with whom I have had most of my dealings concerning flood control at the War Department; Colonel Lyman at Boston and Captain Casey, of the Boston engineers at Boston.

I also want to pay tribute to the work that the W. P. A. did in Lowell during that flood. Colonel Delaney, of the W. P. A., came to Lowell and worked untiringly. I have criticized the W. P. A. But during that flood the W. P. A. workers came from Lowell, and the other towns in that district as well as from Boston and other Massachusetts cities and they helped save our city, and they helped to alleviate the suffering of the flood victims. I have, therefore, intense gratitude for all of those who helped save Lowell.

Mr. Speaker, I know this resolution will pass and I am delighted to note there is no partisan nor sectional feeling here. Everybody is working for the good of the entire country. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. WHITTINGTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 175) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 175, with Mr. O'NEAL of Kentucky in the chair.

The Clerk read the title of the joint resolution.

The first reading of the joint resolution was dispensed with.

Mr. WHITTINGTON. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. GRISWOLD].

Mr. GRISWOLD. Mr. Chairman, I want to commend the chairman of the Committee on Flood Control for bringing out a bill of this kind. It is the one kind of a bill that may in the future prevent us from having to accept some penurious flood bill, such as the last one we passed, which was a bill that could only benefit people who in some way had made a profit out of disaster. It provided that those who had already lost most of their worldly goods could, if they had enough left, pledge it in an endeavor to prevent another catastrophe.

These floods have been like an epidemic of the measles. You stop them in one place and they break out in another. When we appropriate money for flood control or money to regulate or prevent floods, we give a little here and a little there. Maybe it helps and maybe it does not. Then you come to the place where you really want some improvements made that will stop the epidemic of floods and you are met, as we were during the first of this session, with the statement: "Well, you have no comprehensive plan. We must take in the whole country."

I would like to see this bill pass and a comprehensive plan of flood control inaugurated and then see what the excuse will be for not protecting people.

There is one town out in Indiana on the Wabash River that suffered for years from floods and the loss of life and property. It tried to get money, and although there was a survey made over 8 years ago by the War Department of that particular basin and plans approved, the people of that town tried to get the money time after time, but they could not. Finally the local citizens went in, and because the War Department held it was a navigable river, accepted the War Department plan, built their own flood-control works, which protected that town; but during the flood of a year ago the water that they kept away from their own town merely went on down to another town of about 20,000 people, and that town received the full benefit of the flood with consequent loss of life and property.

Maybe if we get a system of comprehensive flood-control plans throughout the whole United States it will prevent these things from happening. My primary interest in this bill is simply to have a plan inaugurated, so that the next time we cannot be met with the excuse that "We cannot give you money because you have not a plan that comprises all of the country." This bill should be passed. It is a method of plugging up the loopholes in our present governmental system of flood-control excuses. It will eliminate one of the excuses for failure to do something about our greatest national disasters. There will be other excuses advanced when this is eliminated, and at future sessions we can perhaps eliminate them one by one; and if the Nation endures long enough we may be able to reach a day when recurrent floods will be taken seriously enough for the Nation to do something more toward flood control than merely make plans, while thousands suffer and hundreds die from the effect of the waters.

Mr. WHITTINGTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the resolution under consideration involves no new policy. It merely utilizes existing agencies and the reports that have been made by the Corps of Engineers, or that may be made hereafter, in the formulation of a national plan for flood control.

Mr. McLEAN. Will the gentleman yield?

Mr. WHITTINGTON. I would like to complete my statement, then I will be glad to yield.

It is generally conceded that flood control should be national. It has been only in recent years that the Congress of the United States has made provision for flood control.

In 1927 the Congress authorized the Corps of Engineers, as provided by House Document 308, Sixty-ninth Congress, first session, to investigate the navigable rivers and their tributaries in the United States, and to report to the Congress respecting—mark my language—flood control, power, irrigation, and navigation. So that in the 308 reports the Chief of Engineers has submitted a report on the navigable rivers in the United States, and there are more than 200 of them. I read from said House Document 308, and thus quote the language of the law under which reports are made, as to plans:

> General plans for the most effective improvement of such streams for the purposes of navigation and the prosecution of such improvement in combination with the most efficient development of the potential waterpower, the control of floods, and the needs of irrigation.

In other words, there has been complete cooperation between the Committee on Rivers and Harbors, the Committee on Reclamation, and the Committee on Flood Control, because all reports on navigation have been submitted to the Committee on Rivers and Harbors, and all reports which may have been made respecting reclamation have been submitted to the Bureau of Reclamation, while flood-control reports are referred to the Committee on Flood Control.

Therefore, let us disabuse our minds of the belief that there is anything new with respect to power, reclamation, or irrigation in this bill. This bill merely brings forward the existing law.

The gentleman from Massachusetts asked about the reports to be made by the Secretary of Agriculture. These reports are provided for by the existing law. They are not reports on flood control, but are reports on reforestation and soil-erosion prevention, and they supplement and reinforce the reports which are made by the Chief of Engineers on flood-control works.

Mr. Chairman, this resolution was introduced on the 29th day of January 1937, while the great Ohio-Mississippi flood was in progress. It was referred to the War Department and there is a favorable report from the War Department. There is also a favorable report by the Budget. No additional agencies of the Government are to be set up. No additional bodies are to be organized. The Corps of Engineers and the existing agencies in the Department of Agriculture are to be utilized. No additional appropriations are contemplated. The appropriations are authorized under the act of 1936. This resolution, in a word, provides for a report or reports which may be the nucleus or basis of flood-control legislation on a national scale to expand and to enlarge the laws now in force.

Mr. McLEAN and Mr. THOMPSON of Illinois rose.

Mr. WHITTINGTON. I shall yield first to the gentleman from New Jersey.

Mr. McLEAN. There is now pending in the House the bill (H. R. 7863) to create seven authorities of three commissioners each at $10,000 a year. As I read the resolution now before us, its passage would make unnecessary the creation of such authorities at this time, and therefore, anticipating the early adjournment of Congress, further consideration at this session of the bill (H. R. 7863) would be unnecessary on the adoption of the gentleman's resolution.

Mr. WHITTINGTON. May I reply to the gentleman's question by stating that what we need, in my judgment, is not other agencies and not additional plans, but the coordination and assembly of the plans and reports which have been made by the Chief of Engineers, followed by the adoption of projects for the execution of such plans. We have the plans. It is time to assemble and adopt the plans made by the Chief of Engineers.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, I yield further to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. As I understand the gentleman, if we adopt this resolution and coordinate all of the plans and surveys after the report of the engineers is received pursuant to the pending joint resolution (H. J. Res. 175), there will be ample time to consider the bill, which is becoming known as the "Seven sisters of the T. V. A.", with reference to the creation of these various regional projects.

Mr. WHITTINGTON. I think the gentleman really answers his question by asking it, because under the terms of this resolution, may I emphasize, and I want it thoroughly understood, no new agencies are contemplated and no new appropriations are asked. This resolution contemplates the assembling of the data. The Congress of the United States has appropriated $12,000,000 in order to make plans, studies, and investigations for flood control and for the incidental power and navigation benefits where there is flood control, if there should be any power or navigation, and for the incidental irrigation benefits, if there should be any. This resolution merely provides for the assembling of such plans, primarily for flood control, reporting on navigation as required by said House Document 308, reporting on power as required by House Document 308, and reporting on irrigation as required by said House Document 308, so that the Congress of the United States may have before it the projects and the basis for legislation regarding flood control.

Mr. McLEAN. As I understand the gentleman, the adoption of this resolution will make unnecessary the enactment at this session of the so-called Norris-Rankin seven T. V. A. bills?

Mr. WHITTINGTON. The adoption of this resolution will make unnecessary the passage of any other legislation for adequate plans for national flood control, in my judgment.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Michigan.

Mr. DONDERO. Would the gentleman be willing to go a little further and say that in his opinion it is unnecessary that we have any new agencies to deal with the subject now under consideration?

Mr. WHITTINGTON. I think the gentleman understands my view about the matter. I have stated in response to a similar question that if our committee had thought any new agencies were necessary we would have recommended that such new agencies be provided. However, may I emphasize for the third time that we are recommending no new agencies, we are asking only that the existing agencies be utilized in the formulation of plans as recommended by this resolution.

Mr. O'CONNOR of Montana. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I am pleased to yield to the gentleman from Montana.

Mr. O'CONNOR of Montana. I have absolute faith in the gentleman's knowledge of this subject, or I would not ask this question, but referring back to the survey that has been made by the War Department heretofore with reference to various rivers and streams throughout the country, did that survey have anything to do with reclamation and irrigation?

Mr. WHITTINGTON. Let me repeat what I stated a few moments ago. I may best answer the gentleman's question by again reading the existing law. Under Document 308 of the Sixty-ninth Congress, first session, which is familiar to all Members of the House, the Chief of Engineers was required in reporting on navigable streams and their tributaries, in the language of the act, to submit—

> general plans for the most effective improvement of such streams for the purposes of navigation and the prosecution of such improvement in combination with the most efficient development of the potential water power, the control of floods, and the needs of irrigation: *Provided*, That no consideration of the Colorado River and its problems shall be included in the consideration or estimate provided herein.

Under that law the Congress of the United States has appropriated, and the Chief of Engineers has expended, approximately $12,000,000 for plans, studies, and reports. The engineers have submitted to Congress, for whatever disposition Congress may see fit to make of them, reports on practically all the streams in the country. We have assembled in a report which has been submitted to the Committee on Flood Control a comprehensive plan for flood control along the Ohio and the Mississippi Rivers.

The passage of this resolution would enable us, when we come to consider that plan, to have a report for a comprehensive flood-control plan along other rivers besides the Ohio and Mississippi, so that they may be considered in connection with an adequate national flood-control plan.

To answer the gentleman's question further, the Chief of Engineers reports that there is either an irrigation question involved or not. If there is an irrigation question involved, that is left to the Bureau of Reclamation to take up, and the Corps of Engineers has never undertaken to assert any authority along that line.

Mr. THOMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Illinois.

Mr. THOMPSON of Illinois. I would like to ask the distinguished gentleman from Mississippi, in his opinion how long a time will be required to complete the surveys contemplated under this measure.

Mr. WHITTINGTON. I have already tried to answer that question. I think substantially all the surveys have been made. This bill would provide, as I have stated, for

assembling into one report or, if necessary, into several reports which might be made, all the studies that have been made so that the report may be used as the basis of legislation. The studies have been made, the investigations have been made, and there are over 200 reports. This would provide for assembling them and putting them into one report, or in as few as possible, to provide for projects.

Mr. THOMPSON of Illinois. Then it would require a comparatively short time.

Mr. WHITTINGTON. We hope to have it by the next session of Congress.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. The gentleman states that this is primarily for rivers that have already been surveyed. Would it be possible for a small river that has not been surveyed, but one which frequently has floods with great destruction of property, to come under the program if it is demonstrated there is merit in the case?

Mr. WHITTINGTON. I think so. I referred to reports on the principal rivers and their tributaries, but in addition to the surveys that have been made, we authorized more than 100 surveys at the last session of the Congress, and the reports are being made. We have authorized in the bill that the House passed a week or 10 days ago some 60 additional surveys. I would say that those rivers would be taken into consideration.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. I trust the gentleman does not intend to insist on the committee amendment in section 2 of the bill. The committee amendment changes an authorization to an appropriation.

Mr. WHITTINGTON. I am pleased to have the gentleman ask that question. That is an amendment which was recommended by the Director of the Budget, and he insisted that the amendment be inserted before the Budget approved the bill, and with all due deference to the distinguished chairman of the Committee on Appropriations, I believe the Director of the Budget is in order in this case, and I remind the gentleman that under the act of 1936, the Omnibus Flood Control Act, Congress authorized $5,000,000 to be appropriated for surveys by the War Department and $5,000,000 for surveys by the Secretary of Agriculture. This language is intended, and should be so construed, to provide that any surveys or reports made under this resolution shall be made out of money appropriated under those authorizations, and we are not asking for any additional authorization or appropriation.

Mr. CANNON of Missouri. The gentleman understands I am very heartily in favor of this legislation?

Mr. WHITTINGTON. Yes; I understand that.

Mr. CANNON of Missouri. And I have great regard for the opinion and wishes and recommendations of the Director of the Budget, but I am certain he would not want, and I am certain the distinguished chairman of the committee would not want, to violate the rules of the House. The only purpose, apparently, of the amendment is to make it an appropriation. The section as originally written and as originally introduced in the bill, authorized all the appropriations necessary to carry out the purposes of the act, but with the amendment it is not an authorization but an appropriation.

Mr. WHITTINGTON. I may answer the gentleman by saying that the Director of the Budget recommended the amendment and his intention was to provide that the cost of any surveys that may be made or any plans that may be prepared shall be paid out of appropriations for flood control already made or out of previous authorizations, and we are not asking for any additional money.

Mr. CANNON of Missouri. This is an appropriation——

Mr. WHITTINGTON. It is an allocation.

Mr. CANNON of Missouri. And, being an appropriation, is, therefore, subject to a point of order. I would hate to make such a point of order, and I therefore hope the gentleman will not insist on the amendment.

Mr. WHITTINGTON. With all due deference to the gentleman, I believe he would be warranted in not making the point of order, because, if he did, it would require an additional appropriation, and, being the watch dog of the Treasury that he is, I am sure he will agree with me. If we can use money already appropriated, we will eliminate any necessity for an additional authorization; but if the gentleman should make a point of order against it, an additional authorization and appropriation would be required.

Mr. CANNON of Missouri. If we should follow that procedure, we would have dozens of bills in here making appropriations.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I yield myself 1 additional minute to say further that if we follow this procedure we will follow good procedure, because we are not asking that the appropriations already made or authorized be used for an unrelated purpose. They were made for the very thing that this bill contemplates, and we merely ask that they be used for the purposes provided in this bill. This is not like taking funds authorized for one purpose and devoting such funds to a different purpose.

Let me say in conclusion—and I wish I had more time—it is for the gentleman to decide whether he makes the point of order or not; but let me say, as I sum up, this bill is the response of the Congress of the United States to the national demand for a policy of flood control. This will provide for assembling plans that are to be the basis and foundation of legislation for national flood control. It involves no change and merely expands the existing policy, and I trust it will be adopted by the House. [Applause.]

Under leave to revise and extend my remarks, I have on numerous occasions during the present session of the Congress discussed the policy and program for national flood control. My views are well known. I have delivered a number of addresses with respect to the proper policy of flood control. Among the addresses that I have delivered are speeches that are found in the CONGRESSIONAL RECORD of March 12, 1937, April 26, 1937, May 19,1937, June 1, 1937, and July 19, 1937.

On June 22, 1936, the Congress adopted the omnibus or Copeland Flood Control Act. It authorized the expenditure of some $300,000,000 for flood control. A criticism of that act is that partial projects on many streams are authorized; complete flood control on all of the streams is not provided for. That bill was intended to provide for works that would be a part of a larger plan. None of the works authorized will be lost.

On April 6, 1937, the Chief of Engineers submitted a comprehensive report for flood control along the Ohio and Mississippi Rivers. Reservoirs were recommended along a number of the tributaries of both of these rivers. Flood control will not be complete, however, until these reservoirs have been followed by other adequate flood-control works. In many cases along the tributaries levees are necessary. Moreover, flood-control works are necessary on other streams and navigable rivers. The House has passed partial legislation for flood control in the Ohio River Basin and the bill is now pending in the Senate. At the time the bill was passed on July 19, 1937, it was stated that the major program was being continued until the next session of the Congress.

The resolution under consideration would provide for the assembling of reports and data heretofore or hereafter made under authorizations of Congress, so that the Committee on Flood Control would have before it definite projects as the basis for legislation for flood control not only on the Ohio River and its tributaries, the Mississippi River and its tributaries, but on the other navigable rivers and their tributaries of the United States where the flood-control problem is acute.

Congress has not been negligent in the matter of flood control. Provisions have been made for studies on all of the principal streams in the United States. The Corps of En-

gineers are more familiar with flood-control works and are the best-informed and best-equipped engineers in this or any other country. They have submitted recommendations; they have submitted reports; they have advised Congress respecting navigation, the needs of irrigation, and the development of power in all reports covering plans for flood control.

I advocate the conservation of our national resources. I advocate that all power that may be developed at any dams constructed for flood control, where the development of power is practicable, should be utilized for the benefit of the consumers of the country. I am anxious for the Federal Government to retain the supervision and control of power for the benefit of the people; but we are dealing primarily with flood control. There is much misunderstanding with respect to power in flood-control dams. Reservoirs for flood control and reservoirs for power are generally incompatible. There are notable exceptions. These exceptions obtain along the Tennessee River and along the Columbia River, the Red River, and the White River. I emphasize that there is but one Tennessee River east of the Mississippi River. The resolution deals primarily with flood control. The power resources of the Nation are protected in the pending resolution. Under the act of 1936 provision is made, where practicable, for the construction of penstocks in all dams built for flood control.

We hear much about planning and planning agencies. Much of the planning and many of the agencies would be duplications. I can understand that the Chief Executive would like to be fully advised respecting the conflicting recommendations submitted by the various executive departments of the Government but in national flood control we have adequate plans. The Corps of Engineers are the best equipped flood-control engineers in the world. They are efficient; they are dependable; they have utilized the services of the best available civilian engineers in the preparation of reports. The establishment of additional agencies for flood control would result in delay.

It would be difficult to improve upon the set-up in the Corps of Engineers. There is a district engineer in practically every State. He reports to the division engineer. The plans are originated in the field. The division engineer reports to the Board of Engineers for Rivers and Harbors. The Chief of Engineers has the final say. There must be an executive head in both planning and execution. We have adequate plans, we have adequate agencies for national flood control. The need is not for other agencies, but for the review and for the assembling of plans that have been made and of studies that have been conducted so that reports may be submitted to Congress, giving projects for flood control on all of the streams in the United States where the flood-control problem is acute so that adequate flood-control legislation may be adopted.

The resolution is short and easily understood. It authorizes the Secretary of War to submit a full report or a series of reports embodying a comprehensive plan and program for the control of floods on all of the rivers in the United States and their principal tributaries. The Chief of Engineers is to do the work. All possible solutions of the problem have been and will be explored. The plans and the reports will set forth the projects and the costs thereof. Consideration will be given to projects now under consideration and heretofore authorized.

No additional authorization is contemplated. The resolution provides for no additional appropriation. The Secretary of War pointed out in his report, which is contained in the report of the House Committee on Flood Control, that the expenses in preparing the plans are to be made from general appropriations for flood control.

I have already pointed out that the Chief of Engineers in reporting for flood control on all rivers in the United States embraces reports on navigation, power, and irrigation. The word "reclamation" in the pending resolution is synonymous with the word "irrigation" in House Document 308.

On June 22, 1936, Congress, in adopting a policy of national flood control, provided that the Chief of Engineers should formulate the projects for flood control. These projects are to be constructed along the streams. Soil conservation and reforestation have a place in the picture. The act provided for the first time that soil-conservation and soil-erosion studies and reports should be made by the Department of Agriculture. The pending resolution utilizes the services of both the War Department and the Department of Agriculture in the formulation of plans that are to be the basis of legislation.

We have adequate plans; we have adequate agencies. We have adopted a sound policy. The program is to enlarge and expand the policy adopted and to provide for the execution of plans that have been made. It is believed that reports can be submitted so that Congress, at the next session, may pass adequate legislation for flood control on all of the principal rivers and their tributaries in the United States.

I may say that the Senate has already passed Senate Joint Resolution 57 in the exact language of the original resolution, without the amendments of the Flood Control Committee of the House. In the event the bill is adopted by the House, it is my purpose to ask that the House bill be substituted for the Senate bill.

Mr. O'CONNOR of Montana. Will the gentleman yield himself an additional minute in order that I may ask him a question?

Mr. WHITTINGTON. I am sorry, but I have other Members that I have promised to yield to.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield myself 2 minutes. This bill has been drawn to meet the demands of the Nation with reference to a comprehensive plan of flood control. It places the coordination, the working out of proper flood-control measures on all of the major streams of the United States in the hands of the Board of Engineers of the United States Army. This is where the problem should rest. The Board of Engineers of the United States Army, in my opinion, is undoubtedly one of the most skillful, one of the ablest, one of the most conscientious organizations that exists in the entire world. The data they collect and the work that they carry out have set a standard amongst the nations of the earth with reference to large engineering projects, flood-control measures, the development of navigation of streams, and in all other subjects which they undertake to handle. No new agency under this bill is created. The bill places in the hands of the Board of Engineers the opportunity to compile and work out the data that have been connected over many years, and to provide a flood-control program that will give this Nation a scientific and economic basis on which to proceed. The bill under consideration should receive the support of every Member of this House.

I yield 3 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Chairman, it is a pleasure to support this House joint resolution. I compliment the gentleman from Arkansas [Mr. MCCLELLAN] who has consistently worked to secure consideration of this bill, and the chairman of the Flood Control Committee for his efforts in bringing it on the floor of the House. We have tried to bring in a bill that would not have opposition, and that would call for a comprehensive report on all of the major streams of the United States. It is a matter of common knowledge that the Army engineers have control of the major streams of the United States, for flood control, that the Department of Agriculture has control of the watersheds of this Nation. We want to coordinate these two agencies in getting reports on these streams and, as was stated when we had the last bill before the House, we expect to begin hearings in January upon comprehensive flood-control legislation. We need this information, Congress needs it, the country needs it, and I hope we can have it assembled between now and next January. We need legislation that will deal with problems that affect every section of the United States.

This does not deal merely with the lower Mississippi Valley, but it will deal with all of the major streams of the country. Testimony was presented to our committe that we have been wasting our land resources, that we have been wasting our water resources. Dr. Hugh Bennett told us that 100,000,000

acres of our farm lands are already destroyed and past redemption, that 125,000,000 acres additional are seriously impaired, and that 100,000,000 acres more are being seriously threatened by water-erosion damage. We need this information. With this information we should begin a program of water and soil conservation. Everyone has read of the dust storms that we have had in the Middle West. In one dust storm, May 11, 1934, it is estimated 300,000,000 tons of soil of fertile top soil actually blew out of one section of several States of the United States. Every year we have 400,000,000 tons of soil floating into the Gulf of Mexico through the Mississippi Valley. I think it is important that we get legislation that will have in mind the control of the water flow at its source. It seems to me it is high time and I assure you gentlemen that it is a pleasure to endorse this legislation today. I hope the gentleman from Missouri [Mr. CANNON] will not feel that it is necessary to make the point of order against the amendment authorizing the appropriation.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. Yes. I will be glad to yield.

Mr. CANNON of Missouri. It is a matter of regret that it is necessary to make the point of order, but I am certain the gentleman from Kansas favors observance of the rules of the House, which do not permit an appropriation on a bill of this type.

Mr. CARLSON. I appreciate the gentleman's position in the matter. I merely want to state that the committee had in mind when this was brought in, and we had it from the Director of the Budget, to use funds already allocated. No member of the committee thought we would have to ask for additional funds, but that we could use funds already appropriated and allocated for this work.

Mr. WHITTINGTON. Furthermore, we have often passed legislation that is subject to a point of order, because it is for the good of the country.

Mr. CANNON of Missouri. We can secure the same result by following the recognized rules of procedure, because a deficiency appropriation bill will be reported to the House very shortly, and we could very properly include in it an appropriation for this purpose.

Mr. McCLELLAN. What would be the advantage of asking for a deficiency appropriation if the money is already appropriated? Would it not be better policy to use that already authorized?

Mr. CANNON of Missouri. It is not already appropriated for this purpose. If it were already appropriated for this purpose there would be no necessity for offering this amendment.

Mr. McCLELLAN. Does not the gentleman concede the money already appropriated is for the purpose of making surveys and assembling data?

Mr. CANNON of Missouri. None of the money to which the gentleman refers could be spent for the purposes set out in this bill as drawn unless and until appropriated by further legislation.

Mr. McCLELLAN. This bill only directs the War Department to carry on what it is already doing.

The CHAIRMAN. The time of the gentleman from Kansas [Mr. CARLSON] has expired.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield the gentleman from Kansas 2 additional minutes.

Mr. CARLSON. I appreciate very much that the gentleman from Missouri [Mr. CANNON] is an authority on parliamentary law, and I have no doubt his position is absolutely correct, but as a matter of policy it seems to me that on this occasion and in this situation these funds are already appropriated or authorized or allocated to various departments of the Government—the Army engineers and the United States Department of Agriculture—and therefore this legislation was brought in merely with the view of having those agencies give the report which they are authorized already to do. I sincerely hope the gentleman will not make the point of order. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. WHITTINGTON. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Chairman, I would like, at this time, to take a few minutes to review the activities of the Flood Control Committee in bringing to the attention of the House the fact that this committee has not been derelict in its duty in trying to bring about complete flood control in this Nation.

The 1936 act was the first that brought the subject of flood control within the realm of Federal duty. Before that we had attempted flood control on the lower Mississippi River. Under the 1936 act the Federal Government was put in the business of flood control in the following language, and this is the declaration of policy on which all flood-control legislation is based:

> It is hereby recognized that destructive floods upon the rivers of the United States, upsetting orderly processes and causing loss of life and property, including the erosion of lands, and impairing and obstructing navigation, highways, railroads, and other channels of commerce between the States, constitute a menace to national welfare; that it is the sense of Congress that flood control of navigable waters or their tributaries is a proper activity of the Federal Government in cooperation with States and their political subdivisions and localities thereof; that investigations and improvements of rivers and other waterways including watersheds thereof for flood-control purposes are in the interest of the general welfare; that the Federal Government should improve or participate in the improvement of navigable waters or their tributaries including watersheds thereof for flood-control purposes—

And this is the important language in this bill that we adopted in 1936—

> if the benefits to whomsoever they may accrue are in excess of the estimated costs, and if the lives and social security of people are otherwise adversely affected.

In other words, in 1936 this Congress said that whenever a project can be proved economical, that the benefits to whomsoever they may accrue, whether it is the people immediately below a dam or 500 miles below, then the Federal Government shall pay the cost of constructing this project when the State or other local agencies furnish the right-of-way. It was not only a question of flood control that was taken up in this bill. In section 2 this bill says:

> Federal investigations of watersheds and measures for run-off and waterflow retardation and soil-erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture.

Under this mandate, under this declaration of policy, the Army engineers and the Department of Agriculture have started on this immense problem of how to protect the lands of the United States and the people of the United States from an estimated annual damage in property of almost a billion dollars, as well as many lives. We realize that $310,000,000 worth of projects authorized in the original bill do not solve the entire problem. We recognized that fact when recently the House passed an act permitting the Ohio Valley to build flood walls to protect those cities that have recently been ravaged by floods.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. FERGUSON] has expired.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. FERGUSON. When we held hearings on the flood problem in the Ohio Valley, the Flood Control Committee called in representatives from all the affected departments of Government. We questioned the representatives of the Department of Agriculture and asked them how the Department of Agriculture was getting along in carrying out these surveys in conjunction with the War Department and the Army engineers. The Soil Conservation Bureau, the Weather Bureau, and the Department of Agriculture all testified they were working in perfect harmony. They are, then, interested not in just the building of a dam, but under the present bill the Department of Agriculture is making

a survey looking toward the permanent correction of the erosion that would fill up the dam if such a policy were not followed.

What does the Flood Control Committee ask today? It asks that the Army engineers, in conjunction with the Department of Agriculture, these two agencies that we recognized under the act of 1936, should assemble and coordinate the facts they already have in their possession, most of them facts that have cost the Government $12,000,000 to accumulate, for a national program of flood control, and report those facts in a comprehensive program to the Congress. That is all your authorization asks.

I understand that some of the friends of reclamation have objected to the word "reclamation" in the bill. No investigations for reclamation have ever been made by the War Department. All those investigations have been made by the Bureau of Reclamation. If there is any question in the mind of those friends of reclamation that this is an infringement upon that Bureau, I feel the committee will accept an amendment which provides that those investigations shall be made by the Bureau of Reclamation. The only reason that reclamation was included in this flood-control bill was due to the fact that in some cases, where flood-control dams are constructed at the additional cost of raising the dam to provide greater capacity, it would be possible to develop also an irrigation project; and I thought it would be advisable in my western plains country to have information in the report showing whether, in addition to flood control, it would be possible in some instances to raise the height of the dam and bring some of that land back under irrigation.

I had the privilege and pleasure of talking with the President of the United States today on the subject of regrassing, on the subject of bringing that Great Plains area back to grass. The Department of Agriculture is cooperating and has recommended grass experiments to breed grasses so that when the purchase of marginal lands is undertaken under the farm tenancy bill which authorizes the expenditure of $50,000,000 the Government will realize and know the basic facts, so that they can proceed intelligently with regrassing.

The information gained from grass-breeding experiments will be of immeasurable benefit in properly controlling erosion in the drainage basins back of flood-control dams and together with tree planting should solve the problem of these dams silting full due to improper land usage in drainage areas back of dams impounding water.

In this brief time I have attempted to show the committee that the Flood Control Committee under the able leadership of our chairman, Mr. WHITTINGTON, have laid the foundation for a national flood-control policy embracing every angle including the intelligent use of the water and proper conservation of the soil through reforestation and regrassing.

To quote from the bill introduced by my able colleague from Arkansas [Mr. MCCLELLAN]:

> The report shall include provisions for the construction of levees, spillways, diversion channels, channel reflections, reservoirs, and utilization of water resources through the building of power dams or a combination of power, reclamation, conservation, and flood-control dams, and all works necessary for an effective soil and water conservation for all such rivers and their watersheds.

So you see, the purposes of the bill today is to get a report embracing all the angles of flood control before the Congress so at the next session this body may be presented with adequate legislation authorizing a great national program of flood control and a proper utilization of our natural resources.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. ZIMMERMAN].

Mr. ZIMMERMAN. Mr. Chairman, I am glad that very little opposition to this resolution has manifested itself here this afternoon. I believe we all recognize that the time has come when we must approach this serious problem in a serious way. We all want flood control, but we want flood control in the right way; and I believe that this resolution, when its provisions are carried out and we get the information it provides for, will result in our having a comprehensive, correlated plan which will really give the country adequate flood control.

I take this occasion, Mr. Chairman, to compliment the chairman of the Flood Control Committee for his vision in bringing to the floor of the House this resolution providing for a Nation-wide flood-control plan. I think we ought also to give due credit to the efforts of the author of this bill, the gentleman from Arkansas [Mr. MCCLELLAN], who has worked incessantly ever since he has been a member of this committee to bring this kind of legislation to the floor of the House in order that we might deal with this subject in a national way. The trouble with our flood-control efforts in the past has been that they have been more or less patchwork in character. We have sponsored and provided money for projects without any relationship to any other project or to different sections of the country—a haphazard piece of work, of course, which is unsatisfactory. But this resolution provides for a study of this question by the Army engineers and the Secretary of Agriculture and directs them to take into consideration every phase of the flood-control problem, so that they can bring to Congress a coordinated, connected plan which will deal with this problem throughout the country on a national basis, taking into consideration not only streams upon which surveys have been made, but providing for additional surveys. Consequently, when our Army engineers consider the whole subject of flood control throughout the country, instead of one particular locality, Congress can deal with it in an intelligent, effective manner. I believe we have all come to realize that flood control is a national problem and one of the most serious problems facing this Government at this time.

I shall not take much of your time reviewing the results of recurring floods and the disasters that have followed in their wake in recent years. Suffice it to say that they have been most disastrous. I attended a flood-control meeting at Pittsburgh the other evening and saw at first hand the havoc wrought in that city. We took a drive over the Golden Triangle and were shown the flood heights on the buildings in that great commercial city. Heretofore we have thought of Pittsburgh and a flooded Pittsburgh as something independent from other communities. Here the Allegheny and Monongahela come together to form the Ohio River. One of these streams finds its source in the State of New York. New York has something to do with the floods at Pittsburgh, and New York, my friends, has something to do with the floods at Cairo down on the lower Mississippi River where I live. So we must treat this problem as one which not only affects Cincinnati or Louisville, or Cairo, or Pittsburgh, but we must treat it as a national problem, because the waters from New York help to flood my section in southeast Missouri. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. VOORHIS].

Mr. ENGLEBRIGHT. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS. Mr. Chairman, first may I say that I, like every other Member in this Chamber, am greatly in favor of this legislation. The basic reason I favor it is because it seems to me to be a constructive forward step along the path which we must take toward effective coordinated action on flood control, soil erosion, reforestation, the development of power where it is practical, and all the rest of the problems that go together in one national problem of conservation and development of our natural resources. This is the reason I am for this bill.

I may say further, however, that my support of this bill certainly does not lead me for one moment to relax my effort to do everything possible to promote the passage of the bills to create the seven regional authorities in this Nation. It seems to me that both these things go together. I do not concede that when that bill (for the regional authorities) is passed it will mean that we no longer need the

kind of information to be developed under the pending bill, for Congress will need this kind of information more then than it needs it now, if that is possible.

Our experience with the T. V. A. does not lead us to the conclusion that Congress is going to wash its hands of the splendid constructive work to be done by similar agencies. Congress must continue to legislate and to give guidance to these authorities after they are set up.

I believe we can take this for our principle that the job of Congress is to see to it that every dollar for flood control or any other purpose shall be spent to the best possible advantage for the people of America, so that the greatest possible benefit from any possible source may be derived out of the expenditure of that dollar. If we take that attitude, then those of us who believe in a great national system of power development would be foolish to say that every dam that is built shall be a power dam. And let me say with greatest emphasis that it is equally foolish for the enemies of public power to say that no dam shall be built except irrigation or flood-control dams or dams built by private power interest. There are many suitable locations for multiple-purpose dams in the Nation. At these locations multiple-purpose dams should be built, otherwise we are wasting money. Every remaining power site in this Nation should be saved for all the people by public power development. And I should like to remind the gentleman from Pennsylvania [Mr. RICH] that his hypothetical Russian bomb would hurt no more people if it dropped on a dam owned by a public power development than it would if the bomb were dropped on a dam owned by a private power company. And he knows that if the Government does not build high dams at truly suitable power sites, the Power Trust will do so.

If this development is not done in a coordinated, sane fashion, on the basis of such reports as I am confident we will get under this bill from the Army engineers and the Department of Agriculture, and if we do not make every effort to make this a well-rounded development and get as much benefit from all of our national resources of wealth as we can, we will not have done our job. For these reasons I am supporting this bill.

Mr. COLDEN. Will the gentleman yield?

Mr. VOORHIS. I yield to the gentleman from California.

Mr. COLDEN. Does not the gentleman believe it would be better to investigate not only flood control and power, but navigation, erosion, and reforestation as contained in the plan region bill than to take them up piecemeal, as this bill provides.

Mr. VOORHIS. I will answer that by saying that, as I believe the gentleman knows, I am very strongly in favor of the bill now before his committee to create the seven regional planning and conservation authorities. But I do not believe this bill is in conflict with that principle. I believe this bill will give certainly a large part of the information which we need. Much of the information which will be received in connection with this resolution is information which is already very largely available and only needs assembling and putting together into a coordinated report. Whatever we do in the future, certainly we want to have all the information that is available to us from the Corps of Engineers. Furthermore, these gentlemen who have argued that by the passage of the bill now before us we will make unnecessary the passage of the seven-authorities bill are, I believe, gentlemen who would be against the seven-authorities bill anyway. So I am not much influenced by their argument.

Mr. FERGUSON. Will the gentleman yield?

Mr. VOORHIS. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. In support of the gentleman's statement that much of the information is available, in the report it states:

> The surveys undertaken by the War Department under the provisions of House Document 308, Sixty-ninth Congress, first session, have made much of the basic data necessary for the formulation of this plan available.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I cannot agree with the gentleman from California [Mr. COLDEN] that this is piecemeal legislation. In all the 20 years I have been a Member of this body I am frank to say this is the first intelligent, constructive piece of flood-control legislation we have had before us. [Applause.] I want to take this occasion to commend the author, the gentleman from Arkansas [Mr. MCCLELLAN], on this bill. In the comparatively short time that the gentleman from Arkansas has been a Member of this body he has gained prominence as an effective worker that is out of all proportion to his length of service. Mr. MCCLELLAN has taken a most active part on all matters pertaining to his great State. May I say further that he has already written his name high on the scroll of those who work in season and out of season for his district, State, and country. Heretofore we have had piecemeal, patchwork flood-control legislation. It has fallen to the gentleman's lot to write a most constructive measure that will help all areas visited by floods in the past.

If I read the language of this resolution correctly, it proposes to coordinate the flood control of this country into one comprehensive program. If I am wrong, I wish that some Member of the House would set me right.

Mr. COLDEN. Will the gentleman yield?

Mr. KNUTSON. I cannot yield now. I do not think the gentleman from California should attempt to mislead the membership of the House by endeavoring to create the impression that this is piecemeal legislation. In fact, just the opposite is true and it would be a tragedy if the House failed to act upon this legislation at the present time.

Mr. VOORHIS. To which gentleman from California did the gentleman refer?

Mr. KNUTSON. I referred to Mr. COLDEN.

Too long have wide areas of our country been visited by devastating floods that have inflicted property damages that total billions of dollars, not to mention the tragic loss of life. To the gentleman from Arkansas and his colleagues of the committee must go the credit for finding a solution for this great problem.

[Here the gavel fell.]

Mr. ENGLEBRIGHT. Mr. Chairman, I yield 2 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR of Montana. Mr. Chairman, were it not for the river hereinafter specified, I would not take up the time speaking to the members of the committee about this bill, because I think everybody is for it. Nothing can be said too complimentary to the author of the bill and the Flood Control Committee for bringing this bill before the House. It is the most needed legislation we can enact during this session or any other session of Congress. My only purpose in speaking to the Members of the House at this time is to say that I am intensely interested in seeing the Yellowstone River resurveyed with the idea of establishing dams that will not only serve for flood-control purposes but will likewise serve for irrigation and reclamation purposes.

Mr. Chairman, this is one of the major streams of the United States. I think it is one of the largest, if not the largest, tributaries to the Missouri River and contributes very considerably to the destruction of lands in the lower part of the United States in floodwater times. I want to ask the distinguished chairman of the Flood Control Committee about the same question I asked my distinguished colleague from Arkansas, because I think the distinguished chairman of the Flood Control Committee is familiar with the Yellowstone River. I think he is familiar with the fact that it rises on top of the mountains in the Yellowstone National Park, flows for a distance of approximately 650 miles in a northeasterly direction, where it empties into the Missouri River at Buford, N. Dak. It has a heavy grade or fall and because of swiftness of the stream carries perhaps the greatest volume of water carried by any stream of its physical size in the United States.

Winter and spring wheat are generally grown along the Yellowstone River bottom and bench lands, as well as forage crops, all dependent upon irrigation. Hundreds of thousands of acres of land could be irrigated by the use of the waters of the Yellowstone River that now serve no

purpose other than destruction in floodtimes. In excess of 25 projects, involving over 400,000 acres of undeveloped land, have already been tentatively selected as representing economic and reimbursable possibilities for development. It is certainly my hope and ambition to see that the Federal Government located the proper site or sites on this great stream of water for the construction of storage dams, with the end in view of reclaiming the vast territory that is now without value to mankind.

A survey was made of this river by the War Department with the principal end in view of determining whether or not it would justify expenditures for improvements for navigation purposes. A negative finding was made. It was likewise determined that, so far as power purposes were concerned, at that time there was no need for the further development of power. Of course, the writer of the report did not take into consideration the fact that a great outlet for the marketing of power could or would later be found in the rural sections of that great territory. People living upon farms should have the use of electricity as well as those living in the urban centers. A mighty lot of the drudgery of the farm wife would be obviated by the use of electrical energy.

My thought is that the river would justify the expenditure of money upon the theory of flood control by the Federal Government. As has been well stated on the floor of the House, in order to adequately and effectively control the floodwaters of these United States, regard must be had to control the waters from the source on.

To sum up, the Federal Government would be amply justified in making such improvements by way of dams and other means to control the waters of the Yellowstone River for irrigation and reclamation, flood control, and power purposes.

May I ask the distinguished gentleman if, in his opinion, it should not be resurveyed, not only with the idea of flood control but likewise with the idea in view of reclamation, irrigation, and power purposes?

Mr. WHITTINGTON. I may answer the gentleman by saying I do not recall the previous survey of that river. There are many hundreds of rivers in the United States. Under existing law, if an additional survey or study is necessary, there is ample provision for that survey or study being made.

Mr. ENGLEBRIGHT. Mr. Chairman, I yield to the gentleman from New Jersey [Mr. McLEAN] the balance of the time.

Mr. McLEAN. Mr. Chairman, I am glad to subscribe to this resolution and endorse its passage. In making this statement I am satisfied that I give expression to the thought, the desire, and the will of the Members of the minority.

We favor the passage of this joint resolution for three reasons. The first is that it is a logical step in any program for the conservation of our natural resources, flood control, and hydroelectric development. Secondly, it is in accord with the President's program, which contemplates a coordination and consolidation and the reduction in number of Government agencies. The third reason is that it will hasten the adjournment of Congress, because it will make unnecessary the enactment of the bill, H. R. 7863, which contemplates the creation of seven regional bodies, similar to the Tennessee Valley Authority, to do the same thing, and provides that each of these seven authorities shall consist of three commissioners in each district at a salary of $10,000 a year each, with incidental expenses, all of which will be saved by the passage of this resolution.

This resolution is in accord with what has been contended for ever since the program of the T. V. A. was projected, that is, keeping the development of our natural resources within the control and direction of Congress, where it belongs, and insisting that the creatures of Congress should respect its authority.

This resolution contemplates a comprehensive study by the Corps of Engineers. That is wise. There is no need to create new agencies. The Army engineers have proven their ability to guide and direct the conservation of our natural resources. The Corps of Engineers has the confidence of the American people. It has been studying the conservation of our natural resources since the beginning of the Government. It has always been called upon when any great public work has been contemplated by the Government. When Theodore Roosevelt proposed the construction of the Panama Canal, he called upon the Corps of Engineers because of the confidence of the American people and himself in its competency and the Panama Canal stands as one of the many monuments to the efficiency of the Corps of Engineers of the United States Army. Many other examples could be cited.

This resolution shows the foresight and the statesmanship of the gentlemen who constitute the Committee on Flood Control. By it there is provided a program which will keep the conservation and development of our natural resources and the control of our floods within the direction and guidance of the Congress. The amount to be spent will be under its control, and in line with a program of which the people of the country will be informed and will understand. [Applause.]

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. DEMUTH] such time as he may desire.

Mr. DEMUTH. Mr. Chairman, I add my support to this joint resolution introduced by the gentleman from Arkansas [Mr. McCLELLAN], because I believe it is the only way of getting a coordinated and integrated program and plan for solving the flood menace which threatens the entire United States. We members of the Flood Control Committee believe it is the only way of intelligently attacking and solving the problem. After getting this information and coordinating it, we can then reach a proper perspective on the problem as it applies to the United States.

We all know, or at least I will admit, that as individuals the flood-control projects in our own districts are outstanding in our minds. By the passage of this resolution, instead of focusing attention on any particular point, we can obtain a proper perspective of the entire United States and its problems in regard to flood control.

It is believed that to undertake the construction of a coordinated system of flood-control works to develop, conserve, and make the best use of our natural resources, a coordinated system adequately and wisely planned should be adopted, taking into consideration projects now in process of construction and heretofore authorized. It is the object and purpose of this resolution to authorize and direct the War Department, through its Corps of Engineers and the Department of Agriculture, under the direction of the Secretary of Agriculture, to assemble such data, make such surveys, and studies as may be required to permit these Departments to prepare and submit to Congress a complete, comprehensive, coordinated plan for the control and prevention of floods on all major streams and at the same time provide for the maximum of benefits in the utilization of the dams constructed in such system in the generating of electric power, for reclamation and irrigation purposes, and in the retardation of water flow so as to prevent soil erosion.

If we are to have a system of flood-control projects that will give satisfactory results in the removal of this great menace to human lives and property, it will be necessary to incur expenditures which will be more than justified if we plan and execute the projects with regard to their economic uses and benefits for flood control and other purposes.

The enactment of this resolution will result in the highest and most competent authorities submitting to Congress a plan of projects recommended for construction to effect the results desired, thereby permitting Congress to legislate wisely on this important subject so as to obtain the greatest results and benefits from the expense that will be incurred.

Most of the information necessary for formulating such a plan and making the reports called for by this resolution has already been assembled. Therefore, I urge the passage of this resolution.

Mr. WHITTINGTON. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. TERRY].

Mr. TERRY. Mr. Chairman, I am very happy to see a resolution before the House on which there is unanimity of opinion. There is one of the very few bills that have come before this body on which we all seem to be agreed, and this is because Congress has become flood-control-minded. The Congress has realized that flood control is a matter for the Nation as a whole and not for the individual States and communities.

Ordinarily, when a flood control bill comes before the House we are accused of logrolling. Each section of the country is desirous of getting some advantage over another section of the country. Each section wants to have its projects put first. I am happy to see today that we are all agreed on this measure, which merely provides for a comprehensive plan for national flood control.

We have not said much about the advantage of soil conservation, but, as was stated by the distinguished gentleman from Kansas [Mr. CARLSON] every year millions of tons of topsoil are washed into the sea and into the Gulf of Mexico, and constitute a total loss. I believe that the plan we now have before us shows we are beginning to realize that flood control should not be started at the bottom, that it should not be commenced on the lower reaches of major streams, but that flood control should be started on the tributaries. In my own State and in my own district the tributaries of the Arkansas River overflow, almost every year and sometimes four or five times a year, and sweep away the work of the farmers and destroy their crops. This occurs not only in Arkansas but is a common experience to all of us. I am glad to see we are now conscious of the fact that flood control should be considered from the standpoint of the tributaries and run-off, water-flow retardation, and soil erosion.

A national program is essential because we do not know from year to year from whence the blow will come. The great flood of 1927, that superflood which swept down the Mississippi River, came out of the Arkansas River, so the engineers tell us. It happened that the Ohio River was quiet that year. This year the great flood which menaced the Middle West came out of the Ohio, but it happened that the Arkansas and its tributaries were fairly quiet. If we had had a flood in the Arkansas and at the same time floods in the Ohio and Missouri Rivers, a combined flood of all these great rivers, the great valley of the lower Mississippi would have been devastated as it has never been devastated before.

The Army engineers stated the flood of 1927 was a superflood, which would not occur again in a hundred years, yet, in less than 10 years, the great flood of 1937 came along, and they said again that it was a superflood and might not come again.

We must approach this matter from a national viewpoint, we must lay out a Nation-wide plan, and we should coordinate flood-control projects over the country in an endeavor to do the most good in the various watersheds with the least expenditure of funds.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I yield one-half minute to the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Chairman, inasmuch as I represent the district of Pennsylvania in which is located the city of Johnstown, you can all readily understand my desire that this bill be passed. The only way to do a big job is to do it in a big way and in the right way. May I compliment the Committee on Flood Control and its distinguished chairman on the manner in which they have gone about the consideration of this program.

[Here the gavel fell.]

Mr. WHITTINGTON. Mr. Chairman, I yield one-half minute to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wanted time only for the purpose of asking the chairman of the Committee on Flood Control two questions.

First, is a short river which is being navigated for only 10 or 15 miles considered a major stream?

Second, where the Army engineers have already recommended against a survey with respect to flood control on that stream, will such a stream be covered by this bill?

Mr. WHITTINGTON. I would answer the gentleman's question by saying that whether a river is navigable, legally or in fact, would be a question of fact.

Mr. CRAWFORD. Six-hundred-ton boats operate on this river at the present time.

Mr. WHITTINGTON. I would imagine, then, it would be navigable in fact.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Resolved, etc., That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all the major rivers of the United States and their principal tributaries. The Chief of Army Engineers, under the direction of the Secretary of War, is authorized and directed to conduct necessary surveys, assemble information, and prepare such a comprehensive plan, which shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and all works necessary for an effective and adequate system of flood control for all such rivers. Such plan and the report or reports to Congress shall list specific projects and set forth estimates of cost (including the expense of acquiring land and easements and payment of property damage) of carrying out the projects. Such plan and report or reports shall take into consideration flood-control projects now under construction or heretofore authorized by acts of Congress.

With the following committee amendment:

Page 1, line 7, after the word "States", insert "and its Territories."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 10, after the word "projects", insert a comma and the following: "and shall set forth the values of such projects for hydroelectric development and other conservation purposes. And the appropriate bureaus of the Department of Agriculture, under the direction of the Secretary of Agriculture, be, and they are hereby, authorized and directed to cause a preliminary examination, survey, and report or reports, to be made for run-off and water-flow retardation and soil-erosion prevention on the watersheds of said waterways, with a view to controlling said floods, in accordance with the provisions of the Flood Control Act approved June 22, 1936.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 22, after the word "Congress", insert a comma and the following: "and shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and utilization of water resources through the building of power dams or a combination of power, reclamation, conservation, and flood-control dams, and all works necessary for an effective soil and water conservation for all such rivers and their watersheds."

Mr. FERGUSON. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FERGUSON: On page 3, after line 3, insert:

"Any plans or reports which include or recommend projects for reclamation shall be prepared in conjunction with the Department of the Interior."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I come from a city which has the Mississippi River running in front of it for its entire length of over 25 miles, the mouth of the Missouri is a few miles above, but the river would probably have to rise 50 feet more than it has ever risen in order to do any serious damage to my city. Of course, we have some high water in cer-

tain places but it is minor in comparison to the damage others have suffered.

However, I have been deeply interested in flood control and I have voted for practically every flood-control measure that has been before the House since I came here in the Sixty-ninth Congress.

One of the first votes I was asked to cast in this House was on an amendment offered by the gentleman from Nebraska, Mr. Sears. It was offered to a flood-control bill and Mr. Sears sought to have included in that bill a provision that the Army engineers should investigate and could recommend to the Congress the construction of reservoirs to impound water during periods of high water. I do not think I am in error when I say that this amendment would have been adopted if Members from the other side of the Capitol had not come over here and influenced Members of the House. An effort was made to have me vote against that amendment but I refused to do so. I thought then and I have always advocated since, the construction of dams to hold back floodwaters.

I came across the country on the first Pennsylvania train that was opened after the terrible floods of 1913, which did so much damage in Ohio, at Dayton, Columbus, and other places. I really had no idea that water could be so destructive. The damage was tremendous. Industries out of commission for weeks. We came through on a temporary track. Transportation was paralyzed. Some years later I was driving across the country and I passed over two dams. I made inquiry and found that five dams had been constructed in the State of Ohio for the purpose of storing water during high-water periods. Not power dams—flood-control dams. Since the five dams have been constructed they have not had any damage in any of those large cities, and there has been plenty of high water almost yearly. They simply close the gates, hold the water back and let out the water during low-water periods.

I am not talking now about hydroelectric projects, I am simply talking about the construction of dams to hold the water back during flood periods.

Down in southeastern Missouri water rushes on our people when rivers get out of their banks. The crops in that section justify the statement there is no better farm land. Wheat, corn, melons, and so forth. Some of you gentlemen from the South should see the cotton grown in that section. There are many large communities; and how they have suffered from floodwaters.

Time and again I have received telegrams around Christmas saying that people have been forced out of their homes and off their farms. If the Government will construct dams on some of the rivers in Missouri to hold back the water during the high-water period, I think we can save our people in southeast Missouri. I say Government because the Government says the rivers belong to the Government. Therefore, if the Government assumes control as it does it is the duty of the Government to prevent that which it controls getting out of control. We have declared this is a national problem, and it is a national problem.

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I was just about to refer to the gentleman and his activities. I yield to my colleague.

Mr. ZIMMERMAN. The gentleman is aware of the fact that the Overton bill carries provision for a reservoir on the St. Francis River, and that the recent appropriations made by the House make available the necessary funds to begin immediate construction of that reservoir which we think will impound the waters coming off the Ozark watershed and save the St. Francis Valley from the floods the gentleman refers to.

Mr. COCHRAN. I voted for the bill the gentleman refers to, and I thank the gentleman for bringing that out.

I want to say further, and I think every member of the Flood Control Committee will bear me out, that my colleague from my own State [Mr. ZIMMERMAN] has done as much toward creating sentiment for the construction of reservoirs as any other Member of the House. I recall when the gentleman came here there was an opportunity to get him an assignment on one of the big committees, but he insisted that he wanted one assignment first, and that was on the Committee on Flood Control because his people were so deeply interested in the matter. He was placed on that committee, and we all know how hard he has labored since that time; the results he has obtained justified his efforts, and, while he has already made great headway, we know he is still working to get additional recognition for our State that will save his constituents from being washed out. He deserves the everlasting gratitude of his people, and I know they appreciate his efforts. I hope he will never stop until reservoirs are constructed on all our mountain streams because it is water from above that causes all the damage in his section. How his people did suffer this year! At their expense Cairo was saved. They opened the levees across from Cairo on our side of the river so that Cairo would not be washed out. What we want to do and what the gentleman is fighting to do is impound the water so that there will not be a recurrence of what happened this year.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. MARTIN of Colorado. Would the gentleman feel at liberty to state the basis of the objection to the Sears amendment he referred to a moment ago?

Mr. COCHRAN. It was just simply a desire on the part of those in control to defeat the amendment. They claimed it might defeat the bill. Some claimed that Mr. Sears wanted to open up an irrigation project. I think in the Platte Valley. Every argument was used to defeat the amendment.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COCHRAN. I think the amendment was defeated by 10 votes, but if that amendment had passed at that time we would not have had to wait until a short time ago when you laid down your flood-control policy that for the first time included reservoirs.

Mr. MARTIN of Colorado. Were there any private influences involved in the opposition to it?

Mr. COCHRAN. It was not private influence that tried to influence me. It was a member of the other body, to whom I refused to listen.

I like to fish and I have floated practically every one of the mountain streams in Missouri. I know the situation because I have been out camping when the rivers came up. I felt confident, although I know nothing about the matter from an engineering standpoint, but common sense tells me if you hold the water back you alleviate the situation below.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. WHITTINGTON. In line with the liberalization with the policy which the gentleman advocates, and which policy is advocated by the Committee on Flood Control, I remind him that in the recent report and recommendation of the Chief of Engineers there are embraced seven reservoirs of the kind he advocates for tributaries of the Missouri River, largely in the gentleman's own State.

Mr. COCHRAN. That is exactly what I have been advocating for years, and I am glad to hear it is in the report. They should have been constructed years ago, and they would have saved the people hundreds of millions of dollars if they had been constructed. We have natural basins there where all they have to do is to put up the wall and lower the gates when there is too much water. By impounding that water and not letting it rush down the St. Francis Valley you meet the situation that we have been complaining of for years.

We have mountain streams in Missouri that will jump 25 feet in an hour, and all that water will drain down to southeast Missouri until you construct the reservoirs. I want to see more attention paid to the storing of water, because we have spent hundreds and hundreds of millions of dollars, if not billions of dollars, in building levees and still we are having the floods just as we had them before the levees were constructed, so why not try reservoirs?

Mr. ZIMMERMAN. The gentleman will admit that this bill provides for the storing of water as well as other features of flood control.

Mr. COCHRAN. I so admit, but I dislike to see the question of hydroelectric plants taken up with this matter of flood control. I simply want to see a dam constructed so one can lower the gates when the time comes to hold the waters back. We have enough power projects in our State now. If we are going to get mixed up with the water-power projects, we are liable not to get quite so far with the flood-control projects. We generate power from coal in our State right now cheaper than it can be brought from water-power projects. There is no necessity for additional power projects at this time in Missouri. Therefore, I want to see the Army engineers pay special attention to the flood-control projects and the reservoirs that do not provide for the generation of power.

Mr. WHITTINGTON. Mr. Chairman, I remind the gentleman that as previously pointed out during general debate the resolution under consideration requires an investigation respecting power only so far as that is now required by existing law.

Mr. COCHRAN. I thank the gentleman. Mr. Chairman, I yield back the remainder of my time.

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the pro-forma amendment. My purpose in securing this time is to try to get an answer to the questions I tried to make clear a moment ago. Perhaps the chairman of the committee did not understand me. In my district I have a stream which is about 16 miles long. It is a river. It has a lot of tributaries that feed into it, forming this big river very quickly. On that short river are operated boats that carry as high as 600 tons of coal and stone and ore and steel products, and so forth. I want to know that if under the terms of this bill that would be considered a major river.

Mr. WHITTINGTON. I can answer that by saying that I would have to have some additional information. I do not know the name of the river, among other things.

Mr. CRAWFORD. It is the Saginaw River. It enters into Saginaw Bay.

Mr. WHITTINGTON. I do not recall the flood-control problems along that river. I would say, however, that would be one of the navigable rivers in the United States.

Mr. CRAWFORD. It is certainly a navigable river. The Government has within the last 2 days authorized a turning basin there for these big ships. There is no doubt that it is a navigable river.

Mr. WHITTINGTON. I think without question that would be included.

Mr. CRAWFORD. The Army engineers have recommended against a flood survey on that river and its tributaries. I am anxious to know whether or not this bill authorizes the Army engineers to proceed to survey that river and its tributaries and whether it is considered a major stream?

Mr. WHITTINGTON. I wonder if there has been a survey of the Saginaw River? Has there been a survey in 308 reports?

Mr. CRAWFORD. I believe there has, of the river proper.

Mr. WHITTINGTON. If the gentleman desires to have it reexamined under the act of June 22, 1936, the Committee on Flood Control is authorized, without securing any additional legislation, to pass a resolution that would provide for its reexamination. As chairman of that committee, I can promise the gentleman that such a resolution would have prompt consideration if the gentleman desires a resurvey.

Mr. CRAWFORD. I thank the gentleman very much.

MANGANESE ON THE MISSOURI RIVER

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I rise to call attention to the possibilities of the upper Missouri River, not only from the standpoints of flood control and the storage of water for reclamation, but also because of the possibilities for the development of hydroelectric power.

In South Dakota, in the upper Missouri River, we have a bend of the river known as the Big Bend. The Big Bend is created by the river coming to a hard formation and being diverted, causing a bend of some 21 miles; yet the neck of land across that bend is only a mile and a half, with the result that there are two high bluffs on either side of the river, constituting a very natural site for a dam. This is a little below the center of the State north and south. It has been estimated that a dam at that point would impound 22 times the amount of water impounded at Fort Peck.

The long lake thus created would automatically solve the problem of navigation from that point back above the North Dakota line and, through control of the flow, would solve the problem of navigation below and would store water or send it into diversion canals for irrigation and contribute something to flood control. But possibly the most important feature at the present time is the possibility for the development of vast hydroelectric power at Big Bend in connection with the manganese deposits immediately adjacent.

Manganese is one of the essential minerals of the country. The manufacture of steel demands manganese. It is used increasingly as a fertilizer for certain soils. It is rated as the no. 1 war material. The House Committee on Military Affairs has been considering legislation to provide for the expenditure of $100,000,000 for the storage of essential minerals here as a matter of national defense. Possibly a third of that amount would go for manganese alone.

Within 10 miles of this Big Bend site, on the Missouri River, is located a low-grade deposit of manganese ore which, by the United States Geological Survey report, contains over one-half of the known manganese reserves of the entire United States. At Boulder Dam, the Government has been investigating the use of electrolysis in the benefication of manganese ore. If that can be successfully applied here, we have the possibility of developing a field of manganese, which constitutes over half of the known reserves of the country, at a fraction of the cost that is proposed to store foreign-produced manganese.

Furthermore, an examination of the United States Geological Survey report reveals that the survey on which this supply is estimated covered only nine townships. This report says:

> These deposits continue up and down the river as far as can be seen and also west in the banks of the White River.

No one can estimate accurately what it would mean to establish an industry of this size in the very heart of the country. Cheap electric power on a vast scale would change the whole outlook for the northern part of the Great Plains area.

I am very much interested in this legislation, because if the War Department adopts a national program for the development of our rivers for the purposes of flood control, navigation, irrigation, and hydroelectric power, I am sure they will see the benefit of a development at the Big Bend in South Dakota, which will permit the development of these manganese ores.

[Here the gavel fell.]

The pro-forma amendment was withdrawn.

The Clerk read as follows:

> SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution.

With the following committee amendment:

> Strike out all of section 2 and insert: "The cost of surveys and preparing plans as herein authorized shall be paid from appropriations heretofore or hereafter made for such purposes."

Mr. CANNON of Missouri. Mr. Chairman, I regret to have to make a point of order against the committee amendment. The amendment changes the authorization to a

direct appropriation, and, of course, an appropriation is not in order on a legislative bill.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. WHITTINGTON. I call the gentleman's attention to the report of the War Department that is found in the report of the committee on this bill, the report being in a letter from the Secretary of War dated April 13, 1937, and I read from that report, as follows:

With the amendment thus indicated the War Department does not object to the enactment of this joint resolution.

I have referred to this report of the War Department, to show the language to which the gentleman has made a point of order is language recommended by the War Department and insisted upon by the Bureau of the Budget before the Bureau of the Budget approved this legislation, as stated in the final paragraph of the report of the Secretary of War.

I would like to state, with the gentleman's permission, what I stated in a previous colloquy between the gentleman and myself, in asking his opinion.

This resolution provides for coordinating and assembling plans that were authorized under previous acts passed by Congress, and in particular authorized by the National Flood Control Act of June 22, 1936, in which $5,000,000 is authorized for plans, surveys, and investigations by the War Department and $5,000,000 is authorized for plans and investigations by the Department of Agriculture. These are among the plans contemplated in this act, and it is not a case where money authorized for one purpose is being diverted to an entirely different purpose. It is merely a case for the benefit of the Nation of utilizing funds already authorized and appropriated or that may be appropriated under the authorization for carrying out the purposes described in the resolution which are similar and related.

While I am familiar with the rule the gentleman invokes, I hope and urge in this particular case, inasmuch as the Director of the Budget insisted upon this amendment before this legislation was approved, and to preserve the integrity of the legislation, the integrity of this act that has met with the unanimous approval of the Congress of the United States, that the will of the Congress, the representatives of the people, be given consideration by yielding in this case as we have yielded in other cases to a parliamentary situation in order that an adequate national flood-control policy may be perfected out of funds heretofore appropriated by the Congress of the United States. The Director of the Budget, the spokesman for the President, suggested the amendment. While I am in sympathy with the gentleman's attitude and in sympathy with his desire to protect the Treasury and his committee, I do believe that public good and the public interest would be promoted by the approval of the recommendation adopted by this committee submitted to it by the Director of the Budget; and I do urge and ask him in this case to yield so that this bill may not be subject to the criticism that additional appropriations will be required and a possible veto because of that provision in the bill.

Mr. CANNON of Missouri. Mr. Chairman, I make the point of order very reluctantly. I am in hearty sympathy with the purpose of the bill and trust the legislation will be enacted, it ought to be enacted. I rose merely to ask that we proceed in conformity with the rules of the House which preclude the consideration of an appropriation in a bill of this character. I make the point of order merely to maintain the integrity of the proceedings. I am certain that the gentleman wishes to observe the rules of the House and follow established procedure, and especially so, Mr. Chairman, in view of the fact that we can secure the same results in a legitimate way.

The third deficiency bill is now under consideration. Hearings are now in progress in the committee, and if this bill becomes a law and carries an authorization there will be ample time in which to secure an appropriation in the regular way. The gentleman will recall an ancient admonition to beware of the man that "climbeth over the wall and goeth not in by the gate." I am merely suggesting that he can get the same result by following orderly procedure and going in at the gate instead of subjecting us to all the disadvantages incident to climbing over the wall.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. With pleasure.

Mr. WHITTINGTON. I am trying to travel the only strait and narrow road—to follow the gentleman's analogy—over which I can get this legislation by; to wit, following the leadership of this administration and the spokesman of the President, the Director of the Budget.

I appreciate that if the point of order is sustained the original section will carry an authorization. When we come before the Appropriations Committee asking for money will we be met—assuming that the gentleman's objection does not result in a veto—will we be met by the criticism that we have not got the recommendation of the Budget and therefore you cannot include an appropriation in the deficiency bill?

Mr. CANNON of Missouri. Any committee of the House, of course, follows routine in the consideration of any matter referred to it, and when this matter comes before us in the regular course I am certain that the committee will give it every consideraton, and I believe sympathetic consideration.

Mr. WHITTINGTON. If that is as far as the gentleman cares to go I imagine there is no use pursuing my inquiry further.

I ask the gentleman one further question: Would the gentleman's objection be eliminated if the amendment of the committee were modified by striking out the word "heretofore" and limiting the cost to appropriations hereafter to be made?

Mr. CANNON of Missouri. That would be subject to the same point of order.

Mr. WHITTINGTON. That would not satisfy the gentleman's objection?

Mr. CANNON of Missouri. It would be in violation of the same rule. If the gentleman's committee were permitted to bring in such a bill it could be taken as a precedent and there would be dozens of bills every session proposing to exhaust unexpended balance in every department. I am certain that the gentleman would not favor that procedure, such a chaotic condition.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. WHITTINGTON. I am asking the gentleman if he can suggest language that might be adopted by the committee in charge of the bill and the Committee of the Whole that would provide that the appropriations, whether in the deficiency bill or some other bill, for the project might come out of funds heretofore or hereafter made?

Mr. CANNON of Missouri. If the gentleman will eliminate the language of the committee amendment down to the word "paid" and insert the word "to", he would authorize the very thing which he proposes here. However, that would merely limit the scope of the proposition when it came to the Committee on Appropriations. Allocation could be made from funds already provided, but appropriation could not be made from funds not otherwise appropriated.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Mississippi seems to concede that the point of order should be sustained.

Mr. WHITTINGTON. With great deference—I do not mean to interrupt the Chair—but I have not made any statement at all directly on the point of order. I followed the Director of the Budget. I have not argued the point of order.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. WHITTINGTON. I do not.

The CHAIRMAN. The language against which the point of order is raised reads as follows:

The cost of surveys and preparing plans as herein authorized shall be paid from the appropriations heretofore or hereafter made for such purposes.

Rule XXI, section 4, reads as follows:

No bill or joint resolution carrying an appropriation shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

It seems clear to the Chair that the language of the amendment is prohibited by rule XXI, section 4, and, therefore, the Chair sustains the point of order.

Mr. WHITTINGTON. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WHITTINGTON: On page 3, line 6, strike out the period, insert a comma and the following: "to be paid from appropriations heretofore or hereafter made for such purposes."

Mr. WHITTINGTON. Mr. Chairman, I have adopted the exact words as given to me by the distinguished chairman of the Committee on Appropriations in an effort to comply, as far as the committee is able to comply, with the recommendation of the Director of the Budget. It was understood that these plans and reports were to be paid for out of the appropriations heretofore or hereafter made for flood control and surveys and examinations.

I may say in this connection, Mr. Chairman, if the Committee will indulge me for a moment, that under existing law the Flood Committee of the House passes many resolutions which provide for reviews of previous reports and the submission of new and additional plans, and they are paid for out of existing appropriations. No additional appropriation is required. The Commerce Committee of the Senate, under existing law, does exactly the same thing. It was our view, if a committee of the other body and a committee of this House are authorized to pass resolutions that bring forth substantially the same information required by this resolution, and we are authorized to do that, and those investigations are paid out of existing appropriations, surely the House itself should not be prevented from doing the same thing. In all events, in order to protect this legislation and in order to comply with the recommendation of the War Department and of the Director of the Budget, this amendment in the language of the distinguished chairman of the Committee on Appropriations is offered.

Mr. FERGUSON. Will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. I would like to read to the Committee the wording of the nonmilitary appropriation bill just passed by the Congress:

Not to exceed $500,000 for preliminary examinations and surveys of flood-control projects authorized by law.

That is in this year's appropriation bill, carrying out the $5,000,000 authorization in the 1936 act. This is therefore not an appropriation but a direction.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. WHITTINGTON].

The amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. O'NEAL of Kentucky, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 175) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes, pursuant to House Resolution 270, he reported the same back to the House with sundry amendments agreed to in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered on the joint resolution and amendments to final passage.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric power resources, water, and soil conservation, and for other purposes."

Mr. WHITTINGTON. Mr. Speaker, I call attention to the fact that the Senate has passed a similar resolution, Senate Joint Resolution 57.

Mr. Speaker, I ask unanimous consent to take from the Speaker's table, Senate Joint Resolution 57, to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes, and consider the same.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all the major rivers of the United States and their principal tributaries. The Chief of Army Engineers, under the direction of the Secretary of War, is authorized and directed to conduct necessary surveys, assemble information, and prepare such a comprehensive plan, which shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and all works necessary for an effective and adequate system of flood control for all such rivers. Such plan and the report or reports to Congress shall list specific projects and set forth estimates of cost (including the expense of acquiring land and easements and payment of property damage) of carrying out the projects. Such plan and report or reports shall take into consideration flood-control projects now under construction or heretofore authorized by acts of Congress.

SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution.

Mr. WHITTINGTON. Mr. Speaker, I offer an amendment striking out all after the enacting clause of the Senate joint resolution and substituting in lieu thereof the language of the joint resolution just passed by the House.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all after the resolving clause and insert:

"That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all the major rivers of the United States and its Territories and their principal tributaries. The Chief of Army Engineers, under the direction of the Secretary of War, is authorized and directed to conduct necessary surveys, assemble information, and prepare such a comprehensive plan, which shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and all works necessary for an effective and adequate system of flood control for all such rivers. Such plan and the report or reports to Congress shall list specific projects and set forth estimates of cost (including the expense of acquiring land and easements and payment of property damage) of carrying out the projects, and shall set forth the values of such projects for hydroelectric development and other conservation purposes. And the appropriate bureaus of the Department of Agriculture, under the direction of the Secretary of Agriculture, be, and they are hereby, authorized and directed to cause a preliminary examination, survey, and report or reports, to be made for run-off and water-flow retardation and soil-erosion prevention on the watersheds of said waterways, with a view to controlling said floods, in accordance with the provisions of the Flood Control Act approved June 22, 1936. Such plan and report or reports shall take into consideration flood-control projects now under construction or heretofore authorized by acts of Congress, and shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and utilization of water resources through the building of power dams or a combination of power, reclamation, conserva-

tion, and flood-control dams, and all works necessary for an effective soil and water conservation for all such rivers and their watersheds. Any plans or reports which include or recommend projects for reclamation shall be prepared in conjunction with the Department of the Interior.

"SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution to be paid from appropriations heretofore or hereafter made for such purposes."

The amendment was agreed to.

The Senate joint resolution, as amended, was ordered to be read a third time, was read the third time, and passed.

The title was amended to read as follows: "Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric power resources, water and soil conservation, and for other purposes."

A motion to reconsider was laid on the table.

By unanimous consent the proceedings whereby House Joint Resolution 175 was considered, amended, and passed were vacated and said joint resolution laid on the table.

EXTENSION OF REMARKS

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that all Members who have spoken in the Committee of the Whole on the joint resolution (H. J. Res. 175) which has just been passed may have 5 legislative days in which to revise and extend their own remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. TREADWAY. Mr. Speaker, would that request apply to Members who spoke on the rule?

The SPEAKER. The request did not cover such Members.

Mr. TREADWAY. Then, Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

INTERSTATE OIL COMPACT

Mr. COLE of Maryland. Mr. Speaker, it was my intention to ask unanimous consent for the present consideration of the House joint resolution (H. J. Res. 456) consenting to an interstate oil compact to conserve oil and gas.

A similar Senate joint resolution is upon the Speaker's desk. I therefore ask unanimous consent for the present consideration of the Senate joint resolution (S. J. Res. 183) consenting to an interstate oil compact to conserve oil and gas.

The Clerk read the title of the Senate joint resolution.

Mr. BIERMANN. Mr. Speaker, reserving the right to object, I understand this joint resolution is a ratification of the compacts of six or seven States, dealing with the production of oil, and is somewhat of a companion measure to the so-called Connally Hot Oil Act.

I shall not object to the present consideration of this joint resolution, but I want to take this opportunity to call to the attention of the House an undesirable situation which has grown up under these compacts and under the Connally Hot Oil Act, a situation under which the large companies have taken profits from their production, from their refining, and from their pipe lining of oil in order to pay losses in the marketing field.

I have introduced a bill (H. R. 7800) which provides that the marketing of oil shall be separated from the other activities in the petroleum field. The measure which I have proposed has some precedents which I think we all will agree are good.

About 30 years ago some of the railroads of this country were engaged in the mining of coal, and it was discovered that the advantage these companies had both in mining and transporting the coal made their competition with other coal companies unfair. The Hepburn Act, passed about 30 years ago, divorced the mining of coal from the transportation of coal. About 1918, I believe, the Federal Trade Commission started an investigation of the packing business, and in 1920 corrected an ill which was growing up in that business. As a result of that investigation the large packing companies of the country agreed to a consent decree under which they were prohibited from engaging in the retailing of meat products.

Mr. HILL of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Oklahoma.

Mr. HILL of Oklahoma. It happens that in my State there are a good many of the independent dealers in gasoline and oils, and I have received numerous communications regarding the gentleman's bill. Almost without exception these men, who are engaged in that branch of the oil business which the gentleman's bill is intended to reach, are for the compact. I do not believe the compact will have one thing in the world to do with the situation about which the gentleman is concerned. I may say to the gentleman that I have had statements in line with my position from men who are in the position to which the gentleman has referred. However, as I view this bill, it is not going to interfere with what the gentleman is trying to do, and I agree with him on that proposition. I think that after the passage of this bill we shall be in better position because we shall have the full strength of the independent dealers as well as others in working to correct the situation.

Mr. BIERMANN. I am pleased to hear the gentleman's statement. I shall not object to the pending resolution, but I think this is a fitting time to call attention to my bill.

Mr. HILL of Oklahoma. I agree with the gentleman.

Mr. BIERMANN. My bill is aimed at correcting an ill which the Connally Act did not intend, and which this joint resolution does not intend.

Mr. BOREN. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. BOREN. This measure to validate the interstate compact is purely a conservation measure and has no relation to the subject of marketing prices.

Mr. BIERMANN. No; neither has the Connally Hot Oil Act, but they have resulted in practice in giving the large, established companies an advantage over the independent marketers which results sometimes in an utter destruction of the independent marketers, and I know in a great many cases of other serious damage. I hope the Members of the House whose constituents benefit from the Connally Hot Oil Act and from this joint resolution, which the gentleman from Maryland has offered, will unite with some of the rest of us in the enactment of my bill, which will divorce the marketing business from the other oil activities and allow the marketing branch to stand on its own feet, which it does not do now.

Mr. BOREN. I want to make it clear that House Joint Resolution 456, introduced by me, and Senate Joint Resolution 183, introduced by Senator THOMAS of Oklahoma, a similar resolution having been introduced by the gentleman from Maryland, Mr. COLE, are truly conservation measures. Some of the arguments made against the Connally Hot Oil Act at an earlier date would not apply here. I say this in full recognition of the fact that the measure the gentleman has introduced is a disintegrating measure, to protect the marketer, and there is merit in that.

But, Mr. Speaker, this measure is of great national importance in that its adoption means the conservation of a great national resource.

The purpose of this legislation is to permit the major oil-producing States to agree on and administer a system of proration for the prevention of dissipation and wanton waste of the Nation's great natural oil reserves.

The Constitution of the United States guarantees the right of two or more States to enter into a compact and defines the procedure to validate such agreements by the approval of Congress. A few years ago five States made such a compact for the conservation of oil, and that compact has been approved by the Congress and will have been in operation 2 years this September. Recently in New Orleans representatives of the same States and one or two additional States met and voted to extend this compact 2

years. No change has been made in the compact and experience has recognized the wisdom of its original draft.

The Governors and the legislatures of the States involved have passed approval on the compact. The President of the United States has sent the compact to the Congress with a message requesting approval.

I feel that the Congress should unanimously approve this agreement for the national welfare, in that it conserves our great oil resources. And I urge the passage of House Joint Resolution 456 or Senate Joint Resolution 185 in approval of the work of these States in the Nation's interest. The Congress has here a splendid example of what can be accomplished through cooperation between the States, and our approval of this measure should serve as a stimulus for such effective and beneficial work in other instances of a similar character. Quoting Mr. COLE's report:

Article 1, section 10, of the Constitution of the United States provides in part as follows:

"No State shall, without the consent of Congress, lay any duty on tonnage, keep troops or ships of war in time of peace, enter into any agreement or compact with another State, or with a foreign power * * *."

The aforegoing constitutional provision contemplated just such concerted action on the part of the States as we find embodied in the compact set forth in this resolution.

Nothing we can think of is more important at the present time than the conservation of our oil resources. All States possessing these great resources should be and, I believe, are anxious to do so and the great consuming portion of the country is equally concerned. Oil is not unlimited, as many do not realize, and the time when substitutes or greater improvements of recovery or refining process will be of major importance is not so very far distant.

A single State, however, is not willing to impose upon its people legal restrictions in the recovery of this resource from their land—which recovery can be restricted, as the courts have well defined, provided such statutes are for the purpose of preventing waste thereof—unless neighboring and other oil-producing States are willing to do likewise. The Federal Government has too great an interest not only in its own activities but in those of the consuming States and the problems of industry and individuals, not to lend encouragement to the efforts on the part of the great producing States of the country to solve their problems through concerted action of this character.

Mr. BIERMANN. I thank the gentleman.

Mr. CARLSON. Mr. Speaker will the gentleman yield?

Mr. BIERMANN. I yield to the gentleman from Kansas.

Mr. CARLSON. I trust the gentleman from Iowa [Mr. BIERMANN] will not object to consideration of Senate Joint Resolution 183, the Interstate Oil Compact. This original compact and contract was first executed February 16, 1935, by representatives of the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas, and will expire by its own terms on September 1, 1937, unless it receives the approval of Congress. This original compact was formally ratified and approved by the respective States and later approved by Congress, and the original contract is on deposit in the office of Secretary of State, Mr. Hull. The purpose of the compact is to conserve oil and gas by the prevention of physical waste from any cause. The compacting States bind themselves to accomplish, within reasonable limits, the prevention of—

(1) The operation of any oil well with an inefficient gas-oil ratio.

(2) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas in paying quantities.

(3) The avoidable escape into the open air or the wasteful burning of gas from a natural-gas well.

(4) The creation of unnecessary fire hazards.

(5) The drilling, equipping, locating, spacing, or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

(6) The inefficient, excessive, or improper use of the reservoir energy in producing any well.

I want to call attention to the gentleman from Iowa that this compact has not been treated as a price-fixing commission and as far as the State of Kansas is concerned, it does not consider that it can in any way fix, determine, or control prices of crude oil or gasoline. The State of Kansas and other States have ratified the extension agreement, as stated before, and I trust that the House will this afternoon give its approval as it has previously passed the Senate. The chairman of the Kansas Corporation Commission, Mr. Ernest E. Blincoe, has been designated as the Kansas representative of the Interstate Oil Compact Commission, and he assures me that the Kansas Corporation Commission is very much in favor of the adoption of this extension, and previously the State legislature and the Governor have approved its continuance. Kansas is one of the leading oil-producing States in the Union, and I believe this legislation meets with the full approval of the people of that State. I trust the gentleman from Iowa will allow immediate consideration of this bill.

Mr. BIERMANN. I shall not object to the consideration of this measure, but my point is that right here is a good place to direct attention to some of the ills which are coming out of the combination of these compacts and the Connally Hot Oil Act. The Connally Hot Oil Act had for one of its principal purposes the elimination of cutthroat competition in the production field.

My bill has for its sole purpose the elimination of cutthroat competition in the marketing field. I am pretty sure the gentleman from Kansas will support it when it comes up.

Mr. CARLSON. The gentleman has made a very careful study of the matter, and I trust we will get an opportunity to consider his bill.

Mr. O'CONNOR of Montana. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. O'CONNOR of Montana. How will this cutthroat competition affect the consumers who buy this gas?

Mr. BIERMANN. I do not know that it ought to affect the consumer adversely, but if the consumer is paying less than he ought to pay in order to provide a decent living wage for those in the marketing part of the oil business, it would be all right to raise the price. There are a million persons, I may say, to the gentleman, involved in the marketing end of the oil business in the United States.

Mr. O'CONNOR of Montana. And there are about 130,000,000 people who buy gas.

Mr. BIERMANN. Yes; but there are only about 25,000,000 engaged in the businesses benefited by the joint resolution offered by the gentleman from Maryland and the Connally hot-oil bill.

Mr. O'CONNOR of Montana. Does not the gentleman believe that if there is cut-throat competition between these oil producers and distributors, the consumers will get the benefit of such competition?

Mr. BIERMANN. I do not know about that. Neither, I do not know that it is a kind of benefit they ought to have. I do not believe there is any justice in allowing these big oil companies, like the Standard and the Shell, a whole raft of whom have been indicted just recently in Madison, Wis., to gouge the little, independent fellow, even though a slight benefit may be passed on to the consumer, which I do not admit actually happens.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 183

Resolved, etc., That the consent of Congress is hereby given to an extension and renewal for a period of 2 years from September 1, 1937, of the interstate compact to conserve oil and gas, executed in the city of Dallas, Tex., the 16th day of February 1935 by the representatives of the States of Oklahoma, Texas, California, and New Mexico, and thereafter recommended for ratification by the representatives of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and subsequently ratified by the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, which said compact was deposited in the Department of State of the United States, and thereafter such compact was, by the President, presented to the Congress and the Congress gave consent to such compact by House Joint Resolution 407, approved August 27, 1935 (Public Res. No. 64, 74th Cong.). The extended and renewed compact, executed in New Orleans, La., the 10th day of May 1937 by the representatives of the States of Oklahoma, Texas, Kansas, and New Mexico, and then recommended for ratification by representatives of the States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, and since ratified by the said States of

Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, which extended and renewed compact has been deposited in the Department of State of the United States, and reads as follows:

"ARTICLE I

"This agreement may become effective within any compacting State at any time as prescribed by that State, and shall become effective within those States ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing State may become a party hereto as hereinafter provided.

"ARTICLE II

"The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"ARTICLE III

"Each State bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of—

"(a) The operation of any oil well with an inefficient gas-oil ratio.

"(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas in paying quantities.

"(c) The avoidable escape into the open air or the wasteful burning of gas from a natural gas well.

"(d) The creation of unnecessary fire hazards.

"(e) The drilling, equipping, locating, spacing, or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"(f) The inefficient, excessive or improper use of the reservoir energy in producing any well.

"The enumeration of the foregoing subjects shall not limit the scope of the authority of any State.

"ARTICLE IV

"Each State bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order, or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

"ARTICLE V

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

"ARTICLE VI

"Each State joining herein shall appoint one representative to a commisison hereby constituted and designated as The Interstate Oil Compact Commission, the duty of which said commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

"The Commission shall have power to recommend the coordination of the exercise of the police powers of the several States within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said States, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"No action shall be taken by the Commission except: (1) By the affirmative votes of the majority of the whole number of the compacting States, representing at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: Such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half year to the daily average production of the compacting States during said period.

"ARTICLE VII

"No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

"ARTICLE VIII

"This compact shall expire September 1, 1937. But any State joining herein may, upon 60 days' notice, withdraw herefrom.

"The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the Governor of each of the signatory States.

"This compact shall become effective when ratified and approved as provided in article I. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.

"Done in the city of Dallas, Tex., this 16th day of February 1935.

"And whereas it is desired to extend and renew said compact for the period of 2 years from September 1, 1937, its expiration date;

"Now, therefore, this writing witnesseth:

"It is hereby agreed that the said compact entitled 'An interstate compact to conserve oil and gas' executed in the city of Dallas, Tex., on the 16th day of February 1935, and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same is hereby, extended for a period of 2 years from September 1, 1937, its date of expiration, this agreement to become effective within those States joining herein when executed by any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico, and consent thereto is given by Congress.

"The signatory States execute this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the Governor of each of the signatory States.

"Executed as of this the 10th day of May 1937 by the several undersigned States, at their several capitols, through their proper officials thereunto duly authorized by resolutions or statutes of the several States."

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point by including the report which I submitted on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The matter referred to follows:

[House of Representatives, Rept. No. 1360, 75th Cong., 1st sess.]

GRANTING CONSENT OF CONGRESS TO AN INTERSTATE OIL COMPACT TO CONSERVE OIL AND GAS

The Committee on Interstate and Foreign Commerce, to whom was referred the joint resolution (H. J. Res. 456) consenting to an interstate oil compact to conserve oil and gas, having considered the same, report thereon with a recommendation that it pass.

House Joint Resolution 456, introduced by the gentleman from Oklahoma [Mr. BOREN], is identical with House Joint Resolution 460, which I introduced and the interstate compact set forth in the resolution reported herewith is identical with that contained in House Joint Resolution 407, approved August 27, 1935, in Public Resolution No. 64 of the Seventy-fourth Congress, which I also introduced.

From letter dated July 8, 1937, from Hon. Harold L. Ickes, Secretary of the Interior to the Honorable Secretary of State, Mr. Cordell Hull (which letter is a part of H. Doc. 307, the message from the President of the United States recommending the passage of this legislation), is the following paragraph:

"The interstate compact to conserve oil and gas was executed in Dallas, Tex., on February 16, 1935, and ratified subsequently by the legislatures of the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas. The formation of such a compact was encouraged by the Interstate and Foreign Commerce Subcommittee of the House of Representatives which investigated the petroleum industry in 1934 and prepared the bill, H. R. 9053, which was reported favorably by the Interstate and Foreign Commerce Committee in August 1935. In addition to providing for the approval of the compact, the bill, H. R. 9053, contained other provisions which were regarded by the committee as essential to the declaration of a permanent policy of the Government dealing with the petroleum industry. Only that portion of the bill which consented to the compact was enacted by the Seventy-fourth Congress in Public Resolution No. 64, approved August 27, 1935."

It is correct, as Secretary Ickes stated that the subcommittee of the Interstate and Foreign Commerce Committee of the House, over which subcommittee I presided as chairman in 1934, investigating under a House resolution the petroleum industry, gave considerable encouragement to the oil-producing States to the formation of an interstate compact rather than have their problems regimented in Washington as was being attempted at that time. While our efforts were not by any means controlling in bringing the States together in the final execution of the compact in Dallas, Tex., on February 16, 1935, the members of our committee felt that the prominence given in our hearings to the possibility of a compact and the benefits to be derived thereon, furnished the necessary encouragement to the States affected.

It is further true that H. R. 9053 was reported during the Seventy-fourth Congress upon the recommendation of our subcommittee, which bill provided for the approval of the compact and contained other provisions regarded by us as advisable permanent national policy at that time. It is the belief of the writer of this report that other provisions of that bill will eventually become law.

I am frank to say with the efficiency of the Bureau of Mines and the Petroleum Administrative Board, both under the Department of the Interior, dealing primarily for the past 2 years with shipments of oil in interstate commerce in violation of State law,

there is not the same need for a separate agency as I advocated in the past, to administer the provisions of such an act as was contemplated in H. R. 9053.

There is no occasion for a long report on this resolution because the report of the Seventy-fourth Congress is available and the letter from the President of the United States, the State Department and the Interior Department, as embodied in House Document 306 of the Seventy-fifth Congress, endorsing the renewal of the compact presents at considerable length reasons therefor.

Article 1, section 10, of the Constitution of the United States provides in part as follows:

"No State shall, without the consent of Congress, lay any duty on tonnage, keep troops or ships of war in time of peace, enter into any agreement or compact with another State, or with a foreign power * * *."

The aforegoing constitutional provision contemplated just such concerted action on the part of the States as we find embodied in the compact set forth in this resolution.

Nothing we can think of is more important at the present time than the conservation of our oil resources. All States possessing these great resources should be and, I believe, are anxious to do so and the great consuming portion of the country is equally concerned. Oil is not unlimited, as many do not realize, and the time when substitutes or greater improvements of recovery or refining process will be of major importance is not so very far distant.

A single State, however, is not willing to impose upon its people legal restrictions in the recovery of this resource from their land—which recovery can be restricted, as the courts have well defined, provided such statutes are for the purpose of preventing waste thereof—unless neighboring and other oil-producing States are willing to do likewise. The Federal Government has too great an interest not only in its own activities but in those of the consuming States and the problems of industry and individuals, not to lend encouragement to the efforts on the part of the great producing States of the country to solve their problems through concerted action of this character.

We are asked in this resolution to give consent to such a request which is in the form of a compact dated February 16, 1935, expiring September 1, 1937, unless it is extended for a 2-year period to September 1, 1939, as requested by the States set forth therein.

It should be said that all that is capable of being accomplished under the compact of 1935, which we now recommend be extended, has not been accomplished, in fact not so much as we had hoped for, but the interstate commission provided for therein does supply the means for frequent contact on this all-important subject between the States most concerned therewith. It is our hope that at the end of this new period, that is, by September 1, 1939, that more uniformity in State statutes will be found and more accomplishments will be reported by the several groups functioning under the compact commission set-up.

A TRIBUTE TO HON. JAMES COUZENS

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF. Mr. Speaker, it is my desire today to pay a brief tribute to a distinguished citizen of Michigan who for 13 years served his State and his Nation in the United States Senate, and served them well. I refer to the Honorable JAMES COUZENS, now deceased.

JIM COUZENS was a fine type of honest, courageous, high-minded legislator, but it is not of that phase of his life and activities I desire to speak today.

Senator COUZENS was an outstanding financial genius, who helped to build one of the most magnificent and important industries in this Nation. But it is not of that phase of his life and character that I desire to speak today.

History will write as an epitaph to Senator JAMES COUZENS this fact: "He was the friend and benefactor of poor, crippled children." A more noble and beautiful tribute could not be paid to the memory of any man.

Out of his store of wealth Senator COUZENS, in April 1929, created a trust fund of $10,000,000. That trust fund was to be expended over a period of 25 years. In November 1934 Senator COUZENS supplemented his $10,000,000 gift to crippled children by another sum of $2,100,000, making the total of his contribution $12,100,000.

Not only did Senator COUZENS donate this vast sum of money to the purpose of promoting the health, welfare, happiness, and development of the children of Michigan, and of those elsewhere in the world, but the Senator himself acted as chairman of the board which administered the funds. He therefore gave not only of his money but of his time, strength, and his genius in order that his money might achieve the greatest good for the greatest number of poor crippled children whom he so desired to help.

Another distinguished Member of the Congress from my State, the Honorable ALBERT J. ENGEL, has, in a beautiful tribute delivered on this floor to the memory of Senator COUZENS, placed in the RECORD many facts, figures, and details concerning Senator COUZENS' philanthropy. I therefore will not consume the time of this House to repeat those facts, figures, and details.

I think Senator COUZENS himself gave the finest and most succinct statement of the purpose which motivated him when he wrote, in part, as follows:

> A nation which survives in this struggling world must be made up of citizens strong in body, seasoned in spirit, and supple in mind. Capacity to meet competition strongly with intelligence and zest determines the destinies of peoples as well as of individuals. If this is true, then it is equally true that the welfare of the Republic 30 years hence depends upon how well we adults of the present foster, upbuild, and train the myriads of children who throng our homes. These frail little folks who romp and weep and laugh about our knees today will be the masters of America in that time to come.
>
> The good parent consecrates himself to this task. Every father and every mother worthy of the name has a tender and undying love for his children. Each of them works valiantly to open for his children better opportunities than he possessed himself—opportunities for good health, for better-trained minds, and for well-adjusted personalities. But the job is bigger than the resources of the average parent. The obligation leaps beyond the confines of the home and offers a constant challenge to government and to wealth to join hands with parents in enlarging opportunities for childhood.
>
> To my mind, the necessity of meeting this challenge fairly and squarely is simple and clear. The importance of child rearing overshadows all the more spectacular problems that receive attention in those tumultuous times. The Children's Fund of Michigan was founded 7 years ago with exactly this purpose, to open wider the gates of opportunity to Michigan's children.

It has been said, and I think truly, that more than a million children have already been helped by the philanthropy of Senator COUZENS; and no one can estimate the vast amount of human happiness, human usefulness, good citizenship, and good service which will be achieved by this magnificent philanthropy established by JAMES COUZENS.

I think it is not too much to say that in all probability some of our finest executives in State and, perhaps, in National Government may come from the ranks of those who have been rescued from a life of misery, suffering, and futility by the operation of the money donated to this great humanitarian cause by the late distinguished Michigan Senator.

I think it is not too much to say that in all probability there may come from the ranks of these children who are being and who will be rescued from a life of suffering and frustration some of the most able and noted scientists, teachers, writers, and medical practitioners, perhaps, that the world has ever known.

As I have said, there is no way in which we can foresee or estimate what vast contributions to the good of humanity in the world will flow from the operation of this $12,000,000 humanitarian trust fund. In a world torn by strife, growing cynical in an era of gross materialism, worn by the fear and adversities of war, it is a beautiful thing to contemplate that this man, who has passed on into the great unknown, has left behind him an active agency which for years will continue to bring to countless children salvation from pain and suffering, deformity, and futility; children who otherwise would be a burden to civilization instead of an asset.

It is a beautiful thing to contemplate the marvelous legacy which JIM COUZENS left to his State and to his Nation and to the world, not a legacy of mere dollars but a legacy of rescued, released, and healthy children to grow up into useful citizens, to live lives filled with human service, and to have in their conscience the benediction of a memory—legendary, perhaps, for many of them—of a man who so loved his fellow men that he gave generously of himself and his worldy possessions in order that they might have life and happiness more abundantly.

In closing let me again repeat the most beautiful tribute I can pay to the memory of the man who was my friend and

my colleague in Congress by saying, "He was the friend and benefactor of poor, crippled children."

EXTENSION OF REMARKS

Mr. UMSTEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address of Hon. Harry H. Woodring, Secretary of War, delivered at the State convention of the American Legion, at Durham, N. C., on the evening of July 26, 1937.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FEE OF JURORS IN FEDERAL COURTS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8007) to restore the per-diem fee of $4 for service of jurors in Federal courts.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. RICH. Mr. Speaker, I reserve the right to object. Has this bill the approval of the Committee on the Judiciary?

Mr. HOBBS. The bill has the unanimous approval of the Committee on the Judiciary and this request is made under instruction of that committee.

The SPEAKER. Is there objection?

Mr. McCORMACK. Mr. Speaker, I reserve the right to object. I shall not object, because I am in favor of the bill, but I ask the gentleman from Alabama to make a brief statement of what the bill will accomplish.

Mr. HOBBS. Mr. Speaker, under the Economy Act of 1933, the per-diem allowance to jurors serving the Federal courts was reduced from $4 a day to $3 a day. This is the only remaining injustice of the kind under that act. All other unjust reductions of that emergency period have been corrected. It is manifest to anyone who will consider it for even a moment that $3 a day is not sufficient to pay the hotel bill and the maintenance of a juror away from home in a city, where he is summoned by his government to attend court and do jury duty. The request for this legislation has come from all corners of the Union to the Judiciary Committee and has the unanimous approval of that committee.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Certainly. I yield with pleasure to my distinguished colleague of the Judiciary Committee.

Mr. MICHENER. Mr. Speaker, on behalf of the minority of the committee, I might say that we gave careful consideration to this matter, and the bill should certainly be enacted. As suggested by the gentleman from Alabama, Judge HOBBS, the legislation is needed. It is equitable, it is not extravagant, and it ought to be passed. We approve it heartily.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Assuredly.

Mr. TREADWAY. May I ask if this is the usual per-diem allowance for accommodations of jurors in other courts? It seems to me that even the present $4 per day is extremely low. Are not other jurors allowed a higher per diem than this?

Mr. HOBBS. In some instances there are provisions making a higher per-diem allowance.

Mr. TREADWAY. And do we not have a regular per-diem allowance greater than that, say, $7 per day, for Government employees?

Mr. HOBBS. In some instances, but mostly it is $5 a day.

Mr. TREADWAY. Why should not this be $5 per day?

Mr. HOBBS. Mainly because it was felt not wise to go back beyond what was the allowance prior to this reduction.

Mr. TREADWAY. Mr. Speaker, conditions have very materially changed since that reduction was made. What might have been a fair rate in a hotel at that time I know is higher today. I happen to know that from personal experience, from paying bills and asking other people to pay bills in hotels in which I have an interest. I would approve, in spite of the matter of economy, of making this $5 per day. I heard the gentleman from Alabama discussing the matter and assumed, of course, that $5 is the going price.

Mr. HOBBS. No. We thought best at this time simply to repeal the provision of law which continues the reduction in effect.

Mr. TREADWAY. I yield my judgment, of course, to his wisdom.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Gladly.

Mr. MICHENER. In answer to the gentleman from Massachusetts, the real difficulty is that we are making a general law for all of the United States. There are some places in the United States where this allowance might suffice, and other places where it is inadequate. The committee is pleased to pass this bill and get back what we had. I hope we will come in later with some kind of an arrangement to take care of those in the larger cities where a juror cannot possibly pay expenses on the present allowance.

Mr. TREADWAY. I shall be very glad to cooperate with the gentleman in raising the allowance at least in cities where the $4 rate is obviously inadequate.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the twenty-third paragraph under the heading Medical and hospital service in the Department of Justice Appropriation Act, 1938, approved June 16, 1937, which continues for the fiscal year 1938 the reduction of jurors' fees from $4 to $3, is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BEQUEST OF JAMES REUEL SMITH

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 446, to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York, which I send to the desk and ask to have read.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. TREADWAY. Mr. Speaker, I reserve the right to object. The majority members of the Committee on Ways and Means are in thorough accord with the request of the chairman of the committee in passing this joint resolution. It is very seldom that the Government is in a position to secure a gift of money or other property. I think we should accept this promptly.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the chairman tell the rest of us what the bill calls for?

Mr. DOUGHTON. The bill authorizes and directs the Secretary of the Treasury to accept certain properties bequeathed by one James Reuel Smith, of Yonkers, N. Y. The bequest consists of his library and other property. By direction under his will, his library was to be distributed among the various lighthouses for the Lighthouse Service of the United States. The will provided further that his estate or other property should be divided into 100 equal shares, 20 shares of which were to go to the Government of the United States. It provided, furthermore, that the 20 percent of his other property bequeathed to the United States should be used for the redemption of the 1918 issue of Liberty bonds. In other words, just a bequest of a philanthropic person to the Government of the United States. It costs the Treasury nothing, but bequeaths this property to the United States. It is thought there will be about $80,000 that will come to the Treasury for redemption of the Liberty bonds of the 1918 issue.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. TREADWAY. Is it not further true that those interested in securing these funds feel that action by Congress is necessary, even though they might have the money legally turned over to them, on account of certain heirs of the estate having contested the matter?

Mr. DOUGHTON. That is true. There has been some question raised like that, and in order to clarify the matter

and be sure that no misunderstanding can arise, it is thought this legislation should be passed.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. RICH. It is a fine thing that somebody is willing to give something to the Federal Treasury. I think the Ways and Means Committee certainly ought to accept any money that anyone wants to hand to them. When you look at the Federal Treasury statement and see that you are in the red $36,657,685,233, you know that you must have a lot of people in this country make wills leaving money to this Government, or something is going to happen.

Mr. DOUGHTON. I hope nothing serious.

Mr. RICH. I want to make this request of the chairman of the Ways and Means Committee. It is so seldom that we get an opportunity to talk to him. We like to talk to him. We know there is nobody more interested in this one particular thing, and that is, how are you going to raise the money? I would like to ask the chairman of the Ways and Means Committee this question: Are you going to have any action at this session of Congress on the iniquitous bill that was passed last year compelling the manufacturers of this country to pay out all their dividends so that they have nothing in case of a rainy day? As was said by the assistant to the chairman during the last session, he did not want this bill passed and apply to banks and insurance companies, because he was afraid it would wreck them. You are going to wreck the manufacturers of this country if you do not do something. What action is the chairman going to take at this session?

Mr. DOUGHTON. The chairman does not control such matters. He hopes that the matter will be given proper consideration in due time. [Laughter.]

Mr. RICH. I hope the gentleman will do that.

The SPEAKER. The time of the gentleman has expired.

Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There was no objection.

The Clerk read the House joint resolution, as follows:

Resolved, etc., That the Secretary of the Treasury is hereby authorized and directed to accept on behalf of the United States the library and books bequeathed to the United States by the last will and testament of James Reuel Smith and to deliver to the Secretary of Commerce, or such officer as he shall designate, said library and books for distribution among and for the use of the various lighthouse stations of the United States Lighthouse Service.

SEC. 2. That the Secretary of the Treasury is hereby authorized and directed to receive on behalf of the United States, for the purpose set forth in the last will and testament of James Reuel Smith, all moneys and other property bequeathed to the United States under the residuary clause of such will, and to deposit said moneys into the Treasury to the credit of a public-debt account entitled "Redemption of Liberty bonds issued in the year 1918 from bequest of James Reuel Smith." The Secretary of the Treasury is further authorized and directed to sell any real or personal property which may be received under the residuary clause of said will, the proceeds of such sales to be deposited in such public-debt account. Such account shall be available, until expended, for the redemption of Liberty bonds issued in the year 1918, and for no other purpose, and all payments made in the redemption of such bonds shall be made from such account, to the extent it is available, before any such payments are made out of other funds in the Treasury.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEASUREMENT OF VESSELS USING THE PANAMA CANAL

Mr. O'CONNOR, from the Committee on Rules, submitted the following resolution (H. Res. 289, Rept. No. 1395) on the bill (H. R. 5417) to provide for the measurement of vessels using the Panama Canal, and for other purposes:

House Resolution 289

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5417, a bill to provide for the measurement of vessels using the Panama Canal, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXPENSES OF FARM CREDIT ADMINISTRATION

The SPEAKER. The Chair had agreed to recognize the gentleman from Massachusetts. The gentleman from Iowa asks if it will be agreeable that he may address the House for 2 minutes first.

Does the gentleman from Massachusetts yield for that purpose?

Mr. HEALEY. Yes, Mr. Speaker.

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. BIERMANN. Mr. Speaker, a few days ago the distinguished gentleman from Minnesota [Mr. KNUTSON] recited some figures regarding the transportation expenses of the Farm Credit Administration. It amazed me that any Republican would try to make political capital out of the Farm Credit Administration. Republican administrations as well as Democratic administrations have records in making farm loans.

Mr. Speaker, I ask unanimous consent to insert in the RECORD a very short table giving by years the number of borrowers in the last 3 Republican years, together with the amount of money they borrowed, and the number of borrowers and the amount of money they borrowed under the past 4 Democratic years.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The table is as follows:

REPUBLICAN YEARS

	Borrowers	Amount loaned
1930	12,000	$47,971,000
1931	10,000	42,015,300
1932	7,000	27,569,800

DEMOCRATIC YEARS

1933	82,000	$222,446,223
1934	496,000	1,283,503,456
1935	149,000	445,067,549
1936	65,000	186,427,995

Mr. BIERMANN. I call attention to the fact that in 1932, which was the last full Republican year of control of farm-lending agencies, when the farmers needed credit more than they ever did before in the history of our country, under Republican domination the Federal land banks of the United States lent money to only 7,000 farmers in this country, a total of $27,000,000. In 1933 the Democratic administration made provision not only for more liberal and effective Federal land-bank loans, but for commissioner's loans to those in dire distress, and under the first full year of Democratic control, 1934, we loaned to 496,000 borrowers a total of $1,283,503,456. In other words, we loaned to more than 70 times as many borrowers, and we loaned more than 47 times as much money as under the last full Republican year of 1932.

Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter from Governor Myers of the Farm Credit Administration setting out an analysis and break-down of these transportation costs to which the gentleman from Minnesota [Mr. KNUTSON] referred.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The letter referred to is as follows:

FARM CREDIT ADMINISTRATION,
Washington, D. C., July 23, 1937.

Hon. FRED BIERMANN,
House of Representatives.

DEAR MR. BIERMANN: In compliance with your oral request, there is submitted an analysis of Farm Credit Administration travel expenses for the fiscal years 1936 and 1937, as follows:

	Commercial transportation	Mileage allowance	Subsistence	Total
Fiscal year 1936:				
Examination Division	$6,988.59	$36,700.88	$242,045.44	$285,734.91
Emergency Crop Loan Division	19,673.39	605,413.09	389,005.79	1,014,092.27
Other Farm Credit Administration Divisions	84,407.42	59,322.96	209,771.22	353,501.60
Total	111,069.40	701,436.93	840,822.45	1,653,328.78
Fiscal year 1937:				
Examination Division	5,163.87	26,949.31	174,952.40	207,065.58
Emergency Crop Loan Division	15,897.03	505,599.58	311,082.33	832,578.94
Other Farm Credit Administration Divisions	56,660.15	54,630.60	178,877.77	[1] 290,168.52 [1] 125,000.00
Total	77,721.05	587,179.49	664,912.50	1,454,813.04

[1] Estimated unpaid obligations for travel as of June 30, 1937, applicable to 1937 fiscal expenses.

Your attention is directed to the break-down that has been made between the expense incurred by the Examination Division, Emergency Crop Loan Division, and other Farm Credit Administration divisions. In the case of the Examination Division, the amount of $285,734.91 for 1936 was incurred in connection with the examination of the approximately 7,700 institutions under the supervision of the Farm Credit Administration; however, the entire cost of examination, including travel expense, is recovered by assessment from the institutions examined, and therefore is not an expense upon the Treasury of the United States.

The item of $1,014,092.27, representing travel expense of the Emergency Crop Loan Division, 1936, covers the expense of field supervisors and representatives engaged in the making, servicing, and collecting of emergency crop-production and harvesting loans. In connection with the 1937–38 emergency crop loans, up to June 30, 1937, there were made 234,267 loans, totaling $28,868,180, an average of $123.24 per loan. As of June 30, 1937, there were outstanding 1,494,000 crop loans, totaling $189,000,000, an average of $126.50 per loan. You will observe that if the total traveling expense of this Division were assigned to servicing outstanding loans, and no travel were incurred whatsoever in the making of loans, that the cost of travel per loan serviced would amount to less than 68 cents per loan per year.

The item of $353,501.60, designated "Other Farm Credit Administration Divisions", 1936, represents the travel cost of all other employees of the Washington office engaged in the work of supervising approximately 7,700 institutions under the Farm Credit Administration. The aggregate capital of these institutions as of June 30, 1937, amounted to $943,144,885, and loans outstanding totaled $3,205,000,000.

The foregoing comments apply generally to the figures reported in the table for the fiscal year 1937.

If there is any other information which you desire, please do not hesitate to make further request.

Very truly yours,

W. I. MYERS, *Governor.*

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MAPES. Mr. Speaker, reserving the right to object, and I shall not, will any further legislative business be taken up this afternoon?

The SPEAKER. As far as the Chair knows, there will be no further business called up today.

Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

WAGE AND HOUR BILL

Mr. HEALEY. Mr. Speaker, I have requested this time in order to address the membership of the House on a problem, which, in my judgment, transcends in its significance any of the many important problems which have come to us demanding a solution. I refer to the fact that although industry generally in all sections of our country has returned to a nearly normal stage of recovery, nevertheless we still have in our midst 8,000,000 employable men and women who as yet see no hope or promise of employment in private industry.

Today in our Nation, with industry virtually back at the high peak of 1929, there are over 8,000,000 persons unemployed. Eight million persons able to work, 8,000,000 persons anxious to work, 8,000,000 persons eager and pleading to work. Last June there was added to this number some 400,000 of the youth of our Nation, from colleges and other institutions of learning, eagerly idealistic, anxious to take a productive place in our economic order. For many of them all we can offer is the cold reality that for them there is no work, no productive place in our society, that unless something is done, for them there may never be any work.

What are we going to do about this problem? What have we done about it? They and the rest of the Nation are eagerly anxious to know our plans.

I realize, of course, that bodies are tired and tempers are drawn as a result of the long protracted session we have undergone. Heat has taken its toll and death has saddened our membership.

But it is apparent also that the forces of reaction—forces outside of Congress—have mobilized to take advantage of these conditions and, by postponement, defeat one of the primary purposes of this administration and one of the foremost reasons for our presence here.

All around us we hear the cry of these subtle forces urging Congress to go home. "Go home, Congress, you need a rest." "Go home; the country needs a rest." "Go home; reforms and legislation can wait a little longer."

But to the majority party there rests the grave responsibility of a promise made during the November campaign. At that time we told these people that we would do something about the vast problem of technological unemployment. We undertook a solemn obligation to take immediate and decisive action to eliminate the causes of this great blight. We pledged ourselves that "for all these things, we have just begun to fight." These words were spoken by our great President during a historic campaign—a campaign that resulted in the greatest majority our party has ever had in its whole history—carrying a great mandate from the American people—approbation for what had been done to set aright our economic order and for the clear and unequivocal pledge of what was to be done.

As a foremost objective for the solution of our gravest economic and social problem, the President of the United States has proposed to Congress that we enact at this session of Congress, before an adjournment, a wage and hour bill. The Black-Connery bill has been reported to the Senate and is on the calendar of that body awaiting early action. The House Committee on Labor has been working industriously in the perfection of this bill for presentation to this body for action.

This year we appropriated one billion and a half dollars for relief—a huge sum—collected from the taxpayers of America—in an attempt to meet the immediate, urgent, and pressing need of the unemployed of this Nation. And yet, despite this tremendous appropriation, it was necessary to drop 500,000 men and women from W. P. A. rolls. Five hundred thousand who did not need relief? Five hundred thousand who had jobs waiting them in private industry? Five hundred thousand who had others to alleviate their distress? Oh, no! Five hundred thousand who only recently had again passed the stringent W. P. A. test of need for a relief status—many of whom we have heard from, a great many of whom we are going to meet when we return. To us, gentlemen, this is a tangible problem because their eyes have been fixed upon us for relief and their acute distress will not let them forget that ours is the power to help. Five hundred thousand men and women who now face only privation and hunger.

This is not a sectional problem, gentlemen, not a problem of the North or the South. Unemployment and distress exist everywhere—North, South, East, and West.

This year we appropriated a billion and a half and find it is inadequate to care for the needs of even a fraction of

those who need relief and employment. Even should we turn our faces from those in utter distress now, what shall we do next year? Appropriate another billion and a half—and the next year, still another billion and a half? And shall we go on thus, year after year, never understanding that it is cheaper to provide a realistic sound solution to our problems than to indefinitely drain our resources on an ineffectual palliative?

Or perhaps will it be suggested that we summarily turn these people out without relief. Turn them out to the blackness of despair and destitution. Is it proposed to create a permanent jobless dispossessed class—destined to wander like scavengers seeking to keep body and soul together on the refuse of others more fortunate? Or, if we propose to commit these millions to the charity of private institutions and local governments—will the cost to society be less? Will the billion and a half that is inadequate coming from the Federal Government go farther because doled out in haphazard fashion by private charities and local governments? Shall they be permanently divested of purchasing power and a useful place in our society? The cost in dollars and cents for relief would not only be prohibitive but it would be only a small fraction of the cost to our society and economic order.

The primary objectives of the Black-Connery wage and hour bill are to increase purchasing power and spread out work opportunities to those millions of employables who are now unable to find work.

The bill seeks, through the use of the power of Congress to regulate interstate commerce, to provide that in those industries engaged in interstate commerce there shall be a minimum wage set which in the enlightened opinion of today is sufficient to provide the basic necessities of our American standard of living. This legislation provides that the board may fix a minimum wage up to but not exceeding 40 cents an hour. If a man or woman works 40 hours a week and is fortunate enough to obtain 50 weeks of work out of the year, his total annual wage would be $800. Eight hundred dollars—in many cases—for a family of three or more. It seems almost incredible that in this Nation of advanced living standards, there should be any family in such a deplorable situation as to be forced to feed itself, clothe its nakedness, and shelter itself from nature's elements on so small an annual income. And yet Prof. Leon Henderson, eminent economist, testified before the Joint Committee on Labor that there are 3,000,000 persons in this country receiving less than 40 cents an hour whose station in life would be benefited by the passage of such a bill.

If we pass this legislation now, we shall make it possible for the wages of at least 3,000,000 persons to be increased to a standard which would permit only the barest of necessities. And this alone would create a tremendous increase in the purchasing power of the Nation—that purchasing power which is so vitally necessary to increase the productive capacity of industry and create consequent reemployment.

The enactment of legislation to set at least this minimum-wage standard is imperative for humanitarian, social, and economic reasons. I quote from an editorial printed in the Washington News of July 27—a newspaper whose editorial pages I admire because of its sound progressive views on social and economic legislation—and I ask unanimous consent that I may incorporate it as part of my remarks.

The SPEAKER pro tempore (Mr. ROMJUE). Without objection, it is so ordered.

There was no objection.

Mr. HEALY. I quote from the editorial:

> It involves attempted correction of one of the worst of our economic maladjustments—low-wage and long-hour competition with fair standards; competition that penalizes decency and exalts meanness; that opens the road for the chiseler and the sweatshop proprietor and the exploiter of child labor, and in turn ruins the one who would recognize that after all life calls for some humanitarian concept rather than mere money making at the expense of those who work for less than living pay.
>
> Furthermore, it brings to focus the fact that purchasing power must be steadily increased in a mass-production civilization possessed of such great natural resources as ours, and augmented by such labor-saving devices as to make production no major problem until such a time as consumption has cauught up.
>
> On the simple proposition that you can't sell unless you have a market; that you "can't run a department store in the Congo", that if you do have a market, you can sell and enlarge; that the multiplication of human wants supports an accompanying increase in the mass capacity to satisfy those wants—on that proposition stands our opportunity for continued and ever-expanding prosperity. And on that is founded the importance of the idea contained in the wage and hour bill.

Under the terms of the bill now being discussed in the Senate, provision is made for the regulation of hours by the board set up under the terms of the bill, authorizing and empowering the board to fix the hours of the maximum workweek for various industries engaged in interstate commerce, up to but not in excess of 40 hours.

The hour provisions are most vital because—through this medium it is hoped to spread out work opportunities and provide jobs for many of the idle 8,000,000 in our country today. Under present conditions, with modern technological improvements, it seems clear that the hope of absorbing these people in private industry is rapidly dwindling. We are now near complete recovery, and the signs do not hold out any promise of absorption of these unemployed. According to Mr. Henderson, there are over 6,000,000 persons who would be affected by this legislation, employed more than 40 hours a week. Curtailment of the hours of their employment is bound to create more productive opportunities for some of our unemployed. In that connection, I quote from the statement of Robert Johnson, president of Johnson & Johnson, a firm that maintains enterprises located in Georgia, Massachusetts, Illinois, and Pennsylvania—a man who has a large stake in the preservation of American industry. Appearing before the Joint Committee on Labor, Mr. Johnson said:

> I can imagine no more valuable service at this time than the work that you and your committee are doing. Liberal-minded business leaders throughout the country believe in the principle of shorter hours and higher wages, and while, some years ago, the number of such men was unfortunately too few, today their ranks are being augmented each week. They now see prosperity returning and yet do not see in the return of that prosperity the solution to our national unemployment problem and the raising of the standards of those who are now employed, but who work excessively long hours and receive less than a decent minimum wage.

I cite the above statement of Mr. Johnson as indicative of the ever-increasing conviction among industrial and business leaders that the 40-hour week is economically sound.

Another objective of the legislation is to eliminate the exploitation of children in industry. Through the medium of this legislation, I believe that we can effectively eliminate this antisocial practice forever. The need for the elimination of this deplorable evil is so universally recognized as to hardly require any argument.

These, gentlemen, are the major objectives of this bill: A minimum wage to eliminate sweatshop and starvation wages and build up purchasing power; maximum hours to remove oppressive conditions affecting the health and welfare of our people and spread out work opportunities to provide jobs and purchasing power; the elimination of child labor, an intolerable abuse which has too long been a blot on our national existence.

We hear very few who dare to quarrel with these objectives and question the necessity for and the soundness of enacting legislation for their accomplishment. But, in an effort to defeat by obstruction and indirection the achievement of this goal, they quarrel in minute perspective about the road we propose to take toward its fulfillment. They offer no solution of constructive methods to accomplish these worthy objectives. Just a few days ago you all received a lengthy brief from Amos R. Pinchot, in opposition to the enactment of this legislation. This brief is worthy of note because it is typical of the effort of the forces of reaction to obstruct and sidetrack all progress by the dissemination of specious arguments, groundless fears, and imaginary alarms. In his brief, this gentleman admits:

> Here, as in other countries, millions of people exist under deplorable conditions. Here, as elsewhere, capital, labor, and the con-

sumer have been injured by the leadership of short-sighted and selfish men. Masses of people, including young people lately graduated from high schools and colleges, have been forced to live, and still are living, in undeserved poverty. And undeservedly they lack the opportunity to work and earn a decent living. And the government is supporting them by the million with funds raised mainly by consumption taxes on the poor.

And yet, the same gentleman characterizes efforts to alleviate the situation as an attempt to "throw the country into fascism in a fortnight and transform our economic life into a bureaucratic collectivism."

Mr. McGRANERY. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. I would rather not interrupt my statement, but I yield for a question.

Mr. McGRANERY. Is this Amos Pinchot the brother of the former Governor of Pennsylvania?

Mr. HEALEY. I so understand. To this statement I have quoted I can only reply that history has recorded that fascism, communism, and all other isms thrive most on widespread misery, want, and distress. If anyone were deliberately trying to pave the way for any one of these isms, he could find no better way than to perpetuate the existence of 8,000,000 restless unemployed, add to them annually thousands of young people fresh from high school and college, impatient, impulsive, ripe for subversive influence—face them with a prospect utterly barren of promise—cast them adrift on the sympathies of relatives, friends, neighbors, and those in whom the quality of mercy is not strained. If we are to create this "fourth estate"—landless, propertyless, jobless, hopeless—then is the ground well laid for the establishment in this Nation of an ism.

Democracies are established for the benefit of the governed. So long as they promote the general welfare and common good of the governed they will survive and flourish. Only so long—and no longer.

Of course no one denies that the field to be covered is a tremendous one. There are diverse and complex problems that flow from any attempt to devise means and methods of accomplishing this end. Provision must be made to insure justice, equity, and proper consideration for all who will come under the terms of this legislation. Provision must be made for seasonal occupations, emergencies, and proper regard for the public interest. For that reason it is difficult to lay down hard and fast rules, and, on the contrary, any bill must be written with sufficient flexibility to provide for the administration of justice and equity toward all and yet accomplish the high purposes and aims of such legislation. It is therefore necessary that, after laying down every guide for the application of fair and reasonable standards and every safeguard provided against any abuse of power, it should be provided in the bill that Congress delegate to a board some small measure of discretion in the administration of these fair labor standards. The course of this discretion must be charted within the narrow channels of guides and standards written into the bill by the Congress.

Under the provisions of the bill now being discussed in the Senate, this board will not have the great arbitrary power attributed to it by those forces now seeking desperately to prevent the passage of this legislation. Under the terms of the Senate bill, as far as wages are concerned, it can fix a minimum in any industry not to exceed 40 cents an hour. It may fix less if conditions warrant it, although, personally, I hope that no conditions will be found so deplorable as to warrant persons working for less than 40 cents an hour. [Applause.] But it cannot in any way interfere with or alter or diminish wages secured through the medium of collective bargaining or other lawful means. It has only a limited power to regulate wages; it can only set the floor below which no employer can go. It has not in any sense, the power to regulate wages generally. It may eliminate the employment of children under 16 years of age and those under 18 years of age in hazardous industries. It may prescribe a maximum 40-hour week—but it has no power to require that working hours shall not be less than 40 hours a week. In short, this will be a maximum-hour and minimum-wage board, clothed only with the power to act for the protection of those who need legislative protection—those underpaid, underprivileged workers who are unorganized and have not the power of collective bargaining to protect them from the exploitation of unscrupulous employers.

Gentlemen, we have had in operation for some 8 or 9 months now an act based upon a similar philosophy. I refer to the act regulating the letting of public contracts known as the Walsh-Healey Act.

That legislation resulted from an investigation conducted by a subcommittee of the House Judiciary Committee, over which I had the honor to preside. The investigation and subsequent hearings were conducted by the committee to determine the extent of departure from N. R. A. code standards of concerns performing Government contracts.

Investigation revealed that within a few weeks after the demise of N. R. A., industry having Government contracts had lengthened hours and decreased pay. Particularly was this true in certain sweated industries which were taking advantage of substandard and antisocial practices in order to submit low bids on contracts of the Government.

The so-called Walsh-Healey bill, providing for a ban on child and convict labor, 8-hour day, 40-hour week, and decent prevailing minimum wages, was enacted by Congress during the last session to combat these conditions. The legislation was predicated on the philosophy that the Government should not be placed in the paradoxical position of urging the adoption of fair and just standards, on the one hand; and on the other, encouraging antisocial practices through the bounty of its contracts; and further, that the Government should set the example to industry by insisting on fair standards being maintained by its contractors. This legislation has been in effect about 10 months now, and for the first few months its administration was handicapped because of a lack of appropriations. Many industries that at first resented the idea of any governmental regulation endeavored to defeat its purposes by combining to refrain from submitting bids for Government contracts. The most dramatic of the strikes against the fundamental policy of the Government was the obstinate refusal of the steel industry to adopt a 40-hour week so that it might bid under the Walsh-Healey Act. This situation was carried to the extent of threatening to hold up the naval-armament program and caused a request from the Navy Department that an exemption be made for the steel industry. The Secretary of Labor, however, refused to grant this request, when Congress had set as a basic standard for industries desiring to supply the Government, the 8-hour day and 40-hour week.

The refusal of the Secretary of Labor to grant this request for exemption was doubtless an important factor in the decision of the steel industry to adopt the labor provisions of the Walsh-Healey Act. The direct effect of this reduction in weekly hours of some million steel employees from a 44-hour, and in some cases a 48-hour week, to a 40-hour week, with overtime payment of time and a half for all hours in excess of 40, cannot even be approximately estimated.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts may proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HEALEY. However, I quote from a clipping which followed this action by a certain steel industry, an Associated Press dispatch from Pittsburgh, printed in the Star-Tribune, Providence, R. I., April 10, 1937. Mr. Speaker, I ask unanimous consent to include this editorial in my remarks.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. HEALEY. I read:

PITTSBURGH, April 10.—A wave of buying swept steel towns in western Pennsylvania today as the mills distributed the first of the bigger pay rolls under the industry's new wage scale.

In the Pittsburgh area the Jones & Laughlin Corporation led off yesterday with fatter pay envelopes; and "Big Steel" followed today at the Homestead plant of the Carnegie Illinois Steel Corporation.

In the Shenango Valley, to the north, industrial workers drew their first $1,000,000 pay since 1929. Six big companies paid workers there this week end.

The Jones & Laughlin Corporation employs 25,000 men. More than 50,000 workers in the industry shared in the $100,000,000 a year increase granted a month ago.

One worker estimated the individual increase ranged from $10 to $15 a week. The workweek was reduced from 48 to 40 hours, and the men were paid time and a half for overtime.

Cash registers in the south side of Pittsburgh, where the Jones & Laughlin plant is located, clicked busily as workers crowded into stores.

Housefurnishings and clothing attracted the most buyers, but one woman jubilantly spent part of her husband's pay increase in a beauty shop. "This", she said, as she sat in the enameled chair, "is the first permanent wave I've had in a year. I'm putting some of the extra dough into keeping my looks."

Other industries, such as copper and oil and many smaller industries, first were inclined to strike against bidding under the Walsh-Healey terms for Government contracts; but after the example set by steel they soon came into line, and at the present time the Government is finding no difficulty in making purchases under the labor conditions set by this act. Thus the example set by the Government of decent and fair labor standards has already carried into industry generally and has added many thousands of dollars to the purchasing power of the workers. Over 3,767 contracts amounting to $203,613,317 have been awarded in 10 months, subject to the Walsh-Healey Act. These contracts have been performed in more than 2,199 different establishments situated in all parts of the country.

At the present time, industry and Government contractors for furnishing supplies to the Government are not finding fault with compliance with the terms of this act, and I know that many of them are, in fact, happy that there is such an act on the statute books to protect them against the chiselers, sweatshops, and unfair competition.

I venture to say that every argument that will be pressed in opposition to this legislation was advanced by the opponents of the Walsh-Healey Act in striving to defeat it. The United States Chamber of Commerce and the other reactionary manufacturer's associations were just as ardent in their opposition to that legislation as they are now anxious to bring about the defeat of this legislation.

Charges were made that the Walsh-Healey bill was sectional in nature and designed to take away industry from certain sections of the country. Let me set out a brief partial list of the States receiving Government contracts under this legislation: New York, California, Illinois, Michigan, Pennsylvania, Maryland, Missouri, Montana, Connecticut, Minnesota, Mississippi, Hawaii, Massachusetts, Arkansas, Washington, Texas, Colorado, Tennessee, Ohio, Utah, Wisconsin, Indiana, Iowa, Philippine Islands, Kentucky, New Mexico, Oregon, South Carolina, Virginia, Louisiana, Indiana, New Jersey, Arizona, Delaware, Oklahoma, Kansas, Florida, Georgia. Gentlemen, does this sound like a sectional proposition? Does not this prove conclusively that there is a need in every State of this Union for higher labor standards? Here we have employers from virtually every State in the Union finding it possible to conform to provisions of the Walsh-Healey Act which are as high—and in many cases higher—than the upper limit of the powers conferred on the Board by this legislation. And gentlemen, I call to your attention that even many of the employers who vigorously opposed the Walsh-Healey Act at the outset are now enthusiastically in favor of it.

Much has been said about differentials between high and low wage areas and subtle attempts are being made by enemies of this legislation to unjustifiedly arouse sectional antagonism. Just remember that this legislation is not designed to equalize wages. It is not even a wage-fixing proposition. Insofar as wages are concerned, under the terms of the Senate bill, the board is only authorized to set a lower limit to labor standards below which employers cannot go and, under the terms of the Senate bill, if the board were to exercise its powers to the fullest extent possible, it could provide only that the minimum wage paid by any employer for a 40-hour week should be $16. If any of these employees are fortunate enough to receive 50 out of 52 weeks' work a year, they will receive an annual income of $800. I do not believe there is anyone who will contend that, whether it be North, South, East, or West, $800 will do any more than provide for a family the barest necessities of existence. Statistics show that the necessities of life are virtually as costly in low-wage areas as in high-wage areas. The difference is almost minute and indeterminable. And I am sure that no one will maintain that the pangs of hunger and the privation of improper clothing and shelter are more vitally felt in high-wage areas than in low-wage areas. I do not believe there is any Member of this House who desires to perpetuate standards lower than this. And I do not believe that the majority of the American employers, wherever situated, are at variance with the principle of eliminating oppressive wage and hour conditions. It is only a minority of chiselers, sweatshop operators, and labor exploiters that are fighting desperately to preserve a vested interest in the spoliation and exploitation of human misery.

I do not entirely agree with the bill that is now before the Senate. I feel that its method emphasizes the exception rather than the rule. It is my conviction that American industry generally is ready, willing, and able to assume a 40-hour week and, at the very least, a 40-cent per hour minimum wage. I believe that this legislation should definitely set out a 40-hour week and a definite minimum wage as the floor below which no one would be asked to perform labor, leaving the field, as the Senate bill does now, above these levels clear and unrestricted for collective bargaining between employer and employee.

Mr. SHORT. Mr. Speaker, will the gentleman yield at that point?

Mr. HEALEY. I shall be very happy to do so.

Mr. SHORT. Would not the able gentleman from Massachusetts favor an amendment providing that labor in certain industries, for instance, fisheries and canneries which deal with perishable products, could work longer hours?

Mr. HEALEY. I stated earlier in my remarks that this was a very difficult problem, that many complexities would arise in trying to adopt fixed hours and wages, and that there should be sufficient flexibility in any law to allow justice to be done.

Mr. SHORT. I trust that the Committee on Labor of the House will include an amendment to take care of hardship cases.

Mr. HEALEY. Exceptions to the maximum hour and minimum wage should be made only on the showing of cogent and substantial reasons. Experience under the administration of the Walsh-Healey Act adequately demonstrates that the principle of the 40-hour week and decent minimum wage is practical and it has been found that industries where these terms prove to be too onerous are the extremely infrequent exception. I feel that this justifies the passage of legislation which will set a decent minimum wage for a 40-hour week with flexible provisions so that no hardship will result in bona-fide cases where an exception is required.

Gentlemen, before closing my remarks, I wish to pay tribute to that great statesman of the South, Senator HUGO L. BLACK, coauthor of this legislation. He has worked relentlessly in his committee, sparing neither himself nor his committee in his great efforts to bring out a fair and just bill. I believe American industry, American labor, and particularly workers in the low-wage areas of our Nation, owe to him and to the members of the Joint Committee on Labor a great debt of gratitude.

I wish also to pay tribute to one whose voice has been stilled, but whose ideals will live in this legislation. Always an ardent champion of the needs of the underprivileged, he was an early pioneer in the great movement for wage-and-hour legislation and, years ago, he charted the course which we have at last realized we must follow. Were he with us here now, I know the voice of our late dearly beloved colleague, Congressman William P. Connery, Jr., would be raised above mine in advocacy of wage and hour legislation. This

legislation must come and it will constitute a vibrant living memorial to the memory of Billy Connery. He has won the peace of the truly great. But were it possible for any mortal man to pass through the great veil, Billy Connery would be with us again, fighting the great fight for the cause of the underprivileged, fighting as only he could fight, be the odds against him great or small, for this measure that means so much to the American worker and to American industry. His was never the ear to heed the alarmist cries of the forces of reaction. His was never the fear to fight the cause of those in need. He would not falter on the very threshold of the achievement of this great objective. And we must not falter.

Gentlemen, there are 8,000,000 unemployed today, yearning, pleading, begging for work. For all these Americans—able, willing, anxious to work—there is little hope, little promise unless we take action. For many of them there is not even relief because of the drastic cuts in relief appropriations. They have waited, yearned, hoped, and repeatedly given us their mandate to push on with this legislation. Can we bid them still wait in anxious hope? Can we keep them still waiting, going deeper and deeper into debt, growing more and more desperate, suffering heartbreak and disillusionment, when it is within our power to remedy this situation now?

During the last campaign we espoused a solemn obligation to take action to eliminate substandard living conditions and remedy the problem of unemployment. Our President, the leader of the majority party, whose standard we all carried in November, in a historic Nation-wide address, said, "And for all these things, we have just begun to fight." The fight is here and now—the victory can be won. Let us carry on and pass suitable wage and hour legislation before we adjourn. [Applause.]

Mrs. HONEYMAN. Mr. Speaker, will the gentleman yield?

Mr. HEALEY. I yield.

Mrs. HONEYMAN. Can exceptions be made in these hardship cases? Is there provision that would set a maximum or limit for the number of hours a week?

Mr. HEALEY. Under the terms of the bill the board is authorized to set a maximum, but not less than 40 hours a week. They cannot set a 39- or a 38-hour week, but they could set a 40- or 42- or 44-hour week under the terms of the Senate bill.

Mrs. HONEYMAN. I mean in the exceptions that were referred to. Could a maximum of, say, 60 hours a week be set and also the requirement of time and a half for overtime?

Mr. HEALEY. I assume the board, after hearing a case and taking all of the circumstances into consideration, would set for that particular industry wage provisions as well as the maximum hours, within the scope of their power to do so.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, a few days ago the distinguished gentleman from Texas [Mr. MCFARLANE] took the floor of the House with a view to emphasizing the existence of monopoly in the radio-broadcasting field, the dangers inherent in that monopoly, and certain scandalous conditions believed to exist in that field hand in hand with monopoly. His remarks appear in the CONGRESSIONAL RECORD of July 19.

The gentleman from Texas emphasized among other things the monopoly enjoyed by the three big broadcasting companies in America, the practice which has grown up of undesirable trafficking in licenses, and the possibility of unloading stock at unjustified values on the public.

In the course of his remarks he made the following statement, which I quote:

> Mr. Speaker, I believe that it is well within the bounds of reason to say that unless this body accepts the unchallenged statements of the Chairman of the Communications Commission and enacts legislation, if such is needed, which will, in reality, protect the American people from stock-selling rackets and the radio monopoly, then every Member of this House, as well as this administration, is equally guilty if we later find that an unsuspecting public has been defrauded and looted by these stock racketeers through our negligence or through the willingness of some to listen to the soft voice of those who represent these monopolists and racketeers.

At another point he made this further statement, which I will quote:

> Mr. Speaker, in conclusion, I just want to say this. We have this appalling situation before us: Resolutions to investigate this great communications field have been pending before this House since early in the session, and no action has been taken by the Rules Committee. I can think of nothing that is of more importance pending before the Congress than such an investigation to clear up the entire communications field, to the end that we see what it is that is so all-powerful that it is continuing to control and mold public opinion in this country to suit their own selfish interests, and I hope we will soon have some action by the Rules Committee to give this House an opportunity to vote upon this important question.

Mr. Speaker, I think the gentleman from Texas renders a real service to the people of this country when he urges the adoption of such a resolution. I congratulate him on his endeavor to fearlessly expose the situation as he sees it in this field at the present time. Personally I am happy to see one who always speaks so strongly for the administration joining in the appeal for a thoroughgoing investigation into the field of radio broadcasting.

I have personally been interested in a proper investigation for a considerable period of time. About 18 months ago I recommended an investigation on the floor of the House in the light of testimony by the Federal Communications Commission before the Appropriations Committee. About 6 months ago I renewed that recommendation in the light of further testimony by the Commission and evidence obtained from other sources. My remarks at this session of Congress appear in the CONGRESSIONAL RECORD of February 1 and February 3.

Subsequently I appeared before the Rules Committee of the House in support of a resolution of investigation, which had been introduced in the House in January, I believe, by our late and beloved colleague from Massachusetts, Billy Connery. The evidence available at the time seemed to me compelling. The evidence available at this time seems to me to be even more so. The response to such public statements as I have made in this connection, a response which has come from every section of the country, convinces me that the existing situation merits the most serious consideration of every Member of the House.

The Connery resolution has been pending before the Rules Committee now for a number of months. I know the Members of the committee have given it most careful consideration. Personally I can see no reason whatsoever why such resolution should not be favorably reported.

I hope, Mr. Speaker, with the words of the gentleman from Texas [Mr. MCFARLANE] in mind, that sufficient sentiment may develop in this House on both sides of the aisle to insure the favorable report and adoption of the resolution before we adjourn, in the interest of and for the protection of all the American people.

Mr. Speaker, in dealing with the problem of radio control, we are dealing with a broadcast band which is in effect a natural resource. We are dealing with a limited number of frequencies or channels which must be allocated and regulated so as to assure the maximum return to all the people to whom the channels belong. We are dealing also with an industry whose very existence is dependent upon the issue of Federal licenses, licenses for which the industry does not pay a single cent, licenses on the basis of which the industry commands an annual income estimated for 1937 at between one hundred and twenty-five and one hundred and thirty-five millions of dollars.

Congress has attempted to regulate broadcasting first through the Federal Radio Act of 1927 and then through the Federal Communications Act of 1934. The two acts are substantially the same in terms insofar as the regulation of radio is concerned.

No one can read the two acts referred to without realizing that Congress had in mind certain definite objectives.

Among those objectives were the elimination of private ownership in the channels of interstate and foreign radio transmission, the elimination of undesirable trafficking in Federal licenses, the elimination of monopoly or the evils of monopoly. If there be any doubt in this connection, I suggest a careful reading of sections 301 to 314 of the Federal Communications Act of 1934 and the corresponding sections of the Federal Radio Act of 1937.

In section 301, for example, it is specifically stated that—

It is the purpose of this act, among other things, to maintain the control of the United States over all the channels of interstate and foreign radio transmission and to provide for the use of such channels, but not the ownership thereof, by persons for limited periods of time, under licenses granted by Federal authority, and no such license shall be construed to create any right, beyond the terms, conditions, and periods of the license.

In section 304 it is required that an applicant shall sign—

A waiver of any claim to the use of any particular frequency or of the ether as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise.

In section 309 it is provided that a station license—

Shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof, nor in any other manner than authorized therein.

Sections 307 to 310 make it clear that no license shall be granted for a longer term than 3 years, that no license shall be granted unless the—

Public interest, convenience, or necessity shall be served thereby.

And that no license shall be—

Transferred, assigned, or in any manner, either voluntarily or involuntarily, disposed of unless the Commission shall, after securing full information, decide that said transfer is in the public interest and shall give its consent in writing.

Sections 311 to 314 emphasize the determination of Congress to eliminate monopoly or the evils of monopoly, specifying, among other things, the conditions under which a station license may be revoked by the Commission.

These and other provisions in the two acts make clear the intent of Congress to achieve, among others, the three objectives referred to.

Nevertheless it appears from the evidence available today that we have failed to achieve any one of them. It appears that we are confronted by a virtual monopoly in the hands of the three big broadcasting companies of the Nation—Columbia, Mutual, and National. It appears that we have failed to eliminate private ownership or its equivalent in radio channels. It appears that we have failed to eliminate undesirable trafficking in radio licenses, with all the possibilities with which we have been familiar in the past in other fields, for the capitalization of earnings and profits to the detriment of the American people. The question is squarely raised whether additional legislation is not essential. A thoroughgoing investigation seems to be vital, with a view to the proper determination of this question.

I shall not take the time of the House to discuss in detail the evidence of monopoly which has been made available from authoritative sources.

From the testimony in the Federal Communications Commission before the Appropriations Committee, from public statements by present or former members of the Federal Communications Commission and the Federal Radio Commission, from publications of standing in the broadcasting field, from other sources, there appears to be abundant evidence of virtual monopoly.

All the 40 so-called clear channels are owned, operated, or affiliated with the three big broadcasting chains. Ninety-six percent of the broadcasting stations with full time or substantial power are said to be owned or in some way tied in with the three big chains. Of 2,500,000 watts of full-time night power allocated to the industry, less than 60,000 watts, or 3 percent, is said to be available to stations which are not affiliated with the "big three." No independent full-time station is licensed to operate at night with a power of more than 1,000 watts, in contrast to some 200 stations affiliated with the "big three", many of which have 50,000 watts, one of which has 500,000 watts. In several States, such as North Carolina, Rhode Island, and Utah, it is said that there is no independent station operated at night. In other States, I am informed, including Arkansas, Connecticut, Florida, Georgia, Iowa, Kentucky, Massachusetts, Minnesota, Missouri, Nebraska, New Jersey, New York, Ohio, Virginia, and Washington, less than 1 percent of the power authorized for use at night is available to independent stations. This and other evidence indicates, in some measure at least, the extent of the monopoly of the "big three."

Nor shall I take the time of the House to discuss in detail the evidence available indicating that to date we have failed to eliminate private ownership or its equivalent in radio channels, that we have failed to eliminate undesirable trafficking in radio licenses. I call the attention of the Members of the House in this connection to the tables inserted in my remarks in the House on February 1 and February 3 of this year, to the tables appearing in the hearings on the independent offices appropriation bill for 1938, on pages 370, 376, and 1038, and to the testimony of the Federal Communications Commission in this connection, particularly that commencing on page 367 of the hearings. Instance after instance appears of the transfer of licensed broadcasting stations for a consideration far in excess of the replacement cost of the station transferred. Other instances appear of a transfer in the form of a lease for periods in excess of the original license limited by law for a maximum of 3 years. All these transfers are under Federal control.

One of the striking cases of this character is offered in the transfer of Station KNX, Los Angeles, to the Columbia Broadcasting System. The replacement value of the station amounted to about $217,000. After the deduction of accounts receivable, cash, and good will, the value of the physical property amounted, I am told, to be about $63,000. The consideration paid for the assignment was $1,250,000, or about 20 times the value of the physical property. Among the leases referred to is a lease with a replacement value of less than $500,000 for an annual rental of $219,000 for a period of 7 years, a lease for a period of 10 years with an option for renewal of 10 years and still another lease for a period of 99 years. The lessor in certain instances appears to obtain not only a fixed rental but a substantial percentage of the profits realized by the lessee.

In my remarks before the House on February 1 as a member of the Appropriations Committee, I made the following statement:

I submit that the testimony given to your committee by the Communications Commission indicates that today we are in sight of a monopoly of the air by the big broadcasting companies of the country, with all the possibilities for capitalizing that monopoly into earnings and profits to the detriment of the American people with which we are all familiar in other fields.

May I refer again to the remarks of the gentleman from Texas [Mr. MCFARLANE] in this connection? In the course of those remarks he indicates that the Columbia Broadcasting System, with an actual cash investment of less than $1,600,000, has realized in cash dividends since December 26, 1931, almost $8,000,000, and is about to list on the New York Stock Exchange for possible sale to the public, after compliance with the requirements of the Securities and Exchange Commission, shares of stock having a total present valuation of about $58,000,000. I assume no responsibility for these figures. It is difficult to believe that they are correct. If they are anywhere near correct, however, it would seem to afford a striking example of the capitalization of a Government license issued as a gratuity and at all times under Federal control.

I have before me, Mr. Speaker, an examiner's report to the Federal Communications Commission, signed by P. W. Seward and dated December 29, 1936, referring to the application to the Commission by radio station WOAI for a transfer of the control of the station to the Columbia Broadcasting System. The present value of the station is given as approximately $141,000; the consideration to be paid at approximately $825,000. The report recommends denial of the application.

Without taking the time or space required to insert the entire report in the RECORD, I will insert at this point in my remarks a number of quotations from the examiner's consideration of the issues and the law, because of their bearing on the general question under consideration:

In the early days of its existence the Federal Radio Commission recognized the evils that would be attendant upon the promiscuous transfer of control of broadcast stations by their licensees.

In the case of *Pote (Station WLOE)* v. *Federal Radio Commission* (67 Fed. (2d) 509, at p. 510), the Court, after having quoted section 12 of the Radio Act, which is almost identical with section 310 (b) of the Communications Act, said:

"The importance of this decision was stressed when before Congress as a means of preventing the barter and sale of licenses whereby a single interest might without constraint acquire many stations by purchase or otherwise."

Broadly speaking, it seems to be the contention of counsel that this Commission is not concerned and has no authority to consider the amount for which a radio-broadcast station is to be sold, and that applicant may assign a value to the license and frequency under the guise of goodwill, going value, or expectancy of renewal of license, subject to the standard of public interest, convenience, and necessity.

A complete answer to this contention is found in the act.

In considering the matter it must be remembered that after enjoying the privileges of a Government gratuity for 12 years, after reaping immense profits and establishing a fortune therefrom, he now requests the Government to approve the sale of the gratuity at an enormous figure of about $800,000 above the book value, thereby proposing further a capitalization of the gratuity and charge on the future use of the frequency involved.

The difference of the radio business from other businesses is that the broadcast business is conducted under license from the Government, at present on the basis of a 6-month period in practice, and the maximum period of 3 years under the law. Without such license there is no business to sell and even the tangible assets have only a second-hand and, to some extent, only junk value. * * * Applicant may divest himself of the two elements of ownership in a license to operate a radio broadcast station which he is permitted by law to enjoy—the possession and the right of possession—but when he attempts to sell something which he values at nearly $700,000 he is exercising domination over the third element of ownership—the right of property—which he does not possess.

To permit transferor to attach "going value" to the radio facilities in this case would be to permit him to escape the just exercise of the regulatory power vested in this Commission by section 301 of the act, which sets up an absolute bar to the sale of radio facilities.

Since the licensee is prohibited by statute from owning a license, call letter, frequency, or channel, a conclusive presumption arises that he will not be permitted to assign any value to or to sell any goodwill the station may possess.

To permit a licensee to place a value on the license or frequency under the guise of "goodwill", or any other term, would be to permit it to assert a vested interest therein, contrary to the plain and emphatic language of the statute and would amount to the capitalization of the Government gratuity.

While a radio broadcast station is declared by the act not to be a common carrier, it might well be considered as a public utility, and there is a marked similarity between the two. Each serves the public, each must furnish acceptable service, each operates at the sufferance of government by authority of license, certificate of public convenience and necessity, or franchise, and they are similar in other respects. The one outstanding difference between a radio broadcast station as a public utility and a common carrier is that the rates charged by the common carrier for its services are regulated by law. They are not permitted to earn more than a reasonable return on their investment. They are not permitted to place a value of "goodwill" under any circumstances and are not permitted to capitalize "going value" as a separate item. The broadcast station may charge for its services all the traffic will bear.

When public utilities are not permitted under any circumstances to place a value on "goodwill" and cannot set up going value as a separate item in a rate base, it would appear that equity would prohibit a radio broadcast station from denominating as "goodwill" or "going value" its license, frequency, and channel for the purpose of sale even in the absence of specific statutory inhibition.

The right of any person operating a business predicated on a license issued by the Government to attach any value for the purpose of the sale, to goodwill, or going-concern value by reason of holding such license is challenged as amounting to a domination over such license equal to an assertion of ownership and to the sale of a Government gratuity, which is not in the public interest, and, in this case, is in violation of the Communications Act of 1934.

All of the acts of Congress and the decisions of the Court negative the idea that a licensee of a radio broadcast station should ever be permitted to place a value on the license, frequency, or channel or be permitted to traffic in radio facilities or to assert or exercise "ownership" thereof.

The fact that the modus procedendi for the transfer of radio license or the transfer of the stock of a licensee corporation is not set forth in the Communications Act indicates only that Congress left the details of such matters to the Commission.

It appears most certain that if the Congress had intended to permit the barter, sale, and trafficking in radio-broadcast license, frequencies, or channels it would have fixed a standard for the guidance of this Commission in arriving at a proper value.

The language in section 301 of the act is not general or ambiguous; it is clear and emphatic, and denies the right of anyone to acquire a right of property in radio license, frequencies, or channels.

To permit a corporation engaged in broadcasting to purchase the control of a licensee corporation, which has been authorized to use a given frequency, at a price which is based upon the use of said frequency for a period of time in excess of the then extent of said license would carry with it the implied promise of the Commission that the license for the use of said frequency is to be continued. This is the same as giving a license for an unlimited time and amounts to the creation of ownership of the frequency by the holders of a license and transferee and is unlawful.

The contention of the transferor that this Commission is without authority to deny this application and that a grant thereof would be in the public interest is predicated on a fallacy and his position is untenable. Private profit is not the measure of public interest nor is it the criterion for the interpretation of statutes. To follow the plain provisions of the act which presents the expressed legislative intent of Congress as set out in section 301, shown above, is the only way to safeguard the public interest.

After a careful consideration of the facts and pertinent sections of the act, it is concluded that a grant of this application would be in violation of section 301, as it would amount to the recognition of an assertion of ownership and sale of radio facilities; that it would be in violation of section 310 (b), as it is considered that such grant would not be in the public interest and that the grant would not serve public interest, convenience, or necessity.

Mr. Speaker, the essential evidence is not complete but it is sufficiently complete to indicate that Congress has not succeeded in providing such regulation for radio broadcasting as is vital in the interest of the American people as a whole. Unless some action is taken, there is every indication that we may witness again the scandals in this field which we have witnessed in other fields in the past.

A thoroughgoing and impartial investigation into the entire situation should serve among other things to establish the extent, effects, and dangers of monopoly in this great field for publicity and propaganda. It should serve to determine the extent to which the elimination of private ownership and trafficking in licenses has been accomplished. It should serve to indicate what further steps should be taken to limit profiteering and to protect the investor, the advertiser, and the consumer. It should serve to throw light on the matter of proper program control. It should serve to determine the earnings of the industry, whether or not rates now charged are reasonable, and what contribution, if any, the industry may be fairly asked to make to the Federal Treasury.

A comprehensive study of the entire situation seems to me imperative in the national interest.

EXTENSION OF REMARKS

Mr. BERNARD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio speech which I made in Washington last night.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mrs. HONEYMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a certain address made by the Secretary of Labor for the District of Columbia before the Professional Women's Club.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain excerpts from editorials.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MAVERICK. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

STABILIZATION OF FARM PRICES

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, some of the metropolitan dailies are insisting that Congress adjourn. There seems to be a studied unanimity of opinion on the subject, and the papers which are least in sympathy with the President and the unfinished legislative program are most vociferous in their insistence that it is time for Congress to quit and go home. They have grown suddenly solicitous of the health and comfort of Members of the House. They tell us that Congress has worked very hard, that Washington is uncomfortable, and their health is in great peril, and that their duty to themselves and their constituents requires that they take a much needed and well-deserved vacation.

Mr. Speaker, as a matter of fact, I do not think there has ever been a more pleasant summer in Washington, so far as the weather is concerned, than we are having this summer. And I do not believe Congress has ever done less actual work in any session during the summer months than we have done the last several months we have been in session. Furthermore, the health and comfort of Congressmen is a matter of no concern whatever to the average newspaper.

The real reason, of course, why they are so eager for Congress to adjourn is that the interests which they represent are wholly out of sympathy with the President, the administration, the leadership of the Congress, and the legislative program still undisposed of. They are especially out of sympathy with one item in that program I would like to discuss briefly just at this time. It is the most essential, the most indispensable item in the entire list, the one for which there is greatest need, and the one to the enactment of which we are more completely committed than any other, the enactment of legislation to stabilize farm prices.

The farmer faces a serious situation. We have grown the largest wheat crop, the largest corn crop, and the largest cotton crop since 1931. Vast surpluses are being produced which, if thrown on a glutted market, will demoralize prices and bankrupt not only the producer but all business dependent on farm patronage. After 3 years of crop failures, when the farmer at last has something to sell, he is going to be robbed of the fruits of 3 years of toil and sacrifice because Congress refuses the President's request for legislation to stabilize farm prices. No corn is left. The bottoms of the cribs have been scraped bare. No new corn will be on the market before October. Cash corn has been selling in my neighborhood as high as $1.50 a bushel. And yet the speculators on the board of trade are already hammering down the price of the growing crop, and when cash corn was $1.46 a bushel at the elevator December corn was quoted in the corn pit at 72 cents and is still dropping. Corn, cotton, and wheat are all on the toboggan while everything the farmer must buy is rising as rapidly as farm products are falling. And Congress, instead of considering a farm bill, is busy passing laws to help labor and industry and increase the price of their products to the farmer.

Mr. O'CONNOR of New York. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield with pleasure to the gentleman from New York, chairman of the Committee on Rules.

Mr. O'CONNOR of New York. I am very much interested in farm legislation and have voted for practically every farm bill. However, we have been here 7 months and have known of this situation, yet at this very minute there is not a farm bill here for consideration. How long would the gentleman wait under such circumstances?

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my friend, the gentleman from Oklahoma.

Mr. MASSINGALE. May I say to the gentleman from New York [Mr. O'CONNOR] that there are four or five farm bills which have been presented to the Committee on Agriculture?

Mr. O'CONNOR of New York. I am talking about the so-called farm program about which we first heard not more than 2 weeks ago. I am talking about some comprehensive farm bill to cover this program, which is not before us at this moment. I have heard a lot of talk around here about "complete this program, pass this legislation, stay here until we do this and that", and I have heard some enthusiastic young Democrats take the floor, but I have never seen them do anything about it except talk about it.

Mr. MASSINGALE. I may say to the gentleman from New York that these farm bills may not be as comprehensive as the gentleman thinks they ought to be, but they have been sent to the Committee on Agriculture. For some reason or other the committee has not reported them. A petition has been on file for 60 days with reference to one of these bills, but the conservative element of this Congress has been kicking and bucking against any kind of a "sign-up" program. This is the reason we have not done anything for the farmer. The same thing happened 2 years ago, and it is happening again today. I agree with what the gentleman from Missouri [Mr. CANNON] states and with the position he takes.

The farmer has had no legislation in his behalf, and he has no security today except that which comes to him through the benefits under the Soil Conservation Act. If you let this go on, havoc is going to be wrought in the Democratic Party.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. O'CONNOR of New York. Will the gentleman yield further?

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR of New York. I do not believe this condition should go on. I believe the farmer should be taken care of. However, what I am emphasizing is that there is no excuse for his not having been taken care of during the last 7 months.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. As a member of the Committee on Agriculture, may I take this opportunity of absolving the committee from any responsibility for the failure to pass a farm program. In the first place, the farm organizations have not agreed upon a program. In the second place, any program which has been introduced during this session with the approval of the administration and which has any semblance of being an administration bill covering a general farm program would not be applicable for this year, anyway. Therefore, such a program, if enacted into law, would not have helped the situation to which the gentleman from Missouri [Mr. CANNON] is referring. The so-called Farm Bureau bill, as well as the "ever-normal granary" bill, sponsored and supported by the Secretary of Agriculture, do not apply to this year's crops. The latter bill was not introduced in Congress until May 17. Therefore, the blame for the failure to pass this legislation should not be placed upon the Committee on Agriculture.

There are bills, however, of a general character which would give relief to agriculture, such as the measure introduced by the gentleman from Oklahoma [Mr. MASSINGALE], and the bill introduced by the gentleman from Iowa [Mr. EICHER]. These bills have not been given any encouragement by the administration and have not had a ghost of a chance of being enacted.

Mr. O'CONNOR of New York. I did not intend to place any blame on the committee, of which the distinguished

gentleman is a member. I am talking about the entire situation. If you want something done, do not wait until the eleventh hour. Whoever is responsible could have started in January——

Mr. BOILEAU. The Committee on Agriculture has worked as hard as any committee in this House. We have reported out bills that we have not been able to get a rule on——

Mr. O'CONNOR of New York. What bill, for instance?

Mr. BOILEAU. The sugar bill.

Mr. O'CONNOR of New York. Let me forever brand that canard that has been going around here. The Rules Committee has never yet been asked for a rule on the sugar bill, and I hope this is published to the world.

Mr. BOILEAU. The committee has worked hard on the bill which the committee reported out. I do not blame the gentleman from New York at all, but I say that the bill has not been brought up, and so far as I have seen, it is not on any of the so-called "must" lists issued by the administration or by any administration spokesman in the last few weeks.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. MICHENER. We have heard a lot of criminations and recriminations. The leaders of the Democratic Party controlling the situation here have engaged in this argument. I agree with the gentleman from Missouri, who is one of the leaders, the acting chairman of the Appropriations Committee, and who should know, if anybody in this House knows, where the hitch is. Will the gentleman tell us why we have been here since January and the bills to which he refers have not received consideration by the men who must give consent and approbation before we can hope to consider the bills in the House? Will the gentleman tell us that?

Mr. CANNON of Missouri. Mr. Speaker, the colloquy reveals a very gratifying situation. Every Member who has spoken in the last few minutes has expressed himself as heartily favoring agricultural legislation. They all concede that the farm situation is critical and that some steps ought to be taken by the Congress at this session to meet the situation. In view of this unanimity I trust the time is ripe to take a little of the time we have been devoting so lavishly to labor and industrial legislation and insure the farmer a fair wage for his labor and an honest price for his products.

In this connection permit me to readvert to the suggestion of my distinguished friend from Wisconsin to the effect that none of the legislation so far proposed could help this year's crop.

Mr. BOILEAU. No; I did not say that. I referred to legislation introduced with administration support. The gentleman from Oklahoma [Mr. MASSINGALE] has a splendid measure that would help this year's crop, and so has the gentleman from Iowa [Mr. EICHER]—the cost-production bill.

Mr. CANNON of Missouri. I agree with the gentleman in his warm commendation of the legislation proposed by the gentleman from Iowa [Mr. EICHER] and the gentleman from Oklahoma [Mr. MASSINGALE], but to keep the RECORD straight let me call his attention to the provision in the bill to which he refers providing for loans on crops which will be available on cotton, corn, and all other crops now growing and to be harvested between now and the next session of Congress.

This is exactly what we need this fall. We are producing a surplus of both corn and cotton. The corn crop this fall is now estimated to approximate 2,600,000,000 bushels, and already in response to this estimate and the manipulations of the gamblers operating on the exchanges, the price of corn is dropping like a bucket in the well.

The yield this year is just about double last year's crop. But at the rate at which corn prices are falling——

Mr. MICHENER. Will the gentleman yield?

Mr. CANNON of Missouri. I hope the gentleman will permit me to proceed. I shall be glad to yield later.

Mr. MICHENER. Will the gentleman answer my question?

Mr. CANNON of Missouri. In due time. Permit me to complete this statement. At the rate at which corn prices are falling, farmers will get for this year's crop of 2,600,000,000 bushels of corn less than they got for the 1,300,000 bushels they had last year.

If the loan provision in the bill to which the gentleman from Wisconsin refers should become effective, we could maintain the price of corn to the farmer this fall, just as we did in 1934. And the same is true of the price of cotton. And the entire Nation would benefit because every dollar the farmer gets under present stringent conditions goes into immediate circulation.

Mr. MICHENER. Will the gentleman answer my question?

Mr. CANNON of Missouri. As soon as I have completed this very brief statement.

Mr. MICHENER. Well, I will wait.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, the union wage scale is today the highest in the history of the country, with no prospect anywhere of a reduction. However meritorious pending labor legislation may be, there is no special emergency. A delay of a few weeks would not be material; nor is there any particular occasion for instantaneous action on pending legislation in behalf of industry. Prices of industrial commodities are at a peak and rapidly rising.

On the contrary, unless we get a farm bill through at this session the farmers of the country will stand helplessly by watching the price of the first real crop they have had in 3 years drop, day by day, while every item entering into their cost of living and cost of production is rising.

In view of this situation—the relatively favorable position of labor, the comparatively satisfactory conditions in industry, and the desperate need of agriculture—a need which every speaker here this afternoon has conceded, and which the President has emphasized—which of the three should have first consideration by the Congress?

And yet it is announced that Congress will dispose of legislation fixing minimum wages and maximum hours for union labor and legislation fixing prices for industry, both of which place an added and growing burden on the farmer, while his own wages and prices are dropping, and then adjourn for a "much-needed rest."

Mr. Speaker, I am strong for labor. I favor a high wage for any man who earns his bread by the sweat of his brow. But how can the farmer, who is the ultimate consumer, pay high wages unless he gets an honest wage for his own labor and a fair price for his own product? This Congress is pledged to agricultural parity, but instead of bringing agriculture up to a plane of economic equality with labor and industry the discrepancy between farm and factory prices and between farm and union wages is widening daily; and it is now proposed that for the rest of the session we accelerate that growing discrepancy by passing laws to raise wages and reduce hours of labor and laws to raise prices of industrial products, while the farmer, left to shift for himself, is drifting inevitably back to 15-cent corn and 5-cent cotton.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I am glad to yield to the gentleman from Michigan.

Mr. MICHENER. I hope the gentleman will get time to answer my question. The gentleman is diagnosing the case. We do not need a diagnosis. That stage has passed. What I want to know is just who is to blame for the delay? Whom is the gentleman criticizing? He is castigating somebody, because the House has not considered the legislation which he thinks should be considered. Whom does he

blame? Whom is he castigating? Whom should we go after?

Mr. CANNON of Missouri. I am castigating the same agencies which exploited the farmer during the memorable decade between 1922 and 1932; the same influences which held high revel at the expense of the farmer during the administrations of Harding, Coolidge, and Hoover; the same interests which found the farmer at the high tide of prosperity and left him at the end of three Republican administrations in the most deplorable conditions in the history of American agriculture.

Mr. MICHENER. In this House? I am talking about legislation passed by this House.

Mr. CANNON of Missouri. This is not a new problem in the House. It came in shortly after the gentleman came to Congress.

Mr. MICHENER. Does not the New Deal apply to the farmer.

Mr. CANNON of Missouri. The New Deal saved agriculture. The gentleman's party sold the farmer down the river and corn went down to 12 cents; wheat, 30 cents; cotton, 5 cents; hogs, $2.50; and all other farm products in proportion. The New Deal brought corn back up to $1.25; wheat, $1.30; hogs, $12; cotton, 15 cents; and was rapidly bringing all agricultural prices up to parity.

Now that the Supreme Court, with which the gentleman from Michigan apparently concurs—for I never heard him express any difference of opinion—has invalidated the A. A. A., the law giving the farmer agricultural equality, the gentleman offers no remedy. If the gentleman from Michigan has a remedy, we would be glad to consider it.

Mr. MICHENER. That is what I am trying to get at. The gentleman from Missouri is a farm leader. He certainly must have a remedy or he would not be protesting as he is this afternoon. I want to know who is to blame for not bringing the gentleman's program in and giving it consideration. There are bills before the Agricultural Committee. The gentleman says that the Agricultural Committee is not to blame. The bills are there.

Mr. CANNON of Missouri. The gentleman is a member of the House, and the Agricultural Committee to which he refers will be glad to consider any measure the gentleman offers.

Mr. MICHENER. Why does the gentleman not go to the White House and get permission to take up the measures the gentleman advocates?

If the gentleman will get permission from the White House, perhaps you can give it consideration in this body.

Mr. CANNON of Missouri. President Roosevelt has repeatedly asked Congress to consider the measure. His attitude toward farm legislation is in striking contrast with that of the three Presidents who preceded him. I suggest that the gentleman go back and read the vituperative message of President Coolidge vetoing the farm bill that would have prevented the depression and then read the letters and messages President Roosevelt has sent to this Congress urging prompt action to stabilize farm prices before they drop below the cost of production. Does the gentleman stand with Roosevelt or prefer to go back to Coolidge?

The SPEAKER. The time of the gentleman from Missouri has again expired.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, the gentleman from Missouri [Mr. CANNON] has insisted that we stay here until we do something for the farmer. I ask the gentleman if he will importune the leaders of the House to find out what we are going to do along this line. I would ask the gentleman when he extends his remarks to put into the RECORD just what he recommends that we do to get his proposals before the House. There is nothing before the House. There is only one way to get it here, and that is through the leadership of the House.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASSINGALE. Mr. Speaker, I do not wish to be understood as having criticized the members of the Committee on Agriculture. I really believe they have done their best under the circumstances. I will tell you frankly what I think the trouble is. I think the trouble is with the rule that we have in this House, which requires 218 Members to sign a petition when the committee does not agree with your views on a bill. Now, that is plain talk, but that is what it is.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MASSINGALE. That is the trouble that we have had heretofore in this House since I have been here.

Mr. MARTIN of Massachusetts. Of course, we on this side did not make the rules.

Mr. MASSINGALE. Oh, I know, but I think we inherited it from you. [Laughter.] But my idea is this: Two years ago you hitched the Democratic horse outside, and he stayed outside. We were going to take it up and we never did take it up. We never did lead the horse around to the stable to eat. He is still there on the outside. Now, we have come to the end of the first half of this Congress, and we are notified that the farmer has to wait on the outside until next year. Maybe if we pass the wage and hour bill, maybe if we pass the housing bill, maybe if we do other things in Congress, then next January you may consider the farmer. But I will tell you, I have kind of cut my eye-teeth. As far as I am concerned, having lived in Oklahoma for 40 years, Washington to me is a kind of a summer resort. [Laughter.] I am willing to stay here until the night of the 2d of January if you people will just get together and do something to make farm life in America more secure. The way it is now, the only security on God's earth that the American farmer has is that which comes from grants under the Soil Conservation Act. If you do not give him that he has got nothing, and you can take it away from him any time you get ready to do it. [Applause.]

The SPEAKER. The time of the gentleman from Oklahoma has expired.

ELECTION OF MEMBERS TO STANDING COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer the following privileged resolution (H. Res. 290).

The Clerk read as follows:

House Resolution 290

Resolved, That the following-named Members be, and they are hereby, elected members of the standing committees of the House, as follows:

Elections No. 1, Mr. A. LEONARD ALLEN, of Louisiana.

Elections No. 2, Mr. BEVERLY M. VINCENT, of Kentucky, and Mr. A. J. ELLIOTT, of California.

Elections No. 3, Mr. JACK NICHOLS, of Oklahoma.

The resolution was agreed to.

FARM AND SUGAR LEGISLATION

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. RAYBURN. I did not intend to indulge in this general discussion this afternoon, because everybody knows my views with reference to the farm program and that I am definitely committed to a permanent program for the relief of agriculture and for crop control. Whether that can come in the next few days or whether it will have to go over for a little while, I do not know. Only one thing is certain: The bill that the farm organizations, the Committee on Agriculture, and other interested people have been working on would not affect this year's crop anyhow.

Mr. CANNON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. CANNON of Missouri. In making the statement that we cannot affect this year's crop, has not the gentleman overlooked the fact that we can stabilize the price of corn, for instance, with loans, as we did in 1932–33? Overnight President Roosevelt advanced the price of corn by offering loans on corn cribbed on the farm. We have from now until October to affect this year's crop in the same way, not to mention other methods available for stabilizing prices of this year's crops.

Mr. RAYBURN. In reply to the gentleman from Missouri [Mr. CANNON] I may say that this is not all my problem. If I were the committee of the Senate and the committee of the House rolled into one, I could probably get some action.

Mr. CANNON of Missouri. But the gentleman will concede that we could pass legislation which would take care of this year's crops.

Mr. RAYBURN. Yes; if we could get it out of a committee and get all of the interested farm organizations to agree upon legislation. I understand that day before yesterday several members of the Committee on Agriculture met with the heads of three farm organizations only to find those three organizations not in accord on any agricultural program even at this late date in the session.

As to the matter of the sugar bill, I always take my responsibility, Mr. Speaker, and I want to say, following up what the gentleman from New York said, that the Rules Committee may be entirely absolved from any dereliction in reporting a rule for the consideration of the sugar bill. If it is to be laid at anybody's doorstep, I am willing to take it myself. For 3 weeks I have been doing all that I could to get people together on a sugar bill, because I feel very earnestly that the sugar question should be solved; that legislation should be passed at this session of Congress. I think that our sugar producers, both foreign and domestic, ought to know where they stand.

I understand that a subcommittee of the Committee on Agriculture of the House and a subcommittee from the Committee on Agriculture of the Senate are conferring with the President of the United States today to see if some accord cannot be reached. If legislation can be agreed upon so there will be no trouble, I shall certainly be the first, and I know the Speaker will be one of the first, to ask the chairman of the Rules Committee and his committee to report a rule for its consideration. I feel certain that there will be no trouble about that.

I simply thought it was only fair to the Committee on Rules that I make this statement. If anyone is to assume responsibility for there being no rule on the sugar bill, it should fall upon me. It has been only in an attempt to iron out these difficulties and to get these people together so that we could get a real effective sugar bill at this session of Congress.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. BOILEAU. The gentleman will recall that in my remarks I did not refer to the sugar bill until I was asked what bill had not been granted a rule by the Committee on Rules. Then I said the sugar bill, that being the only one that came to my mind at the time.

I want to make it very clear that I was not criticizing either the majority leader or the chairman of the Committee on Rules, for it has been a very difficult task to get the various interests together.

I know they have been having conferences, even after the House committee approved the bill. I hope, however, that soon they will iron out their differences and report a bill.

Mr. RAYBURN. I have the same hope. I did not receive this from the gentleman from Wisconsin but from other sources this talk has been going on, and I thought it would be well to explain the situation.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. May I inquire of the gentleman why one branch of the industry, the sugar producer, should be singled out to be taken care of when all of the rest of the farmers in the country are to be left to the mercy of price manipulation and all protection for other crops is to be abandoned, and especially in view of the fact that whenever you put into effect sugar quotas you shut out the sugar of Cuba, you close the Cuban market to American lard and other American farm products, which means discriminating in favor of sugar and against corn and pork and other American farm products consumed in Cuba? Farmers raising sugar beets and corn are in good circumstances. Unlike the growers of wheat, corn, hogs, tobacco, and cotton, they do not have to worry about surpluses and weakened foreign demand. They can continue normal acreage and present prices. To encourage them to expand acreage is to close the Cuban market to vast quantities of other farm products. I am willing to go along and provide preferential conditions for producers of cane and beets, providing compensatory protection can be provided producers of other farm products against collapse in prices. But I cannot see why one crop and one section of the country should be insured prosperity while other farm crops and other sections of the country are abandoned.

Mr. RAYBURN. I do not think there is in the bill which will be reported any provision that will shut out Cuba. My thought is that the bill will be very liberal as far as Cuba is concerned.

Mr. CANNON of Missouri. The bill, as the gentleman understands, will limit the amount of sugar that may be imported into the United States from Cuba. The only way they have of buying our products, of which they consume large quantities, is by selling sugar in this country. Whenever you prevent them from exporting sugar to the United States you prevent us from exporting the products of both field and factory to Cuba.

[Here the gavel fell.]

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2416. An act relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on July 28, 1937, present to the President, for his approval, bills of the House of the following titles:

H. R. 2093. An act for the relief of Marion Shober Phillips;

H. R. 6906. An act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording;

H. R. 6958. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1938, and for other purposes; and

H. R. 7564. An act to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.) the House adjourned until tomorrow, Friday, July 30, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

Committee on Naval Affairs will hold continued hearings on H. R. 5529, to replace the airship *Los Angeles*, Friday, July 30, 1937, at 10:30 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Friday, July 30, 1937. Business to be considered: Hearing on House Joint Resolution 260 and Senate Joint Resolution 95, Federal Trade Commission investigation of public utilities, electric energy.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, Executive communications were taken from the Speaker's table and referred as follows:

755. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department for the fiscal year 1938 amounting to $7,500 (H. Doc. No. 324); to the Committee on Appropriations and ordered to be printed.

756. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of the Interior for the fiscal year 1935 in the amount of $11.56 (H. Doc. No. 323); to the Committee on Appropriations and ordered to be printed.

757. A letter from the Acting Secretary of the Interior, transmitting the draft of a proposed bill to provide a uniform, simple, and adequate measure of damages to be applied in trespass cases involving timber and other forest products upon lands of the United States; to the Committee on the Public Lands.

758. A letter from the president, Board of Commissioners, District of Columbia, transmitting a substitute proposal for S. 2782 and H. R. 5039, identical bills pending before Congress to regulate the business of lending money in the District of Columbia; to the Committee on the District of Columbia.

759. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1938, amounting to $9,166.67, for the Department of State (H. Doc. No. 325); to the Committee on Appropriations and ordered to be printed.

760. A letter from the Federal Emergency Administrator of Public Works, transmitting a request for the passage of proposed legislation submitted May 17 in connection with disallowances made by the Comptroller General; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HEALEY: Committee on the Judiciary. H. R. 6907. A bill to provide for the appointment of one additional circuit judge for the sixth judicial circuit; without amendment (Rept. No. 1390). Referred to the Committee of the Whole House on the state of the Union.

Mr. ALLEN of Pennsylvania: Committee on Foreign Affairs. Senate Joint Resolution 135. Joint resolution to amend the public resolution approved June 5, 1936, entitled "Joint resolution authorizing and requesting the President to extend to the Government of Sweden and individuals an invitation to join the Government and people of the United States in the observance of the three hundredth anniversary of the first permanent settlement in the Delaware River Valley, and for other purposes"; without amendment (Rept. No. 1391). Referred to the House Calendar.

Mr. THOMASON of Texas: Committee on Military Affairs. H. R. 7347. A bill to authorize the Secretary of War to lease the Fort Schuyler Military Reservation, N. Y.; without amendment (Rept. No. 1393). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 6828. A bill providing for per-capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury; with amendment (Rept. No. 1394). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 289. A resolution providing for the consideration of H. R. 5417; without amendment (Rept. No. 1395). Referred to the House Calendar.

Mr. CHANDLER: Committee on the Judiciary. H. R. 8046. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith; without amendment (Rept. No. 1409). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. THOMASON of Texas: Committee on Military Affairs. H. R. 6893. A bill for the relief of Henry T. Sharp, Hilliard B. Atkins, and Theodore S. Meekins; without amendment (Rept. No. 1392). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 1948. A bill for the relief of certain property owners within the Old Harbor Village area of Boston, Mass.; with amendment (Rept. No. 1396). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Claims. H. R. 3703. A bill for the relief of Carl J. Scheier; with amendment (Rept. No. 1397). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 3915. A bill for the relief of Tidewater Construction Corporation; with amendment (Rept. No. 1398). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. H. R. 5562. A bill for the relief of James Scherer; with amendment (Rept. No. 1399). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 5731. A bill for the relief of Betty (or Bettie) Rule; with amendment (Rept. No. 1400). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. H. R. 5921. A bill for the relief of the County Commission of St. Johns County, State of Florida; with amendment (Rept. No. 1401). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. H. R. 6257. A bill for the relief of Dr. G. A. Neal; with amendment (Rept. No. 1402). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Committee on Claims. H. R. 6473. A bill for the relief of Paul H. Brinson; with amendment (Rept. No. 1403). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 6981. A bill for the relief of Frank M. Gilbert; with amendment (Rept. No. 1404). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 6993. A bill for the relief of L. H. Dicke; with amendment (Rept. No. 1405). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 7587. A bill for the relief of Lon D. Worsham Co.; with amendment (Rept. No. 1406). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. H. R. 7676. A bill for the relief of the Complete Machinery & Equipment Co., Inc.; H. O. Penn Machinery Co., Inc.; Sylvan Greenbaum, Inc.; and Mahoney-Clarke, Inc.; with amendment (Rept. No. 1407). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 53. An act for the relief of the Perkins-Campbell Co.; with amendment (Rept. No. 1408). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK: A bill (H. R. 8060) to amend certain provisions of law relative to the production of wines and fruit

spirits so as to remove therefrom certain unnecessary restrictions, to facilitate the collection of internal-revenue taxes thereupon, and to provide abatement of certain taxes upon wines and brandy where lost or evaporated while in the custody and under the control of the Government without any fault of the owner; to the Committee on Ways and Means.

By Mr. DREW of Pennsylvania: A bill (H. R. 8061) to amend the Motor Carrier Act, 1935, by providing for the regulation of highways and special highway facilities when same are used for the transportation of passengers or property by motor carriers engaged in interstate or foreign commerce, and for which use tolls are charged; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER: A bill (H. R. 8062) to provide for the construction of a public building or addition to the existing public building, in the discretion of the Secretary of the Treasury, at Oakland, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. McFARLANE: A bill (H. R. 8063) to provide for the number of Associate Justices of the Supreme Court of the United States, and qualifications with respect to place of residence, the manner in which they shall be allotted to the judicial circuits, and for other purposes; to the Committee on the Judiciary.

By Mr. RAMSPECK: A bill (H. R. 8064) to amend section 13 of the Classification Act of 1923, as amended; to the Committee on the Civil Service.

Also, a bill (H. R. 8065) to provide for the retirement of certain employees of the United States Government, for the payment of annuities, and for other purposes; to the Committee on the Civil Service.

By Mr. SUMNERS of Texas: A bill (H. R. 8066) to exclude student nurses from the provisions of titles II, VIII, and IX of the Social Security Act; to the Committee on Ways and Means.

By Mr. GREEN: A bill (H. R. 8067) to extend retirement benefits for judges of the United States to Alexander Akerman, judge of the District Court for the Southern District of Florida; to the Committee on the Judiciary.

By Mr. BROOKS: A bill (H. R. 8068) to authorize the construction of bridges in Caddo Parish, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON: Joint resolution (H. J. Res. 462) authorizing the Secretary of Agriculture to make loans in the years 1937 and 1938 to those persons engaged in the business of producing the following crops: Corn, wheat, barley, rye, oats, hops, cotton, and tobacco, which crops are to be stored on the premises on which such crops are produced, whether the land on which such crops are produced is owned or leased by the producers of such crops; to the Committee on Agriculture.

By Mr. KELLY of New York: Joint resolution (H. J. Res. 463) to permit the transportation of passengers by Canadian passenger vessels between the port of Rochester, N. Y., and the port of Alexandria Bay, N. Y., on Lake Ontario and the St. Lawrence River; to the Committee on Merchant Marine and Fisheries.

By Mr. KRAMER: Joint resolution (H. J. Res. 464) authorizing the President to invite foreign countries and nations to participate in the continuing international exposition, to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the World's Fair to be held in connection therewith in the year 1942, commemorating the landing of Cabrillo; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 465) providing for the participation of the United States in the continuing international exposition, to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the year 1942 commemorating the landing of Cabrillo, and for other reasons; to the Committee on Foreign Affairs.

By Mr. CRAWFORD: Joint resolution (H. J. Res. 466) providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress; to the Committee on Foreign Affairs.

By Mr. KNUTSON: Joint resolution (H. J. Res. 467) authorizing acceptance on behalf of the United States of a copyright and all interest therein; to the Committee on Patents.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALESHIRE: A bill (H. R. 8069) for the relief of John B. H. Waring; to the Committee on Military Affairs.

By Mr. CRAWFORD: A bill (H. R. 8070) granting an increase of pension to Floyd L. Green; to the Committee on Pensions.

By Mr. DONDERO: A bill (H. R. 8071) granting a pension to Douglas B. Jenkins; to the Committee on Pensions.

By Mr. ENGLEBRIGHT: A bill (H. R. 8072) to confer jurisdiction upon the United States District Court for the Northern District of California to determine the claim of Madelena Carrattini; to the Committee on the Judiciary.

By Mr. GRAY of Pennsylvania: A bill (H. R. 8073) for the relief of William Hesse; to the Committee on Military Affairs.

By Mr. GREEN: A bill (H. R. 8074) for the relief of Caledonia McCall; to the Committee on Claims.

By Mr. IGLESIAS: A bill (H. R. 8075) for the relief of Julia Santiago; to the Committee on Claims.

By Mrs. JENCKES of Indiana: A bill (H. R. 8076) for the relief of the legal representatives of Gallus Kerchner, deceased; to the Committee on Claims.

By Mr. O'TOOLE: A bill (H. R. 8077) for the relief of Pasquale Altezza; to the Committee on Immigration and Naturalization.

By Mr. SIMPSON: A bill (H. R. 8078) granting an increase of pension to Agnes Auman; to the Committee on Invalid Pensions.

By Mr. THOMAS of New Jersey: A bill (H. R. 8079) granting an increase of pension to Amanda Snyder; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3056. By Mr. HART: Memorial of the Bergen County (N. J.) Chamber of Commerce, protesting against enactment of the wages-and-hours bill; to the Committee on Labor.

3057. Also, petition of the New Jersey State conference, American Federation of Musicians, favoring enactment of Schwellenbach-Allen joint resolution, to provide employment by the Works Progress Administration of persons unable to find employment in private industry; to the Committee on Appropriations.

3058. By Mr. KENNEY: Petition of the New Jersey State conference, endorsing Senator SCHWELLENBACH'S resolution, favoring employment by the Works Progress Administration of persons unable to find employment in private industry; to the Committee on Appropriations.

3059. By Mr. KEOGH: Telegram of the American Manufacturing Co., Brooklyn, N. Y., concerning the Connery bill (H. R. 7200); to the Committee on Labor.

3060. By Mr. PFEIFER: Telegram of the American Manufacturing Co., Brooklyn, N. Y., concerning the Connery bill (H. R. 7200); to the Committee on Labor.

3061. By Mr. KEOGH: Petition of the American Federation of State, County, and Municipal Employees, Buffalo Local No. 103, concerning the Wagner-Steagall housing bill; to the Committee on Labor.

3062. By Mr. PFEIFER: Petition of the American Federation of State, County, and Municipal Employees, Local No. 103, Buffalo, N. Y., concerning the Wagner-Steagall housing bill; to the Committee on Labor.

3063. By Mr. O'MALLEY: Joint resolution of the Legislature of the State of Wisconsin, memorializing Congress to pass House bill 6092, providing for reduction of interest rates of Home Owners' Loan Corporation mortgages and extending the amortization periods thereon to 25 years; to the Committee on Banking and Currency.

SENATE

FRIDAY, JULY 30, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 29, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, I must, in order to secure the presence of a quorum, ask that we have a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Lee	Radcliffe
Andrews	Copeland	Lewis	Reynolds
Ashurst	Davis	Lodge	Schwartz
Austin	Dieterich	Logan	Schwellenbach
Bailey	Donahey	Lonergan	Sheppard
Barkley	Ellender	Lundeen	Shipstead
Berry	Frazier	McAdoo	Smathers
Bilbo	George	McCarran	Smith
Black	Gerry	McGill	Steiwer
Bone	Gillette	McKellar	Thomas, Okla.
Borah	Glass	McNary	Thomas, Utah
Bridges	Green	Maloney	Townsend
Brown, Mich.	Guffey	Minton	Truman
Brown, N. H.	Hale	Moore	Tydings
Bulkley	Hatch	Murray	Vandenberg
Bulow	Herring	Neely	Van Nuys
Burke	Hitchcock	Nye	Wagner
Byrd	Hughes	O'Mahoney	Walsh
Byrnes	Johnson, Calif.	Overton	Wheeler
Capper	Johnson, Colo.	Pepper	White
Chavez	King	Pittman	
Clark	La Follette	Pope	

Mr. LEWIS. I announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in the performance of duty as members of the committee to attend the dedication of the battle monuments in France.

I further announce that the Senator from Arkansas [Mrs. CARAWAY] and the Senator from West Virginia [Mr. HOLT] are unavoidably detained from the Senate, and that the Senator from Mississippi [Mr. HARRISON] is detained at a meeting of the Joint Committee on Taxation.

Mr. AUSTIN. Mr. President, I announce that my colleague, the junior Senator from Vermont [Mr. GIBSON], having been appointed a member of the committee to attend the dedication of the battle monuments in France, is absent on that duty.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

MEASURE OF DAMAGES FOR TIMBER TRESPASS ON UNITED STATES LANDS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to provide a measure of damages for trespass involving timber and other forest products upon lands of the United States, which, with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

PETITIONS AND MEMORIALS

Mr. LODGE presented a petition of sundry citizens of Lawrence, Methuen, and Peabody, all in the State of Massachusetts, praying for the enactment of legislation to abolish the Federal Reserve System as at present constituted, and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which was referred to the Committee on Banking and Currency.

Mr. COPELAND presented resolutions adopted by Local No. 2 of the International Federation of Technical Engineers and Local No. 9, Bricklayers' Union, both of Brooklyn, N. Y., endorsing the so-called Schwellenbach resolution, being the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the Seventeenth Annual Convention of the American Legion of Bronx County, N. Y., favoring the prompt enactment of the so-called Wagner-Van Nuys-Gavagan antilynching bill, which was ordered to lie on the table.

He also presented a resolution adopted by the Neponsit Branch of the American League Against War and Fascism, of Neponsit, Rockaway Beach, N. Y., protesting against increased appropriations for the Army and Navy, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. BROWN of Michigan, from the Committee on Claims, to which was referred the bill (S. 2476) for the relief of R. F. Lassly, reported it without amendment and submitted a report (No. 998) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 1810) for the relief of Carl E. Padgett, reported it with an amendment and submitted a report (No. 999) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 2138. A bill for the relief of Nelson W. Apple (Rept. No. 1000); and

S. 2139. A bill for the relief of Camille Carmignani (Rept. No. 1001).

Mr. WHITE, from the Committee on Claims, to which was referred the bill (S. 886) authorizing the redemption by the United States Treasury of certain documentary revenue stamps now held by L. J. Powers, reported it with amendments and submitted a report (No. 1002) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 2904) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, reported it with an amendment and submitted a report (No. 1003) thereon.

Mr. LA FOLLETTE, from the Committee on Indian Affairs, to which was referred the bill (S. 1802) to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, reported it with an amendment and submitted a report (No. 1004) thereon.

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the bill (S. 2871) for the protection of certain enlisted men of the Army, reported it with an amendment and submitted a report (No. 1005) thereon.

Mr. WAGNER, from the Committee on Banking and Currency, to which was referred the bill (S. 2794) to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States, reported it without amendment and submitted a report (No. 1006) thereon.

Mr. MURRAY, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 2888) granting a leave of absence to settlers of homestead lands during the year 1937, reported it with amendments and submitted a report (No. 1007) thereon.

Mr. FRAZIER, from the Committee on Banking and Currency, to which was referred the bill (S. 2592) to repeal section 178 of the Criminal Code entitled "Issuing Notes Less Than $1", reported it without amendment and submitted a report (No. 1008) thereon.

Mr. BARKLEY, from the Committee on Banking and Currency, to which was referred the bill (S. 2675) to amend

certain sections of the Federal Credit Union Act, approved June 26, 1934 (Public, No. 467, 73d Cong.), reported it with amendments and submitted a report (No. 1009) thereon.

Mr. RADCLIFFE, from the Committee on Commerce, to which was referred the bill (S. 2761) authorizing the State of Maryland, by and through its State roads commission or the successors of said commission, to construct, maintain, and operate certain bridges across streams, rivers, and navigable waters which are wholly or partly within the State, reported it with amendments and submitted a report (No. 1010) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LOGAN:

A bill (S. 2873) to authorize the erection of a suitable memorial to Maj. Gen. William L. Sibert within the Canal Zone; to the Committee on Military Affairs.

By Mr. COPELAND:

A bill (S. 2874) requiring the deposit in a safe place ashore of the names and addresses of passengers sailing on vessels plying the inland or coastal waters of the United States; to the Committee on Commerce.

By Mr. BULOW:

A bill (S. 2875) to provide for the retirement of certain employees of the United States Government, for the payment of annuities, and for other purposes; to the Committee on Civil Service.

By Mr. SMITH:

A bill (S. 2876) for the relief of Mark H. Doty; to the Committee on Claims.

By Mr. COPELAND:

A joint resolution (S. J. Res. 189) granting the consent of Congress to a compact between the States of New York and New Jersey providing for the creation of the Palisades Interstate Park Commission as a joint corporate municipal instrumentality of said States with appropriate rights, powers, duties, and immunities, for the transfer to said commission of certain functions, jurisdiction, rights, powers, and duties, together with the properties of the bodies politic now existing in each State known as Commissioners of the Palisades Interstate Park, and for the continuance of the Palisades Interstate Park; to the Committee on Interstate Commerce.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE—AMENDMENTS

Mr. BORAH and Mr. McADOO each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes, which were ordered to lie on the table and to be printed.

ALICE H. KEEGAN

Mr. GLASS submitted the following resolution (S. Res. 162), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Alice H. Keegan, widow of Henry F. Keegan, late an employee of the Senate under supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

AMENDMENTS TO NATIONAL LABOR RELATIONS ACT

Mr. VANDENBERG. Mr. President, during the debate 2 days ago upon my proposed amendments to the National Labor Relations Act, a letter from President William Green, of the American Federation of Labor, was introduced into the RECORD and was read at the desk. Mr. Green subsequently addressed the same letter to me personally, and I have responded. Inasmuch as the original letter was printed in the RECORD, I ask that my reply be printed in the body of the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

JULY 30, 1937.

Mr. WILLIAM GREEN,
President, the American Federation of Labor,
Washington, D. C.

MY DEAR MR. GREEN: I am indebted to you for sending me a copy of your statement criticizing the amendments which I have proposed to the National Labor Relations Act. I was previously advised of its contents, however, when your statement was read on the floor of the Senate. I hasten to reply that your vehement criticism, in most of its terms, is based on a complete misapprehension of the purport of my proposed amendments, or else the amendments themselves are most ineptly phrased. I deny that they are a bold attempt—or any other kind of an attempt—to restrict the freedom of self-organization of workers or to nullify the effectiveness of democratic self-government of unions, as charged by you. Furthermore, I respectfully submit that this bitter indictment is in no degree borne out by your own bill of particulars. Bearing upon this point, I take the liberty of discussing your statement by paragraphs.

Your only complaint against the first unfair labor practice which I have proposed to define by law is that it is identical in purpose with a similar proposal previously sought by the National Association of Manufacturers. That may be a conclusive criticism, but I do not think so. After all, these manufacturers are of some use. Without them, there would be no one with whom you could collectively bargain. But I can tell you that I have never consulted with them upon this subject. My amendment was born exclusively of my own sense of American equity and my own conception of the inherent power and strength and dignity of the American organized-labor movement—a movement which, in my humble opinion, does not need to use threats, intimidation, coercion, or physical violence in inducing or compelling membership in a union. In any event, such things are intolerable—no matter whence they arise—in a country of liberty under law; and, if I am not mistaken, you have frequently uttered similar sentiments, and that is the sum total of this particular proposal.

Your only complaint against making it an unfair labor practice to interfere with constitutional rights or to damage or destroy property is that this is a matter for the jurisdiction of the courts. Your complaint similarly is confined respecting the proposal to make it an unfair labor practice to strike for the purpose of inducing or forcing any person to violate a contract or violate the law. The jurisdiction of the courts remains unimpaired, if their orders can be enforced. I fail to understand why it is offensive to proscribe these acts, when proved to the satisfaction of the National Labor Relations Board, as unfair labor practices simply because they also are thus already proscribed in law. You appear to recommend the use of court injunctions in these matters, but I have always thought court injunctions were particularly objectionable to labor. It seems to me far preferable, from the traditional labor standpoint, to deal with such matters under the Labor Act itself. At any rate, your statement certainly charges no infringement of labor's rights at this point in your discussion.

You dismiss three other proposed unfair labor practices with the sweeping but unsupported condemnation that they provide for an extent of regulation of unions by the Government that falls little short of the example set by Fascist Germany. One of these would prohibit compulsory assessment of union members for political purposes. That is the exact antithesis of Fascist Germany because it strives for the individual political liberty of the individual worker. A second would prohibit aliens as officers or agents of unions. This has no bearing on racial or religious restraints; it solely requires citizenship as a qualification, and your analogy falls to the ground. A third originally required a vote by a majority of employees to authorize a strike—the utter essence of worker democracy. But I respectfully call your attention to the fact that this third provision was withdrawn because it might have been read as the beginning of a movement to outlaw the right to strike. I happen to be one of those who, though wishing there might never be a strike, believes the right to strike is vital to labor's independence; and I shall never consciously invade it, unless labor ultimately leaves the sovereignty of government no other final alternative.

To my amazement, you next complain of the requirement for written contracts embodying the terms of a collective bargaining agreement reached under the terms of the Wagner Act. You appear to find in this some legal compulsion to do an unwilling act. I do not know what you mean—because all collective bargaining under this act must be voluntary, and this provision simply requires the voluntary agreement to be set down in writing. I simply take the position that there should be a real contract or there should be none at all. Then you appear to find in this provision—by a process of reasoning which I cannot comprehend—some sinister device by which a ruthless employer could compel his employees to sign agreements negotiated with dummy company unions. Yet there can be no dummy company unions or any other kind of company unions under the Wagner Act, and this proposed provision applies only to collective-bargaining contracts written under the other terms of the Wagner Act. Even Senator Wagner himself indicated on the floor of the Senate that he found value in this particular provision against which you direct your major attack.

Next you object to permitting the National Labor Relations Board to hold elections—to determine collective-bargaining representation—at the request of the employer because you seem

to feel that this would permit the employer to interfere with the workers' rights of self-organization. If the Board holds an impartial election as required by the Wagner Act, I fail to understand how the workers' independence is infringed. He votes as a free agent. If we believe in majority rule, surely it makes no difference who happens to have originally besought the Board to determine what a majority wants. In my humble judgment, the frequent failure to invoke this election machinery is often responsible for the failure of the Wagner Act itself to function in the peaceful establishment of collective bargaining. Without elections, the act falls to the ground in this aspect. Therefore I do not understand why it is deemed unfriendly to this process when one seeks to facilitate and mutualize the right to ask for elections. This is the extent of your detailed complaint against the amendments I have proposed. I respectfully submit that it does not sustain any charge that these amendments jeopardize the future freedom and democracy of the membership of the American Federation of Labor. I applaud your final declaration in favor of the principle of voluntarism in every relationship of life. Holding such a view, you will forgive me for failure to understand why a devotee of voluntarism should complain, for example, that my proposed ban on threats, intimidation, coercion, and physical violence defeats his objectives. I should say that I was devotedly seeking to promote voluntarism.

May I call your attention to a further section in my proposal which you do not discuss? Perhaps it was added too late to have reached your attention. It requires all collective-bargaining election ballots to contain the names of all labor organizations qualified to carry on collective bargaining. If I am not mistaken, this is so directly and specifically to your advantage that it should create at least some small presumption in favor of my anxiety to serve rather than to destroy your legitimate rights.

You do not complain specifically against provisions for clothing the National Labor Relations Board with disciplinary authority to enforce the integrity of collective-bargaining contracts. I hope I am justified in assuming, therefore, that this phase does not invite your objections. Certainly that would be a sound attitude, because one of the A. F. of L.'s great assets has been its reputation for maintaining the sanctity of contracts. In my opinion, statutory collective bargaining cannot long survive in the absence of at least limited contractual dependability; and I shall continue to maintain that the wisest friend of statutory collective bargaining is the one who seeks equitably to promote this objective.

I make no pretense that my proposed amendments are conclusive in form or text. On the contrary, I stated when I submitted them that they may go too far in some instances and not far enough in others. But I respectfully persist in the basic idea that this proposed philosophy of action is sound; that it is in no sense hostile to the best welfare of legitimate organized labor; that it is, on the contrary, calculated to protect the sound progress which organized labor has made under the Wagner Act; and that it points the way to sympathetic corrections of demonstrated weaknesses which, if unchecked and unchanged, may unfortunately invite radical reprisals which neither one of us would welcome.

I wish I might make you believe that it is in this spirit that I have opened up this vital subject in American industrial relationships. Such is the fact. I would not consciously be guilty of any such attacks upon self-organization of workers as you impute to my proposals; and I dare to hope that, upon more intimate study, you will find that their purport deserves no such identification. I accept without reservation the new American concept of statutory collective bargaining. It is in this spirit that I am seeking candidly to face its need for statutory improvements in the light of American experience. Only in such a spirit, with rational consideration by all concerned, for the rights of all concerned, can these new relationships be safely and wisely conserved and developed and labor's gains stabilized and protected.

I shall welcome an opportunity to discuss these matters with you personally. Now that I have been assured of a complete survey of my proposals, and all others like them, by the appropriate Senate committee, and with the cooperation of Senator WAGNER himself, I beg leave to express the hope and the desire that your great organization will join in this constructive effort to promote democratic ideals and institutions (to quote the final phrase in your letter).

Since your original statement, to which I am responding, was presented on the floor of the Senate and read into the CONGRESSIONAL RECORD, I am sure you will not object if the same course is pursued in connection with this rejoinder.

With sentiments of great respect and with warm personal regards, I beg to remain,

Cordially and faithfully,

A. H. VANDENBERG.

CHINESE-JAPANESE CONFLICT—STATEMENT BY SENATOR PITTMAN

Mr. LEWIS. Mr. President, the statement by the Senator from Nevada [Mr. PITTMAN], the chairman of the Senate Foreign Relations Committee, upon the very important pending situation in China, which was issued yesterday to the public, I feel to be of such importance to the Senate that I tender it for the CONGRESSIONAL RECORD and ask unanimous consent to have it printed at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KEY PITTMAN, CHAIRMAN, FOREIGN RELATIONS COMMITTEE, FOR THE PUBLIC, ON THE STATUS OF THE JAPAN-CHINA CONFLICT

The President and the Secretary of State are impatiently and unreasonably urged to state what action will be taken by the President, under the Neutrality Act, toward China and Japan.

In so serious a matter, whilst our Government is making every effort to bring about a cessation of the unfortunate situation and to protect the lives of our citizens in China through diplomatic conversations, the impropriety and the danger to the best interest of our country of public discussions by the President and the Secretary of State are obvious.

The Neutrality Act in its purpose is frequently misconstrued. It is not a treaty. It is not enacted for the benefit or harm of any other country. It is not for the purpose of punishing any country. It is enacted solely for the purpose of the protection of our own peace and the lives of our citizens.

The act grants to the President the exclusive jurisdiction, in his sound judgment, to determine when a state of war exists as between two or more countries. This discretion was granted to him because governments today rarely declare war. It is very difficult to determine that a state of war exists. Every armed conflict between the armed forces of governments does not necessarily constitute a state of war. The short conflict between the German Government and the Spanish Government, which was not continued, did not constitute a state of war, as a state of war should be determined under the discretion granted the President in the Neutrality Act.

It must also be remembered that the authority delegated to the President in the Neutrality Act is only one of many powers granted him under the Constitution and under other acts of Congress imposing upon him the responsibility for the protection of our peace and the lives of our citizens.

He is now intensely endeavoring to protect the lives of our citizens in the zone of conflict in China. So far, he has succeeded. So far, he has maintained the friendship, confidence, and cooperation of both conflicting forces. The President is using every power that he possesses to bring about a cessation of such hostilities. Undoubtedly the same efforts are being made by other great governments, and, if not in cooperation, at least along harmonious lines.

These peaceful and humane efforts should not be endangered or disrupted by any hasty action upon the part of any government. Such an act might destroy all efforts now being made and endanger the lives of our citizens in China who are in a critical situation.

If today the President should declare a state of war to exist between China and Japan, it would be his duty to place in effect as to both such governments all of the provisions of the Neutrality Act. If then an armistice is declared tomorrow or any subsequent date shortly thereafter, his decision that a state of war exists would be erroneous under the interpretation intended in our Neutrality Act. Certainly the second the Neutrality Act is put in force and effect the influence of the President in bringing about a cessation of hostilities in China would be greatly depreciated and his great power for the protection of our citizens impaired. If either government declares war, his discretion ends. Such a declaration, however, must be made by a government.

If such conflict continues to spread and apparently beyond the hope of peaceful adjustment, then the President will be called upon to act.

FORGOTTEN ASPECTS OF JUDICIAL REFORM—ADDRESS BY SENATOR BROWN OF MICHIGAN

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD a radio address on the subject Some Forgotten Aspects of Judicial Reform, delivered by Senator BROWN of Michigan on July 29, 1937, which appears in the Appendix.]

WATCHING WASHINGTON—ARTICLE BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article entitled "Watching Washington", written by him and published in the magazine The State, of Raleigh, N. C., which appears in the Appendix.]

ADDRESS BY HON. JAMES A. FARLEY AT SOLDIERS' AND SAILORS' REUNION, SALEM, ILL.

[Mr. DIETERICH asked and obtained leave to have printed in the RECORD an address delivered by Hon. James A. Farley, chairman of the National Democratic Committee, at the Soldiers' and Sailors' Reunion, Salem, Ill., July 28, 1937, which appears in the Appendix.]

ADDRESS BY GOVERNOR LA FOLLETTE BEFORE HARVARD BUSINESS SCHOOL ALUMNI ASSOCIATION

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an address on national problems delivered by Hon. Philip F. La Follette, Governor of Wisconsin, before the Harvard School of Business Alumni Association, Cambridge, Mass., June 18, 1937, which appears in the Appendix.]

DECISIONS OF THE CHIEF JUSTICE—ARTICLE FROM THE NEW REPUBLIC

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an article from The New Republic of July 21 and July 28, 1937, entitled "How Liberal is Justice Hughes?" which appears in the Appendix.]

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed the consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The VICE PRESIDENT. The pending question is on the amendment in the nature of a substitute reported by the Committee on Education and Labor.

Mr. McNARY obtained the floor.

Mr. BORAH. Mr. President, we had some kind of understanding there would be no vote until 12 o'clock.

The VICE PRESIDENT. The Chair read that statement in the RECORD, but as there should be something before the Senate, he stated the pending question.

Mr. McNARY. Mr. President, yesterday afternoon the Senator from Mississippi [Mr. HARRISON] stated that he would necessarily be detained this morning in the consideration of important public business before a joint committee. At that time it was agreed there should be no vote taken between the hours of 11 and 12 this morning.

Further than that, I wish to address myself to the Chair by asking a question in the nature of a parliamentary inquiry. Is the substitute offered by the Senator from Connecticut [Mr. MALONEY] a complete substitute for the committee amendment?

The VICE PRESIDENT. The amendment of the Senator from Connecticut has not been formally offered. The Chair will state once more that the question before the Senate is the amendment in the nature of a substitute offered by the committee itself to the bill.

Mr. McNARY. I misunderstood the Chair. I thought the Chair said the question now before the Senate was the amendment in the nature of a substitute offered by the Senator from Connecticut [Mr. MALONEY].

The VICE PRESIDENT. The question before the Senate is the amendment in the form of a substitute for the original bill reported by the committee, as amended.

Mr. McNARY. That is a very different proposition.

Mr. BARKLEY. Mr. President, in connection with the remarks of the Senator from Oregon, the understanding we had yesterday was very simple. On account of the absence of the members of two committees on important business it was agreed there should be no roll call on any amendment until after 12 o'clock. That did not preclude the consideration of amendments or their disposition by a viva-voce vote, if that be possible.

Mr. McNARY. I do not quite agree with that. Often an amendment is disposed of by viva-voce vote. I think as to amendments where there is no opposition, amendments which are mild and are clarifying in form, it would be proper to consider them.

Mr. BARKLEY. There was no disposition to take advantage of anyone or to pass on important amendments during the absence of Senators, but always there are amendments relatively more or less important—"mild" amendments, to use the term of the Senator from Oregon—and those may be considered without violation of the agreement.

Mr. McNARY. I quite agree as to mild amendments, but with reference to those of a substantial nature which might require a roll call, I do not want to have any such considered at this time.

Mr. BARKLEY. I understand the Senator from North Carolina [Mr. REYNOLDS] desires to offer an amendment at this time.

Mr. REYNOLDS. Mr. President, I should like to have consideration of my amendment which would exclude certain individuals, firms, associations, and corporations from some of the provisions of the bill.

The VICE PRESIDENT. Is the Senator offering the amendment now?

Mr. REYNOLDS. Yes; I offer the amendment now.

The VICE PRESIDENT. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment it is proposed, on page 64, after line 3, to insert the following:

The provisions of this act shall not apply to any individual, firm, association, or corporation employing 10 or fewer than 10 persons.

Mr. REYNOLDS. Mr. President, we have in my State, as there are in other States, a large number of portable sawmills and other small enterprises employing less than 10 men. There are flour mills and grist mills, the products of which sometimes go into interstate commerce. There are also small canneries employing 10 or fewer men, and in order that they may be excluded from the provisions of the bill I have offered the amendment which has just been read.

Mr. VANDENBERG. Mr. President——

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Michigan?

Mr. REYNOLDS. Certainly.

Mr. VANDENBERG. Will the Senator tell me why an employer of nine men should be relieved from the exactions applied to an employer of 11 men?

Mr. REYNOLDS. There are some mills which really cannot compete, for instance, with a larger flour mill, and I think the smaller employers should be excluded from the provisions of the bill.

Mr. VANDENBERG. What the Senator is saying is that the bill should not pass.

Mr. REYNOLDS. No; I do not say that.

Mr. BORAH. Mr. President, may we have the amendment read again?

The VICE PRESIDENT. The amendment will be again stated.

The legislative clerk again read the amendment of the Senator from North Carolina.

Mr. BARKLEY. Mr. President, I wish to ask the Senator from North Carolina a question. Yesterday the Senate adopted an amendment offered by the Senator from Oregon [Mr. MCNARY] exempting establishments engaged in the packing or packaging of fish and other perishable products, and applicable also to canneries that work on a seasonal basis. Does not the Senator think that amendment really sufficiently takes care of all establishments which are engaged in seasonal operations which, while in the amendment not specified, are supposed to operate not more than 6 months in the year?

Mr. REYNOLDS. The amendment offered by the Senator from Oregon would not cover the individuals, firms, associations, and corporations I have in mind. For instance, I have in mind some small roller mills in North Carolina engaged in interstate commerce. They sell to large distributing houses. The amendment offered by the Senator from Oregon would not cover such small roller mills operating 12 months in the year. It would not cover the smaller sawmills in my State and others which are to be found in the adjoining States of South Carolina, Georgia, and Virginia.

Mr. BLACK. Mr. President, the bill as originally introduced in this body contained a provision which would have authorized the board to exempt from the operation of the law employers having a fewer number than "——", as it was stated in the bill. In other words, as I understand, the bill as originally introduced to some extent applied the exemption provisions of the laws which have been enacted with reference to social security and compensation in the various States and follows various other legislative precedents.

The number was purposely left blank for two reasons. In the first place, I was by no means sure that there should be such an exemption. In the second place, it was my belief that if there should be such an exemption, the number should be fully considered by the committee and by the Senate. A great many of the laws which have been enacted have exempted agencies employing fewer than eight people. In some of the States under the compensation laws there have been exemptions for those employing fewer than three people or five people. I wish to present the matter fairly and

squarely to the Senate in order that they may understand the two viewpoints.

Many have taken the position that the difficulties of enforcement of the law in cases of employers of the very small number of employees made it wise that such exemptions should be granted. Others have taken the position that the law should apply to all employers, whether they employ 1 or 20 or 5,000 persons.

A strong protest was raised by various business agencies against any exemption. One of the chief protests was made by the lumbermen's association; and I desire to say parenthetically that the objections from my State coming from the lumbermen have been from the big lumbermen. They instituted the protests. They started the fight. Their paid representatives stimulated the activity.

The committee sought evidence on all matters connected with the bill. We invited every person in the United States who had anything to say about the matter to come before the committee. We adjourned for an entire week in order to give opportunity for others to come before the committee.

Upon consideration of this particular phase of the subject, the committee took the position that there should be no exemption. The committee took the position that the law should apply to all alike. That is the report of the committee. That is the position taken by the committee. No consideration has been given by the committee to the number of employees who should be in the service of an employer if an exemption should be granted. We found that there was as wide a divergence in the views with reference to the number who might be employed in case an exemption should be granted as there was between the views of those who thought an exemption should be granted and those who thought an exemption should not be granted. Therefore, the committee reported the bill with the exemption completely stricken out. That is the way the bill appeared before the Senate.

So far as I am personally concerned, when I originally introduced the bill it was my purpose that that particular question might be considered and might be given the mature thought both of the committee and of the Senate. The committee has given its consideration to the subject and has voted not to permit such exemptions.

With that statement I am willing to submit the question to the Senate for a vote, so far as I am concerned. That does not mean, however, that others should not discuss it. It is a very interesting question, and I do present the views of the committee with reference to this particular subject.

Mr. BORAH. Mr. President, in view of what the chairman of the committee has said, my personal view is that, unless there is some exemption of those who employ a very small number of persons, it will be practically impossible to administer this measure; but it is a frightful discrimination. My view of the bill would lead me to vote for any provision that would limit the jurisdiction of this board; but this presents the question of discrimination.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. VANDENBERG. Can the Senator tell me whether the committee has at its disposal any data indicating the sum total of employment which is exempted under any of these various limitations?

Mr. BORAH. Such figures have been prepared, and I think they were read into the RECORD yesterday.

Mr. VANDENBERG. Can the Senator from Alabama answer the question?

Mr. BLACK. I did not understand the question.

Mr. VANDENBERG. Is any information available as to the total number of employees throughout the country who would be exempted under such an amendment?

Mr. BLACK. I have some information on the subject, but I have not it here with me. I can send for it and obtain it, I think, without much delay.

Mr. BORAH. Mr. President, according to the figures which were put in the RECORD yesterday, more than 57,000 establishments would be affected, and more than 150,000 or 175,000 employees.

Mr. SCHWARTZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LEE in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Pope
Andrews	Copeland	Lee	Radcliffe
Ashurst	Davis	Lewis	Reynolds
Austin	Dieterich	Lodge	Schwartz
Bailey	Donahey	Logan	Schwellenbach
Barkley	Ellender	Lonergan	Sheppard
Berry	Frazier	Lundeen	Shipstead
Bilbo	George	McAdoo	Smathers
Black	Gerry	McCarran	Smith
Bone	Gillette	McGill	Steiwer
Borah	Glass	McKellar	Thomas, Okla.
Bridges	Green	McNary	Thomas, Utah
Brown, Mich.	Guffey	Maloney	Townsend
Brown, N. H.	Hale	Minton	Truman
Bulkley	Harrison	Moore	Tydings
Bulow	Hatch	Murray	Vandenberg
Burke	Herring	Neely	Van Nuys
Byrd	Hitchcock	Nye	Wagner
Byrnes	Hughes	O'Mahoney	Walsh
Capper	Johnson, Calif.	Overton	Wheeler
Chavez	Johnson, Colo.	Pepper	White
Clark	King	Pittman	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. LOGAN. Mr. President, I have a few remarks, only, to make on the pending amendment.

The difficulty with most legislators is that they either never knew or have forgotten the conditions which exist far back in the communities in their respective States. The N. R. A. was impossible of administration because it touched, and the law attempted to regulate, too many people—too many of the small fellows. I wish to make what I say concrete in order to show how we inadvisedly, and probably unthoughtedly, enact legislation which creates much dissatisfaction among the people.

Take the case of a blacksmith shop in a local community. The blacksmith sharpens the coulters of the plows of the people, shoes the horses and mules for his community. Perhaps he has two or three local men working for him. They live at home. They are not engaged in competition with anyone in the world. Yet when a law is enacted similar to the bill before us, applying to his business, he has to do one of two things. He must either quit, to the inconvenience of the entire community, or he must double his prices. If he had been shoeing mules for a dollar he will have to make it $2. So that everyone in the community begins to object, and the blacksmith quits business.

Take the case of a small flour mill. There is one in my section, down near the Tennessee line in Kentucky. It is a community concern. It is operated by an individual who sells his flour over the line in Tennessee and around him in Kentucky. He serves, perhaps, two or three counties.

He has six or seven people employed. They are boys who live in the community, and who go home at night. Perhaps they cease work when they desire to. This man is not as big in his business as is the large mill operator. Quantity reduces the cost of production, of course, so if this man is placed on a parity with all others, and if he is required to pay what some board of men think is fair, he must quit. There are hundreds of small-business men throughout my State in exactly that condition. When that man quits the tendency to form a monopoly is greatly increased, and in just a little while the small fellows have to go out of business, and the big flour mills have all the business.

The same thing is true of the lumber business. There are portable sawmills, which move from one community to another, and the operator saws up a quantity of timber into lumber or cross ties. The man who owns the sawmill employs local labor and pays them all they demand. They are not experts. The sawmill man himself is not an expert. He may cut a few hundred cross ties a day or a few thousand feet of lumber. If we do not exempt his employees, we put him out of business, and the larger sawmill men thereby get all the business. Such a law would rid them of competition. So, when the farmer wants to buy lumber for his barn or

someone wants lumber even to build a chicken coop, he cannot get it from the local man, he must buy it from the large manufacturer of lumber, with the result that his price is increased two or three times. For these reasons I most heartily favor the amendment.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. BORAH. The difficulty I have in this matter is in fixing the number.

Mr. LOGAN. That is a difficulty which I myself have. It may be that 10 is too large a number. I doubt it. I think perhaps the more enterprises we exempt in the beginning the better off we will be. When we undertake to reform the world by a piece of legislation, and it simply will not be reformed, if it gets down to the people and touches the lives of too many of them.

This is an experiment. I do not know whether it will work or not. I doubt whether there is a man or a group of men anywhere in the United States or in the world who are wise enough to administer this proposed legislation, although theoretically, perhaps, it is a good thing. It could be used to create a monopoly if it were poorly administered, because it would drive out first those at the bottom, then those a little higher up, then a little higher up, until we may find that we have been legislating for monopoly when we believed we were legislating for the laboring man.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. CONNALLY. Let me inquire of the Senator from Kentucky whether it was his observation that the N. R. A., which was designed to accomplish a purpose somewhat similar to that behind the pending legislation, had the effect of aiding the big and powerful concerns to the detriment of many of the smaller ones?

Mr. LOGAN. I think that was the fact, as a result of lack of proper administration, because we did not look with favor upon the small men in the respective communities, and the N. R. A. was largely destroyed because of the opposition which was developed in the small communities in the respective States, since people who do not understand the regulations often resent them, and while the purpose of the proposed legislation is good; in fact, I think it might prove to be of great advantage, for eventually something has to be done along this line; in my judgment, we ought to make an exemption where the employees are few in number.

It may be that 10 is too large a number. Most of the compensation laws exempt three, some five; but there ought to be an exemption, and unless some one suggests a different number, I shall vote most earnestly, and believing that I am serving the people of this Nation to the best of my ability, for the amendment proposed by the Senator from North Carolina [Mr. REYNOLDS].

Mr. TYDINGS. Mr. President, I should like to have the attention of the Senator from Alabama for just a moment.

Mr. BLACK. I am listening to the Senator.

Mr. TYDINGS. On page 85, under the heading "Penalties", I find this language in section 23:

> Any person who willfully performs or aids or abets in the performance of any act declared to be unlawful by any provision of this act or who willfully fails or omits to perform any act, duty, or obligation required by this act to be performed by him shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than $500 or imprisoned for not more than 6 months, or both.

What are the provisions of the bill? The bill provides that a board shall be given the authority to make regulations fixing wages and hours of work, and the bill itself does not specify the hours of work or fix wages definitely. Suppose the board makes a regulation not specifically contained in the law, and someone violates the regulation; would the violator then come under the penalty fixed in the statute?

Mr. BLACK. Mr. President, I wish to call the Senator's attention, in the first place, to the fact that the committee inserted at the end of paragraph (a) concerning penalties a provision which, I think, might well be called to the attention of the Senate at this time. It provides:

> No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior violation of this subsection.

We have inserted that provision in order that there might be no imprisonment for the first offense.

Mr. TYDINGS. I hope the Senator from Idaho will listen to this colloquy, because I should like to have his judgment on the matter. I have just read on page 85, under the heading "Penalties", that—

> Any person who willfully performs or aids or abets in the performance of any act declared to be unlawful by any provision of this act—

And so forth, shall be liable to fine and imprisonment. The bill itself does not fix minimum standards. The bill itself does not fix hours of work. That is left to a board. If a man violates a regulation of the board, as I see it, he would not be violating a provision of the act and, therefore, the penalty would not apply. Am I correct in that statement?

Mr. BLACK. My judgment is that the penalty would apply to the commission of any act which is declared to be unlawful, and it is declared to be unlawful to violate a regulation or order which is made by the board after a hearing as provided by the board.

Mr. TYDINGS. Insofar as I know, the clause to which I have referred does not read "who violates this act or any of the regulations made in pursuance of this act." It simply provides that if a man violates the act he shall be guilty and shall pay a fine or suffer imprisonment. What does the bill provide? Does it fix a minimum standard? It does not. Does it fix maximum hours of labor? It does not. Therefore, how could one violate the act when the act itself is silent on its two major objectives, and that is left to be determined by some commission? So, in the absence of the words "or regulation made in pursuance of this act", there would be no violation of the act itself, because the act would be silent on minimum wages and silent on the number of hours.

In the event that the words "or regulation made in pursuance of this act" were inserted, we would then be on the other horn of the dilemma. It would mean that Congress had turned over the making of criminal laws to a board, or commission, which might seriously affect the legality of the legislation, the question being whether we could delegate the authority to make penal statutes to a board or commission established here in Washington.

To be exact, there is nothing in this bill which fixes minimum wages. There is nothing in this bill which fixes maximum hours. Let us suppose the board says that 40 hours a week are the maximum hours, and that 40 cents an hour is the minimum wage. Then the board has made the law; but, even so, there is nothing in the penal statutes to cause a man who violates the regulation to be found guilty of a crime violating a regulation of the board. If he does not violate the act itself, then in my humble judgment, as the bill is now drawn, he would not be liable to any penalty, because certainly criminal laws are written and interpreted restrictively, and the policy of the courts is to write into a criminal statute no penalties or conditions which are not plainly carried or specifically set forth on the face of the statute. Criminal penalties for violation of a statute cannot be written into it by indirection or by implication. I think all lawyers will agree that criminal statutes must be construed strictly as they are written; and I do not know of any court in the United States which has ever claimed that something can be written into a criminal statute that is not in it—something that it was intended to have in it, but something that is not actually in it.

As to the penalty clause of the bill, it appears to me that the only violation that could be punished would be the violation of a provision of the bill itself; and if a person should violate a regulation, no penalty is contained in the penal sections of the bill to cover such a violation.

Mr. BORAH. Mr. President, I think the first provision might be amenable to the construction placed upon it by the Senator from Maryland; but under the second provision I think the violator would likely be punishable for

employing anyone at a wage other than that fixed by the board, for it says:

Or who willfully fails or omits to perform any act, duty, or obligation required by this act to be performed.

The bill imposes upon the board the doing of certain things and gives the board authority to establish certain rates, and thereby requires those acts to be performed. If the board should fix a certain wage, and an employer should employ persons at a different wage, I think he would come under the second provision.

Mr. TYDINGS. Is the Senator referring to subsection (b)?

Mr. BORAH. No; the second provision of subsection (a), on page 85, which says:

Or who willfully fails or omits to perform any act, duty, or obligation required by this act to be performed.

Mr. TYDINGS. But the bill itself, as I interpret it, does not require any obligation to be performed. What the bill should say, if it means what I think the Senator has suggested, is:

Or any regulation or act required within the limitations of this act to be ordered to be performed by the board.

Mr. BORAH. When the board fixes a minimum wage under the authority of the bill, the parties are under obligation to live up to that minimum wage, and that is authorized by the bill.

Mr. TYDINGS. Does the Senator from Idaho feel that it would be good law to allow the board to say what the wage shall be, and, if there is a violation of the provision governing the wage fixed by the board—not fixed by the bill itself—that the person who transgresses the regulation may be tried and convicted, as the measure is written?

Mr. BORAH. I do not think we should ever give a board in Washington authority to establish rules and regulations the violation of which constitutes a crime. I agree with that general proposition; but I do not think this bill has that effect. The bill requires certain things to be done by the board; and when the board establishes a wage, for instance, and fixes the hours, those things are established under authority of law. The board is then acting under authority of law. It creates an obligation, and that obligation must be performed by the express terms of the bill itself.

Mr. TYDINGS. Mr. President, I understand the argument of the Senator from Idaho; but, as I read the bill——

Mr. BLACK. Mr. President, may I interrupt the Senator to call attention to the section I referred to a moment ago, on page 65?

Mr. TYDINGS. I did not see that.

Mr. BLACK. It says:

It shall be unlawful for any person, directly or indirectly, to employ any employee in violation of any term or provision of an order of the board made under this section.

Mr. TYDINGS. That is true; but suppose it is unlawful, then what will be the penalty? No penalty at all is contained in that provision. The penalty is contained on page 85. It says:

Any person who willfully performs or aids or abets in the performance of any act——

Mr. BLACK. "Declared to be unlawful."

Mr. TYDINGS (continuing):

declared to be unlawful by any provision of this act.

Mr. BLACK. I have just read the Senator the provision of the bill which expressly declares it to be unlawful.

Mr. TYDINGS. I do not find in the bill, with all due respect, a provision which fixes minimum wages or maximum hours. There is not any such provision in the bill; and, in my judgment, poor lawyer that I am, I respectfully submit that the courts will construe criminal statutes as they are written, and they will not write into them crimes which are not plainly evident on the face of the statute.

As the bill is now written, there is not a line in it which fixes minimum wages or maximum hours. That is left up to the board. The penalty applies only for violation of the measure and not for violation of the regulations of the board.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CONNALLY. When the Congress authorizes the board to fix the wages or the hours, is not that something done under the bill? And if thereafter someone violates that provision, does that not bring him within the penal clauses of the bill?

Mr. TYDINGS. In my judgment, no. I think the courts will hold—and I believe my prophecy will be vindicated—that if any man violates any of the provisions of the bill and is haled before the court for violation of it, and it is found that the supposed criminal statute for which he is brought before the bar of justice is made by a board sitting in Washington, no matter how much authority we may put in the hands of that board, the court will hold that he cannot be punished.

Mr. CONNALLY. No; therein is where the Senator errs. The board does not provide what is a criminal act. It does a certain executive or ministerial act in fixing hours and wages, but what is a criminal act is specified by Congress. Is not the Senator also familiar with the fact that the Supreme Court has repeatedly upheld convictions for violations of regulations made by some departments, but which were authorized by Congress in an act providing that the department might make regulations in pursuance of the act?

Mr. TYDINGS. That is true.

Mr. CONNALLY. They have upheld convictions for such violations.

Mr. TYDINGS. But that is not the way the provision reads. I say that if certain clarifying words are put into the provision, perhaps then those administering the act might go into court and have jurisdiction under the act.

But the bill does not say, in the penalty provisions, "or regulations made in pursuance to this act." It says, in substance, "for violation of this act." In the case to which the Senator from Texas [Mr. CONNALLY] referred, I think the law provided that violators of the act, or regulations made in pursuance of it, should, upon conviction, and so on, be subject to a penalty of so and so much. But in this bill we find the following wording:

Any person who willfully performs or aids or abets in the performance of any act declared to be unlawful by any provision of this act.

Mr. BLACK. Mr. President, may I read right after that what the bill does declare to be unlawful? Will the Senator yield to me for that purpose?

Mr. TYDINGS. Yes.

Mr. BLACK. I read from page 65. This is what the bill declares unlawful, and it is the same as though we added these words at the point on page 85 from which the Senator has read:

It shall be unlawful for any person, directly or indirectly, to employ any employee in violation of any term or provision of an order of the board made under this section.

Mr. TYDINGS. What section is that?

Mr. BLACK. The section in reference to substandard labor conditions connected with minimum wages and maximum hours.

Mr. TYDINGS. Mr. President, I do not want to continue to argue the point. I still say that when we use the words "of this act" and do not add the words "regulations in pursuance of this act", we foreclose the possibility of conviction for violations of the regulations, as the Senator has indicated. Further than that, I think it is a pretty poor policy for Congress to allow criminal statutes to be written by a board of five members who are not known by the Congress, when the bill itself is absolutely indefinite and silent on what are minimum wages and maximum hours. The Senator from Alabama himself said the other day, as I recall, that we could have any kind of hours under this bill; that there was no specific provision about that.

Mr. BLACK. I should fully agree with the Senator if Congress were to enact a law which provided that the board should be permitted to do anything it pleased, and make any regulation it wanted to make, and that after the board made an order or a regulation, a person who violated the order or

regulation should be sent to the penitentiary. However, we have attempted—perhaps not successfully, but we have worked diligently to that end—to come within the general provisions of law which authorize Congress to appoint administrative agencies to ascertain certain facts.

Mr. TYDINGS. If I may interrupt the Senator, I will say that I agree thoroughly with him, and where it is needed I am for the policy of permitting administrative boards within certain limitations to perform certain acts; but I am talking about passing criminal statutes in connection with the enforcement of which the power is wide open, where the Senator himself concedes that the hours may be whatever the board chooses to fix.

Mr. BLACK. No; I do not concede that. I think the Senator has misunderstood the statement I made, or at least if I made such a statement I did not intend to make it.

Mr. TYDINGS. I probably misunderstood the Senator.

Mr. BLACK. The Supreme Court of the United States and the supreme court of every State in the Nation, so far as I have investigated—and I have not investigated all of them——

Mr. TYDINGS. Let me go back to the provision about which the Senator is talking in connection with which he speaks of putting a top and bottom limitation on the administrative authority of a board. I ask the Senator what is the top in hours in this bill?

Mr. BLACK. Let me proceed, and then I will come to that phase of the matter.

Mr. TYDINGS. I should much prefer that the Senator would now enlighten me wherein I am wrong.

Mr. BLACK. That is what I started to try to do.

Mr. TYDINGS. Is there a top in hours in this provision?

Mr. BLACK. I shall have to reply first by clarifying what I believe to be the Senator's misconception.

Mr. TYDINGS. I agree with the Senator that the Congress has the authority, within certain limitations and in certain connections, to delegate its power to a board. That is not the point of my argument. The point is that the bill confines the violations only to the provisions of the act, and not to the regulations made by the board in pursuance of the provisions of the act. I am asking the Senator now what is the top in hours fixed in the bill, which is the top to which the board may go.

Mr. BLACK. No definite figures, as figures, are placed in the bill either with reference to the lowest wages or with reference to the highest hours; but it is not always necessary that we have actual figures. We may mark the limitations and boundaries by other language.

Mr. TYDINGS. What are the boundaries as to hours in the bill?

Mr. BLACK. The boundaries as to hours are fixed by the standards which are to be ascertained by the board after hearing. That provision is found in the second part of section 4.

Mr. TYDINGS. On what page?

Mr. BLACK. I do not recall the page, but I will find it in a moment.

Mr. TYDINGS. I think what the Senator is looking for is on page 59.

Mr. BLACK. It is on pages 60 and 61. First, let me say that the board is not given jurisdiction to go below 40 hours.

Mr. TYDINGS. That is the bottom?

Mr. BLACK. With reference to that phase of the board's jurisdiction, that is the bottom.

Mr. TYDINGS. I agree with the Senator that there is a bottom to the hour provision.

Mr. BLACK. There is a bottom which is written in figures. There is a top to the standard beyond which the board could not go without violating the act. It could not, for instance, fix hours of work per week above the hours of work per week "for work of like or comparable character" which have been fixed "by collective labor agreements negotiated between employers and employees by representatives of their own choosing", and it could not go above "the hours of employment for work of like or comparable character maintained by employers who voluntarily maintain a maximum workweek in the occupation to be subject to the order establishing such maximum workweek."

Of course, the committee could have attempted to fix in figures an arbitrary hour and said, "We will not permit the board to go above this hour", but the committee reached the conclusion—and I myself am fully persuaded it was a wise conclusion—rather than attempt to fix the standard of hours in figures, when week hours vary throughout the Nation and throughout the diversified industries, it would be better to fix a standard which itself marks the limitation. In other words, if progressive employers, we will say, or those who recognize the best standards of labor, in the steel business, for instance, have found that 8 hours are the proper number of hours per day and 40 per week; then the board would not be justified in going beyond that in fixing the maximum hours if 8 hours per day were universally recognized or recognized in the particular region where the work was being done as a proper standard. It would no more be authorized to go above that 40 hours than if it had been written into the law. So what I am trying to make clear is that, while we did not write in figures the maximum hours per week and we did not write in figures the minimum below 40 hours per week, we did attempt to fix standards beyond which the board could not go without violating the proposed law any more than it could if we had written those figures themselves in the measure.

Mr. TYDINGS. The Senator has answered my question, and the answer, boiled down, is that there is a definite bottom to the proposed act and an elastic top to it, depending on conditions.

Mr. BLACK. There is an elastic top, depending upon the conditions set out, beyond which in a given industry the board could not go.

Mr. TYDINGS. That is what I say.

Mr. BLACK. The elasticity being not with reference to the work in a particular industry in a given region, but the elasticity being provided by reason of the difference in wages in different industries and the difference in hours.

Mr. TYDINGS. In other words, there is elasticity as to the top, but the bottom is firm.

Mr. BLACK. As I have tried to differentiate the provisions, I do not think that that is a clear statement.

Mr. TYDINGS. What is the top, then, if it is definite?

Mr. BLACK. Let us take any business the Senator wishes. For instance, there are in his State, I understand, large manufacturers of hats.

Mr. TYDINGS. No; we have very few manufacturers of hats in Maryland.

Mr. BLACK. Well, small establishments. I will take any other business; I simply mention the hats by way of illustration. I do not know what are the recognized working hours in that industry or what agreements have been made by those who bargain collectively or what are the general hours adopted by those employers who attempt to carry on their business in a manner fair both to themselves and to the workers; but let us assume it to be 46 hours a week. That being true, the board would have just as firm a limitation under this proposed act on 46 hours per week as they would if the figures had been written into the bill.

Mr. TYDINGS. I see the Senator's point; but I still come back to my statement that in the bill the bottom is firm while the top is not firm; it is elastic, because a workweek of 46 hours in a concern today may be 45 hours next week, and even after an agreement is entered into by collective bargaining or otherwise, such agreement may be null and void. So I still maintain that there is no definite top as to hours fixed by the bill. I am not criticizing that. I am merely trying to get the facts.

Mr. BLACK. Mr. President, will the Senator yield to me again?

Mr. TYDINGS. Yes.

Mr. BLACK. I understand that the Senator is not criticizing but is simply discussing the bill, as is very proper, and it is very enlightening to have discussion, in my judgment.

The committee reached the conclusion in connection with the Senator's suggestion that if we attempted to stipulate some specific number of hours above that which was fixed at the bottom to bring about a drastic overnight change would work a very great injustice to some industries that have been working hours that are entirely too long. It might work very severe injury upon them to require them to bring immediately the workweek down to a number of hours that might be fixed in the proposed act.

Mr. TYDINGS. Of course, I take issue with the Senator there. The purpose of this bill is to bring about eventually a 40-hour week if it can be done—and no one is quarreling about that—but the point is that where there is now a 45-hour week or a 46-hour week, Congress itself does not want to take definite action. It wants to hand the problem over to a board. If a man is working 12 hours a day, it is wrong; he has no business working 12 hours a day 7 days a week, for example, which is 84 hours a week. What we are doing here is not recognizing that fact, but simply "passing the buck" over to a board. If that is wrong—and everybody says it is wrong—why not tackle it frontally and provide a standard which we think is right?

Mr. BLACK. Mr. President, will the Senator yield?

Mr. TYDINGS. If I may continue for a moment, in order to give the Senator my viewpoint, let me say no considerable number of employees are working 12 hours a day 7 days a week, though there was a time in the steel manufacturing business when a 12-hour day prevailed. I now yield to the Senator.

Mr. BLACK. I may say to the Senator, before I proceed with the other point, that there is a great misconception about the workweek in the United States. Because the 40-hour workweek has been talked about so much, people believe that we have a 40-hour week. We have not a 40-hour week. My information is that not one-third of the employees or workers of this Nation have a 40-hour week. On the contrary, it is absolutely surprising to find the number of employees who work 12 hours per day. I may say to the Senator that I think there is a very strong argument in favor of a flat workweek.

Mr. TYDINGS. Will the Senator allow me to interrupt him for a moment to ask him a question?

Mr. BLACK. Certainly.

Mr. TYDINGS. I think the Senator will concede—and I should like to get his answer—that there are many men in this body who would be inclined to support the objectives of this bill who are reluctant to turn its administration over to a commission, even though there is good argument why that should be done.

Mr. BLACK. I think the Senator is correct in his statement that frequently a terrible fear is aroused about commissions which sometimes is not justified, while at other times it may be. But let us consider this——

Mr. TYDINGS. I know the Senator himself does not want to favor any more commissions than the sheer force of necessity may demand.

Mr. BLACK. I will state to the Senator that it has been my philosophy of legislation since I have attempted to make any study of it and had anything to do with it that, so far as it can be done to accomplish the purpose, without injury to any large body of the public, it is always better to specify clearly in the law itself the regulation which is to be prescribed, and it is only when conditions develop that require recognition of a diversity of duties and responsibilities that I favor transferring authority even to determine that a contingency has developed which makes it necessary for a board to act.

Let us take the situation the Senator mentioned. We agree that we want to get away from the 12-hour day. I fully agree with the Senator on that point, as he knows. I have thought that there were times in the history of our country when it would be far wiser to have a definite workweek fixed by legislation. When 15,000,000 people are entirely out of work, I have no doubt of that. Now, however, we find the situation to be that many are working 12 hours a day, and that some are working 13 hours and 14 hours a day, and we want to get away from it; but, in doing so, we do not wish to cause an injury which might be greater than the good that would be accomplished.

Mr. TYDINGS. I ask the Senator to allow me to interrupt him, because I am coming to the point where I should like a little enlightenment. What industry in America would be injured if we had an 8-hour-a-day week?

Mr. BLACK. A great many have claimed they would be injured.

Mr. TYDINGS. Will the Senator give four or five examples?

Mr. BLACK. One which has made the claim with the most argument, frankly, is the lumber business. A great many statements have been placed in the RECORD about the lumber business. They are undoubtedly working their employees at many places 12 hours a day.

Mr. TYDINGS. Why?

Mr. BLACK. I cannot state why, except they claim it is necessary in order to carry on their business. I do not believe the majority of those employers desire to work their men 12 hours a day. They have the same instincts, the same humanitarian desires as people engaged in other business, but the ruthless, ever-pressing forces of competition crush in upon them.

Mr. TYDINGS. If we make it 8 hours a day universally, would not we remove those crushing forces of competition?

Mr. BLACK. I have made that argument on the floor of the Senate with reference to regular daily hours. I agree with the Senator to the extent that we can and should fix a workday that is fair to production, to the employers, and to the workers. But if we were to attempt to change in 1 day the working practices and reduce the daily hours in all large industries——

Mr. TYDINGS. Have it take effect 6 months hence. Give them 6 months in which to get ready. In other words, if we want an 8-hour day, why in the name of common sense do we not say so? Why leave it to a board to play fast and loose with hours?

Mr. BLACK. One of the objections raised to the bill by the distinguished Senator from Georgia [Mr. GEORGE] was that we had said just that thing. If the Senator from Maryland will read his speech, he will find that one of his arguments is that we said the objective was just that thing, and it is. The suggestion was made to us by a businessman, who made a very clear and forceful argument, that the committee should write into the bill itself a provision that the change should advance so far in 3 months, so far in 6 months, so far in 9 months, and so far in 12 months. There is much logic behind that suggestion.

Mr. TYDINGS. I should like to have that sort of a provision considered.

Mr. BLACK. With the facilities for study of the industries in the time that would be given for the board to ascertain the facts, if we are going to make such a gradual approach to the desired objective, it is my judgment it can be done more advantageously by an agency which is entrusted solely with that duty rather than by our attempting to fit it to the terms of a written statute which could not be changed without action by Congress.

Mr. TYDINGS. The Senator knows that many of the nations of the world have such laws. I think in most of the countries of Europe there are limitations, with certain exemptions to cover unusual cases, governing the hours of work in industry.

Since the debate started I have not heard a single reason advanced to show why, if the Congress itself wants to have an 8-hour day, it cannot provide an 8-hour day, approaching the objective to an 8-hour day by easy stages. The board can do that. What can the board do that Congress itself cannot do to make all competition equal down to the 8-hour day? Why give that power to a board?

Mr. BLACK. I shall be glad to give the Senator the arguments made in the committee. The committee gave the bill diligent, careful, and painstaking consideration, particularly the point which the Senator is now discussing.

The board could obtain no more evidence than the Congress could if the Congress had nothing else to do, but, unfortunately, we find from time to time somebody saying that

Congress is tired and ought to go home. It is said that the health of Senators is being affected; that their health might be bad and their disposition might be affected.

Mr. TYDINGS. Let me say to the Senator that in the statistical abstract of the United States, as I recall, it is stated that there are approximately 35,000,000 men employed. They are employed over a country 3,000 miles long and about 2,000 miles wide in some places. If the five men who are to comprise the board can make a survey of the various conditions in the country better than can 96 Senators and 435 Members of the House, who come from all parts of the country and who know the conditions in their own districts, then they are five men who ought to set up a supergovernment and manage the affairs of all the countries of the world, including the United States.

Mr. BLACK. The Senator asked a question, and I should be glad to complete the answer. I had just stated to the Senator that the Congress has other business to perform. Each Senator is on many committees. It is not always easy to get Senators to attend a committee meeting, even when it is desired to take up an important measure such as this one.

What is required in the approach to this question? If it is approached with the idea of first obtaining as many facts as can be gotten in order to pass upon a particular industry and the problems which it meets, of course, such a study would be made not by the five men alone. Of course, the five men could not obtain all the facts. The Senator knows that, and so does everyone else. The Senator knows that the five men would have agencies through which they would have to ascertain the facts, and those agencies would have more time, perhaps would have nothing else to do, and they would not be troubled about their health and about going back home when the summertime comes, and they would not constantly be pushed and told that they are in bad health and in danger of their lives. They would have more time to investigate.

It is not any reflection upon Congress, nor is it any charge that Congress cannot do something the board can do.

Mr. TYDINGS. The Senator said the committee had long and extended hearings, and I am sure they had.

Mr. BLACK. That is correct.

Mr. TYDINGS. I realize how difficult it is to write a bill of this kind; but the only objection, of any widespread nature, to making the hours definite, that the Senator recalls, came from the lumber business.

Mr. BLACK. Oh, no. The objection came also from other sources. A gentleman from Virginia who has been in the furniture business some 20 or 25 years appeared before the committee.

Mr. TYDINGS. What was his objection?

Mr. BLACK. That it should not be done immediately; that it should be arranged in some way, either in the bill or otherwise, to be done gradually.

Mr. TYDINGS. I am pointing out to the Senator that I do not want to do it tomorrow morning. If we are going to do this thing, I would cushion the reduction of maximum hours over periods of 3 months until eventually we should reach the objective.

So far on the floor of the Senate I have not heard one valid reason why that procedure should not be adopted. Indeed, from the Senator's remarks, I am constrained to believe that he himself looks with a great deal of favor upon that alternative way of handling the matter. Am I correct in that statement?

Mr. BLACK. I will say to the Senator, as I said in the beginning, that strong arguments can be made in favor of that method; but the idea has been sought to be spread around that anything we propose that a governmental agency shall do must, therefore, be performed by a group of people who are biased, who are corrupt, who have no intelligence, who will take advantage of the opportunity, with no sufficient reason for declining to follow a course which common sense suggests.

The overwhelming majority of the committee—as a matter of fact, I do not believe there was a single voice, though there may have been one or two, to the contrary on the committee—reached the conclusion that common sense requires that this be done in this way. We want to attain the objective.

Mr. TYDINGS. I agree with the Senator as to the objective; but the only objection voiced came from the lumber people and a single furniture man in Virginia.

Mr. BLACK. Oh, no; the Senator should not say that. I cannot state to the Senator every objection that came to us on that ground. I may say that of the hundreds and hundreds of communications I received, and of the many witnesses who testified, I should say that over 90 percent expressed preference for a method which would give to some agency power to approach the subject in this way.

Mr. TYDINGS. That is a good answer; but let me say to the Senator that these persons have not yet given any reasons, except they do not want this action to happen overnight; that the element of competition must always be present; that one agency cannot reduce its hours unless other agencies similarly situated reduce theirs.

What would be the harm in establishing an objective which would affect everybody in the country in the same way, and approaching it gradually in a 3-month period? If this action is to be taken by the board, if that is our objective, I cannot see why we should not go to it deliberately; and so far, I repeat, I have heard that there have been objections to this process, but I have heard no reasons for the commission approach rather than the statute approach.

Mr. BLACK. I may say that I have tried to give the Senator some reasons. I am sure I did not succeed in doing it. They are reasons which did appeal to the members of the committee.

Mr. TYDINGS. What are they?

Mr. BLACK. The reasons I have stated; and, if the Senator will let me, I will now restate what they are.

Mr. TYDINGS. When the Senator answers me this time, will he try to include in his answer, if he can, what any one of the different complainants had to say as to why his particular business could not be operated on an 8-hour-day basis a year from now, if he should be given a year's notice?

Mr. BLACK. Answering the latter part of the question first, I may say that there are some businesses that claim that they never could operate profitably on an 8-hour-day basis.

Mr. TYDINGS. What are they?

Mr. BLACK. They claim that they could not compete with others that use machines and have better natural resources and other advantages.

Mr. TYDINGS. Will the Senator allow me to comment on that statement? What is the use of trying to set up an 8-hour day and saying that those who do not conform to it may be fined if we are going to let some man work his employees 10 hours a day?

Mr. BLACK. I am not saying that. I was answering the first question the Senator asked, which had nothing whatever to do with the other part of his question.

Mr. TYDINGS. I asked the Senator for a reason.

Mr. BLACK. I have no reason. The Senator from Georgia [Mr. GEORGE] yesterday attacked the bill on directly the opposite ground from that on which the Senator from Maryland is now attacking it. The Senator from Georgia pointed out that the objective was to have the board determine these matters, and said that was one of the reasons why he was against the bill. So we find the bill attacked by one Senator on the ground that it empowers the board to decide the questions involved, and then we find it attacked by another Senator on the ground that they are not decided by the bill itself.

These are the arguments that were made in the committee and to the committee:

We have many industries. Some of them have different labor practices than others. We have many regions in this land of ours. Labor practices differ in different regions of the country. It was, and will be, impossible for any group of Senators or Representatives, or for any other governmental agency, to make a careful, detailed study of the different industries unless they give a large amount of time

to it. They must have many persons to work with them. A Senate committee or a House committee may obtain a view of industry as a whole; but it is impossible for a Senate committee to devote all its time, for instance, to the lumber business and find the detailed facts with reference to that business in order to know whether or not it could approach this objective within 3 months or 6 months or 12 months.

Therefore it requires a study and a collection of facts by someone, somewhere, to show the effect of the bill upon that industry, assuming the hypothesis that it is better to approach the subject with reference to the different industries, and in recognition of their diversity of hours and wages at this time. If we assume the other hypothesis, which the Senator says may be assumed, that we could put all industries on the basis of a flat 40-hour week now, then there would be no reason for a board, and the proper thing to do would be to offer an amendment providing for a 40-hour week, and let that be adopted.

Mr. TYDINGS. Let me say to the Senator from Alabama that every Senator here knows that the purpose of the bill is to bring every industry in America, exclusive of agriculture and some others that have been exempted, into a 40-hour week. That is the goal, the objective to which the proponents of the bill have addressed themselves. If it is not feasible to vote at this good hour on the question of a 40-hour week, and yet if we want to adopt the 40-hour week by law, we can make provision that it shall take effect 6 months from now, with such industries exempted as ought to be exempted because of any peculiar reasons or conditions.

I maintain that not a single bit of reason has been given for supporting the proposition that a commission or a board ought to do this instead of the Congress doing it. In the last analysis the commission is going to find that there are certain industries that do not want to do what the commission is going to require them to do; and that bridge will have to be crossed at some time or other. There may be concerns that will have to be exempted from the provisions of a 40-hour week. All right; let us exempt them; but the fact remains that if we want a 40-hour week, there is no reason for letting a commission bring it about when Congress is elected by the people to come here and do that sort of thing.

I have never yet heard one single, solitary reason for such a course of action. I have heard that there are complaints. I have heard that certain persons say they want more time. I have heard that certain persons say there are peculiarities of their business; but those things are only in the form of complaints. They are not in the form of logic or reason or common sense or fact to support their contention that a commission ought to do this thing in a year, rather than have Congress do it.

Mr. LEWIS. Mr. President——

Mr. TYDINGS. I yield to the Senator from Illinois.

Mr. LEWIS. I take the liberty of asking the able Senator from Maryland for something of an answer to a question I put, looking to its application to my own home.

With my colleague [Mr. DIETERICH], I represent a very large manufacturing section, in which every form of manufacturing is carried on. Let me ask my able friend this question: Suppose Congress should really pass a law specifically naming the exact number of hours that might be worked. When that act was passed it would be the law and would be the guide and the enforced direction to all officers of government. It would not permit exceptions, and it would not permit violations. I ask my able friend, what would he suggest as the force or agency that might provide for emergencies?

A fire may happen in the city of Baltimore or in the city of Chicago. Floods may arise in smaller communities. Conditions may arise, we will say, unhappily—to refer to war—that call for extra supplies in certain directions, and an opportunity of patronage of certain lines of work.

Mr. TYDINGS. Will the Senator allow me to answer his question?

Mr. LEWIS. No; be good enough to let me finish. Then it is desired to have more time, the concerns themselves seeking it, in order to do more work, with an increase of pay at the demand of the workers, or, if you please, through general changes of the regulations. Where would the Senator vest the opportunity of meeting such exigencies or emergencies after the act of Congress had been specifically passed and made imperative upon all?

Mr. TYDINGS. The Senator is a good enough lawyer to know, without my giving him an extended answer, that an act of God or a public enemy would exempt anybody from the provisions of an 8-hour or any other kind of an hour law.

Mr. LEWIS. But a business emergency, affording opportunity of more profit, would not be an act of God.

Mr. TYDINGS. If the Senator has any doubts about that matter, the exemption could be stated in the law—"except in case of an emergency threatening loss of life or property."

Mr. LEWIS. Where would the Senator put the discretion which might be exercised?

Mr. TYDINGS. In the courts, where it belongs. We now have exemptions from any number of our criminal statutes. Where would the Senator from Illinois put the authority—in a board that is not a court?

Mr. LEWIS. I answer that I am opposed to the whole system of boards. I opposed it at the beginning, but now that it has been adopted as a system of government, where else would the Senator from Maryland put it?

Mr. TYDINGS. Let me answer the Senator specifically. In other words, he says the exemptions must be decided by somebody. He would have the power to decide them placed in a board that is not as yet established, composed of five men sitting here in Washington, rather than in the United States courts, which have been established for a long time, and are almost as old as the Republic, and are used to construing and passing on criminal statutes every day. I submit to him, which of the two agencies, by experience and tradition, is the better fitted to deal with the situation which the Senator pictures?

Mr. LEWIS. I answer the Senator that under the doctrine we speak of as equity there is no authority of law to go to any court and ask it to make an exception to a general law in behalf of individuals. Therefore it could not be done.

Mr. TYDINGS. Of course, the law itself would provide that the 8-hour limitation should not apply in case of an act of God, or of a public enemy, or something beyond the control of the individual.

Mr. LEWIS. But where discretion must be exercised where would the Senator put the discretion?

Mr. TYDINGS. In the courts.

Mr. LEWIS. Then do I understand that the Senator advocates that we pass the bill, and if someone wishes to be exempt from its operations for the benefit of a particular locality, he is to make a petition to the court, go through the procedure of the tribunal, then through an appeal, and finally, at the end, when everybody is dead, worn out, or bankrupt, get some relief?

Mr. TYDINGS. I would not have any exemptions from the law; but take the instance the Senator pictures, namely, that of a flood: The Senator can just imagine the United States district court in Ohio sentencing a member of, we will say, the fire department of Cincinnati for working 16 hours a day because there was a great flood on, threatening the loss of lives and property along the Ohio River. I venture to say that that situation never would arise; that where there was a great fire or a great flood, no court would consider enforcing the law any more than it would consider that a soldier ought to be punished for murder because he shot down a man in a battle in a war in which his country was engaged. It is still murder to kill a man. The penal statutes have not been repealed; but if your country should be at war, and you should shoot down one of the enemy, nobody would think of trying you for murder in a case of a great national emergency.

Mr. LEWIS. I must assert that the able Senator does not meet the position. What would he do, in what way would he vest any discretion in matters of business or emergencies

in the affairs of life which would call for the application of some exception, such as an exception in the amount of time or in the amount of wage, an increase in the amount of time, or an increase of opportunity for more work and more output, in order that benefit might result because of the new demand? Where would the Senator put that discretion?

Mr. TYDINGS. Will the Senator give me an illustration of what he has in mind? Let us take a steel company. Will the Senator tell me what he has in mind with reference to the output of steel?

Mr. LEWIS. Promptly I put it more definitely to the Senator. I come back to his home.

Mr. TYDINGS. Very well.

Mr. LEWIS. The building of ships at this time is required by the Senator's own people, and asked for, and therefore there is a demand around us. Suppose it is shown that the desire is to have more time in which they can build these additional ships. They have the orders for them, and can do the work at once, whereas if they wait a length of time, the opportunity passes by. Where would the Senator put the authority to determine the practicability of this demand?

Mr. TYDINGS. Those who take that view do not want an 8-hour day. We are not going to have an 8-hour day if we exempt everybody who wants to be exempted.

Mr. LEWIS. Not everybody. In an emergency, where would the Senator put the authority to determine the needs?

Mr. TYDINGS. I will take the Senator's illustration. Why should the ship company, which is engaged in the commercial business of building ships, ask for an exemption?

Mr. LEWIS. It would depend on whether building more ships at the price they can get at the time, by putting more men to work would justify the exemption.

Mr. TYDINGS. In the amendment offered by the Senator from Connecticut he provides for that very case. In his substitute he provides that the workweek be enlarged or diminished so as to absorb all the physically qualified people who may be out of work and who want to work. In other words, the philosophy of the substitute of the Senator from Connecticut is that he believes that whatever work there is ought to be shared by all those who are physically and skillfully qualified to perform the work.

If in the case of the shipyard, it is working 8 hours a day, it can put on two other shifts of 8 hours a day, and work 24 hours; but no man will be working more than 8 hours a day. My point is that I am not necessarily contending for an 8-hour day, or a 6-hour day, or a 10-hour day. My point is that there has not been one single argument, if Congress wants an 8-hour day, why it should not provide it by statute, rather than by the ruling of a commission.

Mr. LEWIS. Then, would my able friend suggest that in all emergencies which might arise, for business accommodation or profit, or the increase of the opportunity for extra employment, or hours, or numbers, exemptions should be written into the statute and provided for by the law, with the possible exceptions which might be thought necessary?

Mr. TYDINGS. That is my point. I do not mean to say that there should not be an exemption written into the law. What I am saying is that it is perfectly possible for Congress to write a statute, with proper exemptions, which will fix an 8-hour day, if Congress has made up its mind to fix an 8-hour day, rather than by a board or a commission.

Mr. LEWIS. Placing in the act of Congress the exemption of such an emergency as might arise, the Senator believes, would avoid the necessity of putting the discretion in any executive board?

Mr. TYDINGS. That is my contention.

Mr. LEWIS. I catch the Senator's point.

Mr. TYDINGS. I may say to the Senator that I am not contending at all that there may not have to be exceptions and exemptions made in the law. What I am contending is that we can write them here just as well as a board can write them; and, so far, there has been no evidence, no fact, no logic, no testimony, to show why, if we want an 8-hour day, there is any business of a normal nature which cannot conform to it, assuming we give them time enough to do it; and I am contending the way to do it is by statute and not by a board or commission, which may disrupt more business than it will assist.

Mr. LEWIS. Will my able friend answer me this question: Assuming his policy to be as he says, and that it should be carried out as he suggests, that in the act of Congress there should be exceptions of this emergency or that condition, which will allow a change, who shall decide? Who does he intimate will be the judge as to whether the conditions have arisen under the law as permitted?

Mr. TYDINGS. If it is a penal statute, the United States courts.

Mr. LEWIS. As to a statute without providing a penalty, but simply a business undertaking, how would we decide whether an emergency had arisen or not?

Mr. TYDINGS. It would provide a penalty, just as the pending bill provides a penalty. But the one to decide whether an exemption or exception came within the law would be the United States court, not a board or a commission.

Mr. LEWIS. The Senator would send these matters to the courts for decision, upon whatever evidence there was to offer?

Mr. TYDINGS. That is correct. So far neither the chairman of the committee in charge of the bill nor any other Senator in this body, I repeat, has offered one scintilla of evidence to show why Congress itself should not provide, with proper exemptions, an 8-hour day, if we are going to have an 8-hour day, rather than leave it to a board or a commission.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. McADOO in the chair). Does the Senator from Maryland yield to the Senator from Kentucky?

Mr. TYDINGS. I yield.

Mr. BARKLEY. I do not care to get into a discussion or argument with the Senator, but I should like to ask him whether he means that he favors a rigid, statutory 8-hour day, applicable to all industries, and universally applicable to all territory in the United States?

Mr. TYDINGS. My answer is that I am going to support the Maloney amendment, which provides that whatever work there is in the country shall be divided, in theory, among those qualified in skill to perform it. In other words, if there are 6,000,000 out of employment, the workweek shall be one thing. On the other hand, if there were no big army of unemployed, it would, of course, lengthen the workweek so as to take care of the situation.

Mr. BARKLEY. Who is to administer the flexibility about which the Senator is now speaking?

Mr. TYDINGS. The only flexibility in the Maloney amendment is a finding of fact.

Mr. BARKLEY. Who finds that fact?

Mr. TYDINGS. The board finds it.

Mr. BARKLEY. So that we do not get away from a board.

Mr. TYDINGS. Yes; we do. The board has nothing to do with regulating any industry. The point is that the board is only a fact-finding institution. The amendment provides that when there are 6,000,000 people out of employment the workweek shall be thus and so, when there are 4,000,000 out of employment the workweek shall be less, and when there are 2,000,000 out of employment, the workweek shall be less.

Mr. BARKLEY. When the board finds the facts, who puts into effect any flexibility as the result of the facts?

Mr. TYDINGS. It is in the law itself.

Mr. BARKLEY. It cannot be automatic.

Mr. TYDINGS. Yes; it is automatic. The President issues a proclamation.

Mr. BARKLEY. The President issues a proclamation upon the receipt of a report from the board?

Mr. TYDINGS. That is correct.

Mr. BARKLEY. So that in that case the President, in addition to the board, fixes the wage.

Mr. TYDINGS. He simply gives it publicity.

Mr. BARKLEY. So that it cannot be a rigid, statutory 8-hour day, or any other kind of day, applicable to the whole country, without the intervention of someone to make it workable?

Mr. TYDINGS. That is true.

Mr. BARKLEY. So that there is a board and the President.

Mr. TYDINGS. That is true. I concede that.

Mr. BARKLEY. I want to ask one further question.

Mr. TYDINGS. The Senator spoke of wages. I was not talking about wages. I am speaking about hours only.

Mr. BARKLEY. I was going to ask the Senator, when I rose, whether he intended to offer an amendment to the bill fixing a rigid 8-hour day applicable throughout the country.

Mr. TYDINGS. No; I do not think I am qualified to offer such an amendment on the floor of the Senate. But if the committee—and I do not suggest this to delay—were to bring in a bill with proper exemptions, I think I should favor it.

Mr. BARKLEY. Inasmuch as the Maloney amendment is not now pending, I was wondering whether we could not get a vote on the one which is pending.

Mr. TYDINGS. I may say to the Senator from Kentucky that half of my time has been utilized in answering questions which have been propounded.

Mr. BARKLEY. It has been an interesting discussion.

Mr. TYDINGS. I wish to submit, in conclusion, and I do not desire to delay a vote, that so far as I have heard there has not been a single, solitary scintilla of evidence offered by any witness before the committee, or by any Senator on the floor, that denies that Congress can, if Congress desires, pass a law providing for an 8-hour day, with proper exemptions, without any board at all. So far there has not been one single bit of evidence to show why that cannot be done in 6 months or a year, as we may want to provide; and if it can be done that way, my statement is that Congress ought to do it and not leave it up to a board of five men.

Mr. HARRISON. Mr. President, I shall not detain the Senate at great length, but the proposed legislation is of such great importance to the country, and I feel especially to my section, that I cannot withhold expression as to its merits or demerits. Others have spoken as to the work, patriotic in character, of the men who are on the Committee on Education and Labor, and I join in those expressions. They have performed very arduous and what in their opinion is good work, and I suppose that if we are to employ the methods which have been prescribed in this proposal this is about as good as could have been worked out.

I never fall out with my colleagues because they may have an opinion different from mine touching public questions. I know that there are in the hearts and minds of other men convictions and a philosophy of doing things different from mine. I have at times been accused of being a conservative. Well, suppose I accept that encomium.

I do not know what a conservative is. In my service in the House and Senate I have voted for much progressive legislation. Indeed, if this administration is progressive, I am a progressive. If this administration is conservative, then I am to be classed as a conservative.

I do not like to go as far as some others desire to go, because I think it may sometimes do injury to go so far. Perhaps I do not want to travel as fast as some others because I might get out of breath. I have often felt sympathetic with the old ox down in my country in July days, that had been worked all day in the sun, who sees over in the distance a little shade under the tree, and then you cannot hold that ox back; he wants to get under that shade. I sometimes think I have traveled so fast that I like to get under the shade and rest a little while. I think there are many questions that deserve a little more deliberation and consideration perhaps than other people think those questions deserve.

I am not finding fault with anyone who believes in the high merits of this legislation and in its wisdom. I think I can see in it possibilities of great danger, and that it may do more harm in some respects than good. I come from a section which is no better perhaps than other sections of the country. We have some bad employers. We have some good employers. We have some bad laborers, and we have some good laborers. I think we have a civilization and a citizenship that is just as high and just as good as any. I do not think our employers want to treat labor any worse than the employers in other sections, and, indeed, I know that in the great majority of cases the employers in the United States want to see their labor get along happily, obtain fair wages, and they want to go about as far—I am talking about the majority of employers—as the economic rules and good business management will permit.

So, Mr. President, I take a different position with reference to this proposal than is taken by some of my colleagues. It is said that this is an administration measure. I suspect that the President never read the measure in his life. Mme. Perkins may have read it—I do not know. I know if the measure is passed that madam is going to have a good deal of say in its administration. And, to be perfectly frank, because I would not want to withhold anything from my colleagues, that is one among many other reasons why I am not for this legislation. We must reflect and be governed somewhat by the light of experience. I do not care to vote for legislation which will affect the people of my State and the American people generally, that will permit or direct its execution to persons who have an antipathy against my section, who have an idea that our women wear no shoes, and who have various impressions about my people which are not true, and whose assertions, in fact, in those respects are unfounded.

Of course, there are some women down there who do not wear shoes. [Laughter.] There are some men down there who do not wear shoes. But our women are just as beautiful and just as well dressed, as the women in other sections of the country. Of course, if madam could make more visits down there and associate with our people, she, like other persons from other sections of the country who have come and associated with the citizens of my section, would perhaps come to love them, and, like many other persons who have visited there, would want to stay there, and would form a different opinion from what she now has.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. COPELAND. I can well understand the feeling that the Senator from Mississippi has, and I want to reinforce what he has to say, because one does not have to go very far in the city of New York to find the most abject poverty that exists on the face of the earth, people whose clothes are ragged and who are miserably housed, although, as the Senator says, the women are handsome even so—and the women in the city of New York are as handsome as those in any part of the South.

Mr. HARRISON. I have no complaint to find with Senators and others who have reformed their own States, like my friend the Senator from New York [Mr. WAGNER]. Since 1913, I believe he said, he had made conditions perfect up there. But there are some others who think that perhaps the conditions up there are not in every respect perfect.

Mr. President, this bill goes pretty far. It gives the Department of Labor the right to go into any manufacturing plant in this country and investigate every detail as to its records. It can appoint interested parties—for there is no proscription or restriction in this bill prohibiting the Department of Labor from appointing a competitor—and such investigators may go into the plants of this country to get certain data to carry out the purposes of this bill. I do not want to give that much power to anyone.

Mr. President, I remember the days of the N. R. A. The N. R. A. legislation came out of my committee. I championed it upon the floor of the Senate. For days and days we heard testimony as to its beneficial or injurious effects. From having heard that testimony, I know how difficult it is to obtain an exemption when an exemption is desired. The days of the N. R. A. will not be forgotten, especially by Sena-

tors who the other day were so anxious to take care of the thresher of wheat or oats, who did not want him to come under the provisions of this bill. To me the startling thing about this legislation is that the friends of the farmer, the representatives of the agricultural interests, want the thresher exempted, and he is exempted, and then they are afraid the bill might in the remotest degree touch the farmer, and they want him exempted, too.

If the provisions of the bill are so bad for agriculture, what is there about industry that we might look at as unfair and be prejudiced against? How is the man who threshes wheat or oats going to be exempt when we pass this legislation with all the machinery that goes with enforcement? He must come down here, make his application to get his permit, if the administration of the measure is conducted like the N. R. A., and I cannot imagine how it can be run in any other way to give exemptions to people.

Senators have gone through the labyrinth of these departments, in an effort to find what they were seeking. After the application for exemption is made, those in the departments will then take several days to consider it. They must hear the other side of the proposition, and then one individual in one of the bureaus says it is all right. He sends it up to some higher-up, and the applicant may spend quite a while here in Washington in that department trying to get his exemption, and perhaps he does not get his exemption after all.

In various sections of the country there are creameries. Do Senators who represent farmers who operate cooperative creameries in small towns which employ a few individuals think they are exempt? No; they are not exempt. But if they should be exempted—as the bill is traveling now, it looks like we are going to exempt pretty nearly everyone—those operating creameries will have to come here to Washington to get their permits to be exempted.

There have been many farm cooperatives organized. I congratulate the great Midwest for what has been done toward cooperation, in organizing cooperative elevators, cooperative packing plants, cooperative creameries, and what not. Do Senators think that the operators of such cooperative organizations are exempt under this bill? No. But if we should exempt them under the terms of the bill, they must after a while come here to get their permits of exemption.

Do Senators think that those farmers in the great Middle West who are raising hogs and belong to cooperative packing plants are exempt? No; they are not exempt. However, before we complete the bill, they may be exempted also. But they must travel here to Washington, through the labyrinth of this bureau, to get their permits for exemption.

Oh, yes; yesterday we included the cotton gin in my country as to hours but not as to wages. And the cottonseed-oil mills are included in this proposition. Perhaps they will be taken out after a while.

The farmers are affected in 10,000 different ways, and we need not be deceived about that. Why should we want the farmer to be exempted in every way and pay so little attention to industry?

I have voted with labor throughout my 26 years of service. I have respect for William Green. I had great respect for Samuel Gompers. I respect the American Federation of Labor. I do not know anything about the C. I. O. [Laughter.] I just do not understand it; that is all. I have not had time to do so. Perhaps I may understand it in time. I know, however, that in my State industry and labor have gotten along very well together. We have had few strikes in Mississippi and there have been few strikes in other parts of the South. Mills operating there, in many instances, are financed by home capital. They employ, in many instances, the sons and daughters of farmers in the vicinity. The boys and girls live on the farm and come into town to work in the factories. They have gotten along well; but recently we have become faddists; we have seen the rise of the so-called marathon dances. For a while women and girls wear their dresses short and then they start the fad of wearing them long. We are a great faddist people. A little while ago the country was swept almost from one end to the other by what were called "sit-down strikes." About such things some people speak up and others do not. They seem to become a threatened danger to us, and then they pass off in a little while. So movements come and go.

When the sit-down strike movement started emissaries of that movement were sent down to my State, for instance, to a little city there which is prosperous, Tupelo, Miss., for which the T. V. A. has done so much. Local capital organized some plants there, among them a garment factory, as I recall, which made garments out of cotton. A sit-down strike was started. I do not know for what reason. But the stockholders were called in meeting. They and the labor representatives could not get together. So the stockholders said, "We have been losing money for 6 or 7 years; we have operated the plant notwithstanding that fact in order to give employment to people and help the Government out, so that our employees would not have to be thrown upon the W. P. A. rolls." They had operated at a loss, but they saw they could not continue to do so, in view of the demands which were being made. So the stockholders unanimously agreed to liquidate the concern and go out of business. When, however, they filed the papers for liquidation in the court and the case was pending the Labor Relations Board's representative, with some representatives of the C. I. O., appeared objecting to the stockholders liquidating their own institutions. In this little city where 1,700 girls, as I recall, and for the most part girls from the country, who were brought in every day in busses, were employed, and who were perfectly happy and contented, under this new regime the emissaries of the C. I. O. came in and made certain demands on the heads of this institution, who were fine gentlemen and who wanted to be fair to their employees. So the employers called the employees together and asked, "How many of you are satisfied and how many of you want to quit?" Out of the 1,700, only 8 wanted to quit. Yet today that institution is tied up. I called on the Labor Relations Board and pleaded with them, telling them that I thought the Labor Relations Board was created for the purpose of trying to help in such a situation and bring about a solution of the differences. I did not get very far.

We have that background. My State is full of raw materials such as cotton and some lumber—though not much. Much has been said about lumber. That seems to be an industry which has been singled out. There are some good men engaged in the lumber industry and some bad ones in it; there are some employers that pay reasonable wages and some who do not. That is always true of every industry. But the great virgin forests of my State have been denuded, and the forests of Alabama, Georgia, and South Carolina and Florida have also been denuded; they are gone. So the mills there have to work on timber that is not virgin pine. It is of a lower grade and less plentiful; the costs and economic conditions are against the operators there. So they probably cannot pay as high wages as can be paid by some of the more prosperous industries. I am not going to condemn a whole industry because there may be some bad people in it.

I know that the Secretary of Labor wants a universal wage—and I am not going to find fault with that, except for the purpose of the discussion of this bill. She cannot see the differentials. Yet in the operation of the National Recovery Act there were differentials all down the line affecting various sections of the country. I remember that in the lumber code a wage of 24½ cents an hour was provided in southern lumber regions, while a wage of 42½ cents an hour was provided in the great Pacific coast region. So there were differentials in that code; and there always have been differentials. Yet this bill would give to the board to be created a right to fix a standard minimum. There are beautiful words written into the measure as to the board taking various factors into consideration and imposing standards after carefully considering conditions and proceeding cautiously so as not to disrupt any industry. That is wonderful; I am glad those words are in the bill; they may operate as a restraint; but the power is to be reposed in a board with such important and far-reaching powers. I am not willing to delegate such power to any group of individuals.

I want reasonable wages; I want the employees to get just as much as they can—just as much as the industry will bear; but, on the other hand, I am not willing to destroy any business, large or small, by legislative mandate, and I know, if this bill shall be passed, some businesses will be destroyed.

Take a little business, in a certain section, which is trying to make ends meet. It might or might not be able to increase the wages of its employees according to the order of the board. It may have reached the saturation point so that it cannot borrow money and cannot continue operations if its expenses are increased. Of course, the bill says the board will have to take those things into consideration. Whether or not the board will do so I do not know. I thought provision ought to be made for the board to take into consideration many other factors.

What has happened here during the last 5 years? I think the record written by this administration has been wonderful. During the days of the depression we did everything possible to help business; we have done everything possible to help the laboring man and to help the farmer and the underprivileged, but there is no group of our citizens to whom we have extended our arms further to help than unemployed labor, the poorest people in the land. Have we not expended nearly $10,000,000,000 out of the Treasury of the United States through the W. P. A. and P. W. A. and other agencies of the Government to give employment to people? Of course, we have. Yet this bill might do the very thing that we have sought not to do and which we have hoped would not be done.

The pending amendment of the Senator from North Carolina [Mr. REYNOLDS] provides that the terms of the bill shall not affect industries employing 10 persons or less. Very well. What will that bring about? It will bring about a situation just as did the N. R. A. between the larger units of industry and the smaller units.

Under the N. R. A. some said it would create a monopoly and others said the law could not be enforced against the small fellow. The indictments, however, that were brought at that time because of noncompliance with the codes were brought against the little fellow. It was also said that the law created a competition which was unfair. We had such a condition then, and industry wanted to get out from under it.

Consider the case of an industry that employs 12 persons. If the pending amendment to the committee amendment exempting industries employing 10 persons or less should be adopted, what would happen to the industry that is employing 12 persons? The operator of that industry would probably say, "We cannot employ more than 10, and so we will discharge 2." We do not know how many little industries of the country will do that. So the W. P. A. rolls will be added to, and next year Mr. Harry Hopkins will send to Congress a request for another billion and a half dollars to take care of the unemployed.

What else does this bill propose to do? It will, if enacted, affect harmfully industries that have little capital and that have to pay high interest rates and borrow money from banks in order to exist and give employment to people. I know of many in my section that have had to do it while passing through the distressing years of the depression. If they can possibly get the money in order to continue—and some of them will get it—if they employ the cheaper class of labor now, they will so mechanize their plants that the machinery will do the work of individual workers whom we are trying to help, and many will be thrown out of employment. The wheels of machinery will do the work and the list of the unemployed will be increased.

It is a wonderful thing to pay good wages; yes; but let us not, in order to pay such wages, strike down business that is on its last legs to get along and survive.

We have just passed the Social Security Act. What does it do? It lays a tax on the employers in order to help the unemployed and to provide old-age retirement benefits. Business can stand so much; it cannot stand any more; and, for one, I am not in favor of destroying any legitimate industry, large or small, and I am not going to vote for any measure which I think threatens the very economic life of my section, as well as other sections of the country.

Mark you, Mr. President, the agricultural interests may be exempted from this bill if it passes, although I doubt seriously whether it will pass.

Strange elements are at work in this country. They work among the farmers the same as they work upon the unsuspecting people of the land. They start a crusade for a program which they say will not include the farmers. The next fight will be to determine whether or not agriculture shall be included in the legislation. It takes time for this thing to work sometimes, but we have all seen how people move under the spell of powerful organizations and the pleasant-sounding arguments of those who appeal to the prejudice and passions of communities. If there ever was a time when those in high places should keep their feet on the ground, it is now, and they should not be following strange theorists into strange byways.

Yes, Mr. President, I think it is better that the bill should be divided and that we should deal only with hours of labor. I can understand, if we revise the hours of labor, that more people might be drawn into industry and given work; but I can understand at the same time that when we increase wages to that point beyond which business cannot go and exist, we close up business and throw people out of work. I wish the provisions of the bill could be cut in twain.

Mr. President, I have said perhaps more than I should have said. I wanted to discuss the increased cost of living made necessary by this legislation, but I shall not. I am opposed to the bill. If some Senator makes a motion to recommit it, I am going to vote for the motion. I think there are more possibilities in this bill for injury and danger to the economic structure of every part of this country than in any piece of proposed legislation that has come before the Congress.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 183) consenting to an interstate oil compact to conserve oil and gas.

The message also announced that the House had passed the joint resolution (S. J. Res. 57) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 8007. An act to restore the per-diem fee of $4 for service of jurors in Federal courts; and

H. J. Res. 446. Joint resolution to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 2416) relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama, and it was signed by the President pro tempore.

HOUSE BILL AND JOINT RESOLUTION

The following bill and joint resolution were each read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 8007. An act to restore the per-diem fee of $4 for service of jurors in Federal courts; to the Committee on the Judiciary.

H. J. Res. 446. Joint resolution to authorize the acceptance on behalf of the United States of certain bequests of James

Reuel Smith, late of the city of Yonkers, State of New York; to the calendar.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed the consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on the amendment of the Senator from North Carolina [Mr. REYNOLDS] to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. MOORE. Mr. President, I send to the desk an amendment, which I offer to the amendment of the committee.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. It is proposed, on page 51, line 2, after "3);", to insert the following:

or any employee of any common carrier by motor vehicle subject to the qualifications and maximum hours of service provisions of the Motor Carrier Act, 1935 (U. S. C., title 49, ch. 8) provided that the wage provisions of this act shall apply.

Mr. MOORE. Mr. President, strictly speaking, the amendment does not provide an exemption. It refers to the drivers of busses. The bill itself provides that its provisions shall not apply to any railway employees subject to the provisions of the Hours of Service Act.

Of course safety is the important consideration. Under the Interstate Commerce Act it is provided that it shall be the duty of the Interstate Commerce Commission to regulate the qualifications and maximum hours of service of employees of common carriers. Following out that provision and with due regard to safety, the Commission has made a report fixing the hours of labor of bus drivers and employees. My amendment seeks only to include them, as well as railroad engineers and employees, under the terms of the bill. I may say that the amendment has been included in the similar bill now pending in the House.

Mr. BLACK. Mr. President, it was the policy of the committee, in cases where regulation of hours and wages are given to other governmental agencies, to write the bill in such way as not to conflict with such regulation. That action was taken with reference to maritime workers. It was taken with reference to railroad workers insofar as they were governed by the Hours of Service Act.

The amendment of the Senator from New Jersey [Mr. MOORE] would apply the same principle to truck drivers insofar as hours of labor are concerned. It is my understanding that the hours have been regulated by the Interstate Commerce Commission recently.

Mr. MOORE. Yes; it has been done during the present month.

Mr. BLACK. That has occurred since the hearings before the committee. The committee were of the opinion, when we orginally took up the bill for consideration, that it was exceedingly important that the long hours of truck drivers should be regulated in the interest of public safety. That had not been done by any other governmental agency at the time of the hearings. Consequently the amendment was not adopted by the committee.

Speaking for myself personally, it is my belief that it would certainly be unwise to have the hours of service regulated by two governmental agencies. I am further of the opinion that the Interstate Commerce Commission, since it has the power and has exercised it, should be the agency to be entrusted with this duty. We were very much disturbed about the matter of hours of labor required of employees of trucking companies and associations, particularly the long hours the drivers are compelled to work. Undoubtedly the Interstate Commerce Commission has adopted a regulation under that law. So far as the pending amendment is concerned, and so far as concerns the amendment which is to be submitted by the Senator from New York [Mr. COPELAND] with reference to certain employees in the aviation service who are now under the Railroad Labor Act, it is my own belief that both of the amendments should be adopted.

Mr. SHIPSTEAD. Mr. President, I could not hear all the discussion. When I heard the amendment read the matter of truck drivers came to my mind. Am I to understand the Senator from Alabama to say that the Interstate Commerce Commission is now undertaking to regulate hours and wages of truck drivers?

Mr. BLACK. Not wages, but hours of labor.

Mr. SHIPSTEAD. I have reliable information that at least up to 10 days ago truck drivers in my State were being paid $9.60 a week for a 48-hour week. Is there any provision in the bill that can reach such a situation? Under the ruling of the Interstate Commerce Commission or under the provisions of the bill now before the Senate, can that situation be controlled? Those men are compelled to work for $9.60 per 48-hour week and feed and clothe themselves. That is a situation which to my mind is glaringly bad.

Mr. MOORE. Mr. President, I do not by my amendment seek to fix wages. It relates merely to hours of labor. Under the Interstate Commerce Act the Interstate Commerce Commission is given authority to prescribe maximum hours and qualifications for service. My amendment seeks only to leave the fixing of hours, but not the fixing of wages, with the Interstate Commerce Commission. The bill would take care of the wage question.

Mr. SHIPSTEAD. May I have the assurance of the Senator from Alabama [Mr. BLACK], chairman of the committee, that the bill now before the Senate will take care of a wage situation such as I have described?

Mr. BLACK. Mr. President, as the bill is now written, employees of trucking companies are included in both the minimum-wage and maximum-hour provisions. The amendment of the Senator from New Jersey [Mr. MOORE] would exempt them only from the maximum-hour provision. The question of minimum wages would still be governed by the provisions of the bill. The reason why the Senator from New Jersey is offering the amendment is that the law now imposes upon the Interstate Commerce Commission the responsibility and duty of regulating hours.

As I said, speaking for myself alone, I am of the opinion that it would be very unwise indeed to seek to entrust the same responsibility to two governmental agencies.

Mr. SHIPSTEAD. I agree with that.

Mr. BLACK. I further believe, inasmuch as the Interstate Commerce Commission regulates truck and railroad employees, and insofar as the law relates to certain aviation employees, the regulation of the hours of such employees should remain with the Interstate Commerce Commission under those laws. Therefore, I do not object to the amendment which has been offered by the Senator from New Jersey.

Mr. SHIPSTEAD. If a trucking company employs 10 persons or less, will this bill apply to it as to wages?

Mr. BLACK. Not if the bill is finally passed with the amendment which was adopted. It would not include any business of any type with 10 employees or less.

Mr. SHIPSTEAD. Then truck drivers would have no remedy if their employer employed 10 persons or less?

Mr. BLACK. The same thing would be true with reference to the employees of any business, because under the amendment which was adopted by the Senate the bill would not apply to any business which employs less than 10 persons.

Mr. MOORE. The interstate commerce law would apply as to hours.

Mr. SHIPSTEAD. As to hours but not as to wages?

Mr. MOORE. No, sir.

Mr. SHIPSTEAD. I am interested in wages.

Mr. COPELAND. Mr. President, in view of the statement of the chairman of the committee, I suggest that my colleague from New Jersey [Mr. MOORE] modify his amendment by adding, after the parenthesis on line 5, the words:

And any air transport employee subject to the provisions of title II of the Railway Labor Act approved April 10, 1936.

Mr. MOORE. I accept that modification.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from New Jersey [Mr. MOORE] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. SCHWELLENBACH. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 51, line 14, after the word "operations", it is proposed to insert the following:

The term "person employed in agriculture", as used in this act, insofar as it shall refer to fresh fruits or vegetables, shall include persons employed within the area of production engaged in preparing, packing, or storing such fresh fruits or vegetables in their raw or natural state.

Mr. SCHWELLENBACH. Mr. President, on day before yesterday I discussed the situation upon which the amendment is based.

The amendment is very strictly drawn in an effort to limit the operations defined therein purely to those of an agricultural nature. I should like to say that, so far as I am concerned, I cannot agree with the position taken by the Senator from Mississippi [Mr. HARRISON], indicating that there might be some danger about extending this measure to agriculture. So far as I am concerned, I think there should be a regulation of hours and wages for all workers in the country; but the bill does not attempt to do that. The bill attempts to exempt agricultural workers. The situation in which I am principally interested is a situation involving the apple industry; and it is one in which, unless an exemption of this kind is made, there will be a discrimination against the small producer and in favor of the larger producer.

In other words, in a small apple operation of 5 or 10 or 15 or 20 acres, it is not possible for the owner of the ranch to purchase and maintain on the ranch the necessary machinery which is required in the washing operation under the rules and regulations of the Department of Agriculture. It is not possible for him to provide on his ranch the necessary storage space to store the apples until such time as it is possible to take them to market. It is not possible on the small ranch to supply the space for packing the apples. Therefore, it is necessary for such a farmer either to join other farmers in a cooperative, or to send his apples to a packing house, and have these operations, which are purely agricultural operations, performed elsewhere than at the situs of the ranch or the farm.

The purpose of this amendment is to give protection against that situation, and to make it possible for the small fruit and vegetable producer to operate upon the same basis as the large fruit and vegetable producer.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. CONNALLY. Of course, apple raisers are already exempt, are they not, under the term "agricultural workers"?

Mr. SCHWELLENBACH. The amendment applies only to the packing, storing, and preparing of fresh fruits and vegetables.

Mr. CONNALLY. Does not that exempt all of those engaged in that industry?

Mr. SCHWELLENBACH. The amendment is very short, and I will read it:

The term "person employed in agriculture", as used in this act, insofar as it shall refer to fresh fruits or vegetables, shall include persons employed within the area of production engaged in preparing, packing, or storing such fresh fruits or vegetables in their raw or natural state.

Mr. CONNALLY. The effect of the amendment is to exempt all employees of apple-packing plants; is it not?

Mr. SCHWELLENBACH. If they are engaged in the area of production, and so long as the apples are in their natural or raw state; yes, sir.

Mr. COPELAND and Mr. REYNOLDS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Washington yield; and if so, to whom?

Mr. SCHWELLENBACH. I yield first to the Senator from New York.

Mr. COPELAND. Mr. President, did the Senator include in his amendment the word "transportation"?

Mr. SCHWELLENBACH. No; I did not include the word "transportation", because I do not believe that the transportation should be exempt; and I did not include "processing."

Mr. COPELAND. If the Senator will yield further for a moment, we have the same problem of the apple grower in my State. The small orchardist has seasonal work in the neighborhood in the picking, sorting, storage, and transportation of his apples. What I mean by "transportation"—perhaps it is not the right use of the term—is the carriage of apples in the ripe season to the nearby markets, which in my case is New York City, and the work of those who drive the trucks and rush the apples from the cooperative or private storage house to the city; so does not the Senator think that word, too, should be used?

Mr. SCHWELLENBACH. I will say to the Senator that as the amendment was originally prepared it had "transportation and marketing" in it. I have tried to limit the amendment to what I consider purely agricultural operations. Perhaps I am incorrect about it, but I do not feel that taking apples into market and selling them are parts of agricultural operations.

Mr. COPELAND. Will the Senator yield at that point?

Mr. SCHWELLENBACH. Yes; I yield.

Mr. COPELAND. I live in Rockland County, N. Y., which is on the New Jersey line; and while the city of New York is the large market for the apples raised in Rockland County, a great many apples are disposed of in Newark, N. J. The truck of the farmer carries the fruit to the market in Newark, which is a standard market where merchants go to get material, and the farmer stays there on the market stand until he can dispose of his truckload of apples. That is what I have in mind, because, of course, the transaction of getting rid of the product may take late afternoon and all night. So as I originally introduced the amendment I had in it "transportation and marketing", and also the language the Senator used, which makes it clear that the transaction is in the neighborhood; that it is not a great, big transaction involving a trip across the continent.

Have I made clear the thought I have in mind to the point where the Senator will accept the words "transportation and marketing" and make them an addition to his amendment?

Mr. SCHWELLENBACH. I will say to the Senator from New York that I studied the amendment very carefully; and when we get beyond the point of preparing, packing, and storing—those operations which can be done on the farm by the large farmer as compared with the small one—I feel that we are going beyond the point of agricultural operations, and that the work really is not agricultural work.

Mr. COPELAND. Mr. President, I disagree with the Senator, and do so, of course, in all good spirit; but what I am saying is founded upon actual knowledge. The farmer may be a very small farmer. He may not produce more than one or two or three hundred barrels of apples, but in order to get them to market he has to put them on a truck—his own truck or a hired truck—and go the short distance, perhaps 20 miles, to the town where there is a central market where he may dispose of his product. That seems to me to be very obviously a part of the agricultural transaction, and yet I fear that I have not been able to convince the Senator from Washington to that effect.

Mr. SCHWELLENBACH. Possibly I have convinced myself the other way so thoroughly that the Senator's statement has not served to change my mind about the matter.

Mr. COPELAND. As a matter of fact, is not the problem quite a different one in the great apple country of the West, where there are tremendous crops of apples which are taken in large quantities to the railroad station and shipped on to New York, where we buy and eat those apples; while, on the other hand, the small farmer in my section is not commercially engaged in the orchard business, as they are in the West, or as they are on the great plantation of the junior

Senator from Virginia [Mr. BYRD]? What the small farmer of my section does is a part of his farming transaction. He takes his apples to market and gets rid of them; and I want to help him as much as I can.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nevada?

Mr. SCHWELLENBACH. I yield to the Senator from Nevada.

Mr. McCARRAN. Is it not true, in keeping with what the Senator from New York has said, that in the State of the Senator who offered this amendment, the real truth is that the farmer takes the apples to a processing plant? I myself have seen this operation in the Senator's State, though the Senator knows about it much better than I do. The farmer takes the apple from the orchard to the processing plant. In other words, that is where the apple is really graded, and boxed, and prepared for shipment.

It seems to me that the Senator from New York is entirely correct in stating that up to the point where the apple is boxed and ready for shipment it is and remains a product of the farm, and is handled by the farmer. It seems to me the Senator is forgetting the real point of his amendment.

Mr. REYNOLDS. Mr. President, will the Senator from Washington yield to me?

Mr. SCHWELLENBACH. I yield.

Mr. REYNOLDS. A moment ago, in explaining his amendment, the Senator from Washington made reference to orchards covering 15 or 20 acres. Am I to assume that the Senator had in mind the protection of the small producer?

Mr. SCHWELLENBACH. The production of the small producer as compared with the larger producer. In other words, the small producer cannot afford to have the capital investment in the warehouse, the washing machinery, all of the necessary incidentals to this operation, while the larger producer can afford them, and he is exempt from the provisions of the bill.

Mr. REYNOLDS. The small producer would hardly have more than 8 or 10 men employed in the gathering of a crop?

Mr. SCHWELLENBACH. He takes his apples to a warehouse, however, and there are more than 8 or 10 employed in the warehouse.

Mr. REYNOLDS. In that instance would not the Senator's amendment exclude from the provisions of the bill the larger cold-storage plants, where there are employed hundreds of men, and would not the amendment of the Senator from Washington really exempt from the provisions of the law the larger refrigerating plants throughout the entire country?

Mr. SCHWELLENBACH. I limit my amendment to employees who are working upon products from the immediate area, products in their raw or natural state, in their preparation, packing, and storing. I do not think that in those operations there would be any large or enormous plants such as the Senator has in mind.

Mr. REYNOLDS. I gathered from the terms of the amendment that it would actually remove from the provisions of the bill the larger cold-storage plants throughout the country. Of course, many of them we find in the cities of New York, Chicago, St. Louis, San Francisco, and Seattle.

Mr. SCHWELLENBACH. Those are not in the immediate production area.

Mr. REYNOLDS. But they would be included.

Mr. SCHWELLENBACH. No; they would not be included because they are not in the immediate production area.

Mr. COPELAND. Mr. President, may I ask the Senator from North Carolina a question?

Mr. SCHWELLENBACH. I yield to the Senator from New York.

Mr. COPELAND. Let me ask the Senator from North Carolina whether in all probability the point I have in mind is not provided for in the amendment he offered, which has just been adopted. His amendment, as I understand, applies the bill to those who employ 10 or more persons. Is that correct?

Mr. REYNOLDS. That is correct.

Mr. COPELAND. As the Senator understands his amendment, does it mean that to a fruit farm such as I have described, unless there are in excess of 10 persons, the act would not apply?

Mr. REYNOLDS. Under my amendment any firm, individual, association, or corporation employing 10 or a less number of persons would not be subject to the provisions of the bill. That is why I made inquiry a moment ago as to whether or not the small producers of apples would not be reached by it. What I am particularly interested in ascertaining as to the amendment is whether or not it will be of material benefit to the small producer. I expect in a few moments to offer an amendment eliminating tobacco warehouses. There are 57 of them in North Carolina, and their work is seasonal. Eliminating them from the provisions of the proposed law would benefit the tobacco farmers of my State. So I am assuming that the amendment offered by the Senator from Washington would actually be of benefit to the small fruit growers of his State. That is the intent, is it not?

Mr. SCHWELLENBACH. That is the purpose of it.

Mr. REYNOLDS. That is all I wanted to find out about it.

Mr. BORAH. Mr. President, I should like to offer an amendment and have it read and lie on the table.

The PRESIDING OFFICER. The clerk will read the amendment.

The CHIEF CLERK. It is proposed, on page 60, line 20, to strike out the period at the end of the line and insert a comma and the following:

And provided further, That the provisions of this paragraph (c) shall not apply to employees employed in a plant located in dairy production areas in which milk, cream, or butterfat are received, processed, shipped, or manufactured.

Mr. CONNALLY. Mr. President, I should like to ask the Senator from Washington a question. Would not the effect of his amendment be to exempt all industrial warehouses and packing plants in apple territory? There is no limit. The condition is that they are packing plants, and if they are, they are exempt.

Mr. SCHWELLENBACH. If a packing plant is working upon fresh fruits or vegetables, in their raw or natural state, within the immediate production area, it would be exempt.

Mr. CONNALLY. My understanding is that the largest apple-packing plant in the world is located at Winchester, Va., right in the heart of a great apple-producing region. That would be exempt, would it not?

Mr. SCHWELLENBACH. If the work done in that plant is as described in the amendment, it would be exempt.

Mr. CONNALLY. Why should a man engaged in packing apples be exempt, and a man packing lemons, or oranges, or grapefruit, not be exempt? What is there about apples that makes them entitled to exemption?

Mr. SCHWELLENBACH. There is one very important thing about apples, so far as I am concerned, as compared with grapefruit, and that is that we grow apples in the State of Washington. [Laughter.]

The purpose of the amendment is not for the protection of the packing plant or for the protection of the owners of the packing plant. The cost is paid by the producer. These packing plants just pass the cost back to the man who produces the apples. The farmer pays the bill. The purpose of the amendment is to permit the small farmer, who cannot afford to have his own warehouse and cannot afford to have his own washing machine, to be placed upon a parity with the larger producers, who can afford to maintain their own warehouses and their own washing machines and their own equipment.

Mr. BARKLEY. Mr. President, will the Senator from Washington yield?

Mr. SCHWELLENBACH. I yield.

Mr. BARKLEY. I suppose that any establishment dealing with apples as they come from the orchard is dealing with them in their raw state.

Mr. SCHWELLENBACH. That is correct.

Mr. BARKLEY. There are many things which may be made from apples—for instance, applesauce, which I presume

is not included within the regulations of the bill. But if we provide for the exemption of plants which are dealing with apples as a raw material, we include practically all plants which deal with apples, because they deal with them only as raw materials. Is that true?

Mr. SCHWELLENBACH. No; I think the Senator is incorrect in that suggestion. The exemption applies when they deal with them in their raw or natural state. If they start making cider out of them, or start making apple sauce out of them, then they are processing and not dealing with them in their raw or natural state.

Mr. BARKLEY. They are dealing with the apple in its raw state.

Mr. SCHWELLENBACH. Not after they put it through the first grinder. It then ceases to be in the raw or natural state.

Mr. BARKLEY. Somewhere between the apple and the cider this proposed law will take effect. [Laughter.]

Mr. SCHWELLENBACH. I do not think there would be any difficulty as to a construction of that kind, because once it gets to the point which the Senator from Kentucky describes, then it becomes processing, and there is no inclusion of processing in the amendment.

Mr. BLACK. Mr. President, will the Senator yield to me?

Mr. SCHWELLENBACH. I yield.

Mr. BLACK. Would the amendment apply to a cannery?

Mr. SCHWELLENBACH. No.

Mr. BLACK. What would be the definition of the word "prepare"?

Mr. SCHWELLENBACH. "Prepare in the natural or raw state" is washing.

Mr. BLACK. It is limited, as the Senator understands, to the fruit as it actually comes from the tree?

Mr. SCHWELLENBACH. Yes.

Mr. BLACK. The Senator knows that the committee has tried to provide and is favorable to a complete exclusion of activities which are purely agricultural. We have tried to write the bill in such a way as to take care of that situation. What about the "area"? What would be the definition of "area"? Would it not be possible to define it more clearly to get the effect?

Mr. SCHWELLENBACH. I gave considerable thought to that. I do not believe it is possible, and that is something which the board, which has been accused of receiving too much power, would have to decide. It would have to provide a definition of "immediate production area."

Mr. BLACK. The Senator believes that in order to obtain the effect of what the committee has tried to do in writing the bill, it is essential that this amendment be adopted insofar as this particular type of business is concerned?

Mr. SCHWELLENBACH. I feel so, and it is for that reason that I am offering the amendment.

Mr. BLACK. May I ask the Senator whether he has conferred with the Senator from Florida [Mr. PEPPER] as to this particular amendment?

Mr. SCHWELLENBACH. No; I have not.

Mr. BLACK. The Senator from Florida has been very helpful in connection with the agricultural features of the bill and the agricultural functions, and I would very much appreciate it if the Senator from Washington would not ask for a vote, but would withdraw the amendment and discuss it with the Senator from Florida. I will say to the Senator that if it is satisfactory, and he believes it is in line with this definition, I shall not object to it.

Mr. SCHWELLENBACH. At the suggestion of the Senator from Alabama [Mr. BLACK], I will temporarily withdraw the amendment.

Mr. REYNOLDS. Mr. President, I offer an amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the amendment reported by the committee it is proposed to insert the following:

The provisions of this act shall not apply to tobacco warehouses, their employers or employees.

Mr. REYNOLDS. Mr. President, North Carolina is the greatest producer of tobacco of any State in the Union. Of course, it is unnecessary for me to state that its grade of tobacco is considered the best of any in the world. In North Carolina we have approximately 57 tobacco warehouses. They are in actual operation only a few months out of each year. As a matter of fact, the farmer himself is the one who eventually pays the cost of operation of the warehouses; and I think these warehouses should be excluded from the provisions of the bill.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. LA FOLLETTE. Did I correctly understand the Senator to say that employment in tobacco warehouses is seasonal in character?

Mr. REYNOLDS. As a matter of fact, they are open for only several months of the year. I should say they are open not more than from 3 to 4 months of the year. In eastern North Carolina, of course, the market season is different than that in western North Carolina, where is grown the superior burley quality; but the warehouses as a rule are closed about 9 months of the year.

Mr. LA FOLLETTE. So the persons who are employed in these warehouses have only 3 or 4 months' employment during the year?

Mr. REYNOLDS. That is all. Perhaps one or two men are employed throughout the year merely in the capacity of watchmen or repairmen; but, as a rule, the warehouses are in actual operation only during the selling season. In view of that fact I think they should be exempted from the provisions of the measure, because, after all, the small producer, the small farmer, is the one who actually pays the cost of operation.

Mr. LA FOLLETTE. How many persons are usually employed in such a warehouse?

Mr. REYNOLDS. That, of course, depends entirely upon the size of the warehouse. In North Carolina we have the largest tobacco warehouses in the world, but we also have quite a number of the smaller warehouses. They employ anywhere from 10 to 40 or 50 persons, according to the square-foot area and capacity of the warehouse. I recall that yesterday the Senate agreed to an amendment which gave protection to a number of agricultural enterprises. The amendment was offered by the Senator from Oregon [Mr. MCNARY]. I am of the opinion that warehouses which employ from 40 to 50 persons during the time they operate should be excluded from the provisions of the bill.

Mr. LA FOLLETTE. If the employment is absolutely seasonal in character——

Mr. REYNOLDS. Yes; it is seasonal in character.

Mr. LA FOLLETTE. While I do not believe the bill should be emasculated by a long series of exemptions, yet, if there is to be an exemption for seasonal work in relation to fruits and vegetables, I cannot see that we are in a very good position to resist an amendment which is designed exclusively to provide an exception for a purely seasonal occupation in connection with the harvesting and marketing of tobacco.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield to the Senator from Kentucky; and in yielding I wish to say that I have high hope that the Senator from Kentucky will be favorable to this amendment, because there are many tobacco warehouses in Kentucky which are in the same position as those in North Carolina.

Mr. BARKLEY. With respect to this amendment, I wish to say in a preliminary sense that I think the only rivalry existing between the States of North Carolina and Kentucky is in the production of tobacco. I think North Carolina produces more tobacco, but Kentucky produces better tobacco, so that we average up pretty well in the matter of tobacco.

Mr. REYNOLDS. Mr. President, I dislike to disagree with the Senator from Kentucky in that respect, but I must.

Mr. BARKLEY. With respect to this amendment, it is true that in the entire tobacco region—North Carolina, Tennessee, Virginia, Kentucky, and every other State where tobacco is produced—many warehouses which are devoted only to the receipt of tobacco brought in by the farmers during what they call the tobacco season—which varies in

different sections of the country, as the extent of the season also varies—operate only for a period of 3 or 4 months. Some of these warehouses are cooperative, and are owned by the farmers themselves. The farmers deliver their tobacco to the warehouses, and the tobacco is received by the organization of which the warehouses are a part for resale to the private tobacco market, largely dominated by some very large tobacco interests that have their situs in the Senator's State and elsewhere.

There are certain tobacco warehouses, however, that are not seasonal. I am afraid the language of the Senator's amendment would include them all. There are some tobacco warehouses to which the tobacco is delivered during the tobacco season, but during almost the whole year the warehouse operators engage in the process of prizing and stripping and stemming. I do not think the Senator means to exempt warehouses of that sort that engage in more or less year-round activity.

Mr. REYNOLDS. No; that is not my intent, and I shall be very happy indeed to accept the suggestion of the Senator from Kentucky and provide whatever phraseology is necessary to be added to the amendment itself so that it will bring about the exemption of only those warehouses which are, as it might be said, engaged in seasonal work.

Mr. BARKLEY. I suggest to the Senator that at the end of his amendment there be added the words "where the employment is seasonal in character."

Mr. REYNOLDS. I shall be very glad to accept those words as part of my amendment, Mr. President.

Mr. SMITH. Mr. President, is there not a clear definition of the functions of these warehouses in the names they bear? The Senator referred to a place where tobacco is prepared after it goes through the warehouse. Such places are called stemmeries; are they not?

Mr. REYNOLDS. Yes.

Mr. BARKLEY. That work is not altogether done in stemmeries. In some States a considerable part of the work goes on in the warehouses, and the buildings are referred to generally by the public as warehouses.

I ask the Senator from North Carolina if he will accept the language I have suggested?

Mr. REYNOLDS. I accept the language suggested by the Senator from Kentucky as part of my amendment.

Mr. BARKLEY. This situation applies to other States, as well as to the State of North Carolina.

Mr. GLASS. Mr. President, we have tobacco warehouses in Virginia, and I have never known one that has been engaged in the work of stripping and preparation of tobacco. That is done in the tobacco factories.

Mr. BARKLEY. Virginia produces a different type of tobacco from that produced in my State. In my State there are many of these establishments which are known as warehouses, and are referred to by the public as warehouses, in which the receipt of the tobacco is seasonal, but they continue the operation of prizing and preparation during a considerable part of the year.

The PRESIDING OFFICER. Is the Chair to understand that the Senator from North Carolina has accepted the modification of his amendment proposed by the Senator from Kentucky?

Mr. REYNOLDS. Yes; I accept that modification.

Mr. OVERTON. Mr. President, will the Senator from North Carolina yield?

Mr. REYNOLDS. I yield.

Mr. OVERTON. I desire to ask the Senator a question. I did not follow his amendment very closely. I think some modification has been made of his amendment. I wish to ask him whether cotton compresses and cotton warehouses are included in the amendment.

Mr. REYNOLDS. The intent of the amendment which I offered is merely to exclude tobacco warehouses that are engaged in what may be called seasonal work, from 2 to 3 months in the year; and I accepted as part of my amendment language suggested by the Senator from Kentucky [Mr. BARKLEY] to make that intent more clear.

Mr. OVERTON. Is there any difference in the duration of operation between a cotton warehouse and a tobacco warehouse?

Mr. REYNOLDS. I made mention only of tobacco warehouses.

Mr. OVERTON. Are not cotton compresses and cotton warehouses engaged in as seasonal work as tobacco warehouses?

Mr. REYNOLDS. I suppose they are.

Mr. OVERTON. Would the Senator have any objection to including in his amendment cotton compresses and cotton warehouses?

Mr. REYNOLDS. No; I should have no objection, because in that instance also the little producer or farmer pays the bill, as I understand. I should have no objection to including in my amendment the language suggested by the Senator from Louisiana, because the work in the cotton warehouses and cotton compresses is purely seasonal.

Mr. OVERTON. Mr. President, yesterday the Senator from Oregon [Mr. MCNARY] offered an amendment, which was agreed to by the Senate, which exempted cotton ginning from the workweek provisions of the bill. It does not exempt cotton ginning, however, from the wage provisions of the bill. As I understand the amendment of the Senator from North Carolina, it will exempt the warehousing of tobacco altogether from the provisions of the bill.

Mr. REYNOLDS. It is eliminated entirely from the provisions of the bill.

Mr. OVERTON. I think the Senator from North Carolina will agree with me—at least I hope he will—that his amendment should include cotton ginning and baling, compressing and warehousing.

Mr. REYNOLDS. I shall be glad to include them in the provisions of my amendment.

Mr. OVERTON. Then I ask the clerk to report from the desk the amendment as modified.

The PRESIDING OFFICER. The Senator from Louisiana offers an amendment to the amendment of the Senator from North Carolina, and the clerk will report the amendment as modified.

The LEGISLATIVE CLERK. The amendment, as modified, reads as follows:

The provisions of this act shall not apply to tobacco warehouses, cotton compresses, cotton warehouses, cotton ginning and baling, their employers or employees, where the employment is seasonal in character.

The PRESIDING OFFICER. Does the Senator from North Carolina accept the amendment of the Senator from Louisiana?

Mr. REYNOLDS. I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina, as modified.

Mr. BLACK. Mr. President, I sincerely hope the amendment will be promptly voted down. In my judgment, there is no reason for continuing to make exemptions with reference to every kind of processing that can be done. In the first place, the bill itself——

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Texas?

Mr. BLACK. I yield.

Mr. CONNALLY. Is it not entirely possible that all exemptions will be eliminated in conference?

Mr. BLACK. That may be entirely possible. I do not know what the House will do.

Mr. CONNALLY. The amendments which the Senate adopts will probably be deleted and eliminated in conference.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Kentucky?

Mr. BLACK. I yield.

Mr. BARKLEY. Of course, this being a Senate bill, if it were agreed to by the House, the bill would not even be in conference.

Mr. CONNALLY. The Senator from Kentucky is more optimistic than he usually is in that view. He says "if agreed to by the House"; but the House is already in disagreement with this bill. The committee of the House this morning, I understand, modified the bill so as to give the board power to fix wages as high as 70 cents an hour and hours as low as 35 a week. So that does not indicate that the House is thinking along the same lines as is the Senate.

Mr. BLACK. Mr. President, I dislike very much to disagree with my good friend the Senator from North Carolina [Mr. REYNOLDS] and the senior Senator from Louisiana [Mr. OVERTON]. This bill, however, in its present form provides proper exemptions under a proper statement of facts relating to seasonal activities. It is my belief that, if by name we exempt particular businesses, the dictionary should be searched and the knowledge of each Senator should be searched with reference to the particular activities within his own State—and I may say that some of these businesses have relation to the section of the country from which I come—and simply put them all in at once.

Mr. BONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. BLACK. I yield.

Mr. BONE. It becomes evident that if many more amendments of the character suggested are to be offered, it is going not only to come to a point where we might as well adopt a blanket amendment removing from the bill all seasonal employment, for if we eliminate some seasonal activities it would seem only reasonable that we should exempt from the provisions of the bill seasonal industries in all forms. I do not think that was the desire of the Senate or of the author of the bill.

Mr. BLACK. May I say to the Senator that, recognizing that there are some seasonal activities which raise different questions, we attempted to provide for them by the proper type of investigation by an agency that would investigate the question and would adopt regulations to suit the various types of seasonal activities. From my own personal knowledge, it is my belief that some of the things, as I said yesterday, which are included in this amendment are of such types that the provisions of the bill should not be applied to them with the same strictness with which they should be applied to other activities.

Mr. OVERTON. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Louisiana?

Mr. BLACK. I yield.

Mr. OVERTON. I understood the argument heretofore made by the very able and brilliant Senator from Alabama, who has charge of this bill, to be that it was the serious and bona-fide purpose and intent of the committee to exempt agriculture and those engaged in agriculture.

Therefore, under the provisions of the bill as it now stands, unquestionably purely agricultural operations would be exempted. Take the cotton farmer or planter who employs labor to plant his cotton. The labor so employed does not come under the provisions of this bill. The labor he employs in picking cotton does not come under the provisions of the bill. The labor he employs in hauling his seed cotton to the gin does not come under the provisions of the bill. But the cotton farmer, when he has his cotton ginned, has to pay for the ginning. It is a burden that is imposed upon the farmer. It is as much a burden as is the picking of the cotton and the planting of the cotton and the hoeing of the cotton. It is a step in the process of getting his agricultural product to market, and the ginning of the cotton is just as essential to getting the cotton to market as is the picking of the cotton in the field. Why, then, should those who are engaged in the ginning of cotton, the cost of which operation is imposed directly upon the farmer, come under the provisions of this bill? Why should they not be regarded as others who are engaged in labor connected with agriculture and the marketing of agricultural products?

Mr. REYNOLDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. BLACK. I yield.

Mr. REYNOLDS. I merely wish to make the observation that the Senator's argument would apply equally to tobacco farming.

Mr. OVERTON. I have no doubt that that is absolutely correct; and the same argument applies to the compressing and to the baling of cotton. It seems to me, if the Senator in charge of the bill desires to exempt those engaged in agricultural pursuits, that he should accede to this amendment. I thank the Senator for yielding to me.

Mr. BLACK. Mr. President, if I may be permitted to speak, I was just about to say something about compresses. I do not understand that the compresses fit at all into the picture which has been drawn. I do not understand that it is necessary that compresses work long hours. They work throughout the year. They work when the cotton is brought to them. There is nothing perishable about the cotton. I can see no earthly reason why a cotton compress at a port should be exempted from the provisions of the bill.

Mr. REYNOLDS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from North Carolina?

Mr. BLACK. I yield.

Mr. REYNOLDS. I should like to ask the Senator if he would object to the adoption of an amendment exempting tobacco warehouses.

Mr. BLACK. I may say to the Senator I do not think that this is the proper way to provide exemptions for activities if they are entitled to be exempt. I think it is not right to take some types of business as to which the suggestion happens to be made here and ask for an amendment to exclude them, unless we are going to do away with the other provisions which give authority to the board to consider seasonal activities. Knowing the Senator's belief in the value of legislation of this kind, I know that he does not want a single exemption to be made legislatively or under the action of a board that would require long hours to be worked unnecessarily or wages to be paid that are below a standard of decency and the necessity of the person and which will fit the case. Bearing that in mind, may I say to the Senator that we have provided in the bill a system which would really determine those facts on a basis of knowledge of the industry gained from the introduction of evidence. The hearings would be public. It was stated yesterday by the Senator from Idaho [Mr. BORAH] that before the board the low-paid wage earners would not have a voice; that they would not be able to come to Washington. That is probably correct. It might also be stated that they are not here now; they are not here today. They have not been here during the past week.

Some of them can write letters and pay for postage stamps, but unfortunately they cannot employ anyone to write letters for them. Accordingly, it is necessary that we bear in mind this mute, inarticulate group if we are going to attempt to enact legislation to take care of the situation in the proper way.

We need to do that when we consider the statement with reference to the destruction of industry. Industry is important, but it is only important insofar as it relates to and serves human beings. Destruction of human beings after all ought to be entitled to an equal place with destruction of industry, big or little. I am speaking on the floor of the Senate not merely for the industries which some say might be jeopardized, but I want to try to say something for the human beings who have been jeopardized and who are today jeopardized by the working conditions under which they are compelled to live. They cannot appear before the Congress. It is true they cannot appear before the board in Washington.

I sincerely hope that those good friends of the measure such as the Senator from North Carolina [Mr. REYNOLDS] who has offered this amendment, will recognize that we have taken care of the situation. I hope that the Senator from North Carolina, whose heart I know beats in sympathy with

those whom the bill is trying to protect, will join with me and that he will withdraw his amendment and aid me in seeing that we do not further emasculate the bill or make it possible to do so.

Mr. SMITH. Mr. President, I have a memorial signed by certain gentlemen of my State who met with some of us day before yesterday to protest against the passage of the pending bill. I am acquainted with each and every one of them. They represent a cross section of the different occupations of my State. Without having it read, I ask that it may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

To the South Carolina Congressional Delegation:

The undersigned representatives of agriculture, commerce, and industries of South Carolina designated to appear before the South Carolina delegation in Congress present their objections to the Black-Connery bill:

1. So much legislation affecting business has either been enacted or projected that investment of capital has been discouraged. The effect of this can be easily imagined. The South needs capital; it has great resources awaiting development.

2. If this bill is intended to increase the purchasing power of an industrial group, it does so at the expense of all those who buy but do not enjoy the benefits of the bill.

The first effect of the operation of such a law would be to dislocate industry and increase unemployment. Those industries which cannot operate on the projected pay and time scale would be forced out of business, leaving their employees without work and compelling the Government to maintain a permanent W. P. A. or else break down the unemployment-insurance funds through too heavy and precipitate a strain.

3. So far as labor is concerned, this bill is entirely unnecessary, since by the Wagner Act the great arm of the Government guarantees and protects labor in negotiating with capital.

4. In common equity, all those who labor should enjoy the same consideration, whatever may be the field of work. If agriculture cannot operate on such a pay scale, it is equally true as regards other work.

5. All our experience has proved the ineptitude of bureaucratic authority over production and distribution. The Food Administration and the Fuel Administration and many other boards and commissions have proved that in a country of such vast extent as ours, with such a variety of interests, such social and economic peculiarities as found in some sections, one body, one commission, cannot administer the law in intimate detail.

This is a nation of small businesses. What makes the Nation is not a great number of Du Ponts but a vast number of small enterprises struggling to survive and to expand.

The Black-Connery bill will freeze the advantages to the vast aggregation of capital and exclude the little man.

This bill will make necessary further use of machinery, reducing the labor load and labor employment, closing down the underprivileged because of his poverty and deny him the right to survive in a small independent enterprise and commit him to perpetual industrial vassalage.

Labor will shift to those paying a higher wage, compelling all employers to meet the scale or shut down. This bill will rest most heavily on the farmers, because it will increase the price of all he buys, all the costs of processing aggregating a considerable increase in prices, paid by him, while all that he produces and sells is sold on a world market over which he has no control and in which he has no voice.

We regard all this tendency is government as opposed to the fundamental American doctrine of free bargaining and free choice.

The Nation needs nothing so much as a breathing spell so that adjustments may be made to operate according to laws we already have. We believe that without further restriction or legislative intimidation our business could and would absorb most of the unemployed capable of work and willing to work.

J. B. Britton, Sumter; A. L. M. Wiggins, Hartsville; J. Roy Pennell, Spartanburg; Winchester Smith, Williston; W. P. Jacobs, Clinton; Thomas Brice, Sumter; J. B. Mahoney, Charleston; C. G. Timberlake, Hartsville; C. L. Cobb, Rock Hill; J. C. Cauthen, Rock Hill; J. K. Breedin, Manning.

Mr. SMITH. Mr. President, while I am on my feet I want to submit some observations, some of them very pertinent.

I am the last one—I was about to say on this side of the Chamber, but I cannot say that now, but I am the last one of the so-called Democrats—and I am a real Democrat—who came into the Senate at the time I did. Only one Member of this body has served longer continuously than I, and he is the Senator from Idaho [Mr. BORAH].

Since the War between the States the section to which I belong, by force of conviction and horrible and unfortunate circumstances, has been solidly Democratic. During all that long period we never were able, except when the Republicans for some temporary reason split, to elect a President of the United States. Through all the years we were fondly hoping that the time would come when we could elect an administration upon the principles of democracy which some of us cherished and in which we believed, and though defeated year after year and time after time, the solid South was never dismayed.

There were factors entering into the conditions prevalent in my section that did not exist elsewhere, and we were hoping that some time there would come into existence a Democratic administration which would fully realize the difficulties under which the South has labored all through the years and yet maintained her political integrity and faith.

In 1933 we thought the time had come when the problems and burdens peculiar to the South would be recognized, and her economic and social conditions so recognized as to give her an opportunity to express herself once again in the councils of the Nation.

What are some of the facts? I feel so intense about this matter, Mr. President, that it is difficult for me to approach the subject with any degree of so-called conservatism. Time after time, for miserable political reasons, there has been injected into this body, naturally from the other side of the aisle, what is known as an antilynching bill. Every Senator, every man decent enough to be a Member of this body, knew that the section to which I belong was faced with a problem that would try the stoutest of hearts. We had the problem of slaves, imported from an unfortunate place—unfortunate in the terms of comparative civilization—who became one of the causes of the war between the States. In a moment of hate and passion, engendered by the bloodshed incident to that war, there were written two amendments to the Constitution which in the years to come will stand as a monument to the extreme to which passion and hate can go. By a stroke of the pen an attempt was made to do what it took us hundreds of years to bring about in the type of civilization which we exemplified. By a stroke of the pen the majority of those totally unfit for the purpose were injected into the blood stream of American politics. We protested, and, be it said to the everlasting honor of those on the other side who introduced it, they did not attempt really to enforce it.

Every Senator present knows that the antilynching bill is introduced for no other reason in the world than a desire to get the votes of a certain race in this country.

The element of recognition of what is called the injustice done is present, perhaps, to the extent of less than one-half of one percent. There is not a man in the South worthy of the name of citizen—and millions there are worthy of that name—who is not as much opposed to mob murder as are the sacrosancts who introduce the measure, in the abundance of their desire to see their State purged of this blot.

What they desire to see is ballots put in the box to send them back here, in order—even though it humiliates a proud section of the country—that they may return home and say, "See what I did for you."

Year after year, the law-abiding citizens of my section of the South have resisted the tide of mob rule, and gradually have decreased it with all the power of court and public opinion, until, thank God, it is gradually vanishing. We have not attempted to go into other sections and demand that the innocent shall pay for the victims of racketeering. We have said, "Come and sympathize with us, but leave the jurisdiction of the law to us, who ourselves are struggling with a tremendous problem."

I shall have more to say about that matter when that blistering commentary on American politics, managed by men who claim to be white people—that blistering commentary on the depths to which a desire for election can sink an individual—again comes before this body.

Again, I said I thought our section would be amply provided for along all proper lines. In the first convention that met in Philadelphia, under the auspices of the Democrats, the cards were already stacked so that the renomination of the present President was practically a foregone conclusion.

What did the delegates do at that convention? They repealed the two-thirds rule. Every man here from the South knows that the only guarantee the South had of a voice in nominating our standard bearer was the two-thirds rule. The only voice the solid South had in saying who should be our standard bearer was in the two-thirds rule, the guaranty of some rights to the minority. It was abolished; and now it is possible for a very few of the great cities and the populous States to unite and ignore the southern vote. We had as well not send delegates to the national convention if the two-thirds rule is no longer to obtain.

Antilynching, two-thirds rule, and, last of all, this unconscionable—I shall not attempt to use the proper adjective to designate, in my opinion, this bill! Any man on this floor who has sense enough to read the English language knows that the main object of this bill is, by human legislation, to overcome the splendid gifts of God to the South. There is not a man here but knows that that is the object of the bill. I talked to a Senator on the floor of this body and said, "In the name of the God of justice, you are not going to vote for this bill, are you?" He said, "Yes; I am." I said, "Why?" "Why," he said, " all our cotton mills have gone South, and we want to get them back."

The cotton mills left old England because it was more profitable to manufacture cotton in New England. Then, after the paralysis of the war, when a little capital began to trickle into my devoted section, even shrewd New Englanders thought, "Well, the raw material is right there. Splendid water power is right there. Why should not I move my mill to a place where I will eliminate freight on the raw material and freight on the finished product? They have good ports out of which to export the finished product. They have good railroads that will transport it to the interior."

God did it. I did not. He gave us a climate that did not require very much clothing, and did not require very much heat during the winter, and where something edible grows the 12 months around, where the windows can be opened and healthy breezes can ventilate the factories; so the textile mills came South. It did not require as much to support either employer or employee in my section as it did in the less fortunate climates of the Northeast.

This bill proposes, by a process of higher wages and added expense, to counteract the handicap of the Northeast. There is not a man here who can deny it—not one. This whole bill, whether intentionally or otherwise, is based upon the principle of checking the inevitable rise of the South from the lowly condition in which the War between the States left it. With more than 70 percent of the standing timber of the Nation, with a varied production the like of which the world cannot exceed, from the Tropics clear up to the splendid breezes of our mountains, we can grow almost anything; and I had hoped we had grown a crop of patriots who could not be seduced or bought. But I found out, Mr. President, that we had two kinds of patriots in this country and down in my section as well. There were p-a-t-r-i-o-t-s—they are down to a pretty thin stand; and there are p-a-y-t-r-i-o-t-s. God knows, they are as thick as fleas. [Laughter.] The p-a-y-t-r-i-o-t-s have got us going.

I want to read a section of this bill. To think that such a proposal should be made here, in the House of what we thought were our friends, under the banner of that old name which in the horrible days of reconstruction and the first decade subsequent to that horrible war was our "pillar of cloud by day and fire by night", we patiently waiting for the time to come, in the gracious mercy of the Creator, when He would give us a Democratic administration! I want to read you one section of this patriotic proposal, and let every man who has sense enough to be out of St. Elizabeths listen. [Laughter.]

Whenever the board—

The board—

shall determine that any substandard labor condition exists in the production of goods in one State and that such goods compete to a substantial extent in that State with other goods produced in another State and sold or transported in interstate commerce, in the production of which such substandard labor condition does not exist, the Board shall make an order requiring the elimination of such substandard labor condition and the maintenance of the appropriate fair labor standard in the production of goods which so compete.

In other words, if South Carolina's living conditions are so kindly that it takes only 50 cents a day, for illustration, to enable one to live comfortably and reasonably, and in the New England States it takes a dollar and a half a day to buy the necessary coal and have windows in the houses so constructed that people will not suffer, then the wage in South Carolina shall be raised to a dollar and a half.

Why, in the name of common sense, do not some of these people call in God, and tell Him that He must stop this thing of making one section more advantageous than another section for the production of a given article? Why do we not bring Him down here and tell Him that it is a miserable crime to give one man more brains than another man? [Laughter.] But we are indicating to Him how He ought to run the universe, that our natural advantages must be wiped out; in the name of what? In the name of the fear that I will not have an opportunity to fill this seat again.

Who will dispute that? Of course Senators may get up and deny it, but everybody believes that I am telling the truth 100 percent. [Laughter.] The whole miserable, philanthropic, and eleemosynary spirit that seems to be the psychology of this body is nothing but a vote-getting project. You know it, and I know it. Why not face it? You may be able to force this thing on the South, but a false principle wrought into real life will work itself out in disaster.

Though the mills of God grind slowly,
Yet they grind exceeding small;
Though with patience He stands waiting,
With exactness grinds He all.

If I did not believe that I would not believe in God.

I have cited some instances to show with what tender care the party to which we have given allegiance for so long is treating the devoted section to which I belong. I cannot conceive how any man from the South or any honest man from the North can vote to support this piece of legislation. It used to be the boast of some of my colleagues here that in their youth they had to eat the hard bread of poverty and destitution; but the hardships of their youth became the golden ships of their manhood and mature years; the hard grilling of necessity was the gracious mother of their future success.

There is an old Latin adage that has never been improved upon: Ad astra per aspera—"To the stars through struggling." We never will amend that. There is being created in this country a psychology that will so snap the sinews of energy and enervate the populace that we will sink into the kind of a chasm that engulfed Rome, and we may not escape.

I said sometime ago, and I repeat, we will have to loosen up our immigration laws and bring people here to work. Nearly every American is on the Government pay roll: We will have to get workers from somewhere.

Now we are reversing the concept of America by attempting to stipulate the wage that shall be paid by every manufacturer and everyone in business, whether he is able to pay it or not. Under such an exacting law every establishment in America would be frozen.

Mr. President, I am going to live and die a Democrat, a pure, honest-to-God Democrat, without fear or favor or shadow of turning. I rather think it will be a pretty lonely journey. But there is a character in the Bible whose experience I wish every man here could read and appreciate—the character of Job. When the devil brought in his philosophy Jehovah said, "Hast thou considered my servant Job, that there is none like him in the earth, a perfect and upright man?"

The devil said, "Yes; I have. You have made him a rich man. You have given him patronage, and you have given him everything, and why should he not be perfect?"

God said, "I have faith in Job's integrity, in spite of the money he has, and the possessions he has, and the patronage he has."

The devil said, "Yes."

God said, "Behold, he is in thine hand."

The next time the devil came back he said he was a little mistaken about that, that Job loved his people and his retainers, and that he would give everything for them.

God said, "So you think his integrity inheres in his love for his kin?"

The devil said, "Yes; but all that a man hath he will give for his life. Put forth thine hand now, and touch his bone and his flesh, and he will curse Thee to Thy face."

God said, "All right; go and cover him with sores. Give him everything, but do not touch his life."

The devil never came back. That was the final acid test, and, paraphrasing Job's expression, "Though truth and integrity slay me, yet I will be true."

God grant that American Senators may so be imbued with the spirit of American democracy that no office can seduce them, no money can defile them, and no hope of reward swerve them from their conviction of right.

If Senators will excuse a personal allusion, I never thought the time would come when I would be put to the test of deciding whether I would rather sink to this level or be right. I made my choice. There are not votes enough, there are not offices enough, to make me turn apostate and repudiate my faith in the belief that political honesty and integrity is one with personal interest and integrity.

Do not think that because I have called attention to these beautiful gifts handed out to the South you are going to drive me out of the Democratic Party. I am afraid there are many calling themselves Democrats who lack a great deal of being Democrats. I long ago learned that putting a label on a thing did not change the contents, that labeling a vial of strychnine "sugar" did not make it sugar by any means."

Here is the last and final measure which, if enacted into law, will arrest forever, perhaps, in your time and mine, the hope of progress in the South.

I thank the Senate.

Mr. LA FOLLETTE. Mr. President, when the pending bill was under consideration in the committee the members of the committee fully realized that there were certain seasonal industries which of necessity would have to be excluded from the provisions of the bill. After careful study and after considering many of the amendments, some of them in identical form with those now being offered by individual Senators, the majority of the committee came to the conclusion that it was impossible to provide specific exemptions for industries which were seasonal in character, and therefore entitled to exemption, without emasculating the provisions of the bill, and without extending the exemptions to many related activities which obviously should come within the purview of the proposed legislation.

Therefore, the committee provided that the board should have power to grant exemptions and to make exceptions for seasonal industries, after a proper showing had been made before the board that they were entitled to such exception or exemption.

The difficulty in attempting to write specific exemptions into the bill on the floor in the form of amendments is that in many instances the amendments will be so drawn that in their application they will grant exemptions to many operations to which, if the bill is to be enacted at all, it should apply. Take, for instance, the amendment which is now under consideration. When the junior Senator from North Carolina offered the amendment I asked him whether employment in tobacco warehouses was seasonal in character, and he stated that it was.

However, the Senator from Kentucky pointed out the fact that many warehouses in his State employ their personnel upon a yearly basis; and it was upon his suggestion that the Senator from North Carolina accepted the language providing that tobacco-warehouse employees shall be exempted from the provisions of this bill only in cases where their employment is of a seasonal character.

The senior Senator from Louisiana [Mr. OVERTON] suggested, and the Senator from North Carolina has accepted as part of his amendment, the exemption of cotton gins and cotton-compressing establishments. Of course I am not as familiar with the operation of the compressing plants, if I may use that term, in connection with cotton as are the Senators from cotton-producing States. Nevertheless, I have visited cotton-compressing establishments; and they operated, according to my observation, exactly as a manufacturing plant would operate.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CONNALLY. Is the Senator now referring to a cotton gin?

Mr. LA FOLLETTE. I am referring to establishments where cotton is compressed into bales.

Mr. CONNALLY. That is done first in gins and then the cotton is recompressed in compresses.

Mr. LA FOLLETTE. I am now discussing the compress.

Mr. CONNALLY. I will say to the Senator from Wisconsin that during the cotton season the operation of the compresses are very largely seasonal, but of course they maintain a skeleton organization the year around, because a little cotton may drift in. Naturally their work is done during the cotton season, which is 3 or 4 months, because it is then that the great volume of cotton is moving; but, of course, they do some compressing throughout the year.

Mr. LA FOLLETTE. The information I obtained at the particular compress I visited was that there was a seasonal peak when a large force was employed and the compress operated 24 hours a day, but that during the off-season there was a sufficient amount of work to do, so that the machinery was in operation usually throughout the year.

Mr. CONNALLY. Mr. President, will the Senator further yield?

Mr. LA FOLLETTE. I yield.

Mr. CONNALLY. I do not think that statement is quite accurate. After the completion of the seasonal work the compresses lay off most of their employees. They may operate 1 day a week when cotton comes in, but they do not work every day. At the ports the condition is a little different. At Galveston and Houston and the other great ports some compresses probably have enough to do to operate the year around, because the cotton comes there to be shipped, and it must be compressed before it is shipped.

Mr. LA FOLLETTE. I accept the information furnished by the Senator from Texas, and I appreciate it. However, it helps to illustrate the point I was trying to make, namely, that it is very difficult, without thorough examination, without sufficient testimony and data, to ascertain on the floor of the Senate what particular processors should be allowed an exemption on the ground that their work is seasonal in character, and which ones obviously should come within the purview of the bill if the bill is to be applied to such establishments at all.

Mr. MINTON. Mr. President——

The PRESIDING OFFICER (Mr. BURKE in the chair). Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. I yield.

Mr. MINTON. I wonder if the Senator from Wisconsin does not have the same idea about the amendment that I had when it was offered. It was my understanding that the amendment offered by the Senator from Oregon [Mr. MCNARY] was not offered for the purpose of exempting seasonal employees from the provisions of the bill, but that it was rather to exempt packers and processors during a season when they were engaged in processing and packing perishable goods. It was in the interest of saving perishable goods rather than in the interest of taking seasonal employees from under the provisions of the bill that the amendment was suggested in the beginning. Is that not true?

Mr. LA FOLLETTE. That was my understanding of the purpose of the amendment offered by the senior Senator from Oregon. Of course, the Senator from Indiana will also bear in mind that the amendment applied only to the section empowering the board to limit hours under certain circumstances. Therefore, I do not think the amendment

offered by the Senator from North Carolina, as he has modified it, is on all fours with the amendment offered by the Senator from Oregon which the Senate has adopted.

The appeal I wish to make to Senators who believe in the objectives which the bill seeks to attain and who intend to support it is that in our desire to take care of certain particular situations which, as they are presented, may seem appealing, we shall not incorporate in the bill language which will go beyond the intent even of those who have offered the amendments and take from the purview of the bill operations which are really essentially industrial in character, which are continuous, and which, if the bill is to apply to any operations, certainly should apply to those in the category to which I have just referred.

Therefore, Mr. President, I hope the Senator from North Carolina will withdraw his amendment and permit an opportunity to be afforded to some of those who have served on the committee and who have given their time and effort to the consideration of the bill, to confer with the Senator and see if we cannot bring the amendment into harmony with the principles upon which the amendment offered by the Senator from Oregon was predicated.

Mr. DIETERICH. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. DIETERICH. I have offered an amendment, which is printed and is on the desk. I was very much interested in hearing what the Senator said about the committee considering the amendment offered by the Senator from North Carolina and seeing if some reasonable solution could not be reached as to what the exemptions in the bill should be. I wonder if the Senator would not be willing to extend the same privilege to me and if he is willing not to press action upon the amendment until I shall have had an opportunity to confer with him.

Mr. LA FOLLETTE. I realize that I am making an unusual request; but the amendment of the Senator from North Carolina was offered from the floor and we had no opportunity to see it in printed form. Since then it has been modified by suggestions made by other Senators. It occurred to me that if the Senator was willing to withdraw his amendment temporarily, if that suggestion appeals to him, perhaps we could bring it into harmony with the principles upon which is based the amendment offered by the Senator from Oregon, which has already been adopted.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. REYNOLDS. I am wondering when we shall reach a vote upon the bill itself. I make that inquiry for the reason that I should like to ascertain whether or not I shall have an opportunity to talk to the members of the committee on this subject before a final vote is reached, if the Senator from Wisconsin desires to discuss the subject matter of the amendment.

Mr. LA FOLLETTE. I was not suggesting a meeting of the committee for the purpose of considering the amendment.

Mr. REYNOLDS. No; that is not what I thought. I understood the Senator to suggest that the Senator from North Carolina confer with members of the committee on the subject.

Mr. WHITE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHITE. Is the situation such that the Senator from North Carolina may withdraw his amendment without unanimous consent? Has he the right at this time to withdraw the amendment?

The PRESIDING OFFICER. Yes; it may be withdrawn at any time by the Senator offering it.

Mr. LA FOLLETTE. Mr. President, I do not wish to press the suggestion any further, but it occurred to me that if the Senator from North Carolina was willing to withdraw his amendment, it might be possible to bring it into harmony with the principles of the amendment offered by the Senator from Oregon.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WHITE. If the amendment is to be withdrawn for the purpose of being considered by members of the committee, in connection with the consideration they give to it, I wish they would also give thought to a suggestion I should like to make, and that is that the words "potato warehouses" should be included in the amendment.

I know of no reasons for excepting tobacco warehouses from the provisions of the bill that do not equally obtain with respect to potato warehouses in many sections of the country. Some of the potato warehouses are seasonal in their operations, and some of them, I take it, are used all the year around. In connection with the warehouses that are seasonal in their use, I think the burden falls directly on the farmers of the country who produce potatoes, because I take it that the warehouse charges come out of the producer.

If the amendment is to be withdrawn, and the matter is to be considered further by the committee, I ask that consideration of potato warehouses also be given by the committee.

Mr. BLACK. Mr. President, I do not care to make a statement, except to say that it would be impossible for the committee to meet and discuss this particular matter. The Senator may wish to withdraw his amendment, but if he wishes to have a vote on it I shall be glad to have it taken. So far as I am concerned, I should much prefer that we go ahead and vote. Let potato warehouses and all others be added to the amendment. We can then vote on them all in one basket.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina, as modified, to the amendment reported by the committee in the nature of a substitute.

Mr. WALSH. Mr. President, I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. At the proper point in the amendment reported by the committee it is proposed to insert the following:

> The provisions of this act shall not apply to tobacco warehouses, cotton compresses, cotton warehouses, cotton ginning and baling, their employers or employees, where the employment is seasonal in character.

Mr. DIETERICH. Mr. President, in response to the suggestion of the Senator from Alabama [Mr. BLACK] that he is willing to have all the amendments voted on at the same time, I will say that I do not think that will be satisfactory to Members of the Senate who are in good faith offering amendments, and who have no intention whatever of weakening or emasculating the bill.

Mr. BLACK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Alabama?

Mr. DIETERICH. I yield.

Mr. BLACK. The Senator evidently was not present when I discussed this question some moments ago. The idea is, as I said then, that if there is going to be a special exemption from the proposed law of one type of activity, it should include, as a matter of justice, every other similar type of activity in the Nation. Therefore, I think that they should all be placed in one amendment, if that is to be done.

Mr. DIETERICH. Mr. President, the presumption would obtain from the Senator's statement that all suggested exceptions would be of the same class and entitled to the same consideration consistent with the spirit and the purpose of this bill. I do not believe that such a presumption can be indulged. Throughout, I think, my entire State there are little concerns which are not necessarily cooperative but are community affairs, such as small canning factories here and there, which the community has encouraged. The actual canning process of the vegetables and the other farm products that are processed by those small canning factories involves no item of labor employment of any importance. The canning places operate for a short duration and they do not attract labor to the particular locality. The labor is per-

formed by local residents, by members of various families who are able to participate in the work rather as a harvest-time activity and for the sake of obtaining "pin" money. It occurs to me that the exemption of an institution of that kind could well be made without at all running counter to the purposes of this bill. The benefit is to the farmer of the vicinity.

For instance, some localities have establishments that can corn. The season is only 2 or 3 weeks in duration. Of course, the corn must be harvested and must be processed during the harvest season.

The benefit to the community accrues in large part from the fact that the canning factories furnish the farmers a market for their corn. A large acreage is devoted to the raising of the particular kind of corn which is canned, and the corn is brought to the canning factories in the form of roasting ears. The benefit is mainly to the farmer, only a very minor part of it accruing to those employed during the harvest season in the canning factories.

As I say, these small canning operations do not attract any outside labor. The labor item is not important. There is no one in the community wholly or in any substantial way dependent on labor of that kind. So, it occurs to me, an exemption might well be made of such establishments without doing any violence to this bill or without in any way destroying its purposes.

Mr. BORAH. Mr. President, I desire to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BORAH. If an amendment has been adopted by a viva-voce vote may a Senator, if he chooses, enter a motion to reconsider the vote?

The PRESIDING OFFICER. Any Senator may do so within the 2-day time limit.

Mr. BORAH. The amendment of the Senator from North Carolina [Mr. REYNOLDS] with reference to limiting the operation of this bill to employers who employ 10 or a less number of employees was adopted this morning by a viva-voce vote. Since that time I have received some communications that justify me in now entering a motion to reconsider the vote by which that amendment was adopted. I shall not ask that the motion be acted upon this evening, unless the bill shall be acted upon today, because I desire some further information, but I wish at this time to enter a motion to reconsider the vote by which that amendment was adopted.

The PRESIDING OFFICER. The motion will be entered.

Mr. BARKLEY. Mr. President, during the last day or two I have conferred with the Senator from Oregon [Mr. MCNARY] and other Senators on both sides of the Chamber looking toward a possible limitation of debate during the further consideration of the pending bill. I do not wish to shut off any legitimate debate, but I think that we ought to be making progress toward a culmination of the discussion. I had hoped, I will say frankly, that if we could finish the bill this afternoon, and possibly make the housing bill the unfinished business, the Senate might recess over until Monday. That cannot be done if we cannot conclude the consideration of this bill today.

We all realize that there is an anxiety to wind up our business here at the earliest possible moment; I am sure that no Senator on either side wishes to prolong the debate; and I wish to say that up to this hour I do not think any Senator has spoken for that purpose, for the debate, as I said yesterday, has been on a very high plane and has been very instructive. I should like, however, to feel out the situation to see whether or not we may not, by unanimous consent, agree that from now on during the remainder of the consideration of the pending bill no Senator shall speak more than once nor longer than 15 minutes on the bill or any amendment thereto.

Mr. MCNARY. Mr. President, I have just returned to the Senate Chamber, and have not had an opportunity to confer with Senators on this side of the aisle. I think we have been progressing along rather rapid and considerate lines. I do not feel at this time that I would be willing to enter into an agreement of the kind suggested by the Senator from Kentucky. If there should seem to be a disposition to prolong the consideration of the bill beyond the time which ought to be given to it, I should be very glad to cooperate with the Senator.

Mr. BARKLEY. In that connection, I hope the Senator will confer with his colleagues with a view to arranging that kind of an agreement.

Mr. MCNARY. I think, Mr. President, that no speeches have been made which have not, more or less, thrown light upon the subject, and most of those have come, I will say, from the Democratic side in opposition to the bill.

Mr. BARKLEY. Most of the speeches which shed light on a subject come from the Democratic side. Therefore, I am not in a position to dispute the observation of the Senator from Oregon.

Mr. MCNARY. I said the speeches in opposition to the bill.

Mr. BORAH. Mr. President, I understand that no agreement has been made this afternoon?

Mr. BARKLEY. Not at this moment.

Mr. BORAH. Will one be made today?

Mr. BARKLEY. It is for each individual Senator to determine what the Senate will do today.

Mr. WALSH. Mr. President, I hope the Senator from Idaho [Mr. BORAH] will at a suitable time press his motion to reconsider the vote by which the amendment of the Senator from North Carolina [Mr. REYNOLDS] was adopted. Every Member of the Senate agrees that persons engaged in seasonal occupations in perishable goods should be exempted from the operations of the bill, but the amendment of the Senator from North Carolina would exempt about 200,000 wage earners who may have the misfortune to be working in sweatshops where there are less than 10 people employed.

If this bill has any merit whatsoever, it is that it seeks to provide a living minimum wage for the men and women who work in sweatshops. Unfortunately, while I do not think it is so intended by the Senator from North Carolina, the exemption proposed by him will mean that in the great city of New York and in Boston and Chicago where sweatshops are operated—not in the South; that may be said to the credit of the South—in which now from, say, 50 to 75 people are employed in garment making and in other sweatshop activities, the owners of the business will suddenly and unexpectedly bring about a division of ownership, so that there will be 9 people in 10 different shops, and the legitimate, decent, and respectable employer, who is willing to abide by the terms of this bill, and who employs 75 people, will be penalized and be the victim of chiseling by the employer who is in competition with him and who seeks to evade the provisions of this bill, if it shall be enacted.

The Committee on Finance has been devoting weeks to the effort to prevent evasion of the tax laws. The amendment to which I have referred, if finally adopted, would permit evasion of the proposed law and would put employers having seven, eight, or nine employees in competition with the legitimate employer.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. WAGNER. Would not the effect of the amendment be that the character of competition which we are seeking to prevent, namely, exploitation as against efficiency, would continue, because the small sweatshop, employing just a few persons, would continue to pay low wages in competition with the employer who pays reasonable wages?

Mr. WALSH. The Senator from New York is absolutely correct. If this bill, Mr. President, has any merit at all, if it has any justification for favorable action by the Congress of the United States, it is that it is designed to protect and prevent the exploitation of men and women wage earners working in small establishments. Those working in establishments having less than 10 employees number approximately 200,000. The bill is on the theory that such workers cannot organize, cannot enjoy collective bargaining, cannot have the benefit of the large units of employees who

can organize and bring the pressure of a great labor organization to bear against the employer in order to obtain decent wages and reasonable hours of employment.

This amendment would have no business whatever to be here if it dealt only with the large units of industry in which a large number of wage earners are employed, because the organizations of such workers are so virile and so alert that they are capable of taking care of themselves. The theory upon which the bill has merit, in my opinion, is that small-wage earners in small industries scattered all over the country in competition with large industries, because of their locality, because of the fact they cannot organize, because of the objections of their employers to organized labor unions, have no power of asserting their human right to social justice.

What is social justice? Social justice means that we as legislators should extend to the unfortunate human beings those social rights which they could demand if they had the power of unity of action. Social justice means that government will take a hand in helping to uphold and support individuals and small groups of individuals who have not the power of pressure possessed by labor organizations.

I, for one, cannot agree that we should exempt from the protection of the bill the small number of employees who are engaged in seasonal work, but engaged in working 52 hours a week. Such wage earners are as much entitled to the application of the principles of social justice and the application of the principle of a decent living wage and the application of the principle of reasonable hours of emloyment as are the mass employees in the great centers of population of the country.

I, for one, hope, when the matter of reconsideration comes up, that we will give thought to that fact, and prevent the abuse which is as certain to follow as that the sun shines. I can see the situation now. Senators can visualize the kind of men who operate sweatshops in the great cities of the country suddenly dividing their 60 or 70 or 80 employees into units of 8 or 9, with a brother-in-law or cousin or aunt or uncle in alleged ownership of the establishment, and thus evading and escaping the application of the law; then sending their goods into the central markets in competition with large employers who obey and respect the law.

Mr. BORAH. Mr. President, may I suggest that the Senator might move to reconsider the vote by which the amendment was adopted? I merely entered the motion.

Mr. WALSH. Very well. I move that the Senate reconsider the vote by which the amendment of the Senator from North Carolina [Mr. REYNOLDS] was adopted.

The PRESIDING OFFICER. An amendment offered by the Senator from North Carolina [Mr. REYNOLDS] is pending, and a motion to reconsider is not in order at the moment.

Mr. WALSH. Very well; I will submit it at a later time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

Mr. HARRISON. Mr. President, let us have the amendment reported from the desk.

The PRESIDING OFFICER. The amendment will be read again.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following:

> The provisions of this act shall not apply to tobacco warehouses, cotton compresses, cotton warehouses, cotton ginning and baling, their employers or employees, where the employment is seasonal in character.

Mr. WALSH. Mr. President, would the distinguished Senator from North Carolina be willing to incorporate in the amendment a provision to the effect that "if the board created under this act finds that the employment is seasonal", and so forth?

Mr. REYNOLDS. My understanding from the Senator's address is that he is in favor of the exemption of seasonal employment.

Mr. WALSH. I have said I am in favor of the exemption of seasonal employment, but I do not know whether or not the Senator's amendment relates strictly to seasonal employment. I do not want to have incorporated in the bill a provision classifying these occupations as seasonal unless they are seasonal.

Mr. REYNOLDS. They are seasonal.

Mr. WALSH. How many months a year do these employees work?

Mr. REYNOLDS. I should say 3 months would be the maximum amount of time.

Mr. WALSH. My objection is based on the viewpoint that all seasonal occupations ought to be exempted, especially from the hours of labor provisions, but I have some doubt whether these particular occupations are seasonal. I will take the Senator's word. If he says that in no case do these employees work more than from 3 to 6 months a year, I will accept his judgment.

Mr. REYNOLDS. I am sure in most instances none of the workers are employed more than 3 months. Senators from those sections of the South involved know that these workers are engaged actually not more than 3 months.

Mr. WALSH. Unfortunately, I am not from that section of the country. May I ask the Senator from Alabama [Mr. BLACK] whether he is in accord with the statement of the Senator from North Carolina?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. BARKLEY. The amendment of the Senator from North Carolina as originally offered simply exempted tobacco workers from the operation of the provisions of the bill. I called to his attention that there are in my State some tobacco workers, that, while most of them are seasonal, yet some operate for the greater part of the year because they do other things than simply to receive tobacco at a warehouse. At my suggestion the language was amended to provide that where the operation of the workers is not seasonal in character, the exemption should not apply.

Mr. WALSH. Then the suggestion made by me is equivalent to having the board itself ascertain the fact?

Mr. BARKLEY. I think so. Of course, if in any case the operation should not be seasonal but annual, it would not be exempt, and the board would have charge of that.

Mr. MINTON. Mr. President, may I ask the Senator from Massachusetts a question?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Indiana for that purpose?

Mr. REYNOLDS. Certainly.

Mr. MINTON. Is the Senator from Massachusetts in favor of exempting employees notwithstanding the fact that they are not engaged in what might strictly be construed to be seasonal occupation? For instance, would he apply the provisions of the bill to those engaged in the processing of products which might not be strictly seasonal?

Mr. WALSH. I am in favor of exempting from the rigid requirements of a 40-hour week all seasonal employees. I am not in favor of removing them from the requirement of having the board pass upon what shall be the minimum wage of the employees.

Mr. MINTON. If I correctly understand the Senator, he does not want to confine the exemption of employees to seasonal processings which do not involve perishable products. In other words, here is cotton, which is not perishable; then here is tobacco, which is not perishable. Yet in both cases they might be termed seasonal.

Mr. WALSH. They are not perishable, but they are seasonal. In my own State of Massachusetts fish are caught and brought to the shore at the city of Gloucester, where canning and other packing factories take charge of them and handle them, of course while they are fresh. This business is carried on throughout the year. It is seasonal to the extent that, when one shipload of fish comes in, the factory

begins operations, and then does not operate again until another cargo of fish comes in. It would seem to me that packers and canners and others carrying on a year-around business should not be exempted from the provisions of the bill. But employees engaged in seasonal occupational work on perishable products clearly should be exempt.

Mr. MINTON. What I had in mind when the amendment was first offered was that it was intended to exempt only perishable products; that it was the intention to help those who raise the perishable products, to enable them to save their products from waste in order that they might be packed.

Mr. WALSH. The Senator is correct. The Senator has raised a very fine and proper distinction. These operations should be exempted because it is necessary to operate quickly and work long hours to handle the products while they are fresh and before they spoil. However, in the case of nonperishable products, such as tobacco and cotton, there is no reason for exempting them from the provisions of the bill, in my judgment.

Mr. WAGNER. Mr. President, I am not going to weary the Senate with more talk upon this subject, because I expressed my views fully yesterday.

The point I desire to raise, and it involves a legal question, is this: In creating these specific exemptions we must be careful not to void by Federal entry into the field any State laws which might impose restrictions upon these seasonal industries. I know that a number of States do impose limitations as to hours, even for seasonal industries. I therefore ask those who want an unlimited number of hours for seasonal industries under this bill to accept at least the proviso that wherever a State law imposes a limitation of hours upon the industries involved, such State law shall not be affected adversely by our action under this bill.

Mr. GLASS. Mr. President, the Senator is a lawyer and he knows that we cannot repeal a State statute.

Mr. WAGNER. Of course, we cannot; but many of these industries——

Mr. BLACK. Mr. President, if the Senator will yield to me, I think we can obviate this discussion.

Mr. WAGNER. I yield.

Mr. BLACK. The bill already contains a saving clause with reference to State laws. Wherever there is a State law or a municipal regulation regulating hours, and those hours are a less number per week than as provided in this bill or under the orders made in pursuance of this bill, the State or municipal regulation governs; and the same thing is true with reference to wages.

Mr. WAGNER. The chances are that that will take care of the situation. I will say to the distinguished Senator from Virginia [Mr. GLASS] that State laws apply even to interstate commerce within the State so long as there is no Federal regulation. But the moment we initiate a Federal regulation which is in conflict with the State law, the Federal rule prevails.

Mr. GLASS. That I understand; but we cannot here make, except in matters of interstate commerce, any law that will control the States.

Mr. WAGNER. I did not say that we could, Mr. President. In fact, I said that even in the case of industries in interstate commerce, so long as the Federal Government made no regulation, the State restrictions would apply.

Mr. GLASS. Exactly.

Mr. WAGNER. What I was fearful of was that by adopting these amendments we might interfere with humane State legislation, but I am satisfied by the explanation of the Senator from Alabama that the matter is amply safeguarded in the bill as now drawn.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from North Carolina [Mr. REYNOLDS] to the amendment reported by the committee in the nature of a substitute.

The modified amendment of Mr. REYNOLDS was as follows:

The provisions of this act shall not apply to tobacco warehouses, cotton compresses, cotton warehouses, cotton ginning and baling, their employers or employees where the employment is seasonal in character.

Mr. HARRISON. I call for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LEWIS. I announce the general pair of the Senator from West Virginia [Mr. HOLT] with the Senator from New Jersey [Mr. SMATHERS].

I also announce that the Senator from Wisconsin [Mr. DUFFY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Vermont [Mr. GIBSON] are absent from the Senate in the performance of duty as members of the committee to attend the dedication of the battle monuments in France.

The Senator from Washington [Mr. BONE], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Ohio [Mr. DONAHEY], the Senator from West Virginia [Mr. HOLT], the Senator from Nevada [Mr. PITTMAN], and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce the general pair of the Senator from Vermont [Mr. GIBSON] with the Senator from Wisconsin [Mr. DUFFY].

The roll call resulted—yeas 40, nays 40, as follows:

YEAS—40

Andrews	Clark	King	Radcliffe
Ashurst	Connally	Logan	Reynolds
Austin	Copeland	McAdoo	Smith
Bilbo	Frazier	McCarran	Steiwer
Borah	George	McGill	Thomas, Okla.
Bridges	Glass	McKellar	Townsend
Burke	Hale	McNary	Tydings
Byrd	Harrison	Nye	Vandenberg
Byrnes	Herring	Overton	Van Nuys
Capper	Johnson, Calif.	Pepper	White

NAYS—40

Adams	Dieterich	Lewis	Pope
Barkley	Ellender	Lodge	Schwartz
Berry	Gerry	Lonergan	Schwellenbach
Black	Green	Lundeen	Sheppard
Brown, Mich.	Guffey	Maloney	Shipstead
Brown, N. H.	Hatch	Minton	Thomas, Utah
Bulkley	Hitchcock	Moore	Truman
Bulow	Johnson, Colo.	Murray	Wagner
Chavez	La Follette	Neely	Walsh
Davis	Lee	O'Mahoney	Wheeler

NOT VOTING—16

Bailey	Donahey	Hayden	Pittman
Bankhead	Duffy	Holt	Russell
Bone	Gibson	Hughes	Smathers
Caraway	Gillette	Norris	

The PRESIDING OFFICER. On this question the yeas are 40, the nays are 40. The modified amendment to the committee amendment is, therefore, rejected.

Mr. WALSH. Mr. President, I now move that the Senate reconsider the vote of approval recently registered upon the amendment of the Senator from North Carolina providing that employers who employ less than 10 employees shall not be subject to the proposed law. I ask for the yeas and nays upon the motion.

Mr. BARKLEY. Mr. President, I ask the Senator whether we may not have the vote reconsidered, and then have the yeas and nays on the amendment itself? I ask unanimous consent that the vote by which the amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

The question now is on agreeing to the amendment offered by the Senator from North Carolina [Mr. REYNOLDS] to the amendment of the committee.

Mr. ASHURST and Mr. McKELLAR requested that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to insert, on page 64, after line 3, the following:

The provisions of this act shall not apply to any individual, firm, association, or corporation employing 10 or fewer than 10 persons.

The PRESIDING OFFICER. On this question the yeas and nays have been requested. Is the demand seconded?

The yeas and nays were ordered, and the roll was called.

Mr. LEWIS. I announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent from the Senate in the performance of duty as members of the committee to attend the dedication of the battle monuments in France.

The Senator from Arkansas [Mrs. CARAWAY], the Senator from Ohio [Mr. DONAHEY], the Senator from West Virginia [Mr. HOLT], the Senator from Nevada [Mr. PITTMAN], and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained from the Senate.

The Senator from West Virginia [Mr. HOLT] has a general pair with the Senator from New Jersey [Mr. SMATHERS].

Mr. AUSTIN. The Senator from Vermont [Mr. GIBSON] has a general pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 31, nays 52, as follows:

YEAS—31

Andrews	Connally	Herring	Pepper
Bailey	Copeland	Johnson, Calif.	Radcliffe
Bilbo	George	Johnson, Colo.	Reynolds
Bridges	Gillette	King	Smith
Burke	Glass	Logan	Townsend
Byrd	Hale	McAdoo	Van Nuys
Byrnes	Harrison	McGill	White
Clark	Hatch	McKellar	

NAYS—52

Adams	Davis	Lonergan	Schwartz
Austin	Dieterich	Lundeen	Schwellenbach
Barkley	Ellender	McCarran	Sheppard
Berry	Frazier	McNary	Shipstead
Black	Gerry	Maloney	Steiwer
Bone	Green	Minton	Thomas, Okla.
Borah	Guffey	Moore	Thomas, Utah
Brown, Mich.	Hitchcock	Murray	Truman
Brown, N. H.	Hughes	Neely	Tydings
Bulkley	La Follette	Nye	Vandenberg
Bulow	Lee	O'Mahoney	Wagner
Capper	Lewis	Overton	Walsh
Chavez	Lodge	Pope	Wheeler

NOT VOTING—12

Ashurst	Donahey	Hayden	Pittman
Bankhead	Duffy	Holt	Russell
Caraway	Gibson	Norris	Smathers

So Mr. REYNOLDS' amendment to the amendment of the committee was rejected.

Mr. McGILL. Mr. President, I offer an amendment, and ask that it be reported from the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 51, line 13, after the word "farmer", it is proposed to insert the words "or on a farm", and on line 14, page 51, after the word "operations", it is proposed to insert a comma and the words "including delivery to market."

Mr. McGILL. Mr. President, the purpose of the amendment is to broaden the definition of "employee" as applied to agriculture. I can readily see how some have construed the language of the bill to mean that one who operates a thrashing machine outfit and employs a crew and is employed by a farmer to thrash his wheat might be included under the provisions of the bill. Likewise, those who are engaged in harvesting and delivering to market might be included. It is my understanding, although no definite commitment has been made, that the amendment is not opposed by those in charge of the bill. If I am correct, I should like to have the amendment agreed to.

Mr. GEORGE. Mr. President, I ask that the amendment again be reported.

The PRESIDING OFFICER. The clerk will state the amendment.

The amendment was again stated.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. McGILL. I yield.

Mr. GEORGE. Is it the purpose of the amendment to exempt those who thresh grain?

Mr. McGILL. Those who thresh grain, who harvest grain and deliver it to market.

Mr. GEORGE. Would the amendment also apply to the harvesting of any other crop?

Mr. McGILL. It would apply to any commodity produced on a farm.

Mr. GEORGE. Would it apply to peanut pickers who pick in the fields?

Mr. McGILL. Yes.

Mr. GEORGE. And who move peanuts to the market?

Mr. McGILL. Yes; that is my understanding.

Mr. GEORGE. I should like to ask the Senator from Alabama if that is his interpretation of the amendment.

Mr. BLACK. That is my interpretation of the amendment, and it is my belief that the bill as originally drawn covers what is now contained in the language of the amendment; but some Senators who were doubtful about it wished to draw a clarifying amendment.

Mr. GEORGE. I am sure it does not in fact do so, because the picking of peanuts and the harvesting of grain in my part of the country are done purely by contract with outsiders, who in a great many cases have no farm interest. What I want to get at is whether, in the opinion of the Senator from Alabama, the language of the amendment of the Senator from Kansas includes any field crop that is threshed, as in the case of grain, or picked, as in the case of peanuts in the field.

Mr. BLACK. Unquestionably.

Mr. McGILL. I may say to the Senator from Georgia and other Senators that it is my object to make the language of the amendment broad enough to include all work done on a farm, so long as it is incidental to agricultural purposes.

Mr. GEORGE. And so long as it is merely preparatory and necessarily preparatory to the marketing of the field crop. Is that true?

Mr. McGILL. That is true; and the language would also include all labor performed in making delivery to market.

Mr. GEORGE. I thank the Senator.

Mr. COPELAND. Of course, that would take care of my apple man, about whom I have been worrying, would it not? It would take care of the farmer who takes his crop of apples to the market, would it not?

Mr. McGILL. That is correct.

Mr. COPELAND. I lost my apple man before.

Mr. McGILL. I hope it will take care of him.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. McGILL] to the amendment reported by the committee in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. BYRNES. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amenmdent, on page 61, after line 12, it is proposed to add a new section, as follows:

The average minimum wage ordered by the board to be paid by private employers in any State shall be the minimum wage to be paid by the Works Progress Administration to its employees in that State.

Mr. BYRNES. Mr. President, during the consideration of the independent offices appropriation bill the Appropriations Committee considered the question whether or not there should be included in the bill an amendment providing that any minimum wage fixed in this bill should apply to the employees of the Works Progress Administration. I did not believe the appropriation bill was the proper place to put such a provision. I did not think it should be included in the appropriation bill. It was our thought that if such action was to be taken, it should await action by the Congress on this bill.

Mr. President, the argument that is used for this bill is that it is designed to protect unorganized laborers. If that is to be done, certainly there is no larger or more helpless group than that composed of those who are employed by the Works Progress Administration. They are not organized. They cannot be successfully organized. If a minimum wage is to be ordered to be paid by employers within the States, I think the same minimum wage should be paid by the Works Progress Administration. I know what will be the effect of establishing a minimum wage in many respects.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. CONNALLY. Am I to understand the Senator's amendment to provide the payment of the same minimum wages that would be paid by the Works Progress Administration?

Mr. BYRNES. It would require the Works Progress Administration to pay the minimum wages that the board determines shall be paid. The provision of the amendment is just the reverse of what the Senator has stated.

Mr. CONNALLY. I understood to the contrary.

Mr. BYRNES. No. Mr. President, I hope no misunderstanding exists with reference to the amendment.

Mr. KING. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. KING. I may not quite understand the position of the Senator from South Carolina; but if it attempts to yoke this bill to the Works Progress Administration, it seems to me that would be a mistake, because the Works Progress Administration is an ephemeral organization, and the board now proposed to be set up by the bill is to be one in perpetuity.

Mr. BYRNES. No yoking is provided in the amendment. Members of the Senate know that the Works Progress Administration, after an investigation, has established a schedule of wages which is the cause of continued complaint by various States and various sections. The unskilled wage runs all the way from $21.16 per month in Mississippi to $60.50 in New York. In practically every State there is a different wage for unskilled labor.

All that my amendment does is to provide that if, in the State of South Carolina or Georgia, for instance, the board shall hereafter conclude that a minimum wage of 40 cents per hour should be paid by private employers as the minimum upon which an employee can live, then the average for the State—for the board might fix one minimum wage for one industry and another minimum wage for another industry—the average for the State, fixed by the board after its investigation as provided for in the bill, shall be adopted by another department of the Government as the minimum wage to be paid to employees of that department of the Government.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. BLACK. The Senator from Georgia [Mr. RUSSELL] offered an amendment to the Works Progress Administration appropriation, as I recall, which I thought was adopted, which carried into that bill the idea of the pending amendment. Is that correct?

Mr. BYRNES. The amendment was not adopted. I will say to the Senator that we were of the opinion that it should be adopted; but it was finally determined in conference that the matter should await the consideration of the bill now pending, and that this would be the proper place to consider the subject instead of placing the amendment on the appropriation bill.

Mr. BLACK. The amendment now before us is the same, as I recall, as that which the Senate adopted in connection with the appropriation bill.

Mr. BYRNES. Its purpose is exactly the same, as I said at the outset. It was first offered by the Senator from Georgia [Mr. RUSSELL] and was considered by the Appropriations Committee. By reason of his appointment by the Senate on a special committee, he is now necessarily absent. I am satisfied that if he were present he would offer the amendment to this bill as he did at the time he previously offered it.

Mr. BLACK. As I recall, that amendment was unanimously adopted by the Senate, was it not?

Mr. BYRNES. I do not recall whether it was or not, but it was adopted by the Senate; and, I understand from the Senator from Georgia, that in conference it was eliminated for the reason that the conferees thought the matter should await action in connection with the bill now before us.

Mr. BLACK. I may say to the Senator that I voted for the amendment when the Senator from Georgia offered it, and the Committee on Education and Labor has not been called upon to act upon it; so I have no authority to speak for the committee with respect to it.

Mr. BYRNES. I hope the Senator will accept the amendment.

Mr. BLACK. I will say that I voted for it when it was offered by the Senator from Georgia.

Mr. BYRNES. I hope the Senator will agree to its adoption.

Mr. BARKLEY. Mr. President, I should like to have the situation clear before we decide how we shall vote on this amendment.

It seems to me the situation in relation to the amendment offered on the relief bill was entirely different from that which now presents itself to the Senate. Under this bill the board is authorized to establish a minimum wage. The Works Progress Administration is not engaged in general industry. It is not engaged in general industrial employment. The wages paid by the Works Progress Administration are wages paid in the main on public improvements of various sorts, and they may not have any relationship at all to what ought to be the minimum wage or the average wage in private industry. If we undertake to fix a minimum wage with respect to lumber or flour mills, or sawmills, or shoe factories, or clothing factories, or shirt factories, or any other average type of private industry, certainly the average minimum wage paid by the Works Progress Administration, it seems to me, would not have any relationship whatever to such wage.

Mr. BYRNES. Let me say to the Senator from Kentucky—and I think he overlooked it—that the Congress took exactly the opposite position and provided in one of the previous appropriation bills, after a very strenuous fight led by the Senator from Nevada [Mr. MCCARRAN], that the wage paid by the Works Progress Administration should follow the prevailing wage rate. The Administrator has been endeavoring, according to a statement made by him to the Appropriations Committee, to follow the prevailing wage rate.

Mr. BARKLEY. That provision had application only to the prevailing wage rate paid in the community for similar or like work.

Mr. BYRNES. Yes.

Mr. BARKLEY. But where the Works Progress Administration, through the agency of a school board, is building a high school or a bridge or a hospital, or repairing sidewalks, or doing any other nature of public work, it seems to me there is no way by which to measure what ought to be the average minimum wage in those employments as compared with any private industry in which the Works Progress Administration is not engaged.

Mr. BYRNES. I suggest to the Senator that we discussed that matter in the committee at the time, and a table was then incorporated in the hearings which I should like to have printed in the RECORD as a part of my remarks. The table was submitted by the Director. In it he gives the wage for unskilled labor, intermediate labor, skilled labor, and professional labor. This bill has reference solely to the minimum wage, which is the unskilled wage. Four grades are fixed by the Works Progress Administration—unskilled, intermediate, skilled, and professional.

I ask that the table to which I have referred may be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. McGILL in the chair). Without objection, it is so ordered.

The table is as follows:

TABLE XVI.—*Average assigned monthly wage rates of security wage workers employed on Works Progress Administration projects, by wage rate regions and States, and by wage classes, June 1936*

Wage rate region and State (1)	Total (2)	Unskilled (3)	Intermediate (4)	Skilled (5)	Professional and technical (6)
United States	$53.92	$47.00	$57.10	$76.24	$85.48
Region I	61.62	54.55	63.41	81.78	92.24
Arizona	50.75	44.00	49.96	67.47	74.56
California	62.94	53.79	62.26	81.31	89.94
Colorado	53.96	50.12	54.66	70.34	81.72
Connecticut	67.87	58.24	68.27	87.50	95.84
Idaho	48.65	42.21	48.65	60.21	67.66
Illinois	55.21	49.97	59.48	75.68	87.67
Indiana	53.14	48.93	57.39	73.63	80.53
Iowa	50.59	47.18	55.65	69.12	77.99
Kentucky (parts of Kenton and Campbell Counties)	58.72	55.00	65.00	85.00	94.00
Maine	50.35	46.10	53.59	66.99	75.23
Massachusetts	66.94	58.16	68.57	90.09	100.62
Michigan	56.65	52.64	58.64	73.75	81.93
Minnesota	59.04	54.64	63.59	78.74	98.99
Missouri (St. Louis City and County)	59.00	54.92	64.90	84.80	92.06
Montana	49.25	44.38	52.29	63.99	69.33
Nebraska	55.01	48.91	58.46	74.71	80.01
Nevada	47.41	44.00	49.78	61.70	68.72
New Hampshire	53.04	49.19	54.40	70.56	78.29
New Jersey	64.36	59.12	69.86	82.63	89.60
New Mexico	46.35	42.39	47.51	59.99	67.41
New York City	75.33	60.50	65.94	87.06	101.74
New York (excluding New York City)	63.18	56.95	65.85	86.26	88.62
North Dakota	49.87	42.84	49.44	62.23	68.71
Ohio	61.60	56.69	66.97	85.93	95.34
Oregon	58.82	51.60	60.18	77.05	84.84
Pennsylvania	62.23	57.91	67.10	80.76	88.70
Rhode Island	59.65	53.10	62.11	81.04	91.08
South Dakota	44.20	41.70	48.15	59.02	64.92
Utah	54.02	47.69	54.88	69.79	78.79
Vermont	46.77	42.00	48.00	59.00	65.00
Washington	58.81	50.97	59.79	77.02	85.28
Wisconsin	58.83	50.76	61.85	76.66	90.69
Wyoming	52.01	44.00	49.78	62.20	68.01
Region II	41.88	38.80	49.27	59.81	65.79
Delaware	52.00	44.87	62.30	77.47	79.98
District of Columbia	49.86	45.00	58.00	72.00	79.00
Kansas	39.42	36.95	46.09	52.96	57.97
Maryland	51.92	45.27	57.69	74.17	77.81
Missouri (excluding St. Louis City and County)	39.25	37.17	45.10	53.63	65.43
Texas (36 counties)	32.70	29.86	36.19	42.80	46.39
West Virginia	41.14	38.96	48.73	57.36	61.04
Region III	31.67	26.63	39.25	52.54	58.27
Arkansas	28.42	23.91	35.60	46.13	50.85
Kentucky (excluding parts of Campbell and Kenton Counties)	25.87	22.83	34.24	45.58	51.49
Louisiana	41.09	34.07	52.24	68.65	72.36
Oklahoma	29.23	24.67	35.93	46.52	60.82
Texas (excluding 36 counties in region II)	32.19	27.75	40.18	51.74	57.12
Virginia	34.04	26.79	39.68	53.76	58.85
Region IV [1]	30.10	24.35	36.69	50.35	55.66
Alabama	31.74	25.37	40.81	56.75	55.68
Florida	31.40	24.77	38.61	54.37	63.23
Georgia	31.44	25.49	38.84	54.80	63.86
Mississippi	26.09	21.16	29.87	38.87	43.33
North Carolina	28.91	24.19	36.03	47.54	53.15
South Carolina	29.84	21.95	33.38	42.66	51.41
Tennessee	30.39	25.24	40.99	60.41	67.27
Kentucky, entire State	27.07	24.01	35.10	48.00	51.99
Missouri, entire State	46.03	42.89	55.44	64.36	75.78
Texas, entire State	32.22	27.83	39.95	51.26	54.74

[1] Effective July 1, 1936, the States previously comprising region IV were transferred to region III.

Mr. BYRNES. I may say that before the committee the director stated at the time that it was his thought that if this bill were enacted into law the minimum wage of the W. P. A. should be made to correspond to the wage fixed by this bill.

Mr. BARKLEY. Is it not true that the amendment of the Senator, if adopted, would completely nullify the minimum of 40 cents an hour fixed by the bill?

Mr. BYRNES. On the contrary, it would have just the opposite effect. Certainly its purpose is not as the Senator from Kentucky suggests.

Mr. BARKLEY. If it should happen that in any community or any State or over the country, as a whole, that the minimum was not so much as 40 cents an hour, then, the provisions of the Senator's amendment would supersede the 40-cent rate?

Mr. BYRNES. Oh, no. I can see now why the Senator has not immediately approved the amendment. All that the amendment provides is that whenever the board fixes a minimum wage of 40 cents an hour, then the Works Progress Administration must pay to the same unskilled labor 40 cents an hour.

Mr. BARKLEY. I evidently had the thing backwards.

Mr. BYRNES. The Senator had it in reverse.

Mr. BARKLEY. I thought it was the other way around, that the board would have to pay whatever rate was fixed by the Works Progress Administration.

Mr. BYRNES. The sole purpose is to make sure if one arm of the Government created by this bill establishes as a minimum wage, upon which human beings can live under a reasonable standard, 40 cents an hour, that we should not then permit the Government itself, after requiring the Senator from Kentucky, say, to pay 40 cents an hour to go into his community and pay 20 cents an hour.

Mr. BARKLEY. With that interpretation of the amendment, having been mistaken in my interpretation of it, I see no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from South Carolina [Mr. BYRNES].

The amendment was agreed to.

Mr. MURRAY. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the amendment reported by the committee, on page 52, line 12, it is proposed to strike out the words "by or under" and insert in lieu thereof "and held pursuant to."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana to the amendment reported by the committee.

Mr. MURRAY. Mr. President, the amendment pertains to the definition of oppressive child labor. After giving the definition, the section proceeds as follows:

> But oppressive child labor shall not be deemed to exist by virtue of the employment in any occupation of any person with respect to whom the employer shall have on file a certificate issued by or under the regulation of the Chief of the Children's Bureau certifying that such person is above the oppressive child-labor age.

It will be seen at a glance while at the time of the issuance of the certificates the particular employer may have been complying with the requirements that later on he may not be complying. Therefore this amendment is proposed so that the certificate would not only be issued but would be held pursuant to the regulation of the Chief of the Children's Bureau. In other words, it would be effective at all times. If the certificate ceases to be effective, it should not be a protection for an employer who is not complying with the provisions of the law. That is the only purpose of the amendment.

I have called it to the attention of other members of the committee, and they do not appear to have any objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana to the amendment in the nature of a substitute reported by the committee.

The amendment to the amendment was agreed to.

Mr. MURRAY. I ask that the next amendment offered by me be stated.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 68, line 5, it is proposed to strike out the word "such" and insert in lieu thereof the words "industrial home work or of such other."

Mr. MURRAY. Mr. President, this provision has reference to the labor-standard orders that may be issued by the board. It is proposed by the amendment to include in paragraph (6) of section 9 the words "industrial home work or such other", in order to prohibit industrial home work, which is one of the most serious evils in sweatshop practices. It seems to me that such a provision should be made in this bill. I do not assume that there will be any objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Montana [Mr. MURRAY] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. MURRAY. I ask that the next amendment offered by me be stated.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the amendment of the committee, on page 75, after line 7, it is proposed to strike out paragraph (c), as follows:

(c) Whenever the board deems necessary or appropriate to aid in the enforcement of, or to facilitate compliance with, the provisions of this act or the regulations thereunder, the board shall by regulation or order provide for the issuance of appropriate certificates of compliance to employers who the board finds are complying with the provisions of this act and the regulations and orders thereunder, and any person who shall in good faith purchase goods from or transport goods for any employer in reliance upon such certificate shall not be deemed to have any reason to believe that any substandard labor condition existed in the production of such goods.

And in lieu thereof to insert:

(c) No person other than the producer shall be prosecuted for the transportation, shipment, delivery, or sale of unfair goods who has secured a representation in writing from the person by whom the goods transported, shipped, or delivered were produced, resident in the United States, to the effect that such goods were not produced in violation of any provision of this act. If such representation contains any false statement of a material fact, the person furnishing the same shall be amenable to prosecution and to the penalties provided for the violation of the provisions of this act.

Mr. MURRAY. I will state the purpose of the amendment. The bill as it stands requires the board to make investigations throughout the country and issue appropriate certificates of compliance to employers who are complying with the act. It will be observed that it would be necessary for the board constantly to be carrying on investigations throughout the Nation. The purpose of this amendment is to place the burden upon the employer to issue a guaranty or warranty that he is complying with the act, and thereby relieve the board of the necessity of much administrative work which would require a large body of investigators. The adoption of the amendment would reduce the cost of the administration of the act and would also greatly simplify its administration.

I have called the amendment to the attention of several members of the committee and I assume that they have no objection to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MURRAY] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. MURRAY. I ask that the next amendment offered by me be stated.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 80, line 18, it is proposed to strike out the words "supersede or."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MURRAY] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. MALONEY. Mr. President, I now offer the amendment heretofore submitted by me and which is on the clerk's desk.

Mr. COPELAND. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from New York?

Mr. MALONEY. I yield.

Mr. COPELAND. May I ask the chairman of the committee—I was compelled to be absent from the Senate Chamber yesterday—if any Senator brought up the question of porters and redcaps in railroad stations?

Mr. BLACK. I do not recall any question being raised as to red caps.

Mr. COPELAND. Let me call the attention of the Senate to the fact that porters and redcaps in railroad stations get absolutely no pay. They depend upon fees and tips received. They are, in a sense, employees of the station master; but, of course, if their hours of labor were to be limited, many of these poor chaps would starve to death. Is there anything in the bill that would permit anyone to interfere with the hours of labor of these colored workmen in the railroad stations?

Mr. BLACK. The bill excludes railroad employees who are governed by the railroad employees' law.

Mr. COPELAND. But these men are not so governed.

Mr. BLACK. Then the question would be whether or not the work is of such a character that they should be brought within the provisions of the bill.

Mr. COPELAND. If I had my way, I would have these men paid. I should be glad if they were paid the 40-cent-an-hour rate, but as a matter of fact they are not paid anything. They do not have $1 a week paid to them. They depend wholly upon tips, and yet they are employees of and under the discipline of the station master. The point I have in mind is, How could we proceed to give these men relief from the requirements and restrictions of the bill?

Mr. BLACK. They could be exempted if the Senate wanted to vote for their exemption. Personally, I should regret to see a particular exemption for this type of employees.

Mr. COPELAND. But they are perfectly helpless. They have no pay. They have to work ungodly hours, as do many of the taxi drivers, and others.

Mr. GEORGE. Mr. President, I should not think the men referred to by the Senator from New York would be considered as being employed by the stationmaster or the railroads. They are merely licensees or permittees, so to speak, and their employment is by each individual who hands them baggage, authorizing them to convey the baggage to or from a train. I should not think they would be employed by the railway company. They are piece workers for individuals who might desire their services and would not come within the meaning of the bill nor within the regulations imposed by the bill.

Mr. COPELAND. If they are not employed, of course, they would not come within the provisions of the bill.

Mr. GEORGE. They are merely permitted by the railway companies or the stationmaster to serve there as porters. It seems to me they are not employed.

Mr. COPELAND. Then the record will show the matter was considered here, and that redcaps and porters of this type are not employed in the sense of the language used in the bill and therefore do not come under the requirements of the bill.

Mr. GEORGE. I should say that is correct.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McKELLAR. As I understand, the amendment offered by the Senator from Connecticut [Mr. MALONEY] is in the nature of a substitute. I have two amendments which I want to offer to perfect the text of the substitute proposed by the committee. Would not they take precedence of the amendment of the Senator from Connecticut?

The PRESIDING OFFICER. In the opinion of the present occupant of the chair, the perfecting amendments to the

committee substitute would take precedence over a substitute for the entire committee amendment.

Mr. McKELLAR. Then I offer an amendment to the committee amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 59, after line 13, it is proposed to insert the following:

(1a) Where transportation costs or freight rates are discriminatory against any locality or area.

Mr. McKELLAR. I do not believe there will be any objection to the amendment because it follows the language, "In declaring such minimum wages the board shall consider among other relevant circumstances the following." Then follows "cost of living" and then comes my amendment relating to cost of transportation. I hope the amendment will be agreed to. I do not believe there should be any objection on the part of the committee. From what the chairman of the committee said the other day on the floor of the Senate, I take it that it is an amendment which should be adopted.

Mr. BLACK. Mr. President, it is my own belief, as I said several days ago, that the bill as drawn and the standards set forth include the identical language contained in the amendment offered by the Senator from Tennessee.

Mr. McKELLAR. If that be the case, there is no reason why the amendment may not go into the bill, and I ask that it be agreed to.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Tennessee to the committee amendment is agreed to.

Mr. McKELLAR. I now offer another amendment to the committee amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment it is proposed, following the amendment just agreed to, to insert:

(1b) Local economic conditions.

Mr. McKELLAR. That is of the same nature, and I hope it will be agreed to.

The PRESIDING OFFICER. Without objection, the amendment to the committee amendment is agreed to.

Mr. MALONEY obtained the floor.

Mr. BLACK. Mr. President, will the Senator from Connecticut yield to me a moment?

Mr. MALONEY. I yield.

Mr. BLACK. I have sought for some time to get an opportunity to have read at the desk a very short statement sent to me about noon by Mr. William Green, of the American Federation of Labor. I now ask unanimous consent to have it read. It is very brief.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

The wage and hour bill in the form in which it is now before the Senate does not meet the expectations of labor. However, we recognize the need for the enactment of wage and hour legislation. For that reason, rather than recommit the Senate bill for further committee consideration, it would seem advisable to pass the best wage and hour bill possible in the Senate, with the hope that it can be revised and amended in the House in such a way as to make it more nearly satisfactory and acceptable to labor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Connecticut yield; and if so, to whom?

Mr. MALONEY. Mr. President, I shall not yield at the moment, but I will yield as soon as I get permission to have the clerk read a communication from another official of the American Federation of Labor. I ask that the communication be read by the clerk.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

WASHINGTON, D. C., *July 30, 1937.*

Hon. FRANCIS T. MALONEY,
United States Senator, Senate Office Building:

As a representative of the American Federation of Labor I am unalterably opposed to Senate bill 2475 in its present form. I am of the opinion your amendment will overcome my objections. If your amendment is not accepted by your colleagues, may I urge you to vote to recommit the pending bill.

I. M. ORNBURN,
Secretary, Union Label Trades Department,
American Federation of Labor.

Mr. CONNALLY. Mr. President, will the Senator from Connecticut yield?

Mr. MALONEY. I yield

Mr. CONNALLY. I ask unanimous consent to have read at the desk another statement by some high officials of the American Federation of Labor.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

The international unions of the building trades and the metal trades, speaking through the building trades department and the metal trades department, American Federation of Labor, believe that the Black-Connery bill—the wage and hour bill—now before the Senate should be recommitted.

This measure, which so vitally affects labor, seeks to establish minimum wage rates and maximum hours of labor. With this purpose the two departments are in hearty and active approval. But the measure in its present form and with amendments which have been proposed would go much farther.

In its present form there is grave danger that it would materially interfere with and modify the Walsh-Healey bill, which has been of such great protection to labor standards.

There is as yet no clearly defined authority to be given the commission provided for in the measure.

There has been no adequate opportunity for consideration of the measure by labor or by the Senate.

It is the conviction of the building trades department and of the metal trades department, American Federation of Labor, that a measure of such far-reaching effect on labor should not be enacted until there has been an adequate opportunity for examination, consultation, and conference.

It is for these reasons that the two departments of the American Federation of Labor, whose members will be so vitally affected by any such measure, earnestly urge that the bill will be recommitted so that the subject can receive the consideration which is so necessary under the circumstances.

JOHN P. FREY,
President, Metal Trades Department,
American Federation of Labor.
J. W. WILLIAMS,
President, Building Trades Department,
American Federation of Labor.

Mr. HARRISON. Mr. President, is the Senator from Connecticut about to offer an amendment in the nature of a substitute?

Mr. MALONEY. I am.

Mr. HARRISON. If the Senator will permit me, I have one or two amendments which I desire to offer to the bill before we reach the substitute. Of course, the offer of the substitute will not preclude my doing so; but before we are through I want to put the amendments in the bill if I can. I desire to ask whether we cannot arrange some time for the consideration of this matter tomorrow, so that we may continue then. I suppose nobody doubts that we can finish the bill tomorrow.

We have gone along very rapidly. Yesterday it was the understanding that we would go into executive session today so that we might dispose of the Social Security appointees; and there may be some discussion about them.

Mr. BARKLEY. I will state to the Senator that there was no agreement that we would have an executive session today. The agreement was that the nominations would be considered at the next executive session, whether today or at some other time. We are going along pretty well now; it is only a little after 4 o'clock and it is entirely possible that we may conclude the consideration of the bill today. If so, the chances are fairly favorable that we may have a recess until Monday. If, however, we cannot conclude the consideration of the bill today, we shall have to work tomorrow, if the Members of the Senate are willing to come back here tomorrow.

Mr. HARRISON. I see no reason why we should not work tomorrow. If it is desired to discuss the matter further today, very well.

Mr. BLACK. Mr. President, I should like to say that so far as I am concerned, I think we should finish the consideration of the bill tonight.

Mr. COPELAND. Mr. President, will the Senator from Connecticut yield to me?

Mr. MALONEY. I yield.

Mr. COPELAND. I have one or two matters that I desire to bring up in connection with the pending bill. I do not want to interfere at all with the Senator from Connecticut.

Mr. MALONEY. Mr. President, I should like to have a clear understanding as to the parliamentary situation. Is it compulsory, because my amendment is in the nature of a substitute for the amendment reported by the committee, that I await action upon any and all amendments that are proposed to the committee amendment?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that under the rule, perfecting amendments to the committee substitute are first in order, after which a substitute for that substitute is in order. Therefore, perfecting amendments would take precedence over the Senator's substitute.

Mr. MALONEY. Then I yield the floor.

Mr. DAVIS. Mr. President, I send to the desk an amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 51, line 3, after the word "agriculture", it is proposed to insert a semicolon and the following:

Or any person whose compensation is paid upon a commission basis exclusively.

Mr. DAVIS. Mr. President, this bill has been greatly modified since hearings were first held upon it. As I understand, the chief purpose of the bill is to provide a process whereby minimum wages and maximum working hours in all industries of the Nation doing business through interstate commerce may be established.

The bill does not, in my judgment, attempt to fix wages and maximum hours of employment in all the small local business units of the country. In this respect, therefore, we have reason to expect that it will not be imposed on small business as was the National Recovery Act. If I am mistaken in this point, I should like to be corrected by those in charge of the bill, for I hold that this is an exceedingly important point.

One of the chief disastrous results of the National Recovery Act was the way in which it was administered so as to impose a blanket code on all of industry, irrespective of size or location.

I believe careful attention should be given to the phrase "otherwise directly affecting interstate commerce" in the first sentence of the first section. If this phrase will be interpreted by the board so as to include small business, I think we should know it now. I believe the Nation should have warning of it. It is my understanding that this plan of action under the bill is not now contemplated.

I am in full accord with the measure insofar as it relates to the further restriction of child labor, although I should like very much to see this part of the bill separated from the rest of it. I do not believe that the action taken in this regard would justify an expectation of a complete coverage of the Nation in the limitation of child labor, because it does not, as I understand, apply to local businesses doing merely intrastate trade. I have always been in favor of the restriction of child labor in industry; and insofar as the bill will be a step in this direction, I favor it.

The bill does not affect agriculture directly, although I think we must realize that anything which pertains to industry will inevitably have an effect upon agriculture. No possible divorcement can be obtained between the two. With the present advancing improvement in agricultural conditions, I should not like to see any feature of this bill applied in such a way as to weaken the parity between agriculture and industry which is now in prospect.

The original bill contained certain punitive measures which have been removed. I would not vote for the bill if I understood it to express any vengeful or vindictive attitude toward American industry, because we cannot afford to create a condition of war between Government and industry.

The Davis-Bacon prevailing wage law has established a principle for wage agreements which should not be jeopardized by the proposed legislation now before us. I believe no action should be taken which would break down the principle of the prevailing wage standards. According to my interpretation of the bill, whenever and wherever workers engaged in interstate business receive less than 40 cents an hour, they can petition the board to have a minimum-wage standard fixed, or any group of employees who are now working over 40 hours a week can petition the board to have their weekly hour standard reduced. The board has jurisdiction over every employee engaged in business of an interstate character who is receiving less than 40 cents an hour and over every employee who is working over 40 hours per week. This is my understanding of the bill.

The employer who is not willing to pay his workers an adequate wage is holding back the progress of our economic recovery. Where thousands of workers are reduced in purchasing power, the business of the Nation or of the locality involved suffers. From any one industry which pays a mere subsistence wage goes out the vicious circle of loss, affecting all other industries. I believe there is a growing opinion among employers that the cooperation of workers and industrial management in relation to hours and wages is necessary to the national welfare. Only through united effort to bring purchasing power to larger numbers of people can we achieve the industrial stability which the Nation as a whole now requires.

Wages and hours of labor have always been of great interest to me. When I was Secretary of Labor these matters were constantly uppermost in my mind. Much progress was made toward the establishment of the 8-hour day and the 6-day week in certain industries at that time which formerly had operated on the 7-day week and 12-hour day basis. Practically all the steel industry had abandoned the 7-day week and conferences were being held with other industries leading to the same development by 1929. At that time the 5-day week was becoming increasingly prevalent.

There appears to be a distinct line between the employers who try to be fair to their employees and those who have proceeded on the rule or ruin policy. In my observation of the last 16 years, those operators who observe humanitarian American principles, which today we realize are the soundest economic principles, have carried on quite as successfully as those operators whose rule has been one of ruthless oppression. Progressive industrial leaders have learned that it is profitable to pay good wages.

High wages make efficient and contented workers, and no industry can flourish today whose employees are constantly dissatisfied. Labor unrest of today shows clearly that the workers of this country will never be satisfied unless their wages and hours represent the increase which technological improvements should insure. The employer who refuses to pay an adequate wage to his worker, that is, a saving wage, injures himself even more than he injures them. Unconsciously such an employer is engaged in the unprofitable business of robbing himself. The worker who receives a bare subsistence wage will never learn to be a good buyer. He will eat only the coarsest of foods; he will wear only the shoddiest of clothes, and he will live shabbily.

I have always favored the voluntary principle of American industry, and have feared the injuries possible under a system of political coercion. I have felt that the attempted

control of politics by business is no less injurious than the attempted control of business by politics. These are two separate fields in which cooperation is necessary, but where the loss of identity by either is injurious to the Nation. I believe we have men in Washington who know more about government than industry can possibly know. Likewise I believe there are leaders in our many industries and in agriculture who know what is best for their productivity and the Nation's prosperity. If political coercion of industry and labor is intended under the bill, I am opposed to it and cannot vote for it. If it merely attempts to set standards, regulatory in nature, similar to those set up for the transportation industry by the Interstate Commerce Commission, and without either punitive methods or spirit as regards industry, I am willing to give it a trial. I think it should be regarded as experimental. In order that complete independence of the board from undue political influence may be maintained, I believe the chairmanship should rotate annually, and I am submitting an amendment calling for this provision. I do not think the President should have power to remove the chairman of the board at will, or without showing cause for such action.

I regard the measure as experimental in nature, and if the punitive and coercive features against which I have protested, and which were present in the original bill, shall be carried over in the administration of the pending bill, I shall immediately ask for its repeal.

Mr. President, I have always believed in the principle of collective bargaining. I was born in the year of what was probably the greatest strike known at that time, in which that problem was involved. From my earliest days I have known the misery and anguish caused through the denial of this right. I have worked for the development and maintenance of this right ever since I went to work in industry as a boy. I have seen the gradual development of public conscience in this matter until today I can truthfully say that no man dares stand in the Halls of Congress and urge the defeat of this principle. We all believe that collective bargaining is not only the right of the worker, but the right of industry, and that it serves the mutual interests of both.

Mr. President, legislation has been found necessary to the development of public opinion in this field. There have been many employers who desired to give this right to their employees who were kept back by others who refused to recognize the usefulness of this principle. There have been a few employers who have fought against the principle of labor organization and unionism with every method at their command, and often flying in the face of common decency and the best interests of the communities in which they lived in order to defeat it. They have resorted to force, blacklisting, espionage, and organized terrorism in order to have their own way. But today they can find no one to champion their cause openly in the Halls of Congress, and collective bargaining, which they denied, is now guaranteed by the law of the land to every worker in the United States, no matter where he lives or how humble may be his occupation. The National Labor Relations Act, as I understand it, does this and no more. It is a guarantee that workers everywhere in the land shall have the right to assemble and organize without fear of being discharged or molested in any way. The law was at first the subject of controversy, and has not been clearly understood. Perhaps some modifications will be necessary to make it entirely clear. But the principle of collective bargaining stands written in it, and that principle has come to stay. The law does not compel any man to join any union. It does not compel a worker to work or an employer to employ. It does guarantee that workers shall have the right to organize so that they may come to their employers as a group or through representatives of their own choosing, and discuss with the employer the terms of their hours and wages and labor conditions. This seems to be such a just demand that it is strange it has not always been the practice in American industry.

Mr. President, I am greatly interested in the application of this principle to small establishments, for they are in the majority. There are only 120 establishments in the United States having 2,500 or more employees, as shown by the figures so fortunately furnished yesterday by the Senator from Louisiana [Mr. ELLENDER] and cited by the Senator from Massachusetts [Mr. WALSH] in his very able discussion of this problem. But while there are comparatively few great establishments, there are 57,152 where the number of employees is between 1 and 5, 40,176 where the number of employees is between 6 and 20, 18,576 where the number of employees is between 21 and 50, 9,262 where the number of employees is between 51 and 100, 10,304 where the number of employees is over 100 and under 500, and 1,661 where the number of employees is between 500 and 2,500.

Thus it will be seen that the great preponderance of the employing establishments of the country have on their pay rolls less than 2,500 employees, and most of them less than 20. I am interested in these more than 97,000 establishments having less than 20 employees each. It is this type of business which stands unorganized today and where the difficulties of organization are great. The fact is that less than 15 percent of American labor is organized, and the great mass which is not organized often holds back the progress of better standards of work and wages. Under the law of the land it is now possible for workers everywhere, irrespective of the size of their establishments, to get together and organize collectively for their rights and interests. They are no longer left helpless. This represents a condition of improvement for both labor and industry, for I believe it means an increase of purchasing power for the Nation as a whole, which is so greatly needed.

Mr. President, yesterday question arose in the Senate as to the violation of industrial agreements. Experienced trade-union leaders will fight to the last for the strict and honest maintenance of labor agreements. During my 10 years' experience as Secretary of Labor, violations of contract were exceedingly rare—almost nil. We did have the experience of having certain constituent unions of the A. F. of L. now with the C. I. O. quit work under their agreements, but such action came through local officers and the national labor leaders of that constituent body of the A. F. of L. insisted that the locals go back to work, and they did return to their labors. The best statements I have ever heard made concerning the sacredness of labor agreements have come from the lips of these great labor statesmen. Inexperienced unionists who have only an academic understanding of these matters have been today the cause of most of our difficulties along this line. Voluntary organizations cannot be carried on successfully by inexperienced and theory-ridden leadership. Industrial and labor agreements must be regarded as sacred and must be kept, no matter what the cost. When differences arise, the proper adjustments can be made around the council table. Sensible workers know that their wages come solely and wholly from industrial earnings, and sensible employers know that wages must be sufficient, as President Harding said, "for comfort, enough to make his house a home, enough to insure him that the struggle for existence is worth existing for."

Mr. President, in the light of industrial discords two questions present themselves: The value and importance of collective bargaining and the relation of arbitration to collective bargaining. Collective bargaining is the right of the working men and women of the country, as it is the right of American industry. The actual application of the principle is largely the cause of differences that exist in certain industries. An excellent statement of the fundamental principles involved has come from the president of a great international union, who now occupies a seat in this Chamber. I refer to the junior Senator from Tennessee, the Honorable GEORGE L. BERRY. It was as long ago as 1908 that he said:

> The prosperity of the investor, management, and labor depends upon the prosperity and stability of the industry in which they are engaged. There exists between these elements an inescapable community of interest. They cannot take out of business more than they put into it jointly; and all wastes of whatever nature, whether wastes in the use of raw materials, inefficiencies, strikes,

or lock-outs, visit themselves upon all who are engaged in business. Therefore I subscribe to the principle of conciliation, mediation, and, as a last resort, arbitration before considering the stoppage of business, which in itself is the largest element of waste.

Thus the International Printing Pressmen and Assistants' Union of North America grew in importance, in public respect, in influence, and in betterments, not only for the members of the organization itself but for the industry in which its members were engaged.

Mr. President, the foregoing quotation comes from the president of an organization that prints practically every newspaper upon the continent, working under an international agreement that has had a continued tenure for more than 30 years, and in all of that period of time there has never been a strike or lock-out in the newspaper field of America which was covered by this international voluntarily made arbitration agreement, except in one instance, and that occurred in the city of New York in 1923. The country was made aware of the strike that stopped the daily newspapers of that city, and again the president of the International Printing Pressmen and Assistants' Union of North America, our colleague, Senator BERRY, said:

This is an illegal strike of one of our local unions; the local has violated an agreement which it made with the publishers. The publishers have not abrogated the agreement, and the international union, which underwrote the agreement, has not abrogated it.

We propose to make good our guaranty. This is the fight of the International Printing Press and Assistants' Union to maintain the sacredness of contracts and the principle of arbitration as the antidote against wasteful strikes. We will print these newspapers; we will cancel this local union's charter; we will fight our own members to the fullest degree of our influence, strength, and money to maintain law and order in the newspaper field of New York City.

Mr. President, the example to which reference is made can be found in any other international and national labor unions, and it results from a long period of education and discipline. It is the outgrowth of a complete understanding as to the value of cooperation on a sound business basis as between the investor, management, and labor. Moreover, it is my opinion that such a procedure constitutes not only the very essence of American industrial stability and tranquillity, but it is also a contribution to the perpetuity of our Nation itself.

Mr. President, under date of July 28 I received from John Possehl, general president of the International Union of Operating Engineers, a copy of a letter he addressed under date of July 23 to President Green, of the American Federation of Labor, on the subject of the Fair Labor Standards Act.

I am of the opinion that this letter will throw some light on the statements made here yesterday with reference to the American Federation of Labor.

I have known Mr. Possehl for many years. He is a scholar and a profound student of labor problems, a consistent trade-unionist, and one who strongly believes in the sacredness of labor agreements.

Upon receipt of this letter from Mr. Possehl I called him by telephone and requested him to send me a copy of the previous letter he referred to, which he sent to President Green, of the Federation of Labor, under date of June 3, 1937. I am not going to read that particular letter, but, as it is Mr. Possehl's analysis of the first bill, and because I am of the opinion it will be of service to those who desire to see, from a labor man's point of view, the difference between the original bill and the bill as reported out of the Committee on Education and Labor, I now ask unanimous consent to have Mr. Possehl's letter under date of June 3, 1937, placed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
Washington, D. C., June 3, 1937.

Subject: Fair Labor Standards Act of 1937.

Mr. WILLIAM GREEN,
President, American Federation of Labor.
American Federation of Labor Building, Washington, D. C.

DEAR SIR AND BROTHER: The two bills brought within the subject of this memorandum—S. 2475, by Senator BLACK, of Alabama, and H. R. 7200, by Representative CONNERY, of Massachusetts—are practically identical and accompany the special message of the President to the Congress on May 24, 1937, on the subject of wages and hours of labor. I have studied the bills carefully, using S. 2475 as the principal source, and present you herewith my analysis thereof.

Part I: Part I of the bill is devoted to a declaration of policy, definitions, and the creation of a labor standards board.

Section 1 (a): As a part of its legislative declaration, the bill declares the evils of the employment of workers under substandard labor conditions in occupations in interstate commerce, in the production of goods for interstate commerce, or "otherwise directly affecting interstate commerce." That quoted phrase goes in its intent far beyond any legislative proposal which, offhand, I remember to have come before my attention. The recent decisions by the Supreme Court—I refer to those of April 12, 1937—were extremely liberal in their interpretations of the relationship between the National Labor Relations Act and interstate commerce, but the words of the new bill greatly exceed the decisions of the Court. So far as I am able to visualize the field, any enterprise which employs labor may be considered as having an effect upon interstate commerce. A cab owner, for example, who operates cabs within the limits of a political subdivision, no matter how small, and who, with respect to his employees, violates any of the provisions of this bill, could be held on the ground that his action affects interstate commerce. The illustration is not at all far-fetched, for if his attitude toward his employees resulted in a strike of those employees, then his consumption of gasoline would be reduced, thus affecting interstate commerce, for gasoline is clearly an article shipped in interstate commerce.

Section 2 (a) (6): The word "employer" is defined as any person acting directly or indirectly in the interest of an employer, and, insofar as any labor organization is an employer, such organization must come within the intent and purpose of the bill.

Section 2 (a) (8): A labor organization is defined as an employees' organization of any kind which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, or any of the other questions which arise between employees and employers. In that definition the bill is definitely at cross purposes with the National Labor Relations Act, for here, whether by intent or whether by careless draftsmanship, the way is left open for the reestablishment and the legal recognition of the company union.

Section 3 (a): A Labor Standards Board of five members is to be appointed by the President. The appointments are to be made with consideration to the industrial and geographic regions of the country. It is very easy for me to understand how appointments could be made with proper consideration either to the industrial or the geographic regions of the United States, but I fail to see how both could be given consideration at the same time. Certainly the two are in sharp conflict. To give industrial areas proper recognition in the matter of appointments must mean that geographical areas must be left unrecognized and, on the other hand, to make appointments with the idea of giving recognition to geographical regions must correspondingly leave important industrial regions without representation.

Beyond that the text discloses a much more serious evil, for there is nothing to indicate the peculiar qualifications which shall be required of those appointed. As a matter of fact, no qualifications whatever are set forth. There is in the bill no requirement that representatives, either of labor or of industry, shall be given places on the board. Under the bill as drawn, any five men, whether white, black, or yellow, whether honest or dishonest, whether qualified or not qualified, whether men of national importance or men utterly nondescript can be appointed to the Labor Standards Board and exercise complete jurisdiction over 40,000,000 wage earners and the employers of 40,000,000 wage earners.

Part II: The various sections of part II relate to the establishment of fair labor standards with respect to wages and hours and exemptions from such standards.

Section 4: This section of the bill relates to the extension by the Labor Standards Board of the provisions of the bill to employments in which oppressive wages are paid, in which oppressive hours of labor are worked and gives the board authority to raise or lower the standards which the board itself has set, with respect to employees in so-called oppressive employments.

Each one of the four paragraphs of the section includes a phrase which is singularly disquieting—each one states that the provisions of the bill may be extended as rapidly as the board finds that it may be done "without unreasonably curtailing opportunities for employment." The inference is clear and indisputable. It was definitely in the minds of the draftsmen of the bill that its provisions are so drastic and its effective operation so burdensome that industrial recessions are bound to occur. In other words, a bill designed, according to the President, to extend our social frontiers is to have the immediate effect of narrowing and restricting those frontiers. The experiment is far too dangerous a one with which to trifle.

Equally disquieting is the provision included in the two last paragraphs of the section which is that minimum-wage standards and maximum-workweek standards having been established by the board, the board may raise or lower such standards when it finds a change necessary or appropriate to prevent the depression of wage levels or to prevent hours of work from having an adverse effect upon the health or well-being of employees. The

proviso discussed in the preceding paragraph is included—that such changes can be made without unreasonably curtailing opportunities for employment or the earning power of employees. Here, though, is to be read the conclusion of the draftsmen of the bill that a standard set by the board is, after all, no standard but merely something which can be raised or lowered according to the will of the board. Instead of stabilization, an added factor of uncertainty appears which must have its effect upon the industrial life of the Nation, and hence upon the lives of all of those who presumably are gainfully employed.

Section 5 (a): Whenever the board shall have reason to believe that wages lower than a minimum fair wage are paid to employees who are engaged in interstate commerce, it shall conduct an investigation; and if it determines that wages lower than a fair minimum are being paid or that the fixation of a minimum fair wage will not unreasonably curtail opportunities for employment, it shall proceed to establish a minimum fair wage for those employees made the subject of the investigation. In establishing such wage, the board is to take into account the cost of living and other circumstance affecting the value of the service rendered and is to be guided by the same considerations as would guide a court of law. The board is also to consider the wages paid for work of like or comparable character when fixed by collective agreements, and also similar wages as paid by those employers who voluntarily maintain fair-wage standards.

The objections to such a proceeding are manifold. Note that before the board can proceed with an investigation it must have reason to believe that substandard scales of wages are in effect. If the board is to have reason to believe that is the case, it must, of course, have before it data of such a character as to afford the basis of that reason, and that can be done only by the collection and compilation of evidence and its presentation before the board, or before an officer or officers designated by the board for that purpose. Such a procedure calls for regulation. Having in mind the mass of regulations which have made so relatively simple a statute as the National Labor Relations Act unwieldy, and in certain practical sense unworkable, it is immediately apparent that regulations compiled by the board covering the operation of this single phase of a most complex bill must result in a consumption of time and effort so vast as almost certainly to defeat its presumed beneficial design.

Once the board has reason to believe that substandard wages are in effect, it must then conduct an investigation which shall determine the condition to be true. The board then shall by mandate establish a minimum fair wage, taking into account as before noted, the cost of living and relative circumstances affecting the value of the work performed. There again, difficulties pyramid enormously, for the cost of living is an extremely variable and highly fluctuating figure and one which—to my satisfaction at least—has never yet been determined. Obviously, the most important criterion of the wage which shall be paid is the worth of the work which it represents, and that again is something tremendously difficult to determine. I point again to the excessive requirement of time, effort, and even of money necessary to bring about a determination of a fair minimum wage, and once that has been concluded, it is to be remembered that it can be made effective only if the board shall decide that it will not unreasonably curtail opportunities for employment.

Section 5 (b): Here is covered a question of determination of a maximum reasonable workweek. That is to be concluded under conditions substantially the same as those for the fixation of a fair minimum wage and the same difficulties are implied. For that reason, they are not here given new discussion. It may not be altogether inexpedient, however, to mention the probability that, in the great number of cases, both the factors of wages and hours will be included. The combination of the two can operate only to increase the complexities. If all the difficulties arise—and I firmly believe they will arise—in the fixation of wages and hours of work as I have outlined them above, then, when the two are considered together and taken up in their relationships of one to the other, more and more factors which cannot readily be reconciled will come to the fore and the expenditure of time and effort correspondingly increased.

Section 6 (a): This section treats with exemptions from labor standards with respect to wages and hours, and, as is so likely to be the case, one of the most vicious evils stands exempted. Among the strange inconsistencies, of which so many appear in this bill, is one in this paragraph which leaves the number of employees who shall exempt an employer from its provisions as undetermined—that is, the number must be filled in by the Congress during its consideration. The value of the paragraph, then, taken solely by itself, depends upon the point at which the number of employees may be fixed. If it is extremely low—say 5 to 10—the sweatshop employer in his most vicious aspect will be exempted. It is not necessary to give illustrations of the great number of employers, particularly in metropolitan areas, who employ workmen and workwomen in numbers of 10 or a dozen or less, and who conduct their enterprises, judged by any standard, under substandard conditions. If the minimum number of employees is set fairly high—20 or 25—a strong tendency may develop to encourage small decentralized industrial units established for the sole purpose of seeking exemption from the statute.

Section 6 (c): The board may provide, by regulation, that the employment of employees in any occupation under special conditions shall not be considered in violation of the terms of the bill if it finds that the special character of the employment makes such conditions justifiable. Such regulations may be applicable to the employment of learners and apprentices at wages lower than those determined for the industry, the employment of persons whose earning capacity is impaired by any one of several causes, deductions for board, lodging, and the like, if it is necessary for the employer to furnish them, overtime work in the case of peak or seasonal activity, and any other cases which seem to the board to justify themselves.

All of the five sets of conditions or circumstances are open to objection, the most serious being that which refers to the employment of learners and apprentices. The learner is one thing and the apprentice another, and it has been found from long and unpleasant experience that by certain classes of employers the policy has been pursued of carrying the learners at low rates of wages for so long a period as to qualify them both by time and experience as journeymen. Too strong an opposition against the inclusion of the classification of learner cannot be registered. The provision respecting those whose earning capacity is impaired by age or other limiting conditions is likely to be found in conflict with the compensation laws of the various States, and with respect to the matter of deductions for board and lodging there stands the determination of a question of fact. Under the slow procedure which it seems must almost inevitably be established by the board, overtime employment in periods of peak or seasonal activity must long have passed before the board itself could reach a conclusion respecting its justification and to cover the last point the general classification of other cases may mean nothing more than a kind of pigeonhole for all manner of exemptions which do not lend themselves to ready solution.

Part III: This part deals with the disbarment of unfair goods from interstate commerce.

Section 7: In this section are stated certain conditions under which it shall be unlawful to transport goods in interstate commerce. The section is not one which deals directly with the wages and hours of labor and, for that reason, is not discussed in detail. Its terms, however, are such as to cause hesitancy on the part of employers, to make them withhold their funds from productive enterprises, and, thus, to have an indirect effect upon the employment of labor.

Section 8 (a): This section, which seeks to protect interstate commerce from the effect of substandard labor conditions, makes frank reference to all commerce.

In other words, it extends directly and definitely to intrastate commerce. Here is no question of border-line case or of a so-called "no man's land"—the bill gives to the board authority to direct an employer who maintains his operations under substandard labor conditions, but who is not engaged in interstate commerce, to cease his substandard activities.

Section 8 (b): In this paragraph the position outlined in that preceding is so broadened and strengthened as to give the board complete authority over labor conditions in all industries, whether its products are sold in interstate or intrastate commerce.

Section 8 (c): The paragraph is brief. It is confined merely to the statement that it shall be unlawful for any person to employ any employee in violation of any provision of any order made under the preceding paragraphs in the section. Since a person is defined as an individual, partnership, association, corporation, business trust, receiver, trustee, trustee in bankruptcy or liquidating or reorganizing agent, it is immediately apparent that the control of the board over all forms of industry, and hence over employees in all industry is to be complete and final.

Part IV: This part refers to the devices by means of which substandard labor conditions may be eliminated.

Section 9 (b): This paragraph read in connection with the earlier parts of the bill practically eliminates intrastate commerce. State laws respecting intrastate commerce, even though beneficent, are nullified and the doctrine of State rights, which is as old as the Nation itself, is set aside. It reduces to the fact that an employer engaged entirely in intrastate commerce, whose employees were employed under substandard conditions, as defined by the board, even if those employees are satisfied with the conditions under which they work, may be brought within the terms of the bill.

Section 11 (c): Here again appears one of those frequent inconsistencies, for the bill having ruthlessly set aside State rights and the rights of employers engaged only in intrastate commerce, suddenly recognizes State statutes by a reference to the violation of the laws of any State. It should be added that the paragraph is not intended apparently to define the rights of the States, but rather to strengthen the power of the board.

Part V: In this part are established the general administrative provisions of the bill.

Section 12 (5): This paragraph grants to the board by a labor-standards order full authority to classify employers, employees, and employments according to localities, population, number of employees, and other circumstances. Employees may have no power to sell their services according to the classification and, hence, the valuation which they place upon them—that may be left entirely within the authority of the board. In the hands of unqualified members of the board (and, as before pointed out, the question of qualification is not recognized in the text of the bill) or of employees of the board, such authority is extremely dangerous to employers, employees, and to the entire commercial structure of the United States. For the bill to say that it shall be the policy of the board "to avoid unnecessary or excessive classifications and to exercise its powers of classification only to the extent necessary" does not in the slightest degree lessen the danger, for it remains with the board to determine what may be necessary or unnecessary.

It is interesting to note in this paragraph that the board may make such classifications, which it sets forth in detail, as it may consider necessary or appropriate to accomplish the purposes of any order which it may issue. That is to say, that conditions are to be changed to suit the order; there seems to be no thought that the order shall be drafted to suit conditions.

Section 12 (6): Here it is stated that an order relating to wages "may contain such terms and conditions as the board may consider necessary or appropriate to prevent the established minimum wage becoming the maximum wage." It is difficult to believe that the draftsmen of the bill could be either so artless in their thinking or so completely ignorant of the principles of the wages of labor as to feel that an order establishing a definite minimum wage rate could be so drawn as at the same time to protect rates higher than the established minimum. Wages of labor are certain to approximate a minimum fixed by statute, and no number or variety of terms and conditions which may be inserted in an order can prevent or even check such a natural tendency.

Again, it is stated that the board shall establish "such minimum wage standards as will affect only those employees in need of legislative protection without interfering with the voluntary establishment of appropriate differentials." Wages are not individual things. Wages paid one employee or a group of employees do not stand alone and apart from wages paid other employees and groups of employees. The whole structure of wages is closely woven into one great whole, and the fact that wages for one group are fixed under statute cannot help but have, whether the board so wishes it or not, a definite effect upon all other wages.

Section 12 (8): Under this paragraph the board is given authority at any time to modify, extend, or rescind an order in the light of conditions then prevailing. Presumably that is a salutary provision, but again appears the element of uncertainty which must be disastrous both to employee and employer. If the order of today can be changed tomorrow, on what basis can the employer proceed with his enterprise; and if the employer cannot proceed, then how can he either employ labor or pay the wages of labor?

Section 13: In this section is described the general procedure with respect to hearings. The procedures have been discussed in some detail under section 5 (a) and are not given further discussion here.

Section 14: In this section appears a further encumbrance to the efficient operation of the board, for here is given authority to the board to appoint advisory committees for purposes of investigating and reporting upon the fair value of the services rendered by employees. The appointment of such committees follows the usual procedure—appointments shall be made from lists of nominees submitted by employers and employees and shall consist of an equal number of persons representing employers and employees, and certain disinterested persons representing the public. Such advisory committees shall submit their reports within 60 days. If reports are not submitted within that time, the board may appoint new committees and the board may reject, either in whole or in part, the recommendations of such committees.

Now, for a moment, consider the time element. For nominations, appointments, and acceptances a period of at least 30 days must be required. After appointment the committee has 60 days in which to report. Presumably, the board would require 30 days more in which to analyze the report and to issue a labor order. Thus, 120 days will have elapsed, providing, of course, the board does not appoint a new committee or does not reinvestigate the entire situation, and that number of days must be considered as an addition to all of those required as necessary to convincing the board that reason exists for investigation. Issues involving labor should be settled immediately and as they arise; better still, they should be adjusted before they arise and not at the end of a minimum period of 120 days after they take form.

It is interesting to note, however, that in this section appears the first recognition in the bill of employees and employers as parties, in any sense or degree, to the administration of the bill. It can be regarded as nothing more than recognition, for they are given no authority. Again, in issues as broad and as far reaching as those of wages and hours of labor, as covered by this bill, the question may well be asked as to where the disinterested members of advisory committees are to come from, for those issues are so grave as to touch directly upon the lives of every citizen in this country.

Section 17 (b): By this paragraph is reintroduced the possible use of the Blue Eagle, or some other kind of bird, beast, or fish, to designate goods produced by those employers who conform strictly to the will of the board. In that is a distinct threat. The American Federation of Labor found manifold objections to the use of the Blue Eagle under the National Industrial Recovery Act. A device of that sort, however, seems to have a particular appeal for various Government departments, for several times it has been suggested that a device in the form of a label showing conformity with established Government standards be utilized.

Section 19: Again in this section are discussed regulations to be drawn and orders to be issued by the board. Again with respect to this section comes consideration of the element of time which has already been discussed in detail.

Section 23 (a): In this paragraph it is stated that nothing in the act shall be construed to interfere with the right of employees to self-organization or to bargain collectively. All that is true, but let the question be asked frankly, what is the use? Of what use to organized labor or to labor of any kind is the retention of the power to bargain collectively with respect to wages, hours, and conditions of labor, if when enacted into law the bill will give to a board plenary powers over all industry and over the wages and hours of labor in industry. Under the full operation of this bill such rights and authorities are abrogated and become of no use.

Section 23 (d): Here it is provided that nothing in any regulation or order by the board shall be construed to invalidate any collective bargaining agreement made by an employer. Again that may be accepted as true, but why should an employer enter into an agreement with his employees under the terms of this bill? But little would be gained in the way of security either to employee or to employer. The bill is so drastic in its terms as to give the board complete authority over all forms of industry, whether expressed in interstate or intrastate commerce.

These notes, though lengthy, have been written in outline and serve to show the length and complexity of the bill. Not all sections and paragraphs have been discussed. Some which have been given no attention are of such a nature as to make an argument either for or against labor rather difficult. They include provisions which refer strictly and definitely to employers, although, of course, any part of the bill which affects employers must, at the same time, also affect employees.

The bill is designed "to provide for the establishment of fair labor standards." I see but little therein which offers promise of establishing fair labor standards and that promise is largely nullified by the tremendous burden placed both upon employees and employers in establishing such standards. In order to determine the fair labor standard it is necessary, it seems to me, first to decide upon the constituents of a fair labor standard, and on that point as I read and understand it, the bill is entirely silent.

I see but a single factor in the bill which affords any degree of satisfaction to organized labor. Clearly, in order to present data which shall give the board reason to believe that employees of some employers are working under substandard conditions, some form of organization will be necessary. That bit of satisfaction, however, is largely offset by the fact that organization necessary to present factual material, need not be permanent and need be only of a transitory type which could be readily bent to its own uses by some of the less responsible organizations of labor which just now are in possession of considerable strength.

With kind regards, I am,

Fraternally yours,

_____,

General President.

Mr. DAVIS. Mr. President, because I discussed a part of the subject matter of this letter with Chairman BLACK yesterday, I am going to present the copy of Mr. Possehl's second and later letter addressed to President Green, of the American Federation of Labor, under date of July 23, which I have already referred to. I ask unanimous consent that the second letter may be inserted in the RECORD at this point, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL UNION OF OPERATING ENGINEERS,
Washington, D. C., July 23, 1937.

Subject: Fair Labor Standards Act of 1937 (as reported with an amendment.)

Mr. WILLIAM GREEN,
President, American Federation of Labor,
Washington, D. C.

DEAR SIR AND BROTHER: On date of June 3, 1937, I addressed to you an analysis of the Fair Labor Standards Act of 1937, as originally introduced in the Senate and the House of Representatives by Senator Black and Representative Connery, respectively. I am taking the liberty of sending you now an analysis of the amended bill as it is at present before the Senate:

On May 24, 1937, the President sent to Congress a special message in which were discussed methods for the establishment of fair labor standards. On the same day two bills—S. 2475 in the Senate and H. R. 7200 in the House, and together known as the Black-Connery bill—designed to fix such standards by law, were introduced and referred to appropriate committees. Hearings were held before a joint committee and on date of July 8, 1937, Senator Black reported S. 2475 to the Senate with an amendment in the nature of a substitute and a report—no. 884.

The bill, and hereafter that term refers to the bill as amended and reported, exhibits marked changes in a comparison with that originally introduced. It is less devious. More important, it does not carry, providing it is enacted into law, so sweeping an assumption of authority. On the other hand, it does include elements which are faulty and which should be discussed.

From the legislative declaration part I, section 1 (a) have been eliminated two clauses: (4) which states that the employment of workers under substandard conditions "causes industrial dislocations directly burdening and obstructing interstate commerce" and (6) "causes undue price fluctuations impairing the stability of prices of goods in interstate commerce." It seems a reasonable conclusion that the clause last quoted was excluded with the thought that in it were to be read potentialities if not necessities of price fixing. An assignable reason for the omission of the first of the two quoted clauses does not as easily come

to mind. Its principle appears to be clear and if it was the truth in the original, it probably is also the truth in the amended bill.

Whatever may have been the motives or the reason on the broad ground that the phrasing of legislation should be made as simple as possible, the result of the two exclusions is doubtless salutary. The opening sentence of the section, however, remains unchanged, and it still stands as the declaration of the evils of employment under substandard labor conditions in the production of goods for interstate commerce or "otherwise directly affecting interstate commerce."

But little commerce exists which does not directly affect interstate commerce. In a nation woven into as solid a unit as are the several States of the United States, through all the varied systems of communication, that part of commerce which is so purely intrastate as to have no direct effect on interstate commerce is relatively unimportant. In those few words last quoted the pending bill holds a device which opens the way for Federal regulation of all commerce.

In the section given over to definitions one commendable change is to be noted. The offending definition of a labor organization which made possible the legal recognition of the company union has been omitted. Others have been excluded, including that perfect rhetorical gem which stated that "the singular includes the plural and the plural includes the singular."

Other definitions are broadened. That, for instance, of employee includes workers in agriculture as in the original bill, and then proceeds to define agriculture as including cultivation and tillage of the soil, dairying, market gardening, poultry, and so on through a substantial list of activities. In respect of that definition a single thought is expressed that in some branches of agriculture, particularly the last three of those named above, are employed workers of exactly the same trade classifications as those to be found in other forms of industry who are presumed to benefit under the terms of this bill.

The definition of child labor is also greatly broadened. That, however, is not discussed here, nor are any of the effects of the bill upon the employment of child labor given discussion. It is felt that those parts of the bill can be treated much more effectively by those whose field of endeavor brings them more clearly into contact with that form of employment.

In no important particular does that section devoted to the Labor Standards Board vary from the corresponding section in the bill as originally introduced. Indeed, with the single exception that the amended measure includes a statement giving to the board authority to adopt its own rules of procedure, the two are identical. That fact does not indicate, though, that the section is not open to critical comment.

The truth is quite the opposite. In the matter of the appointment of the board there is no lessening of the evil, no shrinkage in its impracticabilities. The difficulty of reconciling industrial areas with geographical reasons is present in the same language as before; the same complete lack exists of expressed qualifications which shall be possessed by those who may be appointed to membership on the board.

The failure to define requirements satisfactorily for service makes that section of the bill objectionable to organized labor. It is not necessary, it will be observed, that members should be acquainted with even the most simple rudiments of industrial practice. No requirement is introduced that members shall possess any specialized skills. There is no suggestion that there should be demonstrated any degree of interest in the problems of labor, whether organized or unorganized.

Parenthetically, it should perhaps be said, that at the convention of the American Federation of Labor held in 1936 at Tampa, Fla., the question of legislation covering various aspects of labor relations held the attention of the committee on resolutions. That committee reported a resolution, unanimously adopted by the convention, which assumed the position that the American Federation of Labor would not support legislation which did not provide for direct representation of labor on any administrative body to be established by the measures under discussion. The pending bill carries with it no such provision.

The fourth section is opened with a series of propositions followed by a declaratory paragraph which concludes subsection (a) of that section of the bill. Of those premises there are six with some of which complete agreement comes swiftly and quite without effort. Others require thought before full accord can be reached and in one instance it is difficult to give much more than a somewhat qualified assent.

There is but little hesitation in saying that a weekly wage of $5 or less is unconscionably low. There is none at all in a further statement that if the conditions of the business are so unstable, if its debit and credit relationships are so precarious or its margin of profit so narrow as to compel the payment of a $5 wage, then the time is at hand for that business to conclude its affairs and to turn its capital into other channels of investment. To those industrial organizations which, operating under normal conditions, find it essential to engage in a workweek of 84 hours, the same thoughts, though perhaps somewhat modified, are applicable.

No doubt can be entertained that such low schedules of wages and such high schedules of hours create unfair competition among employers of labor. The necessity that workers in the United States be protected by the elimination of substandard wages and hours will not be denied. General agreement will be found in the expression of an opinion that the changes necessary to achieve the results must be developed carefully and cautiously without disruption or dislocation of business and industry.

On that last a word may be offered. It must not be construed as a defense of low wages and high hours when it is said that the resulting change, if the bill becomes law, is bound to be drastic. No matter how careful and cautious may be the procedure, disturbance, and dislocation of industry are certain to occur. It is impossible through mandate having the force of statute to impose new schedules of wages and hours upon an industry without disturbing that industry. The disturbance may or may not be far-reaching; it may or may not be particularly grave. It may extend over a long period or be only temporary, but disturbance will follow.

Against the premise which says that those workers whose wages are the lowest and whose hours are the longest and who are unable to improve their condition through the medium of collective bargaining, a certain dissent must be laid. There are organizations ready and qualified to give them aid. There have been such organizations in the past. On that single point nothing further need be said.

The series of propositions having been stated, it is declared to be the policy to maintain minimum wage and maximum hours standards at levels which shall be conducive to the general well-being of workers and at the same time operate to the profitable operation of business. It is all notably praiseworthy.

The text plunges then into the details of the measure. First to be noted is that it is mandatory upon the board to declare minimum wages, whereas in the original bill that was a qualified authority—that is, only when the board had reason to believe that wages lower than fair minima were paid was it obliged to make investigation and determination and to issue corrective orders. Until the board had been persuaded of a substandard condition nothing could happen.

Providing, then, that opportunities for employment shall not be curtailed, the board shall from time to time declare minimum wages which shall be adequate for the occupation or occupations to which they are applicable. From the context the word "occupation" obviously refers to the means of livelihood pursued by the worker. There is no reference to industry.

The omission is important. An occupation in one industry may command a different scale or wages, may differ widely in its requirement of skill from the same occupation when pursued in another industry. The toolmaker in the precision-instrument industry is in every way, excepting only in the knowledge of the fundamentals of his craft a different mechanic from the toolmaker in an industry where the principal requisite of the tool is that it be sufficiently rugged to withstand long service under hard and not particularly intelligent usage.

It is not necessary to confine illustration to skilled trades. Common labor, for example, employed in the foundry industry is not the same as common labor employed in, say, the knitted-fabrics industry. The differences are both quantitative and qualitative.

Still speaking of common labor, the same differences persist in the separate units of the same industry. In the machinery and machine-tool industry both quantity and quality vary as between the foundry, the several contributive divisions, and the machine shop proper. One of the conspicuous characteristics of common labor is that, in the sense ordinarily accepted, it is not common.

So if minimum wages for an occupation are to be declared without regard to the varying requirements demanded of that occupation by different industries, the problem, insofar as the board is concerned, is comparatively simple—that is taken strictly in a comparative and not an absolute sense. Great inequities and grave injustices to large groups of workers will result, but those do not affect the problem as it is before the board. If minimum wages are fixed with full consideration of all the differing qualifications for workers in the craft imposed by each one of the employing industries, the board has before it a problem of great and widely ramifying perplexities. If attention is extended not only to occupational characteristics as modified by the needs of the different industries, but beyond those to the distinctions of those characteristics within each industry taken by itself, perplexities multiply beyond ready imagination.

Notwithstanding the enormous maze of detail, how indeed can minimum wages otherwise be declared than with full regard to the refinements of differences in occupational employment? If a workman is so unfortunate, so hapless in his birth, family, training, education, ambition, and mentality as to be incorporated into the great mass of common labor, is he to be deprived by statute of the scant advantage in earning power which is his by reason of the fact that he is the possessor of the narrowest of margins of intelligence, physical strength and willingness over his fellow workers? Whether or not it is easily believed, the fact is that even in the great body of common labor are gradations of ability. They would not be visible to the collective regulative mind of a board but they are clearly apparent to direct employers and to the other workers in the group. It is no denial of the principle of minimum wages to say that those degrees of difference should be recognized and their rewards protected.

Perhaps something of that sort is rather vaguely contemplated by the bill, for it reads that minimum wages shall be declared for the occupation to which they are applicable "from time to time." The meaning is not clear. Does it mean that a minimum wage will be fixed for an occupation in one industry at one time and for the same occupation in a different industry at another? Or does it mean that wages for the same occupation in the same industry will be subject to frequent change, or again does it mean

that adjustments will be made so carefully and so often as to take account of all or many of the different individual gradations of ability? The last question is probably not the correct one and yet if it is not, how small a degree of equity, in last analysis, resides in the bill.

After all, the industry in which the occupation finds expression is a most important factor. To the industry, as before mentioned, there is no reference. Apparently it is not considered necessary that the members of the board should be acquainted with the peculiarities of requirement of the different industries. To the board, no matter where or how employed, a laborer is a laborer and that is all there is to it.

It may be the intent to compensate for the failure, to mention industry or the board's conceivable lack of knowledge of industry through the appointment of advisory committees as provided by section 11. There once more is a departure from the original bill, for the measure now pending makes mandatory the use of advisory committees. In the bill, as first presented, the use of such committees was discretionary with the board.

Even in that section of the bill no mention is made of industry. The personnel of advisory committees—equal numbers of persons representing the employees and the employers in the occupation under investigation—justifies a hope that the minimum wage determined will be declared for the occupation in a specific industry, but that is pure assumption. The bill does not so state. The reference is solely to the occupation. By the composition of the advisory committee the difficulties above discussed may be reduced, but not necessarily so. They will not be eliminated.

The minimum wages to be declared by the board shall be as nearly adequate "as is economically feasible, without curtailing opportunities for employment", to maintain a standard of living necessary for health, efficiency, and general well-being. Excellent. But in the minds of the authors of the amended bill as in those who drafted the original measure, although not so clearly apparent, is the same haunting fear that effectuation as law will reduce opportunities for employment.

The feeling is not without justification. How could the fact be otherwise? Again, without defending the low wage industry or a section—either producing or geographical—of an industry which is definitely substandard in the matter of wages, how is a new wage structure to be imposed without affecting employment. It cannot be done.

If such an industry employing, for example, a labor force made up in large proportion of unskilled or common labor has reason to believe its average hourly rate of wages is subject to sharp increases ranging upward to perhaps 100 percent, what is likely to be its attitude toward immediate business relationships. Obviously, it could well be one of caution. It will be slow to accept orders or contracts involving any considerable volume because of an apprehension that increasing wage costs under law will bring positive loss instead of anticipated gain. It will be reluctant to make substantial commitments for raw materials lest increased cost succeeded by an increased selling price will cause goods to remain unsold or to become stagnant and unmoved until the market shall have had time to adjust itself and become accustomed to the change. So delicate is the mechanism of the market that once out of balance it does not always move back rapidly to a state approximating equilibrium.

Those two conditions out of many which could be recited are not offered in opposition to the adoption of schedules of minimum wages. They are presented merely as indices of a certain decrease in the employment of labor. Hesitancy in the solicitation of new business and slowness in making commitments for necessary materials can result only in the curtailment of opportunities for employment.

That is not all. What of the workers in the occupational wage brackets next above those for which minimum-wage schedules are declared? Suppose the minimum wage for an occupational group were to be advanced by order of the board to 40 cents per hour. What happens to those who received that rate before the increase was ordered?

Will the wages of those be correspondingly increased? Probably not. Indeed, from the viewpoint of the employer, why should they be increased? If the services they rendered before the enactment of the statute were worth only 40 cents per hour, why should they be worth more after the passage of a law which admittedly does not apply to them? They are not, of course, worth more.

Occurs, then, a congestion of labor around the 40-cent level, or at the level to which the board has advanced minimum wages for the occupational group. The employer notes a decided bulge at the declared level, and as he believes should be the case with an overexpansion in any particular group of workers at any specified wage rate, he proposes to himself that it be reduced. Let those who have benefited under the law earn their increased wages. If 40-cent men must be employed, let them earn 40 cents per hour.

The possibilities of curtailment of employment through numerical reduction of occupational groups extend much more widely and in far greater detail than can possibly be recited here. Those constitute a study in themselves. Merely as an index of the evils inherent in the fixation of wages by statute a single and altogether obvious illustration will suffice.

Three workmen, 1 at 35 cents and 2 at 30 cents, have been employed on a particular job—a total wage cost of 95 cents per hour. Why not speed up a bit—two 40-cent men required under statute—and drop one of the others? The result is both interesting, and as the employer sees it, extremely practical—one man less, a reduced wage cost of 15 cents per hour, and completed obedience to the law. The scheme is sound and it will be followed.

As earlier suggested, the bill carries no price-fixing provision. It is not argued that such requisites should be included, but in their absence increased wage costs are extremely likely to be translated into increased costs to the consumer. Evidently the authors had that rather strong possibility in mind when the bill was drafted, for in section 8 is found a provision which authorizes the United States Tariff Commission to investigate increased costs results from its operation should it become law, and to propose adjustments in rates of duty which would not hold domestic goods in a position of disadvantage in relation to foreign goods.

In identical language, excepting only that the words "maximum workweek" are substituted for the words "minimum wages", the board is placed under mandate to declare a maximum workweek for any occupation or occupations which shall be as nearly adequate as possible to maintain the health and well-being of the workers. The discussion directed toward the minimum-wage provisions of the bill does not require any very substantial modification to render it applicable to the subsection devoted to maximum hours. No new points of consideration are raised.

One fact coming from the combination of maximum hours with minimum wages does require brief mention. A maximum of 40 hours of work per week applied to a minimum wage of 40 cents per hour, above and below which, respectively, the board cannot function, brings a wage of $16 per week. On the basis of 50 weeks of work—under present conditions, a hope rather than a conviction—the return to the individual would be $800 for the year's work. It is not much money.

That is not written scornfully. Any advance that can be secured to labor is worth a great deal. On the other hand, it must be noted that according to the Statistical Abstract of the United States for 1936, the average wage paid common labor in the United States in 1935 in several different industries, all of which come within the terms of the bill, was slightly in excess of 45 cents per hour. The inadequacy of that figure and the data which support it are admitted, but it does point to the strong probability that the benefits of the legislation, if completed, will not extend as widely as its supporters have hoped.

Succeeding that section given over to the establishment of minimum wages and maximum hours is section 5, by which agreements consummated by collective bargaining are presumed to be afforded protection. Apparently a satisfactory measure of protection is granted, but by some who have analyzed the bill it has been pointed out that the inclusion of the phrase "allowed by law", in the opening sentence of the section, extends its protective features to the company union. If that is true, then nothing has been gained by omitting from the amended text section 2 (a)–(8) of the original bill, which opened the way to legal recognition of that form of organization.

Even in the face of the probable intent of the language, it is difficult to resist a feeling that the bill operates to weaken the structure of collective bargaining. There seems to be evident no reason why employers should enter into agreements with those labor groups which come within the scope of the bill. They will observe the law, if passed, and stop short with observance, excepting only as some unforeseen or uncontrollable factor forces them into a more advanced position. Certainly there is no reason why employers should make collective agreements, for example, 42 cents, if under statute they can secure equally good labor at a legalized rate of 40 cents per hour. More and more labor will be brought within the wage schedules fixed by the board; increases in wages will be met, in large part, by reductions; and the strong tendency will be to delay collective-bargaining agreements and to permit existing agreements to lapse without renewal, until by each employer the limit of regrouping labor within declared schedules has been reached.

In section 9, where are recited the general administrative provisions of the bill, it is required that a labor-standard order "shall define the occupation or occupations, the territorial limits within which such order shall operate, and the class, craft, or industrial unit or units to which such order relates." In that language the objection that no reference is made to industry appears to be answered. That, in truth, is precisely not the case.

What is meant by the term "industrial unit"? Does it mean one industry—the steel industry, for example—as differentiated from another, say, the leather-goods industry? Or does it mean the manufacture of shoes taken apart from the basic leather industry? Or, further, could it mean without regard to other materials, the manufacture of fabric shoes? Or, once more, could it mean only the foundry division of the machinery industry? And if that is the event, what community of basis will be discovered between the comercial foundry and the foundry of a single unit included in any broader industry?

In that is perplexity, in what follows is real danger, for not only must the board define the class or craft covered by its order, but it has permissive authority to classify employers, employees, and employments. A host of questions immediately arises. They are so many and so varied that they cannot even be suggested here.

Let it be stated briefly that the classification of employers and employees or employments constitutes a task of enormous if not insurmountable difficulties. So far as this analysis is concerned, employers may be left to speak for themselves and this paragraph will be limited to employees. By whom are they to be classified? Classifications made heretofore by bodies organized for that purpose have wandered so far from fact and practicability as to reduce

quickly to absurdity. Most industrial plants, whether they employ many or only a few, have among their workers some whose duties are such as to defy classification by employer, by the employee himself, or by other employees. Even accurate classification, if it were possible, would not satisfy the basic question: The real criterion of the wage lies in the value of the work and not in the classification to which he may be assigned.

In that section of the bill, no matter how conscientiously administered, lie certain injustices and an incalculable harm which cannot be avoided. Classification of employees and employments inevitably will rob great numbers of individual workmen of the fruits of their aptitudes. It will take away the rewards of lesser skills and reduce all workmen in the lower wage occupational groups to the level of the mass.

In many respects the bill holds no improvements over the measure as originally introduced. The exempting paragraphs include all the evils, particularly those respecting the employment of learners, which were apparent in the bill as first drawn. The full use and meaning of the union label is endangered now, as it was before. Probably it is genuinely the intent to limit the operation of the bill strictly to interstate commerce, but ambiguities of language suggest possible confusion in that direction. If anything, the time element is given even less consideration than before. In the bill as it now reads almost any period can be devoted to investigation before declaration need be made by the board. That stands as the most serious kind of fault, for it is still a truth—without meaning to be at all cryptic—that the best time to adjust a labor issue is before it arises.

In the bill as it is today before the Senate appears but little of positive good to labor. It holds even less of positive good for industry. It may be argued that it represents a start toward better conditions for labor, and that very likely is true, but any gain which may be accomplished must accrue at such tremendous cost to all, excepting only the comparative few who will benefit directly—to the great numbers of the workers, to the employers, to industry, and to the Nation—that it seems better to postpone those scant advantages until, through further time and considerable study, a bill may be introduced which will be demonstrably utilitarian in its scope.

It is but a cold and cheerless argument to say that a poor bill is better than no bill at all. A poor bill is altogether unnecessary. A bill hurriedly prepared is equally unnecessary. The possibilities of positive harm are too grave and far reaching; the potentialities of danger too apparent to justify hurry. In this case time should not be of the essence.

With kindest regards, I am,

Fraternally yours,

JOHN POSSEHL, *General President.*

Mr. DAVIS. Mr. President, I am extremely anxious that the Senate shall adopt the amendment which I have submitted, which is, on page 51, line 3, after the word "agriculture", to insert a semicolon and the following:

Or any person whose compensation is paid upon a commission basis exclusively.

I am familiar with the conditions of those who work upon a commission basis. They prefer to work upon that basis rather than to accept a minimum wage or any other kind of wage. They want to be paid exclusively for that which they do.

Last night to my home came a young man to transact some business in the nature of some work in the house. His bill was rather high, and I ask upon what basis he was paid. He said he was paid upon a commission basis, and informed me that he would not work on a salary basis but wanted to be paid entirely upon a commission basis.

I believe there are between 500,000 and 1,000,000 people in the United States who work upon a commission basis. Many of them are the kind of workers who do a few days' work now and then. I cannot see how under any circumstances we can apply the restrictions of the bill to such people instead of submitting the matter to the board. Accordingly, I hope the Senate will adopt my amendment to exempt from the bill those who work upon a commission basis.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania to the amendment of the committee.

Mr. BARKLEY. Mr. President, I think we all recognize that there is a general desire to dispose of the bill at the earliest possible time. In order to avoid having a late session this evening I am going to propose a unanimous-consent request, prefacing it with the statement that later I shall move a recess until 11 o'clock tomorrow morning.

I ask unanimous consent that when the Senate convenes tomorrow, during the further consideration of the pending bill no Senator shall speak more than once nor longer than 15 minutes on the bill or any amendment or motion relating thereto, and that at not later than 3 o'clock p. m. the Senate shall proceed to vote without further debate on the bill and all amendments thereto.

Pending that request, I ask unanimous consent that the roll call provided for under the rule be waived.

Mr. McNARY. With the qualification that we shall recess this evening at not later than 5:15?

Mr. BARKLEY. We desire to have an executive session.

Mr. McCARRAN. Mr. President, I do not understand the suggestion made by the Senator from Kentucky with reference to the roll call.

Mr. BARKLEY. Under the rule, whenever unanimous consent is requested to fix an hour to vote on the final passage of a measure, a quorum must be called. It is my desire to waive that requirement of the rule.

Mr. McCARRAN. It does not mean we cannot have a quorum called tomorrow?

Mr. BARKLEY. Oh, no. It is simply my desire to avoid calling a quorum for the purpose of entering into the agreement at this time. It is not necessary to have a quorum called now.

The PRESIDING OFFICER. The Senator from Kentucky asks unanimous consent that when the Senate convenes tomorrow at 11 o'clock a. m., during the further consideration of the pending bill, no Senator shall speak more than once nor longer than 15 minutes on the bill or any amendment or motion relating thereto, and that at not later than 3 o'clock p. m. the Senate shall proceed to vote without further debate on the bill and all amendments thereto. Is there objection?

Mr. McCARRAN. Mr. President, in order to clarify the agreement—and I must confess I do not quite understand it—it would seem to mean that any Senator may speak 15 minutes on the bill and 15 minutes on any amendment thereto.

Mr. BARKLEY. That is correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. MALONEY. Mr. President, reserving the right to object, does the proposal mean that in the event there are amendments to be offered which Senators desire to discuss, the Senator will suspend the 3 o'clock limitation?

Mr. BARKLEY. No. All debate will end at 3 o'clock, and the Senate will vote at that time on the bill and all amendments thereto.

Mr. CONNALLY. Mr. President, does the proposed agreement also include any motions that may be made?

Mr. BARKLEY. Oh, yes.

Mr. CONNALLY. It includes all amendments and motions that are to be voted on?

Mr. BARKLEY. Yes.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. GEORGE. If all amendments to be offered had not been disposed of, would we have opportunity without further debate to vote upon all pending amendments?

Mr. BARKLEY. There would be no limitation as to voting on any amendments, but discussion would end at 3 o'clock.

Mr. GEORGE. It would be in order then to offer further amendments?

Mr. BARKLEY. Yes; absolutely.

The PRESIDING OFFICER. Is there objection to the request submitted by the Senator from Kentucky?

Mr. MALONEY. Mr. President, further reserving the right to object, I obtained the floor once this afternoon, but under a parliamentary ruling, which, of course, was correct, I was not permitted to call up my amendment in the nature of a substitute until all so-called perfecting amendments had been offered and disposed of. Under the unanimous-consent request submitted by the majority leader I might find myself without an opportunity to say a word when the time came to vote upon my amendment in the nature of a substitute.

Mr. BARKLEY. I will say to the Senator that I shall be glad to cooperate with him and with the Chair to secure an opportunity for him to discuss his substitute, although he may have to do it prior to its being actually offered on the floor, due to the technical rules.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from West Virginia.

Mr. NEELY. The Senator from Connecticut would have a perfect right to speak to his amendment, which has already been read from the desk, prior to the time the amendment comes before the Senate for action.

Mr. BARKLEY. Oh, yes; I shall be glad to help the Senator secure such an opportunity.

Mr. McCARRAN. That would be before 3 o'clock?

Mr. BARKLEY. Yes.

Mr. McCARRAN. At 3 o'clock all discussion would be cut off. Am I right about that?

Mr. BARKLEY. That is true.

Mr. McCARRAN. May I have it understood that if we recess now, I shall have the floor tomorrow morning?

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Mr. BARKLEY. The Senator would have the floor tomorrow.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Kentucky?

Mr. MALONEY. Mr. President, I should like to offer a suggestion to the majority leader. In view of the unusual situation in which I find myself and the unusual legislative situation concerning my proposal, I wonder if he will ask for this consent with the exception, under the circumstances, of my substitute bill.

Mr. BARKLEY. Mr. President, it is difficult to do that. I will see that the Senator from Connecticut has an opportunity to speak.

Mr. BRIDGES. Mr. President, my position is the same as that of the junior Senator from Connecticut [Mr. MALONEY]. I proposed to offer, in the form of an amendment, a substitute bill; and I, too, have yielded, pursuant to the ruling of the Chair today on the parliamentary procedure. I desire to have an opportunity tomorrow to offer my amendment and to say something on it. I therefore reserve the right to object, and I do object, if I am to be prevented from offering and discussing my substitute.

Mr. BARKLEY. Mr. President, I will say to the Senator from New Hampshire that we will take care of the Senator and give him an opportunity to discuss his substitute. There will be no trouble about that. Many Senators may have amendments to offer at the last minute that they may not be able to discuss; but I realize the special situation of the Senator from New Hampshire, and I will cooperate with him.

Mr. BRIDGES. Then, I withdraw my objection.

The VICE PRESIDENT. Is there objection to the unanimous-consent request submitted by the Senator from Kentucky? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The VICE PRESIDENT. The Chair understands that the Senator from Nevada [Mr. McCARRAN] has the floor. Does the Senator from Nevada yield for that purpose?

Mr. McCARRAN. I yield for that purpose.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Kentucky.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States, submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of Brig. Gens. Bernard William Kearney and Ralph Kenyon Robertson, both of the New York National Guard, to be brigadier generals, National Guard of the United States.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Leighton Shields, of Missouri (now serving under a recess appointment), to be district attorney, United States Court for China.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

POSTMASTERS

Mr. McKELLAR. Mr. President, from the Committee on Post Offices and Post Roads, I report back favorably a number of nominations of postmasters. In doing so, I ask unanimous consent that the nominations for Mississippi be considered at this time, because they are endorsed by both Senators from the State concerned. I ask that the Mississippi nominations be considered and confirmed en bloc.

The VICE PRESIDENT. The Senator from Tennessee asks unanimous consent that certain nominations of postmasters just reported by him be considered and confirmed en bloc. Is there objection? The Chair hears none, and the nominations will be read.

The legislative clerk read the nominations, as follows:

John R. Meunier to be postmaster at Biloxi, Miss., in place of J. R. Meunier (incumbent's commission expired Dec. 16, 1934);

Troy McGehee to be postmaster at Brookhaven, Miss., in place of C. E. Day, removed;

Virginia C. Welborn to be postmaster at Electric Mills, Miss., in place of E. A. Temple, resigned; and

William J. Pettyjohn to be postmaster at Marks, Miss., in place of L. M. Wilson, resigned.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

GEORGE T. MITCHELL

Mr. LOGAN. From the Committee on the Judiciary, I report back favorably the nomination of George T. Mitchell, of Mississippi, to be United States attorney for the northern district of Mississippi, vice Lester G. Fant, term expired.

Mr. BILBO. Mr. President, I ask unanimous consent that the nomination of Mr. Mitchell be acted on at this time.

The VICE PRESIDENT. Without objection, the nomination will be read.

The legislative clerk read the nomination.

The VICE PRESIDENT. The Senator from Mississippi asks unanimous consent that the nomination of Mr. George T. Mitchell be now considered. Is there objection?

Mr. HARRISON. Mr. President, there has been a vacancy in this office in Mississippi for some months. I hope there will be no objection to the confirmation of the nomination.

Mr. KING. Mr. President, has the nomination been reported from the Judiciary Committee?

Mr. HARRISON. It has.

Mr. KING. I have no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from Mississippi? The Chair hears none; and, without objection, the nomination is confirmed.

Mr. BILBO. I ask unanimous consent that the President be notified of the confirmation of this nomination.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the President will be notified. That completes the transaction.

If there be no further reports of committees, the clerk will state in order the nominations on the Executive Calendar.

SOCIAL SECURITY BOARD—EXPERTS AND ATTORNEYS

Mr. McKELLAR. Mr. President, the Social Security Board nominations which were passed over yesterday are nominations which ordinarily we should ask to have considered en bloc. The nominations have all been passed upon by the various Senators from the States from which the nominees come; but I ask that they be taken up one by one.

Mr. BARKLEY. That was the agreement which was entered into yesterday.

The VICE PRESIDENT. That was the order made yesterday.

The clerk will state the first nomination in order.

The legislative clerk read the nomination of Mary E. Austin, of New York, to be Assistant Director, Bureau of Public Assistance (field activities).

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Paul E. Batzell, of New York, to be Chief, Division of Administration, Bureau of Unemployment Compensation.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. KING. Mr. President, before voting upon these nominations, I should be glad to be advised of the salaries which are being paid. Some information has come to me that the salaries paid are too great for the positions occupied and for the capacity of the persons selected.

The VICE PRESIDENT. The Chair cannot give the Senator that information. The Chair understands that under the law, anyone nominated for an office paying in excess of $5,000 annually has to be nominated by the President and confirmed by the Senate. Aside from that, the Chair has no information on the subject.

Mr. SCHWELLENBACH. Mr. President, I desire to direct an inquiry to the Senator from Tennessee.

Mr. McKELLAR. The salaries vary.

Mr. SCHWELLENBACH. It is not about the salaries that I wish to inquire of the Senator. The Senator from Tennessee has been in charge of the investigation of these various nominees; has he?

Mr. McKELLAR. In part only.

Mr. SCHWELLENBACH. I was interested in this phase of the subject: I went over the entire list of nominees, and I find on the list no one coming from an area west of the Mississippi River. I wondered if there was anything about the Social Security work that persons west of the Mississippi River are eligible or qualified for. Was that subject discussed by the Senator from Tennessee?

Mr. McKELLAR. Of course, I did not make the appointments, and we have only what was brought before the committee. The report itself shows just exactly where the nominees come from. For instance, sometimes they are designated as coming from one State, and it is found that they really live in another State. The situation is a very curious one.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. McKELLAR. I have not the floor, but I shall be very glad to respond to any inquiry from the Senator.

Mr. CLARK. Apropos of what the Senator has said, I wish to inquire if it is true, as it has been rumored, that some of these nominees are not known at all in the communities from which they are supposed to have been nominated?

Mr. McKELLAR. That is one of the reasons why I wanted them taken up seriatim. I will tell the Senator from Missouri what the committee did. The committee, as it does in all such cases, sent the nominations to the Senators from the States from which the nominees come. In the cases of those who are named on this two-page list—and they are not all of those whose names were before our committee—the names have been sent to the two Senators from the respective States, and in each case the Senators have recommended the confirmation of the nominations.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Massachusetts.

Mr. WALSH. Is it not a fact that the reason why the list seems to contain the names of nominees only from a few States is that the set-up of administration in some States is complete, and in others is incomplete? For instance, I notice that the set-up for Massachusetts is complete. Including the regional officer, the assistant regional officer, and the general counsel, the whole list is complete. I suppose every State in the Union has a set-up and that in due time the nominations will appear. Am I correct?

Mr. McKELLAR. If they are to receive over $5,000, the nominations will come to the Senate. Only the nominations of experts and attorneys will come to the Senate, regardless of the salary. For instance, the personnel director, Mr. Aronson, from New York, draws more than $5,000, but his nomination does not come before us because it appears that he is neither an expert nor an attorney for the Board, although he is actually an attorney.

Mr. WALSH. The fact is that there are other nominations to come from other States later if the officials receive salaries of $5,000 or more. This list does not mean that there are States in the Union which have not social security set-ups, does it?

Mr. McKELLAR. Oh, no. I think every State in the Union has such a set-up.

Mr. BYRNES. Mr. President, as chairman of the subcommittee of the Committee on Appropriations having charge of the independent offices appropriation bill I may say that this matter was brought to the attention of the committee. It appeared that there were a large number of employees who were appointed without the civil service under authority contained in the original act. The committee called for the files of the employees who were appointed on the ground that they were attorneys or experts, and after looking into the files of employees, because of many complaints that were made to the committee by Members of the Senate, complaint as to an appointee in the State of Colorado, for instance, because the appointee came from the State of Rhode Island, or as to an employee put in charge of an office at Paducah, Ky., who was a resident of Michigan, and similar cases. The committee went into this matter at some length. After consideration, it recommended the language which is now law. The language was first adopted by the Senate and caused the bill to be held up in conference for some little time, but the House finally acquiesced in the Senate view.

The language of the law is that employees who are not under civil service and who receive $5,000 or more, should be appointed by the President and confirmed by the Senate. Of the two-hundred-and-some employees without a civil-service status, appointed on the ground that they were attorneys or experts, there are a few more than 50 who receive salaries of $5,000 or more. There are many States where there are no appointees under this classification receiving a salary of $5,000 or more. It happens that there are quite a number from the State of New York. The list was sent to the Senators from the States, and, of course, the committee knows nothing about the individual cases. All the committee could do was to forward the list of appointees to the Senators from the respective States, and ask for information.

I may say that one reason urged by the House conferees against the adoption of the provision was that they felt that some of the people employed by the board would not be known to their Senators, and their confirmation might be delayed. The fear seems to have been well founded, as is shown by the delay Senators have caused the committee to incur because they have not reported to the Committee on Appropriations as to these nominations.

Mr. COPELAND. Mr. President, I find upon this list the names of 13 persons listed as residents of New York. With the exception of one, I never heard of any of them. But when the list was submitted to me I wrote to each one of these persons and asked for a full outline of his background and experience and capacity. I have no reason to doubt that the statements made to me are correct. I assume these are all the patronage of my colleague, and if it will save him any embarrassment, I ask that the 13 from New York be confirmed en bloc.

Mr. KING. Mr. President, the Senator states he wrote to these individuals and asked for their background, and I suppose he desired to obtain information as to their competency and their qualifications. Did he receive any replies?

Mr. COPELAND. Oh, yes.

Mr. KING. Did those replies justify the Senator in endorsing them?

Mr. COPELAND. I had a very full report from each one of them.

Mr. KING. From the appointees themselves.

Mr. COPELAND. Yes; a very full report, and I know that no one of these appointees would put on paper any statements that were not absolutely correct. From my study of the recommendations I believe these persons are doubtless the very best to be selected in the United States, and I think they should be confirmed without hesitation on the part of the Senate.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. CLARK. Of course, it may be entirely probable that all of the experts in the United States qualified to draw salaries of over $5,000 from the Social Security Board would be confined to the area east of the Mississippi and north of the Ohio River, but I wish to ask the Senator from New York whether he considers it probable that all the lawyers in the United States competent to be attorneys for this Board are confined to that same rather narrow geographical area.

Mr. WALSH. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. WALSH. I have some information from the Board in reference to the number of lawyers, and where they come from, which ought to be presented at this time.

Eighty-four lawyers are employed in the General Counsel's office of the Social Security Board. These attorneys come from 36 different States. Their average age is 37, considerably lower than the average age of the legal staff of the Solicitor General of the United States. Among these 84 lawyers are graduates of 40 different law schools, and no single law school has more than 7 graduates on the staff.

Mr. COPELAND. Mr. President, seriously, I have no doubt that these persons from New York are thoroughly qualified. The one I happen to know is one of the outstanding persons in the particular field involved. So, without any further discussion, I ask that the 13 from New York be confirmed en bloc.

Mr. McKELLAR. Mr. President, that would be contrary to the agreement.

The VICE PRESIDENT. An agreement was entered into yesterday that the nominations should be considered seriatim.

Mr. WAGNER. Mr. President, on occasions my colleague loves to confer honors upon me, and I appreciate the one which he has attempted to proffer to me just now. However, it so happens that I cannot accept his praise. I had nothing to do with any one of the appointments before us now, so far as recommending the appointee was concerned, nor had I any knowledge of the appointments except as to three of them. I did not recommend even these three, but chanced to know of their qualifications. Since then I have become informed as to the others, and they are all eminently qualified from the standpoint of ability and character. The only reason for their choice, I am sure, was their special knowledge of this very technical subject.

I do wish to say that one or two of these persons were sought by the Government; they did not seek the places. Miss Jane M. Hoey is one of the most eminent social workers, if that is the correct term, in the United States. She is one of the dozen or so women in the whole country who are preeminent in that great field. The Government had great difficulty in getting her services, and it was at a financial sacrifice that she came to organize the work down here. I do not know how long they can keep her here, but I hope for some time to come, because everyone who is informed recognizes her great ability.

The gentleman having charge of publicity, or whatever the technical title may be, Mr. Resnick, was also brought from another field at a financial sacrifice. He has done a very wonderful job.

While I do not know any of the other appointees, I have inquired as to their qualifications, and I think they were very excellent appointments. It just happens that 13 came from New York.

The clerk will state the next nomination in order on the calendar.

The legislative clerk read the nomination of Thomas C. Billig, of Maryland, to be senior attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert P. Bingham, of New Hampshire, to be principal attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas C. Blaidsell, Jr., of New York, to be Assistant Director, Bureau of Research and Statistics.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ruth O. Blakeslee, of Pennsylvania, to be Chief, Regulations and Procedure Division, Bureau of Public Assistance.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas C. Broadaway, of Arkansas, to be senior administrative officer.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Leonard J. Calhoun, of Mississippi, to be Assistant General Counsel.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John R. Campbell, Jr., of Massachusetts, to be regional representative, Bureau of Federal Old-Age Benefits.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James S. Douglass, of Louisiana, to be technical adviser on motion pictures.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas H. Eliot, of Massachusetts, to be General Counsel.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Merton L. Emerson, of Massachusetts, to be Chief, Coordinating and Review Division.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Isidore S. Falk, of Connecticut, to be principal medical economist.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph L. Fay, of Massachusetts, to be technical adviser on machine methods.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William M. Galvin, of Maryland, to be senior technical adviser.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Walter Gellhorn, of New York, to be regional attorney, New York, N. Y.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John F. Hardy, of Massachusetts, to be regional attorney, Boston, Mass.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of S. Park Harman, of New York, to be regional unemployment compensation representative.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Jane M. Hoey, of New York, to be Director, Bureau of Public Assistance.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert E. Huse, of Massachusetts, to be Associate Director, Bureau of Informational Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Jesse O. Irvin, of Georgia, to be Chief, Press Service Division.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Curtis E. Lakeman, of Connecticut, to be Chief of Publications Division.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Geoffrey May, of Maryland, to be Associate Director, Bureau of Public Assistance.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Elliott H. Moyer, of Michigan, to be senior attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Merrill G. Murray, of Minnesota, to be Chief, Division of Legislative Aid.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Edward J. McCormack, of Tennessee, to be special assistant to Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph E. McElvain, of New York, to be senior attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Rose J. McHugh, of New York, to be Chief, Division of Administrative Surveys.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Harold P. Packer, of New York, to be senior attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Louis Resnick, of New York, to be Director, Informational Service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Mary Ross, of New York, to be senior social economist.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of A. Melvin Sims, of New York, to be principal attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of A. Delafield Smith, of New York, to be principal attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Jack B. Tate, of Tennessee, to be Assistant General Counsel.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James Guy Tucker, of Arkansas, to be constructive accountant.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of R. Gordon Wagenet, of Connecticut, to be Director, Bureau of Unemployment Compensation.

Mr. WAGNER. Mr. President, I should not want to have the RECORD show that I do not know Mr. Wagenet. As a matter of fact, I know him very intimately. He was taken from another department to organize the special service.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Norman J. Ware, of Connecticut, to be senior economist.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Sue S. White, of Tennessee, to be senior attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Leonard J. Wilbert, of Wisconsin, to be constructive accountant.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Edward B. Williams, of Arkansas, to be principal attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Marie R. Wing, of Ohio, to be regional attorney, region V, Cleveland, Ohio.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Benjamin S. Beecher, of Wisconsin, to be principal technical analyst.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Bernice Lotwin, of Wisconsin, to be principal attorney.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTER

The legislative clerk read the nomination of Robert W. Macy to be postmaster at Moorcroft, Wyo.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until Saturday, July 31, 1937, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 30 (legislative day of July 22), 1937

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

Frederick A. Sterling, of Texas, now Envoy Extraordinary and Minister Plenipotentiary to Bulgaria, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Estonia and Latvia.

Arthur Bliss Lane, of New York, now Envoy Extraordinary and Minister Plenipotentiary to Estonia, Latvia, and Lithuania, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Yugoslavia, vice Charles S. Wilson.

Owen J. C. Norem, of Montana, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Lithuania.

SOCIAL SECURITY BOARD

George Edmund Bigge, of Rhode Island, to be a member of the Social Security Board for the remainder of the term expiring August 13, 1941, vice John G. Winant, resigned.

PROMOTIONS IN THE REGULAR ARMY

MEDICAL CORPS

To be lieutenant colonels

Maj. Edwin Howerton Roberts, Medical Corps, from August 1, 1937.

Maj. Allan Wilson Dawson, Medical Corps, from August 1, 1937.

Maj. Anthony Joseph Vadala, Medical Corps, from August 1, 1937.

Maj. William Archdall Boyle, Medical Corps, from August 1, 1937.

Maj. Albert Wright Greenwell, Medical Corps, from August 2, 1937.

Maj. Myron Parkhill Rudolph, Medical Corps, from August 2, 1937.

Maj. Patrick Sarsfield Madigan, Medical Corps, from August 2, 1937.

Maj. William Cramer Pollock, Medical Corps, from August 2, 1937.

Maj. Louis Martin Field, Medical Corps, from August 2, 1937.

Maj. Humphrey Newton Ervin, Medical Corps, from August 3, 1937.

Maj. Ottis Lee Graham, Medical Corps, from August 4, 1937.

Maj. William Scott Dow, Medical Corps, from August 4, 1937.

Maj. John Glenwood Knauer, Medical Corps, from August 5, 1937.

Maj. Fabian Lee Pratt, Medical Corps, from August 7, 1937.

Maj. Charles Wallace Sale, Medical Corps, from August 8, 1937.

Maj. Lorin Arthur Greene, Medical Corps, from August 8, 1937.

Maj. James Edwards Poore, Medical Corps, from August 8, 1937.

Maj. Herbert Clifford Mallory, Medical Corps, from August 8, 1937.

Maj. Albro Lefils Parsons, Medical Corps, from August 8, 1937.

Maj. Arthur Dudley Jackson, Medical Corps, from August 8, 1937.

Maj. Paul Richard Eddins Sheppard, Medical Corps, from August 8, 1937.

Maj. Christian Henry Dewey, Medical Corps, from August 8, 1937.

Maj. Francis Belmont Dwire, Medical Corps, from August 8, 1937.

Maj. Sam Fletcher Parker, Medical Corps, from August 8, 1937.

Maj. James Emory Phillips, Medical Corps, from August 8, 1937.

Maj. Albert Smith Dabney, Medical Corps, from August 8, 1937.

Maj. Philander Chase Riley, Medical Corps, from August 8, 1937.

Maj. John Joseph Madigan, Medical Corps, from August 8, 1937.

Maj. Milton Weston Hall, Medical Corps, from August 8, 1937.

Maj. Edward Chace Greene, Medical Corps, from August 8, 1937.

Maj. Darius Cleveland Absher, Medical Corps, from August 8, 1937.

Maj. Adam Edward Sherman, Medical Corps, from August 8, 1937.

Maj. Bertram Henry Olmsted, Medical Corps, from August 8, 1937.

Maj. John Wallace, Medical Corps, from August 8, 1937.

Maj. Earl Lenwood Parmenter, Medical Corps, from August 8, 1937, subject to examination required by law.

Maj. Edgar Smith Linthicum, Medical Corps, from August 8, 1937.

Maj. Howard Hume, Medical Corps, from August 8, 1937.

Maj. Walter Fullarton Macklin, Medical Corps, from August 8, 1937.

Maj. William Louis Hoffman, Medical Corps, from August 8, 1937.

Maj. Clyde Watkins Jump, Medical Corps, from August 8, 1937.

Maj. John Joseph McCormick, Medical Corps, from August 8, 1937, subject to examination required by law.

Maj. Arthur Parker Hitchens, Medical Corps, from August 8, 1937.

Maj. Harry Baldwin Gantt, Medical Corps, from August 8, 1937.

Maj. Daniel Bascom Faust, Medical Corps, from August 8, 1937.

Maj. Wilmer Clayton Dreibelbies, Medical Corps, from August 8, 1937.

Maj. Maxwell Gordon Keeler, Medical Corps, from August 9, 1937.

Maj. Harold Vincent Raycroft, Medical Corps, from August 9, 1937.

Maj. Hugh William Mahon, Medical Corps, from August 12, 1937.

Maj. Thomas Harold Reagan, Medical Corps, from August 14, 1937.

Maj. Morgan Clint Berry, Medical Corps, from August 14, 1937.

Maj. Eli Edwin Brown, Medical Corps, from August 17, 1937.

Maj. Ralph Elmer Curti, Medical Corps, from August 20, 1937.

Maj. John Ignatius Meagher, Medical Corps, from August 25, 1937.

Maj. Eugen Gottfried Reinartz, Medical Corps, from August 26, 1937.

Maj. Albert Glenn Kinberger, Medical Corps, from August 26, 1937.

Maj. Wilbur Gibson Jenkins, Medical Corps, from August 26, 1937.

Maj. Victor Newcomb Meddis, Medical Corps, from August 27, 1937.

Maj. Edwin Raymond Strong, Medical Corps, from August 27, 1937.

Maj. Leroy Dilmore Soper, Medical Corps, from August 28, 1937, subject to examination required by law.

Maj. Thomas Morris Chaney, Medical Corps, from August 29, 1937.

Maj. Cleve Carrington Odom, Medical Corps, from August 29, 1937.

To be captains

First Lt. Albert Woods Shiflet, Medical Corps, from August 10, 1937.

First Lt. Kenneth Rider Nelson, Medical Corps, from August 13, 1937.

First Lt. Gottlieb Leonard Orth, Medical Corps, from August 20, 1937.

DENTAL CORPS

To be lieutenant colonels

Maj. James Barto Mann, Dental Corps, from August 5, 1937.

Maj. Charles Jefferson Denholm, Dental Corps, from August 7, 1937.

Maj. William Henry Siefert, Dental Corps, from August 20, 1937.

To be major

Capt. Harold George Ott, Dental Corps, from August 18, 1937.

To be captain

First Lt. Conrad Toral Kvam, Dental Corps, from August 20, 1937.

VETERINARY CORPS

To be lieutenant colonels

Maj. Louis Lathrop Shook, Veterinary Corps, from August 2, 1937.

Maj. Daniel Henry Mallan, Veterinary Corps, from August 3, 1937.
Maj. Louis Goldman Weisman, Veterinary Corps, from August 3, 1937.
Maj. James Alexander McCallam, Veterinary Corps, from August 3, 1937.
Maj. Harry John Juzek, Veterinary Corps, from August 3, 1937.
Maj. William Henry Dean, Veterinary Corps, from August 3, 1937.
Maj. Solon B. Renshaw, Veterinary Corps, from August 3, 1937.
Maj. Frank Holmes Woodruff, Veterinary Corps, from August 3, 1937.
Maj. Will Charles Griffin, Veterinary Corps, from August 3, 1937.
Maj. Lloyd Clifford Ewen, Veterinary Corps, from August 3, 1937.
Maj. Charles Oliver Grace, Veterinary Corps, from August 3, 1937.
Maj. Edward Michael Curley, Veterinary Corps, from August 3, 1937.
Maj. James Russell Sperry, Veterinary Corps, from August 3, 1937.
Maj. Floyd Chauncey Sager, Veterinary Corps, from August 3, 1937.
Maj. Henry Emil Hess, Veterinary Corps, from August 3, 1937.
Maj. Forest Lee Holycross, Veterinary Corps, from August 3, 1937.
Maj. Raymond Irvin Lovell, Veterinary Corps, from August 25, 1937.
Maj. Joseph Fenton Crosby, Veterinary Corps, from August 26, 1937.
Maj. Ralph Brown Stewart, Veterinary Corps, from August 27, 1937.
Maj. Charles Mansur Cowherd, Veterinary Corps, from August 30, 1937.

To be majors

Capt. Harry Raymond Leighton, Veterinary Corps, from August 4, 1937.
Capt. Verne Clifford Hill, Veterinary Corps, from August 19, 1937.
Capt. Elmer William Young, Veterinary Corps, from August 19, 1937.

MEDICAL ADMINISTRATIVE CORPS

To be first lieutenant

Second Lt. James Coney Bower, Medical Administrative Corps, from August 3, 1937.

CHAPLAINS

To be chaplains with the rank of lieutenant colonel

Chaplain (Major) James Lemuel Blakeney, United States Army, from August 5, 1937.
Chaplain (Major) George Foreman Rixey, United States Army, from August 16, 1937.
Chaplain (Major) William Joseph Ryan, United States Army, from August 24, 1937.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Maj. Abraham Robert Ginsburgh, Field Artillery, with rank from July 1, 1937.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 30 (legislative day of July 22), 1937

SOCIAL SECURITY BOARD

EXPERTS AND ATTORNEYS

Mary E. Austin to be Assistant Director, Bureau of Public Assistance (field activities).
Paul E. Batzell to be Chief, Division of Administration, Bureau of Unemployment Compensation.
Thomas C. Billig to be senior attorney.
Robert P. Bingham to be principal attorney.
Thomas C. Blaisdell, Jr., to be Assistant Director, Bureau of Research and Statistics.
Ruth O. Blakeslee to be Chief, Regulations and Procedure Division, Bureau of Public Assistance.
Thomas C. Broadaway to be senior administrative officer.
Leonard J. Calhoun to be assistant general counsel.
John R. Campbell, Jr., to be regional representative, Bureau of Federal Old-Age Benefits.
James S. Douglass to be technical adviser on motion pictures.
Thomas H. Eliot to be general counsel.
Merton L. Emerson to be Chief, Coordinating and Review Division.
Isidore S. Falk to be principal medical economist.
Joseph L. Fay to be technical adviser on machine methods.
William M. Galvin to be senior technical adviser.
Walter Gellhorn to be regional attorney, New York, N. Y.
John F. Hardy to be regional attorney, Boston, Mass.
S. Park Harman to be regional unemployment compensation representative.
Jane M. Hoey to be Director, Bureau of Public Assistance.
Robert E. Huse to be Associate Director, Bureau of Informational Service.
Jesse O. Irvin to be Chief, Press Service Division.
Curtis E. Lakeman to be Chief of Publications Division.
Geoffrey May to be Associate Director, Bureau of Public Assistance.
Elliott H. Moyer to be senior attorney.
Merrill G. Murray to be Chief, Division of Legislative Aid.
Edward J. McCormack to be special assistant to Board.
Joseph E. McElvain to be senior attorney.
Rose J. McHugh to be Chief, Division of Administrative Surveys.
Harold P. Packer to be senior attorney.
Louis Resnick to be Director, Informational Service.
Mary Ross to be senior social economist.
A. Melvin Sims to be principal attorney.
A. Delafield Smith to be principal attorney.
Jack B. Tate to be assistant general counsel.
James Guy Tucker to be constructive accountant.
R. Gordon Wagenet to be Director, Bureau of Unemployment Compensation.
Norman J. Ware to be senior economist.
Sue S. White to be senior attorney.
Leonard J. Wilbert to be constructive accountant.
Edward B. Williams to be principal attorney.
Marie R. Wing to be regional attorney, region V, Cleveland, Ohio.
Benjamin S. Beecher to be principal technical analyst.
Bernice Lotwin to be principal attorney.

UNITED STATES DISTRICT ATTORNEY

George T. Mitchell to be United States attorney for the northern district of Mississippi.

POSTMASTERS

MISSISSIPPI

John R. Meunier, Biloxi.
Troy McGehee, Brookhaven.
Virginia C. Welborn, Electric Mills.
William J. Pettyjohn, Marks.

WYOMING

Robert W. Macy, Moorcroft.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 30, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou, O Lord, shalt endure forever, and Thy remembrance unto all generations. Of old Thou hast laid the foundations of the earth, and the heavens are the work of

Thy hands. We pray Thee, our Heavenly Father, that our love may be without dissimulation; may we abhor that which is evil and cleave to that which is good. Oh, let us magnify the Lord and exalt His name together. O gracious Lord and Savior, we praise Thee that light is sown for the righteous and gladness for the upright in heart. So lead us with Thy spirit that in our homes we may be devoted and patient, in our social relations brotherly, in our deliberations just and wise, and in all things meet Thine approval. In the Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

PANAMA CANAL TOLLS

Mr. O'CONNOR of New York. Mr. Speaker, I call up House Resolution 289.

The Clerk read the resolution, as follows:

House Resolution 289

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5417, a bill to provide for the measurement of vessels using the Panama Canal, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield to the gentleman from New York.

Mr. FISH. Is the gentleman going to cut off unanimous-consent requests this morning by bringing up this resolution in such a hurry?

Mr. O'CONNOR of New York. I was not aware of any hurry. This is Friday, according to the calendar, and we are eager to expedite the business of the Government so the House may reasonably adjourn. What unanimous-consent request has the gentleman in mind?

Mr. FISH. I am interested in adjournment and I agree with the gentleman's statement in that regard, but I want to propose a unanimous-consent request to speak out of order for 5 minutes.

Mr. O'CONNOR of New York. On what subject?

Mr. FISH. On adjournment.

Mr. O'CONNOR of New York. Has the gentleman any valuable suggestions to make?

Mr. FISH. Yes; very valuable. I want to urge the housing bill.

Mr. O'CONNOR of New York. That is not a controversial matter, because we are all for a housing bill. We expect to have a housing bill up for consideration before we are out of here, so the gentleman is not going to make any contribution in that respect.

Mr. FISH. We have been speaking about it for the last year, but we hope to get to it pretty soon. I happen to be on the committee considering this matter, and I want to make a few remarks on the housing bill.

Mr. O'CONNOR of New York. In favor of the Housing bill?

Mr. FISH. In favor of the housing bill; yes.

Mr. O'CONNOR of New York. Mr. Speaker, I yield 5 minutes on the rule to the gentleman from New York.

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed out of order.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

Mr. FISH. Mr. Speaker, I am as eager as any Member of the House to see Congress adjourn and to get home and go fishing. However, there are a few little matters I think Congress should consider before adjourning.

First, I want to go on record before adjournment in favor of a minimum-wage law. I have been advocating this for a number of years. I should like to see that feature separated from the bill which has been introduced with respect to maximum hours and the setting up of a special board, and a straight minimum-wage law brought in to stop the exploitation of labor in the sweatshops throughout the country.

I should also like to see put through Congress before adjournment a very proper anti-third-term resolution, such as was adopted by the Senate a few years ago under a Republican administration. And I strongly favor the final adoption of the Gavagan antilynching bill before adjournment.

Lastly, I should like to see a proper national housing program enacted into law. During 4 long years the woes of "the forgotten man" have been paraded before the country and agonized about by Democratic orators. President Roosevelt, after 4 years of the New Deal, admits that one-third of the American people are ill-housed, yet up to now has done very little to remedy the situation. The United States is one of the few civilized nations in the world without a national housing policy or program. In spite of all the talk and idle promises, nothing has been done for the families who cannot pay more than $20 a month in rent. The Nation faces the worst housing crisis in its history.

With that situation before us, the Congress talks about running out on these people. It is not only the President that has forgotten the one-third of our ill-housed, but also the Members of Congress. I do not want to make a partisan speech on this vital social and economic problem. There should be no more politics in housing than there is in public health, education, or national defense.

It is true that the Wagner-Steagall housing bill does not contemplate answering all the housing needs of the United States, but it is, however, a long forward step in the line of a sane, realistic approach to a problem whose successful solution can no longer be postponed. Under this bill approximately 300,000 families would be rehoused, and if full advantage were taken of the rural housing provisions as well as urban housing provisions the total amount of housing built might well be 500,000 families. The rental which it will be possible to achieve under this bill in the larger industrial centers of the country, where land costs are higher, will run from $5 to $7 per room per month. This means real low-cost housing for the urban industrial section. In the smaller cities and rural communities rents as low as $4 per room would be possible, and here, again, rents are brought down to the income level of the lowest earning group in that locality.

The appalling housing situation can no longer be concealed; the decline of real-estate values and the securities based on them is told in the press. Billions of money invested in real estate, mortgages, and municipal bonds are in jeopardy.

Millions of our people living in shambles, thousands of families without shelter, billions of investment endangered, cities faced with bankruptcy; the Congress must not adjourn before acting on this legislation.

Speaking for myself, and as far as I may for Republican fellow Members, I do not want Congress to adjourn until these all but forgotten ill-housed American citizens have been remembered and a national housing policy has been written into law. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. Speaker, this is a rule for the consideration of the bill (H. R. 5417) in reference to tolls on the Panama Canal. This is a matter which has been before the House for many years. I now yield to the gentleman from Michigan.

Mr. MAPES. Mr. Speaker, there are no requests on this side to speak on the rule.

As far as I am concerned, I am very much in favor of this legislation. There have been in previous Congresses differences between the Committee on Merchant Marine and

Fisheries and the Committee on Interstate and Foreign Commerce with regard to the form which the legislation should take. I understand such differences are now adjusted, and that this bill comes before the House with the unanimous endorsement of those who have given the subject the most careful consideration from the standpoint of public interest.

I understand the gentleman from Pennsylvania [Mr. RICH] wants 5 minutes to speak out of order. As far as I am concerned, I am willing to yield that time to him. There are no other requests for time on this side.

Mr. O'CONNOR of New York. Mr. Speaker, I have no objection to the gentleman's speaking out of order, unless he is going to refer to the daily statement of the Treasury Department.

Mr. RICH. Mr. Speaker, I ask unanimous consent that I may speak out of order, and I will not refer to the statement which the Treasury Department publishes and which the Democratic administration certainly does not like to have cast up to it.

The SPEAKER. Without objection, the gentleman from Pennsylvania is recognized to speak out of order for 5 minutes.

Mr. RICH. I thank the Chair.

Mr. Speaker, I agree for once with my colleague the gentleman from Mississippi [Mr. RANKIN], and I want to quote him:

Communist plot laid to N. L. R. B. RANKIN says members seek to destroy industry in South.

Representative RANKIN, Democrat, of Mississippi, last night charged that members of the National Labor Relations Board are conspiring with certain communistic influences to destroy industry in the South.

This is taken from the Herald.

May I also quote Senator GEORGE that—

Senator NYE, of North Dakota, spoke for a large section of the population of the United States when he declared "the National Labor Relations Board seems to have gone out of its way to demonstrate to the public that it is a partisan body rather than a judicial institution."

I may say I have heard quite a number of manufacturers refer to this Board as being partisan, stating that the Board seems to want to coerce manufacturers into dealing with the C. I. O.

Mr. Speaker, I ask unanimous consent to place in the RECORD a letter received from the Eskimo Knitting Mills, of Philadelphia.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The letter referred to follows:

PHILADELPHIA, PA., *July 27, 1937.*

Hon. ROBERT F. RICH,
Congressman from Pennsylvania, Washington, D. C.

DEAR CONGRESSMAN: By now you have a fairly good picture, from the actual experience of our plant, about which I wrote you previously, as to just how destructive, both to labor and industry, is the present Wagner Labor Act, as well as the present policy of the National Labor Board.

I will again summarize briefly what happened at our plant during past 2 months, which will convince you that had we, the manufacturers, any rights at all, and had the policy of the National Labor Board been a constructive one, our plant would still be operating today and 100 to 150 employees would still be working:

(1) On June 4, employees were happily at work, earning $25 to $50 per week for skilled labor; $14 to $22 per week for unskilled labor. The owner, who had enough guts to sell the last of his securities and put $25,000 additional capital in this business when it needed it 3 years ago, is working 14 to 16 hours per day on the road and in the office in his effort to obtain sufficient business to keep these employees working and content.

(2) On the same day C. I. O. organizers came to our plant and through a loud amplifying system, which could be heard for a block, talked to our employees from the street, advising that they were slaves of the owners and requesting that they join the C. I. O. in order to obtain more wages and better working conditions. Employees were stopped on the street, threatened unless they joined they would be harmed—organizers went to their homes and threatened destruction of entire families unless employees signed C. I. O. cards.

(3) Owners, realizing that the law gives them no protection whatsoever, called in organizers and requested that they talk to employees inside the plant, and if after several talks employees decided by majority to join the C. I. O. it will be perfectly satisfactory to employers.

(4) For period of a week C. I. O. did not take advantage of employer's proposition, but continued in their violent effort to obtain members by force. On June 19 employers wrote to National Labor Board, advising them of proposition they made to the C. I. O. organizers, inviting them to come inside and talk to employees, and requesting the good offices of National Labor Board in this controversy, suggesting that they consult with C. I. O. organizers and request that these people, instead of using violence, speak to employees in the plant and then find out the will of the majority of employees.

(5) This letter to National Labor Board was sent via registered mail and a reply was received next day advising owners that the National Labor Board cannot interfere unless there is dissatisfaction among employees.

(6) A week later, after C. I. O. organizers have been able to obtain by force a few signed cards, they called on National Labor Board and made charges against us. It is interesting to note that while we were endeavoring to obtain a fair settlement of this matter and called on National Labor Board for help they were not in position, according to law, to do anything for us; but as soon as the C. I. O. organizers, by force and illegal methods, have been able to obtain a few signed cards the National Labor Board were ready to jump into the picture.

(7) A full reply was made to these charges by the owners but the National Labor Board was not ready to give us a hearing, notwithstanding the fact we asked for one, and they again did not appear in the picture until 5 weeks later, after the C. I. O. organizers had finally scared all the employees from the plant by beating them on the street, threatening them at their homes, and pulling the dresses off the girls on the street, and called what is known as a strike, did the National Labor Board again appear in the picture.

(8) As it stands today, C. I. O. organizers have all these employees under guard from early morning until late at night. No matter what their wishes were, they were forced to sign cards and join the C. I. O. organization against their will, and this can be definitely proven.

(9) The company is now in the process of being turned over to its creditors for protection of such creditors and, of course, final liquidation. Employees are still out; most of them demand that they be allowed to return to work, but the present position of the C. I. O. organizers is they must obtain some advance in salary for them, otherwise they have not accomplished anything. C. I. O. organizers as much as told us that no matter how good the wages are we must agree to some little advance, or otherwise it will show that their efforts in organizing our employees have been in vain.

(10) I am simply writing you this because while this company will soon be out of existence there are thousands and thousands of mills of our size who cannot pay for protection, and probably if they could they would not want to stoop to advices of officials that they pay for protection, for we have been advised to this effect by high officials of this city.

Unless something is done to pass Senator VANDENBERG's amendments during this session of Congress, you will find a very sad condition in this country by the time you return to Congress next session, for the same practices are applied all over the country, and I know that in our immediate neighborhood there are five factories closed down at this time due to the same condition as above related.

Yours very truly,

ESKIMO KNITTING MILLS,
J. ROSENFELD, *Vice President.*

Mr. RICH. I do not know these people, but they give quite a report on what the N. L. R. B. is doing to foster the C. I. O.

May I call the attention of the Members to the statement made by Mr. Green, of the American Federation of Labor, that—

No hostile employer in America has done the cause of labor more harm than those who fomented, executed, and administered the policies of the Committee for Industrial Organization during the past 18 months.

I want to say here that the National Labor Relations Board was set up for a purpose, and the purpose was a good one. The intention was to eliminate strikes and try to settle all differences between employers and employees. In itself this is an admirable thing.

I recall very distinctly the statement that was made on the floor of the House that if we established this Board we would do away with strikes, but, Mr. Speaker, we have had more strikes in this Nation since this Board has been established than we have ever had in our history in the same length of time.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Mississippi.

Mr. RANKIN. Let me say to the gentleman from Pennsylvania that I hope to get time in a few days to go into

this question fully. They are stirring up strikes, they are promoting strikes in the territory with which I am familiar in the Southern States, and causing the closing down of industries, destroying them.

Mr. RICH. That is in Tupelo, Miss.?

Mr. RANKIN. Yes; and in Tennessee also, and in other places in Mississippi, as well as other places in the South.

I have a copy of that letter, and I have received protests from almost every State of the Union within the last 36 hours. This is the most dangerous thing we have ever placed in the hands of an irresponsible group of men.

Mr. RICH. This is the first time I have ever agreed with the gentleman from Mississippi, but I certainly do agree with him in this instance.

Mr. RANKIN. I knew if I kept preaching to the gentleman, I would convert him on something after a while. [Laughter.]

Mr. RICH. And I knew if the gentleman ever got on the right track he would be converted.

Mr. AMLIE. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. AMLIE. Is not the gentleman from Mississippi the first convert of the gentleman from Pennsylvania?

Mr. RICH. No; I do not think so. If I could refer to something I stated I would not refer to, I believe I could show that there are many millions of people in this country who agree with me.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. RANKIN. If this thing keeps up there will be converts all over Wisconsin before it is over. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR of New York. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. COCHRAN and Mr. MURDOCK of Arizona asked and were given permission to revise and extend their own remarks in the RECORD.

PANAMA CANAL TOLLS

Mr. BLAND. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5417) to provide for the measurement of vessels using the Panama Canal, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5417, with Mr. FITZPATRICK in the chair.

The Clerk read the title of the bill.

Mr. BLAND. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I send to the Clerk's desk a letter which I ask unanimous consent may be read in my time.

There being no objection, the Clerk read as follows:

THE WHITE HOUSE, WASHINGTON,
Hyde Park, N. Y., July 3, 1937.

Hon. SCHUYLER OTIS BLAND,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

MY DEAR MR. BLAND: There is transmitted a letter from Dr. Emory R. Johnson, chairman of the Committee on Panama Canal Tolls and Vessel Measurement Rules, and a list of corrections to the text of the rules as modified by the committee and printed as part VI of their report. These corrections, to insure a more definite and uniform interpretation of the rules, are acceptable to the Secretary of War and the Governor of the Panama Canal, and the Rules for the Measurement of Vessels for the Panama Canal, as modified by the committee, now meet with my approval.

I concur in the opinion of the Members of the Tolls Committee that the provisions of H. R. 5417, introduced by you and reported favorably from your committee, embody fully their recommendations for necessary remedial legislation approved in my message to the Congress. This bill offered a satisfactory and permanent solution of the problem which requires that the rules of measurement and the other administrative matters recommended be not included in legislation.

This legislation is considered in the public interest. Its prompt enactment is necessary to the proper administration of the Panama Canal.

Very sincerely,

FRANKLIN D. ROOSEVELT.

[Transmittal]

UNIVERSITY OF PENNSYLVANIA,
WHARTON SCHOOL OF FINANCE AND COMMERCE,
Philadelphia, June 14, 1937.

THE PRESIDENT,
The White House, Washington, D. C.

DEAR PRESIDENT ROOSEVELT: There is submitted herewith a list of corrections to the text of the Rules for the Measurement of Vessels for the Panama Canal, as modified by the Committee on Panama Canal Tolls and Vessel Measurement Rules, and printed as part VI of the report of the committee, beginning on page 88, Senate Document 23, Seventy-fifth Congress, first session.

After the report was printed representatives of the steamship owners, as well as the Canal authorities, brought to the attention of the committee certain minor revisions in the text which they felt were desirable and necessary to clarify the meaning and insure the intent being more definitely and uniformly interpreted by all admeasurers in applying the measurement rules. After careful consideration of all proposals submitted, and after conferences with the representatives of the steamship owners and Canal authorities, the members of the Committee have reached the conclusion that these revisions and no others are necessary to carry out the intent of the recommendations of the Tolls Committee.

It is the opinion of the members of your Committee on Panama Canal Tolls and Vessel Measurement Rules that the provisions of the pending legislation, H. R. 5417, or S. 1912, with which it is identical, embody fully the recommendations of the Tolls Committee with reference to the necessary remedial legislation outlined in our report and approved by you in your message to the Congress.

It has been brought to our attention that a bill, S. 2493, sponsored by the steamship interests and intended as a substitute for S. 1912, was introduced by Senator COPELAND and referred to the Committee on Interoceanic Canals. A satisfactory solution of the problem requires that the rules of measurement and also other matters recommended for administrative action by the President in our report, for reasons clearly set forth therein, should not be included in the legislation but should be left for administrative action by the President.

Sincerely yours,

EMORY R. JOHNSON.

CORRECTIONS TO THE TEXT OF THE RULES FOR THE MEASUREMENT OF VESSELS FOR THE PANAMA CANAL AS MODIFIED BY THE COMMITTEE ON PANAMA CANAL TOLLS, AND VESSEL-MEASUREMENT RULES, AND PRINTED AS PART VI OF THE REPORT OF THE COMMITTEE, BEGINNING ON PAGE 88, SENATE DOCUMENT NO. 23 (75TH CONG., 1ST SESS.)

Page 89: After the words "gross tonnage", in line 9, strike out the remainder of the paragraph and substitute therefor the following: "if means are provided for closing such a break, opening or openings, so that the spaces thus closed in be thereby better fitted for the transport of goods or passengers. The upper deck is the uppermost full-length deck extending from stem to stern."

Page 90: After the word "arrangement", in line 10, insert "except by convergence of fore and aft bulkheads."

Page 93: After the words "upper deck", in line 5, add the words "as defined in article III." Strike out the words "is to", in line 8, and substitute therefor the word "would." Paragraph 13, section 4, line 3, substitute "used, designated, or intended" for "used or fitted."

Page 101: Paragraph 53, section 10, line 5, add "also" after "shall." At the end of paragraph 54, section 11, add: "Water closets, toilets, lavatories, and washrooms designed primarily to serve public spaces will be considered as part of the public spaces and be deducted accordingly. Water closets, toilets, lavatories, baths, and washrooms designed primarily to serve nearby staterooms in the same tier will be considered as part of the staterooms they serve and not subject to deduction."

Page 102: After "fuel-oil tank", in line 2, insert "including settling tanks", and strike out the words "peak tanks for fresh water." In line 9, change "article IV, section 3" to "article III."

Page 103: After the first word, "deck", in line 5, insert "as defined in article III." Line 24, after the word "deductions", insert "when they qualify", and after the word "and" insert the word "then." Eleventh line from bottom, change "article IV, section 3" to "article III."

Page 104: Paragraph 68, strike out the words "or lubricating oil", in line 30, and the words "and lubricating oil", in line 32.

Page 105: In line 1, change "article IV, section 3" to "article III", and, in (e), after the words "fuel oil", add the words "and lubricating oil not already included by measurement under the provisions of paragraph 68."

Page 107: Add the following additional paragraph:

"APPLICATION AND INTERPRETATION OF RULES

"82. Art. XXV. The Board of Admeasurement of the Panama Canal is charged with the application of these rules and, subject to the approval of the Governor, all questions of interpretation

arising thereunder shall be decided by the Board. In applying the rules, the Board will be governed by the principle that there shall be no change in the present treatment of spaces except as herein provided, and, with the approval of the Governor, may provide for the treatment of any space for which provisions has not herein been made."

Mr. BLAND. Mr. Chairman, I ask unanimous consent that there may be printed in the RECORD in my time the papers accompanying the letters of the President.

The CHAIRMAN. Without objection, it is so ordered.

Mr. BLAND. Mr. Chairman, while I have yielded myself 15 minutes, I hope I shall not be compelled to consume all of that time. This matter has been before the Congress for many years, and many bills have been introduced to correct the situation that this bill is intended to reach. In all, there have been 26 bills introduced, and four times the bill has passed the House. In the last Congress a bill, substantially the same as this in its general effect and purposes, was introduced and was taken up under a motion to suspend the rules. It received a majority vote, more than a majority of those present, but failed to receive the necessary two-thirds to suspend the rules, by about seven or eight votes. At that time Mr. Lehlbach, a Member from New Jersey, who was the ranking Republican on the committee, and I, as chairman of the Committee on Merchant Marine and Fisheries, opposed the bill. I opposed it for the reason that while the bill that was then pending before the House made provision for certain changes in the Panama Canal rules, yet the bill also authorized the appointment of a committee, a neutral committee of three, to study the Panama Canal rules and recommend modifications. To me it appeared at that time, as it appears to me now, that if we were going to appoint a committee to study the rules and suggest changes, the work of such a committee should precede the legislation.

That was the view taken in the Senate when a similar bill was considered there. In the last Congress a resolution was passed authorizing the President to appoint a neutral committee of three to study the Panama Canal rules and make recommendations to Congress. That committee was appointed. It consisted of Dr. Emory Johnson, who is a distinguished author and also a professor in the University of Pennsylvania, who had peculiar knowledge with respect to Panama Canal rules, because in 1912, before the original Panama Canal rules were adopted, he served as special commissioner for the purpose of framing the rules that were subsequently submitted to Congress and adopted. The other members were Admiral Rock, who was the former head of the Bureau of Construction of the Navy, a distinguished naval officer, and a civilian, former Governor Weaver, of Nebraska. These men have united in a voluminous and excellent report, in which they have gone minutely into the problem and recommended the bill that is now before the House.

Frequently it is said that the general purpose of the bill is to do away with what is known as the dual system of measurement. That designation arouses confusion in the minds of the Members of Congress; and yet, after all, it is a very simple proposition. It should be borne in mind that there are certain statutory rules for measuring the tonnage of ships. They are known as the United States rules. The tonnage of vessels really means their capacity or size, and the primary objective of those rules is to fix the tonnage for the purpose of harbor dues and port dues in the various ports of the world. All nations have such rules, not identical but similar to the United States rules.

It was realized before the Panama Canal was opened, when the question of toll charges was studied, that it would be necessary to provide a special system of measuring vessels in order to be equitable, in order to be fair, in order to be stable, in order to be uniform, in order to make the measurement applicable to the situation that it was designed to meet, to wit, the determination of the earning capacity of the ships as a basis for charging tolls for the use of the Panama Canal. It was found to be necessary to have a special set of rules known as the Panama Canal rules. It was the function of Dr. Johnson, as special commissioner, and those who were with him to work up those rules before the Canal opened. This they did, and Congress on August 24, 1912, passed a law whereby it was provided that the tolls that were charged should not exceed $1.25 per net registered ton. The Congress intended that "net registered ton" should be net tonnage based upon the Panama Canal rules. Shortly after the Canal opened the question of charges made on lumber passing through the Canal on the deck of a vessel was raised. The question was submitted to the Attorney General for his opinion, and the Attorney General ruled that net registered tonnage meant net registered tonnage under the United States rules and not under the Panama Canal rules. The law that was passed in 1912 provided a maximum and minimum; that is, that the charge on a vessel transiting the Canal should not exceed $1.25 per net registered ton and should not be below 75 cents. Under the law the President had been given authority to proclaim the rate of toll, and he fixed it on laden vessels as $1.20 per net registered ton as measured by the Panama Canal rules. When it was ruled by the Attorney General that the act of August 24, 1912, had reference to United States rules, it was found necessary to measure according to both sets of rules, the Panama Canal rules and the United States rules. The President directed that if the amount due at the rate of $1.25 per ton according to the United States rules was less than the amount due at the rate of $1.20 per net ton according to the Panama Canal rules, then the larger amount could not be collected.

In other words, if $1.20, based on the measurement rule that was fixed for the Panama Canal should exceed $1.25, according to the United States rules, then the difference between the $1.20 and $1.25 could not be collected. President Wilson and every President of the United States since and every Secretary of War has realized the existence of an iniquitous situation, as all vessels transiting the Canal must be measured according to the Panama Canal rules and according to the United States rules, and then the lesser tolls collected.

The question naturally arises, Why should not United States rules be used? In 1869, when the Suez Canal was opened the authorities tried to apply rules similar to the United States rules, and they found them to be unworkable. Then in 1872 they tried the British rules of measurement, but they, too, were found to be unworkable. There followed an international convention, held either in 1872 or 1873. It was found that the only effective, practical way to charge tolls for the Suez Canal was to prescribe rules of measurement applicable to the Suez Canal; just exactly the policy pursued later by Dr. Johnson and recommended by him for the Canal.

We are asking now that the maximum shall be $1 and that the minimum shall be 75 cents. That is lower than the $1.25, but according to the toll records of 1936 the total decrease in revenues will be about $1,000,000 or less.

Now, let me tell you something about the operation of these rules. The difference between the United States rules and the Panama Canal rules has meant, according to the Bureau of Efficiency and the Bureau of Statistics on the Panama Canal, that the United States has collected $92,000,000 less than it would have collected if the Panama Canal rules had been in effect. Of the $92,000,000, $51,000,000 would have been collected from foreign ships and $41,000,000 from American ships. One result of the present system is that we are subsidizing foreign ships to the detriment of American ships. When this is put into effect it will only increase the rates as far as American ships are concerned very slightly.

Now, let me show you briefly some of the differences in the two rules. This is a passenger ship [indicating]. These colored portions are what are known as exempted cabins in measuring the tonnage. This is a peculiar technical construction of the Bureau of Navigation, but it is similar to the results in all other maritime nations. If there happens to be an opening here [indicating] so that water can come in this space [indicating], and any part of that space is

exempted, then that whole deck becomes exempted from measurement in determining the tolls that shall be paid. The result in this case is that the chargeable space, which is this line before reconditioning [indicating], has been brought down to this line by reconditioning [indicating]. That entire portion between these two lines has been taken out of tonnage on which tolls would be based and on which tolls would be paid.

Then there is another little interesting thing. Let us take a freight ship. Here is an exempted space [indicating] and another exempted space, and another [indicating]. The owner wants to get rid of the additional space in here [indicating]. You will remember, this is under the United States rules, and the United States rules permit as much reductions as possible, because we must meet other maritime nations in competition with us. We cannot afford to pay any more port and harbor dues than we have to.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLAND. Mr. Chairman, I yield myself 5 additional minutes.

So what is done? The shipowners provide here what is called a "tonnage hatch." That has to be 4 feet wide, and it has to be the breadth of the vessel. Then they put some openings down here [indicating]. These are known as "freeing ports", the theory being that if that hatch is provided, the water will enter the hatch, and dry cargo cannot be carried in the exempted space. The water is supposed to enter this tonnage hatch and escape through the freeing ports. The truth is that the tonnage hatch is well covered, and no water is going to get in there. The covering is not fastened to the ship, but it has cleats and other devices that make it perfectly safe and tight. The tonnage hatch does not affect the carrying capacity of the ship, and the cargo can be carried in the space just as well as though the tonnage hatch were not there, but the owner pays nothing. Other nations of the world are taking advantage of these rulings in the building of their ships. Some question was asked me, "Are you not lowering rates?" No. We are stabilizing rates. We are stopping the reduction that is constantly going on by reason of the application of these United States rules. We are getting back to the law that was passed on August 24, 1912, whereby the President of the United States was charged with the authority to administer the Panama Canal and to operate the Canal, assessing tolls—charges with respect to one definite and clear set of rules for the measurement of these vessels.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield.

Mr. CARLSON. Do I understand that if this legislation is enacted it will decrease the present rates through the Canal?

Mr. BLAND. At the present time the maximum is $1.25. Under this bill the maximum is $1. There will be no material reduction. The decrease on the total tolls collected will be about $1,000,000 for the first year. I have the figures here: About $500,000 on American vessels and $400,000 on others; but we will stop this constant use of United States rules to reduce tonnage and tolls from time to time. I have a diagram here which shows how these measurements have come down from year to year and how the application of the United States rules to tolls through the Panama Canal creates a situation so confusing that we do not know what the revenues are going to be. The proposed law gives stability.

Mr. CARLSON. I may say to the distinguished chairman of the Committee on Merchant Marine and Fisheries that the millers of the Middle West are seriously suffering now because of too low rates through the Panama Canal. Wheat is moving from the Pacific Northwest through this Canal to eastern Atlantic ports at much less rates than wheat can be transported to the eastern seaboard from the Middle West.

Mr. BLAND. In my opinion, it will not affect them at all. The tolls are applicable to many different classes of vessels. The decrease per vessel will be immaterial and will not affect those rates. Of course, the 10-percent margin will permit the President, if necessary, to increase the tolls, but it is intended that the Panama Canal shall not be a profit-making venture.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. BLAND. I yield.

Mr. COLDEN. Under the proposed revision foreign ships will pay a larger proportion of dues than they are paying now?

Mr. BLAND. Yes.

Mr. COLDEN. They have been the chief offenders in this.

Mr. BLAND. We cannot describe our own people as offenders because they are trying to escape charges, if they can, for practically all will do that.

Mr. Chairman, I reserve the balance of my time.

Mr. CULKIN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as is customary when the distinguished chairman of the Committee on Merchant Marine and Fisheries takes the floor, he has made a clear, careful, and accurate statement of the legislation now before you.

This legislation was the result of a hearing which, to my mind, was one of the most lucid and most able presentations of a public question that I have heard before a committee during my service in Congress. The gentleman from Virginia has stated that this legislation will avoid the necessity for dual measurements, which create confusion and throw an added burden upon the American shipper. You who have gone to sea know that in American ships the public spaces, the saloon, the recreation rooms, all the public facilities and utilities aboard ships, are more commodious and more spacious and more comfortable—I might almost say more luxurious—than they are on foreign ships. Under the present rule that public convenience, that public service, that public utility on the American ships is penalized, things which are provided for the purpose of giving the traveling public comfort. American ships are paying an added toll by reason of that fact.

Because of their construction, foreign ships have escaped a number of toll phases that are applied to American ships; and, as the distinguished chairman suggests, the American ships are penalized in the sum of at least $400,000 per year.

This legislation is sound. I have heard only one objection to it. The legislation delegates the power to the President to make these rules. I am, of course, opposed, as are many Members of the House on both sides of the aisle, to granting any more blanket or wholesale delegation of legislative power to the President. However, this is not a legislative power; it is a ministerial power, a power that is used by the President only on the recommendation of those who have charge of the technical side of this question, so, in my judgment, that objection necessarily fades away.

I want, in passing, to refer to the services of the United States engineers who built the Canal and are now in command of the Canal Zone.

Mr. MARTIN of Colorado. Mr. Chairman, before the gentleman takes up a new subject, will he yield for a question?

Mr. CULKIN. I yield.

Mr. MARTIN of Colorado. Will the effect of this proposed new schedule of rates be to equalize differences between domestic and foreign ships, or will it aid our domestic shipping against the railroads in transcontinental traffic? I may say in this connection that I do not think our domestic shipping needs much aid against the railroads in transcontinental traffic, because they get nearly all of it now. Will this legislation still further lower rates through the Panama Canal to intercoastal shipping in competition with the railroads?

Mr. CULKIN. It is not going to have any material effect, I may say to the gentleman from Colorado.

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. BLAND. I talked to the Canal authorities about that only this morning. They said they did not think it would affect them in the slightest.

Mr. CULKIN. I thank the chairman of the committee.

I may say that the total tonnage which moved through

the Canal in 1936 was about 22,000,000. The tolls were $23,000,000. The effect of these rates which will work a reduction of approximately a million dollars, while not doing an injustice to the foreign operators, will give the American operator his definite and rightful place in the sun.

Mr. McCORMACK. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What position did the American operators take on this bill?

Mr. CULKIN. That, of course, is a bit mooted, I may say to the gentleman. When a representative or a committee of economists appeared before the committee they seemed to acquiesce entirely in the findings of this committee that was appointed by the President. Subsequently I received a letter in opposition, but principally they objected, as I understand it, to the delegation of the power to the President to make the rule. That is, they took the position the details of this regulation should be written into the law and not into rules. This procedure, as I said a moment ago, I think that is unsound, because this function is not legislative. It is definitely a ministerial function and must be delegated.

Mr. McCORMACK. Did the operators take a position against the bill?

Mr. CULKIN. Subsequent to the hearing there was some objection. There was one operator whose name I will not mention who objected during the hearing, but it appeared subsequently, during his absence it may be said, that he himself was one of the chief offenders under the present conditions.

Mr. BLAND. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Virginia.

Mr. BLAND. The testimony before the committee showed that only three lines would have any increase in rates and perhaps one other line.

Mr. CULKIN. Yes.

Mr. MARTIN of Colorado. Did the railroads appear at the hearings on the bill?

Mr. CULKIN. There was no appearance by the railroads, so they must have regarded it as academic, because they are very active in these matters.

Mr. BLAND. May I say to the gentleman that the distinguished committee of which he happens to be a member and the committee which is charged with the consideration of railroad legislation, have reported this bill many times?

Mr. CULKIN. I was walking over here today, and I met the distinguished chairman of the Interstate and Foreign Commerce Committee, Mr. LEA, who is perhaps the leading and foremost legislative authority on Panama and Panama affairs in this country. I think I breach no confidence when I make the statement—at least he is here and he can contradict it—that he is heartily in favor of this legislation. I think he is the best technician in America on this question. The legislation, in my judgment, is wholesome, sound, and needed, and will bring order out of confusion and out of measurement chaos.

I want to emphasize in my discussion of this question the service that the United States engineers are performing in connection with the Canal Zone. America's memory is short, but America should remember that after the French failed and after civilian engineers had at least partially failed, the United States engineers undertook the building of the Panama Canal. They built it on time and within the estimates. Upon the completion of the Canal Congress wisely wrote into law a code which included in its provisions a proviso that the Governor of the Canal Zone must be an engineer officer of 2 years' standing in the service of the Zone. So that the United States engineers have been in charge from the beginning. In the construction of the Canal they first fought the difficulties of terrain, the difficulties of the soil and built the Canal, meanwhile successfully fighting tropical diseases. When the engineers took over the Canal Zone for the purpose of constructing this Canal, the Canal Zone was without doubt the foulest and most terrible plague spot in the whole world. It had been so historically, and the task fell upon Colonel Gorgas and his associates in the Public Health Service, who went in there and did the most magnificent job of correcting an evil condition of climate and disease that perhaps ever confronted civilized man.

[Here the gavel fell.]

Mr. CULKIN. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, I repeat that the Canal Zone in those days and from the beginning had perhaps been the foulest plague spot of any place in the world.

Mr. McCORMACK. Will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I note here a provision which says that in addition to the toll based on the measurement or displacement tonnage, tolls may be levied on passengers at rates not to exceed $1.50 for each passenger. I refer particularly to the words "may be." Are there any rates now levied on passengers?

Mr. CULKIN. I understand there are not.

Mr. Chairman, under the direction of the Governor of the Panama Canal Zone, it has become almost a complete social Utopia, complete as to health, as to environment, a marvel of administrative efficiency, the most remarkable, in my judgment, of any administration that has ever come to my notice. I merely mention these facts for the purpose of emphasizing that these same engineers are today, and have been since the beginning of the Republic, the keepers of the public domain in America.

They planned the railroads, built the bridges, and opened up the country in the beginning. They are now engaged in this great work. They are now engaged in the development of rivers and harbors and in flood control. To my mind, they are, under the leadership of General Markham, the greatest public servants any country in the world has today. I call this to the attention of the House in these days when Members of the House are chasing strange gods, if you please, new economic leaders, most of them tyros, and many of them unqualified, not fitted to pass upon these economic questions.

In conclusion, may I say that while the United States has the engineers in command so far as these phases of the public domain are concerned, there will be sound economic conclusions in their findings. The selfishness of locality will be curbed, and true national development, a development in the interest of all the people, not in the selfish interest of locality or of politics, will be attained. I ask the Congress to watch its step when it is suggested that this great body of men be relegated to a position of less influence.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield.

Mr. McCORMACK. The gentleman has stated that in Panama they have attained as nearly complete a social Utopia as possible.

Mr. CULKIN. May I ask the gentleman a question? Has the gentleman been there?

Mr. McCORMACK. I want to get information. I am wondering if the gentleman would give the House the benefit of a description of the conditions which prompt him to say Panama has arrived at as nearly complete a social Utopia as possible. I am interested in that statement, and I would like to have the gentleman tell the House, if he will, of what this social Utopia consists.

Mr. CULKIN. The gentleman, of course, is somewhat facetious, but may I suggest to the gentleman so that his viewpoint may be liberalized, although I know the gentleman is broadly intelligent and cannot be much liberalized, that he take a trip down to the Canal Zone and observe the workings of that system. From the standpoint of health, from the standpoint of sanitation, and from the standpoint of every phase of administration the situation is ideal. I do not believe the system would be effective or efficient in

this turbulent democracy. The people involved are more or less employees of the Canal Administration. They enjoy many privileges, and, of course, they are giving very remarkable and loyal service.

Mr. McCORMACK. The gentleman misunderstands my state of mind. I am seeking evidence. The gentleman used a phrase which appealed to me, because we are all seeking Utopia. This has been the history of the efforts of mankind for thousands of years. I am very eager to obtain the benefit of the gentleman's reasons for stating that in this little place in Panama they have arrived as nearly as is humanly possible at a complete social Utopia. Of course, the phrase "social Utopia" goes far beyond sanitation and health. I wonder if the gentleman will give the House the benefit of the profound information, of which I, as well as all other Members of the House, know the gentleman is possessed.

[Here the gavel fell.]

Mr. CULKIN. I think I must yield myself 2 additional minutes, in view of this last barrage.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. In just a minute.

As I have stated, the Canal Zone is an economic Utopia. It is a Utopia from the standpoint of public health and administration and from the standpoint of living. The residents of the zone are a happy, contented, and cultured group. There are involved, of course, very largely only those who are in the Government service and operating the Canal or operating the various adjuncts of the Canal.

Mr. McCORMACK. The gentleman now states it is an economic Utopia. I was discussing a social Utopia.

Mr. PIERCE. If the gentleman will permit the interruption, tell him it is a free port, with no tariffs.

Mr. CULKIN. That will not appeal to the gentleman from Massachusetts.

What I prescribe for the distinguished, learned, and gracious gentleman from Massachusetts is that he go down to the Canal Zone and see the things which I have not time to fully and adequately describe. These conditions approach an economic and social Utopia, not only by reason of the added buying power given to this group but because of the security of life these people enjoy. If the gentleman will go there and look in their faces he will see a contentment which bears out my statement that the Canal Zone is in fact a social Utopia.

Mr. HILL of Washington. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Washington.

Mr. HILL of Washington. The gentleman went to the Panama Canal and became convinced of the existence of a Utopia down there.

Mr. CULKIN. I think I was there on three different occasions.

Mr. HILL of Washington. And the gentleman is convinced it is a modern Utopia?

Mr. CULKIN. I think the situation there is a remarkably happy one. They have some limitations, I assume, and, of course, no man or woman is ever completely happy.

Mr. HILL of Washington. May I ask the gentleman why he does not come out to the Coulee Dam, and other places out there, and be likewise convinced?

Mr. BLAND. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. In just a moment. The gentleman from Washington [Mr. HILL] invites the whirlwind, of course, when he asks me that question, as I disagree so completely with him. I am going to content myself by referring to my conventional statement with respect to the Grand Coulee. I am not going to call it again a raid on the Treasury, as I tried that several times.

Mr. HILL of Washington. We would just like to have the gentleman come out there.

Mr. CULKIN. I have been over most of the West, but not in the Grand Coulee area. I am simply going to say it is utterly uneconomic as compared with the Panama Canal and its purposes.

Mr. HILL of Washington. I think the gentleman would be convinced, just like the gentleman who is now sitting in the chair was convinced, if the gentleman would come out there.

Mr. CULKIN. I am a strong admirer of the West and its great people.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman has referred to a social and economic Utopia and there has been continual references to the matter of free trade, open ports, and no tariffs; and I think the gentleman should point out that in the Canal Zone we do not have extensive manufactures. In other words, the labor problem is not involved there and it is primarily a fixed-salary proposition.

Mr. CULKIN. Yes. The gentleman is correct in his statement. The people there do enjoy social security.

Mr. CRAWFORD. And, certainly, if I am on a fixed salary, where I am not engaged in any productive effort but simply rendering service, it is to my peculiar benefit to buy goods on a free-trade basis. Will the gentleman clear that up for us a little bit so that the story will not go out that the gentleman is standing here pleading for free trade?

Mr. CULKIN. The gentleman from Michigan [Mr. CRAWFORD] misinterprets my remarks. I am not for free trade. The conditions in the zone that I have described are not due to free trade. They are due to administration and the fixed tenure of the employees.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Nebraska.

Mr. STEFAN. I would like to tell my colleague that I have visited the Panama Canal and I have gone through the Suez Canal, and I want to cooperate with my colleague with respect to what he has to say regarding a Utopia in the Panama Canal Zone as compared with the hell hole we found it when we originally went there and as compared with the Suez Canal. The Panama Canal is a Utopia by comparison.

The preceding gentleman, our colleague the gentleman from Virginia [Mr. BLAND], referred to former Gov. Arthur Weaver, of my State, being a member of this commission. I have discussed with Mr. Weaver the report of the commission. Mr. Weaver is a great statesman, a great enthusiast for water navigation. He is a farmer and has given his entire life to a study of water navigation; and I am sure, Mr. Chairman, in answer to some of the questions of our colleague from Kansas in regard to lower rates through the Panama Canal, perhaps working a hardship on the farmers of the Middle West, Governor Weaver would have done everything possible to eliminate any discrimination against the farmers of my district.

Mr. CULKIN. Governor Weaver is one of the signatories to this report. He rendered excellent service to this committee.

Mr. STEFAN. If the gentleman will permit one further question, under the Panama Canal rates, would you eventually eliminate this bootlegging space in the foreign ships, as I have observed it in my travels around the world?

Mr. CULKIN. That situation will be equalized and will be straightened out under these new rules.

Mr. STEFAN. And the rates would be reduced approximately $1,000,000.

Mr. CULKIN. Yes.

Mr. STEFAN. But it would give the American shipping industry an even chance with foreign ships by preventing this bootleg space.

Mr. CULKIN. It equalizes the tolls charged for space given to the public for public comfort.

In conclusion, Mr. Chairman, let me say that this discussion which has gone afield should not cloud the extreme merit of this bill, and I speak emphatically for its passage. [Applause.]

Mr. BLAND. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. LEA].

Mr. LEA. Mr. Chairman, I heartily commend the chairman of the Merchant Marine and Fisheries Committee, the gentleman from Virginia [Mr. BLAND], and the members of that committee for bringing this legislation to the House of Representatives. Here we have a bill that I believe will become a law and which should have been a law 20 years ago.

When the United States built the Panama Canal it presented Uncle Sam to the world as an engineering genius. Under the limitations of the existing law, in the administration of the Canal operation, Uncle Sam has been presented to the world as an easy mark as a toll collector.

In the former consideration of this bill I have appreciated the opposition that developed on the basis of a fair difference of opinion, but the report presented to Congress through the President's commission has eliminated the last reasonable opposition to this bill, as I see it.

A suggestion, however, has now been made and perhaps will be urged in another body that instead of giving the President the power to make rules of measurement we should write those rules into inflexible law. In my judgment, that is exactly what we should not do. An inflexible rule has been the reason that for 20 years the shipowners have had the opportunity, of which they have availed themselves, to evade the payment of tolls on millions of tonnage actually carried through the Canal. An inflexible law, so far as operating authorities are concerned, has made Uncle Sam powerless to control tolls on actual pay space on ships transiting the Canal. Take this big shelter deck. [Referring to a map.] By a little manipulation of structural changes this deck can be filled with 3,000 tons of cargo, equaling a train of 120 loaded cars, and can pass through the Canal without paying any toll whatever on that tonnage. Uncle Sam has been compelled to look on with hands in his pockets, powerless to exact one cent of such toll. Because of mere structural changes in the ship, not affecting its carrying capacity, the Government, with full knowledge of what was being done and why, has been helpless to protect itself.

Every ton of cargo carried on that shelter deck was just as much protected as a ton carried on any other deck of the ship, and yet under existing law has been exempt from the tolls.

Another situation that has developed is the discrimination constantly practiced in levying of tolls, not only between our own ships but as to the ships of foreign nations. Two or three years ago when I last looked into this matter in detail, I learned of the great variation in tolls charged on actual pay space as between different nations. I found there was a variation from 77 cents to $1.26 a ton, a variation between the lowest and the highest of 49 cents a ton in what we were charging nations using the Panama Canal. Strange to say, of all those nations using the Panama Canal, the United States was paying next to the highest toll.

The suggestion has been made here today that this bill may lower freight rates. There will be no change that will affect the freight rates, in my judgment. The new rules propose to eliminate some space from the pay space heretofore charged for but which has been unsold or unoccupied space. No space is proposed to be eliminated that is actual load-carrying pay space. The elimination of such space from tonnage measurements will to that extent lower the tolls, but to a small amount. At most, on the average year the toll reduction will probably not exceed one dollar out of twenty-six, including this elimination of space that has not heretofore carried any pay load.

Under the present law some ships in ballast, without any load, have paid a higher toll than ships fully laden, because of the absurdities of the existing fixed arbitrary rules that could not be changed without an act of Congress. Under this proposed legislation the necessary flexibility of administrative management necessary for the proper conduct of a business enterprise by private business or by the Government will be much improved. Business management of the Canal requires authority to change rules to suit the evolution of ships. The ships of the world are in an evolutionary period, changes and improvements constantly being made. Fixed unchanging rules cannot properly control a constantly changing situation. If we write rules unchangeable except by act of Congress, every time a change is needed those interested, those profiting by unwarranted advantages of existing law, will persistently, year after year, resist any change. So in presenting this legislation this committee is doing a useful, constructive service for the country. They are helping Uncle Sam to conduct his business in a just and businesslike way.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. LEA. Yes.

Mr. McCORMACK. I made some inquiries a little while ago purely for information about the passenger-tolls rate of $1.50. I understand that is existing law today.

Mr. LEA. Yes.

Mr. McCORMACK. It has never been exercised?

Mr. LEA. No. That has always been the law. It was anticipated the time might come when the passenger traffic would become so great and, perhaps, the ship devoted so much to passenger traffic that it would be desirable to exercise that power, but the Government has never exercised it, and the indications are that, perhaps, it will never be exercised.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BLAND. Mr. Chairman, the Clerk may read.

The Clerk read as follows:

Be it enacted, etc., That section 412 of title 2 of the Canal Zone Code, approved June 19, 1934, is hereby amended to read as follows:

"Tolls on merchant vessels, Army and Navy transports, colliers, hospital ships, supply ships, and yachts shall be based on net vessel-tons of 100 cubic feet each of actual earning capacity determined in accordance with the Rules for the Measurement of Vessels for the Panama Canal prescribed by the President and as may be modified by him from time to time by proclamation, and tolls on other floating craft shall be based on displacement tonnage. The rate of tolls on laden vessels shall not exceed $1, nor be less than $0.75 per net vessel-ton as determined under the aforesaid rules, and on vessels in ballast without passengers or cargo the rate may be less than the rate of tolls for vessels with passengers or cargo. In addition to the tolls based on measurement or displacement tonnage, tolls may be levied on passengers at rates not to exceed $1.50 for each passenger. The levy of tolls is subject to the provisions of article XIX of the convention between the United States of America and the Republic of Panama, entered into November 18, 1903, and of article I of the treaty between the United States of America and the Republic of Colombia proclaimed March 30, 1922."

SEC. 2. This act shall take effect and be enforced on and after January 1, 1938.

Mr. BLAND. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BLAND: On page 2, in line 16, strike out the word "January" and insert the word "March."

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. FITZPATRICK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 5417, pursuant to House Resolution 289, he reported the same back to the House with an amendment adopted in Committee of the Whole.

The SPEAKER pro tempore (Mr. RAYBURN). Under the rule, the previous question is ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

On motion by Mr. BLAND, a motion to reconsider the vote by which the bill was passed was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that on Monday next, following the legislative program and any other special orders that may have been entered, my colleague from Pennsylvania [Mr. DITTER] may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CROWE, indefinitely, on account of illness.

ADJOURNMENT OVER

Mr. BLAND. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

CANCER CONTROL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to have inserted in the RECORD at this point a copy of a resolution that I am introducing, calling upon the President to set aside the month of April every year as cancer-control month, in order that the Governors of the States and doctors and everyone in the country may unite in spreading the gospel of cancer control and information thereon. I trust this resolution will be passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The resolution is as follows:

Resolved, etc., That the President of the United States is hereby authorized and requested to issue annually a proclamation setting apart the month of April of each year as cancer-control month, and to invite annually the Governors of the several States and Territories and possessions of the United States to issue proclamations for like purposes. It is requested that such proclamations invite the medical profession, the press, and all agencies and individuals interested in a national program for the control of the disease of cancer, by education and other cooperative means, to unite during the month in a public dedication to such a program and in a concerted effort to impress upon the people of the Nation the necessity of such a program.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Friday last the Members of this House passed a bill providing for a cancer institute to be located in Washington, D. C. It was a very meritorious measure, and I was delighted that it was given the unanimous approval it deserved.

Today I am introducing a joint resolution calling upon the President to designate the month of April of each year as a period during which the American people and the medical profession should unite in a drive to control this disease through education and other cooperative means.

A few weeks ago I called the attention of the House to the wonderful work being done by the field army of the American Society for the Control of Cancer. At that time I tried to bring out clearly the vital importance of informing the public along the lines of cancer education. The medical authorities assure us that most cases of cancer, when taken in the early stage, are curable. The great problem—and it is a most difficult one, indeed—is to allay the fear, the great terror that most persons have of this dread disease. Through education fears can be calmed, people can be persuaded to submit to examinations and to treatment, and the very alarming increase in the number of cancer deaths can be stopped.

Few of us realize fully how prevalent the disease is and how fast it is increasing in this country. The medical authorities tell us that cancer is second in the list of deadly diseases. In 1910 it was sixth. In 1935 no less than 153,000 persons died of cancer in the United States. Those alarming figures show us the vital need for education and organized work against the scourge.

The American Society for the Control of Cancer, of which the eminent Dr. Clarence C. Little is the managing director, is the instrumentality through which such organized effort is being made. As a part of this organization, the Women's Field Army, headed by the able Mrs. Grace Morrison Poole, is doing its part by reaching out into the women's clubs and organizations, obtaining their interest and cooperation in bringing into the open the thousands and thousands of cases which are hidden through fear and terror. It is a great work, an unselfish, charitable task. If this Congress can help in it, if by any act of Congress, can lend its hand in assistance, I know it will do so.

So little comparably is known of the treatment of the disease after it has gained a foothold upon the human system that the only hope is to take advantage of it in its early stages when it is curable. To find these early cases is the problem—to make America conscious of the fact that cancer is curable in its incipient stage. The estimate of the medical authorities that 300,000 women in this country have cancer is a challenge to each and every one of us, a challenge to take up arms against ignorance and fear.

This resolution I have presented is a suggestion made by one of the leaders in this fight against cancer. It is felt that if the President will add his voice to the appeal it will be helpful. It will make the task much easier to have the Chief Executive designate 1 month of the year as cancer month, when the efforts of all of the organizations can be concentrated in one great drive. It is no great thing to ask of Congress, but it will be a tremendous help to those who are so unselfishly giving of their time and their energies to the campaign. I hope so much that Congress will take favorable action upon my resolution.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief letter from a constituent on the subject of the Home Owners' Loan Corporation.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDER

The SPEAKER pro tempore. Under the special order of the House, the gentleman from Mississippi [Mr. COLLINS] is recognized for 30 minutes. Is the gentleman present? [After a pause.] The gentleman from Mississippi does not seem to be present.

ADJOURNMENT

Mr. BLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 20 minutes p. m.), pursuant to its order heretofore ordered, the House adjourned until Monday, August 2, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, August 3, 1937, at 10:30 a. m., to resume hearings on H. R. 7365.

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Tuesday, August 3, 1937, at 10:30 a. m., for the consideration of H. R. 6747, which affects Puerto Rico, and H. R. 7727, which affects the Philippine Islands.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

761. A communication from the President of the United States, transmitting a deficiency estimate of appropriation

for the National Labor Relations Board for the fiscal year 1937, amounting to $15,000; to the Committee on Appropriations.

762. A letter from the secretary, Reconstruction Finance Corporation, transmitting a report of the activities and expenditures of the Reconstruction Finance Corporation for the month of June 1937; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROMJUE: Committee on the Post Office and Post Roads. H. R. 4402. A bill to continue in effect a certain lease for the quarters of the post office at Grover, N. C., and for other purposes; with amendment (Rept. No. 1410). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COCHRAN: A bill (H. R. 8080) to establish a fund for the insurance of mortgages securing loans for the construction or reconditioning of floating property used for commercial purposes; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 8081) authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments; to the Committee on Expenditures in the Executive Departments.

By Mr. CASE of South Dakota: A bill (H. R. 8082) to amend the Social Security Act to increase grants to States for old-age assistance; to the Committee on Ways and Means.

Also, a bill (H. R. 8083) to amend the Social Security Act wherein repayment may be required from recipients of old-age assistance and to prevent requiring the same; to the Committee on Ways and Means.

By Mr. BREWSTER: A bill (H. R. 8084) to regulate the practice of professional engineering, creating a Board of Licensing for Professional and Technical Engineers in and for the District of Columbia, defining its powers and duties, and providing penalties; to the Committee on the District of Columbia.

By Mr. DIMOND: A bill (H. R. 8085) to authorize the city of Ketchikan, Alaska, to issue bonds for street improvements, and for other purposes; to the Committee on the Territories.

By Mr. LEWIS of Colorado: Resolution (H. Res. 291) providing for the appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various candidates for the House of Representatives, and for other purposes; to the Committee on Rules.

By Mrs. ROGERS of Massachusetts: Joint resolution (H. J. Res. 468) to dedicate the month of April in each year to a voluntary national program for the control of cancer; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOILEAU: A bill (H. R. 8086) granting a pension to Clara A. Farwell; to the Committee on Invalid Pensions.

By Mr. DUNCAN: A bill (H. R. 8087) granting a pension to Bessie D. Caster; to the Committee on Invalid Pensions.

By Mr. GARRETT: A bill (H. R. 8088) authorizing the Bureau of Internal Revenue to take jurisdiction of the claim of James S. Davenport for repayment of excess income taxes paid in 1919; to the Committee on Claims.

By Mr. MAVERICK: A bill (H. R. 8089) authorizing the President to order Frederick W. Stewart, lieutenant colonel, United States Army, retired, before a retiring board for a hearing of his case; to the Committee on Military Affairs.

By Mr. MAY: A bill (H. R. 8090) granting a pension to Silas E. Shepherd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8091) granting a pension to Emily Jane Poe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8092) granting a pension to Polly Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8093) granting a pension to Minerva Wells; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8094) granting a pension to Emaline Gambrel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8095) granting an increase of pension to Cynthia Conley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8096) granting a pension to Sarah Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8097) granting a pension to Lucinda McDaniel; to the Committee on Invalid Pensions.

By Mr. WILCOX: A bill (H. R. 8098) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Edward Forbes et al. as set out therein; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3064. By Mr. COFFEE of Washington: Petition of Ellisforde Grange, Tonasket, Wash., Mrs. L. C. McCoy, secretary, stating that while neither Germany nor Italy have openly declared war on the Spanish Government, nevertheless their deeds of aggression are belligerent in implication, and in the name of justice, fair play, and humanitarian decency the United States Government should impose an embargo on munitions of war against the Governments of Italy and Germany; to the Committee on Foreign Affairs.

3065. Also, resolution of the King County Democratic Club, Seattle, Wash., George E. Ryan, president, expressing regret that the President's judiciary reform legislation was recommitted to the Senate Judiciary Committee, but praising Senators BONE and SCHWELLENBACH for having voted against the motion for recommitment of such legislation, and expressing further the opinion that Washington State is more loyal and devoted to President Roosevelt than ever before and repledges its faith to champion the New Deal on every occasion; to the Committee on the Judiciary.

SENATE

SATURDAY, JULY 31, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, July 30, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, in view of what is to be the order of business for the day, I suggest the absence of a quorum, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bridges	Connally	Guffey
Andrews	Brown, Mich.	Copeland	Hale
Ashurst	Brown, N. H.	Davis	Harrison
Austin	Bulkley	Dieterich	Hatch
Bailey	Bulow	Donahey	Herring
Barkley	Burke	Ellender	Hitchcock
Berry	Byrd	Frazier	Hughes
Bilbo	Byrnes	George	Johnson, Calif.
Black	Capper	Gerry	Johnson, Colo.
Bone	Chavez	Gillette	King
Borah	Clark	Glass	La Follette

Lee	Maloney	Radcliffe	Truman
Lewis	Minton	Reynolds	Tydings
Lodge	Moore	Schwartz	Vandenberg
Logan	Murray	Schwellenbach	Van Nuys
Lonergan	Neely	Sheppard	Wagner
Lundeen	Nye	Shipstead	Walsh
McAdoo	O'Mahoney	Smith	Wheeler
McCarran	Overton	Steiwer	White
McGill	Pepper	Thomas, Okla.	
McKellar	Pittman	Thomas, Utah	
McNary	Pope	Townsend	

Mr. LEWIS. I announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in the performance of duty as members of the committee appointed to attend the dedication of battle monuments in France.

The Senator from Arkansas [Mrs. CARAWAY] is absent because of illness.

The Senator from West Virginia [Mr. HOLT], the Senator from Rhode Island [Mr. GREEN], and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON], having been appointed a member of the committee to attend the dedication of the battle monuments in France, is absent in the performance of that duty.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

CONSOLIDATED AIRCRAFT CORPORATION

Mr. KING. I withdraw the motion heretofore entered by me to reconsider the vote by which the bill (S. 1881) for the relief of the Consolidated Aircraft Corporation was passed.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations and an international agreement, were communicated to the Senate by Mr. Latta, one of his secretaries.

JUNE REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Reconstruction Finance Corporation, submitting, pursuant to law, a report of the activities and expenditures of the Corporation for the month of June 1937, including statement of loan and other authorizations made during the month, etc., which, with the accompanying papers, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a memorial from Muscle Shoals Local, No. 252, Farmers Union, and the Farmers' Fertilizer Co., Harry J. Frahn, Thurmond Harris, and others, Sheffield, Ala., remonstrating against certain alleged acts or actions of the Tennessee Valley Authority and favoring impeachment of the present directors of that Authority unless existing law be carried out, which was referred to the Committee on Agriculture and Forestry.

Mr. LONERGAN presented a resolution adopted by the Project Workers' Union of New Haven, Conn., endorsing the so-called Schwellenbach resolution, being the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, which was referred to the Committee on Education and Labor.

Mr. WALSH presented a resolution adopted by the Mayors' Club of Massachusetts, favoring a prompt favorable report by the Committee on Finance of the resolution (S. Res. 144) directing the Tariff Commission to investigate the production costs of cemented shoes (submitted by Mr. WALSH and Mr. LODGE on June 14, 1937, and referred to the Committee on Finance), which was referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 1681) to extend the time for filing claims for refunds under section 15 (c) of the Agricultural Adjustment Act, reported it with amendments and submitted a report (No. 1011) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 1660) for the relief of Essie E. Leatherwood, reported it with an amendment and submitted a report (No. 1012) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 610) to amend the act entitled "An act conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad", approved June 24, 1935, reported it without amendment and submitted a report (No. 1013) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 2258) to authorize a modification of the project for the control of floods in Lowell Creek, Alaska, reported it without amendment and submitted a report (No. 1014) thereon.

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (S. 2092) to authorize the completion, maintenance, and operation of the Bonneville project for navigation, and for other purposes, reported it with amendments.

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (S. 2580) to amend existing laws so as to promote safety at sea by requiring the proper design, construction, maintenance, inspection, and operation of ships; to give effect to the Convention for Promoting Safety of Life at Sea, 1929; and for other purposes, reported it with amendments.

He also, from the same committee, to which was referred the bill (S. 2874) requiring the deposit in a safe place ashore of the names and addresses of passengers sailing on vessels plying the inland or coastal waters of the United States, reported it without amendment.

He also, from the same committee, to which was referred the bill (S. 2817) providing for the purchase by the United States of air-navigation facilities established, with the approval of the Secretary of Commerce, by air-mail contractors on their contract routes, reported it with an amendment and submitted a report (No. 1016) thereon.

Mr. WHITE, from the Committee on Commerce, to which was referred the bill (S. 1273) to adopt regulations for preventing collisions at sea, reported it with an amendment.

Mr. ASHURST, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 4605. An act relating to the accommodations for holding court at Shawnee, Okla. (Rept. No. 1018); and

H. R. 8007. A bill to restore the per-diem fee of $4 for service of jurors in Federal courts (Rept. No. 1017).

Mr. KING, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 4536. A bill to provide for the holding of an examination by the Board of Optometry of the District of Columbia for a license to practice optometry in the District of Columbia for Welton B. Hutton (Rept. No. 1019); and

H. R. 6446. A bill to prohibit in the District of Columbia the operation of any automatic merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle designed to receive or be operated by lawful coin of the United States of America, or a token provided by the person entitled to the coin contents of such receptacle in connection with the sale, use, or enjoyment of property or service by means of slugs, spurious coins, tricks, or devices not authorized by the person entitled to the coin contents thereof; and to prohibit in the District of Columbia the manufacture, sale, offering for sale, advertising for sale, distribution, or possession for such use of any token, slug, false or counterfeited coin, or any

device or substance whatsoever except tokens authorized by the person entitled to the coin contents of such receptacle; and providing a penalty for violation thereof (Rept. No. 1020).

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 2194) to provide for the semiannual inspection of all motor vehicles in the District of Columbia, reported it without amendment and submitted a report (No. 1021) thereon.

Mr. OVERTON, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6696) to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", known as the "Healing Arts Practice Act, District of Columbia, 1928", approved February 27, 1929, reported it without amendment and submitted a report (No. 1022) thereon.

Mr. BRIDGES, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6242) to protect the buyers of potatoes in the District of Columbia, reported it without amendment and submitted a report (No. 1023) thereon.

Mr. HUGHES, from the Committee on the District of Columbia, to which was referred the bill (H. R. 6388) to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia, relating to offenses against property, reported it without amendment and submitted a report (No. 1024) thereon.

Mr. AUSTIN, from the Committee on the District of Columbia, to which was referred the bill (H. R. 5462) to increase the age of consent for marriage in the District of Columbia to 18 years of age in the case of males and 16 years of age in the case of females, reported it without amendment and submitted a report (No. 1025) thereon.

Mr. REYNOLDS, from the Committee on the District of Columbia, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 1732. A bill to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. M. L. Perry, of Lumberton, N. C., and to Dr. N. E. Jackson, of Laurinburg, N. C. (Rept. No. 1026);

H. R. 4876. A bill to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Frederick W. Didier (Rept. No. 1027);

H. R. 4982. A bill to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. William Justin Olds (Rept. No. 1028); and

H. R. 5110. A bill to provide for the issuance of a license to practice chiropractic in the District of Columbia to Dr. Russell V. Pemberton (Rept. No. 1029).

ENROLLED BILL PRESENTED

Mr. LONERGAN, from the Committee on Enrolled Bills, reported that on July 30, 1937, that committee presented to the President of the United States the enrolled bill (S. 2416) relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama.

SAFETY AT SEA

Mr. COPELAND. Mr. President, from the Committee on Commerce I report back favorably several bills. Among them are two relating to safety at sea.

We were distressed yesterday by the news of the accident on Chesapeake Bay. One of the bills, Senate bill 2874, provides for the deposit in a safe place ashore of the names and addresses of passengers, requiring that they shall register as they would at a hotel on land, so that there may be knowledge of the persons who are aboard the vessels.

The second bill, Senate bill 2580, is one which for 2 years has received the attention of the Committee on Commerce. The details of it were worked out by a technical committee headed by Admiral Rock. It has to do with the construction of new ships and the repair of old ones in order that there may be safety at sea. Likewise, it provides that on every new ship built there shall be such quarters that the crew may live under decent conditions and surroundings.

I ask to have the bills placed on the calendar.

The PRESIDENT pro tempore. Without objection, the bills will be received and placed on the calendar.

(The bills reported by Mr. COPELAND are listed under the heading "Reports of Committees.")

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 2877) for the relief of Davis-Mize & Co., of Memphis, Tenn.; to the Committee on Claims.

By Mr. GILLETTE (for himself and Mr. CLARK):

A bill (S. 2878) to provide for loans to farmers on certain crops during the year 1937; to the Committee on Agriculture and Forestry.

By Mr. GILLETTE:

A bill (S. 2879) to divorce the business of production, refining, and transporting of petroleum products from that of marketing petroleum products; to the Committee on the Judiciary.

By Mr. SHEPPARD:

A bill (S. 2880) to amend the Social Security Act by providing grants to the States for assistance to needy incapacitated adults; to the Committee on Finance.

A bill (S. 2881) to provide more adequate protection for workmen and the public in the construction of public buildings and public works of the United States, the District of Columbia, the Territories, and island possessions; to the Committee on Education and Labor.

By Mr. BYRD:

A joint resolution (S. J. Res. 190) for the relief of the Smithfield Ham & Products Co., Inc., to the Committee on Claims.

ADVERTISING OF ALCOHOLIC BEVERAGES—STATEMENT BY DR. IZORA SCOTT

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement by Dr. Izora Scott in support of legislation to prohibit the advertising of alcoholic beverages, which appears in the Appendix.]

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed the consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Pennsylvania [Mr. DAVIS] to the amendment in the nature of a substitute reported by the committee. The Senator from Nevada [Mr. MCCARRAN] has the floor.

Mr. McCARRAN. Mr. President, I understand the parliamentary situation to be that the amendment offered by the Senator from Pennsylvania [Mr. DAVIS] is pending. If the Senator desires a vote on that amendment now, I will yield the floor, in order that a vote may be taken on the amendment, if I may have the floor after the vote on that amendment shall have been taken.

Mr. DAVIS. Mr. President, I thank the Senator from Nevada.

Mr. LEWIS. May I ask if the Senator from Pennsylvania desires to press for a vote on his amendment at once?

Mr. DAVIS. I yield to the Senator from Illinois.

THE POSITION THE PRESIDENT AND ADMINISTRATION SHOULD ASSUME AS TO THE CONFLICT BETWEEN JAPAN AND CHINA UNDER NEUTRALITY ACT

Mr. LEWIS. Mr. President, with the understanding on the part of the Senators who would have had a right to recognition, who announce they yield to me, I take the liberty to express myself upon a matter that does not touch the pending amendment of the able Senator from Pennsylvania or the Senator from Nevada, both of whom so courteously yield to me at this time. Mr. President, certain reputable publications of a very high order and certain sources which we are called upon to respect by virtue of their high authority seem to assail the President and our Government because the President will not take an immediate active position in assertion of authority in the conflict between China and Japan.

It is asserted in these criticisms that it is our duty to enforce the provisions of the law termed our Neutrality Act. Particularly it is urged that the President should make an open declaration that war is pending between China and Japan. Then from such declaration certain other conduct on the part of the United States necessarily should follow under our law and in the protection of our rights.

The able chairman of the Foreign Relations Committee [Mr. PITTMAN] lately issued a statement to the public, pointing out very clearly that the moment the President took any action of that kind he would be in a position that would almost imperil, certainly embarrass, his efforts now being made, wherever possible, to bring about peace between these contending forces. As a member of the Foreign Relations Committee, I endorse the expressions of its chairman.

But, Mr. President, I take the liberty at this moment to invite the attention of our country to a situation of which it seems certain of our people are wholly unconscious.

I assert that the moment the President declared there was war within the meaning of our Neutrality Act, the next step is clear. It is that when the declaration is made and there is a prohibition upon our merchants and businessmen, particularly our shippers, for any further supply of goods to the countries of the contending forces, from that time on every form of trade becomes "illegal" and we are subject at once to our ships being seized and those American citizens who are upon the ships being arrested and detained and repressed and impressed in a manner after the order and processes of war.

The hour such a condition should arise America would find herself in conflict both with China and with Japan. Our country, desiring peace, would not only have destroyed the peace so far as the prospect of it with those two countries is concerned but we would open ourselves to the possibility of personal conflict. America would be at war with the Orient.

Mr. President, I observe many of our good Christian friends representing the churches in sections of the Nation seem to hold that we have failed in our duty. We have ships upon the high seas on way to oriental lands, and merchants engaged in shipments legitimately made have much at stake. These products are to be delivered. In the meantime, perfectly innocent of any offense, they are delivered. The ships and their contents are at once charged to be, in their operations, munitions of war, as such subject to seizure, and the operatives of the vessel itself subject to arrest and impressment. One can readily see that the United States could not tolerate such a situation.

Here I beg to utter the belief that, while it may be true that we desire our land to remain neutral and we hope and exact of all our citizens that they shall not violate the neutrality law, yet if our citizens should enter the war zone, contending for their rights, however much they should differ in their views, and their ships should be seized, their property confiscated, themselves imprisoned, the United States would not stand very timidly or delicately upon the criticism, if you please, that her merchants and shippers had violated the neutrality law.

Under the arising of the status I describe, the spirit of America would rise to the defense of our people and at once, before we knew it, our whole country would become inflamed to defend America and protect its citizens, and we would again be in conflict. America in war, as it was under similar circumstances in the World War.

To avoid this baleful probability our Government is moving cautiously, as the able chairman of the Foreign Relations Committee pointed out, with the desire of maintaining peace rather than avoiding it. Therefore I beg to call attention to the fact that we are in a situation today of wholly obeying the law, for so long as the conflict appears to be between sections and factions instead of being between countries in whole as one against another, and since there has been no declaration of war or since there has been no movement of war by one complete country against another complete country, the President is only confronted with the fact that it is a factional conflict, and though it may be a regretful system that leads to multiple death, we are compelled to do that which enables us to stand upright before the law and perform our duty to all.

Therefore, for the protection of America and for the maintenance of the Neutrality Act as we have written it and to comply with its provisions, America still remains steadfast in her efforts to bring about mediation by her course of counsel. In her hopes we shall dream that we may yet come to the fulfillment of the holy scriptural appeal when these lands, both China and Japan and that of Spain, may yet travel the "ways of happiness" and take the "paths of peace."

Mr. President, I have expressed a view which I desired to bring forth to the Senate that the public may understand our relations. I thank the Senator from Pennsylvania [Mr. DAVIS], and I appreciate the courtesy of the Senate in allowing me at this time to present the subject.

Mr. POPE. Mr. President, yesterday the Senator from Illinois [Mr. LEWIS] placed in the RECORD a statement of the Senator from Nevada [Mr. PITTMAN], chairman of the Foreign Relations Committee, in connection with the subject he was then discussing. In reading the statement carefully I came quickly to the conclusion that it was a wise and statesmanlike utterance.

In this morning's Washington Post is a comment of some length entitled "Neutrality", by one Barnet Nover. It seems to me it would be worth while to place this article in the RECORD following the remarks submitted this morning by the Senator from Illinois. I ask that the article may be inserted at this point in the body of the RECORD, and I ask to have inserted immediately following that article an address which I made over the Mutual Broadcasting network, February 21, 1937, which I think is quite closely related to the subject matter which the Senator from Illinois just discussed.

There being no objection, the article and address were ordered to be printed in the RECORD, as follows:

[From the Washington Post of July 31, 1937]

NEUTRALITY

(By Barnet Nover)

SENATOR PITTMAN'S SECOND THOUGHTS

No better argument for a discretionary as opposed to a mandatory neutrality policy has ever been advanced than that put forth Thursday by Senator KEY PITTMAN, author of the more mandatory of the two neutrality bills which came up before Congress earlier in this session.

His statement was a plea in extenuation. The President has thus far refused to proclaim that a state of war exists in North China and has been criticized for ignoring what is an undoubted fact.

In defense of the President the chairman of the Senate Foreign Relations Committee argued that such a proclamation on Mr. Roosevelt's part, coming at this time, would do far more harm than good; that it would endanger American lives rather than help safeguard them; that it might result in a spreading of the present conflict rather than in limiting and localizing it; and, finally, that it might prevent the United States from employing its good offices to bring the present hostilities to a close.

The validity of these arguments is hardly open to question. And because this is so it is imperative that the President and the State Department, fully informed as they are regarding the situation in the Far East, enjoy complete freedom of action.

We have very real interests in that part of the world and the greatest of these is peace—peace not only for ourselves but for all nations. For a war on any scale is certain to create all manner of difficulties for us at present and in the future.

The essential question which our Government must ask is how these interests can best be safeguarded. With this no one quarrels. But what Congress in its blindness has done is to prevent any answers that may be given by the President and the State Department from being applied.

This year the original neutrality law of 1935 was reenacted with certain major changes. The law embodies a specific formula of action which the President must pursue once the existence of war is formally recognized, plus certain measures which, in his discretion, he may put into force.

War has now broken out in the Far East. The reality of that war is attested by the corpses of Chinese and Japanese soldiers at Peiping, Tientsin, and other places in North China; by the devastation produced by Japanese bombing planes; by the reinforcements now being hurried to the danger zone and by the statements of the leaders of both nations.

Certainly the war now raging in North China is every bit as real as was the war waged by Italy on Ethiopia in 1935–36, and that which for more than a year has made a cemetery of Spain.

In both of these instances the neutrality law was applied; in the case of the Italo-Ethiopian conflict it was applied with breathtaking promptness; in that of the Spanish civil war belatedly, and it may be ruinously, from the viewpoint of our ultimate interest as a democratic and peace-loving nation. But in any case, the precedent is there, ominous though it may be.

Senator PITTMAN points out that the Neutrality Act "grants to the President the exclusive jurisdiction in his sound judgment to determine when a state of war exists as between two or more countries."

That is true. But his implied contention that the President, by fiat, can decide that war is not war whenever it is embarrassing to the United States to recognize a reality, simply begs the question. For if it is wise for the President to have that power, then it is also the counsel of wisdom to give him the power to set aside the Neutrality Act altogether, no matter what the legal status of the conflict in North China may be.

This Senator PITTMAN is not yet prepared to admit. He only argues that it is in the present national interest to be casuistic regarding the war-proclaiming clause in the Neutrality Act, for if it is literally applied, harm may be done.

But that harm stems out of the circumstance that it is the Neutrality Act as a whole which is dangerous, since, once it is proclaimed, the President will no longer wholly possess that freedom of movement he needs properly and adequately to defend American interests.

Senator PITTMAN does, indeed, recognize that there is embodied in the law a definite series of limitations on the President's freedom. Should China or Japan declare war, he points out, then the Neutrality Act would have to be applied, so far as the sale of arms, munitions, and implements of war are concerned, and, at the President's discretion, with respect to the cash-and-carry provisions.

Now, it may no more be to this Nation's interest to impose such embargo on arms than it is to admit at this moment that a state of war exists. Yet the law becomes automatic as soon as a declaration of war has been issued.

It should be clear from this that we provide an incentive to whichever of the two contending powers is in a position to benefit by the American neutrality law, openly to declare war. That nation happens to be Japan. Hitherto Japan has rarely bothered with the formality of a war declaration before beginning hostilities. It hasn't bothered to go through the motions this time. But quite possibly it may, in order to make the United States its effective if unwilling ally.

Over such action on Japan's part we do not have the slightest measure of control. Which means that the determination of American policy at this critical moment lies not with Washington but with Tokyo.

Is there anything more absurb than such a situation? Overwhelmingly the American people are convinced that Japan today is the aggressor. Not the slightest interest would be served by Japan's victory; on the contrary very real American interests are certain to be damaged and possibly destroyed by Japan's imperialistic move in North China. And the impetus which another Japanese victory on the mainland of Asia would give to potential aggressors everywhere would only increase that international turmoil which threatens both peace and recovery. And yet our policy at the moment depends, in an important particular, not on what we may want to do but on what Japan does. Nothing better reveals the monstrous and dangerous nature of our miscalled neutrality law.

RADIO SPEECH OF HON. J. P. POPE, OF IDAHO, ON FEBRUARY 21, 1937

The so-called neutrality measure that is likely to be passed by Congress—the Pittman bill—contains both mandatory and discretionary provisions. It is mandatory in the sense of directing the President to proclaim an embargo on arms in the event of war between other nations, in prohibiting Americans from traveling on belligerent ships, in making unlawful the arming of our merchant ships, and in some other respects. It is discretionary in giving the President authority to define arms, ammunition, and implements of war; when and what war materials may be embargoed; when embargoes may apply to civil war; and the authority of the President to modify, in whole or in part, his proclamation as to war materials.

In these respects the score between mandatory and discretionary provisions in the measure is about even.

The Nye-Clark resolution, however, contains more mandatory provisions. It contains an express provision that all embargoes and other restraints must be applied to all belligerents alike. No distinction can be made as between the aggressor and the victim. The nations which violate a treaty—even a treaty with the United States—must be treated exactly the same as one which has observed every obligation. An invading nation, one which robs another of its territory and independence and slaughters its people in violation of its treaty obligations, must be treated with the same tender care as the victim. There is no discretion in the measure even to recognize these circumstances.

The moral question is not considered. Any idea of our national responsibility for world peace is ignored. The concept that war is a matter of universal concern finds no recognition in the measure. There is no condemnation of war as a means of settling disputes. There is merely the recognition that war exists. It is purely the conception of every nation for itself and the devil take the hindmost. There must be a good many people who are unwilling to embrace this conception of their country's position in world affairs.

Any legislation on this subject, it seems to me, should have two closely related objects—to keep our country out of war and to assist in preventing or stopping other wars. In modern times these objects are inherently related. They are as closely related as those of a house owner who wants to protect his own house from fire and to prevent or stop his neighbor's fires.

The Nye-Clark measure seeks to keep us out of war by insulating ourselves. It has no regard for the other object of helping to prevent or stop wars among our neighbors, and it fails to give the President any power to accomplish that object.

To use the analogy of the house owner again, it seeks to protect our own house by using fireproof materials but utterly ignores the danger in the burning of our neighbors' houses, and it refuses to recognize or support a fire department which seeks to prevent or stop the fire.

To use another analogy, it seeks to establish a quarantine against an epidemic of disease but refuses to recognize any obligation to support the health department which seeks to find the cause and to prevent the epidemic.

I am heartily in favor of using fireproof materials and establishing quarantines against diseases, but I think it entirely insufficient to rely upon these measures alone for safety. I believe it is the duty of every good citizen to support the fire department and the health department; at least he ought not to interfere with their work.

It is all very well for the citizen in the community to mind his own business and stay out of his neighbor's quarrels, but he should support the police and the courts in their efforts to settle these quarrels before they involve the whole neighborhood; and he ought not to throw stones at the policemen.

I find myself in hearty accord with the demands of the American Legion for legislation that will take the profits out of war and to conscript wealth and industry along with the conscription of our boys in time of war. This would be a long step toward the prevention of war. It tends to remove the incentive on the part of certain powerful groups to encourage war. But taking the profit out of war and conscripting wealth will not alone be a sufficient safeguard. Tribes and nations fought with their hands and with clubs before any profits were made from the manufacture of arms.

About 10 years ago the United States sponsored the Pact of Paris, which condemned war as an instrumentality of national policy and declared that all disputes should be settled by peaceful means. Practically all of the other nations of the world signed our pact. This was a step toward the building of a fire department, so to speak. It expressed our concern for peace everywhere in the world. It implied our condemnation of any nation that violated the pact and resorted to war. It further implied that some joint action would be taken in case of violation of the treaty. At least, it implied the obligation of nations to consult as to what peaceful joint action might be taken against the nation violating the pact.

When Japan violated this treaty and invaded Manchukuo, Secretary Stimson, much to his credit, recognized our responsibility under the treaty and reminded Japan of its violation of the pact, and, to an extent, we cooperated with other nations to make it effective. Even to this day the fruits of the Japanese aggression have not been recognized by the United States.

When Italy invaded Ethiopia in violation of the pact, Secretary Hull called attention to the obligations of the treaty; but, of course, Italy paid no attention to it. During the course of the invasion the Secretary tried to persuade exporters of oil to refrain from shipping to the belligerents, which, in fact, meant limiting exports to Italy, the aggressor nation. Under the law, as it then existed, he had no authority to place an embargo on oil or on any other war materials, and ever-increasing quantities of oil were sold to Italy by our exporters. Under the circumstances, no oil could be sold to Ethiopia. The effect was that the United States furnished large quantities of war materials to Italy, the aggressor, and none to Ethiopia, the victim. But this was not the worst of it. The other nations which tried to impose sanctions on Italy by placing embargoes upon necessary war materials were handicapped by our action in shipping such war materials without limit. Without the cooperation of the United States, sanctions could not be and were not made effective, and Italy destroyed the ancient and independent Ethiopian Nation.

The pact of Paris, therefore, proved utterly useless. There were no means provided for its use. There was no machinery to make it effective. No legislation had ever been passed to implement it.

Recently, at Buenos Aires, a splendid effort, in harmony with the Kellogg Pact, was made by the American States. A treaty was entered into providing for consultation in the event of a threat of war on this hemisphere, implying joint action toward the prevention of war. This was a definite step toward making the principle laid down in the pact of Paris effective. To use our analogies once more, the nations were beginning to build a fire department or a public-health service and were not relying entirely upon fireproof materials and quarantines.

The Nye-Clark resolution does not recognize the spirit of the Buenos Aires Convention. It ignores the idea of consultation. It completely disregards the pact of Paris.

Legislation on the subject of neutrality should recognize the progress that has been made toward cooperative efforts to prevent wars and to stop them after they have begun. This could be done by permitting an embargo to be proclaimed by the President

against all belligerents in the event of war until a consultation could be held by the signatories of the pact of Paris, and in the event these nations agreed upon the aggressor, the President could remove the embargo from the victim of the aggression.

This would be an act of justice, would help to shorten the war in most cases, and would serve notice upon all would-be aggressors that they need not expect help from the United States in their aggressions. It would have a tendency to discourage international banditry. It would recognize some responsibility of the United States, the most powerful nation on the earth, toward peace in the world, and would be the most effective means of keeping our country out of war.

I am heartily in accord with the resolution of the Conference for the Cause and Cure of War recently held in Chicago. There more than 600 representatives of hundreds of thousands of good citizens used this language:

"This country shall consult with the other nations signatory to the pact of Paris whenever there is a threat of war. An immediate impartial embargo shall be declared against the nations directly involved in the threat to peace. The embargo shall include munitions, credits, and essential war materials. The embargo may be removed by the President from a nation which, as a result of the consultation, is agreed to be the victim of aggression."

The course pointed out by the American Legion and by the Cause and Cure of War Convention presents to us a constructive program for keeping out of war. That, in my opinion, is far better than a purely negative program of mandatory neutrality.

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE

The Senate resumed the consideration of the bill (S. 2475) to provide for the establishment of fair-labor standards in employments in and affecting interstate commerce, and for other purposes.

Mr. DAVIS. Mr. President, yesterday I offered an amendment on page 51, line 3, after the word "agriculture", to insert a semicolon and the following:

Or any person whose compensation is paid upon a commission basis exclusively.

My amendment would exempt commission men or commission salesmen who are not working for any kind of wage or salary. We know that the time of such a salesman is his own. He can work as he pleases. He can work an hour or two in the morning and then quit for the day. He might make enough in 1 or 2 days to keep him for months. If such salesmen come within the terms of the bill, my amendment would provide an exemption in their case.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Pennsylvania to the amendment of the committee.

Mr. LA FOLLETTE. Mr. President, I am opposed to the amendment submitted by the Senator from Pennsylvania [Mr. DAVIS]. I am opposed to it lest it might provide a device whereby employers could, through a commission arrangement, take themselves out from under the terms of the bill.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. In just a moment.

So far as persons who are ordinarily hired upon a commission basis are concerned, I would have no objection to their being exempted from the provisions of the bill. What I fear, however, is that through arrangements which may be made by employers persons who are not ordinarily working upon a commission basis may be employed under such arrangements when obviously they should be under the terms of the bill.

Mr. SCHWELLENBACH. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. LA FOLLETTE. I yield.

Mr. SCHWELLENBACH. Would it not be possible under the amendment of the Senator from Pennsylvania to bring about collusion between employers and employees and thus completely destroy the desired effect of the bill?

Mr. LA FOLLETTE. That is what I fear. In that connection I invite attention to the fact that the board is given power under the terms of the bill as it now stands to grant exemptions from its provisions. That is found on page 64 in the following language:

Suitable treatment of other cases or classes of cases which, because of the nature and character of the employment, justify special treatment.

I now yield to the Senator from Pennsylvania.

Mr. DAVIS. The Senator from Pennsylvania does not desire to have the board pass upon it. He wants the Congress of the United States to pass upon it. I do not believe in the delegation of our powers to a board to pass on something that we ourselves can act upon.

Mr. LA FOLLETTE. We are dealing here, however, with a situation affecting certain classes or kinds of employment which obviously should not come within the terms of the bill. However, as I stated yesterday in connection with an amendment offered by the Senator from North Carolina [Mr. REYNOLDS], in adopting broad, sweeping exemptions there is grave danger that means may be provided whereby employers who desire to defeat the purposes of the bill may avail themselves of devices of that kind under general exemption amendments. I contend that the board has full power to grant exemptions in cases of this nature, and therefore that in passing on the bill we should be very careful and should reject amendments so sweeping in their nature that they may become a device which will defeat the purposes of the proposed legislation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Pennsylvania [Mr. DAVIS] to the amendment reported by the committee in the nature of a substitute.

The amendment to the amendment was rejected.

Mr. McCARRAN obtained the floor.

Mr. DAVIS. Mr. President——

Mr. McCARRAN. I inquire if the Senator from Pennsylvania desires a vote on his other amendment?

Mr. DAVIS. I have several small amendments, which it will take just a very few minutes to dispose of.

Mr. McCARRAN. Mr. President, I had the floor last evening at the time of taking the recess. I yielded the floor to the Senator from Pennsylvania so that a vote might be taken on his amendment. Now I desire the floor for the purpose of having a vote taken on an amendment I am offering. If I may have it now, I shall be through in just a few moments.

The PRESIDENT pro tempore. The Senator from Nevada has the floor.

Mr. McCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Nevada to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the committee amendment, on page 65, beginning in line 3, it is proposed to strike out all of section 8, in the following words:

SEC. 8. (a) Whenever the Board shall determine that any substandard labor condition exists in the production of goods in one State and that such goods compete to a substantial extent in that State with other goods produced in another State and sold or transported in interstate commerce, in the production of which such substandard labor condition does not exist, the Board shall make an order requiring the elimination of such substandard labor condition and the maintenance of the appropriate fair labor standard in the production of goods which so compete.

(b) It shall be unlawful for any person, directly or indirectly, to employ any employee in violation of any term or provision of an order of the Board made under this section.

(c) The United States Tariff Commission (1) upon request of the President, or (2) upon resolution of either or both Houses of Congress, or (3) upon request of the Board, or (4) upon its own motion, or (5) when in the judgment of the Commission there is good and sufficient reason therefor, upon application of any interested party, shall investigate the differences resulting from the operation of this act in the costs of production of any domestic article and of any like or similar foreign article, with a view to determining whether or not an increase should be made in the duty upon such foreign article for the purpose of equalizing such differences.

(d) All provisions of law applicable with respect to investigations under section 336 of the Tariff Act of 1930, as amended, including the provisions applicable to reports of the Commission and proclamations by the President, shall, insofar as they are not inconsistent with this section, be applicable in like manner with respect to investigations under this section.

And in lieu thereof to insert the following:

SEC. 8. The Labor Standards Board shall notify the Secretary of the Treasury of those substandard labor conditions which have

been defined as oppressive, and the Secretary of the Treasury is thereafter directed to refuse or deny entry to goods, wares, or merchandise produced under such substandard labor conditions, which goods, wares, or merchandise are comparable to or competitive with similar goods, wares, or merchandise produced in the United States under fair labor conditions as herein defined. In the event of any complaint or dispute arising as to whether such goods, wares, or merchandise seeking entry were produced under substandard labor conditions, as herein defined, the Labor Standards Board shall make a thorough investigation, and the decision of said Board shall be conclusive, shall be in writing, and shall be a matter of public record and open to public inspection.

Mr. McCARRAN. Mr. President, it has been stated that if this amendment should be adopted, it might create an embargo; but, as I view the situation, the bill we are considering virtually creates an embargo as between respective States. There is nothing in the bill we are considering which affects the manufacture or sale of goods within the confines of a State. We cannot touch that subject. It is only when goods become the subject of interstate commerce that Congress has a right to act.

We now seek to protect labor, to raise labor standards, to raise labor's earning power, and to reduce the hours during which labor shall serve. The amendment proposes that manufactured or processed goods coming to this country, in competition with American goods from countries where the standards of labor and living and wage hours are below our standards, shall not be permitted entry. In other words, the amendment would protect American labor and American industry from products and commodities offered at our door that would destroy and have been destroying American labor and American industry.

Today imports of dairy products are virtually tearing down the dairy industry of this country. Other products offered to us from abroad, which we are accepting, are manufactured and processed and produced under conditions and standards so low that they can even go through the tariff wall we have created, and come into the United States in competition with the products of American labor and American industry.

If we are serious about this matter, if this measure is for the purpose of protecting American labor and at the same time holding the standard of American living where we think it should be, why should we allow American labor to come in competition with the labor of foreign countries in which the standard of living is so much under our standard of living? Why should we throw American labor in continual competition with an influx of commodities manufactured in countries whose workers perhaps live on a handful of rice a day, and sleep on a mat?

Today our markets are flooded with commodities and produce that come in competition with American industry every day of the year, and every one of them is offered in our markets at a price less than for which we can produce it, because our standards of living, our wages, and our hours are different; and the countries offering them are the greatest competitors with American labor that we have today.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Michigan.

Mr. VANDENBERG. I suggest to the Senator that the text of the bill confesses the precise matters the Senator has defined, but it totally fails to provide a remedy for them, because by referring the operation back to the elastic tariff it leaves the entire free list, which includes two-thirds of our imports, entirely out of reach; it leaves all the Hull treaties out of reach, and does not touch 5 percent of the problem to which the Senator is addressing himself.

Mr. McCARRAN. I am entirely in accord with the expressions of the Senator from Michigan. I am serious about this amendment, because I want to protect American labor by every means and every method we have at our disposal. If we are serious in wanting to do that how can we, while we embargo our own products within given State lines, thereby depriving such products of an opportunity to go into interstate commerce because they are made and manufactured and processed and produced under conditions which we think are not right or proper or progressive, yet at the same time say to foreign countries, "Bring on your goods. We will accept them, although they will tear down every standard of living we are trying to establish by legislation"?

Mr. GILLETTE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nevada yield to the Senator from Iowa?

Mr. McCARRAN. I yield to the Senator.

Mr. GILLETTE. Will the Senator comment on the effect his amendment would have, if adopted, on the reciprocal-trade agreements which have been negotiated?

Mr. McCARRAN. Mr. President, I wish to answer the Senator's question in this wise: My view of the reciprocal-trade agreements has been that they have continuously impaired and torn down the use of American products. I refer to dairy products; I refer to agricultural products. Only a few days ago I was informed—and I take my information to be fairly correct—that Argentine corn, imported from the Argentine, is today being sold and used in Indiana, one of the great corn-producing States of the Union; and I know that dairy products are coming in and destroying the domestic dairy industry. Yet we say that we are going to raise the standard of living; we are going to increase wages. Every time we raise wages—and we should raise wages and hold them up—and every time we reduce the hours of toil, we give a further avenue, a greater avenue, if you please, to competition from foreign-made products that come in from countries where there are no standards of wages, and where there is no limitation of hours, and where the one aim and object of those who manufacture the products is that printed somewhere on them shall be the words "made in"—somewhere. That is the aim and object. Men in those countries work because they love their countries, and they live for their countries, and they are willing to live on a handful of rice a day, because those are their countries. They do not care about the hours of labor or the standards of living of this country, and they send their commodities into our markets to destroy the possibility of our toilers earning an honest living under American standards.

Mr. STEIWER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Oregon.

Mr. STEIWER. I am wondering if the Senator from Nevada caught the full effect of the question just propounded to him.

Under the tariff treaties our Government has bound our tariffs to certain agreed standards or levels. In view of those contractual obligations in the tariff treaties, how would it be possible to obtain any protection for American labor either under the plan that is proposed in the bill itself or under the Senator's plan?

It seems to me that America is irrevocably on record with respect to the duties upon certain commodities, and that, regardless of the effect upon our own domestic economy or upon our own people, so long as those treaties are the law of the land, neither the proposal of the bill nor the proposal in the Senator's amendment will be of any avail to America.

Mr. McCARRAN. Excepting that I hope by this amendment, if it should be adopted as a part of the bill, so to change the character of the reciprocal-trade agreements that they may protect American industries.

Mr. STEIWER. Let me say to the Senator that I am not opposing his amendment.

Mr. McCARRAN. I understand.

Mr. STEIWER. I think I shall vote for it. As between the two proposals—namely, the one suggested by the Senator from Nevada and the one which is included in the bill—I believe I prefer the Senator's proposal; and yet, as I stand here, I have a feeling of utter futility. It seems to me that by an improvident system of reciprocal-trade agreements we have so bound ourselves that if foreign competition works havoc to American industry by reason of the higher standards of wages and better standards of hours fixed in this bill, we are utterly helpless. I hope I am wrong in that respect.

Mr. BORAH. Mr. President, I think the Senator is in error. I do not think the reciprocal-trade agreements bind Congress against making any law that it desires to make

with reference to tariffs. Neither trade agreements nor even treaties are beyond the reach of legislation subsequently enacted. Even a treaty cannot bind Congress. Congress can pass an act, and the act being passed subsequent to the treaty, is binding against the treaty.

Mr. STEIWER. Will the Senator from Nevada yield to me to make one observation in respect to that?

Mr. McCARRAN. I yield.

Mr. STEIWER. I think the Senator from Idaho is entirely correct. Technically Congress has a right to enact such legislation; but there still remains the matter of our moral obligation under the treaty, and there still remains the possibility that a foreign nation might proceed against us for our violation of the treaty. I think there is one case in history where the American Government paid damages to a foreign nation by reason of its violation of a treaty which had been made prior to that time.

Mr. BORAH. I have no doubt of the ability to pass a statute which would modify these agreements, but I know perfectly well they will not be modified.

Mr. McCARRAN. Mr. President, at least we can make the best effort Congress has within its power at least to show the intention of Congress to protect American industries and American labor.

I shall not hold the Senate any longer on this exceedingly important matter, as it is so well known and understood. I shall ask for a yea-and-nay vote on the amendment.

Mr. KING. Mr. President, it is my purpose, in taking the floor, to occupy but a moment or two, as I am compelled to attend a committee meeting which is considering important measures relating to the District of Columbia.

The bill before the Senate contains provisions with which I do not agree. If enacted into law, it will profoundly affect political and economic conditions. It is believed by many to be an encroachment upon the rights of sovereign States as well as upon the rights of individuals. That it will interfere with purely intrastate activities I think is conceded, and to that extent, it seems to me, must be regarded as invalid.

I know the futility of attempting to resist the tide of centralization that is sweeping over our country. The Federal Government is extending its authority into fields which are exclusively, under our form of government, to be appropriated by the States, local communities, and individuals. But demands are being made, that seem to be irresistible, that the Federal Government take control over the economic, industrial, and political life of the American people. It is to control all domestic relations and to point the paths in which individuals shall walk and the political, industrial, and economic policies which are to be followed in every part of our land.

The view is entertained by some that it is more important to have a powerful national government, with almost uncontrolled authority over States and individuals, than to preserve the democratic form of government established by the founders of the Republic, with sovereign and independent States, within which its citizens may enjoy the fullest measure of liberty and the fruits of their own efforts. I fear efforts are being made to impose upon the American people views and policies, political and economic, alien to our institutions and hostile to genuine democratic institutions.

In this period when world-wide movements are centralizing political and economic authority and power, it is to be hoped that the people in this Republic will successfully resist all efforts to bring them and this Republic within the circle of such malign influences.

Mr. President, I am not convinced that the measure before us will prove advantageous to labor or beneficial to the American people. It will produce a powerful bureaucracy which, in my opinion, will be not only distasteful but in the end highly repugnant to the American people. Some of its unwise, if not dangerous, features have been adverted to by Senators who have spoken, and I have no desire to traverse the fields which they have covered.

I desire to bring to the attention of the Senate a telegram which I received this morning from James Truslow Adams, an American historian of note. I do not know the political affiliations of Professor Adams, but it seems to me that the telegram challenges attention to some features of the bill which are worthy of consideration. I send the telegram to the desk and ask that it may be read.

The PRESIDENT pro tempore. The clerk will read.

The legislative clerk read as follows:

NEW YORK, N. Y., *July 30, 1937.*

Senator WILLIAM H. KING,
United States Senate Office Building, Washington, D. C.:

At the request of Members of the Congress deeply concerned about the constitutional aspects of recently suggested legislation, I have made a careful study of the Black-Connery bill.

In my opinion, it will give the President, through a board appointed by him, almost complete power of economic life and death over every individual concern and employer in the country, and also over economic life of every section of the country, as well as control over the freedom of the press and the radio. One employer could be ruined for the benefit of another, one industry for another, one section for another.

The powers granted are unbelievably great. Under the clause 23, an employer of 2,000 men could be fined a million dollars and sent to jail for a thousand years for violating this act.

Labor in this country has achieved its rightful place of participation in the economic sphere by collective action under self-guidance. It would be a bitter day for American labor if this self-determination were to be transferred to a governmental bureau which has the power to oppress and suppress labor activities just as much as it has the power to advance or hinder the cause of management.

The power of life and death created by this bill operates two ways—it is as applicable to labor as it is to industry, and there is no bureau, board, or agency, no matter how well intentioned, that should be given such opportunity or such a responsibility.

There should be time for the public opinion to crystallize and make itself heard, and for Congress to consider and hold hearings on the amended bill. In its present form this bill practically places the future of every American employer and ordinary citizen under the control of the President and of a board of his appointees who will hold vast and unusual powers.

I urge that consideration of this bill be put over to the next session, when issues can be carried to the country. Otherwise that it be returned to committee and Congress remain in session long enough for full public discussion of this epoch-making bill.

JAMES TRUSLOW ADAMS.

Mr. KING. I also ask permission to have inserted in the RECORD at this point a communication which appeared in this morning's New York Times, written by William S. Bennet, who, as I recall, was formerly a Congressman from the State of New York.

There being no objection, the communication was ordered to be printed, as follows:

FAULTS FOUND IN BLACK-CONNERY BILL—MEASURE, IT IS HELD, WOULD INCREASE COSTS AND IMPOSE UNWORKABLE CONTROL ON INDUSTRY

To the EDITOR OF THE NEW YORK TIMES:

Having read several times, and carefully, Senator BLACK's letter appearing on your editorial page July 25, the impression it leaves on me is that the Senator has demonstrated that his bill should be very thoroughly studied before action is asked.

It is proposed as "a modest beginning of a much-needed effort to increase America's capacity to consume", and as "intended to * * * benefit not only the industrial worker but the whole of American industry and agriculture." Anything like that necessarily affects the whole 127,000,000 of us. Plans, no matter how well intentioned, affecting 127,000,000 people ought to be studied not only carefully but dispassionately.

It is easy for the best-intentioned men to be wrong. Everyone, including Senator BLACK in his letter, now points out the defects in N. R. A. Still, if my recollection serves me correctly, the Senator not only voted for it in 1933 but spoke for it. But he was not alone. A large and important portion of employers were for N. R. A. They assisted in drafting the bill. The then president of the United States Chamber of Commerce was the chief witness for the bill before the Ways and Means Committee. It became a law June 16, 1933, with public sentiment largely supporting it, but by April 19, 1935, its failure had become so evident that the Senate, I think, unanimously, in passing a resolution continuing it for a few months, took away practically all its power.

CAREFUL SCANNING INDICATED

What happened under that recent, well-intentioned legislation rather leads us to look carefully at all proposed industrial legislation, particularly when it contains provisions which we all have seen fail when contained in other well-intentioned legislation. Besides, our present industrial system is producing results which cannot be ignored. The Senator himself says: "We have been gradually—but all too slowly—reducing hours and raising the real

standard of living of our lowest-paid workers for years." Omitting the rhetorical "but all too slowly", which is unprovable as a fact, the Senator's statement is correct.

President Roosevelt, on July 4, 1937, said to his Dutchess County neighbors: "This has been a good Fourth of July for the country. We are so much better off in the United States than in a whole lot of other nations of the world that I wish we could pass some of our poise on to them." That's true, too.

It has taken us over 250 years to build up, side by side, our governmental, industrial, and agricultural systems. Our Declaration of Independence and our Constitution are a part of the structure, and the whole is the work of a vigorous, thinking people enjoying the largest measure of ordered liberty of any people on the earth. Statisticians and economists state the following to be facts:

1. Employment in United States manufacturing today is at the highest point in history, with 500,000 more persons on the pay rolls than in 1929 and 5,000,000 more employed than at the low point of 1932.

2. The worker's share of the national income has steadily increased from 35 percent in 1850 to over 66 percent today.

3. Fourteen million American families own the homes in which they live; and there are more than 44,000,000 savings accounts and more than 118,000,000 insurance policies in effect.

4. Jobs in America have increased faster than a swiftly growing population. Since 1879, 18 new manufacturing industries alone have created, directly and indirectly, an estimated 10,000,000 new jobs.

SHORTER WORKWEEK

5. The average workweek in manufacturing industry has declined from 60 hours a week in 1890 to slightly more than 40 hours a week today.

6. American industry spends $750,000 each working day in research, employs 35,000 men and women seeking new and better products which make for new and better jobs.

7. Child labor has shown a striking decline since 1900, the number of children employed in manufacturing industry today amounting to but one-half of 1 percent of total manufacturing employment. All the time there are fewer and fewer children at work and more and more at school.

8. The indirect employment provided by manufacturing industry is equally as important as direct employment. Fifty thousand food manufacturing establishments, for example, buy raw materials from some 6,000,000 farmers and 75,000 fishermen; provide business for 45,000 wholesale establishments and approximately 500,000 retailers of food products.

9. Profits in American industry for the 11-year period 1923–33, including both boom and depression years, averaged but 4 percent of capital invested.

10. For every worker in manufacturing industry there is a capital investment of approximately $7,600 in tools, land, buildings, machinery, and the like.

Our present system of free men at liberty to plan and think resulted, between 1879 and 1929, in the following new industries, each based on invention: Electrical machinery, apparatus, and supplies; motor vehicles, not including motorcycles; motor vehicle bodies and parts; rubber tires and inner tubes; manufacture of gasoline; rayon and allied products; manufactured ice; aluminum manufactures; typewriters and parts; mechanical refrigerators; cash registers and adding and computing machines; oil, cake, and meal, cottonseed; aircrafts and parts; phonographs; photographic apparatus and materials; motion-picture apparatus; asbestos products, and fountain pens.

In 1929 these 18 new industries employed, directly, 1,123,314 wage earners—almost one-seventh of all the labor employed in manufacturing in 1929. All of the other countries of the world put together cannot match that record of new inventions in those 50 years.

Over against this record of achievement the Senator offers a 40-hour week in a limited number of industries. But the National Industrial Conference Board says that in May this year, in manufacturing industries, the average workweek was 40.6 hours. There is nothing much to fuss over in 36 minutes a week.

WAGES GOING UP

But, says Senator BLACK, the evidence indicates that something over 3,000,000 people are getting less than 40 cents an hour. There are no available statistics to support this. How much less? The Senator does not say. Are these 3,000,000 in factories? The Senator does not say. Besides wages are going up anyway. In 25 representative manufacturing industries the average hourly earnings in May 1937 were nearly 16 percent higher than in 1929. We are headed in the right direction as to wages.

Labor unions, too, have been vigilant. They have always got labor more wage increases than legislation has. That is their job. I have not been able to find any statistical basis for the Senator's statement, "It is estimated that individual productivity—an individual's ability to produce if given the chance—has increased more than 70 percent in the last 25 years. Yet there has been no comparable increase in the standard of living of the average man."

National Industrial Conference Board chart no. 72, dated May 14, gives the figures from 1914–37—23 years—and shows that production per wage earner in manufacturing industries rose during that period 46 percent, and the purchasing power of weekly earnings 48 percent. These figures do not bear out the Senator's statement.

The big trouble is the board to run the whole country. Thomas Jefferson said that our country was too big to be run from any one place. It was true when he said it, and it is true now. The late Gen. George W. Goethals said that the trouble with most boards is that they are long, narrow, and wooden.

You couldn't get action, during the World War, from the Railroad Administration. I left New York one night on the 5-hour sleeper trip to Washington and got there at 1 o'clock the next afternoon—7 hours late on a 5-hour trip. During the N. R. A., I was code counsel for the Chicago Retail Lumber Dealers Association. It took me from October 1933, to September 1934—11 months—to get approval for three unobjected rules.

GOVERNMENT BOARDS DISAPPROVED

During the World War our country spent a billion dollars in airplane production without getting one single plane to any European battle front. This was handled by a governmental board, too.

Government boards in industry simply don't work. Before he goes on with his bill the Senator ought to give us at least one instance where, in normal peacetimes, such as these, a Government board has worked better than private industry would have. He is proposing a revolution in industry and the burden of proof is on him.

Doubtless the Senator's bill is well intentioned. So was the Wagner labor-relations bill. That bill was to stop strikes. It hasn't. The N. R. A. was to revolutionize industry to the benefit of both employers and employees. It emphatically didn't.

The most certain thing that the Black-Connery bill would do in its present form would be to raise costs so that more foreign goods, produced by lower wages and longer hours, would come in. The House committee sees this and its text is claimed to contain provisions preventing it. They throw the reciprocal-treaty policy out of the window, but this is necessary, as the home market cannot be kept for American high-wage labor and given to foreign low-wage labor at one and the same time.

WILLIAM S. BENNET.

NEW YORK, *July 29, 1937.*

Mr. ELLENDER obtained the floor.

Mr. BARKLEY. Mr. President, may I ask the Senator from Utah whether this is the same James Truslow Adams who, notwithstanding the fact that Thomas Jefferson was recognized as the most liberal, farsighted, and progressive statesman of his day, has written a book in which he has attempted to prove that Jefferson was a reactionary?

Mr. KING. The Senator, of course, may draw such conclusions from Professor Adams' writing as to him may seem proper. I have read his Epic of America and some of his historical writings. That does not mean that I agree with all of the views of Professor Adams any more than I endorse all of the views of our distinguished leader. I approve of some of the positions taken by him, but have disapproved of some of his views and policies.

Mr. BLACK. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BLACK. The Senator who now has the floor will recall that the Senate committee gave opportunity to any witness in the United States who requested to be heard on the pending bill, in spite of the statement of this gentleman. I should like to ask the Senator from Utah whether this is not the same James Truslow Adams who, during the campaign of 1936, attempted to persuade the people of this country that they should elect Governor Landon instead of President Roosevelt, on the basis of arguments similar to those which he has sent in this telegram?

Mr. KING. I do not know Professor Adams' political affiliations. I assume that the Senator is disposed to condemn those who do not agree with him and condemns everyone who supported Mr. Landon. Personally, I opposed Mr. Landon, but I know that many patriotic people voted for him.

Mr. BLACK. Mr. President, the Senator has not answered the question, so I assume he does not care to admit in this body that he did present a telegram sent by a gentleman who actively and urgently insisted to the people of this country that President Roosevelt should be defeated and that Governor Landon should be elected, and that his arguments then were along the same line that has been presented in this telegram.

Mr. KING. I make no admission whatever. I do not know what the attitude of Professor Adams was during the last campaign or whom he supported. If the Senator says with full knowledge—and apparently he has been

investigating Professor Adams—that he supported Mr. Landon, the Senator is entitled to all the pleasure and joy he can derive from that investigation.

Mr. BLACK. Mr. President, will the Senator from Louisiana yield just once more?

Mr. ELLENDER. I yield.

Mr. BLACK. I did not come into personal contact with Mr. Adams, but I recall reading some of the statements he made at that time. I also recall that he wrote——

Mr. JOHNSON of California. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. JOHNSON of California. I am not particularly interested in the discussion going on, but does the making of these speeches in the time of another Senator constitute, under the rule, the making of speeches upon the bill or the amendment?

The PRESIDENT pro tempore. In strict compliance with the rule, the Senator from Louisiana, who has the floor, would have no right to yield for these speeches, and he would jeopardize his chance of making a speech.

Mr. BLACK. Mr. President, if the Senator will yield, I will state that I asked the question because, by unanimous consent of all present, a telegram was read into the RECORD, and in view of that I believed that the question I asked would be pertinent.

Mr. JOHNSON of California. The question degenerated into a speech. [Laughter.]

The PRESIDENT pro tempore. That was out of order.

Mr. BLACK. The Senator from California may be correct——

The PRESIDENT pro tempore. The Senator from Alabama is out of order.

Mr. BLACK. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I yield.

Mr. McNARY. Mr. President, if there is further yielding, I shall ask that the Senator lose the floor under the rule.

Mr. BLACK. I shall not ask the Senator to yield.

Mr. ELLENDER. Mr. President, I do not propose to detain the Senate very long with a discussion of the pending amendment, for the reason that the same subject matter now at issue was debated on this floor a few days ago and overwhelmingly rejected by this body. It will be recalled that on last Wednesday the junior Senator from Massachusetts [Mr. LODGE] offered an amendment prohibiting the importation of any goods of any class into the United States from any foreign country, during any calendar year, in excess of the 5-year average annual volume of that class of goods imported into our country, by any country, unless such excess was manufactured under like or better standards than those provided for in the bill we are now considering.

The amendment of the Senator from Nevada [Mr. McCARRAN] which is now at issue, is more drastic than the Lodge amendment, for the reason that it virtually closes our doors to the importation of any foreign goods that are not manufactured under the same labor standards that would prevail in this country should the bill under discussion become law. The McCarran amendment provides that—

> The Labor Standards Board shall notify the Secretary of the Treasury of those substandard labor conditions which have been defined as oppressive, and the Secretary of the Treasury is thereafter directed to refuse or deny entry to goods, wares, or merchandise produced under such substandard labor conditions, which goods, wares, or merchandise are comparable to or competitive with similar goods, wares, or merchandise produced in the United States under fair labor conditions as herein defined. In the event of any complaint or dispute arising as to whether such goods, wares, or merchandise seeking entry were produced under substandard labor conditions, as herein defined, the Labor Standards Board shall make a thorough investigation, and the decision of said Board shall be conclusive, shall be in writing, and shall be a matter of public record and open to public inspection.

It is obvious that the amendment would prevent the importation of goods from any foreign country. It amounts to an embargo on foreign goods. It says in effect to foreign producers: "It makes no difference what your handicaps are, you must raise the standards of living of your workers at once to the level of this country and unless you do so, do not ship any of your goods to us."

That, of course, sounds good. I would like for us to be in a position to enact a law with such provisions and make it effective. Remember this: It is not very practical for us to be able to sell our goods to foreign countries unless we in turn buy from them. We have a very healthy foreign trade at this time, and without it I am positive that we would have a good deal more unemployment than we now have. The workingman would suffer, and I feel confident that it is better to attempt to protect him, as far as we can, through our present tariff laws rather than by the method suggested by the Senator from Nevada. It would please me very much if our country were self-sustaining and if it could consume all it produces. It would doubtless be to the advantage of labor if we would keep out foreign competition, but, as I see it, such a condition cannot exist. We must buy foreign goods in order to be able to sell our own surplus merchandise. We must maintain the good will of our foreign neighbors in order to have them buy our products. I feel confident that if we should close our doors to their trade it would mean immediate isolation, and I cannot but see disaster to our industries and in turn to the American workingman. Let us improve our standards for labor by using the same method as in the past, through the medium of the tariff, as I have heretofore stated.

There is a provision in the pending amendment for investigations by the board of labor standards abroad. Such a proposal would not be feasible, were it desirable. We have had considerable experience in foreign tariff investigations. The task imposed in this amendment would require thousands of employees to go abroad for this purpose, and I am certain that it would lead to much ill feeling.

Mr. AUSTIN. Mr. President, will the Senator yield to me for a question?

Mr. ELLENDER. I yield.

Mr. AUSTIN. Regardless of the constitutional power of Congress to legislate right in the face of the treaties entered into between the President and foreign countries lowering the tariff rates on goods, I ask the Senator from Louisiana if he thinks that the United States of America could afford as a matter of good faith and honor and respectability in the world to legislate in any manner that would abrogate or derogate those agreements entered into between the President of the United States and foreign countries, for the purpose of protecting labor, after we have imposed these additional costs upon labor that this bill carries?

Mr. ELLENDER. It morally could not and should not. An abrogation of such agreements on our part would show bad faith and would promote ill will between our country and foreign nations.

Mr. President, the Committee on Education and Labor, of which I am privileged to be a member, was ever mindful to protect the rights of American labor from foreign competition. During our hearings the question was discussed many times, and the committee concluded that the most feasible way to afford protection was by the tariff method. The committee thought it more desirable to incorporate in the pending bill the prevailing method of raising tariffs. Any interested party may cause the Tariff Commission to investigate the difference resulting from the operation of this act in the cost of the production of any domestic article and any like or similar foreign article, with a view to determining whether or not an increase should be made in the duty upon such foreign article, for the purpose of equalizing such differences. Should the Commission conclude that an increase in the present rates should be made, the President by proclamation could increase them, as is now provided under section 336 of the Tariff Act of 1930, as amended. Such a method could be carried out without any interference on our part in the affairs of our foreign neighbors and one that has been invoked in the past in order to afford protection for our workers.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WALSH. Is not the provision in this bill relating to this subject exactly the same provision that was incorporated for the same purpose in the National Labor Relations Act?

Mr. ELLENDER. Yes; the identical provision.

Mr. President, while I am on my feet, let me plead with the Members of the Senate not to vote to recommit this bill. It is a cowardly way to kill a bill. It would be more honorable to vote against it on its merits than to vote for recommitment. Our committee has worked diligently for many weeks, and I do not believe it possible to improve the bill if only we keep in mind the purpose of this legislation.

As has been often said during the present debate, it is our desire to help that class of labor that cannot, by collective bargaining, achieve a living wage. We are merely providing a bargaining agency for these unfortunates so that they may have the chance to improve their condition.

The pending bill recognizes the right of labor to collective bargaining, and it in no manner interferes with that right. I desire no interference by a Government agency where employer and employee are accorded the legal right to establish wages and hours as provided under the Wagner Act.

Mr. BORAH. Mr. President, before the Senate votes on the amendment offered by the Senator from Nevada, I desire to say a word in explanation of my vote.

I voted against the amendment offered by the able Senator from Massachusetts [Mr. LODGE], not because I was in opposition to the principle of it but because I felt that upon this measure and in view of the present program it was impracticable and unworkable. I thoroughly favor maintaining our markets in this country and maintaining our standards of labor by protecting our markets against the importation of cheap labor-made goods, but I do not think we can do so by imposing a practical embargo in a bill like this. Besides, I am unwilling to let this board pass upon substandard labor levels in other countries. If we are going to deal with the subject, certainly we should deal with it with a great deal of care and after a great deal of investigation and consideration.

I am placed in the position of seeming to vote against a measure in which I believe in principle but which I do not think has a place in this measure.

Mr. SMITH. Mr. President, may we have the amendment read?

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 65, line 3, it is proposed to strike out all of section 8 and in lieu thereof to insert the following:

SEC. 8. The Labor Standards Board shall notify the Secretary of the Treasury of those substandard labor conditions which have been defined as oppressive and the Secretary of the Treasury is thereafter directed to refuse or deny entry to goods, wares, or merchandise produced under such substandard labor conditions, which goods, wares, or merchandise are comparable to or competitive with similar goods, wares, or merchandise produced in the United States under fair labor conditions as herein defined. In the event of any complaint or dispute arising as to whether such goods, wares, or merchandise seeking entry were produced under substandard labor conditions, as herein defined, the Labor Standards Board shall make a thorough investigation, and the decision of said Board shall be conclusive, shall be in writing, and shall be a matter of public record and open to public inspection.

Mr. McCARRAN. On my amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. LEWIS. I announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in the performance of duty as members of the committee to attend the dedication of the battle monuments in France.

The Senator from Arkansas [Mrs. CARAWAY] is detained from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Washington [Mr. BONE], the Senator from Ohio [Mr. DONAHEY], the Senator from Rhode Island [Mr. GREEN], the Senator from West Virginia [Mr. HOLT], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained.

I also announce that on this question the Senator from West Virginia [Mr. HOLT] is paired with the Senator from New Jersey [Mr. SMATHERS].

Mr. AUSTIN. I announce that my colleague [Mr. GIBSON] is absent as a member of the Battle Monuments Committee in France. He has a general pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 27, nays 53, as follows:

YEAS—27

Andrews	Copeland	Lodge	Shipstead
Austin	Davis	Lundeen	Steiwer
Berry	Frazier	McCarran	Townsend
Bridges	Gerry	McNary	Vandenberg
Burke	Hale	Maloney	Van Nuys
Capper	Johnson, Calif.	Nye	White
Chavez	Johnson, Colo.	Pepper	

NAYS—53

Adams	Ellender	Logan	Reynolds
Barkley	George	Lonergan	Schwartz
Bilbo	Gillette	McAdoo	Schwellenbach
Black	Glass	McGill	Sheppard
Borah	Guffey	McKellar	Smith
Brown, Mich.	Harrison	Minton	Thomas, Okla.
Brown, N. H.	Hatch	Moore	Thomas, Utah
Bulkley	Herring	Murray	Truman
Bulow	Hitchcock	Neely	Wagner
Byrd	Hughes	O'Mahoney	Walsh
Byrnes	King	Overton	Wheeler
Clark	La Follette	Pittman	
Connally	Lee	Pope	
Dieterich	Lewis	Radcliffe	

NOT VOTING—15

Ashurst	Caraway	Green	Russell
Bailey	Donahey	Hayden	Smathers
Bankhead	Duffy	Holt	Tydings
Bone	Gibson	Norris	

So Mr. McCARRAN'S amendment to the amendment reported by the committee was rejected.

Mr. LONERGAN. Mr. President, I have received from a very prominent constituent of mine an interesting letter on the subject of the pending bill, which I send to the desk and ask to have read. I withhold his name, as I do not have authority to use it.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Chief Clerk read the letter, as follows:

JULY 29, 1937.

Hon. AUGUSTINE LONERGAN,
United States Senate, Washington, D. C.

SIR: You are now engrossed, under most trying conditions, in considering whether Congress shall take upon itself the stupendous task of determining what the minimum wages and maximum hours shall be, not only for Connecticut but every State in the Union.

Because the problem has been superficially simplified in the Senate bill by limiting its immediate application to wages not exceeding 40 cents per hour and to hours not exceeding 40 per week, and because these limits do not generally affect the conditions of labor governing in the larger shops in Connecticut, you have been led to believe that this amended proposal is a comparatively harmless one. The original bill and the probable House bill contained much higher limits. But let us see what these proposals really entail as a matter of continuing legislative policy.

When Congress has once started to regulate wages for the United States, political expediency will never allow it to stop at a minimum wage of 40 cents per hour, as is shown by the fact that the original bill contemplated power to fix minima all the way up to 80 cents, and affecting not only the least skilled jobs but all classifications and occupations, and establishing a maximum workweek determined by whatever the discretion of the commission found to be properly within the criteria set up. The House Committee on Labor is already talking of a 35-hour 70-cents basis.

Whatever your own unquestioned honesty of intention may be, you will be faced, if this law passes, with the unscrupulous politician who will attempt to purchase his election by promising to secure from Congress more favorable wages and hours. Since Congress will then have taken away from the States this function, it would be forcibly urged that it is the obvious duty of every Congressman continuously to exploit this field.

The public, whenever it thinks of industrial employment in Connecticut, is apt to think of a few large companies which employ over 1,000 employees. You, of course, know that there are less than 50 such concerns in Connecticut today out of a total of about 3,300 and that these 50 employ less than one-third of the total working force. You know that Connecticut has for many years been the home of small industries and small shops, where a small number of employees must work under flexible conditions if these concerns are to survive at all. They live on the brains of the management and the skill of the laborers. If wages are fixed at

more than their skill can produce, it simply means that these unremunerative grades of labor will be forced out of these small shops and either thrown upon relief or thrown upon the already overcrowded, unskilled industries of a purely local character, which do not come under the terms of the Federal act or which have been exempted from it.

It intimately concerns you that you will be urged and importuned from all sides to secure exemptions, so that the Congressman's job will become a double one of seeing how many he can get out from under that law for which he was tempted to win his election by promising extensions. If any have doubts about this, the opening debates in Congress, and the contests in the committees of the House and the Senate, make it perfectly plain. Already and inevitably the farmer has been exempted as always; but the question remains: Shall this include the processor of farm products, the canner, the dairyman, the packer, and the trucker? Shall it include the distributors, and how about it when they distribute in another State than their own? Shall we exempt the learner and the apprentice, and if so, for how long? Shall the old man who can still be employed in earning less than the minimum? Shall the man with one eye, arm, or leg also be exempted, or must they all be condemned to charitable relief? Shall we exempt the service trades, especially when they are services to interstate commerce? Shall we exempt those employing less than five; and if so, those employing less than 10? Where shall we stop? Shall the merchants come under the act, and when does a merchant become an agent? When is a merchant not a merchant and simply a family store?

All of these instances, and there are literally hundreds of such examples which the N. R. A. had to face and which broke its back, will give an idea of what Congress is undertaking. The N. R. A., during the term of its existence, issued some 4,000 executive orders, all of which had the effect of law and which the Supreme Court happily found constituted the exercise of an undue delegation of power by Congress to the N. R. A. Is Congress now prepared to take upon its shoulders the responsibility of legislating as to these exceptions?

Many of the small establishments are making goods constantly subject to fluctuating demands. When the peaks come, must they let the business go by, or can their Congressmen in Washington gain an exemption for them and do it in a hurry—today? This is another job the N. R. A. failed on. Shall these small establishments break the law or try to employ more help, and let it go as soon as the peak is over, and thereby multiply dissatisfactions and recurring unemployment? Can Congress, after the progress of the seasons, change the minds of women as to when they will purchase new clothes, and foresee the constantly shifting demands for changing goods?

Can Congress foresee in its wisdom how far it can go in leaving these questions to the discretion of the Commission without a delegation of authority which will make the act unconstitutional? Is it going to experiment again in the passing of a law which makes confusion worse confounded by setting up an act that is unenforceable?

Can a bewildered people know when they are crossing the line which separates a purely local industry from one that is engaged in interstate commerce? Will they thank their Congressmen for landing them in jail or subjecting them to heavy penalties and costs when they innocently disregard the traditions of the past and overstep that shadowy, undetermined line?

We are merely suggesting some of the problems which are doubtless harassing you and to which you are asked to give answers in the heat of the summer, without knowing all that this entails upon your own future service to the State and your constituents. Why not come home and talk it over with us before acting?

You are being urged to vote for this measure under the fallacious argument that the application of a minimum wage will increase earning power. There is no way to increase earning power except to produce more goods. We cannot "lift ourselves by our bootstraps." More wages can be earned only out of an increased production. Increased costs are always a deterrent and not a help; while lower costs insure more wages and often make higher wages possible.

Yours respectfully,

———— ————.

Mr. McADOO. Mr. President, I ask for the consideration at this time of the amendment I offer to the committee amendment and which I send to the desk.

The PRESIDENT pro tempore. The amendment to the amendment of the committee will be stated.

The LEGISLATIVE CLERK. In the amendment of the committee, on page 51, it is proposed to strike out lines 13 and 14 and insert in lieu thereof the following:

Any practices ordinarily performed by or for a farmer as an incident to such farming, including harvesting, packing, storing, or preparing for market, in the raw or natural state, any products derived from any of the above agricultural pursuits.

Mr. McADOO. Mr. President, under the pending bill agriculture is excluded, but the definition of agriculture in the bill is not sufficiently broad to include work so closely connected with farming as to be substantially a part of it, such as packing, storing, and preparing for market.

Further, it does not cover services which, in my State—California—where producer cooperatives flourish, are largely performed for the farmers by the cooperative associations of which the farmers are members. Among such groups in California may be mentioned the fruit growers' exchange, the raisin growers, the prune growers, and others of a similar character. The practice in these cases is for the laborers to work for the association—that is, the cooperative—rather than for the individual farmer, and the association does the packing and preparing for market, which elsewhere is generally done by the farmer himself.

These agricultural commodities are highly perishable, and the work which must be done by the packing houses and on the farms varies greatly with temperature variations. Twenty-four hours in advance one cannot know whether the crop must be moved. So, to fix rigid hours of labor in such cases would be to ruin the producers, as the crop must be handled quickly with the workers available. The broadening of the definition as I have suggested is not only directly in line with the object of the bill but will also protect the farmers who, in my State at least, are engaged in a method of marketing, packing, and handling their crops which may differ from the methods employed in other States.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. BARKLEY. Regardless of the merits of the first part of the Senator's amendment, on which I do not wish to comment, the last part seems to me to make possible the interpretation that the exemption would apply to any product derived from agricultural products all through the process of manufacture, no matter to what extent or degree.

I appreciate what the Senator is trying to do; he wishes this proposed law to be inapplicable to the operations referred to by him. He seeks to strike out the language in lines 13 and 14, and proposes to substitute therefor the words—

Any practices ordinarily performed by or for a farmer as an incident to such farming, including harvesting, packing, storing, or preparing for market, in the raw or natural state, any products derived from any of the above agricultural pursuits.

"Any products derived from any of the above agricultural pursuits" might mean the manufacture of shoes, which come, of course, from leather, which comes from hides, which come from cows. It might be regarded to follow up the manufacture of horse collars, which are made of leather and straw, which are agricultural products. I am wondering whether the Senator wishes his amendment to go that far?

Mr. McADOO. I had not intended it to cover horse collars or shoes, I will admit.

Mr. BARKLEY. Horse collars are manufactured from products derived from agriculture, as the Senator knows, both as to the leather and the straw.

Mr. McADOO. Almost everything in the form of food and clothing is manufactured from products of the farm.

Mr. BARKLEY. Yes; but I do not think the Senator wants his amendment to follow these things from the farm through all the factories so as to exclude them from the operation of the bill because they are "derived from agricultural pursuits."

Mr. McGILL. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. McGILL. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McGILL. On yesterday lines 13 and 14, page 51, were amended. In view of the fact that those two lines have been amended by the Senate, is the amendment now offered by the Senator from California in order?

The PRESIDENT pro tempore. It would appear to the Chair the amendment is in order.

Mr. McGILL. Mr. President, will the Senator from California yield for a question?

Mr. McADOO. I yield, if the question is not too long.

Mr. McGILL. Yesterday afternoon the Senate amended the lines to which the Senator's amendment applies by inserting in line 13, after the word "farmer", the words "or on a farm", and also by inserting in line 14, after the word

"operations", the words "including delivery to market", it being the purpose of those amendments to exclude from the bill all labor performed on a farm, whether by contract with the farmer or otherwise, and to exclude all labor connected with the delivery to market of commodities produced on a farm. Does not that cover what the Senator has in mind by his amendment?

Mr. McADOO. I do not think it is sufficiently broad. I may say to the Senator from Kansas so much of the preparation of our crops in California is through farm cooperatives that the alterations which have been made in the amendment I think do not widen it as much as is needed. I think, perhaps, I can meet the objection raised by our distinguished leader by omitting in lines 5 and 6 of my proposed amendment the concluding part, namely, the words "products derived from any of the above agricultural pursuits."

Mr. BARKLEY. That is the language I was afraid of, and I think that the Senator's amendment would be improved by eliminating those words.

Mr. McADOO. I am willing to strike out that part of the amendment and to submit the amendment in that form.

Mr. HATCH. Mr. President, will the Senator yield for a question?

Mr. McADOO. I yield.

Mr. HATCH. Would the Senator be willing to add, in lieu of the words which he now says he is willing to strike out, the language proposed by the Senator from Kansas [Mr. McGILL] relating to delivery to market, say, the words "including delivery to market"?

Mr. McADOO. I have no objection to that.

Mr. HATCH. I believe, then, the Senator's amendment would cover everything included by the amendment of the Senator from Kansas.

Mr. McGILL. Mr. President, will the Senator from California yield?

Mr. McADOO. I yield.

Mr. McGILL. In response to what the Senator from New Mexico has just said I will state that I feel the amendment adopted yesterday is broader than the amendment proposed by the Senator from California, by virtue of the fact that no limitation was placed in the amendment adopted yesterday, such as mentioning harvesting, packing, and operations of that character. The amendment adopted yesterday was intended to include, and, I think, it does include, all kinds of labor performed on a farm and all kinds of labor in connection with delivering agricultural products to market. In my judgment it includes more than does the amendment proposed by the Senator from California and is broader in its terms. I hope that the amendment adopted yesterday will remain in the bill and that the amendment of the Senator from California, by virtue of the narrower terms carried in it, will be rejected.

Mr. McADOO. Mr. President, the amendment suggested by me is not intended to eliminate the amendment to which the Senator from Kansas referred.

Mr. McGILL. But it strikes out the amendment to which I refer.

Mr. McADOO. Has the Senator the amendment before him?

Mr. McGILL. It was adopted yesterday and is in the RECORD. The Senator's amendment, if agreed to, would strike out entirely the lines covering the amendment to which I refer.

Mr. BORAH. Mr. President, I am unable to hear what is going on on the other side of the Chamber.

The PRESIDENT pro tempore. The Senator from Idaho makes the point of order that he cannot hear the discussion which is taking place on the other side.

Mr. McNARY. Mr. President, I am not able to hear what is taking place on the floor. I inquire who has the floor?

The PRESIDENT pro tempore. The Senator from California [Mr. McADOO].

Mr. McNARY. Has the time of the Senator from California expired?

The PRESIDENT pro tempore. Not quite.

Mr. McNARY. Mr. President, there is so much confusion in the Chamber that I raise the point of order whether the Senate is in session? [Laughter.]

The PRESIDENT pro tempore. The Senate is in session and the Senator from California still has the floor.

Mr. McADOO. I yield to the Senator from Oregon.

Mr. McNARY. I am not asking the Senator to yield. The Senator's time has about expired; and if he is going forward with an explanation of his amendment, he should proceed.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. McADOO. I yield.

Mr. PEPPER. I ask the Senator from California if it would not meet his objection, and at the same time preserve the liberal amendment inserted yesterday, which was offered by the Senator from Kansas [Mr. McGILL], to let the amendment of the Senator from California come after the amendment of the Senator from Kansas, so that the bill would provide:

> And including any practices ordinarily performed by or for a farmer as an incident to such farming, including harvesting, packing, storing, or preparing for market, in the raw or natural state.

Mr. McADOO. I consider that of the utmost importance where a large part of the services are rendered through farm cooperatives, and for that reason, while I do not want to affect the amendment of the Senator from Kansas, nevertheless I think the suggestion of my friend from Florida is worthy of consideration.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. McGILL. I appreciate the purpose of the Senator from California, but my judgment is that his amendment will operate simply as a limitation to the amendment I offered and will not broaden its scope.

Mr. ADAMS. Mr. President, will the Senator from California yield?

Mr. McADOO. Certainly.

Mr. ADAMS. The Senator from California has stricken from his amendment the clause "any products derived from any of the above agricultural pursuits", so that it merely applies to processing without saying whether it is an agricultural product or not. He has stricken out the definition of agricultural products.

Mr. PEPPER. The Senator from California has not stricken out anything, according to his later suggestion. He merely suggests that he will let the provision be added at the end of the amendment of the Senator from Kansas, so that it will take care of what he has in mind without interfering with the exemptions which other Senators desire to have incorporated in the bill.

Mr. McADOO. From a hasty examination of the amendment which the Senator from Kansas [Mr. McGILL] has brought to my attention, I cannot see how my amendment, if inserted in the bill, would have the effect which has been suggested.

The PRESIDENT pro tempore. The time of the Senator from California on the amendment has expired.

Mr. McADOO. But, on the other hand, my amendment takes care of a situation involving the use of cooperatives.

Mr. GEORGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from Georgia?

Mr. McADOO. I yield.

Mr. GEORGE. I suggest to the Senator from California that, in my opinion, the amendment offered by the Senator from Kansas [Mr. McGILL] yesterday is broader than his amendment, because it takes care of all operations, whether performed by cooperatives or by persons under contract or by persons who have merely been employed for a particular job. To enumerate even them in a succeeding clause, or to recite the things that are included, would thus, of course, under the well-known rule of construction, form a limitation upon what is first stated as a broad general proposition. I think the Senator's purpose is absolutely accomplished by

the amendment offered yesterday by the Senator from Kansas.

I may say to the Senator from California that I had in mind precisely what he has in mind, but with reference to different products. After examining the amendment of the Senator from Kansas I concluded that it covered all those cases as well as the cases which I think the Senator himself has in mind.

Mr. McADOO. Then I shall ask that further consideration of my amendment be deferred for the moment. I should like now to offer a second amendment to the amendment of the committee.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LA FOLLETTE. Has the Senator from California withdrawn his amendment?

Mr. McADOO. No; I am deferring further consideration of it for the moment.

Mr. LA FOLLETTE. Then what is the pending amendment?

Mr. McADOO. It is the one I am now asking to have considered. I ask that it be read by the clerk.

The PRESIDENT pro tempore. The clerk will state the amendment offered by the Senator from California to the amendment of the committee.

The LEGISLATIVE CLERK. In the amendment of the committee, it is proposed, on page 53, line 19, before the period, to insert a comma and the following:

And any goods produced wholly or in part by convicts or prisoners (except convicts or prisoners on parole or probation).

Mr. McADOO. Mr. President, the object of the amendment is obvious from its reading. The object is to prevent prison-made goods being brought in competition with goods made by free labor in the different States when we are regulating, by the provisions of the bill under consideration, not only wages of labor but the hours of labor. Many States have laws forbidding the sale of convict-made goods. The Ashurst-Sumners Act prohibits the transportation in interstate commerce of prison-made goods into States where the sale of such goods is prohibited. If we are to pass this bill fixing minimum wages and maximum working hours throughout the Nation, it is, in my opinion, necessary, for the protection of goods made by free labor, that the transportation of prison-made goods in interstate commerce be excluded. I therefore have offered the amendment to the amendment of the committee.

Mr. COPELAND. Mr. President, apparently the matter presented by the Senator from California is of considerable interest to my State. I have had a number of telegrams asking that the amendment of the Senator from California be adopted. I ask that the names of the signers of the telegrams urging adoption of the McAdoo amendment may be inserted in the RECORD.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

Whitlock Cordage Co., B. Sack & Son, Federal Hardware Co., American Manufacturing Co., City Cordage & Charnas Paper Co., Coston Supply Co.

Mr. COPELAND. Mr. President, while I am on my feet may I ask a question of the Senator in charge of the bill [Mr. BLACK], who is always very patient?

Mr. BLACK. Certainly.

Mr. COPELAND. Yesterday I had a telegram from one of my constituents asking that the term "employer", on page 50, line 16, be further defined. I crave the aid of the Senator from Alabama in setting me clear as to why this is desired. My constituent requests that the following language be added:

Provided, however, That the term "employer" shall not include any employer who demonstrably uses minimum-wage and maximum-week standards equal to or better than those established by the act.

It would seem to me it would naturally be the case, if the employer were paying the minimum wage and not exceeding the maximum hours of labor prescribed by the bill, that that question and that employer would not be involved in the operations of the bill. Was this matter presented to the committee?

Mr. BLACK. Mr. President, no such matter was presented to the committee, but it would be impossible for the bill to apply to a person who was paying a larger wage than the minimum provided and who was working his employees shorter hours than provided by the bill. It would be the same as though no order had been issued so far as he was concerned. It would be mere surplusage to add such a provision and accomplish nothing except to add three or four lines to the bill, which would be wholly futile.

Mr. COPELAND. In other words, it would be a work of supererogation?

Mr. BLACK. Yes; something of that kind.

Mr. COPELAND. It would seem so to me, but the gentleman who suggested the addition to me is in such a position of knowledge that I thought he must have something well worth while in mind. However, what the Senator has said is satisfactory to me.

Mr. President, I send to the desk an amendment to the pending committee amendment, being a new part V, and ask that it lie on the table; also an amendment to the so-called Maloney substitute for title II, which I ask to have lie on the table.

The amendments are identical. They cover the antilynching bill as it came to the Senate from the House. I am not offering the bill which was introduced here by my colleague [Mr. WAGNER] and the Senator from Indiana [Mr. VAN NUYS], thinking that the bill which came from the House perhaps was common property. It is offered in the form of an amendment, first, to the committee amendment, and, second, to the Maloney substitute. I ask that both amendments may lie on the table.

The PRESIDENT pro tempore. The amendments will lie on the table.

Mr. CONNALLY. Mr. President, is the Senator going to offer the antilynching bill as an amendment to the pending bill?

Mr. COPELAND. I have sent the amendments forward and asked that they lie on the table, so that at the appropriate time I may call them up if it seems desirable.

Mr. CONNALLY. The Senator is going to endeavor to attach the antilynching bill to the hour and wage bill?

Mr. COPELAND. Yes.

Mr. GEORGE. Mr. President, I offer an amendment to the pending bill, which I send to the desk and ask to have stated.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McNARY. What is the status of the amendment offered by the junior Senator from California [Mr. McADOO]?

The PRESIDENT pro tempore. It is pending.

Mr. GEORGE. I understood that the amendment of the Senator from California had been disposed of.

The PRESIDENT pro tempore. It has not been.

Mr. McADOO. Mr. President, I ask for action on the pending amendment.

Mr. McNARY. May the amendment be stated by the clerk?

The PRESIDENT pro tempore. The clerk will again state the amendment offered by the Senator from California [Mr. McADOO] to the amendment reported by the committee.

The CHIEF CLERK. In the committee amendment, on page 53, line 19, before the period, it is proposed to insert a comma and the following:

And any goods produced wholly or in part by convicts or prisoners (except convicts or prisoners on parole or probation).

Mr. BLACK obtained the floor.

Mr. WALSH. Mr. President——

Mr. BLACK. I yield to the Senator from Massachusetts.

Mr. WALSH. I desire to say to the chairman of the committee that I think I have some knowledge about the provisions of this bill, but I have not any knowledge about the amendments which are being offered; and for 15 minutes I

have not been able to hear what was said pro and con about these matters. I think that is true of a number of Senators on the floor. Let us have order; and I suggest that Senators raise their voices so that we may hear them.

The PRESIDENT pro tempore rapped for order.

Mr. BLACK. Mr. President, the pending amendment would make it illegal to transport in interstate commerce any goods which have been produced in whole or in part by convict labor. It would add an entirely new phase to the bill. The bill has been prepared in such a way as to limit its effect to minimum wages, maximum hours, and child labor. Any other subjects which might be added would, of course, be added without committee consideration in connection with the form in which they should be added to the bill, and without investigation as to the conditions which may or may not require their addition.

I sincerely hope the Senate will not adopt an amendment to this measure which would add a fourth phase making it illegal to transport prison-made goods in interstate commerce. At the present time there is in effect a law relating to that subject. Under that law, no prison-made goods may be shipped into any State if the use of prison-made goods is prohibited by the laws of the State. This measure would go still further, and would prevent such goods being shipped into States even though the States themselves had enacted no legislation on the subject.

The Government having embarked upon the other method of treating the subject of prison-made goods, it seems to me it would be unwise and improper to depart from it at this time; and certainly I believe it would not be wise or proper to add that controversial subject to this measure when it is already limited to the three subjects discussed.

I sincerely hope, therefore, that the amendment will be rejected.

Mr. WHEELER. Mr. President, what the Senator from Alabama has said with reference to prison-made goods might be said with equal force with reference to the addition to the wage and hour bill of the child-labor provision.

The other day, as I understand, the Senator from Colorado [Mr. JOHNSON] made a motion, or he is about to make a motion, to strike from the bill its provisions with reference to child labor and substitute the bill which has been reported from the Committee on Interstate Commerce. I desire to call the attention of the Senate to some of the provisions with reference to child labor as they appear in the pending bill:

> The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees under the age of 16 years in any occupation shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

In other words, the Chief of the Children's Bureau may absolutely say whether child labor shall or shall not be employed in a particular industry. I say it is not right that the Chief of the Children's Bureau should be permitted to say that children shall be permitted to work in a particular industry and shall not be permitted to work in some other industry.

In addition to that the pending bill gives to the Chief of the Children's Bureau the right to say that children under 16 years of age shall be permitted to work in a particular industry, but that children under 18 shall not be permitted to work in another particular industry, because the Chief of the Children's Bureau is authorized to say that one industry is hazardous and another one is not hazardous. So, with reference to mining or anything else, the Chief of the Children's Bureau, under the provisions of the bill, is authorized to say, "Children may work in this particular field, and that is all right, but they may not work in some other field."

The Senator from Alabama called attention to the provision which has just been offered as an amendment with reference to convict-made goods.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. WHEELER. I yield.

Mr. CONNALLY. Does not what the Senator is now pointing out, about the delegation of authority to the Chief of the Children's Bureau, apply to the whole bill, in that we are delegating this power to a board? I would just as soon trust the Chief of the Children's Bureau as trust the board. Does not the same vice go all through the bill?

Mr. WHEELER. I may say that I think a good deal of the same vice does go all through the bill; but if the Senator will observe and study the bill, he will see that the vice applies particularly with reference to child labor.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield for another question?

Mr. WHEELER. I yield.

Mr. SCHWELLENBACH. I merely wish to clear up a misunderstanding in my own mind. I understood the Senator from Colorado [Mr. JOHNSON] the other day to indicate that he merely intended to move to strike from the bill the provisions with reference to child labor. The Senator from Montana a few minutes ago indicated that it was the intention of the Senator from Colorado also to move to substitute another measure on the subject of child labor.

Mr. WHEELER. That is my understanding.

Let me make a brief statement with reference to the amendment which was offered by the Senator from Colorado and give the Senate just a little background with reference to it.

After talking with a gentleman whom I consider one of the outstanding liberals of the country and who has given a great deal of thought and study to the child-labor movement, I introduced a bill along the same lines as the Prison-Made Goods Act, which is now in operation and which is working rather effectively. I did so because I have been interested in preventing child labor ever since I was a boy in Massachusetts, and because this bill absolutely flies in the face of the Supreme Court of the United States of America in one case, in that the Court has held that this kind of legislation may not be constitutionally enacted. In addition to that, it absolutely flies in the face of the Supreme Court, because in that respect the bill is an unwarranted delegation of power to the Children's Bureau with reference to child labor.

Does the Senate desire definitely to say to the Supreme Court, "We intend to pass this bill, notwithstanding you have held this kind of legislation unconstitutional, notwithstanding the fact that you have said to the Congress of the United States that it may not delegate its power as it is delegated with reference to the Children's Bureau, because no proper standard is set up there"? No proper standard is set up with reference to child labor in this bill, and yet we are asked to pass it.

I must confess that it looks to me as if the Children's Bureau and the Department of Labor were urging the inclusion of the provision advisedly and deliberately because they want to see the Supreme Court again strike down the provision in order that they may come back to the Congress of the United States and say, "Well, we told you so", and go to the people of the country on that issue.

In the first place, the subject of child labor has no business in this particular bill. It was put in the bill, not by the chairman of the committee—what I say has no reference to him—in my judgment, because it was desired to say to Senators, "When you vote against this bill you are also voting against the prohibition of child labor." The provision has not any business in the bill. It should be a separate measure. It is one of the very most important questions before Congress, and it should be dealt with separately and distinctly by itself.

As the Senator from Colorado [Mr. JOHNSON] said the other day, where do we find the provision with reference to child labor? In the penalty clause. I mean, finally we find in the penalty clause a provision with reference to child labor, prohibiting the shipment in interstate commerce of

goods by child labor. That is not the way we ought to legislate in the Senate. It is not the honest way to legislate. It is not the right way to legislate with reference to a great subject, such as child labor, in which people from one end of the country to the other are interested.

When I introduced my bill I found that the Senator from Missouri [Mr. CLARK] had introduced a bill identical with mine, or practically identical with it. I found that several other Senators had introduced similar bills; that the Senator from Alabama [Mr. BLACK] himself had introduced a bill on the subject; that the Senator from Kentucky [Mr. BARKLEY] had introduced a bill on the subject; that the Senator from Kansas [Mr. CAPPER], the Senator from Colorado [Mr. JOHNSON], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Washington [Mr. SCHWELLENBACH] had introduced bills on the subject. I turned them over to a subcommittee. We held hearings with reference to the subject for a considerable length of time. We heard representatives of the different churches, representatives of the Episcopal Church, I think of the Methodist Church, of the Jewish race, and of the Catholic denomination. We heard representatives of the brotherhoods and representatives of the employers. We finally worked out a bill which was satisfactory to practically everybody except the Children's Bureau. They were practically the only ones who were not satisfied. Some of those who came and testified against the bill, inspired, I may say, by the Children's Bureau, stated that the reason they did not want any legislation was that they were afraid it might prevent the ratification of the amendment to the Constitution with reference to child labor. In other words, they were afraid they would lose the cause for which they had been fighting, and were afraid some of them could not go out and collect fees from the general public for fighting for the prevention of child labor. Even when it was presented to them that in practical effect the legislation would prevent child labor, they did not want to accept it.

Mr. Keating, the editor of Labor, came and testified in favor of the legislation. He was the author of the original child labor amendment. Likewise a number of representatives of the railroad brotherhoods came and testified with reference to it.

We thought we had worked out in the committee a bill which would do the job, and we took, in substance, the original Keating bill, which passed Congress, and amended it in some details so that we thought it would be more acceptable to the Supreme Court of the United States. Secondly, we added another provision dealing with child labor in identically the same way that we deal with prison-made goods, so that if the Supreme Court of the United States should hold one provision of the law unconstitutional, we knew they would have to hold the other provisions constitutional.

Men came from New York to testify. New York State is one of the large consumers of goods. We provided that no goods could be shipped into a State whose laws prohibited the shipment of such goods into it. Then we provided in detail with reference to the necessity of branding goods made by child labor.

Senators know that, from a practical standpoint, if goods had to be branded so as to show they had been made by child labor, very few people would buy them. Certainly they would not be bought in many of the States. The stores would not sell them. So we provided that it would be necessary to brand goods as having been made by child labor if they were produced in a factory which employed child labor.

We also provided against the shipment of goods into a State whose laws prevented the sale of that kind of goods. So there were three different ways in which we undertook to prevent child labor. We did not leave it to the Children's Bureau to say, "You can employ child labor in this particular factory, but you cannot employ it over here." What the Children's Bureau wants and what the Department of Labor wants, it seems to me, is not the prevention of child labor, but they want to have the power in their hands.

Mr. GEORGE. Mr. President, I suggest to the Senator from Montana that when the pending child-labor amendment to the Constitution was offered in this body in 1924 it was the same unreasonable, unyielding, and stubborn attitude which prevented the writing of an amendment which would have been adopted long ago by the American people.

Mr. WHEELER. I know that perfectly well, because my colleague, the late Senator Walsh, worked on the amendment, and I know the opposition and the unyielding attitude he met from the Department. But he was so interested in the effort to prevent child labor that he went along with the Department in spite of their unyielding attitude, and as a result the child-labor amendment has not been ratified.

Mr. LA FOLLETTE. Mr. President, I think that in fairness to the present Chief of the Children's Bureau, the RECORD ought to show that she is opposed to this very language, on page 52, beginning after the period in line 14 and extending down to line 22.

Mr. WHEELER. The Children's Bureau has not consulted me about it, and the first thing I heard of it was the statement made by the Senator from Wisconsin.

The PRESIDING OFFICER (Mr. MINTON in the chair). The time of the Senator from Montana on the amendment has expired.

Mr. WHEELER. I will occupy some of my time on the bill.

I am glad to hear the Senator from Wisconsin say that the Chief of the Children's Bureau is opposed to that provision, because certainly it is a provision which grants her the power to say whether or not a child's health is going to be injured from working in a factory. It certainly gives the Bureau a chance to say, "You can work this child from this home, but you cannot work this child from this other home, because its health would be affected."

Mr. BLACK. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. BLACK. This provision, which was written in by the committee, as stated by the Senator, and not at the request of the Children's Bureau, was inserted merely to apply to the period when children are out of school, during school vacation. It does not provide for the entire year. It is limited wholly and completely—and I am sure the Senator wants the Senate to understand the facts—to the vacation period.

There was a conflict in the committee on that particular matter. There may be a motion to strike the provision from the bill. But I should like to have it appear that the provision does not grant full power to the Children's Bureau to do what the Senator is saying.

Mr. WHEELER. Let me read the language.

Mr. BLACK. Very well.

Mr. WHEELER. It provides:

> The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees under the age of 16 years in any occupation shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

If that does not mean what I said it did; if that does not mean that the Children's Bureau can say that a period of vacation is 6 months, or 9 months, or 3 months, or 2 months, then I do not understand the English language. If that language does not mean that the Children's Bureau can say to this particular child, "Your health will permit you to work", and to another, "Your health will not permit you to work", I do not understand the English language.

Mr. President, I have raised six children, and I think I know something about children and how they ought to be regulated. I get weary of hearing women who have never had any children and never have known what it is to raise children tell me and my wife how we should raise our children. I object to women who have made miserable failures of raising their own children telling the mothers of the country who have raised their children in a decent manner how they should raise them.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. WHEELER. I yield for a question, but my time is limited.

Mr. BLACK. The Senator understands, does he not, that the provision to which he refers is a part of the bill which can be isolated, and which can be stricken out by amendment if the Senate desires to do that?

Mr. WHEELER. I thoroughly understand that, but I am pointing out what is in the bill now, not what can be done with the bill in the future.

Mr. BLACK. If the Senator will yield just for me to make one statement, I wish to corroborate what the Senator from Wisconsin has said to the effect that the Chief of the Children's Bureau is very anxious to have this provision stricken from the bill.

Mr. WHEELER. It should be stricken out. In addition to what I have said, I call attention to the fact that it is provided in the bill that the Department may hire a sheriff, or a constable, or any State officer, or, if they do not hire him, they can pay him, without any question as to the amount they may pay him. There can be constables and sheriffs and other public officers, State employees, all over the country, being paid out of the Treasury of the United States for assisting the Department of Labor. It does not provide how much they shall be paid, whether $50, or $10, or $5. Under the provisions of the bill the Department can go out and subsidize and buy up all the sheriffs and constables and other peace officers of the United States and pay them while they are drawing their regular salaries.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CONNALLY. Why does the bill provide that the investigation shall be made by the Department of Labor instead of by the board? Why should the board turn over the investigatory power to the Department of Labor?

Mr. WHEELER. I do not know.

Mr. CONNALLY. If the board is to be an impartial board to pass on matters, why should it turn over all the work of investigation and report to the Department?

Mr. WHEELER. I had desired to have an opportunity to support a bill providing for regulation of the hours of labor, but it seems to me that the pending bill has been very poorly drafted; and while I intend to vote for it, I shall do so with the greatest of hesitation, particularly in view of the provisions contained in the bill with reference to the Children's Bureau. I think they are outrageous provisions and should never have been included.

Some have asked why Congress does not draft its own bills. It is because whenever a committee drafts a bill some official in one of the departments sends in a bill and says, "We want this, and we do not want the bill drafted by the committee, because we do not like the way that 't' is crossed or that 'i' is dotted." As a result of this situation which has existed Congress is being blamed and the Senate is being blamed because they have allowed themselves to be led around by the nose by some officers in the departments whom we commonly call the "brain trusters."

Mr. President, I desire to close my remarks by saying that I shall support the amendment offered by the Senator from Colorado [Mr. JOHNSON] as a substitute for part of the committee amendment. I said the other day that I had intended to vote for the bill anyway, and I desire to vote for it, but I reserve the right to vote against it in the event that the iniquitous provisions with reference to the Children's Bureau remain in the bill. The bill should not contain a provision that representatives of the Children's Bureau can go out to Montana and say to the people of Montana what shall be done with reference to particular children. The provision now in the bill would permit the representatives of the Children's Bureau to go into every home in America, if they wanted to, and make an order with reference to a particular child, and say that it may work because it is strong and healthy, but that another child in the same household may not work because that child is not so well or healthy as the other child.

Is that what the Senate of the United States wants to do? Is that the kind of power it wants to give to the Children's Bureau—to permit it to send its representatives into every little home in the country that it chooses to go into? Do Senators want the sheriffs of their counties and the prosecuting attorneys of their counties to act as snoopers in the homes of America, and while they are snooping there putting in bills for $10, $25, or $50 to the Labor Department?

I cannot conceive that the Senate wants to do that, and I do not believe the Senate wants to pass the bill with that sort of a provision in it, or the provisions with reference to children that are now contained in the bill.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. The Senator from Georgia [Mr. GEORGE] wishes to offer an amendment. He had previously endeavored to offer it.

Mr. CONNALLY. I desire to make a privileged motion under the rule. I send the motion to the desk and ask to have it read.

The PRESIDING OFFICER. The Senator from Texas makes a motion, which the clerk will read.

The legislative clerk read as follows:

I move that the bill be recommitted to the Committee on Education and Labor.

Mr. CONNALLY. Mr. President, have I the floor?

The PRESIDING OFFICER. That motion takes precedence over pending amendments.

Mr. CONNALLY. And does the Senator from Texas have the floor?

The PRESIDING OFFICER. Yes; the Senator from Texas has the floor.

Mr. CONNALLY. Mr. President, from the very beginning I had intended to vote for a bill to regulate hours and wages, and I had intended to vote for this bill until I read it.

Mr. GEORGE. Mr. President, will the Senator from Texas yield to me for the purpose of asking that two brief amendments which I shall offer may be considered as pending, so that I may have an opportunity to have a vote on them?

Mr. CONNALLY. I shall be very glad to yield for that purpose.

Mr. GEORGE. Mr. President, I ask that two amendments, which I send to the desk, may be considered as pending, having now been formally offered, so that I may have a vote upon them if the motion now made by the Senator from Texas shall not prevail.

Mr. BONE. Mr. President, will the Senator from Texas yield?

Mr. CONNALLY. For what purpose does the Senator from Washington wish to have the Senator from Texas yield?

Mr. BONE. For the purpose of asking a parliamentary question of the Chair.

Mr. CONNALLY. I yield for that purpose.

Mr. BONE. Mr. President, the Senator from California [Mr. MCADOO] offered an amendment which is now pending. I have an amendment of similar nature.

The PRESIDING OFFICER. The amendment presented by the Senator from California [Mr. MCADOO] is now pending.

Mr. BONE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BONE. Do I correctly understand that the Senator from Texas has made a motion to recommit the bill?

The PRESIDING OFFICER. The Senator from Texas has made such a motion.

Mr. CONNALLY. I have.

Mr. BONE. I have prepared an amendment, but was not advised until this morning that the Senator from California [Mr. MCADOO] had prepared a similar amendment. My amendment would bring convict-made goods within the scope of the bill; and I am not certain just exactly what the parliamentary status would be if a vote were taken on the motion which has just been made by the Senator from Texas.

Mr. CONNALLY. I yield to the Senator from Washington for the purpose of offering an amendment, if he desires.

Mr. BONE. I send the amendment to the desk and ask that it lie on the table.

The PRESIDING OFFICER. No other question will come up until the motion made by the Senator from Texas shall have been disposed of. Amendments may be sent to the desk and lie on the table.

Mr. CONNALLY. As I said a moment ago, Mr. President, I am anxious to vote for a bill to regulate hours and wages, but that does not mean that I am willing to vote for any bill that has that label on it. I want to vote for a bill that contains provisions which appeal to my judgment and my sense of the proper exercise of our constitutional power.

Senator after Senator on the floor of the Senate has said that the pending bill does not suit him, and yet some of them say they are going to vote for it anyway. The Senator from Montana [Mr. WHEELER], an outstanding friend of labor, said a moment ago that he does not like the bill, that it does not suit him, that he may vote for it, but that he may not do so unless it is amended in certain particulars.

Mr. President, I feel that the bill ought to go back to the Committee on Education and Labor, so that the committee, if necessary, may hold additional hearings upon the bill, may reconsider the questions that have been brought forth in the debate, and may be able to report back to the Senate at its next session a bill which may meet with our ideas of the proprieties of the subject matter.

This is a bill supposedly in behalf of labor, Mr. President. Some Senators seem to have been influenced somewhat by the letter of Mr. William Green, president of the American Federation of Labor, under date of yesterday. I want to analyze Mr. Green's statement:

The wage and hour bill in the form in which it is now before the Senate does not meet the expectations of labor.

Well, if it does not, why should Senators support it on the theory that it does meet the expectations of labor? If Senators want to help labor, why vote for a bill which labor says does not meet the situation?—

However—

This is Mr. Green speaking—

However, we recognize the need for the enactment of wage and hour legislation.

So do I, Mr. President. That is why I want to send the bill back to the committee, so that the committee may bring out a bill on the subject.

For that reason, rather than recommit the Senate bill for further committee consideration, it would seem advisable to pass the best wage and hour bill possible in the Senate—

For what purpose? To get a bill? To enact legislation? No. Not that this bill suits him, not that it suits us, but merely to have something with the name on it which says "hours and wages" we shall pass something with the hope of doing what—

with the hope that it can be revised and amended in the House in such a way as to make it more nearly satisfactory and acceptable to labor.

I submit that Mr. Green's letter, instead of being in favor of not recommitting the bill is an argument in behalf of recommitting it.

Mr. Green says this bill does not suit him. He does not want this bill. If the House does not change it, he is against it. What does he ask us to do? By inference he suggests that the Senate abdicate its authority and let the House of Representatives write the bill. "No; this bill does not suit us. We do not want it; and if this were the final word on the subject, we should be against it. But, Senators, give up your authority, pass it over to the House, and let the House write a bill." Who knows what the House will write? Mr. Green does not know; Senators do not know; and the House does not know.

Mr. President, there is nothing in the Democratic platform demanding this particular bill. There is nothing in the Democratic platform making any pledge as to this particular measure or anything like this measure. So Senators on this side of the aisle need not fear the lash of the platform in sending this bill back to the committee.

But what are the views of other labor men? I hold in my hand, and there has been printed in the RECORD, statements of John P. Frey, president, metal-trades department, American Federation of Labor, and J. W. Williams, president, building-trades department, American Federation of Labor. Two great departments of the American Federation of Labor are urging the Senate to send the bill back to the committee, so that the committee may work out an acceptable bill and bring it back here in January.

Mr. President, why should we be so hasty? What is there that is compelling us to enact this legislation today? Congress will be here again in January. Will we not know more about this question then than we now do? Will not the Committee on Education and Labor know more about it then than it now knows? The bill which is before us is not the bill that was introduced originally. It is not the bill with respect to which Mr. Green appeared before the committee earlier in the hearings and which he approved.

Are we now in the proper frame of mind for deliberate action on important legislation? Everyone within the sound of my voice knows that our nerves are frayed; that we are tired and that the country is also tired; that we ought to go home; and that we ought not to enact this proposed legislation simply for the sake of passing something in order that the House of Representatives may write the bill, or perhaps that it may be written in conference.

Mr. President, as one Senator, I do not favor turning over to conference committees the power to legislate and to bring back to this body measures that have not received the deliberate consideration and approval of the Senate of the United States.

What does this bill propose to do? Mr. President, it confers on a board of five men greater powers over the economic life of this Nation than the power exercised today by five European monarchs over the affairs of their peoples. Whose power is it? The power to legislate is vested in this body and in the House of Representatives by the people through the Constitution. Have we any right to turn over that power to a board? Why not enact a piece of legislation fixing by statute what the minimum wage shall be, entrusting its administration, of course, to a board? I am not willing, without further consideration of the committee, to delegate to five men the power of life and death over the industry of America.

Let me say to those who contend that this bill is in behalf of labor that the power which it is proposed to confer upon this board may be exercised against labor, just as it may be exercised in favor of labor. Let me say to those from the Northwest and the Middle West that the power of this board may be exercised against their regions, just as it may be exercised against any region in the United States.

Mr. President, the labor representatives of two great departments of the American Federation of Labor have expressed their views on this measure. What do they say? They say that this bill ought to be recommitted; they are bitterly against it.

The international unions of the building trades and the metal trades, speaking through the building trades department and the metal trades department, American Federation of Labor—

Speaking in their official capacity, they have made their views known. Do you suppose, Mr. President, if Mr. Green was very insistent about the letter which he wrote and which was read here that he would permit two members of his cabinet, so to speak, two of his board of directors, openly to advocate the recommitment of this bill?

Mr. Green, of course, is in a difficult position. We have to understand the attitude of men before we can always understand their sentiments or their views. But what do these men say? They are not under any pressure. What do they say? They speak for labor; they speak for men who belong to their unions.

The international unions of the building trades and the metal trades, speaking through the building trades department and the metal trades department, American Federation of Labor, believe that the Black-Connery bill—the wages-and-hours bill—now before the Senate should be recommitted.

Is there any doubt there? Is there any hesitation there?

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Kentucky?

Mr. CONNALLY. I yield.

Mr. BARKLEY. In connection with the Senator's remark that the two gentlemen who signed the letter are free and independent of Mr. Green, and that, therefore, they ought to be respected because they have broken away from him in this matter, it ought to be recalled that, notwithstanding the fact that Mr. Green in the campaign last year supported President Roosevelt, the two gentlemen to whom the Senator has reference broke away from him and did their best actively to elect Mr. Landon as President of the United States.

Mr. CONNALLY. I do not know about whom they supported for President, and I do not see that that is important when we are considering a matter such as this.

Mr. BARKLEY. The Senator was talking about them breaking away from Mr. Green; and I was reminding him that that is not the first time they did it.

Mr. CONNALLY. What I meant to imply was that there could not be any very great bitterness between Mr. Green and two of his chiefs of staff because of their writing the letter, for, if Mr. Green had wanted to, I should think he could have stopped it. But I do not see that for whom they voted for President has anything to do with this bill, because I suppose this bill will provide wages and hours for the thinning ranks of the Republicans, if any of them ever work [laughter], as well as for Democrats.

Let us see what these men say. They are talking for labor; they are not running for office; they are speaking in behalf of the interest of men who do work:

This measure, which so vitally affects labor, seeks to establish minimum wage rates and maximum hours of labor. With this purpose the two departments are in hearty and active approval.

They are for wage and hour legislation, but are not for this particular wage and hour legislation. Is this bill all that can be said on the subject? Is this bill the last word? Is this the sublimated essence of all that can be done about wages and hours? The committee changed the entire original bill. In the light of the facts, it can change this bill if the bill goes back to them.

But the measure in its present form, and with the amendments which have been proposed, would go much further.

Those are the words of these labor leaders and not the words of the Senator from Texas.

In its present form—

Listen to this, Senators. You had better hear them now instead of after the vote; you had better hear them now before the election, and not afterward—

In its present form there is grave danger that it would materially interfere with and modify the Walsh-Healey bill.

I should like to have the Senator from Massachusetts [Mr. WALSH] note that statement. These two labor men say that this bill—

Would materially interfere with and modify the Walsh-Healey bill, which has been of such great protection to labor standards.

There is as yet no clearly defined authority to be given the commission provided for in the measure.

These men see the broad sweep of power which this bill will give to five men. They fear it. They know that power can be exercised against them as well as for them. They recognize that there is no standard set up, but it is all turned over to a board. Let the board do it. Here is the Senate of the United States, entrusted by the people and the Constitution with the legislative power, and we are asked to turn over that power not to 96 Senators, not to 435 Representatives, elected by the people, chosen by the people, but to a board of five not chosen by the people, not selected by the people. Give the board this power; give it up, Mr. Senate; give it up, Mr. Congress; turn it over to a board.

What are Senators going to say to their constituents when they challenge them because of the manner in which they have performed their duty and say, "We meant for the Senate to legislate; we meant for the House to legislate; we did not expect you from fear to fail to do you duty and turn it over to a board."

Who is this board? We do not know—

There has been—

These labor representatives are still speaking—

There has been no adequate opportunity for consideration of the measure by labor or by the Senate.

Labor says that this new bill has not been considered by labor because it has not had any adequate opportunity to consider it. Let us send this bill back to the Committee on Education and Labor. Let them have additional hearings; let labor come before them; let those who may oppose it come before them; let the committee thresh out these questions and bring us back a bill that shall set up some standard by which this board is to be governed, but not a bill which will convey the sovereignty of the United States to a board of five.

It is the conviction——

The PRESIDING OFFICER. The time of the Senator from Texas on the motion has expired.

Mr. CONNALLY. I shall take a few minutes on the bill, if the Chair please.

It is the conviction of the building-trades department—

"The conviction", not the hasty thought, not a passing fancy, but it is "the conviction", the deliberate, settled, fixed conviction—

of the building-trades department and the metal-trades department, American Federation of Labor, that a measure of such far-reaching effect on labor—

"Far reaching", reaching out into every nook and cranny of this Republic, reaching out not simply into the great steel industry and similar industries but reaching out to every little precinct and voting box in all the sweep of this majestic Republic, affecting every man, woman, and child, either directly or indirectly. If it does not affect them directly, it affects what they eat and what they wear and everything else they may buy.

It is the conviction of the building-trades department and of the metal-trades department, American Federation of Labor, that a measure of such far-reaching effect—

On what? On industry? On the big fellows? No, that is not what these gentlemen say. Labor is not complaining because this bill is going to pinch the capitalists and the industrialists; but what do the writers of the letter say?

That a measure of such far-reaching effect on labor—

On labor—

should not be enacted until there has been an adequate opportunity for examination, consultation, and conference.

They only want "adequate opportunity." They have said that they have not had "adequate opportunity" to study this new bill or to present this new bill, and they are asking the Congress to give them another chance.

Mr. HUGHES. Mr. President——

Mr. CONNALLY. Just a moment. This does not mean that the legislation should be killed. I am in favor of wage-and-hour legislation, but I am not in favor of just anything that bears the label of wage and hour legislation. I now yield to the Senator from Delaware.

Mr. HUGHES. I should like to ask the Senator from Texas whether the unions to which he refers and which have sent the letter he holds in his hand did not have the opportunity to go before the committee in the long hearings which the committee conducted on this bill? Were they denied the opportunity to go before the committee and present their views?

Mr. CONNALLY. I suppose they had opportunity to go before the committee and be heard on the original bill, but this is a new bill; this is a substitute bill; it is not the original bill.

Mr. HUGHES. Do the changes that have been made affect their interests?

Mr. CONNALLY. They seem to think so; and I think they know as to that better than I do.

Mr. HUGHES. Did not the representatives of labor, many of them, come and testify before the committee at the hearing?

Mr. CONNALLY. I think they did.

Mr. HUGHES. If that be true, I wish to ask the Senator if the bill should be recommitted to the committee which made a report on it, in connection with which, as I understand, no minority views were filed, what new light would be afforded the Senate that must act on the matter? After all, is the bill not committed ultimately to the Senate, and is it not the Senate by the votes of the Senators that will act on this matter? The committee having reported to the Senate, why may we not assume our responsibility and act as we should act without recommitting it to the committee that has already held long hearings and submitted a report?

Mr. CONNALLY. I thank the Senator for his interruption. Let me ask the Senator a question. Does not the Senator know more about the bill today than he did yesterday or the day before?

Mr. HUGHES. Yes; I think I do.

Mr. CONNALLY. I am not in favor of closing the doors to further information.

Mr. HUGHES. I individually would know more since the Senator has spoken, because I always learn much when the Senator speaks.

Mr. CONNALLY. I thank the Senator. If he will just follow the Senator from Texas today, as his compliment implies he is going to do, I shall be very happy.

Mr. HUGHES. I am not sure I can follow the Senator, but I am following his argument.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. PEPPER. Is the Senator in a position to state some of the principal objections of labor?

Mr. CONNALLY. I am stating them now. One is that too much power is given the board.

Mr. PEPPER. Does the Senator know that certain of the nationally prominent labor leaders came to certain members of the committee asking that the ceiling be made 60 cents an hour instead of 40 cents an hour, and that the objection they have to the bill is because the ceiling is not high enough and because there is not sufficient power given to the board?

Mr. CONNALLY. That may be, but that is entirely consistent with what is about to be done here. The proposal is now that the bill does not satisfy us, so we will let the House draw the bill. The House bill provides 70 cents an hour and a 35-hour week. Do Senators want such a bill? That is probably what the House would insist upon having in the bill. Senators say, "We do not like this bill so we will let the House write it. They know more than we do. Members of the House are more able than we are. They are more patriotic. They have investigated this matter better than we have. Let us send the bill over and let the House fix the terms of the bill."

Are Senators ready to do that? Are Senators ready to vote that Representatives in the House from their States know more about the subject and are wiser and more patriotic than are the Senators themselves? If any Senator admits that, probably some Representative will take his seat in the Senate after the next election. [Laughter.]

Mr. HUGHES. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Delaware?

Mr. CONNALLY. I yield.

Mr. HUGHES. I do not exactly follow the Senator's line of argument. Why does the Senator say we are turning the bill over to the House? Would we not turn it over to a conference committee?

Mr. CONNALLY. That is worse than turning it over to the House.

Mr. HUGHES. The Senate would be represented by Members of the Senate in the conference and would not be turning it over to the House, but to a conference committee to reconcile the differences between the House and the Senate. If the Senate conferees did their duty we would be as much represented as the House and would not be leaving it to the House to write a bill for the Senate.

Mr. CONNALLY. Every Senator who has been in the Senate very long knows about conference committees. We adopt amendments such as those offered yesterday by the Senator from North Carolina [Mr. REYNOLDS]. He offered two important amendments which were adopted, and the newspapers flashed the information down to North Carolina, and then in about an hour the Senate reversed itself and threw both amendments out the window.

We adopt an amendment to a bill, and it goes to conference. Who are on the conference committee? The conferees on the part of the Senate are members of the committee who wrote the bill. What would happen to the amendment? It would go out the window if they could find a window to throw it out of.

Conference committee! I was elected to sit in the Senate and to be a United States Senator. I was not elected to sit here and let a conference committee of five or six men take over the entire authority of the United States Senate.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Louisiana?

Mr. CONNALLY. First let me inquire how much time I have left?

The PRESIDING OFFICER. Five minutes.

Mr. CONNALLY. Very well. I yield to the Senator from Louisiana.

Mr. ELLENDER. Has the Senator from Texas offered or suggested any amendments to the bill that would improve it to such an extent as would cause him to support it?

Mr. CONNALLY. Yes; I have an amendment pending.

Mr. ELLENDER. Could the bill be amended so as to satisfy the views of the Senator from Texas?

Mr. CONNALLY. I think it could.

Mr. ELLENDER. What suggestions would the Senator have to offer?

Mr. CONNALLY. I have but 5 minutes left. It would take all day to tell the Senator. [Laughter.]

Mr. ELLENDER. The Senator may not have the time at this moment, but he had ample occasion before now to offer his suggestions to the Committee on Labor and Education, and to the Senate.

Mr. CONNALLY. The Senator from Texas has not spoken before on the bill.

Mr. ELLENDER. So he informs me; but we have been considering the pending bill since Monday, a period of 6 days.

Mr. CONNALLY. I realize that; but nevertheless I have not spoken.

Mr. ELLENDER. This is the first time the Senator has spoken on the bill?

Mr. CONNALLY. Yes; the first time. I am sorry the Senator intimates that I ought to have talked all day yesterday and all day the day before.

Mr. ELLENDER. No; I am not making such an accusation, but the point that I mean to emphasize is that notwithstanding ample opportunity, the Senator has remained silent and did not attempt to improve the bill so as to meet such objections as he now urges. A motion to recommit would mean death to the bill.

Mr. CONNALLY. I have an amendment pending. That amendment provides that no order made by the board shall

become effective until Congress shall have been in session 60 days thereafter. That would be some safeguard. If the board should undertake to ruin an industry or ruin a section of the country, I would provide that the order should not become effective until Congress had been in session 60 days, in which time we might be able to get some action by Congress to prevent such a disaster.

Mr. President, what do these labor representatives say? These interruptions have diverted attention from what the labor men are saying. What do these labor representatives say?

A measure of such far-reaching effect on labor should not be enacted until there has been an adequate opportunity for examination, consultation, and conference.

Here are two great departments of the American Federation of Labor begging the United States Senate to send the bill back to the committee, begging for hearings, begging for consultation, begging for a conference. What is the Senate going to say? Is it going to say, "No; we do not want to hear you. We are through. We do not want to bother with you fellows. We are in a hurry. We have to pass this bill right now"?

It is for these reasons—

These are the reasons given by two departments of the American Federation of Labor—

It is for these reasons that the two departments of the American Federation of Labor, whose members will be so vitally affected by any such measure, earnestly urge that the bill be recommitted so that the subject can receive the consideration which is so necessary under the circumstances.

Mr. President, I very much regret not being able to be in complete harmony and agreement with the pending measure. I am in favor of the principle of regulation of hours and wages. I think the Congress ought to do something along that line. I do not think we ought to delegate it to somebody else to do.

I am making this motion to recommit in order that we may have more hearings and get more information, in order that the committee may work out a more generally acceptable bill. Who will deny that all of us know more about the bill today than we did last Monday or than we did even yesterday? Why shall we not know more about it in January? The debates that have taken place on the floor of the Senate, the amendments which have been offered, the articles which have been published in the newspapers will all contribute to a crystallization of sentiment on the subject, and the committee and the Congress, and the Senate particularly, will be in better position at the next session to enact wise, sane, and acceptable legislation than they are now at the end of the session, when everyone, petulant, irritated, disturbed, frayed in spirit and in mind, is anxious to go home.

The Senator from New York [Mr. COPELAND] is looking straight into my eyes, and I remember his injunction of some days ago as a scientist, the man of medicine, that Senators ought to be at home and ought not to be legislating under these hectic conditions and circumstances. Have I properly stated the attitude of the Senator from New York?

Mr. COPELAND. Absolutely. The Senator never said a truer word.

Mr. CONNALLY. Mr. President, this is not a hostile motion. I want the committee to bring back to the Senate a bill for which I can vote. I want to help the man in the lower brackets. I know something about the man who toils. I have done some toiling myself, many, many years ago. [Laughter.] I do not expect to do any more manual toil if I can avoid it, but I have not forgotten my affection and sympathy for the man down in the lower brackets who works long hours and gets little pay. I want to do something for him. I am not going to turn him and his destiny over to five industrial monarchs who will wield a greater power than any five European monarchs who may now sit upon their little painted thrones.

The power of the five members of the board will be real; their power will be vital; their power will reach out into every section of this Republic. The little European monarch merely sits upon a little piece of gilded wood, wearing his robes of office, but with his hands empty of real power and real authority—simply a little tinseled functionary, a functionary for ceremonies and pomp and display. But we are asked to create five great monarchs, industrial monarchs, commercial monarchs, whose edicts and whose ukases will go out everywhere in this Republic.

Mr. WALSH. Mr. President, yesterday reference was made in the debate to a letter from a prominent labor leader, and again reference has been made to it today by the distinguished Senator from Texas [Mr. CONNALLY], to the effect that the passage of this bill would have some limitation upon the effectiveness of the so-called Walsh-Healey Act. I wish to direct myself briefly to that matter.

If the proposal in this bill had been put forward last year, we would not have heard of the Walsh-Healey Act. Until recent decisions of the United States Supreme Court it was not believed that the proposal contained in this bill was constitutional. The Walsh-Healey Act contains practically all the proposals contained in this bill, but is applicable only to that class of employers and employees who, it was believed, could be held by constitutional authority to comply with the terms laid down; namely, contractors and employers furnishing the Government with supplies and materials. Clearly it was constitutional for the Government to incorporate in any contract for the purchase of supplies a stipulation that such supplies should be produced only in factories and other establishments that operated their employees not more than 40 hours a week, and where a minimum wage was paid that was fixed by a Federal agency, after taking into consideration the standards and conditions set forth in the act.

Mr. President, this bill simply extends the principle of the Walsh-Healey Act beyond merely employees employed on supplies which finally are purchased by the Government; and frankly I cannot understand why any representative of organized labor demands the elimination of the sweatshop and long hours of labor and low wages when his fellow wage earners are working on Government contracts, but does not demand that the same things be done when they are working upon merchandise that goes into the general sales market.

That is all there is to this phase of the question. Instead of contracting or limiting or restricting the Walsh-Healey Act the pending bill extends it.

I repeat, the real issue here is plain and simple. Practically every Senator asserts he is for the objective. Nearly every Member of this body says, "I am for a maximum workweek and a minimum wage for wage earners engaged in interstate commerce." There are just two ways of doing this. We can write a bill and fix therein the maximum hours and the minimum wage and compel all industries to comply with these fixed and rigid standards, or we can leave it to a board to fix the hours and minimum wages according to the different standards and conditions existing in different industries.

Herein is the whole question; and we are going to have that issue when the substitute of the Senator from Connecticut [Mr. MALONEY] is presented, because he fixes the hours on a sliding scale, depending upon how many persons are out of work, so that one year a man or a woman may work in a particular industry 32 hours a week, and a few years afterward, or the next year, 38 hours, all depending upon the number of millions who may be unemployed.

Now, let us see why we need a board. We need a board because of the facts stated in the letter I hold in my hand from the man who is administering the Walsh-Healey Act, under which a board fixes the minimum wages in different industries, and has those wages incorporated in the proposals when the Government asks for contracts for supplies. I read a portion of the letter, which is dated July 30, 1937:

I am enclosing copies of the recent decisions of the Secretary of Labor determining prevailing minimum wages of $15 in the cotton-garment and allied industries, which include the earlier $15 deci-

sion for the men's work-clothing industry; of $16 for the men's raincoat industry; of $14 for the men's work- and knit-glove industry; of $14 in the North and $13 in the South for the men's underwear industry; of $20 for experienced workers and $15 for boxers and trimmers and learners in the neckwear industry; $27 for the men's cap and hat industry; and of $14 for the seamless-hosiery industry.

Indicating that there is a wide variation as to what should be the minimum wage fixed by law in various industries.

I repeat what I have said before during this debate: Do not Senators think every member of the committee would a thousand times rather have brought in a bill which would prescribe for every industry in this country a maximum 40-hour week and a minimum wage of 40 cents per hour? We were unanimous for it; but, Senators, the evidence showed that that would have brought ruin to a tremendous number of industries. It would immediately have impaired the financial standing of 80 percent of the industries of the country and 80 percent of the workers in the industries of the country, and we did not dare do it. The reason why a board is suggested is in order that it may be done gradually, that it may be done after study and a survey, that it may not be done in 1 month or 6 months or 1 year or 2 years, but that the objective of getting most of the industries of the country into that category may finally be attained.

There is the issue—a board, or a rigid law compelling all the lumber mills in the South which are now working their employees 56 hours a week to reduce their hours immediately, at once, to 40 hours per week.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Texas?

Mr. WALSH. Yes; I yield.

Mr. CONNALLY. Does the Senator say that the lumber mills in the South work their men 56 hours a week?

Mr. WALSH. Some of them; yes.

Mr. CONNALLY. I think the Senator ought to say "some of them" then.

Mr. WALSH. Perhaps I should.

Mr. CONNALLY. I do not think the Senator ought to charge that all the lumber mills of the South work their men 56 hours a week.

Mr. WALSH. I had in mind the letters that the Senator from Alabama read and the evidence that was submitted.

Mr. CONNALLY. The other day someone quoted the junior Senator from New York [Mr. WAGNER] as saying that in New York some women work 24 hours a day.

Mr. WALSH. I had no intention of referring particularly to the South. The Senator knows that I am not and have not been sectional in discussing this measure. I mentioned the lumber industry of the South in the same way that I would mention industries in other parts of the country, because I realize that same of the Senators from the Southern States are particularly fearful of the consequences of this bill upon the industries of their section and that a sudden drastic reduction in hours would seriously handicap these industries.

Mr. CONNALLY. Some of them may work their employees that many hours, but there are not many of them in my State, I know.

Mr. WALSH. Mr. President, I have just one other statement to make and then I shall complete my observations.

Some leaders of labor organizations are opposed to this bill. Why are they opposed to it? It may be that some fear that legislation of this nature will have a tendency to restrict the expansion of labor organizations, to restrict the organizing of wage earners into labor unions. We had that fact in mind in the committee, and that is the reason why we reached only for the lowest class, the men and women, as the Senator from Florida said, at the foot of the ladder, who are not organized, who have not the facilities for joining labor organizations.

So, Mr. President, I am anxious to lower the working hours and increase the wages of the millions of wage earners who are unorganized, who are in the lowest group of employees, who are hardly able to make ends meet, who have no means of asserting their economic right to a decent living wage, and that is what this bill does. It can be done in one of two ways—by a direct provision for uniform hours and wages in the law or by a bureau with elastic powers. As for me, I am for the bureau as the easiest and the safest and the soundest and the best way and the most reasonable way of bringing about the desired result.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. WALSH. Yes; I yield to the Senator from Montana.

Mr. WHEELER. I do not know whether or not the Senator was in the Chamber a little while ago when I spoke about the provision with reference to child labor. I particularly should like to have the Sentaor give his attention to page 52 of the bill, which provides as follows:

> The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees under the age of 16 years in any occupation shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

In other words, the Chief of the Children's Bureau may go into every home in the United States and say to the children in that home whether they may or may not work in industry.

I am sure the Senator, who is a member of the committee, would not want such a provision in this bill.

Mr. WALSH. Mr. President, unfortunately I was not present in the committee when that provision was inserted in the bill. I am disposed to agree with the views of the Senator from Montana.

Mr. NEELY. Mr. President, if our weather-beaten, tempest-tossed legislative bark which has for 6 days floundered in the troubled senatorial sea could speak, it would doubtless say in the language of a wise Hindu poet:

> I live between perils, abandoned by friends,
> Like an ant on a fire stick lit at both ends.

The beneficent purposes of the Black bill to reduce the hours of service and increase the compensation of certain overworked and underpaid toilers will elicit little sympathy, and command less support, from those who were born with silver spoons in their mouths, rocked in the cradles of luxury, or reared on flowery beds of ease.

Only those who have learned in the severe school of experience, or by long and continuous observation, something of the distress of the homeless, the jobless, and the hungry; only those who know the misery of the countless throng whose hopeless existence is portrayed by the melancholy line:

> The short and simple annals of the poor—

will wholeheartedly approve this important measure or diligently endeavor to bestow its proffered blessings upon the children of men.

The necessity for the enactment of the pending legislation is clearly and impressively stated by the President in a message which he sent to the Congress on the 24th day of May, and in which the following appears:

> One-third of our population, the overwhelming majority of which is in agriculture or industry, is ill-nourished, ill-clad, and ill-housed.

In other words, every third person in the United States is destitute of necessary clothing. Every third person is either homeless or the occupant of a house or a hut that is not appropriate for human habitation; the wolves of hunger are at the heels of every third person in the land.

Do those who are proposing destructive amendments to the bill believe that the fruits brought forth by the toiling masses have been fairly distributed? If so, let them remember that in this richest of all rich countries, in which wealth has accumulated and millionaires have multiplied beyond the dreams of the most avaricious and optimistic, 20,500,000 American citizens were kept alive exclusively by Federal relief during the year 1933.

And today, after more than 4 years of a rapid, uninterrupted, and unsurpassed return of prosperity to those whose

incomes are in the high or middle brackets, more than 12,300,000 of our fellow citizens are still obliged to exist on Federal relief because it is impossible for them to find employment in private industry.

According to the most accurate estimates, more than 8,700,000 men and women who are capable of working with their hands are now idle through no fault of their own.

Today more than 5,800,000 American families—21 percent of our people—are existing on incomes of less than a thousand dollars a year. Three-fifths of American families have incomes of less than $2,000 a year.

On the other hand, in 1935, the last year for which complete figures are available, a certain corporation executive received compensation of $500,000, or $369 more for his services for a single day than the total income upon which any one of more than 5,800,000 American families lived for an entire year. In 1935 another corporation executive received compensation of more than $398,000, and another a salary of more than $374,000, while others received compensation of more than a quarter of a million dollars a year.

The alarming spectacle of fabulous wealth and insufferable poverty living side by side; the menacing pageant of corporation executives with preposterous salaries of a half a million dollars a year ruling employees of the corporation who work long hours for starvation wages should move the Congress to instant and heroic efforts to banish the evils and exile the agonies which a third of the people has so long suffered and so patiently endured.

The amazing lethargy which everywhere manifests itself in this matter lies in the fact that those who enjoy lucrative salaries, live in the lap of abundance, and like the man in the parable are clothed in purple and fine linen and fare sumptuously every day are utterly incapable of comprehending the misery of those who are pursued by woeful want throughout their weary journey from the cradle to the grave.

The general apathy of the public in matters of righting Nation-wide wrongs has throughout the history of civilization compelled governments to deal directly with evils such as the pending bill is designed to abolish.

In addressing ourselves to the Herculean task before us we should be encouraged by the accomplishments of the governments of other lands. As all within the sound of my voice well know, almost every page of history is marred with recitals of the oppression of the toiling masses for the benefit of the fortunate and the favored few.

In Great Britain prior to 1802 little children under 9 years of age were apprenticed to masters who compelled them to work under the lash 15 hours a day. Women who were soon to become mothers were not only permitted but forced to toil as much as 17 hours a day. But during the last 135 years Great Britain has passed labor laws and established labor conditions which are among the most humanitarian in the world.

From Thomas Buckle's History of Civilization we learn that as late as the latter part of the eighteenth century the word "laborer" in India was a term of reproach; to call a member of the so-called upper class a laborer was to commit an offense punishable by banishment; that a toiler who spoke disrespectfully of a social superior was punished by the burning of his mouth with a red-hot iron. If a laboring man read the sacred books he was subject to the punishment of having burning oil poured into his ears. If he committed any part of the sacred books to memory, he was put to death. But even in India, which is still a backward country, amazing reformations have been made for the benefit of the toilers since the dark and barbarous days of a hundred forty years ago.

Fewer than fourscore years have passed away since human slavery was not only legal in a large part of this country but was defended on the floor of the Senate with eloquence comparable to that with which some of our distinguished antireformers have condemned the Black bill.

But the colored man was eventually emancipated, and some of us now demand that American citizens of every race and complexion be freed from the tyranny of starvation wages and inhuman hours of service. The pending bill may not be perfect, but it is the only one on the subject now before the Senate which has a ghost of a chance of becoming a law before the Congress adjourns.

It will at least do these specific things:

Reduce the hours of service of those who work in sweatshops more than 40 hours a week.

Increase the wages of those who receive less than 40 cents an hour.

Prevent the transportation in interstate commerce of the products of child labor.

It will inevitably spread employment to thousands of the more than 8,000,000 who are now unable to obtain work.

But the illustrious Senator from Idaho [Mr. BORAH], with his usual eloquence and sincerity, condemns what he considers certain defects or dangers in the proposed legislation. He fears that the establishment of an additional bureau will jeopardize the safety of the Republic.

He fears that increased favors will be granted those who represent the vested interests. But within the hour in which the Senator from Idaho spoke, the distinguished and eloquent Senator from Georgia [Mr. GEORGE] proclaimed his fears that the Secretary of Labor might peradventure send a union labor leader into the South to organize the cotton-mill workers and the peanut pickers and impose unreasonable burdens upon their employers.

The distinguished Senator from Michigan [Mr. VANDENBERG] is afraid of the bill for a variety of reasons, which he eloquently and vigorously stated.

The PRESIDING OFFICER. The time of the Senator from West Virgina on the motion has expired.

Mr. NEELY. Mr. President, let me proceed on the bill.

But excepting the Senator from Michigan, not one of those who have declaimed so vigorously against this measure has offered a substitute that has a chance of receiving serious consideration before final adjournment; and the substitute proposed by the Senator from Michigan has, by common consent, been placed in a pigeonhole, from which it cannot possibly emerge before January 1938.

The remainder of the antireformers offer no tangible remedy for social diseases and propose no tangible relief from the evils of unemployment and starvation wages. They content themselves by expressing their fears of taking a single step upon the experimental road to progress upon the apparent theory that it is better to bear those ills we have than to take even a remote chance of flying to others that we know not of. Such philosophy, if it had been followed to its ultimate conclusion, would have meant that the earth would still be "without form and void"; America never would have been discovered, slavery never would have been abolished, and the Declaration of Independence never would have been born.

The best answer to all the fears and apprehensions voiced during the debate is that made by Woodrow Wilson 25 years ago in circumstances similar to those that exist today. Hear what Mr. Wilson says in his New Freedom:

> Does any man doubt the great discontent in this country? Does any man doubt that there are grounds and justifications for discontent? Do we dare stand still? Within the past few months we have witnessed (along with other strange political phenomena, eloquently significant of popular uneasiness) on one side a doubling of the Socialist vote and on the other the posting on dead walls and hoardings all over the country of certain very attractive and diverting bills warning citizens that it was "better to be safe than sorry" and advising them to "let well enough alone."
>
> Apparently a good many citizens doubted whether the situation they were advised to let alone was really well enough, and concluded that they would take a chance of being sorry. To me these counsels of do-nothingism, these counsels of sitting still for fear something would happen, these counsels addressed to the hopeful, energetic people of the United States, telling them that they are not wise enough to touch their own affairs without marring them, constitute the most extraordinary argument of fatuous ignorance I ever heard. Americans are not yet cowards.

Thank God they are not. Mr. Wilson adds "progress" is the word that charms their ears and stirs their hearts. A

majority of the people of this Nation and all true liberals in the Senate desire not to stand still but to go forward with the Black bill.

Our unemployment is at this hour a frightful cancer, persistently and ceaselessly gnawing at the vitals of the Republic. A starvation wage for a third of our working population is a malignant tumor that is only slightly less menacing to the welfare of the Nation than the cancer of unemployment. Both of these deadly afflictions will be cured or the patient will perish and the Government of the United States will at last go to the great international cemetery where sleep the remains of Babylon and Nineveh and Thebes and the glory that was Greece and the grandeur that was Rome.

The slogan of this hour should be, not inaction, not cowardly surrender, not timid retreat, but "forward, march", to the tune of Onward, Christian Soldiers, against every enemy of improvement and every foe of reform:

> Come clear the way, then, clear the way.
> Blind creeds and kings have had their day.
> Break the dead branches from the path;
> Our hope is in the aftermath.
> Our hope is in heroic men.
> Star led to build the world again.
> Make way for liberty, make way for men.

Mr. BARKLEY. Mr. President——

Mr. LA FOLLETTE. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. BARKLEY. I do not think it is necessary.

Mr. President, I rise in opposition to the motion to recommit the bill. I regret to find myself in disagreement——

Mr. BLACK. Mr. President, I should like the Senator to yield in order that we may have a quorum.

Mr. BARKLEY. Very well; I yield.

Mr. BLACK. I suggest the absence of a quorum.

Mr. NEELY. Mr. President, is it understood that the Senator from Kentucky shall have the floor after the conclusion of the quorum call?

The PRESIDING OFFICER. Yes. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Pope
Andrews	Copeland	Lee	Radcliffe
Ashurst	Davis	Lewis	Reynolds
Austin	Dieterich	Lodge	Schwartz
Bailey	Donahey	Logan	Schwellenbach
Barkley	Ellender	Lonergan	Sheppard
Berry	Frazier	Lundeen	Shipstead
Bilbo	George	McAdoo	Smith
Black	Gerry	McCarran	Steiwer
Bone	Gillette	McGill	Thomas, Okla.
Borah	Glass	McKellar	Thomas, Utah
Bridges	Guffey	McNary	Townsend
Brown, Mich.	Hale	Maloney	Truman
Brown, N. H.	Harrison	Minton	Tydings
Bulkley	Hatch	Moore	Vandenberg
Bulow	Herring	Murray	Van Nuys
Burke	Hitchcock	Neely	Wagner
Byrd	Holt	Nye	Walsh
Byrnes	Hughes	O'Mahoney	Wheeler
Capper	Johnson, Calif.	Overton	White
Chavez	Johnson, Colo.	Pepper	
Clark	King	Pittman	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. BARKLEY. Mr. President, yesterday I agreed with the Senator from Oregon [Mr. McNARY] and other Senators that I should attempt to protect the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Connecticut [Mr. MALONEY] so that they might be heard within the time during which we agreed to a limitation on debate. The Senator from Connecticut tells me that he can conclude his remarks in 10 minutes, and I am told that the Senator from New Hampshire believes he can do the same thing and will make an effort to do so. Therefore I shall not occupy the floor now, in order that the Senator from Connecticut may be recognized.

Mr. MALONEY obtained the floor.

Mr. BORAH. Mr. President, I inquire what is the question now before the Senate? Is it the motion to recommit the bill?

The PRESIDING OFFICER. That is the question now before the Senate.

Mr. BORAH. There are some amendments to be considered which have not as yet been formally offered.

The PRESIDING OFFICER. The motion to recommit the bill takes precedence.

Mr. BORAH. I am aware of that, but I thought perhaps the author of the motion might be willing to withdraw it until the amendments could be disposed of.

Mr. MALONEY. Mr. President, perhaps I can clear it up, if the Senator will yield to me.

Mr. LA FOLLETTE. Mr. President, I inquire whose time is this discussion being taken out of? Who has the floor?

The PRESIDING OFFICER. The Chair has recognized the Senator from Connecticut [Mr. MALONEY].

Mr. MALONEY. Mr. President, I send to the desk an article from yesterday's Boston Traveler in which it is stated that officials of Massachusetts branch of the American Federation of Labor are opposed to this bill. I ask that the article be read by the clerk.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From the Boston Traveler of Friday, July 30, 1937]

STATE A. F. OF L. HEAD HITS WAGE BILL—TOO MANY CHANGES MADE IN CONNERY MEASURE, SAYS GATELEE

Officials of the Massachusetts branch of the American Federation of Labor do not favor the Black-Connery wages-and-hours bill in its present form, it was learned today.

When the bill was first framed by the late Congressman Connery, of Lynn, State branch officials sent him a telegram declaring their willingness to uphold the bill, but, says John F. Gatelee, of Holyoke, president of the Massachusetts State federation, in his office at 11 Beacon Street today, "The bill has undergone many changes since that time.

"I am old-fashioned, perhaps, but I believe that labor problems can well be solved by labor itself, and by the employers, rather than by hard and fast rules laid down by a central governmental body.

"Some of the provisions in the Black-Connery bill are well thought out, but as a whole, as it now stands, I am not at all sure I should like to see it pass. There are many labor men in high office in Washington who dislike the bill in its present form.

"Under its present form it might be all right under a benevolent dictator, but the next Executive might be merely a dictator.

"The State federation has taken no official action on the passage of the bill. It may be that at some future meeting we will discuss it and perhaps take some action."

Mr. MALONEY. Mr. President, I had hoped yesterday, and prior thereto, that I might have an opportunity to discuss in some detail the amendment which I have offered and which is in the nature of a substitute for the bill reported by the Committee on Education and Labor. In my desire, however, to cooperate with the majority leader, and in keeping with the agreement entered into yesterday, I am confining myself, at his suggestion, to 10 minutes.

I discussed the amendment submitted by me at some length a day or two ago, and I shall do little more now than attempt to refresh the memory of those who listened then and briefly to explain the amendment to those who were compelled to be absent.

Mr. President, in the beginning I had hoped that I might be able to support the Black-Connery proposal. I know just as well as anyone can know that hundreds of thousands of American men and women are in the industrial wilderness. I know that they need help; I feel that there is a governmental responsibility to bring relief to them; but I do not believe the proposal now before the Senate provides a wise method of reaching the objective, and I further believe if we now give up the rights and the powers and the responsibilities of the Senate and of the other House of Congress that we will not be able to get them back at a later time when the distress may become more severe.

I am not willing to surrender the philosophy so long and so eloquently advocated by the Senator from Alabama. I want to regulate the hours of labor by law; I want to stay within the Constitution; I want the Supreme Court to uphold such legislation as may be enacted on this subject. I do not want to attempt to give away the power of the Congress to

five men, who are not now known, to fix wages and hours at their pleasure.

I said the other day that the proposal I have submitted to the Senate would give to the board very great powers to relieve industry and bring relief to labor; but I pointed out that it would not give the board power to do anything that might be harmful to industry or to labor. I pointed out that it would definitely remove sweatshops; that it would definitely prevent the exploitation of child labor; that it would, very probably, cut down the relief rolls of the country and help toward balancing the Budget. I pointed out that it would relieve the great terror of uncertainty in the minds of those who are engaged in industry. I pointed out that it would give labor an economic force; that it would create a competition for labor, and would protect against the unfair competition of what has been described as foreign, coolie labor.

I have attempted, in the little time that I have been permitted to have in the discussion of this bill, to point out that labor was opposed to the measure now being considered. I do not know of a single solitary instance, Mr. President, where labor is opposed to my substitute. I have offered supporting evidence that labor favors the substitute. Even many of those who advocate the so-called Black-Connery bill, insofar as I have been able to ascertain, would prefer the substitute embodied in my proposal, but they do not believe sufficient votes can be secured to bring about its adoption. I think there are sufficient votes in the Senate to do so.

I call the attention of Senators who are concerned with the agricultural problems of their neighborhoods, Senators who are concerned with the fear of foreign competition, and Senators who fear the vicious competition of prison labor that all necessary provision is made in the proposed substitute amendment offered by me to afford the protection they desire.

Mr. President, I have only 2 or 3 minutes left, and I wish to call a witness in support of my measure. I call as a witness one man in this country who should know more than any other man, whether or not the so-called Black-Connery bill would work. I quote from the column in today's Washington News written by the man who originated the N. R. A., the brilliant mind that tried to make it work. He says:

> The wage and hour bill is no good for another reason—it won't work. It puts it up to a board to hold hearings and consider "industry by industry, craft by craft, and locality by locality" what wages and hours should be in hundreds of thousands of separate cases. If it could do that intelligently at all—which it can't—it would take from 20 years to a century. For that reason it won't work. Industries and localities are themselves all competitive. You can't hoist the wage scale of locality or industry A and leave locality or industry B until you can get around to it without upsetting or even ruining locality or industry A. You must move the standards of all competing units up and down together and not piecemeal.
>
> For both these reasons the practical way is for the law itself to set the standards over wide areas, with due regard to existing differentials, and then leave to your board only the duty of dealing with the relatively few exceptions to the general rule in cases of unusual hardship—instead of having it invent its own rule for each of an infinite variety of cases.
>
> The difference between this suggestion and the Black bill is the difference between success and failure. The suggestion puts the new standards into effect instantaneously. The few exceptions can be quickly handled. The work of the board is reduced 99 percent. Competitive upsets due to piecemeal wage fixing are avoided. Congress, and not an administrative board, has legislated the standards. The suggestion will work and the Black bill won't.
>
> How do I know this? Because I tried both methods. One worked, the other failed. In all the mud slinging at the Blue Eagle people forget that the principal trouble came under the codes when we tried to do what the Black bill proposes—handle the job "industry by industry."

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. BRIDGES. Mr. President, I recently offered as an amendment to the so-called Black bill a substitute which would strike out the entire provisions of the Black bill and insert in its stead the provisions which I have previously discussed. I am approaching the measure from the viewpoint of a friend of wage and hour legislation.

Mr. McADOO. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McADOO. What is the pending motion before the Senate?

The PRESIDING OFFICER. The motion of the Senator from Texas [Mr. CONNALLY] to recommit the bill.

Mr. McADOO. Is it in order to introduce amendments of any character?

The PRESIDING OFFICER. It is not.

Mr. MALONEY. Mr. President, the Senator from Texas [Mr. CONNALLY] advised me that he had not called up the motion.

The PRESIDING OFFICER. The Senator from Texas made the motion. It is not necessary to call it up. He can call it down.

Mr. CONNALLY. Mr. President, in view of the fact that many Senators have amendments to offer, it had been my thought, if agreeable to other Senators, to defer a vote on the motion to recommit until the amendments shall have been disposed of.

Mr. BARKLEY. Mr. President, I think we had better proceed in an orderly way. The motion to recommit is a privileged motion. The debate ought to be directed to that motion, although it has gone wide of that field. Of course, if we lay aside the motion and the hour of 3 o'clock arrives, and in the meantime debate is continued on amendments, then further debate on the motion will not be possible.

Mr. LA FOLLETTE. Mr. President, I appeal to the Senate not to take up the last few minutes available to Senators who want to speak on the bill merely in order to discuss parliamentary procedure. Do not deprive us of the short time that remains. The Senator from New Hampshire [Mr. BRIDGES] has the floor, and I hope he may be permitted to proceed.

The PRESIDING OFFICER. The Senator from New Hampshire will proceed.

Mr. BRIDGES. Mr. President, I shall yield to no one. I wish to occupy my own time.

The amendment which I have proposed would attain the desired objective, which is adequate minimum-wage and maximum-hour legislation. It would set up the same standards of maximum hours and minimum wages that are set up in the Black bill. However, my amendment contains no delegation of power. It would establish by statute minimum wages of 40 cents per hour and maximum hours of 40 per week. It is a sound, straightforward approach to the wage and hour problem.

My amendment would eliminate the dangerous discretionary powers proposed to be given to a five-man board. It would meet the objection of some Members of the Senate in that it would not become effective until 1 year after passage. It provides for the appointment of a board by the President of this body and the Speaker of the House to study sectional differentials and report to the next session of Congress.

My amendment makes similar exemptions to those made in the Black bill, as well as certain additional exemptions. In my judgment, any Senator can vote for my amendment with a clear conscience, knowing that he is voting for suitable wage and hour legislation. The provisions are set forth in a distinct manner. If it should be put upon the statute books and enforced by the courts and district attorneys of the country it would accomplish the desired purposes. Under the provisions of my amendment we would convey to no board wide, discretionary powers, setting them us as czars in control of industry and labor, a feature of the pending bill which has met the opposition of labor and industry alike. The adoption of such a proposal would probably result in tying a millstone around the necks of both labor and industry. I think I have offered a sound approach to the problem, and when the opportunity presents itself for a vote upon my amendment to the bill I shall ask for the yeas and nays upon it.

Mr. BARKLEY. Mr. President, as I said a while ago, I am going to occupy only a few minutes in opposition to the motion to recommit. In the short time at my disposal I shall

not, of course, have the opportunity to go into a detailed discussion of the measure.

I am opposed to the motion to recommit, and I hope it will be defeated, because, in my judgment, if the motion to recommit should carry, it would mean no legislation on the subject of wages and hours at this session of Congress.

Mr. President, 4 years ago there were some 15,000,000 unemployed able-bodied men in the United States. We have by various methods up to this hour been able to reduce that army of unemployed men to somewhere between 6,000,000 and 7,000,000. There are many well-informed, patriotic, and sincere Americans, without regard to political affiliations, who believe the time has come, or will soon come, when we must consider legislation designed to spread employment among those available for its performance in order that every American who desires work may have it. If we have arrived at a time in this country when we must choose between two horns of a dilemma, one of which is that all our people may work three-fourths of the time and the other that three-fourths of them may work all the time and one-fourth of them never work, then I choose the former. I believe it will be socially, economically, and industrially more wholesome and safe for all the available labor in America to be able to work three-fourths of the time than for three-fourths of it to work all the time and one-fourth never to work.

The bill makes a modest beginning by undertaking to establish among the laborers who are not organized, who have no voice around the conference table, who have no mechanics through which to make a choice of representatives in collective bargaining, an opportunity and possibility of spreading employment among all those able and willing to perform it in order that those who are willing and able to perform it may obtain work.

I am opposed to the motion to recommit the bill because I think the Committee on Education and Labor, the Members of the Senate, and the administration itself, overwhelmingly returned to power only a little more than 6 months ago, are entitled to a vote on the work of the committee which has brought the bill here. If the Members of this body are opposed to it, let them oppose it in a vote. If they desire to kill the bill, let them do it on the front porch and not in the kitchen, in order to establish an alibi that might satisfy somebody with respect to their attitude upon the measure.

It has been claimed that certain representatives of labor were not given an opportunity to be heard before the Committee on Education and Labor. I hold in my hand the printed hearings of the committee, which began on the 2d day of June and ended on the 22d day of June. The hearings comprise more than 1,200 pages of testimony taken by the committee, whose chairman is the Senator from Alabama [Mr. BLACK]. Not a single American citizen, whether he was an employer or employee, was denied the opportunity to be heard before the committee. Neither of the gentlemen whose letters have been read here today asked to be heard before the committee, and, therefore, they were not denied the opportunity to be heard before the committee.

We have heard much sarcastic criticism because the bill would create a board to administer its provisions. We are told that Congress ought to write a bill providing maximum hours and minimum wages, that Congress ought to sit here in an effort to provide the detailed regulations in order that a minimum-wage and maximum-hour law might be written on the statute books. In the next breath, after we are urged to do that, we are told that we ought to go home because we are all fagged out in mind and body because of our extended labors here during the last 7 months.

Mr. President, suppose the farmers and carpenters of America should decide that they ought to quit work; suppose the miners of America should decide that climatic conditions and weather do not suit them and might endanger their health, and they should walk out like a tired steer in the middle of the road and go home and not work any more? Suppose the workers in our great automobile factories, our great shoe shops, our great railroad shops, all the employees in the country outside of the United States Senate and the House of Representatives should decide that they ought to quit work and go home, what would be the social and economic results to the people of the United States? Are we to confess that we are less interested in the welfare of the American people than are others?

We are asked to recommit this bill because it creates a board. The same argument was heard in 1887 when the act to regulate commerce was passed by Congress. The Senator from Idaho [Mr. BORAH] yesterday said he was not here then. Neither was I; neither were any of us; but we know, as a matter of history, that when the act to regulate commerce was under consideration by Congress the same argument was urged against the creation of an Interstate Commerce Commission that is now urged against the creation of the board which is set up in this bill. It was charged that the Interstate Commerce Commission would be arbitrary, and it was asserted on the floor of both Houses that under the commerce clause the House and Senate ought to write railroad rates and regulate all the other practices that might be indulged in by interstate carriers in the United States because the creation of a board or commission might result in arbitrary action. Yet for 50 years the Interstate Commerce Commission has functioned, and it was created because Congress knew that Congress itself could not write the detailed regulations of railroad practices, and write in the statutes the rates that should apply in various sections of the country.

I was here, and so was the Senator from Idaho, when in 1913, under the leadership of the able and distinguished and beloved Senator from Virginia [Mr. GLASS], we established a Federal Reserve System, and created the Federal Reserve Board. The same arguments were made then, that the Federal Reserve Board ought not to be set up to control banking and currency and money; and yet for 24 years the Federal Reserve Board has functioned because it was recognized that Congress could not sit here and write the detailed provisions of banking and monetary regulation.

I was here in 1914, as a Member of another body, when, under the Federal Trade Commission Act, the Federal Trade Commission was set up; and the same argument was made then. We were trying to unchoke the channels of commerce. We were trying to make it unnecessary for little business and big business to undergo the delays and hardships of litigation in the Federal courts. We were trying to set up a commission which should exercise jurisdiction that was quasi-judicial in undertaking to clear the channels of commerce for the benefit of American business; and when that bill was under consideration the same argument was advanced that is now advanced against the board set up in this bill.

Only a few years ago, when the marvelous invention known as the radio came into existence, by which we may step into our living rooms, and, by turning a metallic dial a fraction of an inch, bring to our ears the music and the oratory and the information that float around through the air, because there was chaos in the atmosphere, because there was no authority anywhere to allocate the channels or the currents of the air, nobody could get a particular program, nobody knew when he turned on his radio that he would be able to get any intelligent response anywhere in the world, we set up the Radio Commission, which recently has been transformed into the Communications Commission. While it has made its mistakes, and while we may all disapprove of some policies that may have been inaugurated by it, no one can deny that it has cleared the atmosphere and brought order out of chaos in this modern method of instruction and entertainment.

When, a year or two ago, under the leadership of our friend the chairman of the Committee on Finance, Mr. HARRISON, we set up a social-security law, we created a Social Security Board; and the same argument was then used that is now advanced against the creation of this board. There is not a State in the Union that has a workmen's compensation law or a social-security law, or any other law dealing en masse with the problems of humanity, that has not created a board

or commission to administer that law, because neither Congresses nor legislatures, sitting in their capacity as legislatures and Congresses, have either the time or the disposition to regulate all the details necessary to administer such an act.

When we were in the latter part of the Hoover administration, finding ourselves in economic disaster, when the banks of our country were no longer able or disposed to loan money to business, did we set up here in Congress a committee to loan money from the Treasury to railroads and insurance companies and banks and industries? No; we created the Reconstruction Finance Corporation, which has loaned more than $10,000,000,000 of the people's money to industry and transportation all over the United States.

A choice between a board and anything else means, as an alternative, no legislation. A board must administer this law or it will not be administered. We must either set up a board to carry out the general policy of Congress or we must do nothing. There are only those two alternatives.

Mr. President, we have been told that in certain sections of the country the proposed legislation will work a hardship. I do not wish to indulge in anything that might be regarded as sectional. I now live within 18 miles of the place where I was born, and that is south of the Ohio River. A large part of whatever education I now have was obtained in the State of Georgia, under the tutelage of one of the greatest men, in my judgment, who ever lived in any State or in any nation. I know the people of that section of our country. I know their background. I know their history. I know their philosophy. I know their chivalry and their patriotism; their devotion to the welfare of their country. I have found, by observation and experience, that there is not a very great difference between the people of the United States of America, no matter where they come from; for all through their hearts there is a golden thread of unity of purpose and of loyalty to the nationality which is represented by our flag and by our Constitution and by our institutions. I do not, therefore, entertain the fear that this legislation will work an injustice to any section of our country. I should not be so bold as to say that it may not make it necessary for some individual establishment to change its hours of labor and perhaps its wages; but, after all, Mr. President and Members of this great body, we are not dealing here with cold economic financial figures. We are dealing with human problems, with social problems; and while we may talk about balancing our financial budgets, I should like to see millions of unbalanced lives in the United States balanced, as well as to balance the financial institutions which we are supposed to support by the taxes which we levy.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. Mr. President, in order not to trespass upon the time which is needed, and which, by agreement, I promised to help others obtain, I shall not occupy any further time, except to say that I sincerely trust the motion to recommit the bill may be defeated.

Mr. BYRNES and Mr. SHIPSTEAD addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. SHIPSTEAD. Mr. President, was there an agreement that the Senator from South Carolina should be recognized?

The PRESIDING OFFICER. Yes.

Mr. SHIPSTEAD. That is under the rules of the Senate, is it? I was on the floor and asked recognition.

The PRESIDING OFFICER. The present occupant of the chair saw the Senator from South Carolina on the floor at the same time; and, having in mind the agreement that had been made with the Senator from South Carolina, the occupant of the chair recognized him.

Mr. BYRNES. Mr. President, when this proposal was submitted to the Senate it was my hope and expectation that the committee would report a bill that I could support.

Last week end for the first time I had an opportunity to study the hearings and study the bill. After reading it and studying its provisions I came to the conclusion that it would be unwise at this time for the Senate to pass this measure. Therefore I shall vote for the motion to recommit the bill.

In doing so my action cannot be construed as any criticism of the committee. I believe they have done all they could do under the circumstances, and in the limited time at their disposal, to apply a principle which we all favor to a concrete proposal in legislative form; but I say without fear of successful contradiction that there are few men on the floor of the Senate who now know the effect of this measure. I admit that I do not know it. I challenge any man to say that he has studied section 8 (a) and believes that it is constitutional. There is not a lawyer who will study it, who will read the Schechter decision and the decision of the Supreme Court on the Labor Relations Act and who will conclude that it is unconstitutional.

Mr. President, I have a memorandum relating to the constitutionality of this section, which I shall not take the time to read, but I ask unanimous consent to have it inserted at this point as a part of my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Section 8 (a) and (b) of Senate bill 2475 is plainly unconstitutional. Its constitutionality is not supported by the decision of the Supreme Court of the United States in the group of cases known as the *Shreveport Rate cases* (234 U. S. 342, decided in 1914), and its unconstitutionality is so clearly decided in the *Schechter*, or *N. R. A., case* (295 U. S. 495, at pp. 544–550) as to leave no reasonable doubt on the question.

It must be remembered that the Schechter case was no 5-to-4 decision. The Supreme Court was unanimous in that case. Brandeis and Stone and Cardozo, as well as Hughes and Roberts, Van Devanter, McReynolds, Butler, and Sutherland, held that what was attempted there went beyond the constitutional power of Congress. A reexamination of that part of the Schechter case opinion which deals with the attempt by Federal legislation to effect labor standards in purely intrastate production and selling will show that the Court's holding on what was there attempted by Federal legislation directly applies to that which it is sought to accomplish by section 8 of the legislation now proposed.

No one will dispute that Congress has not only the right by legislation to regulate interstate commerce, but the right to regulate, prohibit, and provide standards for many transactions which, though they are not carried on in interstate commerce, do directly affect that commerce. But beyond this we cannot constitutionally go. Even though intrastate transactions do, in some respects, affect interstate matters, that does not give the Congress the power to control them, if the effect be indirect rather than direct. And in the Schechter case it was directly held that wages, hours of work, and like labor standards in commerce which was entirely intrastate were not within the constitutional power of Congress, even though the intrastate products sought to be affected did in fact come in competition with products which were the subject of interstate commerce.

The Court pointed out that the question which must be answered is, Did the transactions directly affect interstate commerce so as to be subject to Federal regulation? The Court expressly distinguished the Shreveport Rate case and other cases involving interstate carriers which also engage in intrastate transportation. In rejecting the contention that Congress could legislate respecting commerce, though it be entirely intrastate, if the goods produced and sold therein came in competition with goods produced and sold in interstate commerce, because necessarily the latter were affected by the competition of the former, the Court said (546):

"But where the effect of intrastate transactions upon interstate commerce is merely indirect, such transactions remain within the domain of State power. If the commerce clause were construed to reach all enterprises and transactions which could be said to have an indirect effect upon interstate commerce, the Federal authority would embrace practically all the activities of the people and the authority of the State over its domestic concerns would exist only by sufferance of the Federal Government. Indeed, on such a theory, even the development of the State's commercial facilities would be subject to Federal control."

Saying that the distinction between direct and indirect effects has been clearly recognized in the application not only of railroad rate acts but of the Antitrust Act, and reviewing cases which came within as well as those that were without such Federal legislation, the Court, after a review of prior decisions, quoted what it had previously said in *Industrial Association* v. *United States* (268 U. S. 64). I read that quotation from page 547 of the Chief Justice's opinion in the Schechter case:

"The * * * acts here complained of spent their intended and direct force upon a local situation—for building is as essentially local as mining, manufacturing, or growing crops—and if, by a resulting diminution of the commercial demand, interstate trade was curtailed either generally or in specific instances, that was a

fortuitous consequence so remote and indirect as plainly to cause it to fall outside the reach of the Sherman Act."

That is to say, outside the reach of the Federal legislative power.

The Supreme Court followed its review of previous cases, which related to the application of Federal statutes, such as the Antitrust case, with this observation, pertinent to the discussion of the matter now before us (p. 548):

"While these decisions related to the application of the Federal statute, and not to its constitutional validity, the distinction between direct and indirect effects of intrastate transactions upon interstate commerce must be recognized as a fundamental one, essential to the maintenance of our constitutional system. Otherwise, as we have said, there would be virtually no limit to the Federal power, and for all practical purposes we should have a completely centralized Government."

It will be remembered that a question of chief importance in the Schechter case related to the provisions of the N. R. A. code as to the hours and wages of those employed in the defendants' slaughterhouse markets. Those requirements were imposed in order to govern the defendants' management of their local business. Referring to this question, the Court said (p. 548):

"The persons employed in slaughtering and selling in local trade are not employed in interstate commerce. Their hours and wages have no direct relation to interstate commerce. The question of how many hours these employees should work and what they should be paid differs in no essential respect from similar questions in other local businesses which handle commodities brought into a State and there dealt in as a part of its internal commerce. This appears from an examination of the considerations urged by the Government with respect to conditions in the poultry trade. Thus the Government argues that hours and wages affect prices; that slaughterhouse men sell at a small margin above operating costs; that labor represents 50 to 60 percent of these costs; that a slaughterhouse operator paying lower wages or reducing his cost by exacting long hours of work translates his saving into lower prices; that this results in demands for a cheaper grade of goods; and that the cutting of prices brings about a demoralization of the price structure. Similar conditions may be adduced in relation to other businesses. The argument of the Government proves too much. If the Federal Government may determine the wages and hours of employees in the internal commerce of a State, because of their relation to cost and prices and their indirect effect upon interstate commerce, it would seem that a similar control might be exerted over other elements of cost, also affecting prices, such as the number of employees, rents, advertising, methods of doing business, etc. All the processes of production and distribution that enter into cost could likewise be controlled. If the cost of doing an intrastate business is in itself the permitted object of Federal control, the extent of the regulation of cost would be a question of discretion and not of power.

"The Government also makes the point that efforts to enact State legislation establishing high labor standards have been impeded by the belief that unless similar action is taken generally commerce will be diverted from the States adopting such standards, and that this fear of diversion has led to demands for Federal legislation on the subject of wages and hours. The apparent implication is that the Federal authority under the commerce clause should be deemed to extend to the establishment of rules to govern wages and hours in intrastate trade and industry generally throughout the country, thus overriding the authority of the States to deal with domestic problems arising from labor conditions in their internal commerce."

Of course, what has just been quoted from the language of the Schechter case cannot be distinguished from the questions which are presented by section 8 of this bill and the arguments made in support of the constitutionality of the provisions of the N. R. A. code, seeking to prescribe labor standards in wholly intrastate production and selling, cannot be distinguished from the arguments which must be made in an effort to support the claim to constitutionality of this section 8. Having stated those arguments, and what they unescapably led to, the Supreme Court, in the Schechter case, continued (p. 549):

"It is not the province of the Court to consider the economic advantages or disadvantages of such a centralized system. It is sufficient to say that the Federal Constitution does not provide for it. Our growth and development have called for wide use of the commerce power of the Federal Government in its control over the expanded activities of interstate commerce, and in protecting that commerce from burdens, interferences, and conspiracies to restrain and monopolize it. But the authority of the Federal Government may not be pushed to such an extreme as to destroy the distinction, which the commerce clause itself establishes, between commerce 'among the several States' and the internal concerns of a State."

The motive to improve labor standards in American industries is a highly commendable one. The power of the Federal Government in that sphere is obviously broad. But it is clear that however fine the motive, however broad the power, nevertheless the "efforts of the Federal Government must be made in a manner consistent with the authority granted by the Constitution." If Congress is to have power to regulate all commerce, intrastate as well as interstate, then that power can come to Congress only by an amendment to the Constitution made by the people in the manner provided for in the Nation's charter. It is too much to expect that the Supreme Court of the United States would thus soon seriously consider overruling the doctrine unanimously laid down by it just 2 years ago.

There is nothing in the National Labor Relations Board cases, under the Wagner Act, decided April 12, 1937, that weakens anything thus far said. It is true that the Court in those later cases advanced considerably beyond its own position in the earlier cases dealing with manufacture, mining, and farming. But in the last analysis what the Court held in the Wagner Labor Act cases was that the direct effect of labor troubles in the manufacturing plant of an employer whose business is predominantly interstate is to interrupt, obstruct, and prevent the free flow of goods in interstate commerce, and that the power of Congress to regulate interstate commerce includes the power to enact legislation designed to prevent such interruption or obstruction. The extent to which the Court went was that, as applied to labor relations in manufacturing operations of concerns whose business is predominantly interstate in character, the Wagner Labor Act is valid and constitutional under the power to regulate interstate commerce.

Equally clear from a study of those decisions is it that where Congress attempts to regulate intrastate commerce, or an operation not involving commerce at all, such as manufacturing, the direct effect of the legislation must be to protect or to prevent injury to or obstruction of interstate commerce, otherwise the attempt would be futile because beyond the constitutional power.

Section 8 (a) of the bill now before the Senate goes beyond what was condemned in the Schechter case. As we have seen, in that case N. R. A. was held to be unconstitutional, since the effect of the transactions and relations which N. R. A. sought to regulate were so indirect and remote upon interstate commerce in the business in which the defendants were engaged that they could not constitutionally be regulated by Congress. Section 8 (a) of the bill before the Senate would give the board to be created under the provisions of this act authority to make an order prohibiting the continuance of certain labor practices and commanding the maintenance of labor standards prescribed by the board in any industry producing goods entirely in one State, which goods are sold exclusively in that State. In other words, this section would regulate the labor relations of local manufacturers and local merchants who sell their goods only in one State, and it is clear that that is exactly what the Schechter case has held Congress cannot constitutionally do.

As I read the 1937 Labor Act decisions of the Supreme Court, the Federal Government cannot regulate labor standards in local manufacturing operations, even where the products of the employer are partly sold in interstate commerce—where a predominant part of the products manufactured are sold within the State in which they are manufactured; and this seems to be true, even though the raw materials are purchased from outside the State. Nevertheless we find that section 8 would make subject to Federal regulation labor relations of local manufacturers and merchants dealing exclusively intrastate, if the Federal labor standards board determines that those exclusively intrastate transactions are in products which come into competition with interstate products. It is interesting to note that Assistant Attorney General Jackson, in his statement in support of the original draft of this bill before the Senate and House Labor Committees, did not once refer to the Schechter decision in his discussion of the power of Congress, under the interstate-commerce clause, to enact this legislation. I think the explanation of this is that Mr. Jackson interpreted the original draft of the bill as not including that which we find in section 8 (a). I say this because I find Mr. Jackson speaking of the bill as originally proposed as follows (p. 7, pt. I, of the hearings):

"Care has been taken to hold the pending bill to a good-faith regulation of interstate commerce and nothing more. Any State may use child labor or sweated labor for products of home consumption as much as it pleases, so long as it does not divert or affect interstate commerce in so doing. The State may exploit youth in its internal affairs as far as its own conscience will permit, but it cannot dump its children into the Nation's markets to demoralize our national standards."

If section 8 (a) and (b) of this bill could be held to be a constitutional exercise of the Federal legislative power, then it is not too much to say that no transactions in the production of and trading in commodities on any considerable scale, though absolutely confined to the localities where the production and trading took place, is beyond the regulatory power of Congress. In other words, if this section is constitutional, then, except in the most inconsequential or trifling of transactions, there is no longer any distinction, so far as the legislative power is concerned, between interstate and intrastate commerce.

Mr. BYRNES. Mr. President, from many Members of the Senate with whom I have discussed this section, I received the response that they have not had time to study the bill; yet Senators can vote for it only on the theory that it is constitutional. If it is constitutional, then under this bill every local transaction, purely intrastate, would come under the jurisdiction of congressional legislation.

Much has been said of the textile industry. I am not so much interested in what the textile industry thinks of it.

The textile industry in my State would be affected in only a small measure. They are now paying code wages in the vast majority of cases.

But I am interested in the effect upon small industries. I did not know until this week that there were quite so many small industries in my State. But this week I was deeply interested when a group of citizens came to tell me how this measure would affect them. It brought to my mind what I think will later be brought to the minds of all Senators—that this measure will affect the lives and the happiness of more people than we anticipate at this moment.

The little ice-cream factory, the bottling works, the basket factory, the iceman who sells ice to the American fruit growers to ice cars for transportation of their vegetables, the mattress factory with 15 or 10 employees, the furniture manufacturer.

These industries can do business today. They have only a few employees, and are able, in the section in which they operate, to pay wages less than the objective provided in the bill. They can compete with the machine-made furniture or machine-made products of companies with greater capital only because of the differential in labor. Pass this bill and there will be more unemployment in this country than there is at this moment.

It is said that the owner of one of these small industries can get an exemption. Well, we remember N. R. A. Then the industries of the country were divided up into codes, a code for each industry. Still, we could never get to anyone with authority to pass upon any exemptions.

I see in this bill the prospect that hereafter every Senator and every Representative will be besieged daily by people seeking exemptions who today have no idea of what is coming to them under its provisions.

When a man walks into a little factory in some town today and tells the man running the factory what we are proposing to do he will be met with laughter. When he learns what we are doing to him he will appeal to his Senator—and I hope his Senator will have an answer. I have not an answer.

It is said that we exempt the farmer. Exempt the farmer? He is the only man who will be made to pay more for lumber, for ice, for all the other products he uses. A farmer of my State stated to the South Carolina delegation this week, "If you write into the bill a provision that we can get a minimum price of 40 cents a pound for cotton, we do not care if you do provide for the payment of 40 cents an hour for labor." But we cannot do it for the farmer. This bill affects the farmer in many ways. When we raise the wages of other people in the community we take the farmer's labor from him. We can raise the price of the furniture, lumber, and other products the cotton farmer must purchase, but the price for his product is fixed in world markets.

Then we are told, "It is all right to leave it to a bureau." There was the Walsh-Healey Act. I have in mind that the Department, in construing that act, fixed no differential throughout this country until this week, when 2½ cents an hour was fixed. The exact language of the Walsh-Healey Act is in the Works Progress Act. Another department construing the Works Progress Act fixed a differential between Mississippi and New York of $40 a month.

What department will construe the proposed legislation? If they construe it against your views, will you say that you did not have time to consider this bill, that you left it to the House? Will the House include the retailer? No. Is a girl who works long hours in a 5-and-10-cent store included? No. Will any relief be given to employees of that kind, or is this law and its restrictions only for the little manufacturers in the little towns of this Nation?

Labor itself is divided, as evidenced from the letters of the officials of the American Federation of Labor. But proponents say something must be done. Well, we do not have to adjourn. I should like to have Congress adjourn, but I would far rather stay here and see that Congress has a greater opportunity to do justice to the little manufacturer in the towns of this country than to adjourn, go home, and have to answer the questions he will be asking me as to the effect of the law. I would rather stay here than by this law cause the closing of a business and the discharge of employees.

Mr. SHIPSTEAD. Mr. President——

Mr. BYRNES. I intend to take but 2 or 3 minutes more, but I cannot yield.

In conclusion let me say that I voted for the Walsh-Healey Act. I voted for the Wagner Act. I voted for every labor act I can recall having been presented to the Congress since I have been a Member of the Congress. No man can say that any antagonism to labor causes me to ask that the pending bill be thoroughly considered in the hope that we may arrive at an agreement as to a measure which would enable us to vote for an objective we so heartily desire to attain. But why do we have to be in such a hurry? The world is not coming to an end in the next 3 months. Thanks to the achievements of the Democratic administration, this country has recovered from the depression. There is no emergency. The people are not anxious for us to act hastily upon a matter of this kind. Their condition is improving; they are going about their daily avocations busy and happy. It is not necessary for us immediately to pass a measure when we do not know the effect it will have upon the people in our States. Why not send the bill back to the committee and let them give further consideration to it?

The Senator from Kentucky refers to the Federal Reserve Board. For more than 6 months there was an Aldrich-Vreeland Commission investigating the currency question. Then, under the leadership of the Senator from Virginia [Mr. GLASS], we sat for many more months considering that question. A bill was brought before the House of Representatives, a Democratic caucus was held, and that caucus was in session for 2 weeks considering that measure, line by line, to see how it would affect the people of America before it was passed. The bill was considered in the Senate for some months. Now, after 4 days' debate, we are asked to pass the pending bill, which will affect every little business throughout this Nation of ours.

Mr. President, I ask only that the bill be sent back to the committee in order that an opportunity may be given to the capable chairman of the committee, who desires to accomplish the same object every one of us desires, to see if he cannot report a bill that will meet with the approval of the Senate and meet with the approval of the country.

Mr. BLACK. Mr. President, in the few minutes that I have I should like to discuss without interruption some of the things which have been said. I have not had any opportunity to discuss the bill in that way since it came on the floor.

Mr. OVERTON. Mr. President, will the Senator yield to me for a simple request?

Mr. BLACK. I yield.

Mr. OVERTON. The Senator from Alabama submitted for the RECORD a letter from a Louisiana baker in reference to the hours and wages of labor. The information contained in the letter is wholly incorrect, according to the two telegrams I have just received, one from George Heebe, president of the Louisiana Bakers' Association, as well as a telegram received from Mr. Daniel J. Bordages, an employee of the A. J. Scwabe Bakery in New Orleans.

Mr. BLACK. I suggest the Senator put the telegrams in the RECORD, because my time is limited.

Mr. OVERTON. I was about to make a request for unanimous consent that the two telegrams be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

NEW ORLEANS, LA., *July 31, 1937.*

Senator JOHN H. OVERTON:

That letter received by Senator BLACK from a New Orleans baker is not a true picture of the circumstances existing in the bakeries

in New Orleans. In all of the large bakeries in New Orleans the bakers receive from $18 to $40 for a 6-day week; also they never work more than 8 or 9 hours a day.

Respectfully,

GEORGE HEEBE.

NEW ORLEANS, LA., *July 31, 1937.*

Senator JOHN H. OVERTON,
Senate Office Building:

Surprised see letter this morning's Times Picayune about working conditions New Orleans bakeries, which is not true, and think you should correct. To my knowledge responsible bakeries here have good working conditions, with 8-hour average per day, 6 days a week, and minimum pay $22 week. Also there is shortage of competent bakers here. I wish state letter received by Senator BLACK is gross misrepresentation of conditions in baking industry New Orleans. I am employee of A. J. Scwabe Bakery, 4229 Magazine Street; in this plant we have six bakers, and working conditions described above prevail.

DANIEL J. BORDAGES.

Mr. SHIPSTEAD. Mr. President, will the Senator from Alabama yield for a question?

Mr. BLACK. I would much prefer to have the Senator ask his question at some other time.

Mr. SHIPSTEAD. It is important to ask it now. I should like to ask the Senator whether he intends to occupy all the remainder of the time.

Mr. BLACK. I intend to discuss the bill. I had intended to discuss the bill for 30 minutes, but the situation was such that I could not do so.

Mr. President, with reference to the statement just put into the RECORD, the letter I placed in the RECORD was from an individual who worked in a bakery. It was not from the president of the State bakers' association.

Mr. OVERTON. I have a telegram also from an employee of a bakery.

Mr. BLACK. The employee of the bakery may not work the hours I stated. Of course, I did not vouch for the statement made by the employee. He wrote me a letter and I put it into the RECORD.

I wish to read very briefly from the Democratic national platform, which the Senator from South Carolina, and I, and others, including the Senator from New York, as a subcommittee, stayed up all night writing. Let me read this quotation:

> We know that minimum wages, maximum hours • • • cannot be adequately handled exclusively by 48 separate State legislatures, 48 several State administrations, and 48 separate State courts. Transactions and activities which inevitably overflow State boundaries call for both State and Federal treatment.
>
> We have sought and will continue to seek to meet these problems through legislation within the Constitution.

We are now trying to carry out that platform, a platform which was approved by the American people, a platform which was repudiated by the national president of the Building Trades Association, who is today presenting arguments here again against the Democratic platform and against carrying it out.

It will be recalled that about the only leading representative of the American Federation of Labor who could be secured to fight under the Republican banner against this platform was Mr. Hutchinson, of the carpenters' union, and he fought against minimum-wage and maximum-hour laws. But the Democrats of this country who went around and spoke to the people did not tell the people they opposed minimum wages and maximum hours. I wonder how many of them who made speeches over this country said then they were opposed to minimum wages and maximum hours. If they did not, they stood upon the Democratic platform.

I am not surprised at the message of the gentleman who continues his fight now. The voice is the voice of the gentleman who sent in the protest, the same voice that we heard during the campaign in 1936, but methinks the hands are still the hands of the Republican National Committee.

The Democratic Party declared itself for minimum wages and maximum hours. We promised them to the people. We did not promise to make motions to recommit; we promised to enact legislation.

Is anyone who came before the Committee on Education and Labor and asked it to adopt a single amendment asking that the bill be recommitted? If it was so important that amendments be adopted, why were they not offered to the committee when it was considering the bill? If it is so important that we recommit the bill for consideration, what amendments have been suggested by those who intend to vote to recommit? The only one I have heard of is one which would postpone action until Congress meets again. Have they offered amendments to improve the bill so that it would meet objections which they say they have?

Mr. President, who is it that is moving to recommit the bill on the ground that it gives power to a board? Which one of the Senators has made a motion to write into law a 30-hour week, a 35-hour week, a 40-hour week, a 45-hour week, or even a 65-hour week? Who of those objecting to giving this power to the board has done so? I will say that the Senator from Idaho [Mr. BORAH] did. But who, of all those who object to giving this power to the board and who stand on the Democratic platform, has said that he wants the Congress to adopt a 30-cent minimum wage, a 35-cent minimum wage, a 40-cent minimum wage, a 10-cent minimum wage, a 50-cent minimum wage, or any other minimum wage?

Mr. President, we are now asked to send the bill back to the committee which had it under consideration for many weeks. We are asked to send it back to the committee in order that the committee may consider—what? The fact that somebody does not like it. However, if Senators stand on the platform of the Democratic Party, they must believe in minimum wages and maximum hours.

Mr. President, I understand that delegations from various States have come to Washington, as stated by my friend the Senator from South Carolina [Mr. SMITH]. He said a delegation of "little men" had come up here. I wonder if they were little enough to be working in the State of South Carolina, like some others I have indicated, who labor for as little as 10 cents an hour and for as long as 10 or 12 hours a day. I wonder if any of those little people have come to the city of Washington to protest against the passage of this bill.

Mr. President, I am very greatly interested in the little fellows. I am interested in the little fellows who are not able to come to Washington. I am interested in the little fellows who are not able to send their representatives to sit up in the gallery over here [indicating] day after day, or in the other gallery over there [indicating].

My friends, I am interested in the little people for whom we promised the Nation we would show our concern, those who work long hours, to the destruction of their health, at wages inadequate for them to support themselves and their children.

Mr. President, I listened with great interest to the statement of my friend the distinguished Senator from the State of Mississippi [Mr. HARRISON] as he talked feelingly, and drew a picture of an ox that in the evening shadows, before the sun went down, went to rest under the tree. It was a very sad and pathetic picture. I myself have seen that old ox. I understand that he does want to go to the shade of the tree. We have laws which prevent cruelty to animals such as the ox. But there are others who like the shade of the tree. They would even like to get through their work before the twilight has arrived. They would even like to rest, just as my good friend the Senator from Mississippi said he would like to rest, as the memories of the old ox that went under the shade of the tree prompted his desire to rest his weary limbs. All over the Nation at this time, as we talk, there are those who work who would like to rest their weary limbs.

Senators say, "We are for the principle, but we are against the bill." I have heard that ever since anybody ever introduced a bill.

I have in my desk an article written more than 100 years ago. A man wrote a speech, and he called it "The Speech of Mr. Noodle." He said you could find similar speeches made

in the legislative bodies everywhere, and he gave the reasons why men were against various proposals. They were usually for the principle, they were for the objective, but they were against the method. They were for the principle and for the objective, but they wanted to have a commission appointed. They told their constituents that they were for the principle and for the objective.

Senators have stood on party platforms which promised relief to the men and women of this Nation, but they are not for it at the time the bill is ready to be voted upon; they do not want to vote on it until it can be more fully studied by a committee, which has already heard every witness who desired to be heard and which has permitted anyone to testify who wanted to be heard, and which heard witnesses from the very day the committee began its hearings until it finally closed its hearings.

Mr. President, some time ago I went into a State in New England where it is said that good hours of work are observed. I had heard of the hours they worked. It was the State of my good friend the Senator from Connecticut [Mr. MALONEY]. I visted a great factory town in that State. It so happened that I conversed with people I knew well. I learned that in the great and progressive State of Connecticut people worked long hours in the mills within a very short distance from where I stayed, at a time when more than 8,000,000 people had no jobs at all. Young women went to work in those mills in the early morning hours, before the sun had come over the eastern horizon, and they remained at work, with 30 minutes for lunch, until after the sun had sunk into its western resting place.

As we talk today, and as we pledge allegiance to the principle that we promised to carry into effect, and as we continue to exhibit our undying love and admiration and fondness for the little people who work long hours all over the Nation, 8,000,000 and more of our people are doing nothing at all. Many of those little people have to go to work in the early morning hours, so early that they do not have much time to think about principle or method or objective, and they remain at their labor until the evening shadows gather. As one of them wrote me, all they can do is to go to their place of work shortly after they rise in the morning and come home from their place of work and immediately go to sleep. Work and sleep; sleep and work.

Mr. President, it is said that this bill has poetry in it. I should thank God if it had. I cannot forget that the great poets of the world have never failed, down through the ages, to raise their voices in behalf of the helpless and the weak. I cannot forget that more than 2,000 years ago they raised their voices in behalf of the weak and the helpless in the ancient countries of the world. Somehow I have always thought that the poetic phrase, "Come unto me, all ye that labor and are heavy laden", was perhaps more than anything else responsible for the unpopularity of the One who spoke it.

I do not forget that "man's inhumanity to man makes countless thousands mourn." I do not forget the Song of the Shirt, the lilting melody of which, with all its beauty and all its purity, did so much to awaken the people of its generation to a realization of abuses that must be stopped.

I am told that this bill will injure the farmers of the country, the farmers whose sons trudge into the mills of the city, the farmers whose children have replenished the ranks of the workers of America. I am told that the bill will injure the farmers whose chief customers for the shirts made from the cotton they grow in the fields are the workers of America, whose chief customers for the food they raise are the workers of this country—the workers who would like to have that food if they could get it, but who sometimes are compelled, as they were a few days ago, to burrow into the garbage cans to take out the refuse they can get from them which comes from the tables of others. No one can tell me that the farmers will be injured by improving the condition of those workers.

My friends, thank God for the poetry in this bill if it but reaches a single heart, if it but reaches the standards of American citizens, if it but cuts off unnecessarily long hours that people are toiling, while others live on the dole.

Mr. President, let there be no misunderstanding: A motion to recommit is a motion to kill the bill. Every Senator knows it. If we want to vote against the bill, let us stand up and vote against it. Let it be known that we are against minimum wages and maximum hours. A vote to recommit is a vote against a bill for minimum wages and maximum hours.

I cannot have all I want written in the bill. Other Senators cannot. No other person can. But for weeks and months we have worked and we have labored and we have toiled on the bill. We have brought the bill to the Senate in compliance with the overwhelming mandate of American men and women. We speak for the little men and women, whose voices too frequently are not heard. We are in the city of Washington. They have no representatives up in that gallery, nor over there in the other gallery, nor anywhere, unless it might have been the man who was taken from the gallery today. But, my friends, they are the ones for whom we promised to pass legislation. If Senators are against the bill, let them vote against the bill. If they are for a bill for minimum wages and maximum hours, let them vote against recommittal.

I come from the South, and I am proud of it. I believe I speak the language of its people. My ancestors have been buried under the soil of the South since before the Revolutionary War. They settled in Halifax County, Va. They settled in South Carolina and in the grand old State of Georgia. An uncle of mine marched forward in the face of the shells at Gettysburg, and I am proud of it. My father, at the age of 14 years—the last one in his family who had not gone into the war—ran away and volunteered under the Stars and Bars. The first-born of my father's family was named for Gen. Robert E. Lee, and another was named for "Gallant" Pelham, whose name is a hallowed one in all parts of Alabama and the South. I speak for the little men and women of Alabama and of the Nation.

The VICE PRESIDENT. The hour of 3 o'clock having arrived, under the unanimous-consent agreement entered into yesterday, the time for debate has expired. The question is on the motion of the Senator from Texas [Mr. CONNALLY] to recommit the bill.

Mr. LA FOLLETTE. Mr. President, on that I ask for the yeas and nays.

Mr. CONNALLY. Mr. President, I wish to make a request for unanimous consent.

The VICE PRESIDENT. The Senator will state it.

Mr. CONNALLY. I ask unanimous consent that the Senate vote first on the amendments and then on the motion to recommit. I think Senators ought to have an opportunity to have a vote on their amendments. I make the request that that course be followed.

The VICE PRESIDENT. Does the Senator ask unanimous consent that the Senate vote on all pending amendments and also those to be offered?

Mr. CONNALLY. All those offered. I do not know how many are offered.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas that the vote on all pending amendments and all amendments that may be offered be taken before voting on the motion to recommit?

Mr. BLACK. I object.

The VICE PRESIDENT. The Senator from Alabama objects.

Mr. CONNALLY. Mr President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CONNALLY. In case the Senator from Texas should now withdraw the motion to recommit would it be in order for him to reoffer it later?

The VICE PRESIDENT. It would, and the next amendment which is pending, whatever amendment is pending, would be in order.

Mr. CONNALLY. I asked would the Senator from Texas be permitted to reoffer the motion to recommit after the disposition of the amendments?

The VICE PRESIDENT. Certainly. Until the bill is disposed of, any motion may be made by any Senator having the floor.

Mr. CONNALLY. Then, the Senator from Texas will withdraw for the present the motion to recommit and will renew it when the pending amendment and other amendments to follow it have been voted on.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SCHWELLENBACH. I inquire if the motion of the Senator from Texas to recommit the bill has been withdrawn?

The VICE PRESIDENT. The Senator from Texas has withdrawn his motion to recommit the bill.

Mr. SCHWELLENBACH. I ask consideration of the amendment which I proposed yesterday.

The VICE PRESIDENT. There is an amendment now pending. The question is on the amendment offered by the Senator from California [Mr. McADOO] to the amendment reported by the committee.

Mr. McADOO. I ask that the amendment offered by me to the amendment of the committee be stated.

The VICE PRESIDENT. Is there objection to restating the amendment offered by the Senator from California? The Chair hears none, and the clerk will restate the amendment.

The LEGISLATIVE CLERK. In the amendment of the committee, on page 53, line 19, before the period, it is proposed to insert a comma and the words "and any goods produced wholly or in part by convicts or prisoners (except convicts or prisoners on parole or probation)."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California to the amendment reported by the committee. [Putting the question.] By the sound, the ayes seem to have it.

Mr. LA FOLLETTE and Mr. BLACK asked for a division.

On a division, the amendment to the amendment of the committee was rejected.

Mr. BORAH. Mr. President, I ask for the consideration of the amendment which I have offered and which is on the desk.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Idaho to the amendment reported by the committee.

The LEGISLATIVE CLERK. In the amendment of the committee, on page 60, line 20, after the word "production", it is proposed to insert a colon and the following:

Provided further, That the provisions of this paragraph (c) shall not apply to employees employed in a plant located in dairy-production areas in which milk, cream, or butterfat are received, processed, shipped, or manufactured.

Mr. BORAH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BORAH. May I be permitted to perfect that amendment before it is voted upon?

The VICE PRESIDENT. The Senator has that right.

Mr. BORAH. I offer an amendment as a perfecting amendment.

The VICE PRESIDENT. The clerk will report the perfected amendment offered by the Senator from Idaho to the amendment reported by the committee.

The LEGISLATIVE CLERK. In the amendment of the committee on page 60, line 20, after the word "production", it is proposed to strike out the period at the end thereof, insert a comma and the following additional words:

And provided further, That the provisions of this paragraph (c) shall not apply to employees employed in a plant located in dairy-production areas in which milk, cream, or butterfat are received, processed, shipped, or manufactured if operated by a cooperative association as defined in the Farm Credit Act of 1933.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Idaho to the amendment reported by the committee.

Mr. BORAH. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HOLT (when his name was called). I have a pair with the junior Senator from New Jersey [Mr. SMATHERS]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. LEWIS. I again announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in the performance of official duty as members of the committee appointed to attend the dedication of the battle monuments in France.

The Senator from Arkansas [Mrs. CARAWAY] is absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Rhode Island [Mr. GREEN], and the Senator from New Jersey [Mr. SMATHERS] are unavoidably detained from the Senate.

Mr. AUSTIN. I announce that my colleague [Mr. GIBSON] is absent on official business in connection with the dedication of the battle monuments in France. He has a general pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 59, nays 25, as follows:

YEAS—59

Adams	Davis	Lewis	Pope
Andrews	Dieterich	Lodge	Radcliffe
Ashurst	Donahey	Lonergan	Reynolds
Austin	Frazier	Lundeen	Shipstead
Bailey	George	McAdoo	Smith
Borah	Gillette	McCarran	Stelwer
Bridges	Glass	McGill	Thomas, Okla.
Bulow	Hale	McKellar	Townsend
Burke	Harrison	McNary	Tydings
Byrd	Hatch	Maloney	Vandenberg
Byrnes	Herring	Moore	Van Nuys
Capper	Johnson, Calif.	Nye	Wagner
Clark	Johnson, Colo.	Overton	Wheeler
Connally	King	Pepper	White
Copeland	Lee	Pittman	

NAYS—25

Barkley	Chavez	Logan	Sheppard
Berry	Ellender	Minton	Thomas, Utah
Black	Gerry	Murray	Truman
Bone	Guffey	Neely	Walsh
Brown, Mich.	Hitchcock	O'Mahoney	
Brown, N. H.	Hughes	Schwartz	
Bulkley	La Follette	Schwellenbach	

NOT VOTING—11

Bankhead	Duffy	Hayden	Russell
Bilbo	Gibson	Holt	Smathers
Caraway	Green	Norris	

So Mr. BORAH's amendment to the amendment of the committee was agreed to.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. OVERTON. Has an amendment been adopted exempting the ginning and baling of cotton?

The VICE PRESIDENT. The Chair is not able to answer the inquiry of the Senator from Louisiana. However, it is suggested by the Parliamentarian that the question raised by the Senator from Louisiana was included in the amendment offered by the Senator from Oregon [Mr. MCNARY]. The Chair personally does not know about it.

Mr. OVERTON. I send to the desk an amendment to the committee amendment and ask that it may be stated.

The VICE PRESIDENT. The amendment of the Senator from Louisiana to the amendment of the committee will be stated.

The LEGISLATIVE CLERK. In the amendment of the committee, on page 51, line 2, after the word "in", it is proposed to insert "the ginning and baling of cotton."

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Louisiana to the amendment of the committee.

The amendment to the committee amendment was rejected.

Mr. OVERTON. Mr. President, I ask for the yeas and nays.

Mr. LA FOLLETTE. I make the point of order that the result has been announced and the demand for the yeas and nays comes too late.

Mr. CONNALLY. Mr. President, the Senator from Louisiana was asking for the yeas and nays, but the Chair did not hear his request.

The VICE PRESIDENT. The Chair observed as well as he could; and if the Senator from Louisiana was on his feet when the decision was announced, the Chair did not see him and he was looking in that direction. [Laughter.]

Mr. OVERTON. Am I responsible for the Vice President's vision? [Laughter.]

The VICE PRESIDENT. Not at all.

Mr. DIETERICH. Mr. President, I send to the desk an amendment to the committee amendment, which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In the amendment of the committee, on page 61, after line 12, it is proposed to insert the following:

The provisions of this subsection shall not apply to employees engaged in processing or packing perishable agricultural products during the harvesting season.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Illinois to the amendment of the committee.

Mr. DIETERICH. On that question I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HOLT (when his name was called). Repeating my previous announcement with reference to my pair, I withhold my vote.

The roll call was concluded.

Mr. AUSTIN. Mr. President, I repeat the announcement made on the previous vote in regard to my colleague [Mr. GIBSON] and his general pair.

The result was announced—yeas 51, nays 33, as follows:

YEAS—51

Adams	Capper	Johnson, Calif.	Pepper
Andrews	Clark	Johnson, Colo.	Pittman
Ashurst	Connally	King	Radcliffe
Austin	Copeland	Lewis	Reynolds
Bailey	Davis	Lodge	Shipstead
Bilbo	Dieterich	Lonergan	Smith
Borah	Donahey	McAdoo	Steiwer
Bridges	Frazier	McCarran	Townsend
Bulkley	George	McKellar	Tydings
Bulow	Glass	McNary	Vandenberg
Burke	Hale	Moore	Van Nuys
Byrd	Harrison	Nye	White
Byrnes	Herring	Overton	

NAYS—33

Barkley	Gillette	McGill	Thomas, Okla.
Berry	Guffey	Maloney	Thomas, Utah
Black	Hatch	Minton	Truman
Bone	Hitchcock	Murray	Wagner
Brown, Mich.	Hughes	Neely	Walsh
Brown, N. H.	La Follette	O'Mahoney	Wheeler
Chavez	Lee	Schwartz	
Ellender	Logan	Schwellenbach	
Gerry	Lundeen	Sheppard	

NOT VOTING—11

Bankhead	Gibson	Holt	Russell
Caraway	Green	Norris	Smathers
Duffy	Hayden	Pope	

So Mr. DIETERICH's amendment to the amendment of the committee was agreed to.

Mr. REYNOLDS. Mr. President, I offer an amendment to the amendment of the committee and ask that it may be stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. In the amendment of the committee, on page 64, after line 3, it is proposed to insert the following:

The provisions of this act shall not apply to any individual company, association, or corporation employing five or fewer than five persons.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from North Carolina to the amendment of the committee. [Putting the question.] By the sound the noes appear to have it.

Mr. REYNOLDS. I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. The noes have it, and the amendment is rejected.

Mr. BONE. Mr. President, I desire to offer an amendment to the amendment of the committee. While the amendment of the Senator from California [Mr. McADOO] was similar in nature, he requested a record vote and did not obtain it, and therefore I ask for the yeas and nays on my amendment.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 53, line 19, after the word "condition", it is proposed to insert a comma and the words "including convict-made goods."

Mr. BONE. I ask for the yeas and nays.

Mr. BLACK. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. BLACK. The amendment of the Senator from Washington having the same substance and effect as the amendment offered by the Senator from California [Mr. McADOO], I make the point of order that the amendment of the Senator from Washington is not in order merely because it involves a change of words.

Mr. BONE. Mr. President, the Senator from Alabama is absolutely correct as to the effect of the amendment, but I do not believe the Senator has stated the parliamentary situation.

Mr. McNARY and other Senators demanded the regular order.

The VICE PRESIDENT. The Chair is not familiar with this particular question, but is advised by the Parliamentarian that there is no rule of the Senate touching it. He is further advised that the precedents are that where the Senate has once voted down an amendment the substance of which is again offered and a point of order is made against it, the point of order has been sustained. The Parliamentarian also advises the Chair that the substance of the amendment now offered by the Senator from Washington has been offered and voted on heretofore. Therefore, the point of order is sustained.

Mr. McADOO. Mr. President, as I understand the rule, when there is no record vote a motion to reconsider may be made by any Senator. I therefore move that the vote on the amendment offered by me be reconsidered, so that we may have a record vote on it.

The VICE PRESIDENT. The Senator from California moves to reconsider the vote by which the Senate rejected the amendment offered by him to the amendment reported by the committee. [Putting the question.] By the sound the noes seem to have it.

Mr. CLARK. I call for a division.

The VICE PRESIDENT. The noes have it, and the Senate declines to reconsider the vote.

Mr. CLARK. Mr. President, a division. I was on my feet asking for a division.

The VICE PRESIDENT. The Senator was on his feet.

Mr. CLARK. I intended to ask for a division; but, pending that, I ask for the yeas and nays.

The VICE PRESIDENT. The Senator has that right, because he was on his feet. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered.

The VICE PRESIDENT. The Chair may be making a gratuitous suggestion to the Senate; but the Senate now is voting on a motion to reconsider the vote by which it defeated the McAdoo amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. LEWIS. I announce the absence of the senior Senator from Arkansas [Mrs. CARAWAY] because of illness.

The Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained.

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in the performance of official duty, having been appointed members of the committee to attend the dedication of the battle monuments in France.

Mr. HOLT. I have a general pair with the Senator from New Jersey [Mr. SMATHERS]. Not knowing how he would vote on this question, I withhold my vote.

Mr. AUSTIN. I repeat the announcement made on a prior roll call in regard to my colleague [Mr. GIBSON].

The roll call resulted—yeas 42, nays 42, as follows:

YEAS—42

Andrews	Connally	Lodge	Smith
Ashurst	Copeland	Lonergan	Steiwer
Austin	George	McAdoo	Townsend
Bailey	Glass	McCarran	Tydings
Bone	Hale	McKellar	Van Nuys
Bridges	Harrison	Maloney	Wagner
Bulkley	Hatch	Moore	Walsh
Burke	Herring	Overton	Wheeler
Byrnes	Johnson, Calif.	Pittman	White
Capper	Johnson, Colo.	Radcliffe	
Clark	Lewis	Schwellenbach	

NAYS—42

Adams	Dieterich	Lee	Pope
Barkley	Donahey	Logan	Reynolds
Berry	Ellender	Lundeen	Schwartz
Bilbo	Frazier	McGill	Sheppard
Black	Gerry	McNary	Shipstead
Borah	Gillette	Minton	Thomas, Okla.
Brown, Mich.	Guffey	Murray	Thomas, Utah
Brown, N. H.	Hitchcock	Neely	Truman
Bulow	Hughes	Nye	Vandenberg
Byrd	King	O'Mahoney	
Davis	La Follette	Pepper	

NOT VOTING—11

Bankhead	Duffy	Hayden	Russell
Caraway	Gibson	Holt	Smathers
Chavez	Green	Norris	

The VICE PRESIDENT. On the motion to reconsider, the yeas are 42, the nays are 42, and the motion is lost.

Mr. SCHWELLENBACH. Mr. President, I call up for consideration the amendment which I submitted.

The VICE PRESIDENT. The amendment offered by the Senator from Washington to the amendment of the committee will be stated.

The CHIEF CLERK. At the proper place in the committee amendment it is proposed to insert the following:

The term "person employed in agriculture", as used in this act, insofar as it shall refer to fresh fruits or vegetables, shall include persons employed within the area of production engaged in preparing, packing, or storing such fresh fruits or vegetables in their raw or natural state.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington to the amendment reported by the committee.

Mr. SCHWELLENBACH. On my amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. AUSTIN. My colleague the junior Senator from Vermont [Mr. GIBSON] has a general pair with the junior Senator from Wisconsin [Mr. DUFFY].

Mr. LEWIS. The senior Senator from Arkansas [Mrs. CARAWAY] is absent on account of illness.

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official business, having been appointed members of the Senate delegation to attend the dedication of American battle monuments in France.

The Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained from the Senate.

Mr. HOLT. I have a general pair with the Senator from New Jersey [Mr. SMATHERS]. I therefore withhold my vote.

The result was announced—yeas 55, nays 29, as follows:

YEAS—55

Adams	Bilbo	Burke	Copeland
Andrews	Borah	Byrd	Dieterich
Ashurst	Bridges	Byrnes	Donahey
Austin	Bulkley	Capper	Frazier
Bailey	Bulow	Connally	George
Gillette	Lodge	Nye	Steiwer
Glass	Lonergan	Overton	Townsend
Hale	McAdoo	Pepper	Tydings
Harrison	McCarran	Pittman	Vandenberg
Herring	McGill	Pope	Van Nuys
Hitchcock	McKellar	Radcliffe	Wagner
Johnson, Calif.	McNary	Schwellenbach	Wheeler
Johnson, Colo.	Moore	Shipstead	White
King	Neely	Smith	

NAYS—29

Barkley	Davis	Logan	Sheppard
Berry	Ellender	Lundeen	Thomas, Okla.
Black	Gerry	Maloney	Thomas, Utah
Bone	Guffey	Minton	Truman
Brown, Mich.	Hatch	Murray	Walsh
Brown, N. H	Hughes	O'Mahoney	
Chavez	La Follette	Reynolds	
Clark	Lee	Schwartz	

NOT VOTING—11

Bankhead	Gibson	Holt	Russell
Caraway	Green	Lewis	Smathers
Duffy	Hayden	Norris	

So the amendment of Mr. SCHWELLENBACH to the amendment of the committee was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I have offered an amendment, which I should like to have reported.

The VICE PRESIDENT. The clerk will state the amendment offered by the Senator from Colorado.

The LEGISLATIVE CLERK. It is proposed to strike out of the bill every word, phrase, part of sentence, sentence, part of paragraph, paragraph, part of section or sections containing child labor, and to insert at the end of section 23 of the committee amendment to Senate bill 2475 all of the sections of Senate bill 2226 as amended by the Committee on Interstate Commerce, renumbering all sections after said section 23 in Senate bill 2475.

Mr. WHEELER. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHEELER. I did not follow the amendment as the clerk read it. As I understand, this is the amendment of the Senator from Colorado with reference to the child-labor provisions, substituting his bill for the provisions of the pending bill pertaining to child labor.

The VICE PRESIDENT. The Chair so understands.

The provisions proposed to be inserted by Mr. JOHNSON of Colorado in lieu of the matter proposed to be stricken out of the committee amendment are as follows:

SEC. 24. That all goods, wares, and merchandise produced on or after January 1, 1938, wholly or in part through the use of child labor, transported into any State or Territory of the United States and remaining therein for use, consumption, sale, or storage, shall upon arrival and delivery in such State or Territory be subject to the operation and effect of the laws of such State or Territory to the same extent and in the same manner as though such goods, wares, and merchandise had been produced in such State or Territory, and shall not be exempt therefrom by reason of being introduced in the original package or otherwise.

SEC 25. It shall be unlawful for any person knowingly to transport or cause to be transported, in any manner or by any means whatsoever, or aid or assist in obtaining transportation for or in transporting any goods, wares, or merchandise produced on or after January 1, 1938, wholly or in part through the use of child labor, from one State or Territory into any State or Territory, where said goods, wares, or merchandise are intended by any person interested therein to be received, possessed, sold, or in any manner used, either in the original package or otherwise, in violation of any law of such State or Territory.

SEC. 26. It shall be unlawful for any person knowingly to transport or cause to be transported, in any manner or by any means whatsoever, or aid or assist in obtaining transportation for or in transporting in interstate commerce any goods, wares, or merchandise produced on or after January 1, 1938, wholly or in part through the use of child labor, unless the outside of such goods, wares, or merchandise, or the package containing the same if they be packaged, shall bear a conspicuous label conforming to the requirements of this section. Such label shall truthfully set forth—

(1) The name and address of the shipper;

(2) The name and address of the consignee;

(3) The nature of such goods, wares, or merchandise; and

(4) A summary statement of the kind or kinds of work in connection with which child labor was utilized in the production of such goods, wares, or merchandise and the type or types of places where such work was performed.

In case a label conforming to the requirements of this section has been removed from goods, wares, or merchandise, or from a package containing the same, or such goods, wares, or merchandise have been removed from a package bearing such a label, prior to

the time such goods, wares, or merchandise shall be offered for shipment in interstate commerce, the information set forth in such label pursuant to the requirements of clause (4) of the preceding sentence or of this sentence shall be incorporated in a new label affixed to such goods, wares, or merchandise so offered for shipment, or to the package containing the same if they be packaged, together with a statement that such information was taken from another label. The incorporation of such information and statement in the new label shall constitute compliance with the requirements of said clause (4) unless child labor shall have been used in connection with processing or fabricating such goods, wares, or merchandise after removal of the label therefrom or from the package containing the same or after removal thereof from the package bearing such label, as aforesaid, in which event the incorporation of said information and said statement shall be a requirement as to said new label in addition to those defined by said clause (4).

SEC. 27. It shall be unlawful for any person who—

(a) has produced goods, wares, or merchandise in any State or Territory, wholly or in part through the use of child labor, on or after January 1, 1938; or

(b) has taken delivery of such goods, wares, or merchandise in any State or Territory with notice of their character whether by purchase or on consignment, as commission merchant, agent for forwarding or other purposes, or otherwise,

to transport or cause to be transported, in any manner or by any means whatsoever, or aid or assist in obtaining transportation for or in transporting such goods, wares, or merchandise in interstate or foreign commerce or to sell such goods, wares, or merchandise for shipment in interstate or foreign commerce or with knowledge that shipment thereof in interstate or foreign commerce is intended.

SEC. 28. For the purposes of this act the term "child labor" shall be defined (a) as employment of a human being under the age of 16 years and (b) as employment of a human being under the age of 18 years at "extra hazardous work" specified by regulations promulgated pursuant hereto which specification shall be based on facts found by the Secretary of Labor as to the relative possibility of injury or detriment to health involved in various types of employment after necessary information on the subject has been collected by him or derived by him from sources deemed to be reliable; the term "package" shall be defined as a wrapping, container, or crate and as a unit of rolling stock in which goods, wares, or merchandise may be shipped or transported in bulk; the term "person" shall be defined as an individual, a corporation, a partnership, an association, a joint-stock company, or any unincorporated organization; and the phrase "State or Territory" shall be defined to include the organized States and Territories of the United States, any district or possession thereof, or place noncontiguous but subject to the jurisdiction thereof; the words "produced" and "production" shall be defined to include manufacturing, processing, fabricating, and mining operations but as used in this act shall not be construed to mean planting, cultivation, and harvesting of fruits, grains, vegetables, and other agricultural products or agricultural work in connection with dairying, livestock husbandry, and poultry husbandry.

SEC. 29. Any person violating any provision of this act shall for each offense, upon conviction thereof, be punished by a fine of not more than $1,000, and such goods, wares, or merchandise shall be forfeited to the United States and may be seized and condemned by like proceedings as those provided by law for the seizure and forfeiture of property imported into the United States contrary to law: *Provided, however,* That no person who in conformity to section 3 of this act and in good faith sets forth in a label information stated to have been taken from another label shall be deemed thereby to have violated this act so as to render himself subject to conviction, or goods, wares, or merchandise bearing or contained in a package bearing such label subject to forfeiture, in the event any of the information so stated to have been taken from another label proves to be false: *And provided further,* That no common carrier shall be deemed to have violated this act if, at the time it accepts goods, wares, or merchandise for transportation in interstate commerce in the regular course of its business, it shall rely in good faith upon a signed statement of the consignor that the obtaining of transportation for or the transportation of such goods, wares, or merchandise will not constitute a violation of this act, but any consignor who shall knowingly sign any false statement made to a common carrier as aforesaid shall be deemed thereby to have violated this act. The failure of any consignor to furnish such a statement to a common carrier at the latter's request shall excuse the common carrier from its obligations to accept any goods for transportation in interstate commerce. In any proceeding arising out of an alleged violation of this act, a showing that the goods, wares, or merchandise with respect to which the violation is alleged to have occurred were produced wholly or in part by a person who used child labor subsequent to January 1, 1938, and within 6 months of the date of the alleged violation at the place of employment where said goods, wares, or merchandise were so produced in whole or in part shall be prima-facie evidence that the goods, wares, or merchandise with respect to which said violation is alleged to have occurred were produced wholly or in part through the use of child labor. In any such proceeding a copy of, extract from, or statement summarizing a record kept by, or document filed with, a government, church, or school authority establishing, or purporting to establish, the age or date of birth of a human being whose labor is alleged to have been used in the production of goods, wares, or merchandise shall be admissible in evidence when certified by or on behalf of such authority without further identification or authentication as prima-facie evidence of the age of such human being. The adduction of such prima-facie evidence shall cast upon the defendant or the party objecting to the forfeiture of goods, wares, or merchandise, as the case may be, the burden of rebutting or repelling such prima-facie evidence by affirmative proof to the contrary. All records, returns, applications, and other information filed with or kept by any public office, officers, or authority pursuant to the act of August 14, 1935 (ch. 531, 49 Stat. 620), or any rule or regulation promulgated pursuant thereto, shall be available for inspection by any public official authorized or qualified to enforce this act or to prosecute a violation thereof, and such public official may require that copies of, extracts from, or statements summarizing any of such records, returns, applications, or other information be certified and delivered to him by or on behalf of any public office, officers, or authority by whom the same are kept or with whom they be filed. Any public official authorized or qualified to enforce this act may utilize in that connection, and shall be entitled to rely upon, any and all records, returns, applications, certificates, and other information collected by or filed with authorities charged with the administration and enforcement of the laws of any State relating to the education and employment of human beings that may be made available to such public officials by such authorities and are deemed by such public officials to be useful and reliable.

SEC. 30. Any violation of this act shall be prosecuted in any court having jurisdiction of crime within the district in which said violation was committed, or from or into which any such goods, wares, or merchandise may have been carried or transported, or in any State or Territory, contrary to the provisions of this act.

SEC. 31. (a) The Secretary of Labor, through the Children's Bureau or such other agency within the Department of Labor as he may designate, shall be charged with the enforcement of this act and shall be vested with full authority to administer its provisions and to prescribe such rules and regulations as may be necessary for its enforcement.

(b) The Chief of the Children's Bureau or any persons designated by him, pursuant to the regulations issued under the preceding subsection, shall have authority to enter and inspect at any time factories or other places in which articles are produced or held for interstate commerce and to inspect records relating to the employment of or to the shipment of articles therefrom, and to make periodic reports of such inspections: *Provided,* That nothing herein contained shall be construed to authorize any invasion of the privacy of any home by search or inspection or otherwise.

SEC. 32. Sections 1, 2, and 4 of this act are each intended to prescribe separate and distinct bases of regulation and the invalidity of any provision of any of said sections or the application of such provision to any person or circumstances is not intended to affect the remainder of the act and the application of such provision to other persons or circumstances.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON] to the amendment reported by the committee.

Mr. JOHNSON of Colorado. I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. AUSTIN. My colleague the junior Senator from Vermont [Mr. GIBSON] has a general pair with the junior Senator from Wisconsin [Mr. DUFFY].

Mr. HOLT. I have a general pair with the Senator from New Jersey [Mr. SMATHERS], and in his absence I withhold my vote. If permitted to vote, I should vote "yea."

Mr. LEWIS. The senior Senator from Arkansas [Mrs. CARAWAY] is absent on account of illness.

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent, having been appointed on behalf of the Senate to participate in the dedication of battle monuments in France.

The Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained from the Senate.

The result was announced—yeas 57, nays 28, as follows:

YEAS—57

Adams	Clark	King	Shipstead
Andrews	Connally	Lewis	Smith
Ashurst	Copeland	Lodge	Steiwer
Austin	Donahey	Lundeen	Townsend
Bailey	Frazier	McAdoo	Truman
Berry	George	McCarran	Tydings
Borah	Gerry	McKellar	Vandenberg
Bridges	Gillette	McNary	Van Nuys
Brown, Mich.	Glass	Maloney	Wagner
Bulkley	Hale	Nye	Walsh
Burke	Harrison	O'Mahoney	Wheeler
Byrd	Hatch	Overton	White
Byrnes	Herring	Pepper	
Capper	Johnson, Calif.	Pittman	
Chavez	Johnson, Colo.	Radcliffe	

NAYS—28

Barkley	Dieterich	Logan	Pope
Bilbo	Ellender	Lonergan	Reynolds
Black	Guffey	McGill	Schwartz
Bone	Hitchcock	Minton	Schwellenbach
Brown, N. H.	Hughes	Moore	Sheppard
Bulow	La Follette	Murray	Thomas, Okla.
Davis	Lee	Neely	Thomas, Utah

NOT VOTING—10

Bankhead	Gibson	Holt	Russell
Caraway	Green	Norris	Smathers
Duffy	Hayden		

So the amendment of Mr. JOHNSON of Colorado to the amendment of the committee was agreed to.

Mr. PEPPER. Mr. President, I have an amendment on the desk which I should like to have reported.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. At the proper place in the bill, insert the following proviso:

Provided, however, That the provisions of this act shall not prohibit employment of persons under 16 years of age when such employment is casual and does not interfere with the education of such person or such casual employment is not injurious to the health or morals of such person.

Mr. PEPPER. Mr. President, I have discussed the amendment with the Senator from Alabama——

Mr. McNARY. Regular order.

The VICE PRESIDENT. Under the order of the Senate debate is not permitted on any amendment. The statement by the Senator is in the nature of debate.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER] to the committee amendment.

The amendment to the committee amendment was rejected.

Mr. GEORGE. Mr. President, I offer an amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. In section 2 (a) (7), in line 2, page 51, following the semicolon, it is proposed to insert "or any employee of an express company subject to the Railway Labor Act."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. OVERTON. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 51, line 3, after the word "agriculture", it is proposed to strike out the period, insert a comma, and add, "including persons directly employed in the ginning and baling of cotton where such employment is seasonal."

Mr. OVERTON. On that amendment I ask for the yeas and nays.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. The amendment just offered by the Senator from Louisiana is manifestly a duplication of an amendment agreed to 3 days ago. Therefore, I raise a point of order against the Senator's amendment.

The VICE PRESIDENT. The Chair is endeavoring to ascertain from the Parliamentarian whether or not the substance of the amendment just offered has been considered by the Senate.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Chair now has before him one parliamentary inquiry.

The Chair finds by an examination of the bill that at some time during the consideration of the bill the Senator from Oregon [Mr. McNARY] offered an amendment in which appears almost identical language contained in the amendment now offered by the Senator from Louisiana; and the Chair understands that the amendment offered several days ago by the Senator from Oregon was agreed to.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. OVERTON. Does not the amendment which was offered by the Senator from Oregon, and which was agreed to by the Senate, relate only to the workweek; and does not the amendment now proposed by the Senator from Louisiana relate both to the workweek and to wages?

Mr. BLACK. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. One parliamentary inquiry at a time.

Mr. BLACK. My parliamentary inquiry, Mr. President, is in connection with the subject matter of the previous parliamentary inquiry.

The VICE PRESIDENT. The Senator from Alabama will state it.

Mr. BLACK. Is it not also true that the Senator from Louisiana offered another amendment relating to the same industry, and covering both hours and wages, which was rejected?

The VICE PRESIDENT. The Chair is not informed as to that. The present occupant of the chair has not occupied the chair all the time the bill has been under consideration.

The Chair finds that the amendment offered by the Senator from Oregon probably does not cover the same identical matter as that offered at this moment by the Senator from Louisiana. However, the attention of the Chair is called to an amendment offered by the Senator from Louisiana, on page 51, line 2, to insert "ginning and baling of cotton." That amendment has been considered by the Senate.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. OVERTON. Does the amendment which the Senator from Louisiana first offered have in it any clause restricting the exemption to seasonal employment? And does not the amendment now offered by the Senator from Louisiana relate only to seasonal employment?

The VICE PRESIDENT. The Chair thinks the Senator's amendment is in order. It embraces the proposition of seasonal employment, whereas the other amendment did not.

Mr. REYNOLDS. Mr. President——

The VICE PRESIDENT. Under the order of the Senate, there can be no debate. The Senate has ordered that there shall be no other proceedings than voting on amendments until the pending bill is disposed of.

Mr. REYNOLDS. I desire to ask if the Senator from Louisiana [Mr. OVERTON] will not include in his amendment——

The VICE PRESIDENT. That request is not in order.

Mr. OVERTON. On my amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HOLT (when his name was called). On this question I have a general pair with the Senator from New Jersey [Mr. SMATHERS]. Not knowing how he would vote, I withhold my vote.

The roll call was concluded.

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. CARAWAY] on account of illness.

I also announce the absence of the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL], who are members of the battle monuments committee and are absent in France in connection with the duties of that committee.

I also announce that the Senator from New Jersey [Mr. SMATHERS] and the Senator from Rhode Island [Mr. GREEN] are necessarily detained.

Mr. AUSTIN. Mr. President, I announce the pair of the Senator from Vermont [Mr. GIBSON] with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 39, nays 46, as follows:

YEAS—39

Andrews	Byrnes	Harrison	Pepper
Ashurst	Capper	Herring	Pittman
Austin	Chavez	Johnson, Calif.	Radcliffe
Bailey	Clark	Johnson, Colo.	Reynolds
Bilbo	Connally	King	Smith
Borah	Copeland	Lewis	Townsend
Bridges	Donahey	McAdoo	Tydings
Bulow	George	McCarran	Van Nuys
Burke	Glass	McKellar	White
Byrd	Hale	Overton	

NAYS—46

Adams	Gerry	Maloney	Sheppard
Barkley	Gillette	McGill	Shipstead
Berry	Guffey	McNary	Steiwer
Black	Hatch	Minton	Thomas, Okla.
Bone	Hitchcock	Moore	Thomas, Utah
Brown, Mich.	Hughes	Murray	Truman
Brown, N. H.	La Follette	Neely	Vandenberg
Bulkley	Lee	Nye	Wagner
Davis	Lodge	O'Mahoney	Walsh
Dieterich	Logan	Pope	Wheeler
Ellender	Lonergan	Schwartz	
Frazier	Lundeen	Schwellenbach	

NOT VOTING—10

Bankhead	Gibson	Holt	Russell
Caraway	Green	Norris	Smathers
Duffy	Hayden		

So Mr. OVERTON's amendment to the amendment of the committee was rejected.

Mr. DAVIS. Mr. President, I ask the clerk to read the amendment which I have offered.

The VICE PRESIDENT. The amendment offered by the Senator from Pennsylvania to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the committee amendment, on page 49, line 23, after the word "person", it is proposed to insert the words "without regard to race, color, or creed"; on page 50, line 20, after the word "employer", to insert the words "without regard to race, color, or creed"; and on page 69, line 17, after the word "occupation", to insert the words "without regard to race, color, or creed."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to the amendment reported by the committee. [Putting the question.] By the sound the nays seem to have it.

Mr. DAVIS. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment to the committee amendment was rejected.

Mr. DAVIS. I send to the desk another amendment and ask that it be stated.

The VICE PRESIDENT. The amendment offered by the Senator from Pennsylvania to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 55, line 4, beginning the word "The", it is proposed to strike out down to and including the word "chairman", in line 6, and to insert in lieu thereof the words "The Board shall annually select one of its members to serve as chairman"; and on page 55, line 13, at the end of the subsection, to insert "any member may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to the amendment reported by the committee.

The amendment to the committee amendment was rejected.

Mr. CONNALLY. Mr. President, I offer an amendment which has heretofore been submitted by me.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 66 it is proposed to strike out lines 18, 19, and 20 and in lieu thereof to insert the following:

(2) shall be published in the Federal Register and shall not take effect until the Congress has been in session at least 60 calendar days after the date of such publication.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Texas to the amendment reported by the committee.

Mr. TYDINGS. I ask for the yeas and nays.

The VICE PRESIDENT. Is the demand seconded? [A pause.] The Chair wishes to announce, as it takes considerable time to call the yeas and nays, that there has been such a thing as a Senator holding up two hands. [Laughter.] The Chair wants to be sure. A sufficient number have seconded the demand. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LEWIS. I again announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent from the Senate on official business, having been appointed members of the committee to attend the dedication of the battle monuments in France.

The Senator from Arkansas [Mrs. CARAWAY] is absent because of illness.

The Senator from Rhode Island [Mr. GREEN], the Senator from New Jersey [Mr. SMATHERS] are necessarily detained from the Senate.

Mr. AUSTIN. I announce the general pair of the Senator from Vermont [Mr. GIBSON] with the Senator from Wisconsin [Mr. DUFFY].

Mr. HOLT. Making the same announcement as before with reference to my pair, I withhold my vote.

The result was announced—yeas 37, nays 47, as follows:

YEAS—37

Andrews	Connally	Johnson, Calif.	Smith
Ashurst	Copeland	King	Steiwer
Austin	Donahey	Lodge	Townsend
Bailey	Frazier	Lonergan	Tydings
Borah	George	McCarran	Vandenberg
Bridges	Gillette	McNary	Van Nuys
Bulow	Glass	Nye	White
Byrd	Hale	Overton	
Byrnes	Harrison	Pittman	
Capper	Herring	Radcliffe	

NAYS—47

Adams	Davis	Logan	Pope
Barkley	Dieterich	Lundeen	Reynolds
Bilbo	Ellender	McAdoo	Schwartz
Black	Gerry	McGill	Schwellenbach
Bone	Guffey	McKellar	Sheppard
Berry	Hatch	Maloney	Shipstead
Brown, Mich.	Hitchcock	Minton	Thomas, Okla.
Brown, N. H.	Hughes	Moore	Thomas, Utah
Bulkley	Johnson, Colo.	Murray	Truman
Burke	La Follette	Neely	Wagner
Chavez	Lee	O'Mahoney	Walsh
Clark	Lewis	Pepper	

NOT VOTING—11

Bankhead	Gibson	Holt	Smathers
Caraway	Green	Norris	Wheeler
Duffy	Hayden	Russell	

So Mr. CONNALLY's amendment to the amendment in the nature of a substitute reported by the committee was rejected.

The PRESIDENT pro tempore. Are there any further amendments to be offered?

Mr. MALONEY. Mr. President, I have an amendment on the clerk's desk in the form of a substitute for the entire bill as reported by the Committee on Education and Labor. If all other so-called perfecting amendments have been offered which it is desired to offer, I ask that my amendment be acted upon, and on it I ask for a yea-and-nay vote.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. COPELAND. If the amendment of the Senator from Connecticut should be adopted, would that do away with the possibility of offering amendments to the original measure reported by the committee?

The PRESIDENT pro tempore. The amendment in the nature of a substitute offered by the Senator from Connecticut would be open to amendment, but if the amendment should be adopted, of course that would end the offering of amendments to the amendment of the committee.

Mr. MALONEY. Mr. President, the amendment has heretofore been read. I ask that the reading be dispensed with and that it be printed in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment proposed by Mr. MALONEY to the amendment in the nature of a substitute reported by the Committee

on Education and Labor is to strike out the matter proposed by the committee and in lieu thereof to insert the following:

That (a) there is hereby created a Board, to be known as the Labor Standards Board, which shall be composed of five members who shall be appointed by the President by and with the advice and consent of the Senate and in such appointment industrial and geographical regions shall be given consideration. The President shall from time to time designate one of the members of the Board to act as chairman. One of the original members of the Board shall be appointed for a term of 1 year, one for a term of 2 years, one for a term of 3 years, one for a term of 4 years, and one for a term of 5 years, and their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(b) A vacancy in the Board shall not impair the right of the remaining members to exercise all the powers of the Board. The Board shall adopt its own rules of procedure, including provision as to the number of members necessary to constitute a quorum, but no order establishing a working week shall be made except by a majority of the Board. The Board shall have an official seal, which shall be judicially noticed.

(c) Each member of the Board shall receive a salary of $10,000 a year, shall be eligible for reappointment, and shall not engage in any other business, vocation, or employment.

(d) The Board may select, employ, and fix the compensation of an executive secretary and such attorneys, examiners, regional directors, accountants, special consultants, and experts as it deems necessary to carry out the functions and duties of the Board, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States. The Board may, subject to the civil-service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the Board and shall fix their salaries in accordance with the Classification Act of 1923, as amended. The Board may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. Attorneys appointed under this section may at the direction of the Board appear for and represent the Board in any case in court. In the appointment, selection, classification, and promotion of officers and employees of the Board, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

(e) The principal office of the Board shall be in the District of Columbia, but it may meet or exercise any or all of its powers at any other place. The Board may, by one or more of its members or authorized representatives, or by such other agents or agencies as the Board may designate, prosecute any inquiry necessary to its functions in any part of the United States.

(f) The Board shall submit annually a report to the Congress covering the work of the Board for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this act as it may find advisable.

SEC. 2. (a) The Board shall take a census of unemployment, as hereinafter provided, for the purpose of determining the number of unemployed persons in the United States over 16 and under 65 years of age who are physically and mentally employable. Said unemployed persons shall be classified by race, sex, age, customary occupation, and the causes and duration of their unemployment.

(b) The Board shall establish throughout the several States and the District of Columbia local agencies and, where practicable and desirable, shall establish one such agency in each county and one for approximately each 30,000 of population in each city of 30,000 population or over, according to the last census taken or estimates furnished by the Bureau of the Census of the Department of Commerce. Such agencies shall consist of three members, who shall be appointed by the Board without regard to the civil-service laws or the Classification Act of 1923, as amended.

(c) All said unemployed persons shall register with such local agencies in such manner and at such times and places as the Board shall direct. Upon the completion of such registration, the local agencies shall report promptly the results, classified as provided for in paragraph (a) of this section, to the Board and such local agencies shall then be abolished.

(d) Beginning on January 1, 1938, and every 3 months thereafter, said persons, so long as they remain unemployed, shall register at the nearest office of the United States Employment Service in accordance with such rules and regulations as the Board shall prescribe. The Director of the United States Employment Service shall report promptly the results of each such registration to the Board.

(e) No part of any funds heretofore or hereafter appropriated for relief or work relief shall be used or expended, directly or indirectly, for the benefit of any person who willfully fails or refuses to register as provided for in this section.

SEC. 3. (a) Upon the receipt of the registration report provided for in paragraph (c) of section 2, the Board shall establish working weeks as follows: (1) If more than 8,000,000 such persons are found to be unemployed, a 30-hour working week; (2) if more than 6,000,000 but not more than 8,000,000 such persons are found to be unemployed, a 32-hour working week; (3) if more than 4,000,000 but not more than 6,000,000 such persons are found to be unemployed, a 34-hour working week; (4) if more than 2,000,000 but not more than 4,000,000 such persons are found to be unemployed, a 36-hour working week; or (5) if 2,000,000 such persons or less are found to be unemployed, a 40-hour working week.

(b) The working weeks established by the Board shall continue in force until the subsequent registration reports provided for in paragraph (d) of section 2 show a sufficient change in the number of such persons unemployed, in which event the Board shall establish a new working week in accordance with paragraph (a) of this section.

SEC. 4. On and after January 1, 1938, no article or commodity shall be shipped, transported, delivered, or received in interstate or foreign commerce which was produced or manufactured under conditions which are inimicable to the public interest in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed: *Provided*, That upon the submission of satisfactory proof of the existence of special conditions in any industry included herein, making it necessary for certain persons to be employed for a longer period of time than that provided for in the established working week, the Board may issue exemption permits with respect to such persons, relieving the employer from the provisions of this act with reference to such persons.

SEC. 5. (a) No article or commodity shall be purchased by the United States, or any department or organization thereof, from any business enterprise operating contrary to any provision of this act, or if such article or commodity was produced or manufactured in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed on and after January 1, 1938, for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed on and after such date.

(b) Each contract made with a contractor for any Federal public work shall contain a provision that the contractor will buy no article or commodity to use on or in any public work from any business enterprise violating any of the terms or provisions of this act, and will buy no article or commodity which was produced in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed on and after January 1, 1938, for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed on and after such date.

SEC. 6. (a) No Federal governmental agency shall make or renew any loan to any employer of labor in any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed on and after January 1, 1938, for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed on and after such date.

(b) On and after January 1, 1938, any such employer of labor who applies for a loan from any such governmental agency shall agree at the time of making application for such loan that so long as he is indebted to the United States he will not permit any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, to work for a longer period of time than that provided for in the working week established by the Board and that he will not employ child labor. In the event that there is a violation by any such employer of his agreement, the full amount of the unpaid principal of the loan made to such employer shall be immediately payable.

SEC. 7. On and after January 1, 1938, it shall be unlawful to sell, ship, transport, deliver, or receive into any State any goods or commodities produced or manufactured in any mine, quarry, mill, cannery, workshop, or manufacturing establishment, in which any person, except officers, executives, and superintendents, and their personal and immediate clerical assistants, was employed for a longer period of time than that provided for in the working week established by the Board, or in which child labor was employed, if the State into which such goods or commodities are delivered or proposed to be delivered has in effect a statute prohibiting the employment in such business of employees for a longer period of time than that provided for in the working week established by the Board, or a statute prohibiting the employment of child labor.

SEC. 8. On and after January 1, 1938, it shall be unlawful for any employer subject to any of the provisions of this act to reduce, directly or indirectly, the daily, weekly, or monthly wage rate in effect on such date (or, in the case of an applicant for a loan from a governmental agency, on the date his application is submitted) with respect to any of his employees until a reasonable opportunity has been afforded to his employees, through representatives of their own choosing by a majority vote, to meet with the employer or his representatives and to discuss and consider fully all questions which may arise in connection with the reduction of such wage rate.

SEC. 9. Any person who violates any of the provisions of this act, or who fails to comply with any of its requirements, shall, upon conviction thereof, be fined not more than $1,000, or be imprisoned for not more than 3 months, or both.

SEC. 10. (a) This act shall not apply to commodities or articles produced or manufactured prior to January 1, 1938.

(b) Nothing in this act shall be construed to apply to agricultural or farm products processed for first sale by the original producer.

SEC. 11. As used in this act—

(a) The term "30-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 6 hours of work is required or permitted.

(b) The term "32-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 6⅖ hours of work is required or permitted.

(c) The term "34-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any one of which not more than 6⅘ hours of work is required or permitted.

(d) The term "36-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any 1 of which not more than 7⅕ hours of work is required or permitted.

(e) The term "40-hour working week" means a period of time in any calendar week consisting of not more than 5 days in any 1 of which not more than 8 hours of work is required or permitted.

(f) The term "child labor" means the labor of any person less than 16 years of age.

SEC. 12. If any provision, clause, or paragraph of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision, clause, or paragraph to other persons or circumstances, shall not be affected thereby.

SEC. 13. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. MALONEY] in the nature of a substitute for the amendment reported by the committee.

Mr. MALONEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. LEWIS. I repeat my announcement that the Senator from Arkansas [Mrs. CARAWAY] is detained from the Senate by illness.

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official business, having been appointed members of the Senate delegation to attend the dedication of American battle monuments in France.

I also announce that the Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained.

Mr. HOLT. Making the announcement as before with reference to my pair, I withhold my vote.

Mr. AUSTIN. The junior Senator from Vermont [Mr. GIBSON] has a general pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 37, nays 45, as follows:

YEAS—37

Austin	Copeland	King	Smith
Bailey	Donahey	Lodge	Steiwer
Borah	Frazier	Lonergan	Townsend
Bridges	George	McCarran	Truman
Burke	Glass	McNary	Tydings
Byrd	Hale	Maloney	Vandenberg
Byrnes	Harrison	Nye	White
Bulow	Herring	O'Mahoney	
Capper	Johnson, Calif.	Pittman	
Davis	Johnson, Colo.	Radcliffe	

NAYS—45

Adams	Dieterich	McAdoo	Schwellenbach
Berry	Ellender	McGill	Sheppard
Bilbo	Gillette	McKellar	Shipstead
Black	Guffey	Minton	Thomas, Okla.
Bone	Hatch	Moore	Thomas, Utah
Brown, Mich.	Hitchcock	Murray	Van Nuys
Brown, N. H.	Hughes	Neely	Wagner
Bulkley	La Follette	Overton	Walsh
Clark	Lee	Pepper	Wheeler
Connally	Lewis	Pope	
Barkley	Logan	Reynolds	
Chavez	Lundeen	Schwartz	

NOT VOTING—13

Andrews	Duffy	Green	Norris
Ashurst	Gerry	Hayden	Russell
Bankhead	Gibson	Holt	Smathers
Caraway			

So Mr. MALONEY's amendment in the nature of a substitute for the amendment as reported by the committee was rejected.

Mr. CONNALLY. Mr. President, I now move that the bill be recommitted to the Committee on Education and Labor.

The VICE PRESIDENT. The question is on the motion of the Senator from Texas.

Mr. HARRISON. On that I call for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BARKLEY (when Mr. GREEN's name was called). I desire to announce the unavoidable absence of the Senator from Rhode Island [Mr. GREEN] and to state that if present he would vote "nay."

Mr. ASHURST (when Mr. HAYDEN's name was called). I rise to announce that my colleague [Mr. HAYDEN] is unavoidably absent. If present, he would vote "nay."

Mr. HERRING (when his name was called). On this question I have a pair with the Senator from Rhode Island [Mr. GREEN], and therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. HOLT (when his name was called). On this question I have a pair with the junior Senator from New Jersey [Mr. SMATHERS], and withhold my vote. If at liberty to vote, I should vote "yea."

Mr. LA FOLLETTE (when Mr. NORRIS' name was called). The senior Senator from Nebraska [Mr. NORRIS] is unavoidably absent from the Senate. On this question he is paired with the senior Senator from Arkansas [Mrs. CARAWAY]. If the senior Senator from Nebraska [Mr. NORRIS] were present, he would vote "nay."

The roll call was concluded.

Mr. LEWIS. At this point allow me to say that I am authorized to state that the Senator from Arkansas [Mrs. CARAWAY], being absent because of illness and paired with the Senator from Nebraska [Mr. NORRIS], would, if present, vote "yea."

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in the performance of official duty as members of the committee to attend the dedication of the battle monuments in France.

The Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained.

Mr. AUSTIN. On this question the Senator from Vermont [Mr. GIBSON] is paired with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 36, nays 48, as follows:

YEAS—36

Andrews	Capper	Glass	Overton
Austin	Chavez	Hale	Pittman
Bailey	Clark	Harrison	Radcliffe
Borah	Connally	Johnson, Calif.	Smith
Bridges	Copeland	King	Steiwer
Bulkley	Davis	McCarran	Townsend
Burke	Donahey	McNary	Tydings
Byrd	Frazier	Maloney	Vandenberg
Byrnes	George	Nye	White

NAYS—48

Adams	Gerry	Lonergan	Reynolds
Ashurst	Gillette	Lundeen	Schwartz
Barkley	Guffey	McAdoo	Schwellenbach
Berry	Hatch	McGill	Sheppard
Bilbo	Hitchcock	McKellar	Shipstead
Black	Hughes	Minton	Thomas, Okla.
Bone	Johnson, Colo.	Moore	Thomas, Utah
Brown, Mich.	La Follette	Murray	Truman
Brown, N. H.	Lee	Neely	Van Nuys
Bulow	Lewis	O'Mahoney	Wagner
Dieterich	Lodge	Pepper	Walsh
Ellender	Logan	Pope	Wheeler

NOT VOTING—11

Bankhead	Gibson	Herring	Russell
Caraway	Green	Holt	Smathers
Duffy	Hayden	Norris	

So Mr. CONNALLY's motion to recommit the bill to the Committee on Education and Labor was rejected.

Mr. COPELAND. Mr. President, I wish to perfect my amendment by substituting the antilynching bill as perfected by the Senate Committee on the Judiciary; and on that amendment I ask for the yeas and nays.

Mr. LEWIS. Mr. President, will the Senator from New York yield to me?

Mr. ASHURST. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. Will not the Senator from New York ask unanimous consent to have the amendment considered without reading it at length? Otherwise it should be read.

Mr. ASHURST. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. ASHURST. The inquiry is as follows: Is the amendment now offered the substance, and all thereof, of the antilynching bill which was favorably reported from the Senate Committee on the Judiciary?

Mr. COPELAND. It is.

This measure is so well known that I ask unanimous consent that the reading of it be dispensed with and that it be printed in the RECORD, in view of the fact that the hour is so late; and I ask for the yeas and nays on the amendment.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. Is this the same amendment which was under consideration a few days ago, at which time I undertook to assert that before adjournment an opportunity would be offered to consider it upon its merits?

Mr. MCNARY and Mr. GEORGE called for the regular order.

The VICE PRESIDENT. The Chair is not informed as to that. The Senator from New York has offered an amendment, and he was asked whether it was the bill reported from the Committee on the Judiciary, to which he responded in the affirmative. The Senator has now asked unanimous consent to have the amendment considered without being read and to have it printed in the RECORD. Is there objection? The Chair hears none.

Mr. COPELAND's amendment was to insert at the end of the amendment reported by the committee the following:

That the provisions of this act are enacted in exercise of the power of Congress to enforce, by appropriate legislation, the provisions of the fourteenth amendment of the Constitution of the United States and for the purpose of better assuring under said amendment equal protection to the lives and persons of citizens and due process of law to all persons charged with or suspected or convicted of any offense within the jurisdiction of the several States. A State shall be deemed to have denied to any victim or victims of lynching equal protection and due process of law whenever that State or any legally competent governmental subdivision thereof shall have failed, neglected, or refused to employ the lawful means at its disposal for the protection of that person or those persons against lynching or against seizure and abduction followed by lynching.

SEC. 2. Any assemblage of three or more persons which shall exercise or attempt to exercise by physical violence and without authority of law any power of correction or punishment over any citizen or citizens or other person or persons in the custody of any peace officer or suspected of, charged with, or convicted of the commission of any offense, with the purpose or consequence of preventing the apprehension or trial or punishment by law of such citizen or citizens, person or persons, shall constitute a "mob" within the meaning of this act. Any such violence by a mob which results in the death or maiming of the victim or victims thereof shall constitute "lynching" within the meaning of this act: *Provided, however,* That "lynching" shall not be deemed to include violence occurring between members of groups of lawbreakers such as are commonly designated as gangsters or racketeers, nor violence occurring during the course of picketing or boycotting or any incident in connection with any "labor dispute" as that term is defined and used in the act of March 23, 1932 (47 Stat. 70).

SEC. 3. Whenever a lynching of any person or persons shall occur, any officer or employee of a State or any governmental subdivision thereof who shall have been charged with the duty or shall have possessed the authority as such officer or employee to protect such person or persons from lynching and shall have willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching and any officer or employee of a State or governmental subdivision thereof who shall have had custody of the person or persons lynched and shall have willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching, and any officer or employee of a State or governmental subdivision thereof who, having the duty as such officer or employee, shall willfully neglect, refuse, or fail to make all diligent efforts to apprehend, keep in custody, or prosecute the members or any member of the lynching mob, shall be guilty of a felony and upon conviction thereof shall be punished by a fine not exceeding $5,000, or by imprisonment not exceeding 5 years, or by both such fine and imprisonment.

SEC. 4. Whenever a lynching of any person or persons shall occur, and information on oath is submitted to the Attorney General of the United States that any officer or employee of a State or any governmental subdivision thereof who shall have been charged with the duty or shall have possessed the authority as such officer or employee to protect such person or persons from lynching, or who shall have had custody of the person or persons lynched, has willfully neglected, refused, or failed to make all diligent efforts to protect such person or persons from lynching or that any officer or employee of a State or governmental subdivision thereof, in violation of his duty as such officer or employee, has willfully neglected, refused, or failed to make all diligent efforts to apprehend, keep in custody, or prosecute the members or any member of the lynching mob, the Attorney General of the United States shall cause an investigation to be made to determine whether there has been any violation of this act.

SEC. 5. (1) Every governmental subdivision of a State to which the State shall have delegated functions of police shall be responsible for any lynching occurring within its territorial jurisdiction. Every such governmental subdivision shall also be responsible for any lynching occurring outside of its territorial jurisdiction, whether within or without the same State, which follows upon the seizure and abduction of the victim or victims within its territorial jurisdiction. Any such governmental subdivision which shall fail to prevent any such lynching or any such seizure and abduction followed by lynching shall be liable to each person injured, or to his or her next of kin if such injury results in death, for a sum not less than $2,000 and not more than $10,000 as monetary compensation for such injury or death: *Provided, however,* That the governmental subdivision may prove by a preponderance of evidence as an affirmative defense that the officers thereof charged with the duty of preserving the peace, and citizens thereof when called upon by any such officer, used all diligence and all powers vested in them for the protection of the person lynched: *And provided further,* That the satisfaction of judgment against one governmental subdivision responsible for a lynching shall bar further proceedings against any other governmental subdivision which may also be responsible for that lynching.

(2) Liability arising under this section may be enforced and the compensation herein provided for may be recovered in a civil action in the United States district court for the judicial district of which the defendant governmental subdivision is a part. Such action shall be brought and prosecuted by the Attorney General of the United States or his duly authorized representative in the name of the United States for the use of the real party in interest, or, if the claimant or claimants shall so elect, by counsel employed by the claimant or claimants, but in any event without prepayment of costs. If the amount of any such judgment shall not be paid upon demand, payment thereof may be enforced by any process available under the State law for the enforcement of any other money judgment against such a governmental subdivision. Any officer of such governmental subdivision or any other person who shall disobey or fail to comply with any lawful order or decree of the court for the enforcement of the judgment shall be guilty of contempt of that court and punished accordingly. The cause of action accruing hereunder to a person injured by lynching shall not abate with the subsequent death of that person before final judgment but shall survive to his or her next of kin. For the purpose of this act the next of kin of a deceased victim of lynching shall be determined according to the laws of intestate distribution in the State of domicile of the decedent. Any judgment or award under this act shall be exempt from all claims of creditors.

(3) Any judge of the United States district court for the judicial district wherein any suit shall be instituted under the provisions of this act may by order direct that such suit be tried in any division of such district as he may designate in such order.

SEC. 6. The essential purpose of this act being the furtherance of protection of the lives and persons of citizens and other persons against unlawful and violent interference with or prevention of the orderly processes of justice, and equal protection and due process of law, and against possible dereliction of duty in this respect by States, or any governmental subdivision thereof, or any officer or employee of either a State or governmental subdivision thereof. Therefore, if any particular provision, sentence, or clause, or provisions, sentences, or clauses of this act, or the application thereof to any particular person or circumstance, is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

The VICE PRESIDENT. On this amendment the Senator from New York asks for the yeas and nays.

Mr. BLACK. Mr. President——

The yeas and nays were ordered.

Mr. BLACK. Mr. President, I move to lay the amendment on the table.

Mr. COPELAND. On that I call for the yeas and nays.

SEVERAL SENATORS. It is too late.

Mr. BLACK. Mr. President, I was addressing the Chair at the time the statement was made.

The VICE PRESIDENT. The Chair thinks the Senator from Alabama is in time to make a motion to lay on the table.

Mr. BLACK. I move that the amendment be laid on the table.

Mr. COPELAND. On that motion I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll on the question of laying on the table the amendment offered by the Senator from New York [Mr. COPELAND].

The Chief Clerk called the roll.

Mr. LEWIS. The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent from the Senate on official business, being members of the Senate delegation dedicating the battle monuments in France.

The Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained.

Mr. HOLT. I have a general pair with the Senator from New Jersey [Mr. SMATHERS]. In his absence, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. AUSTIN. I wish to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] has a general pair with the junior Senator from Wisconsin [Mr. DUFFY].

Mr. GEORGE. The absence of my colleague on official business has already been announced. If my colleague were present and voting, he would vote "yea."

Mr. HARRISON. The senior Senator from Arkansas [Mrs. CARAWAY] is absent on account of illness. If she were present, she would vote "yea" on this question.

The result was announced—yeas 46, nays 39, as follows:

YEAS—46

Andrews	Connally	Logan	Radcliffe
Bailey	Ellender	Lundeen	Reynolds
Barkley	George	McCarran	Schwartz
Berry	Glass	McKellar	Schwellenbach
Bilbo	Guffey	Minton	Sheppard
Black	Harrison	Murray	Smith
Bone	Hatch	Neely	Thomas, Okla.
Brown, N. H.	Hitchcock	O'Mahoney	Thomas, Utah
Bulow	Hughes	Overton	Truman
Byrd	King	Pepper	Wheeler
Byrnes	La Follette	Pittman	
Chavez	Lee	Pope	

NAYS—39

Adams	Copeland	Johnson, Colo.	Shipstead
Ashurst	Davis	Lewis	Steiwer
Austin	Dieterich	Lodge	Townsend
Borah	Donahey	Lonergan	Tydings
Bridges	Frazier	McAdoo	Vandenberg
Brown, Mich.	Gerry	McGill	Van Nuys
Bulkley	Gillette	McNary	Wagner
Burke	Hale	Maloney	Walsh
Capper	Herring	Moore	White
Clark	Johnson, Calif.	Nye	

NOT VOTING—10

Bankhead	Gibson	Holt	Russell
Caraway	Green	Norris	Smathers
Duffy	Hayden		

So the amendment of Mr. COPELAND to the committee amendment was laid on the table.

Mr. BRIDGES. Mr. President, I wish to call up at this time the amendment I have offered.

The VICE PRESIDENT. The Chair is advised that the amendment has been heretofore stated. Does the Senator desire to have it again stated?

Mr. BRIDGES. No; I merely desire to have a vote on it. But before a vote, I should like to modify the amendment.

The VICE PRESIDENT. The clerk will state the modification proposed by the Senator.

Mr. BRIDGES. If I may state the modification, on page 4 of the amendment, after section 7, I should like to have inserted the substance of the Johnson-Wheeler child-labor bill.

The VICE PRESIDENT. The Chair understands that the Senator from New Hampshire adds to the amendment offered by him the substance of the Johnson-Wheeler child-labor bill. Is that statement correct?

Mr. BRIDGES. The Chair is correct.

Mr. BLACK. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BLACK. Is this the amendment which is offered as a substitute for the pending bill?

Mr. BRIDGES. It is.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the committee amendment.

The amendment to the amendment was rejected.

Mr. BAILEY. Mr. President, I send forward an amendment which I desire to offer.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the proper place the following:

> Appointments to positions made under the provisions of this act the annual salary of which is $4,000 or more shall be subject to confirmation by the Senate.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

Mr. BAILEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the roll was called.

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mrs. CARAWAY] on account of illness.

I also announce the absence of the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] in the performance of their duties in connection with the dedication of battle monuments in France.

I also announce the absence of the Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS], who are necessarily detained from the Senate.

Mr. AUSTIN. I announce the pair of the Senator from Vermont [Mr. GIBSON] with the Senator from Wisconsin [Mr. DUFFY].

Mr. HOLT. I have a general pair with the Senator from New Jersey [Mr. SMATHERS]. Not knowing how he would vote on this question, I withhold my vote.

The result was announced—yeas 73, nays 11, as follows:

YEAS—73

Adams	Chavez	King	Reynolds
Andrews	Clark	Lewis	Schwartz
Ashurst	Connally	Lodge	Schwellenbach
Austin	Copeland	Lonergan	Shipstead
Bailey	Davis	Lundeen	Smith
Barkley	Dieterich	McAdoo	Steiwer
Berry	Donahey	McCarran	Thomas, Okla.
Bilbo	Frazier	McGill	Thomas, Utah
Bone	George	McKellar	Townsend
Borah	Gerry	McNary	Truman
Bridges	Gillette	Moore	Tydings
Brown, Mich.	Glass	Neely	Vandenberg
Brown, N. H.	Guffey	Nye	Van Nuys
Bulkley	Hale	O'Mahoney	Walsh
Bulow	Harrison	Overton	Wheeler
Burke	Hatch	Pepper	White
Byrd	Herring	Pittman	
Byrnes	Johnson, Calif.	Pope	
Capper	Johnson, Colo.	Radcliffe	

NAYS—11

Black	Hughes	Logan	Sheppard
Ellender	La Follette	Maloney	Wagner
Hitchcock	Lee	Murray	

NOT VOTING—11

Bankhead	Gibson	Holt	Russell
Caraway	Green	Minton	Smathers
Duffy	Hayden	Norris	

So Mr. BAILEY's amendment to the amendment of the committee was agreed to.

Mr. BAILEY. Mr. President, I offer a further amendment, which I send to the desk and ask to have stated.

Mr. LEWIS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LEWIS. The Chair has stated that no remarks could be made in connection with amendments because of the rule adopted, or the understanding had, yesterday. Does that rule apply to amendments which have previously been tendered?

Is it limited to those amendments, or does it apply also to those now being tendered for the first time?

The VICE PRESIDENT. Under the unanimous-consent agreement the bill is now under consideration for action on all amendments which Senators desire to offer until the bill shall be finally acted upon.

Mr. McNARY. Mr. President, I ask for the regular order.

The VICE PRESIDENT. The amendment offered by the Senator from North Carolina [Mr. BAILEY] will be stated.

The LEGISLATIVE CLERK. At the proper place in the committee amendment it is proposed to insert the following:

This act, and all provisions thereof, shall expire by limitation on January 20, 1940, and shall be without force or effect after said date. No term of office herein provided shall extend beyond said date.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Carolina to the amendment of the committee.

Mr. KING. On that amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment to the amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee in the nature of a substitute, as amended.

The amendment reported by the committee in the nature of a substitute, as amended, was agreed to.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. The bill having been read three times, the question is, Shall the bill pass?

Mr. BARKLEY. On the passage of the bill I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BARKLEY (when Mr. GREEN's name was called). I announce the unavoidable absence of the Senator from Rhode Island [Mr. GREEN]. If present, he would vote "yea."

Mr. ASHURST (when Mr. HAYDEN's name was called). My colleague the junior Senator from Arizona [Mr. HAYDEN], who is unavoidably absent, if present, would vote "yea."

Mr. HERRING (when his name was called). On this vote I have a pair with the Senator from Rhode Island [Mr. GREEN]. If permitted to vote, I should vote "nay."

Mr. HOLT. On this question I have a pair with the junior Senator from New Jersey [Mr. SMATHERS]. If permitted to vote, I should vote "nay", and the Senator from New Jersey would vote "yea."

Mr. LA FOLLETTE (when Mr. NORRIS' name was called). The senior Senator from Nebraska [Mr. NORRIS] is unavoidably absent. He has a pair with the Senator from Arkansas [Mrs. CARAWAY]. If present, the Senator from Nebraska [Mr. NORRIS] would vote "yea", and the Senator from Arkansas would vote "nay."

The roll call was concluded.

Mr. AUSTIN. My colleague the junior Senator from Vermont [Mr. GIBSON] is absent on official business, attending the dedication of the battle monuments in France. He has a general pair with the Senator from Wisconsin [Mr. DUFFY].

Mr. LEWIS. I announce that the Senator from Arkansas [Mrs. CARAWAY] is detained from the Senate by illness.

I also announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official business attending the exercises incident to the dedication of the battle monuments in France. I am advised that if present and voting the Senator from Georgia [Mr. RUSSELL] would vote "yea."

I also announce that the Senator from Rhode Island [Mr. GREEN] and the Senator from New Jersey [Mr. SMATHERS] are necessarily detained.

The result was announced—yeas 56, nays 28, as follows:

YEAS—56

Adams	Ellender	McAdoo	Radcliffe
Ashurst	Gerry	McCarran	Reynolds
Barkley	Guffey	McGill	Schwartz
Berry	Hatch	McKellar	Schwellenbach
Bilbo	Hitchcock	Maloney	Sheppard
Black	Hughes	Minton	Shipstead
Bone	Johnson, Colo.	Moore	Thomas, Okla.
Brown, Mich.	La Follette	Murray	Thomas, Utah
Brown, N. H.	Lee	Neely	Truman
Bulow	Lewis	O'Mahoney	Tydings
Chavez	Lodge	Overton	Van Nuys
Clark	Logan	Pepper	Wagner
Davis	Lonergan	Pittman	Walsh
Dieterich	Lundeen	Pope	Wheeler

NAYS—28

Andrews	Byrd	George	McNary
Austin	Byrnes	Gillette	Nye
Bailey	Capper	Glass	Smith
Borah	Connally	Hale	Steiwer
Bridges	Copeland	Harrison	Townsend
Bulkley	Donahey	Johnson, Calif.	Vandenberg
Burke	Frazier	King	White

NOT VOTING—11

Bankhead	Gibson	Herring	Russell
Caraway	Green	Holt	Smathers
Duffy	Hayden	Norris	

So the bill was passed.

The PRESIDENT pro tempore. Without objection, the clerks are authorized to renumber the sections.

LOW-COST HOUSING

Mr. WAGNER. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1685, the so-called housing bill.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, which had been reported from the Committee on Education and Labor with amendments.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations and an international agreement, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

REPORTS OF COMMITTEE ON POST OFFICES AND POST ROADS

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters, which were ordered to be placed on the Executive Calendar.

DEPARTMENT OF COMMERCE

Mr. COPELAND. Mr. President, from the Committee on Commerce I report favorably two nominations, and ask unanimous consent for their immediate consideration. There was no opposition on the part of the Senators from the States involved.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none. The nominations will be read.

The legislative clerk read the nomination of Fletcher H. Rawls, of North Carolina, to be Assistant Director, Bureau of Foreign and Domestic Commerce.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Lacey C. Zapf, of Tennessee, to be an Assistant Director, Bureau of Foreign and Domestic Commerce.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the two nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Leighton Shields, of Missouri, to be district attorney, United States Court for China.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk read the nomination of Bernard William Kearney to be brigadier general, National Guard of the United States.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Ralph Kenyon Robertson to be brigadier general, National Guard of the United States.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon Monday.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until Monday, August 2, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 31 (legislative day of July 22), 1937

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Lacey C. Zapf, of Tennessee, to be an Assistant Director, Bureau of Foreign and Domestic Commerce, vice William E. Dunn.

Fletcher H. Rawls, of North Carolina, to be an Assistant Director, Bureau of Foreign and Domestic Commerce, vice John Matthews, Jr.

UNITED STATES ATTORNEY

Whitfield Y. Mauzy, of Tulsa, Okla., to be United States attorney for the northern district of Oklahoma, vice Clarence E. Bailey, whose term has expired.

WORKS PROGRESS ADMINISTRATION

J. Banks Hudson, of Pennsylvania, to be State administrator in the Works Progress Administration for Pennsylvania, vice Edward N. Jones.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 31 (legislative day of July 22), 1937

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Lacey C. Zapf to be an Assistant Director, Bureau of Foreign and Domestic Commerce.

Fletcher H. Rawls to be an Assistant Director, Bureau of Foreign and Domestic Commerce.

DISTRICT ATTORNEY, UNITED STATES COURT FOR CHINA

Leighton Shields to be district attorney, United States Court for China.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES

TO BE BRIGADIER GENERALS

Bernard William Kearney.
Ralph Kenyon Robertson.

POSTMASTERS

ILLINOIS

Bernice Irene Bryant, Browning.
Kenneth Pat Wilkerson, Mount Carroll.
Earle E. Bower, Richmond.
Thomas E. Morrow, Seneca.

IOWA

Kenneth F. Baldridge, Bloomfield.
Lynn W. McCleerey, Oto.

MISSOURI

William H. Fleahman, Jonesburg.

SENATE

MONDAY, AUGUST 2, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, July 31, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed a bill (H. R. 5417) to provide for the measurement of vessels using the Panama Canal, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. LEWIS. I am directed by the leader to suggest the absence of a quorum, and I ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Radcliffe
Andrews	Copeland	La Follette	Reynolds
Ashurst	Davis	Lee	Schwartz
Austin	Dieterich	Lewis	Schwellenbach
Bailey	Donahey	Logan	Sheppard
Barkley	Ellender	Lonergan	Shipstead
Bilbo	Frazier	Lundeen	Smathers
Black	George	McAdoo	Smith
Bone	Gerry	McCarran	Steiwer
Borah	Gillette	McGill	Thomas, Okla.
Bridges	Glass	McKellar	Thomas, Utah
Brown, Mich.	Green	McNary	Townsend
Brown, N. H.	Guffey	Maloney	Truman
Bulkley	Hale	Moore	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Herring	Nye	Wagner
Byrnes	Hitchcock	O'Mahoney	Walsh
Capper	Holt	Overton	Wheeler
Caraway	Hughes	Pepper	White
Chavez	Johnson, Calif.	Pittman	
Clark	Johnson, Colo.	Pope	

Mr. LEWIS. Let me announce for the RECORD that the Senator from Wisconsin [Mr. DUFFY], the Senator from Vermont [Mr. GIBSON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business, being members of the committee appointed to attend the dedication of the battle monuments in France.

The Senator from Tennessee [Mr. BERRY] is necessarily detained from the Senate.

The Senator from Indiana [Mr. MINTON] has been called home because of the death of an intimate friend.

I ask that this announcement go in the RECORD for the day.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

TRIBUTES TO THE LATE SENATOR ROBINSON

The VICE PRESIDENT laid before the Senate resolutions adopted by the Warren County Democratic Club at Glens Falls, N. Y., as a tribute to the life, character, and accomplishments of Hon. JOSEPH T. ROBINSON, late a Senator from the State of Arkansas, which were ordered to lie on the table.

Mrs. CARAWAY presented a resolution adopted by Daniel Harder Post, No. 48, the American Legion, of Stuttgart, Ark., upon the occasion of the death of Hon. JOSEPH T. ROBINSON, late a Senator from the State of Arkansas, which was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution of respect upon the death of Senator JOSEPH T. ROBINSON

When a distinguished, respected, esteemed, and eminent citizen and statesman, long a loyal and faithful public servant of this State and the Nation, has passed to his reward, it is appropriate that those who are the beneficiaries of his noble efforts should pay their last tributes of homage and respect to one who has so nobly conducted his life and ably served his constituency as to become not only one of the leading citizens and statesmen of the Nation, but of the entire civilized world: Therefore be it

Resolved, That in the death of this upright citizen, eminent statesman, and peerless leader, whose 40 years of unselfish public service commanded and received the universal respect and confidence of the people of this whole Nation, the State of Arkansas and the entire United States have suffered an irreparable and grievous loss.

That a copy of these resolutions be permanently recorded on the minutes of this post, a copy be furnished to the public press, and a copy transmitted to his grief-stricken widow, to the United States Senate, and to the national headquarters of the American Legion, Indianapolis, Ind.

PAY OF SPECIAL ASSISTANT ATTORNEYS, UNITED STATES COURTS

The VICE PRESIDENT. The Chair lays before the Senate a letter dated July 24, 1937, from the Attorney General dealing with the pay, and so forth, of special assistant attorneys.

Mr. GLASS. Mr. President, I ask unanimous consent that the letter from the Attorney General, with the accompanying statement, made in response to law, in which he gives the names of 100 or more special assistant attorneys, together with the salaries received by them, be printed in the RECORD and referred to the Committee on Appropriations.

There being no objection, the letter, with the accompanying statement, was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., July 24, 1937.

THE PRESIDENT OF THE SENATE.

SIR: As required by the text of the appropriation "Pay of special assistant attorneys" contained in the Department of Justice Appropriation Act, 1937, approved May 15, 1936, I have the honor to transmit herewith a report showing the special assistants employed under said appropriation and paid or payable therefrom, the rates of compensation, the amounts paid, and a description of duties.

Sincerely yours,

HOMER CUMMINGS, *Attorney General.*

DEPARTMENT OF JUSTICE

Statement showing names of persons employed under the appropriation "Pay of special assistant attorneys, United States courts", with rates of compensation or fees paid, as required by the appropriation act, for the period from Jan. 1, 1937, to June 30, 1937

Name	Compensation	Duties
Akers, Harlow H.	$3,800	Walapai Indian cases in Arizona.
Arnold, Davis G.	(1)	*U. S.* v. *John J. Williams.* *U. S.* v. *Seth N. Williams*, in Oklahoma, eastern.
Arnold, Thurman W.	7,500	Briefing and argument of tax cases in the Supreme Court.
Bartlett, Charles W.	(2)	Atlas Tack case.
Belt, John W.	3,200	Assists in legislative work, involving preparation and review of briefs on legislative and compromise matters.
Benedict, Abraham	(3)	
Black, Forrest R.	6,500	Do.
Blair, Harry W.	[4]9,600	Osage Indian litigation.
Booth, Bates	4,600	*Ignazio Lupo* v. *A. C. Aderhold, Warden, Atlanta.* Appeal memoranda and special assignments.
Booth, Thomas B.	3,200	Myers No. C-700, Court of Claims, patent infringement, airplanes.
Boyle, William S.	6,000	Water litigation in Nevada.
Brill, Joseph E.	4,600	New York mortgage racket cases.
Brower, Walter	7,500	Do.
Burges, Richard F.	5,000	Rio Grande Rectification and Brazos Island Inland Canal projects in Texas.
Cahill, David V.	7,200	*U. S.* v. *Poley* (liquor revenue case). *U. S.* v. *State Title and Mortgage Co.* Other New York mortgage racket cases.
Caldwell, Manley P.	[5]3,600	Appalachicola Waterway and Lake Worth Inlet, both in Florida.
Carr, Charles H.	4,600	*U. S.* v. *Robert V. Parr et al.* (liquor conspiracy, New York Northern), *U. S.* v. *Joseph H. Adams et al.* (violations of Firearms Act, Florida, southern).
Carter, J. Howard	4,000	Retrial of case *U. S.* v. *Harry Weinberger.*
Church, Melville D.	5,000	National Electric Signaling Co., No. C-26, Court of Claims; patent infringement, radio.
Connor, William J.	4,600	Preparation of briefs and appeal memoranda.
Crittenlow, Francis B.	7,500	Kettleman Hills Oil case.
Daniels, C. C.	[5]4,500	Handling litigation involving title to certain Indian lands in New York.
Davis, Charles W.	[5]6,000	Special legal matters assigned, particularly legislative.
Davis, George B.	[5]4,400	Investigation of bail bonds and revision of Federal jury laws.
Dodson, Philip F.	5,000	Regularly assigned to handling miscellaneous tax cases in the district courts.
Driver, Sam M.	6,000	Special cases and matters pending in the eastern district of Washington.
Dulligan, James F.	5,000	New York mortgage racket cases.
Edwards, Clifton V.	(6)	Shearer, No. 41829, Court of Claims; infringement. Marconi, No. 32642, Court of Claims; accounting, radio infringement.
Ehringhaus, John C. B.	10,000	*U. S.* v. *Curtiss-Wright Exports Corporation*, and other cases involving violations of the joint resolution of May 28, 1934, prohibiting sale of arms and munitions of war.
Eidman, Charles S.	3,800	Lower Rio Grande emergency flood-control project at Brownsville, Tex.
Fish, Charles	3,200	Regularly assigned to assist in postal violations, including mail frauds, extortion, and obscene literature.
Fitze, Shelby	4,000	Compromise cases. F. A. A. cases
Fleharty, Harry B.	6,500	Mercur Corporation case in New York involving War Department.
Gallagher, Walter	3,800	Case against D. A. Whitson, Robert C. Kyle et al., in southern district of California. Assists in S. E. C. matters. Confidential memoranda. Special matters assigned by Assistant Attorney General in charge of Criminal Division.
Garbose, William	2,600	Regularly assigned to customs, Pure Food and Drug Act, 28-hour law, gold hoarding, 8-hour law, migratory birds, and other violations.
Goepel, Carl P.	(7)	Wright, No. A-248, Court of Claims; infringement, ordnance shells. Ordnance Engineering No. 34680 and K-539, Court of Claims; ordnance shell infringements.
Greenleaf, John J.	(7)	Defending 3 suits against United States in the U. S. District Court, Northern District of Texas, involving $531,357.34.
Hale, Winfield B.	10,000	Special investigation for Department of Commerce.
Hanley, James H.	[5]5,800	Prosecuting suit to collect value of $50,000 life-insurance policy on the life of Sullivan, defendant, in case of *U. S.* v. *J. L. Phillips et al.* (District of Columbia court case.)
Hanna, Richard H.	5,000	Walapai Indian cases in Arizona.
Harmon, Frank H.	4,600	15 patent interferences and a number of patent applications.
Heflin, J. Thomas	6,000	Public building sites.
Helter, Marvin H.	4,000	Banking and bankruptcy matters.
Hoffa, James M.	4,500	*U. S.* v. *U. S. Industrial Alcohol Co.*
Holtzoff, Alexander	8,000	Supervises legislative matters.
Horner, Richard R.	1,800	Criminal work assigned by United States attorney.
Hudson, David E.	7,500	Russian cases.
Ironside, Fred A.	5,600	*U. S.* v. *Frank Morgan Howe et al.* Investigation of International Catholic Truth Society and others (soliciting and receiving contributions for use in Spain).

[Footnotes at end of table]

DEPARTMENT OF JUSTICE—Continued

Statement showing names of persons employed under the appropriation "Pay of special assistant attorneys, United States courts", with rates of compensation or fees paid, as required by the appropriation act, for the period from Jan. 1, 1937, to June 30, 1937—Continued

Name	Compensation	Duties
Jackson, Dan M	$6,500	*U. S.* v. *I. C. Thurmond et al.*, Oklahoma, western. *U. S.* v. *Robert Newton Higgins.* *U. S.* v. *Carl L. Giles*, Oklahoma, western.
Jones, George P	6,500	Cases against Pearl L. Bergoff et al., violation of United States Code.
Julian, Henry S	6,500	General legal work in Lands Division.
Kennedy, Gilbert F	(1)	Special matters in England involving extradition, etc.
Lanigan, Thomas W	7,500	Baker estate cases (mail frauds, Pennsylvania, western).
Lawrence, Charles D	9,000	First Assistant to the Assistant Attorney General in charge of Customs Division.
Levitt, Albert	[2] 7,000	Research on various problems.
Levy, Washington L	3,600	Federal Housing matters, Miscellaneous Claims Section.
Lewinson, Joseph L	(1)	Doheny case in California.
Lyman, Harrison F	3,200	Olsson No. B-154, Court of Claims; infringement, howitzers.
MacLean, Angus D	6,000	Cherokee Indian cases in North Carolina.
Manheim, Jacob	[4] 4,000	New York mortgage racket cases.
Martineau, L. R., Jr	(1)	Doheny case in California.
Matan, Martin J	3,200	Appeal matters, briefs, and memoranda, Criminal Division.
McAllister, Thomas F	7,500	*U. S.* v. *John Solitario.*
McGrath, Daniel E	(5)	Special matters assigned by the Assistant to the Attorney General and Assistant Attorney General in charge of Criminal Division.
McHugh, C. Agnes	3,500	New York mortgage racket cases.
Munroe, Henry	3,800	Various suits involving collection of claims assigned to United States by Russia.
Nash, H. Clay	4,200	Van Schaack and Bornn cases.
Norris, William F	2,400	*Lincoln Realty Co.* v. *U. S.* Other matters assigned by United States attorney.
Parker, Benjamin M	4,600	Preparation of briefs, Supreme Court of the United States, and appeal matters.
Parrish, Frank M	(6)	First Assistant to Assistant Attorney General in charge of Criminal Division.
Preston, E. Randolph	6,000	*Callahan* v. *U. S.*; $500,000 contract case in Court of Claims. Other Court of Claims cases.
Prior, Chester A	[3] 3,800	Assists Mr. Bard in work of Trial Section, Criminal Division.
Ray, Lucian Y	4,000	Handling admiralty cases in New Orleans, La., territory.
Reddan, John T. M., Jr.	3,200	Special matters assigned, including appeal memoranda and briefs.
Ristine, Carl L	8,500	Air-mail cases and criminal work.
Rogers, Fred S	4,000	Pardons and special matters assigned.
Ruffin, James E	7,500	*U. S.* v. *Campos et al.* (Nationalist Party case, Puerto Rico). *U. S.* v. *Harry Hagen* (P. W. A. case, St. Louis, Mo.).
Shanahan, Richard P	(10)	*U. S.* v. *W. D. Peacher* (slavery, Oklahoma, eastern). Regularly assigned to Federal Housing Act matters, false claims against the U. S. Government, and assisting Mr. Fisher.
Spates, Webster	4,800	Van Schaack and Bornn cases.
Speight, J. J	5,600	Assists in legislative work, involving preparation and review of briefs on legislative and compromise matters.
Spelke, Max	7,000	*U. S.* v. *U. S. Industrial Alcohol Co.* Liaison for Department of Justice to the various district attorneys' offices; assists the latter in various problems relating to Department of Justice. Reports to Attorney General.
Stanley, William	[4] 9,600	Handling of 2 cases of *Farmers Loan & Trust Co., Trustee Estate of Wm. Waldorf Astor* v. *Bowers.*
Stoddard, Roy W	5,000	Water litigation in Nevada.
Stratton, Warren	(7)	Doheny case in California.
Sullivan, James J	5,000	Assigned to the office of the United States attorney Boston, Mass.
Sullivan, John M	3,000	Assists Mr. Gottshall in habeas corpus matters, interstate transportation of prison industry products, parole, probation, and prison matters, and Riot and Escape Act.
Sweeney, James J	[4] 4,000	Defending suits against United States in Court of Claims.
Thompson, Frank A	(7)	*State of Missouri* v. *L. B. Reed.*
Thompson, Huston	(8)	Appalachian Electric Power Co. cases.
Tompkins, Bernard	4,600	New York mortgage racket cases.
Towsend, Newman A	8,000	Preparing defense in *Fletcher* v. *U. S.* and *Weslar* v. *U. S.*, in which cases the constitutionality of the Reciprocal Trade Agreement Act and various trade agreements is attacked. Acting Assistant Solicitor General in the absence of the Assistant Solicitor General.
Wagner, Charles J	4,000	New York mortgage racket cases.
Walker, Francis X	3,200	Assists Mr. Butler in immigration and naturalization matters.
Ward, Ethelbert	[5] 5,400	Water litigation throughout the West.
Waters, James J	3,800	*U. S.* v. *Joseph H. Adams et al.* Regularly assigned to P. W. A., W. P. A., and other emergency statutes.
Watson, Felthan	4,000	Harry Daily, tax judgment. Famous Liquors, Inc., criminal compromise under Federal Alcohol Act. Dominico Donato, major distillery violation.
Whiteside, George	(7)	

[Footnotes at end of table]

DEPARTMENT OF JUSTICE—Continued

Statement showing names of persons employed under the appropriation "Pay of special assistant attorneys, United States courts", with rates of compensation or fees paid, as required by the appropriation act, for the period from Jan. 1, 1937, to June 30, 1937—Continued

Name	Compensation	Duties
Wideman, Frank J	[4] $10,000	Handling the matter of the jeopardy assessment against the Associated Gas & Electric Co. system.
Williams, Wayne C	6,500	Appalachian Power case.
Wilson, David A	(9)	
Wilson, George W	5,000	Van Schaack and Bornn cases.
Wold, Emma	2,400	Special research matters.
Woll, J. Albert	6,000	*U. S.* v. *Melvan D. Haynes et al.* (security act violation). Regularly assigned to postal offenses and violations of Securities Act of 1933 and Securities and Exchange Act of 1934.
Woodcock, Amos W. W.	(7)	Appeal of *U. S.* v. *Campos et al.*, Nationalist Party case, Puerto Rico.

[1] Expenses only.
[2] T. B. D., not exceeding $500.
[3] Leave without pay.
[4] Drawing account.
[5] Leave without pay since May 16, 1937.
[6] T. B. D., not exceeding $10,000.
[7] T. B. D.
[8] $6,000 to Jan. 31, 1937; $6,500 from Feb. 1, 1937.
[9] $7,500 to Jan. 31, 1937; $8,000 from Feb. 1, 1937.
[10] $3,200 to Jan. 31, 1937; $3,800 from Feb. 1, 1937.

Statement showing names of persons employed under the appropriation "Pay of special assistant attorneys, United States courts", with amounts paid, whose services were terminated during the period Jan. 1, 1937, to June 30, 1937

Name	Amount paid	Duties
Adams, F. W. H	$5,000.00	*U. S.* v. *Warms.*
Bard, Guy K	1,980.54	Criminal matters specially assigned.
Bell, Alex. H	2,026.44	Lands matters in District of Columbia.
Chambers, Frank	2,708.30	Assistant to head of Lands Division.
Collins, Linton M	3,125.00	Special matters and cases.
Conboy, Martin	4,999.92	*U. S.* v. *Warms.*
Cooper, D. W	833.32	Patent cases.
Currie, Edward J	800.00	Cases assigned by United States attorney.
Darby, S. E	2,416.65	Patent cases.
Fischer, H	762.18	Suits in claims.
Fisher, Hugh	2,975.38	Criminal cases and appeals.
Foster, B. F	2,500.00	Criminal matters specially assigned.
Fouts, S. E	250.00	*Burgess* (*U. S.*) v. *Schenk*, Patent Interference No. 71178.
Fox, Carlton	2,333.30	Astor case and other tax suits.
Freund, Paul A	1,283.34	Assistant to Solicitor General.
Glassie, H. H	3,125.00	Lands matters.
Hempstead, D. B	2,708.30	Do.
Hopkins, Welly K	2,290.38	Criminal matters and cases.
Jackson, J. P	2,333.30	Tax cases.
Lawrence, Aubrey	2,708.30	Lands matters.
McGuire, M. F	1,354.15	Special cases assigned.
Mooney, H. F	1,350.00	Lands matters in District of Columbia.
Munz, C. J	444.43	Special matters.
Nichols, H. T	289.50	Suits in claims.
Olson, C. L	1,249.98	Kettleman Hills case.
Rich, G. W	4,436.66	Patent infringement cases.
Rodger, H. D	150.00	Murder trial in China.
Sampson, H. E	100.00	Criminal matters.
Schweinhaut, H	2,500.00	Do.
Snyder, H. L	1,125.00	Land matters.
Stern, William A., II	180.44	Cases specially assigned.
Whitaker, Sam E	2,055.52	Criminal cases.
Wyzanski, E. E., Jr	3,125.00	Briefs and appeals in Supreme Court.

PETITIONS AND MEMORIALS

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the enactment of House bill 2257, known as the Rogers old-age pension bill, which was referred to the Committee on Finance.

Mr. COPELAND presented a resolution adopted by Bartenders and Restaurant Employees Union, No. 386, New York City, N. Y., endorsing the so-called Schwellenbach resolution, being the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, which was referred to the Committee on Education and Labor.

He also presented a letter in the nature of a petition from James Myers, industrial secretary of the Federal Council of Churches of Christ in America, New York City, N. Y., together with a statement on the relief situation adopted by the executive committee of that council, praying for the

enactment of legislation providing for the continuance of adequate relief to unemployed workers under the Works Progress Administration until industry can absorb the unemployed, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Council of the City of Niagara Falls, N. Y., endorsing resolutions of the Niagara Frontier Planning Board and the Niagara Frontier Planning Association, protesting against the ratification of the Great Lakes-St. Lawrence Deep Water Treaty, and favoring the adoption of a treaty between the United States and Canada for the preservation and restoration of the beauty of Niagara Falls, and also the proposal to improve the barge canal from Three Rivers to the Niagara River, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the national executive committee of Jewish War Veterans of the United States, endorsed by University Heights (N. Y.) Post, No. 89, Jewish War Veterans, protesting against the division of Palestine into three parts, leaving the Jewish homeland within a restricted area and excluding the Holy City of Jerusalem from the small part set aside for Jews, and favoring refusal by the United States to approve such partition, which were referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

Mr. ASHURST, from the Committee on the Judiciary, to which was referred the bill (S. 481) to permit grand-jury extensions to be ordered by any district judge, reported it without amendment and submitted a report (No. 1030) thereon.

Mr. LOGAN, from the Committee on the Judiciary, to which was referred the bill (S. 1547) to amend the law relating to the harboring of persons charged with crime, reported it with amendments and submitted a report (No. 1031) thereon.

Mr. VAN NUYS, from the Committee on the Judiciary, to which was referred the bill (H. R. 4343) to amend section 77B of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended, reported it without amendment and submitted a report (No. 1032) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 7561) to amend the act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", approved March 24, 1934, reported it without amendment and submitted a report (No. 1015) thereon.

He also, from the same committee, to which was referred the concurrent resolution (S. Con. Res. 18) to provide for the creation of a Joint Committee on Hawaii, reported it without amendment and submitted a report (No. 1036) thereon.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (S. 1835) establishing a small claims and conciliation branch in the municipal court of the District of Columbia for improving the administration of justice in small cases, and providing assistance to needy litigants, and for other purposes, reported it with amendments and submitted a report (No. 1033) thereon.

Mr. OVERTON, from the Committee on the District of Columbia, to which was referred the bill (S. 2281) to regulate proceedings in adoption in the District of Columbia, reported it with amendments and submitted a report (No. 1034) thereon.

Mr. CONNALLY, from the Committee on the Judiciary, to which was referred the bill (S. 1551) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to the collection of State taxes, reported it without amendment and submitted a report (No. 1035) thereon.

INVESTIGATION OF RECEIVERSHIP AND BANKRUPTCY PROCEEDINGS—REPORT OF COMMITTEE ON THE JUDICIARY

Mr. VAN NUYS, from the Committee on the Judiciary, to which was referred the resolution (S. Res. 15) continuing certain resolutions relating to the investigation of bankruptcy and receivership proceedings in Federal courts (submitted by Mr. McADOO on Jan. 6, 1937), reported it without amendment, and, under the rule, it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. CONNALLY, from the Committee on the Judiciary, reported favorably the nomination of Berthold J. Husting, of Wisconsin, to be United States attorney for the eastern district of Wisconsin.

Mr. GLASS, from the Committee on Appropriations, reported favorably the nomination of J. Banks Hudson, of Pennsylvania, to be State administrator for Pennsylvania in the Works Progress Administration, vice Edward N. Jones.

He also, from the same committee, reported favorably the following nominations under the Social Security Board:

Frank Bane, of Virginia, to be Executive Director.

John J. Corson, of Virginia, to be Assistant Executive Director.

LeRoy Hodges, of Virginia, to be Director of Bureau of Federal Old Age Benefits.

Thomas I. Emerson, of the District of Columbia, to be principal attorney.

Alanson W. Willcox, of the District of Columbia, to be Assistant General Counsel.

Agnes Van Driel, of Illinois, to be Chief, Division of Technical Training.

Gladys A. Harrison, of Minnesota, to be regional attorney, region VIII, Minneapolis, Minn.

Helen R. Jeter, of California, to be Chief, Public Assistance Statistics Division; and

William R. Williamson, of Connecticut, to be an actuarial consultant.

The VICE PRESIDENT. Without objection, the reports will be received and placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

A bill (S. 2882) to authorize the construction of bridges in Caddo Parish, La.; to the Committee on Commerce.

By Mr. WALSH:

A bill (S. 2883) for the relief of George H. Lowe, Jr.; to the Committee on Military Affairs.

By Mr. NEELY:

A bill (S. 2884) granting a pension to Ruby McIntosh; to the Committee on Pensions.

By Mr. HATCH:

A bill (S. 2885) granting an increase of pension to Elizabeth Umbenhour; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2886) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended by the act of June 4, 1920 (with accompanying papers); to the Committee on Military Affairs.

By Mr. WAGNER:

A bill (S. 2887) to authorize the coinage of 50-cent pieces in commemoration of the eightieth birthday of George F. Johnson, who has devoted his entire life to the interests of humanity; to the Committee on Banking and Currency.

By Mr. THOMAS of Oklahoma (by request):

A bill (S. 2888) to authorize the Secretary of the Interior to lease or sell certain lands of the Agua Caliente or Palm Springs Reservation, Calif., for public airport use, and for other purposes; to the Committee on Indian Affairs.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 191) to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes; to the Committee on Foreign Relations.

LOW-COST HOUSING—AMENDMENTS

Mr. WALSH submitted several amendments intended to be proposed by him to the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes, which were ordered to lie on the table, to be printed, and to be printed in the RECORD with the accompanying explanatory statements, as follows:

Amendment to section 2, subsection (1): On page 35, line 5, after the word "exceed", to strike out the word "five" and insert the word "four", and in line 9, to strike out the word "six" and insert the word "five."

EXPLANATION OF AMENDMENT

This section provides by definition that the dwellings provided under the act shall be provided solely for families whose net incomes at the time of admission do not exceed five times the rental, except for families with three or more minor dependents, when the ratio is fixed at 6 to 1.

Thus if a rental is fixed at $25 a month, families with incomes of $125 a month would be eligible and those with three or more minor dependents would be eligible if their income was as much as $150 a month. It is not necessary that the Government subsidize families with incomes as high as this, especially when in the rental as thus defined heat, light, water, and cooking fuel may be included.

While it may be unfortunate, it still is true that families in the lowest income groups spend a larger portion of their income on these items, including rent, than is specified in this definition.

Let me recall in this connection that in the program of mortgage insurance of the Federal Housing Administration, 13 percent of the families who are purchasing their homes with insured mortgages have incomes of $1,500 and less, according to the Third Annual Report of the Federal Housing Administration. We must not place the Government in a position of subsidizing tenants whose incomes are equal to or greater than those who are buying their homes under another program of the Government without any subsidization.

Amendment to section 9 (b): Line 15, to strike out after the period, beginning with the word "Such", and substitute therefor the following: "Such loans shall bear interest at such rate not less than the rate charged by the Reconstruction Finance Corporation on the last previous loan of a similar character made by the Corporation, be secured in such manner, and be repaid within such period not exceeding 40 years as may be deemed advisable by the Authority."

EXPLANATION OF AMENDMENT

Section 9 (b) authorizes United States Housing Authority to make loans to "limited profit housing agencies."

The loans are limited to 85 percent of the cost of the property. They shall bear interest at a rate not less than the going Federal rate, and may be repaid within a period not exceeding 60 years.

The Authority is limited to $25,000,000 of loans of this type in any one fiscal year.

The definition of "limited profit housing agencies" is so similar to that contained in section 207 of the National Housing Act that it is difficult to see how conflicts or confusion can be avoided between the programs of the Federal Housing Administration and the proposed United States Housing Authority if this section remains in the bill as reported.

Every project on which the F. H. A. has insured a loan under section 207 of the National Housing Act would be eligible for a loan under this provision of the proposed bill. The terms authorized under the bill would, of course, be much more advantageous than those which can be secured from private lending institutions through the mutual mortgage insurance program.

The Reconstruction Finance Corporation has made several loans to limited profit housing agencies at a rate of interest of 4½ percent. One of these recent loans was at Chicopee Falls, Mass., and the other at the end of Sixteenth Street in the District of Columbia. These and other loans have been insured by the Federal Housing Administration. Indeed, the Federal Housing Administration has examined applications for over $500,000,000 for housing loans to limited profit housing agencies. Up to date they have agreed to insure these loans to the amount of $25,000,000.

The passage of this bill permitting loans to limited profit housing agencies at the same rate of interest as local housing authorities under State or municipal control will enable them to borrow money at a rate of 2¾ percent. This will practically do away with many more loans made at 4½ percent through the Reconstruction Finance Corporation and the insuring of such loans by the Federal Housing Administration.

Strike out section 15 (3), page 56, lines 10 to 19, inclusive, and substitute therefor the following amendments:

(1) Section 10 (a) is amended as follows: Strike out the period at the end of line 3, page 46, and substitute therefor a semicolon and insert the following: *"Provided,* That no annual contributions shall be made, and the Authority shall enter into no contract guaranteeing any annual contribution in connection with the development of any low-rent housing project involving the construction of new dwellings, unless the project includes the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement of unsafe and insanitary dwellings situated in the locality or metropolitan area, substantially equal in number to the number of newly constructed dwellings provided by the project."

(2) Section 11 (a) is amended as follows: Strike out the period at the end of the section and insert a semicolon and the following: *"Provided, however,* That no capital grant shall be made for the development of any low-rent housing project involving the construction of new dwellings, unless the project includes the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement of unsafe or insanitary dwellings situated in the locality or metropolitan area, substantially equal in number to the number of newly constructed dwelling units provided by the project."

(3) Section 12 (a) is amended as follows: Strike out the period at the end of the section and insert a semicolon and the following: *"And provided further,* That no such projects shall be commenced in any locality unless such projects include the elimination by demolition of insanitary or unsafe dwellings in the locality or metropolitan area substantially equal in number to the number of new dwelling units provided by the project, or unless and until the appropriate governing body having jurisdiction over such locality, or the appropriate public housing agency shall enter into an agreement with the Authority under which the Authority is assured that upon the completion of such demonstration project insanitary or unsafe dwelling units in the locality or metropolitan area substantially equal in number to the number provided by such demonstration project will be eliminated by demolition, condemnation, and effective closing, or compulsory repair or improvement."

EXPLANATION OF AMENDMENT

The purpose of this amendment is to assure that the activities of the United States Housing Authority are directed primarily toward slum clearance. In order to accomplish this purpose, the amendment provides that for every low-rent dwelling constructed through the assistance of a Federal subsidy, an unsafe or insanitary dwelling must be eliminated by demolition, condemnation, or repair and improvement. It requires that when plans are submitted for new buildings there must be likewise submitted plans for the elimination of existing slums.

It appears perfectly clear that without some such provision in this bill, it may in operation be disappointing. That it will produce new housing may be admitted, but there are no safeguards in the bill as it stands which assure that the insanitary or unsafe dwellings now existing in our urban centers will be eliminated as a result of the operation of the bill.

This amendment is directed toward a real weakness in the bill as it stands. Such an amendment can work no hardship upon the program which is contemplated under the bill. It is true that it may require the passage of legislation which will implement public housing authorities with powers to effect the purposes which are contemplated, but if these powers are necessary in order to accomplish the elimination of insanitary and unsafe dwellings, then a program of building must wait upon legislation providing these powers.

The right of the State, exercised through the local governing agencies, to bring about the demolition, condemnation, closing, or repair of unsafe or insanitary dwellings is well recognized.

It should be pointed out that while this power for abolishing slums has existed for many years, comparatively little use has been made of it in most localities. This fact may be attributed to the influence of local interests which prevent slum clearance through the exercise of these powers. If the financial assistance of the Federal Government is conditioned upon the vigorous exercise of these powers, it is reasonable to suppose that this condition will result in increased activity in bringing about the elimination of slums.

It is also significant to point out that in England, after some 80 years of legislation and experimentation in connection with housing and slum clearance, in 1933 all subsidies to local bodies were withdrawn by the Parliament, except those granted for the purpose of rehousing persons displaced by slum-clearance operations.

It should be further pointed out that the provision contained in this amendment makes it possible for a local housing authority to improve housing conditions at a rapid rate by enforcing the

repair and improvement of existing structures. For every new house built under this proposed amendment, an insanitary or unsafe dwelling will be either demolished or made safe and sanitary. If the latter course of action is taken the improvement in housing conditions will be twice as rapid as it would be if the provisions of the amendment were not enforced.

Under existing State legislation it is now possible for local public housing authorities to condemn property for slum clearance and housing projects. Legislation now exists in 30 of the most populated States providing for the creation of a public housing authority. All of these laws contain provisions empowering the local public housing authority to exercise the power of eminent domain in order to acquire slum areas for the construction of housing projects or other public uses. Furthermore, the State courts have upheld the exercise of the power of eminent domain for these purposes. Thus the States are in a position to exercise this power of condemnation free from constitutional questions that have been raised against the Federal Government when it entered into the field of housing construction.

It was the intention of the Federal Government, when the Housing Division of the Public Works Administration, under the Department of the Interior, was set up to include slum clearance as a part of all projects undertaken by it. This became impossible when courts ruled the Federal Government could not condemn property for slum clearance and low-rent housing projects. As a result the Housing Division was forced to abandon many of its proposed slum-clearance projects and confine its activities to merely Federal housing projects of a general character.

There are some desirable provisions in the Wagner-Steagall bill which contemplate elimination of slum clearance without the construction of new housing, in cases where an existing slum area can be reclaimed through reconstruction or remodeling, but there is no compulsory provision thereunder.

Mr. BYRD and Mr. AUSTIN each submitted an amendment intended to be proposed by them, respectively, to Senate bill 1685, the so-called low-cost housing bill, which were ordered to lie on the table and to be printed.

REORGANIZATION OF COURTS AND REFORM OF JUDICIAL PROCEDURE

Mr. HATCH and Mr. BURKE submitted the following resolution (S. Res. 164), which was referred to the Committee on the Judiciary:

Resolved, That a special committee consisting of the chairman and six Senators who are members of the Committee on the Judiciary, to be appointed by the chairman of the Judiciary Committee, is authorized and directed to make a full and complete investigation and study of all matters relating to the reorganization of the courts of the United States, the appointment of additional judges for any of such courts, and the reform of judicial procedure, with respect to which any bills or resolutions (including resolutions proposing amendments to the Constitution of the United States) have heretofore been introduced in the Senate or may hereafter be introduced therein during the Seventy-fifth Congress, and to report to the Senate from time to time its recommendations with respect to such matters. The committee so appointed is further authorized and directed to make a special report to the Senate and to the Committee on the Judiciary with respect to any such pending bill or resolution, if such report is requested by the Committee on the Judiciary.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

APPOINTMENTS OF SUPREME COURT JUSTICES

Mr. VANDENBERG. Out of order, I ask permission to submit a resolution which I ask the clerk to read, and then that the resolution lie upon the table.

The VICE PRESIDENT. Without objection, the clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 163), as follows:

Resolved, That it is the sense of the Senate that an appointment to the Supreme Court should be made only at such a time as the Senate may act upon confirmation prior to the entry of the nominee upon his service.

Mr. ASHURST. Mr. President, I heard the resolution read. Of course, the Senator is not asking for action at this time?

Mr. VANDENBERG. No. I merely ask that it lie on the table and be printed. I would not want to intrude upon the time of the Senator from New York [Mr. WAGNER] by taking action at this time.

Mr. ASHURST. If it lies upon the table, instead of being referred to a committee, it would be subject to call at any time, and it ought not to be subject to call unless and until it is investigated and considered by a committee of the Senate.

Mr. BARKLEY. Mr. President, obviously the resolution ought to go to the Committee on the Judiciary. It is a preliminary to passing on appointments that may be made to the Supreme Court.

Mr. ASHURST. Of course, if the Senator from Michigan desires to speak on the resolution, he is entirely within the rule to let it lie on the table until he addresses the Senate on the subject.

Mr. VANDENBERG. At the moment I do not care to discuss it.

Mr. McNARY. Mr. President, as to the parliamentary situation, the Senator from Michigan has a perfect right to submit his resolution and have it printed and lie on the table. Should he call it up for consideration, then properly a motion might be made to refer it to the committee.

The VICE PRESIDENT. That is a correct statement. The resolution will lie on the table.

PLAN FOR PREVENTION AND CONTROL OF FLOODS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 57) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes, which were to strike out all after the resolving clause and insert:

That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all the major rivers of the United States and its Territories and their principal tributaries. The Chief of Army Engineers, under the direction of the Secretary of War, is authorized and directed to conduct necessary surveys, assemble information, and prepare such a comprehensive plan, which shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and all works necessary for an effective and adequate system of flood control for all such rivers. Such plan and the report or reports to Congress shall list specific projects and set forth estimates of cost (including the expense of acquiring land and easements and payments of property damage) of carrying out the projects, and shall set forth the values of such projects for hydroelectric development and other conservation purposes. And the appropriate bureaus of the Department of Agriculture, under the direction of the Secretary of Agriculture, be, and they are hereby, authorized and directed to cause a preliminary examination, survey, and report or reports, to be made for run-off and water-flow retardation and soil-erosion prevention on the watersheds of said waterways, with a view to controlling said floods, in accordance with the provisions of the Flood Control Act approved June 22, 1936. Such plan and report or reports shall take into consideration flood-control projects now under construction or heretofore authorized by acts of Congress, and shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and utilization of water resources through the building of power dams or a combination of power, reclamation, conservation, and flood-control dams, and all works necessary for an effective soil and water conservation for all such rivers and their watersheds. Any plans or reports which include or recommend projects for reclamation shall be prepared in conjunction with the Department of the Interior.

SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution, to be paid from appropriations heretofore or hereafter made for such purposes.

And to amend the title so as to read:

Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric power resources, water and soil conservation, and for other purposes.

Mrs. CARAWAY. Mr. President, I move that the Senate concur in the House amendments.

Mr. KING. Mr. President, may I inquire of the Senator from New York, the chairman of the Committee on Commerce, whether this measure embraces the so-called Oregon flood-control project?

Mr. COPELAND. No; it does not. When that question comes before the Senate the Senator is to be heard on it. This has no relation to that.

Mr. BONE. Mr. President, may I inquire of the Senator from Arkansas just what the House amendments cover?

Mrs. CARAWAY. Mr. President, as the joint resolution was passed by the Senate, providing that the War Department should make a survey of all the rivers of the United States with a view to flood-control operations. The House has amended the joint resolution so as to include plans for development of hydroelectric power resources, water, and soil conservation.

Mr. BONE. Very well.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

EMPLOYMENT BY WORKS PROGRESS ADMINISTRATION

Mr. COPELAND. Mr. President, I should like to ask the Senator from Washington [Mr. SCHWELLENBACH] a question concerning a joint resolution introduced by him, being the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry.

I will say to the Senator that I asked my secretary this morning to bring the letters I have had from my State about this resolution, and I find at least a thousand urging its passage. I am not surprised at this, because the virtues of the proposal entitle it to support.

I have read the resolution, and find that it is in harmony with the view I presented to the White House last year and to Harry Hopkins this year. It provides that those who are on the rolls of the Works Progress Administration and who secure temporary private employment shall be furloughed and not discharged from the rolls. In case the private employment ends they may return to the W. P. A. employment.

This gives them a proper and desirable sense of security and does away with the fear of returning to private work. With the possibility of early loss of private jobs, they know they can be returned to the rolls of the W. P. A.

Am I correct in my statement?

Mr. SCHWELLENBACH. The Senator is correct.

Mr. COPELAND. I hope the Senator will press the joint resolution. May I ask him what is the prospect for it at the moment?

Mr. SCHWELLENBACH. I will say to the Senator from New York that reports from the Department were not received by the Committee on Education and Labor until Wednesday or Thursday of last week. As the Senator knows, the chairman of that committee was particularly busy with the wage and hour bill the latter part of last week, and, out of deference to him, and because of the fact that he was busy, I did not press the consideration of the joint resolution by the committee at that time. I intend, however, immediately to ask the chairman of that committee to call the committee together and try to secure action upon the measure.

Mr. COPELAND. I ask the Senator to be my mentor and advise me when a meeting of the Committee on Education and Labor is held for that purpose. I happen to be a member of the committee and am desirous of helping to have a favorable report submitted upon the Senator's measure. I shall do all I can to help its becoming a law.

In my opinion, such a law will give a sense of security and encourage the acceptance of private employment. Therefore it will lessen the burden of government and do much to restore normal industrial and agricultural activity.

Contentment of mind, the guaranty of self-support, and the happiness that worth-while employment gives are involved in the Allen-Schwellenbach resolution and its passage. Let us get early action.

THE WAGE AND HOUR BILL—EDITORIAL FROM PHILADELPHIA RECORD

[Mr. NEELY asked and obtained leave to have printed in the RECORD an editorial in the Philadelphia Record on August 2, 1937, entitled "An Emancipation Proclamation To End Wage Slavery", which appears in the Appendix.]

COST OF RESETTLEMENT PROJECTS IN VIRGINIA

Mr. BYRD. Mr. President, I ask unanimous consent to have inserted in the RECORD a letter written by me to Secretary Wallace and the reply made by Mr. Wallace; also another letter by me to Mr. Wallace and a statement which has appeared from me with respect to the same matter, and a statement from the General Accounting Office regarding the cost of certain Resettlement projects throughout the country.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

MAY 21, 1937.

Hon. HENRY A. WALLACE,
Secretary of Agriculture.

MY DEAR MR. SECRETARY: When I mentioned to you not long ago that I expected to protest against a Federal allocation by the Resettlement Administration to be expended within Virginia you intimated that the day of miracles had not yet come.

I am now asking you to investigate the expenditure of a sum which will be in excess of $1,500,000, in accordance with present estimates, to be disbursed by the Resettlement Administration on Shenandoah Park homesteads in the valley of Virginia. I also ask, if my complaint of gross waste and inefficiency is justified, that you salvage what you can of this allocation and return it to the Public Treasury to be applied to reduce the deficit in our revenue.

I realize that I am assuming a responsibility in requesting that an expenditure of this magnitude within my own State be discontinued, but as a Senator representing Virginia I regard it my duty to call to your attention the impracticability of this spending scheme and the waste and extravagance with which the disbursement has been administered. The objective originally may have been worthy, but the administration of it has been devoid of practical and efficient operation.

I live in the vicinity in which the expenditure is being made, and my request for a thorough investigation is based upon my firm conviction that the projects, as now contemplated, are not only thoroughly impractical but unusual inefficiency and disregard for reasonable intelligent management have prevailed.

On June 1, 1936, the former Resettlement Administrator, Dr. Rexford G. Tugwell, signed a budget for the rehabilitation of mountain families by means of the Shenandoah Park homesteads. This budget called for an expenditure of $1,520,219, an average expenditure of about $6,000 per family for a house and small acreage of land. I am now informed that since this budget was made up the per-unit cost has been substantially increased. For example, the Greene County project, I am told, if constructed as now proposed, will cost $9,835.62 per family, and others will average from $7,000 to $8,000 per family unit. This outrageous cost for buildings and equipment, worth in real value perhaps one-third of the expenditure made, can only be accounted for by inefficient management and a tremendous overhead expense of various unnecessary supervisors and coordinators.

I am informed that as first proposed the project in Greene County was to be operated on the village plan and farmed cooperatively, and provided, among other extravagances, the construction of a community building at a cost of $20,000 for use of 16 families.

The 250 families it is proposed to rehabilitate will be congregated into seven homestead projects. Mountain people have been accustomed to living by themselves and are not happy in close proximity to others. To congregate them in villages in close contact with each other is in defiance of all the traditions, habits, and experiences of these splendid people.

Under the guise of being helpful and to give to these people a better standard of living the Federal Government proposes to exact rentals based upon an excessive cost of construction. A good farm of considerable acreage on which houses have already been built can be purchased for the amount per unit being expended. I am impressed also by the result of an investigation conducted by the Government which shows the average value of homes in 65 cities is slightly in excess of $4,000, about one-half of the estimated cost of these units.

Not only do I protest against the complete project as now proposed but I am unwilling to have the people who have lived in the mountains, and who represent in the main a fine class of citizens, misled in the thought that something is being done for their good, when, in fact, what is really being asked of them is to pay for the mistakes and extravagances of the Resettlement Administration.

Accompanying the budget signed by Dr. Tugwell is an itemized statement showing how the homesteaders can pay the rent to be exacted by the Government, and a perusal of this is sufficient to show the utter absurdity of the whole scheme. For example, it is estimated that on one unit of 10 acres of land, 2 acres will be planted to tomatoes, from which the renter will receive each year $118 in cash, or $59 per acre; one-half acre to be planted to berries, from which the renter will receive $96 each year; three-fourths acre for trucking, from which the renter will receive $75 each

year. If these estimates were reliable, it, of course, follows that every farmer would be planting his land to tomatoes and berries and obtain an income much greater than he now receives from general farming operations.

It is then proposed that the renter hire himself out as a laborer for about 150 days in the year, and then his net income, after deducting modest living expenses and making the rehabilitation loan payment, would be $3.60 per year. Even then, the rental is based on a cost of $4,500 per unit, while the cost will actually be probably twice as much. If the Government exacts rental based on the full cost, then the occupant, after his year of labor, would be heavily in debt to the Government, even after paying as rental all he receives by his own labor and the fantastic revenue from the planting of tomatoes, berries, etc. Yet by this plan the Resettlement Administration expects to raise the standard of living by soliciting the mountain people to rent these units and then incur a substantial annual indebtedness to the Government above the most liberal estimate of income. The income as estimated will not be forthcoming, and the whole result will be that the people it is designed to benefit will soon rebel against being compelled to pay for the mistakes and errors of the Federal Government, the homesteads will be vacated, and the buildings stand as a monument to governmental inefficiency and extravagance.

To cap the climax, I have just been informed that to furnish these units for the occupancy of the tenants, furniture including an electric refrigerator has been ordered to be shipped in from Pennsylvania at a heavy cost to be added to the rental price, and that those having furniture at present will not be permitted to use it. The mountain people are most proficient in making household furniture themselves, yet they will not have an opportunity to do this.

On August 11, 1936, I wrote Dr. Tugwell for information regarding these projects. He delayed answering me until October 1, and even then his reply was incomplete and did not disclose the full cost.

On numerous occasions I have verbally protested against the waste of this money. I now publicly call the matter to your attention, and I hope that such steps will be taken immediately to examine the situation, and, if I am correct, to discontinue the construction of these units and salvage what may be possible.

I am informed that applicants for the homesteads are steadily declining, and it is not too late to save a part of the funds allocated for the projects not yet completed.

What I am opposing is not needed help to these worthy families but the inexcusable waste. As the Government is still spending $2 for every $1 we take in, I think the time has come for Senators and Congressmen to protest against extravagances in their respective States. The sooner we can discontinue such absurd expenditures as the one I have referred to, the sooner we can restore the country to financial solvency.

Cordially yours,

HARRY F. BYRD.

MAY 26, 1937.

Hon. HARRY F. BYRD,
United States Senate.

MY DEAR SENATOR BYRD: I am replying to your letter of May 21 regarding the Shenandoah homesteads project.

I recall the occasion last December at the Gridiron dinner when you mentioned this matter to me. As I remember it, you said you understood that Resettlement was being transferred to the Department of Agriculture and that, when it was, you were going to do the miraculous thing of asking that work on a project in your State be stopped. I was surprised therefore that for 6 months I did not hear from you regarding this matter.

Immediately after the Resettlement Administration came under my jurisdiction last January, however, I reviewed its policies with the officials of that agency. It was then decided to complete all resettlement projects under way as inexpensively as possible. For your information, an average cost of $1,200 per house was set for the southern part of the country, while the average for the North was established at $2,100. Of course, it has been obviously impossible to build houses within these limits where construction was too far advanced to make it practicable, but the large majority of farmsteads now being built by the Resettlement Administration are within the new low-cost figures. For your further information, as I testified before the House Appropriations Committee recently, it will be possible to complete these projects with the money which the Congress made available for that purpose in the 1937 deficiency bill. No funds for construction have been asked for from the $1,500,000,000 suggested by the President for relief and work relief for the fiscal year 1938.

It may interest you to know that the total cost of Shenandoah homesteads is now estimated to be approximately $993,000, notwithstanding the amounts previously allotted, instead of the figure above $1,500,000 which you indicated. This is being made possible by finishing the last two-thirds of the units on the project at the new cost figures. The total costs of the new units will not exceed $3,755. This is made up as follows: Land, $1,500; house, $2,100; barns, $400; poultry house, $100; fencing, $250; water supply, $250; outside sanitation, $55.

The present plans do not contemplate cooperative farms—Shenandoah farmsteads will be made up of individual farms, which you feel are desirable for these mountain people. Reasonable rents will be charged those who live on these farms, which will be based on:

(a) The ability of the family to pay.

(b) A fair appraisal of the property.

We, of course, expect to deal fairly with these people who have given up their former homes because of their purchase by the State of Virginia for the creation of the Shenandoah National Park. The rehabilitation of these families has been considered a Federal responsibility by the State of Virginia.

It is not planned to supply the homesteaders with electric refrigerators. While homesteaders who are in need of certain articles of furniture will be given an opportunity to buy them, it has never been contemplated to deny any families the right to bring whatever furniture they have into their new homes.

The last paragraph of your letter questioning the present solvency of the United States has been noted, and I wish to thank you for bringing your viewpoint to my attention.

Sincerely yours,

H. A. WALLACE, *Secretary.*

MAY 29, 1937.

Hon. HENRY A. WALLACE,
Secretary of Agriculture, Washington, D. C.

MY DEAR MR. SECRETARY: This acknowledges receipt of your letter of May 26, replying to my communication of May 21, in which I requested you to investigate waste and extravagance at the Shenandoah homestead projects in Virginia, and, if it were found that my information was correct, to salvage what has been done on these projects and see that the balance of the allotted money reverts to the Treasury.

When, at the Gridiron dinner, I complained orally to you of the waste at the Shenandoah homestead projects, I hoped that such a complaint would warrant you in making your own investigation and avoid the necessity of a public exposure of these operations by me. I realized, as you explained then, that you had just taken over the Resettlement Administration. I sympathized with you in your inheritance of the homestead projects from Dr. Tugwell. I had no desire to embarrass you in your efforts to improve the efficiency and reduce the waste and extravagance of the Resettlement Administration. Out of courtesy to you, I therefore delayed making a public protest in the hope that those things I complained of would be remedied. I am not opposing sound and practical relief to these worthy mountain families, but I oppose this present scheme because it will not be successful in giving the benefits expected.

For nearly a year I have been protesting against extravagance and the sinful waste of the operation of Shenandoah homestead projects. The matter was most forcefully called to my attention last summer when I spent some time in the Shenandoah Park area. I was then appalled upon learning that Dr. Tugwell intended to expend $1,500,000 on a resettlement program for 250 mountain families by means of collective village farming, and that, under the proposals, the mountain people would repay in part this amount to the Federal Government in the form of rentals. I then vigorously protested to local officials in charge.

When Dr. George Mitchell was appointed regional director I protested in person to him. This resulted in the changing of the original fantastic project, known as the C. B. I. Greene project, as it was proposed by Dr. Tugwell. It was there proposed that 28 mountain families would operate as a common unit on a cooperative system similar to those in Russia. No one family would own anything. Everything would be owned in common. The characteristics of these mountain people would render such a project completely impractical. I was pleased when Dr. Mitchell recently advised me that the collective-farming feature of this project would be abandoned.

I am glad to learn also from you now that the order for electric refrigerators has been countermanded. The purchase of them, I am advised, was proposed.

Your letter does not refer to the extravagance of past expenditures. You say the cost of the new units will not exceed $3,755 each. It appears, however, that your itemized statement of this cost does not include any accounting for the costly overhead which has been largely responsible for the extravagant expenditures already made.

Your latest estimate as of May 26 obviously is at variance with another estimate submitted to me under the date of May 21, through Budget Director Bell, and signed by C. B. Baldwin, Assistant Resettlement Administrator. It, of course, is likewise at variance with the previous figures of Dr. Tugwell.

Mr. Baldwin estimates, for example, that in the Ida Valley tract the cost of the land will be $37,179 and the cost of development will be $101,422, making an average cost of $6,929 per unit. The cost of the land in the Washington tract, Rappahannock County, was estimated by Mr. Baldwin on May 21 as $33,065, and the development cost there was estimated by Mr. Baldwin at $121,704. This project is to care for 27 families. These figures indicate an average per unit cost there of $5,703.

It is difficult for me to understand why the Assistant Administrator, Mr. Baldwin, gives an estimate on May 21, which is entirely at variance with figures given by you on May 26.

A very substantial part of the total allocation can still be salvaged, as shown by the fact that Mr. Baldwin stated on May 21 that the total expenditures to that date were $355,630, several of the projects now being completed, and others not started.

On the assumption from your letter that you will not conduct the requested investigation, and acting under authority of Senate Resolution 217 of the Seventy-fourth Congress, as chairman of the Reorganization Committee, and in accordance with the terms of that resolution, which empowers the committee to "require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable", I am asking you to furnish the following information and documents:

1. Copies of all contracts and agreements of every kind that have been entered into with respect to these projects.
2. An itemized statement of the cost of completing each project.
3. An exact, itemized statement of all expenditures separated as between the seven projects.
4. A complete statement of the overhead and administrative cost and a list of these employees at Washington and elsewhere and the salaries of all who perform or have performed services on these projects.
5. A list of the families, with addresses, who have made agreements to rent the houses and copies of the agreements.
6. A statement of the rent to be charged and the amount of principal payment required.
7. A statement of the number of agreements with tenants or prospective tenants which have been canceled and the reasons for each cancelation.

I am asking prompt compliance with this request because of the discrepancy between the $1,520,219 estimate presented to me by Dr. Tugwell, the estimates cited as of May 21 by your Mr. Baldwin and the Budget Director, and the estimate contained in your letter of May 26.

With best wishes, I am,

Cordially yours,

HARRY F. BYRD.

STATEMENT BY SENATOR HARRY F. BYRD

When I communicated with Secretary Wallace, complaining not only of the gross extravagance but of the complete impracticability of the whole scheme involved in the building of the seven homestead projects in Virginia for the occupancy of the mountain people, I based my statement upon such information as I could secure from the Resettlement Administration and the budgets prepared by Dr. Tugwell.

I stated that the Budget allotment was $1,500,000 to provide for the construction of 250 home units, but that the actual cost of these units would be from six to eight thousand dollars each. With full knowledge of this activity, which is near my home, I asked for an investigation of my charge of waste and if the charge were found to be true that the Secretary at once discontinue further construction on the homesteads not yet completed and salvage what might be possible and return to the Federal Treasury the sum unexpended but allocated to this work. At that time only 46 units out of 175 had been completed and the opportunity still remained to save hundreds of thousands of dollars being wasted on these projects, provided that the land was sold on which construction had not been started. Secretary Wallace refused to hold up construction of the units not begun and no investigation was made so far as I have been informed. In a sharp reply he said he would proceed and that my figures were erroneous.

I then requested complete itemized expenditures, not only from the Resettlement Administration but from the General Accounting Office of the United States Government. The Resettlement Administration's reply contradicted the figures this same Bureau previously gave on May 26 and is at wide variance with the official figures reported by the auditors of the General Accounting Office. And, therefore, to sustain my criticism of waste on these projects, I will use the unbiased figures of the General Accounting Office. Fortunately the General Accounting Office is still an independent branch of the United States Government, responsible only to Congress. So long as this condition continues the Members of Congress and the people in general can rely on the reports presented by this department with full confidence of their accuracy and unbiased preparation.

As to how long the General Accounting Office will remain an independent branch depends on the action Congress will take on the recommendation made by the President's Committee on Reorganization which is to the effect that the present independent status of this Office shall be destroyed to the extent that all preauditing shall be under the control of the executive branch of the Government. The fact that I have received contradictory financial reports from the Resettlement Administration and the General Accounting Office strengthens my belief that the independence of this Office should not be impaired by the passage of the legislation now pending.

I stated the cost of this work would be $1,500,000 with an average cost per unit of six to eight thousand dollars. Mr. Wallace replied and said the cost would be $993,000 and that the new units would cost no more than $3,755. My original statement was based on the construction of 250 home units. By reason of the inability, I assume, to obtain tenants, this number has now been reduced to 175. The General Accounting Office reports that after a thorough audit of expenditures and allotments as of July 19 the cost will be $1,384,136.81 and that the average cost per home unit will be $7,909.35. During my investigations I discovered another fund of $150,000, now available for the purpose of providing homes for these same mountain people. This sum is in the hands of the F. E. R. A., therefore the total is $1,534,136.81, which is in excess of the amount I first stated. It is interesting to note that the funds in the hands of the F. E. R. A. are being expended on the basis of approximately $800 per family. It happens that the sum of $150,000 from the F. E. R. A. is being expended under the State welfare department. Here is an instance where a State agency is spending $800 for the same service which is costing the Federal agency ten times as much. The State welfare department very wisely purchased small farms, a much more practical solution than to congregate mountain people in villages. It is further interesting to note that I have an official memorandum of a budget dated January 4, 1934, placing the total cost of all of these projects at $480,000, an average of about $2,500 per homestead, yet the final cost appears to be approximately $8,000. The land cost for these projects is $301,778.13, but to me the most appalling waste of all is the sums that have been expended for overhead cost. The General Accounting Office reports that the overhead expense on this project is approximately $300,000. The overhead expense in the Washington office is $186,319.75. The amount of $115,000 was expended for overhead in the field for supervisors, surveyors, engineers, et cetera. In other words plans and administrative costs represented by overhead were about as much as the cost of the 6,889 acres of land.

I have received from a responsible contractor a bid for the reproduction of the four-room houses at Ida Valley at $900 each, including plumbing and wiring. The utter absurdity of the whole scheme is demonstrated by the fact that a unit cost exists of nearly $8,000 when the houses to be occupied are valued at less than a thousand and not worth more because these houses are of the most flimsy construction.

No explanation has been made of the astounding cost of overhead but an investigation appears to me to be in order.

At the Elkton project, for example, as of June 17 when only $2,664 had been expended for construction purposes and the land had only recently been purchased, the overhead was $30,524. At the Washington project in Rappahannock County where only $2,445 had been spent for construction, the overhead was $14,563. At Flint Hill, where there has been no construction cost as of the date of the report the overhead was $30,391. Although the construction work is only about one-third completed, $119,020 has already been expended in salaries to officials and supervisors, not workmen, and $10,672 has been expended for traveling expenses.

The item of overhead expenses appears to have been nearly entirely omitted from the report made by the Resettlement Administration and would not have been disclosed except for the independent diligence of the General Accounting Office. In Greene County it was first proposed to operate a community unit with common ownership of all property on the same plan as a Russian village. The houses are constructed close together. There is one community meat and vegetable house in which it is proposed that all the 19 tenants will use as a common storehouse and there are two barns for the use of all. Mr. Wallace stated in his reply to me that these would be individual farms but, of course, it would be impossible to operate any individual farms when the buildings are constructed in groups and where there are but two barns and one meat house for 19 families.

Another amazing fact I ascertained from the Resettlement Administration is that not a single contract has been signed for the occupancy of a single one of these 175 houses now being constructed. Yet the waste goes on and the Government continues to build houses without the assurance that any will be occupied on a rental basis. I have endeavored in every way I could to stop this waste and extravagance in my own State, and am willing to assume full responsibility therefor to my constituents. Yet my efforts have been unavailing and there is nothing further I can do. I am making this statement merely in confirmation of my original criticism which has been fully sustained, and further to call attention to the fact that an executive department of the Government is guilty of furnishing estimates of costs and expenditures which are in contradiction to the official records of the United States Government as reported by the General Accounting Office.

As a Member of the United States Senate I did not have an opportunity to vote against this expenditure. It was included in a lump-sum appropriation. I may say that the extravagance and waste in the Shenandoah Park project can be found in the 252 homestead projects now going forward throughout the country. At Tugwelltown, more than $16,000 is being expended on each home unit and the homesteads at Hightstown are costing more than $20,000 per home unit. Similar conditions exist in all the other homestead projects throughout the country. Yet no effort apparently is made to prevent this squandering of public money. The absurdity of collecting adequate rentals on these homesteads is so apparent that I make the confident prediction that the hundreds of millions of dollars being expended by the Resettlement Administration for the construction of these homes will stand as a permanent monument to a waste and extravagance such as has never before been known in a civilized country.

Report on allotments, expenditures, and encumbrances, project of Resettlement Administration—Shenandoah homesteads—Reported by Hon. R. N. Elliott, Acting Comptroller General of the United States, to Senator Harry F. Byrd, on July 19, 1937

	Allotments	Expenditures	Unliquidated encumbrances	Total expenditures and unliquidated encumbrances
Administrative planning and land acquisition	$77,057.22	$53,689.09	$6,503.64	$62,192.73
Management	15,172.63	4,798.31	1,441.05	6,239.36
Land improvement and construction	716,542.65	226,990.78	191,699.39	418,690.17
Inspection	4,258.30	3,252.02	408.05	3,660.07
Agricultural operations	15,292.00	1,412.41	600.97	2,013.38
Land cost	311,944.03	280,420.53	17,620.00	298,040.53
Household furnishings	35,600.00	1,355.00	411.36	1,766.36
Total	1,175,266.83	573,918.14	218,684.46	792,602.60
Less: Land encumbrance duplicated			6,500.00	6,500.00
	1,175,266.83	573,918.14	212,184.46	786,102.60
Estimated general administrative expense	$186,319.75			$124,564.25
Expenditures, prior agencies	22,550.23	$22,550.23		22,550.23
Grand total	1,384,136.81			933,217.08
Number of housing units to be constructed	175			
Average cost per unit	$7,909.35			$5,332.67
Acreage of land acquired	6,889.757			
Cost of land acquired	$301,778.13			
Average cost per acre	$43.80			
Land purchases were made as follows:				
Subsistence homesteads acres	343.000		$10,287.60	
Resettlement Administration acres	6,546.757		291,490.53	
Total do	6,889.757		301,778.13	

NOTE.—The foregoing figures differ from those used in prior statement because since the prior statement was made additional allotments were made for several features. All changes in allotments directed on or before June 30, 1937, are reflected in above figures.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. WAGNER. The bill before the Senate at this time is one to provide financial assistance for the elimination of unsafe and insanitary housing conditions, for the eradication of slums, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity. It is not my purpose to detain the Senate very long in an explanation of the bill, because last year we considered at some length a bill having a similar objective. However, between last year and this year we have improved the bill very much and removed the objections which were developed in the Senate at the time the previous bill was before this body for consideration. As Senators will remember, that bill passed at the last session by a very substantial majority.

I may say in passing that during my time in the Senate I have never advocated legislation which was of such a noncontroversial nature. There is practical unanimity throughout the country in favor of the measure. A short time ago I placed in the RECORD a list of sponsoring organizations, covering various interests in public affairs and representing every State in the Union. There was practically no opposition to the bill in the hearings before the committee. The slight opposition which developed there was on the part of one or two men who seemed to feel that the slum dwellers were better off in the slums than they would be in decent and sanitary housing.

I shall not take the time to read the list of those favoring the bill, but the list comprises practically every labor organization in the country, a great many women's organizations, such as the Women Voters' League, and at least a thousand other organizations. I doubt whether any Senator has received any communication in opposition to the objectives of the bill. There may be amendments to be offered, and, of course, my mind is always open to reasonable amendments which may tend to perfect the measure.

I have not a prepared statement to submit at this time in explanation of the bill, so I hope Senators will feel at liberty at any time to question me with reference to its provisions.

I have never been in charge of any measure with respect to which there was such unanimity of support from the newspapers of the country. Of course, we would naturally expect the liberal newspapers to support this kind of legislation, but in this case the most conservative newspapers have found virtue in the measure and by editorial comment have approved it. There are many newspapers which have found fault with a great deal of the so-called New Deal legislation, but even they seem to have made an exception of this bill and indicate that it ought to be approved by the unanimous vote of the Congress.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. Certainly.

Mr. BORAH. Is the Senator going to discuss the question of causes of slums? Why do we have these awful degraded conditions?

Mr. WAGNER. I think that is a very simple matter. It is because of the low incomes received by the individuals who live in the slums. That is the fundamental difficulty. If overnight we could increase their incomes by a more fair distribution of the wealth of the country, we would not have any slums.

Mr. BORAH. I am not saying this in opposition to the bill, but I ask the question for the reason that it seems to me we will continue to have slums, no matter what we may do at any particular time, unless we do increase incomes. And, the Senator will permit me to say, we will have slums so long as we have private corporations fixing prices on everything the slum dweller has to have in order to eke out his miserable existence. Our system calls for just such things as slums and economic slaves.

Mr. WAGNER. I think the Senator's remedy and mine are interdependent, but it seems to me that this bill presents an immediate problem. We have slum dwellers living under conditions which tend to generate crime and disease, trying to live on incomes of less than $400 or $500 or $600 per year.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Utah?

Mr. WAGNER. I yield.

Mr. KING. I hope before the Senator concludes his argument he will indicate whether this is a bill largely for the benefit of the big cities, such as New York and Chicago, where a large number of people have flocked for reasons best known to themselves and to the public, or whether it is a bill for the general benefit of the people throughout the United States. Is it not rather a plan to help the Senator's city and a few of the larger cities of the country?

Mr. WAGNER. I hope the Senator does not intend to intimate that I am favoring legislation for New York City alone. I have said before and I assert again that I have never given utterance to any provincial thought in connection with any measure which I have advocated or which was

before the Senate. This is a national problem and it applies anywhere in the country where there are slum dwellers, whether urban or rural. That is definitely set forth in the bill and clearly understood by the committee. The matter of housing is very much like the question of relief. Wherever the slum dweller lives, and there are many in the rural sections of the country as surveys have shown, the provisions of the bill will apply.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WAGNER. Certainly.

Mr. CONNALLY. Is there anything in the Senator's bill that contemplates acquisition of ownership by the tenants, or is it simply a matter of giving them a Federal bounty in the form of cheaper rent?

Mr. WAGNER. In the first place, there is no private ownership at all in this proposal, Mr. President. This is work to be done by local public authority; generally, housing authorities.

Mr. CONNALLY. The Government contributes money to it, though.

Mr. WAGNER. The Government makes a subsidy contribution; yes.

Mr. CONNALLY. What I had in mind was that where the purpose of legislation is for the person to become the owner of a home, either in a town or in the country, I can see that probably it is sound public policy for the Government to subsidize to some extent that sort of an operation; but where it is simply a question of how much rent I am going to pay, without any permanent benefit, except getting lower rent, that is quite a different principle.

Mr. WAGNER. The bill simply aims at assisting the one-third of our population who today are compelled to live under insanitary conditions, whether rural or urban.

Mr. CONNALLY. How would the measure operate in rural communities? I am interested in that phase of the subject. There are a great many people in my State who live in the country under conditions wholly as bad as the conditions in the slums about which the Senator is speaking.

Mr. WAGNER. The bill will operate in the country as well as in the city. The local authority will determine the kind of structures to build to house these unfortunate persons. The Federal Government will have nothing at all to do with that.

Mr. AUSTIN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Vermont?

Mr. WAGNER. Yes.

Mr. AUSTIN. I should like to ask the Senator from New York whether the broad authority contained in section 6 for the Authority to—

> Determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, and paid, and the manner in which accounts shall be audited—

is intended to include loans and contributions? Does the Senator so understand the bill?

Mr. WAGNER. It is not very clear to me just what the Senator intends to ask. If he means to inquire whether the Federal Government is to have something to say to be sure that both the loan and the subsidy are to be used only for houses built for the low-income group, I say that authority must be conferred somewhere, and it must be more or less flexible. It cannot be narrowed down in any way of which I know. If the Senator has some other way of narrowing it down, I hope he will suggest it.

Mr. AUSTIN. Mr. President, I have no sympathy with the expenditure of the taxpayers' money without any preaudit, without any examination by the Comptroller General in advance to ascertain whether or not the purpose and use of the money are within the law. In fact, I am opposed to that; and I understand that the bill expressly exempts these contracts and expenditures from that preaudit, and that it permits——

Mr. WAGNER. Will the Senator make a speech in his own time? I am quite willing to have a question asked, but I can see that the Senator is going beyond a question.

Mr. AUSTIN. I certainly am willing to do that. I accepted the Senator's statement that he would permit inquiries; but I will sit down now, because I see that he declines to submit to them.

Mr. WAGNER. No; but I do not want the Senator to make a speech in my time.

Mr. AUSTIN. I should like to complete my question, and then I think the Senator from New York will not criticize it as a speech.

Mr. WAGNER. Very well. Let the Senator go on and have his say, and perhaps he may clarify some point on which an amendment would be very desirable. I do not know.

Mr. AUSTIN. Mr. President, the Senator from Vermont has had no say about the proposed legislation up to date. This is the first opportunity he has had to examine it; and not being on the committee that has considered it, he thought he could inquire of the Senator from New York, who sponsors the measure, to ascertain his view of it; that is all.

Mr. WAGNER. I am quite willing to have that done; but the Senator was delivering what I took to be a speech on the subject.

Mr. AUSTIN. Then let us go back and see if I can fairly and clearly state my question, for I desire to obtain information.

I will go back to the beginning and ask the Senator from New York if he understands that when the bill says:

> The Authority shall determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, and paid, and the manner in which accounts shall be audited—

It comprehends and includes the loans and contributions provided for in the bill.

Mr. WAGNER. Yes.

Mr. AUSTIN. It does?

Mr. WAGNER. Yes. I may say to the Senator that we shall have to empower the Housing Authority which we are creating by the measure to see that the money is properly used; namely, for the purposes for which it is advanced.

Mr. AUSTIN. Mr. President, will the Senator yield for another question?

Mr. WAGNER. Yes.

Mr. AUSTIN. Does the Senator understand that the bill exempts these contracts and grants of loans and contributions from examination in advance by the Comptroller General to ascertain whether or not the use that is to be made of the money is within the law? Does he so understand it?

Mr. WAGNER. I do so understand it; and that is what we have done in every loaning authority which we have created under different acts of Congress. If the Reconstruction Finance Corporation makes a loan or makes a contract with a municipality it does not go to the Comptroller General first to have the validity of the transaction ascertained. We have conferred upon the Housing Authority the obligation and the duty to do what is set out in the bill, and they will be faithless to their obligation and their duty if any of this money is spent except for the purposes for which it was intended.

We must lodge the responsibility somewhere. If the Senator thinks perhaps an added clause will make that provision stronger, let him offer the amendment. My mind is open about the subject. Perhaps then we shall get somewhere.

Mr. AUSTIN. Mr. President, will the Senator yield for a further clarifying question?

Mr. WAGNER. I yield.

Mr. AUSTIN. The only way to ascertain whether or not the Senator holds certain views is to ask him, and that is all I am purposing to do.

Mr. WAGNER. Very well.

Mr. AUSTIN. I desire to ask whether the Senator understands that the bill remits the auditing or examination which the Comptroller General may do of any of the transactions comprehended in the bill to the sole purpose of an audit which will enable him to make a report to Congress,

and not for any other purpose. Is the bill understood in that manner by the Senator from New York?

Mr. WAGNER. I think in doing that the Comptroller General has a right to examine into the accounts, and if there is any question about that the Senator may correct it. Let the Senator offer his amendment, if he has any doubt about that.

Mr. AUSTIN. I am inquiring what the Senator from New York claims for the bill. He is in charge of it.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Louisiana?

Mr. WAGNER. I yield.

Mr. ELLENDER. As a member of the Committee on Education and Labor, I attended all the hearings held with respect to the pending measure; and I am very much interested in slum clearance and in providing suitable dwelling houses for the low-wage earner.

Section 1 of the bill in effect states that there exist throughout the United States slums, blighted areas, or unsafe, insanitary, or overcrowded dwellings, and because of their existence the spread of disease is encouraged; the health, morale, and vitality of large numbers of the American people are lowered; hazards of fires, accidents, and natural calamities are increased; and the moral standards of the young are subjected to bad influences. Hence this measure is proposed.

Will the Senator from New York point out wherein the bill provides for slum clearance? Referring to the provision on page 56, subsection (3), wherein slum clearance is made one of the conditions of a loan, I find the following proviso:

That such elimination may be deferred in case of a shortage of housing of a low-rent character.

Does not the Senator feel that the quoted proviso may have a tendency to nullify the language which precedes it?

Mr. WAGNER. I do not think so, Mr. President. We discussed that question in the committee. This is an amendment which I readily accepted because I think it helps the bill very much. The amendment was offered by the Senator from Massachusetts [Mr. WALSH]. That does not mean that the slum dweller is not going to be removed from the slum area; but I think I shall be able to show in a minute that there is a tremendous shortage in housing, and we might have this situation:

As we know, in many of the slum areas, because of the low incomes, families are doubling up, and trebling, and sometimes four families are occupying space which in decency one family only ought to occupy.

All that this provision means is that where there is a shortage of that kind, the old dwellings shall not simply be torn down and the people thrown out upon the street. We say simply defer that tearing down until we are able to build another unit, and provide for the slum dwellers still remaining there.

Mr. ELLENDER. Mr. President, will the Senator further yield?

Mr. WAGNER. I yield.

Mr. ELLENDER. So the Senator interprets the language of this particular section in that way, does he?

Mr. WAGNER. Absolutely. That is all that it means, because we use the word "deferred", not "indefinitely postponed."

Mr. ELLENDER. That is not my interpretation of the language referred to. It could, and would, in all probability, be interpreted to mean that so long as there is a shortage of housing, the present dwellings, the present slums, will remain. Suppose the funds run out, and there is still a shortage of housing. Does the Senator believe the slums will be cleared? How could the sums be cleared?

In other words, suppose all the money now being authorized should be spent to provide for persons who at present have no homes because of the insufficiency of dwellings. How could we then clear the slums?

Mr. WAGNER. Of course, we are hoping that the local authority will provide against that; but let me say to the Senator that all I am concerned with is the excess of dwellers in the slum areas. If the Senator wants to provide in this act that when a slum area is razed enough units shall be built to provide for all the tenants, that would be more than substantially the same number of units. In that case it would require four times as many units as were in the slum area originally, because at present families are doubling up, to my own knowledge, three or four times. I mean, three or four families are occupying three rooms in some of these areas, because of the serious situation which exists.

Mr. ELLENDER. That being true, Mr. President, I am more convinced than ever that the proviso of subdivision 3, of section 15, nullifies the language that precedes it.

Mr. WALSH. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. I yield.

Mr. WALSH. The Senator from Louisiana has called attention to a very vital and extremely important feature of the bill, to which I expect to make reference later. Through some inadvertence, it must have been, the amendment which I offered is incorporated in the bill as one of ten standards which the United States Housing Authority is to consider. I offered my amendment to require and compel the Federal Housing Authority to pass upon a slum clearance project at the same time it approved a project for rehousing and slum clearance. At a later period I shall move that that proviso be inserted in the bill. The difficulty of the Senator from Louisiana is also my difficulty, that the bill simply makes it optional. It is one of the standards.

Mr. WAGNER. The entire provision?

Mr. WALSH. Yes.

Mr. WAGNER. It was not so intended by the committee, nor by me. We wanted to make it mandatory.

Mr. WALSH. I am glad to hear that, because that is vital.

Mr. WAGNER. The Senator knows that that was our intention.

Mr. WALSH. In the drafting of the bill, in my absence from the committee, this was inserted in the provisions which give the board an option whether to act or not. I am glad to hear the Senator say that he is in favor of a prohibition against the granting of any money for rehousing unless it is accompanied by the elimination of an actual slum area.

Mr. WAGNER. Of course, I assured the Senator long ago of that fact. I thought the bill so provided. But now the Senator is talking about something else.

Mr. WALSH. Let me ask the Senator from Louisiana, Is not what he is asking the Senator what I have referred to?

Mr. ELLENDER. Yes.

Mr. WALSH. The Senator had difficulty about it, and spoke to me about it?

Mr. ELLENDER. Yes.

Mr. WALSH. In this important proviso, instead of making the action mandatory and compulsory, as it is written the board may disregard it.

Mr. WAGNER. I do not think the board may disregard it.

Mr. WALSH. There are two groups concerned about these projects.

Mr. WAGNER. When it is provided that they "shall be guided by these considerations", does not the Senator think that is a mandate to the board?

Mr. WALSH. I certainly do not think so.

Mr. WAGNER. If there is any question about it, let us insert language to make it certain.

Mr. WALSH. There are various standards provided which they must consider.

Mr. WAGNER. Yes.

Mr. WALSH. This is one of the standards, and it is not compulsory. None of those standards is compulsory.

Mr. WAGNER. I think when we provide that they must be "guided by these considerations", that makes it compulsory. It is a matter of language.

Mr. WALSH. I think we ought to make it clear now—and I am sure the Senator is in accord with me in this—that there are two very high-minded and sincere groups interested in these housing projects. Many of them are concerned

vitally, because of the present necessity for housing, to make the bill more or less of a housing project. They want all of the money they can get to go into the housing, and are inclined to minimize what the Senator and I are so deeply concerned in, namely, slum clearance.

Mr. WAGNER. Yes.

Mr. WALSH. The other group, with which I know the Senator and myself are associated and with which we are in sympathy, wants slum clearance to go hand in hand with new housing. Am I correct in that?

Mr. WAGNER. The Senator is correct.

Mr. WALSH. In my judgment, the amendment I have proposed puts it unmistakably and clearly in the group saying that the Federal authority under this bill will give its attention first, last, and foremost to slum clearance, and, secondly, to rehousing, and the Senator from Louisiana has the same difficulty I have, that we are of the opinion that the bill now does not do that.

Mr. ELLENDER. It does not. Will the Senator from New York yield further to me?

Mr. WAGNER. Yes; but let me first make a suggestion. The Senator from Massachusetts expressed apprehension that, in the way this provision is worded, it might not be compulsory. I think it is compulsory, and if it is not, let us have no question about it being compulsory. I remember the Senator from Massachusetts agreed to something like this under similar circumstances, "*Provided*, That such elimination may be deferred in case of a shortage of housing of a low-rent character."

This is the situation. It should be provided that in every case where there is a removal of a slum area, not the same substantial number of units may be built, but enough units be built to take care of all the occupants of the slum area——

Mr. WALSH. That must be.

Mr. WAGNER. Of course; then we have to change the amendment, because now, as the Senator offered it, it provides that a substantially equivalent number of units be constructed. In other words, where buildings are razed, substantially as many units shall be built to replace them. I know of my own knowledge that the numbers in some of these buildings are doubling up three or four times, and if we build substantially the same number of units, if they are doubling up four times, we will take care of only one-fourth of the slum dwellers until new dwellings are erected.

Mr. ELLENDER. Mr. President, I wish to make this suggestion, if the Senator from New York will agree to strike out, on page 56, after the semicolon in line 17—

Provided, That such elimination may be deferred in case of a shortage of housing of a low-rent character.

I think that would take care of the situation complained of.

Mr. WAGNER. I think I can convince the Senator that that would not do it.

Mr. ELLENDER. The Senator from New York has admitted that at present there exists a shortage?

Mr. WAGNER. Yes.

Mr. ELLENDER. Very well. If that be true, then the provisions preceding the proviso to which I referred a few moments ago cannot be enforced. So long as there exists a shortage of housing, slum clearance may be indefinitely deferred.

Judging from the remarks of the Senator as to existing housing shortage, it will require years and the expenditure of billions of dollars to alleviate the situation. The point I desire to emphasize is that the bill does not provide for mandatory slum clearance, when, as a matter of fact, the presence of slums is given as the main reason for this legislation.

Mr. WAGNER. Then let me tell the Senator what we must do. "Defer" means only deferring, not making something permanent. I am sure, then, that the Senator from Massachusetts will agree that we must change the words "substantially equivalent in number" to "a sufficient number of units to provide new dwellings for those who are in the old dwellings."

Mr. WALSH. I have an amendment which covers that very point. I believe we are in accord on the principle. I will offer the amendment later.

Mr. WAGNER. The Senator will take care of the situation?

Mr. WALSH. Yes. I should like to ask the Senator a few fundamental questions for the information of the Senate, simply for the purpose of letting our fellow Senators understand what the committee understands about the problem.

Mr. WAGNER. Does not the Senator think I should proceed for a while, and then the Senator ask me the questions?

Mr. WALSH. Perhaps that would be better.

Mr. WAGNER. Otherwise, I am sure I will forget something I desire to say. I have not prepared any address, and shall speak only as my memory serves me, and if there is anything I omit, I am sure the Senator from Massachusetts will bring it to my attention.

Mr. WALSH. At the very outset, simply for the sake of enlightening our brother Senators, and not for the purpose of catechising the Senator, I should like to ask him one question. First of all, is it not a fact that there is or can be authority given to any State in this Union or to any municipality in this Union to destroy and abolish a slum without costing one cent of money?

Mr. WAGNER. I did not catch the whole question.

Mr. WALSH. Is there not existing authority in some States, and the possibility of it in all States, if they will pass the legislation, to give the right to a municipality which finds an unsanitary house to close it up and end it as a slum, without costing a dollar of money to anyone?

Mr. WAGNER. That is true; except to the owner of the building.

Mr. WALSH. The owner of the building cannot collect any money.

Mr. WAGNER. The Senator said without costing anyone any money. It would cost the owner money.

Mr. WALSH. I am speaking about grants and loans for slum clearance.

Mr. WAGNER. Yes.

Mr. WALSH. There is not any need of it.

Mr. WAGNER. That is correct.

Mr. WALSH. Grants and loans are needed for rehousing these people?

Mr. WAGNER. That is correct.

Mr. WALSH. So that if the authority is exercised, we can do away with all slums without any bill at all.

Mr. WAGNER. That is correct.

Mr. WALSH. The Senator from Maryland puts it in another way, but more tritely; there is always authority in any government to get rid of a nuisance. That can be done by the local authority, and has been done quite extensively by some cities. For instance, the city of Boston has ordered the destruction of a large number of buildings. But, unfortunately, without funds it is impossible to rebuild, and without funds it is impossible to rehouse the tenants, and one of the purposes of the pending bill is to provide housing facilities for those people who are forced out of the slums.

That is why the Senator from New York and I are insisting on such procedure, and that is why we believe this bill, with my amendment, is the best we have yet produced on the subject.

Mr. WAGNER. I think so.

Mr. WALSH. We believe that the two will go hand in hand. The local authorities then cannot simply say, "We want $10,000,000 for rehousing. Here is our project. It is up in the north end of Baltimore, and we are going to build a number of houses there and rent them at a low rent." If my amendment is agreed to, we can ask: What are you eliminating? What slums have you torn down or destroyed? Where is your project in that direction, in that respect, as well as the project of new housing?"

Mr. WAGNER. Another amendment was in the bill as it was reported last year which provided that the slum dwellers

cannot be put out of their homes unless other homes are provided for them.

Mr. WALSH. Of course.

Mr. WAGNER. That is to prevent the situation that the Senator from Massachusetts spoke of. The Senator knows what has happened to a number of families in such cases. A great many of them are now living out in tents. They have no place to live in except in tents.

Mr. WALSH. That is the fault of the local authorities. In the city of Boston or the city of Philadelphia the local authorities may say, "That building has to come out." The local authorities ought to have built a house for those who occupied the house to be torn down, but did not have the money to do it.

Mr. WAGNER. That is exactly right. That is what caused people to have to live in tents.

Mr. WALSH. I wanted to make that point clear before the Senator continued.

Mr. WAGNER. I am glad the Senator did make that point. I thank the Senator.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. TYDINGS. In connection with the question asked by the Senator from Louisiana [Mr. ELLENDER], I should like to ask a question. Is it possible under this bill to build new houses to take care of those who now live in slum houses without eliminating the slum houses? In other words, even though houses are built at another place than where the slum houses now exist, it is provided in the bill as a mandatory proposition that equivalent housing shall be built for the families who occupy the slum area to be destroyed; that new houses are to be built—when their quarters are vacated and destroyed.

Mr. WAGNER. The Senator from Massachusetts has agreed to an amendment to the bill as it now stands, so there shall be no question about that. I think the Senator is right in what he says. The language is not exactly in the words to provide for what the Senator has just suggested, but it is going to be in words making such provision.

Mr. TYDINGS. The Senator is going to perfect the bill, as I understand, in such a way that if 400 families in New York City now occupying slum houses are provided with quarters in the same area in whole or in part, or in some place else in whole or in part, those 400 families' old habitations must come down and pass away and disappear. Is that correct?

Mr. WAGNER. That is exactly what we are trying to do. I think the Senator has agreed that the bill should be amended in that respect.

Mr. WALSH. Of course, that is what the bill will provide when it is amended.

Mr. TYDINGS. It does not do it now?

Mr. WALSH. It does not necessarily mean that those 400 families will get those new houses.

Mr. WAGNER. No; not unless they are families of low income.

Mr. WALSH. Does the Senator from Maryland understand that?

Mr. TYDINGS. Yes. The point I am making is that there is no use of building new houses to eliminate slums without the slums being simultaneously eliminated.

Mr. WALSH. That is the thing I have been contending for from the very beginning.

Mr. WAGNER. What must be done, however, is to build a sufficient number of units to take care of all the slum dwellers, because in many cases now three or four families occupy three rooms. That sounds like a very improbable situation.

Mr. TYDINGS. Mr. President, will the Senator yield to me for one more question?

Mr. WAGNER. I yield.

Mr. TYDINGS. Has the Senator any statistics on that subject, or has there been a census of the number of families who live in slum houses, so called, in the cities of the United States?

Mr. WAGNER. Oh, yes. The general statistics are that about one-third of the families of the United States are ill-housed.

Mr. TYDINGS. Is that in the cities? Is that what the Senator means?

Mr. WAGNER. No; there are some bad slums in some of the rural areas. That is what I desire to have clearly understood—that this bill is of universal application. It provides that wherever there is a slum area it shall have application. The purpose is to take care of a rural slum area if there is such.

Mr. TYDINGS. The Senator means, is there poor housing on a farm?

Mr. WAGNER. If there is; exactly. It takes care of such situations anywhere.

Mr. SMITH. Mr. President, will the Senator yield to me for a question?

Mr. WAGNER. I yield.

Mr. SMITH. Slum tenements are owned by individuals. Such dwellings, unsanitary or nuisance dwellings, are owned by individuals.

Mr. WAGNER. Yes.

Mr. SMITH. When those buildings are destroyed and new buildings are erected, in whom does the investment lie?

Mr. WAGNER. The new buildings are constructed by a public authority, because the legislation applies only to that type of occupant for whom private industry, concededly cannot provide. It is set forth in the bill, and every builder will concede it, that private industry cannot take care of the situation. The property is condemned as a slum area, and the owner of that area will get whatever value the court places upon it. Then the public authority takes hold of it and clears the slum.

Mr. SMITH. Then does the possession and equity in that property pass to the Government?

Mr. WAGNER. To the municipality. The Government has no other function in this matter except to grant a loan, which is a very sound loan. While it is a contingent liability, it will absolutely be paid. It is as sound as 90 percent of our loans. Then the Government provides a subsidy to take care of the low-income group which cannot provide decent housing for itself.

Mr. SMITH. The question I should like to ask is this: Somebody, some individual or corporation, owns this unsanitary area. The Government condemns it.

Mr. WAGNER. The municipality condemns it.

Mr. SMITH. The municipality condemns it?

Mr. WAGNER. Yes.

Mr. SMITH. Then, under the law, the owner is granted whatever equity or whatever value is attached to it?

Mr. WAGNER. That is correct.

Mr. SMITH. Then he is eliminated?

Mr. WAGNER. Exactly. The municipality then owns it and operates it.

Mr. SMITH. That is what I wanted to know.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. GEORGE. I desire to ask the Senator from New York how this bill can be administered so far as rural homes are concerned?

Mr. WAGNER. In the same way that it is administered in the city slum areas.

Mr. GEORGE. No loan or grant of any kind is to be made under the bill except to a State or a municipality or a housing agency.

Mr. WAGNER. We assume that the municipality or the State or the political subdivision in which the farms are located has some form of housing authority.

Mr. GEORGE. I should like to know on what the Senator bases that statement. There can be no housing authority in the country, in the rural areas, except the owner of the property. There are no such housing authorities in the rural areas in America.

Mr. WAGNER. There is a housing authority in the State of New York.

Mr. GEORGE. For farm homes?

Mr. WAGNER. It has jurisdiction over the State, except the city of New York. The city of New York has a separate housing authority, because of the unique problem existing there. The State housing authority may deal with slum areas wherever they exist in the State, whether rural or urban.

Mr. GEORGE. There may be some police authority in the State exerted through that agency.

Mr. WAGNER. That is the authority under which all these authorities act.

Mr. GEORGE. But no grant or loan may be made, no financial benefit may be extended, to any person or organization save the State or the county or the municipality, or to some limited profit-sharing housing project. When you come to the rural area, there would be no way to do anything about housing.

Mr. WAGNER. Of course there will be.

Mr. GEORGE. I should like to have the Senator explain how.

Mr. WAGNER. The rural section of my State is a part of our State, just as the cities are.

Mr. GEORGE. Certainly it is a part of the Senator's State; but how can it be done unless you are going to acquire the farm? A man cannot live in the country unless he has some land.

Mr. WAGNER. Exactly.

Mr. GEORGE. He must have land that will support him if he is to remain in the country, unless he owns an estate.

Mr. WAGNER. If the place is a slum area so as to be a menace to the State, then the State may step in. It is only because the area is a menace that authority exists under which the State may step in.

Mr. GEORGE. Will the Senator answer me, then, who would build the houses in the country?

Mr. WAGNER. A housing authority would do it, if the area be a slum area.

Mr. GEORGE. A housing authority in the country?

Mr. WAGNER. In any place where slums exist. I do not see the Senator's distinction.

Mr. GEORGE. I am not worrying about taking care of the cities, but why not eliminate any reference in the bill to the rural areas, because it cannot apply to them?

Mr. WAGNER. Of course it can apply to them.

Mr. GEORGE. No; it cannot. We passed a farm tenancy bill. The only way in which rural areas could be dealt with is under the provisions of that legislation. The only way in which it can be applied is under the Farm Tenancy Act or the Resettlement Act. We must have land on which to put houses in the country, and those lands are privately owned.

Mr. WAGNER. We are not going to build upon the farm. What will be done will be, as is done in most cities, that the slum area will be eliminated, and where those slum houses existed other houses will be built. That is for the low-income group. Of course, it must be only for the low-income group, where slum houses exist.

Mr. GEORGE. The Senator says we will build other houses. Who is going to build other houses?

Mr. WAGNER. The Housing Authority.

Mr. GEORGE. What housing authority in Georgia, in Florida, or in Alabama?

Mr. WAGNER. If the State creates a housing authority, that authority has jurisdiction throughout the State.

Mr. GEORGE. Suppose the State does not create any housing authority?

Mr. WAGNER. The State has the power to do it.

Mr. GEORGE. To acquire farms?

Mr. WAGNER. I am not talking about acquiring farms. The Senator is talking about something entirely different. We are not talking about acquiring farms.

Mr. GEORGE. The Senator is talking about building houses in the country, in the rural districts.

Mr. WAGNER. All right. There is not any difference between the country and the city so far as condemning slum dwellings is concerned. The bill provides that if they exist in a farm area, and those living in them belong to the low-income groups so that they can not afford to have decent housing of their own, the State steps in just as it does in the city, removes the houses which are in slum areas and in their place builds decent housing for the low-income group.

Mr. GEORGE. Then, as I understand, the State, through some agency, would have to step in and acquire the land?

Mr. WAGNER. Whether it is the city or the country.

Mr. GEORGE. I know; but I am talking about the country, acquiring land in the rural areas, acquiring farms.

Mr. WAGNER. Oh, no; we are not talking about farms specifically. We are talking about the houses in which the people live. Why does the Senator insist upon always putting in there the farms?

Mr. GEORGE. I asked the Senator how the bill was going to be administered in the rural areas.

Mr. WAGNER. Just the same as in the cities. For instance, there are five or six houses——

Mr. GEORGE. Will not the Senator, then, please answer my question? If a State agency of some kind is going to step in where a slum area has been found, located in the country, in a rural area, and is going to condemn it, then that State agency must acquire the farm, the land?

Mr. WAGNER. Not necessarily at all. They acquire——

Mr. GEORGE. Could any money be furnished the owner to build a house under this bill?

Mr. WAGNER. The owner could not get any money. The money would go to a public authority. I cannot make it any plainer to the Senator. I am sorry.

Mr. GEORGE. How could the public authority get any money unless it owned the land?

Mr. WAGNER. For the last time, I am going to try to make this matter clear. It is perfectly clear in my mind, but the Senator keeps putting a farm into a housing proposition.

Mr. GEORGE. No, I am not; but houses are to be built in the country, on the farm, on farm land, and I cannot get the Senator to understand that there is not any city lot in the country, in the rural areas. There is either land that is cultivated or land which may be cultivated, somebody has got to own it, and under the bill there is nobody who can own it and get any help under the bill except the State, the county, or some public authority.

Mr. WAGNER. Exactly.

Mr. GEORGE. Then the public authority must acquire the farm in order to do the work under this bill.

Mr. WAGNER. Not at all. The ordinary farmhouse of which the Senator speaks, of course, would not come under this proposed legislation at all.

Mr. GEORGE. Then, why does not the Senator say so? That is what I wanted him to say.

Mr. WAGNER. We do say so.

Mr. GEORGE. Say so, then.

Mr. WAGNER. We do say so.

Mr. GEORGE. Then, why does the Senator want to put in the bill provision for slum clearance in rural areas?

Mr. WAGNER. We do so because we provide a very definite rule that this is to apply to people of low income, the low-income group.

Mr. GEORGE. Those in the rural areas are of the low-income group.

Mr. WAGNER. Are they ill-housed?

Mr. GEORGE. Some of them are.

Mr. WAGNER. If they are ill-housed, and the State authority says that they are in a condition of being slum dwellers, are a menace to the health of the State, to the safety of the State, then that housing authority can go in there and remove the slums and put in place of them houses fit for human habitation.

Mr. GEORGE. The housing authority in the State or some agency of the State?

Mr. WAGNER. Yes.

Mr. GEORGE. And the only way the bill can be administered is for the State or some agency of the State to acquire the land in the rural area?

Mr. WAGNER. To acquire that part of the land where the slum houses exist.

Mr. GEORGE. Would it not be a beautiful picture to put a house where some old, dilapidated house exists in the midst of a large cultivated area of land, with nothing to go with it? Then there would arise the problem of supporting the inmate of the house and keeping him from starving. That is all I wanted to say, that this bill cannot be administered so far as the rural areas are concerned.

Mr. WAGNER. I think it can be.

Mr. GEORGE. It can be if the State is willing to buy the farm.

Mr. WAGNER. I think that is beside the question.

Mr. GEORGE. I think it is very much in point, and it is very pertinent, I will say to the Senator, and he knows that this bill cannot be administered in the rural areas unless the State or some State agency becomes the owner of the land.

Mr. WAGNER. Not at all.

Mr. GEORGE. Then, tell me how it can be administered unless the State or the State agency does become the owner.

Mr. WAGNER. I have tried to explain to the Senator that the fundamentals of this bill are very simple.

Mr. GEORGE. Yes; I know they are. I am not asking about the fundamentals of this bill; I can understand the fundamentals of the bill. They are very simple.

Mr. WAGNER. Yes.

Mr. GEORGE. But I ask the Senator how the bill can be administered in the rural areas unless the State or some agency of the State is going to acquire the farm in the rural area?

Mr. COPELAND. Mr. President, will my colleague yield to me?

Mr. WAGNER. I yield.

Mr. COPELAND. Mr. President, I do not know how it is in the Senator's State, but in my State, New York, and in my native State, Michigan, are many little settlements, rural settlements, where there are perhaps half a dozen houses, dilapidated houses, filthy houses, with nothing in the way of sanitation, just as indecent as they can be, just as much a menace to health, just as much a menace to morals as can be imagined. Those are rural dwellings.

Mr. GEORGE. Is not the Senator now speaking of a village?

Mr. COPELAND. No; I am not speaking of a village.

Mr. GEORGE. Then, let me ask the Senator from New York, do the occupants of those houses live on the land?

Mr. COPELAND. They are day laborers upon farms.

Mr. GEORGE. What farms?

Mr. COPELAND. Not their own farms. They go out on other farms.

Mr. GEORGE. Then, the Senator is referring to a village?

Mr. COPELAND. No; it may be a hamlet, but it is a rural settlement, it is an unincorporated place.

Mr. GEORGE. I understand it may be a rural settlement, and it may be unincorporated.

Mr. COPELAND. It is unincorporated; it is simply a part of a township, but such places, I am sure, are the ones my colleague has in mind. I do not think he would expect to go into the middle of a 640-acre farm, buy land, and build a farmhouse. But I can picture now a dozen such little places where live men who go out on the nearby farms to work. Yet they live in groups so squalid, so broken down, so indecent that it is not human to let them dwell there under such conditions. That is the situation this bill is intended to remedy, as I see it.

Mr. GEORGE. That may be so, but those places are not strictly in the rural area.

Mr. COPELAND. They are not city areas; they are not urban areas.

Mr. GEORGE. They are villages, after all. Let me ask the Senator, do the dwellers in those homes own them?

Mr. COPELAND. No.

Mr. GEORGE. Who owns them?

Mr. COPELAND. They are usually owned by some landlord, perhaps a big farmer nearby who has this little settlement.

Mr. GEORGE. Are they a part of his farm?

Mr. COPELAND. Not in the sense of the cultivated farm; they are separate entirely. There may be a post office there; the dwellers there may have a local post office; there might even be a church there, but it is not a city; it is not urban.

Mr. GEORGE. I understand it is not a city.

Mr. COPELAND. It is strictly rural, and the people who live in such places are just as much entitled to decent homes in which to live as are those who live in New York City, where there is no question about the right to construct houses and wipe out the slums.

Mr. GEORGE. Yes; but what agency is there to wipe out even a small village?

Mr. COPELAND. My colleague will explain that.

Mr. WAGNER. We have a State authority in New York which has jurisdiction throughout the State, except in New York City, where there is a separate authority. I am very grateful to my colleague for helping me out, for I have just thought of a number of homes which I myself saw near a canning industry.

Mr. GEORGE. Both Senators from New York are speaking of an aggregate of homes, a village, or a community of homes?

Mr. WAGNER. It may not be a village, but merely a row of old houses where people, after they get through at the canneries, go back to spend the night. I saw some of them.

Mr. GEORGE. That is not strictly a rural community, though it may be in a rural area.

Mr. WAGNER. It is absolutely a rural community; it is not a village.

Mr. BONE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield to the Senator from Washington.

Mr. BONE. Assuming the existence of a farm dwelling such as has been described here, is there any way for the owner of the dwelling of this wretched habitation to secure directly and through himself any financial aid through one of the public agencies to be set up?

Mr. WAGNER. No; he could not get any financial aid.

Mr. BONE. Would it be necessary, in any event, for a public agency created under this bill to take over the land itself and build a house in which a family might live in a rural neighborhood?

Mr. WAGNER. It could be done if, in the first place, the public authority ascertained that the family came within the low-income group of which we have been speaking, because, mind you, we are only trying to take care of the class of people who have not enough income to afford a decent sanitary dwelling and for whom private industry can make no provision because such persons cannot pay the rent which would give private industry a profit.

Mr. BONE. I understand that.

Mr. WAGNER. As to the point I tried to explain to the Senator from Georgia; when one is not in sympathy with legislation it is always difficult to explain it to him.

Mr. GEORGE. That is a very unfair statement.

Mr. WAGNER. I do not mean to be unfair; I am only judging——

Mr. GEORGE. I understand the Senator is arrogating to himself the right to sit in judgment upon his fellows in this body.

Mr. WAGNER. Not at all. I have in mind the bill last year——

Mr. GEORGE. Yes; I voted against the bill of last year.

Mr. WAGNER. And have I not a right to conclude that the Senator is not in sympathy with the methods we are providing by this proposed legislation?

Mr. GEORGE. I am not in sympathy with any fraud in the bill, and when the Senator talks about rural areas

I know it is a fraud, because the bill cannot be administered in the rural areas.

Mr. WAGNER. Does the Senator suggest that I am indulging in a fraud?

Mr. NEELY. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. NEELY. The rules of the Senate prohibit any Senator from making remarks that reflect upon the character or patriotism of another Senator; to accuse a Senator of having "a fraud" in this bill is such a reflection, and I make the point of order against it.

Mr. GEORGE. Mr. President, I mean no personal reflection when I say that the bill is a fraud, and I will repeat that with respect to certain provisions, if I understand the bill, it cannot possibly be administered. That is all I say.

The Senator has the floor, and I have made no personal reflection upon him.

The PRESIDENT pro tempore. The Senator from Georgia will suspend. The point of order has been made, and was made against the Senator from Georgia. The point of order is well taken against both Senators. The Chair hopes that both Senators will observe the rule.

Mr. WAGNER. May I ask the Chair whether I violated any rule when I said the Senator from Georgia is not in sympathy with this legislation? I know his opposition is sincere. I made no suggestion of any kind affecting the Senator's character and I do not think the Chair ought to make any such intimation.

The PRESIDENT pro tempore. The Chair's ruling may be appealed from if the Senator desires.

Mr. WAGNER. I want to repeat exactly what I said. That is over now, however, and we will proceed.

Mr. GEORGE. Mr. President, if the Chair will hear me, I meant no reflection in the Senator's character. I hold him in highest regard, and there was not anything personal in my remarks.

Mr. WAGNER. Very well. We will apologize to one another.

Mr. GEORGE. I am sure the Senator made no reflection on me.

Mr. WAGNER. I know the Senator's position.

The PRESIDENT pro tempore. Neither Senator is now out of order. [Laughter.]

Mr. GILLETTE. Mr. President, will the Senator from New York yield?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Iowa?

Mr. WAGNER. Certainly.

Mr. GILLETTE. I am deeply sympathetic with the Senator's bill, the pending measure, but there are two or three matters which are disturbing me.

I note in section 9 provision is made for the authority to make loans to public-housing agencies. That is very clear. However, in subsection (b) the authority is clothed with power to make loans up to $25,000,000 to limited-profit housing agencies, with an 85-percent limit of cost of construction.

Going back to the definition on page 37, I note that a "limited-profit housing agency" is defined as any corporate body organized to develop or administer low-rent housing projects. Then I turn back to the definition of "low-rent housing projects", which I find includes not only dwelling houses and necessary or desirable appurtenances but includes also recreational, commercial, and other lands, buildings, and facilities.

Is there not great danger in clothing the authority with power to loan to private corporations?

Mr. WAGNER. The Senator has practically read my mind. That provision has been suggested by a number of Senators from Western States, who contend that some of the cooperative organizations, which are really not organized for profit at all, ought to be aided.

I have a number of letters from Senators with reference to the matter. I have reflected since the bill was reported and believe now that that particular provision would be better in another bill separately dealing with that particular subject. Before we reach final consideration of the matter it is my purpose to ask that that provision and other provisions relating to that feature be eliminated from the bill.

Mr. GILLETTE. I am very glad the Senator has made that statement.

Mr. WAGNER. That will be done for the reason that a number of Senators who are interested have suggested that the matter ought to be dealt with in separate legislation.

Mr. GILLETTE. May I also invite the Senator's attention to section 8, which to my mind aggravates the danger? In that section the authority is given power to make and provide rules, regulations, and definitions, and paragraph (b) of section 8 provides that "the findings of the authority, if reasonably substantiated, shall be conclusive." With that safeguard around all loans which they make, there is added danger of making the type of loans to which I have referred.

Mr. WAGNER. The courts have always found that facts found by an authority, if reasonably substantiated, are conclusive. We have that provision in all the public-utility laws.

Mr. GILLETTE. I have no objection to it whatever except when it is used in connection with the power to loan to private agencies.

Mr. WAGNER. The Senator has brought up that matter before I got to it. It is my purpose to ask to eliminate that provision.

Mr. BONE. Mr. President, where is the provision which the Senators are discussing?

Mr. WAGNER. It is in several different sections of the bill. It will all be eliminated.

Mr. BYRNES. Mr. President, will the Senator yield for a question?

Mr. WAGNER. Certainly.

Mr. BYRNES. I invite the Senator's attention to section 20, on page 63 of the bill, having reference to the financing of projects. Recently in the relief bill authority was provided for the sale of securities by the Reconstruction Finance Corporation under the authority of the National Recovery Act and previous acts. In that bill specific provision was made for the expenditure of the funds so secured by the sale of securities—certain amounts for fire hazards in schools, and certain amounts for other purposes.

The language in subparagraph (b) is that—

Any unallocated funds now in the hands of the Federal Emergency Administration of Public Works, or hereafter received by it, which are derived from the sale of securities acquired—

Under these acts may—

be allocated to the authority for the purposes of this act.

Mr. WAGNER. That is only for the purpose of making a loan.

Mr. BYRNES. What is the thought of the Senator from New York? This money will be secured hereafter by the sale of securities which will not be allocated to particular projects, but the intention of Congress, as expressed in the act, was that it should be used for those purposes. Under this provision of the bill now under consideration, authority is given the President to use that money "for the purposes of this act."

Mr. WAGNER. For additional purposes. Is there any harm in that?

Mr. BYRNES. Only this. The amount referred to in the authority in the relief act was arrived at by adding the total various subjects to carry out pledges made by the Democratic leader in another body to that body in the passage of the bill. It represents the exact amount reported by the Public Works Administration as necessary to carry out those provisions. I do not know whether it is the intention of the Senator or the committee to authorize the diversion of any of that money from the purposes set forth in the relief act to the purposes contemplated by the bill now before the Senate.

Mr. WAGNER. No. Suppose we limit this bill to moneys hereafter received. Would that make any difference?

Mr. BYRNES. If the Senator's intention is not to interfere with the amounts which were earmarked in the relief act, certainly suitable language can be found to make that clear. Was it his intention to interfere with those amounts?

Mr. WAGNER. No; it was not.

Mr. BONE. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Washington?

Mr. WAGNER. I yield.

Mr. BONE. As I understand, the bill provides for the making of outright grants of aid for housing projects carried on under the auspices of public bodies.

Mr. WAGNER. That is an alternative. There is another provision in the bill relating to that. I have not yet had an opportunity of getting to the point of explaining that feature of the bill because of the questions which have been asked.

Mr. BONE. I had marked the section on page 63, referred to by the Senator from South Carolina [Mr. BYRNES], which provides that P. W. A. funds derived from the sale of securities might in the discretion of the President be allocated to the authority set up in the bill now under consideration, and allocated, using the language of the bill, "for the purposes of this act." That would mean an outright grant, would it not?

Mr. WAGNER. No; it does not mean that. It is limited to loans, because there is another provision of the bill which limits the amount to be used each year for the purposes of the grants to $10,000,000. During the next 3 years only $10,000,000 may be used each year for the purposes of the grants.

Mr. BONE. There was no suggestion of a limitation on the loans.

Mr. WAGNER. There is another section of the bill which limits the amounts of the grants to $10,000,000 a year and makes appropriation therefor, so it cannot be used for any other purpose.

Mr. BONE. Is there any doubt in the Senator's mind that under this language some of the money derived from sale of P. W. A. securities through the Reconstruction Finance Corporation might be diverted "for the purposes of this act"? This language is very broad, and there is no restriction imposed by the section itself.

Mr. WAGNER. There is a restriction definitely set forth in another provision of the bill. I want to be perfectly candid with the Senator. If there is any doubt in the mind of any Senator that the language does not clearly cover that point, I am quite willing to adopt some other language in order that it shall be clear that it is limited to loans. That is the intent, and I think it is very clear; but if there is any question, let us add language which will make it very clear that it applies only to loans.

Mr. BONE. There is a comparatively limited amount of money available—that is, limited because of the large number of demands—for schoolhouses under P. W. A. grants, and I think we might have some challenge against this provision on that account.

Mr. WAGNER. I do not want to have any interference with the reservations already made in the relief bill. I did not intend any such thing, and I think we can amend this bill in some respect so as to provide clearly for that matter.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. MALONEY in the chair). Does the Senator from New York yield to the Senator from Utah?

Mr. WAGNER. Certainly.

Mr. KING. Apropos of the question just discussed, does the Senator think it proper—I will not use the word "fair", but "proper"—to attempt to yoke this bill to the P. W. A. and to subtract from the P. W. A. funds which have been granted to it, or funds which it may obtain from time to time from the sale of securities, to be used under this act? Is it not a commingling or an intermingling of two agencies which ought not to be permitted?

Mr. WAGNER. No. I will say to the Senator that I think the general opinion in the country is that one of the wisest possible expenditures of public moneys would be to rehouse the one-third of our population which at present is ill-housed. We have used a large amount of public funds for purposes which were not nearly so useful or desirable as the housing program. In spite of what has been said here, when conservative and liberal press and every organization in the country which has anything to do with this subject approve the proposed legislation, certainly that is an expression of public opinion in its favor. As an abstract proposition, I think almost everyone will concede that clearing our slums and housing these unfortunate persons in sanitary and decent living quarters is one of the most desirable things that can be done, both from the economic and from the social point of view.

Mr. KING. I was not discussing that question at all; but when we have set up one agency and authorized it to extend credit and to sell securities, it seemed to me highly improper to set up another agency and authorize the second agency to subtract from the funds of the first agency. There is a commingling of funds there which will make the act difficult of administration.

Mr. WAGNER. It is not a commingling, Mr. President, because we simply authorize the President to do it. If he does not desire to do it, it will not be done.

Mr. KING. Personally, I am not willing to support section (b) of section 20 in the committee amendment on page 63 of the bill, and I shall move to strike it out if the chairman of the committee does not assent to its being eliminated.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. WAGNER. Yes. I suppose I shall never get to what I intended to say, but it does not matter very much.

Mr. VANDENBERG. I do not wish to interrupt the Senator's speech.

Mr. WAGNER. No; the Senator is not interrupting me.

Mr. VANDENBERG. I am anxious to know the sum total of the problem to which we are addressing ourselves, if the Senator can tell me. He frequently refers to the fact that one-third of our people are ill-housed, and so forth. That does not mean, does it, that a third of our people would be eligible under this bill?

Mr. WAGNER. Oh, no; oh, no. In the first place, we have a loaning authority up to the amount of only $700,000,000, and we have authority for a direct appropriation of only $20,000,000 a year; and under the legislation which I propose, the amount cannot exceed that. In other words, for the purpose of paying subsidies not more than $20,000,000 a year may be appropriated; so there is a great limitation upon the appropriation. Of course, the loan is absolutely a sound loan. Every dollar of it will be repaid.

Mr. KING. Twenty million dollars for 3 years, limited to 3 years.

Mr. WAGNER. After 3 years, when the construction under this program will have been completed, only $20,000,000 per year may be appropriated over a period of 20 years, under this legislation, unless Congress enacts new legislation in the meantime; and at the end of 20 years there is to be a readjustment. In other words, there can be no larger appropriation than $20,000,000 per year.

Mr. KING. Mr. President——

Mr. VANDENBERG. Just a minute, if I may pursue my own question.

Mr. WAGNER. Perhaps it would be better to have the discussion proceed in this way than to have me make the remarks I had intended to make.

Mr. VANDENBERG. I realize that this very conservative limitation exists; but that would not affect our obligation to treat alike all citizens who fall in a given classification.

Mr. WAGNER. That is true.

Mr. VANDENBERG. So I am trying to ascertain from the Senator what he thinks the sum total of that obligation would be if we should treat all citizens alike under the terms of the bill.

Mr. WAGNER. Does the Senator mean all of the low-income group?

Mr. VANDENBERG. All those who would be eligible under the terms of the bill.

Mr. WAGNER. I cannot estimate the number, but it would be very much larger than the number it is proposed to deal with under the bill. This is only a beginning, and future Congresses will have to determine whether or not we ought to expand our program.

Mr. VANDENBERG. May I ask the Senator if he would agree with the statement in one of the New York papers of Sunday last that—

> There are probably about nine million American urban families with incomes of $1,000 a year or less, substantially all of whom would be eligible to live in dwellings erected under the Wagner-Steagall Act.

And it is the estimate of this writer that that could cost $36,000,000,000.

Mr. WAGNER. That may very well be.

Mr. VANDENBERG. Is that very far from the fact?

Mr. WAGNER. The estimate perhaps is a little large, but it may very well be accurate; but we must make a beginning in legislation of this character.

Mr. VANDENBERG. I understand that.

Mr. WAGNER. I made the measure as conservative as possible, although I have been interested in housing for a long time.

Mr. VANDENBERG. I agree with that.

Mr. WAGNER. Let me state what happened in England and in Ireland. In England the Government began very modestly. Pretty soon public opinion supported the elimination of the slums to the extent that it became the most important program during the time of the Baldwin Cabinet, although it was started by the Labor Party; and the thing of which Prime Minister Baldwin is most proud is the building program under his administration.

Mr. VANDENBERG. I am not criticizing the Senator for starting conservatively.

Mr. WAGNER. I understand that. The Senator need not tell me that I am starting very conservatively. I know it. I am just touching the situation, and even that has been difficult. This is the third year of the attempt to secure legislation of this kind.

Mr. VANDENBERG. I am simply asking the Senator whether we must not contemplate the sum total of our obligation, inasmuch as we cannot start subsidizing rentals to a portion of our people except as we are prepared to subsidize all who qualify within the same classification.

Mr. WAGNER. Except that, in spite of what some persons say, we must keep in mind the fact that our country is becoming more prosperous all the time. We desire to deal with the unemployment situation, and this is a case where we are apt to put a million men to work, directly and indirectly. If we deal properly with the subject of technological unemployment and shorter hours, as we did here the other day, we are going to spread our income to some extent, and then these slum dwellers will get out of the slums, because their incomes will increase. So I look forward to the day when the number which has just been mentioned will be reduced substantially by a more prosperous country, which I see ahead if we intelligently and courageously deal with this subject and help the low-income group to come up.

Mr. VANDENBERG. May I ask the Senator one further question? He has referred to the British development.

Mr. WAGNER. Yes. I myself saw it, Mr. President.

Mr. VANDENBERG. And I myself saw it, and was tremendously impressed with it. I think it is a magnificent monument to vision and foresight. Can the Senator tell me to what extent this method of procedure is similar to the British method?

Mr. WAGNER. The method of annual contributions, Mr. President, is identical with the British system. During the first year Great Britain adopted the capital grant system, as we did in the case of the houses we built. We have not built any houses for the low-income group. Let us not make any mistake about that. What we provided was a capital grant; and the houses have been too expensively built, and there has not been a sufficient subsidy.

Great Britain started the first year of development by a capital grant system. In the year following the construction of the first number of buildings, 2 years after the beginning, the British authorities discovered that they were not doing the job properly; that it was too expensive; that when a lump sum is given to a community, it has this large sum, and the tendency is for it to be extravagant. So they changed from that system, and during the past 7 or 8 years they have adopted and the Senator saw what they have done over there—the system I have provided for in this bill, under which there is to be a contribution each year based upon what the construction costs and what the expenses are. They determine what rent would have to be charged to pay all expenses and make perhaps a little profit, amortize the loan, and all that; and then they add as a subsidy such an amount per room as will bring the rent down to a figure within the ability of the low-income group to pay.

While some persons think there will be difficulty about determining the composition of the low-income group, England has no trouble about that. The English authorities watch it very carefully. Nobody gets into the dwellings except those who are in the low-income group. As soon as those persons become sufficiently affluent they are asked to go out; there is no longer a place there for them, and other low-income groups are brought in.

But here is an additional consideration, Mr. President: This housing program has reduced the unemployment problem in England. For some reason—and the office to which I spoke could not exactly explain it, except as a matter of psychology—private industry began to build, too; and as you go through England, you find, wherever you go, that private industry is now building, and is rehousing England. What was done by the Government there ignited a fuse of private construction; and both England and Ireland—I must commend Ireland, too—are doing a fine job along the same line. They distinguish without any difficulty between the slum dweller and the man who can afford to pay rent above that paid by the low-income group, and they have no difficulty in the classification. The housing program has been the most popular thing that has happened in England.

Mr. LEWIS. Mr. President——

Mr. WAGNER. It had been my intention to say something about that subject at this time; but I yield to the Senator from Illinois.

Mr. LEWIS. Mr. President, will the Senator from New York, so ably presenting this bill, inform me whether it is the purpose of the bill to ignore the present existing authority to carry out certain privileges and authorities in the way of slum clearance, say in my own city, under what we call the administrator, being the Secretary of the Interior, Mr. Ickes?

This bill, unless I am wrong, creates a completely new board with a new authority, an administrator, and, under him, five others. I ask my able friend whether it is the intention to create a completely new board, a new set of officials, in addition to those who are already administering slum clearance?

Mr. WAGNER. Oh, no. Perhaps I have not made that clear. The clearance of the slums and the construction of houses are not handled by the Washington authority at all. They are handled by the authority in the city of Chicago, and I think there is an authority also for the entire State of Illinois. They would have the same authority they now have. They would make their application to Washington if there were a slum to be cleared. They would both initiate and complete the job. All the Federal commission would do would be to make the loan, and at the end, when the project was completed, provide what subsidy the city of Chicago, for instance, or the State authority, would be entitled to in order to house the low-income group. There has been no change at all. I have a long list of organizations in the State of Illinois which

have endorsed the bill, and among them is the Chicago Housing Authority.

Mr. LEWIS. I fear I have not made myself clear. Conceding all my able friend says as to what has transpired, and is transpiring now, under some provision which authorizes the local branches at Chicago and other parts of the land to act, is it not true that they are serving under the officer whom we speak of as Administrator of Public Works, whom we know to be Mr. Ickes, designated as Secretary of the Interior? When this new board shall be created, as provided in the bill of the able Senator, will it supplant and supersede Mr. Ickes and his force which is now aiding in clearing the slums in my city and in other parts of the country?

Mr. WAGNER. No. The objects to which the Senator refers have been built by the Federal authority. We intend to decentralize that, which has been the cry of the country, so that the local authority will do the job itself. Heretofore the project built in Chicago has been built by the Federal authority, and were very well constructed, except that I think it cost more than the local authority would expend for a slum-clearance project. The authority now is proposed to be transferred from the Federal Government into the local Chicago authority. They will do what the Federal Government formerly did.

As to those who are engaged in building these so-called demonstration projects, the President is given authority to transfer all of those engaged in that work, if he so desires, to this new authority. So that if the President desires, those who are now doing the housing, so far as the Federal Government is concerned, will continue to do it.

Mr. LEWIS. So that under the bill the President, by Executive order, may concentrate all of the work in the single body?

Mr. WAGNER. Exactly. Of course, the bill would do that; but those who are now employed in the Interior Department doing this work might also be transferred to the new authority. But the new authority will do very little in the way of construction. It will provide only for loans, and supervise to see that the houses are being built for the low-income group, which, of course, should be done; otherwise the objective of the bill would be destroyed.

Mr. LEWIS. I thank the Senator, and appreciate the patience with which he has replied to my inquiry.

Mr. KING. Mr. President, I should like to ask the Senator some questions, if he will permit.

Mr. WAGNER. Certainly.

Mr. KING. Is there any way by which the occupants of the houses may acquire title after they are constructed? It seems to me that we ought not to establish a policy which will make it impossible for the occupants of the houses which are constructed to acquire title and emancipate themselves from the control of these agencies.

Mr. WAGNER. The occupants of the houses are of the very low-income group. They cannot even afford to pay more than $2 or $3 or $4 or $5 per room. The moment they become affluent enough to afford to pay more than is provided for the low-income group, they cannot remain occupants of the houses. The authority would say, "You go. You are earning more money than are those in the low-income group, and you can no longer occupy these dwellings." So that there would never come a time when they would be in position to acquire title.

Mr. KING. Under that theory are we not discouraging home ownership, and making this one-third of the public to whom the Senator refers psychologically and otherwise of the opinion that they never can be home owners, that they are to be renters as long as they live?

Mr. WAGNER. Just as soon as they earn enough, they can become home owners; but we are speaking of a class of people who because of their very low incomes—and I will give the Senator the figures—are unable even to live in decent quarters, and thus are a constant menace to the health and welfare of the communities in which they live. Ireland and England had an experience which proves that our statistics are almost mathematically correct, that the moment we eliminate the slums and put the people in better quarters juvenile delinquency disappears, crime disappears, disease generated from the slums and spread to all other sections of the city disappears. It is an economic advantage to us. There is a constant, standing menace. Without some such legislation as this these unfortunate people would never otherwise get better surroundings than their present very evil surróundings. They are never in a position to. If they were, they would not be in this very low income group. These are people where the whole family earns a thousand dollars or less. Can the Senator imagine that, a family of four or five living on a thousand dollars a year?

Mr. KING. I know that 6 or 8 years ago—indeed, just before the war and since the war—the average income of all the lawyers in the United States was less than a thousand dollars a year each, and the average income of all the preachers of the United States was less than a thousand dollars.

One other question. How long are we to continue this subsidy, and what will be the aggregate amount paid out of the Treasury of the United States?

Mr. WAGNER. I have told the Senator that, so far as this bill is concerned, there is a limitation of $20,000,000.

Mr. KING. For how long?

Mr. WAGNER. For a period of 20 years. Then the contract is to be adjusted, and the authority will determine whether the subsidy ought to continue at all or not, or whether it ought to be reduced. If prosperity keeps on spreading, and the families no longer need aid, we will put an end to the help. In the meantime, there is no other way these people can be gotten out of the slums. Everyone who has been a student of this subject agrees to that. Many countries have had to take similar action in order to take care of the ill-housed. They are a menace also to our safety. That is where communism comes from.

Mr. KING. We will discuss that later. As I understand, then, the bill means a commitment for an indefinite period of $20,000,000.

Mr. WAGNER. Not indefinitely; for 20 years.

Mr. KING. A legal commitment——

Mr. WAGNER. Of not more than $20,000,000. It may be only $10,000,000. It depends on our experience.

Mr. KING. At any rate, it is a legal commitment of $20,000,000 for 20 years?

Mr. WAGNER. Yes; not more than $20,000,000.

Mr. TYDINGS. $20,000,000 a year?

Mr. KING. $20,000,000 a year.

Mr. WAGNER. A short time ago we made a commitment of $60,000,000 to build ships. Twenty million dollars is about one-third of what one battleship would cost, and are we not willing to make that contribution to lift these unfortunate, underprivileged people into a decent place in which to live? I wish I could take the Senator around to some of these slum areas.

Mr. KING. I have been there.

Mr. WAGNER. Where he could see the people who live there. The children never have a chance. It is the duty of wealthy America to give them a chance, and I am sure it will.

Mr. ANDREWS. Mr. President, I should like to ask the Senator where the people who live in the slums come from.

Mr. WAGNER. A great many of them have been here a long time. I have not any statistics as to that. What does the Senator mean by where they come from, whether they come from some other country?

Mr. ANDREWS. Do not some of them also come from the farms in the States, from the country areas?

Mr. WAGNER. The people who live in the slums live there because they have not incomes large enough to enable them to rent decent quarters, and they are all types of people. Out through the Western States will be found people whose families have been in this country for hundreds of years. They are living in our country; they are

citizens of our country. It does not matter to me much where they come from. Does the Senator think we ought to segregate these people so that those who have been here only 10 years and who have become citizens of our country should receive different consideration from those who have been here longer? I am sure the Senator does not mean that.

Mr. ANDREWS. I do not.

Mr. WAGNER. I knew the Senator did not.

Mr. ANDREWS. I think we ought not to offer an inducement to people to come in from our country or foreign countries or anywhere else and take advantage of our Government in supplying them with homes. For instance, if we examine the birth records in New York we will find that most of the people there in the slums were not born in New York, but the bright lights have attracted them from everywhere, and that is one reason why there are so many millions in New York without homes. They go there and when there comes a depression, we find that many of them have nothing to do and must go on relief. If they could be induced to stay on the farms or in the foreign country whence they came there would not be any slums. There are no slums in the country.

Mr. WAGNER. There are slums in some rural sections. A survey shows quite a number of slums in rural areas. That was brought out this morning.

Mr. ANDREWS. I am referring to a slum as defined in the bill. Is it not true that in farming districts there are no such things as slums as defined in this bill?

Mr. WAGNER. There are in some sections.

Mr. ANDREWS. The people are generally healthy out on the farms.

Mr. WAGNER. The Senator is mistaken. Surveys show the contrary.

Mr. ANDREWS. If the same persons who have failed on the farm were to move to the city they would make just as big a failure there as out on the farm, where they at least have the ground to till, and where they can have a garden, chickens and cows, and, if necessary pigs.

Mr. WAGNER. The Senator thinks we ought to abandon these people altogether, and just let them stay in the slums?

Mr. ANDREWS. No, sir; that is not my idea.

Mr. WAGNER. What can we do?

Mr. ANDREWS. If we build palaces for them——

Mr. WAGNER. We are not building palaces for them. We are building homes that should average no more than $1,000 per room, which is quite an ordinary type of construction, I may say. Such homes give the dwellers sunlight, it gives them a bath, it gives them a toilet, it gives them ordinary sanitation so that they may live under decent conditions, so that the children may have decent environments and live in a fairly decent home. Nothing beyond that is provided.

Mr. ANDREWS. We all want to see that if it would include the native American farmers.

Mr. WAGNER. That is what I am trying to do. But if we want to see it done, we ought to do it. I see no way of removing this cancer except by doing it.

Ours is a wealthy country. One-third of our people are so poor that they cannot properly house themselves. The reason for that is that they do not earn enough money. That is due to our economic system. The fault is not theirs. They would like to work and they would like to earn enough money properly to take care of themselves. But we have sweatshops and many of these people work in them. These poor people are unorganized. They are working in industries in which the workers are unorganized. They can make no effective demands. The very fact that they live in slum dwellings makes them undernourished and underfed and unhealthy, and frequently they are not able to do what healthy persons can do.

I wish the Senator had been with me in England, where I saw families living in the slums, and I saw families also that had been removed from the slums into decent surroundings. When one looks at the children, the men, and the women who have been removed from the slum areas and compare them with those who live in the slum areas one finds that the difference between them is as great as the difference between night and day. England had found it of great economic advantage to clear out her slum areas and move the slum dwellers into decent surroundings and decent homes. When that has been accomplished it is not necessary to build so many hospitals. England is still continuing that program.

Mr. ANDREWS. Have they and their ancestors always been there in the slums.

Mr. WAGNER. They and their ancestors?

Mr. ANDREWS. Yes.

Mr. WAGNER. I never inquired about that, because it does not interest me enough. I look upon human beings as human beings whether they came here 20 years ago or their parents came here two or three hundred years ago. If they are unfortunate enough to have to live in those slums, and if that is a menace to our health and our welfare, and if an economic advantage results to our country from lifting them out of the slums and giving their children a chance to become decent citizens instead of criminals, I say that, no matter who they are, they are entitled to be helped out of the slums. I would not think of inquiring into whether their parents or their great grandmother came here 100 years ago. I am sure the Senator will distinguish between this country and others. In this country we have a democracy. This is America, a country with equal opportunities.

Mr. ANDREWS. I fully agree with the Senator that this is a democracy.

The question I wish to ask the Senator is this: As a matter of fact, does the influx of population into New York City also largely come from the rural sections of the United States?

Mr. WAGNER. The Senator is talking about New York, and, of course, that is a favorite subject here. I do not find much fault with that. It seems to me that only when I am speaking does New York become a favorite subject for everyone to say something about. New York is not the only benefactor under this proposed program. I do not know how much New York will benefit.

The application of the program is country-wide in other places where even worse conditions exist than in New York and which ought to be treated even before New York. However, I am not thinking of this program in terms of one municipality. I am thinking of it in terms of the whole Nation. Wherever these areas exist and wherever these unfortunate people exist, let us try to help them. I know there is a better way to do it, but it will take too long.

Mr. ANDREWS. Is it not the business of the municipalities to see that there are no slums in those cities?

Mr. WAGNER. I think that becomes a national problem, because if we in New York stop buying automobiles a depression would come to Detroit. An interdependence exists in this country which makes the problem a national problem. We contribute money for the building of prisons; we contribute money for the building of hospitals; we contribute money for health protection. The Federal Government makes contribution for all those things. What we are now proposing is in the same category. The Senator does not hesitate to vote favorably, and I voted favorably myself, for the appropriation of tremendous sums to build battleships. I think this program will be of greater service than building battleships. If we lift these poor people out of their slum surroundings we will benefit the Nation in greater measure than by building battleships.

Mr. POPE. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. I yield.

Mr. POPE. I have been very much interested in what England has done along this line; and, as I recall, she has been engaged in dealing with this problem for many years.

Mr. WAGNER. Yes.

Mr. POPE. Can the Senator give us some idea as to what it has cost England annually, or for some period of time, to carry on the work of its housing program?

Mr. WAGNER. I cannot give the Senator the figures offhand. England has spent a good deal more money per year than we provide in this legislation, but England began modestly. Everyone in England is in favor of their slum-clearance program, a fact with which I think the Senator is familiar. I heard Prime Minister Baldwin himself say that the greatest achievement of his administration was to extricate these people from their unfortunate surroundings and give them decent places in which to live.

Mr. POPE. I was thinking that that program has undergone perhaps less criticism than any other that the Government is undertaking in Great Britain.

Mr. WAGNER. That is true.

Mr. POPE. It is the one that receives the approval of almost all the people. In view of that approval, I was wondering whether the expense of the program added very greatly to the taxes of the people of Great Britain. Of course, England is very much smaller than the United States, and would, I suppose, have fewer families living in slums than we have in our country.

Mr. WAGNER. They have, as a matter of fact, a great many slums.

Mr. POPE. I wonder if the Senator, before he takes his seat——

Mr. WAGNER. I was not intending to take my seat just yet. I want to emphasize a few more points.

Mr. POPE. I wish the Senator would tell us how the program would work. A United States authority is provided.

Mr. WAGNER. Yes.

Mr. POPE. Then provision is made for local authorities, and the United States authority is given power to make loans and make annual contributions, capital grants and assistance, and establish demonstration projects. I was interested to know just how it would work out, and just how these different administrative bodies would function in making the loans, in what cases they would make loans, in what cases they would make contributions, and how they would affect the rental situation in making these various contributions. I was particularly interested in getting a statement with respect to that.

Mr. WAGNER. I should like to make such a statement. Does the Senator wish me to do so right away, or shall I run through some of these figures first? In the course of what I am saying I think the Senator will get that very clearly. I may say that, so far as subsidies are concerned, we are dealing here exclusively with the low-income group. Therefore, the housing authority can get a loan from the Government only when it intends to clear slums, plus building units for the slum dwellers who have lost their homes because the authority has cleared the slums.

Mr. POPE. The question was asked a little earlier by the Senator from Michigan [Mr. VANDENBERG] as to whom this service would be extended to. It is clear that it could not be extended to one-third of our population. What particular families would be selected to receive the benefits? I suppose those who need it most would be the first to receive the benefit of it.

Mr. WAGNER. The lowest-income group.

Mr. POPE. The lowest-income group would receive it first; but I am interested to know how the authority would deal with the situation where they find a bad slum situation. What would they do, exactly?

Mr. WAGNER. Does the Senator mean the Federal board?

Mr. POPE. Yes; the Federal board or the local board. What would they do?

Mr. WAGNER. The initiation of the whole project of slum clearance comes from the local authority. The Federal authority does not initiate anything. The local authority, say, in the city of Boise—Boy-see—is that the way to pronounce it?

Mr. POPE. The Senator pronounced Boise correctly; but I doubt whether any application will be made from the city of Boise, because we have no slums.

Mr. WAGNER. The people there are very fortunate. However, if any city, Chicago, New York, St. Louis, Los Angeles—in those cities perhaps they have no slums—but if the local housing authority of a city makes application saying that they have a slum-clearance project, that they want to clear the slums and house these unfortunate individuals, they come to Washington and make their application for a loan. Then the authority at Washington, of course, inquires into the facts to ascertain whether those involved are people of low-income groups.

They must find out just what their earnings are. That report will go to Washington. Then, if the proposal is one involving a real proper slum clearance, the authority will make a loan for the construction, or lend so much of the amount required as they want to lend. The locality may make a contribution. They are to take into consideration what the locality can do. They may make the locality contribute toward the construction. The authority will build with that borrowed money. When the building is complete they will say, "Here is what it cost us per room, and here is what the rent will be if we are to pay all of the running expenses." That will probably be above the amount which the low-income group can afford to pay. Otherwise we would not be in this thing at all; we would let private industry do it all. That is the way it is done in England, too. What can the low-income group afford to pay? Suppose each room provides a rental of $5 and the low-income group cannot afford to pay more than $4 per room?

The Federal Government says, "All right; for the period of 20 years, so long as the housing is limited to the low-income group and we have the right of inspection at any time, we will provide a subsidy of $1 per room." That is what the Federal Government agrees to pay over a period of 20 years. Then the contract is to be readjusted, because during that period we may become more prosperous and there may not be the need for dwellings for the low-income group there was before. We may stop paying subsidies altogether, depending upon the conditions of that time.

Under this bill a 3-year program is provided, and the appropriation at the end of the third year to provide for subsidies cannot be more than $20,000,000 per year. It may be less, but it cannot be more. So, from the standpoint of an appropriation, it is a very modest sum if in that period of time we can begin to eliminate the slums. We can, under the provisions of this bill, house or rehouse about 875,000 families, and my prediction is——

Mr. TYDINGS. Is that a year?

Mr. WAGNER. The total will be over 850,000 persons.

Mr. TYDINGS. In what length of time?

Mr. WAGNER. Over a period of 3 years, with about 175,000 family units, as I recall the figures. As I started to say, my prediction is that what will happen will be just what has happened in England. The housing project there became so popular that the House of Parliament was, by public opinion, compelled to go forward with a larger program, and today, as the Senator knows, it is the thing that England is proudest of. Besides that, as the Senator has noticed, all through the rural sections there homes are being built, because for some reason or other the movement on the part of the Government started also private construction. I expect it will be so in this case.

Mr. POPE. The homes built in the country are, of course, built privately?

Mr. WAGNER. Yes; they are built privately. We are limiting this measure to a class of people that private industry cannot take care of. That is set forth in the proposed legislation itself, and that is so as a matter of fact, because what can the low-income group with $1,000 for a family of five, or $800, or $700, do to provide housing for themselves? We will probably get down to the $600 class. That is where we want to start.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. TYDINGS. I have not read the bill, and I desire to ask the Senator some questions purely for information. These grants, as I understand, will be made to States and cities, either one. Is that correct?

Mr. WAGNER. To the local housing authority.

Mr. TYDINGS. To the local agency. Is such agency required to put up a certain amount of funds or does the Federal Government furnish all the money?

Mr. WAGNER. That is also a matter of discretion; the housing authority must determine it after going into all the facts. If a municipality can make a cash contribution, they will have to do so. What will happen? A good many of the bonds of the local authorities will be sold to private investors, because they will be a good investment, so that the Federal Government, undoubtedly, will not be required to put up the total amount. The loan would be perfectly safe—as safe as 90 percent of the loans made by the Federal Government have been.

Mr. TYDINGS. I am not asking about that.

Mr. WAGNER. But I am trying to sustain my point.

Mr. TYDINGS. After the money is put up, who will build the houses?

Mr. WAGNER. The local authority. It is an absolutely decentralized bill.

Mr. TYDINGS. They let the contracts?

Mr. WAGNER. The local authority does all the construction work.

Mr. TYDINGS. They would take bids, and so on, would they?

Mr. WAGNER. Of course. We have nothing to do with that.

Mr. TYDINGS. I understand they would do it just as if they were building a fire house or anything else in the community.

Mr. WAGNER. Yes.

Mr. TYDINGS. After a new housing unit is erected, who will have the title to them?

Mr. WAGNER. The authority.

Mr. TYDINGS. The Federal authority?

Mr. WAGNER. No; the local authority.

Mr. TYDINGS. Then we will have simply guaranteed a proportion of their bonds?

Mr. WAGNER. We will have made a loan to them for which they will give us their bonds; those bonds they must amortize and they will have to pay the rate of interest which the Government is required to pay, plus a sum to repay the principal over a period of years. The loan will be absolutely secure.

Mr. TYDINGS. For the loan we would have the municipality's bonds, would we not?

Mr. WAGNER. Yes; or the housing authority's bonds, which would be the same thing, for it is a public authority.

Mr. TYDINGS. I suppose in some cases the housing authority would have the additional support of the municipality?

Mr. WAGNER. Yes.

Mr. TYDINGS. So that if the housing authority's assets were not sufficient to pay off the bonds in full, the municipality would make up the difference?

Mr. WAGNER. Undoubtedly.

Mr. TYDINGS. In other cases the municipality, perhaps, might not have the assets, as contemplated by the bill, and the housing authority could act only for itself but could not bind the municipality.

Mr. WAGNER. Then we must rely to some extent upon the experience of the Government. I am sure the Senator knows that in no case where money has been loaned to a municipality or any other political subdivision has there been a default to the Government at Washington?

Mr. TYDINGS. The Senator means recently?

Mr. WAGNER. No, I mean all through whenever a loan has been made.

Mr. TYDINGS. The Senator means a loan made by the Government?

Mr. WAGNER. By the Government; yes.

Mr. TYDINGS. Of course, we only went into that business because of the depression.

Mr. WAGNER. I mean the Government has actually made money on some of the loans. It has sold bonds at a higher price than was paid for the money which was borrowed, so that the Federal Government actually made a profit from these transactions. The R. F. C. has done so.

Mr. TYDINGS. I should like to ask the Senator another question. I wish to read the bill, but I should like to get some sort of idea of its provisions before I start reading it, so that I may understand it better. The bill is designed to take care of the low-income group?

Mr. WAGNER. Yes.

Mr. TYDINGS. That is thoroughly commendable. Will the low-income group be in a position to pay the rents that will result from the building of these new units?

Mr. WAGNER. Not without a subsidy.

Mr. TYDINGS. In other words, as I see it, the low-income group is living in the slums primarily not only because there is a housing shortage but because they cannot afford to pay higher rents elsewhere?

Mr. WAGNER. Absolutely; that is the main reason for the bill; and that has existed for some years. We have had slums with us for years, not merely during the depression.

Mr. TYDINGS. That is the point I make.

Mr. WAGNER. And nothing has been done about it.

Mr. TYDINGS. So we will, in reality, build a unit for a low-income group in the form of housing which that low-income group will probably not have enough income to handle in a financial way?

Mr. WAGNER. Exactly.

Mr. TYDINGS. Is the subsidy uniform?

Mr. WAGNER. No; because the cost of construction is not uniform.

Mr. TYDINGS. I mean the percentage.

Mr. WAGNER. Not even the percentage.

Mr. TYDINGS. It is all discretionary, is it?

Mr. WAGNER. We want to provide for as high a rent as can possibly be paid. In some cases, after a project shall have been constructed, it will be found that the cost is very much less than in some other sections. Therefore, the rent which will be needed to amortize and to pay all maintenance and running expenses would be lower than in some other community where materials, labor, and other costs are higher. So that in some cases there may not be any subsidy needed, because the costs may be so low that even the low-income group may afford to pay the rent provided.

Mr. TYDINGS. I doubt if that would follow in the larger cities.

Mr. WAGNER. I do not think it would there.

Mr. TYDINGS. Because it stands to reason that a great many low-income families are living in low-rent houses because they just have not the money with which to get any better housing.

Mr. WAGNER. That is correct.

Mr. TYDINGS. Therefore, if we build them other houses, it will be necessary for us to subsidize that type of family if we put them into a better house?

Mr. WAGNER. There is no question about that.

Mr. TYDINGS. My question was, Is there a limit upon the amount of subsidy?

Mr. WAGNER. Oh, yes; it cannot be more than 3½ percent of the cost of construction annually.

Mr. TYDINGS. And that would be 3½ percent per year?

Has the Senator any estimate as to how much the Government would lose through a subsidy and through other forces that might come into action in the operation of this bill due to the fact that the low-income class cannot pay the higher rent that would be necessary completely to amortize the loan? How much actual money expended on the operation would fail to come back to the Treasury? I do not know whether I have made myself plain.

Mr. WAGNER. I do not think the Senator has.

Mr. TYDINGS. The subsidy is gone forever, is it not? We do not get that back?

Mr. WAGNER. Exactly; just as when a hospital is built.

Mr. TYDINGS. Outside the subsidy, how much of the Government outlay would fail to come back to the Treasury?

Mr. WAGNER. Not a cent. I mean that the loan would be absolutely secure, as secure as 90 percent, as I have said, of the loans made by the Government.

Mr. TYDINGS. So that the money we are appropriating here, outside the subsidy, is really only a loan which eventually will come back into the revolving fund?

Mr. WAGNER. Absolutely; it is not an appropriation, it is a bond issue.

Mr. TYDINGS. How much does the Senator estimate the subsidy will amount to for a year, in dollars and cents?

Mr. WAGNER. We have limited it, after the completion of the program, to a period of 3 years to $20,000,000 a year, and it cannot be more.

Mr. TYDINGS. That is the subsidy.

Mr. WAGNER. That is the subsidy, spreading it over a period of years.

Mr. TYDINGS. So the maximum cost would be $20,000,000 a year?

Mr. WAGNER. Exactly.

Mr. TYDINGS. If all of that sum were used, it would be a complete loss insofar as its return to the Treasury is concerned?

Mr. WAGNER. No; that would be a gain.

Mr. TYDINGS. I am talking about the business end of it.

Mr. WAGNER. We had some businessmen before us who said the subsidy would be a gain.

Mr. TYDINGS. I mean from the bookkeeping standpoint.

Mr. WAGNER. Oh, it will not come back.

Mr. TYDINGS. The $20,000,000 goes out and does not come back in the form of $20,000,000.

Mr. WAGNER. That is correct.

Mr. TYDINGS. To what extent is there a limitation placed upon the loans that may be made to the authority for slum clearing? Is there any limit?

Mr. WAGNER. There is no limit.

Mr. TYDINGS. It could be $2,000,000,000 if necessary?

Mr. WAGNER. Does the Senator mean the loans to the authority?

Mr. TYDINGS. Yes.

Mr. WAGNER. There is a limitation of $700,000,000.

Mr. TYDINGS. When the entire sum shall have been loaned, to what extent will that have solved the problem?

Mr. WAGNER. We would still have a great deal to do.

Mr. TYDINGS. Does the Senator think we would have solved one-fourth of it?

Mr. WAGNER. I doubt it.

Mr. TYDINGS. Has the Senator any substantial figure he could give me on that point?

Mr. WAGNER. We are going to take care of 850,000 persons, roughly speaking, under this program. It is said there are 9,000,000 families badly housed.

Mr. TYDINGS. That is farm and city families both. We would not have slums on the farm, though the farm help might be poorly housed. There would have to be a community before we could have a slum. The Senator means farm units rather than farms?

Mr. WAGNER. Yes; a rural unit.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. SMITH. In the rural community the houses would have to be in a rural village before the terms of this bill could apply, would they not?

Mr. WAGNER. It is not always a village. I know some areas around New York which do not constitute villages. The people live alongside of or near the farm. The houses are very old, having been built a long time ago.

Mr. SMITH. Are those houses attached to the farm?

Mr. WAGNER. They are not attached to the farm, but the people living in them work on the farm.

Mr. SMITH. But they are segregated from the farm and therefore the tenants who live on the farm would not come under the terms of the bill, would they?

Mr. WAGNER. I do not want to be technical about it. Does the Senator mean they live right on the farm, or they are workers living in houses really adjoining the farm, the houses having been built years ago to house the farm help who are seasonal in character, I suppose? Many of them have been declared to be very badly housed. That is not my statement from personal knowledge but based on surveys which have been made.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. WAGNER. Certainly.

Mr. TYDINGS. I think there are about 28,000,000 families in the United States. I think probably one-third of them would come in the lower brackets and some would be better housed than others, but approximately about 9,000,000 families are included. The point I am making is that $700,000,000 is to take care of substantially 1,000,000 of the 3,000,000 families, so if we wanted to take care of the entire number who are poorly housed we would have to multiply that by 8, which would make $5,600,000,000, assuming we did the whole job in 1 year at present costs. That is substantially correct, is it not?

Mr. WAGNER. Except that the Senator should allow for future improvement of conditions of some of the families. Otherwise the Senator's statement is approximately correct, as to the loans for construction costs.

Mr. TYDINGS. I am trying to get a general picture of the program. I realize we could expect, if we did it all at this time, if the total program were taken care of in 1 year, instead of 20 years to take care of every condition, it would cost between $5,000,000,000 and $6,000,000,000. I take for granted that in the lower one-third, down at the bottom of that one-third there is probably 15 or 20 percent who are the people the Senator wants to take care of first.

Mr. WAGNER. Yes.

Mr. TYDINGS. In other words, the yardstick will be to take care of those who above all others need it most and first?

Mr. WAGNER. Exactly.

Mr. TYDINGS. Is that provided for in the bill?

Mr. WAGNER. That is the objective of the bill.

Mr. TYDINGS. Is that provision in the bill, or is it merely left to the board?

Mr. WAGNER. The bill is intended to cover the lowest income group.

Mr. TYDINGS. And would that take care of them, in the Senator's opinion?

Mr. WAGNER. As the Senator knows, there must be some discretion lodged somewhere. I am very thankful to the Senator because he has brought out some points I would not have been able to bring out probably.

Mr. POPE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. Certainly.

Mr. POPE. It seems to me the problem the Senator from Maryland stated is very much larger than he suggested. In the report on the bill it is stated:

> Taking the country as a whole, respectable living quarters cost about $7 per room per month, which means that a normal family of five, in order to obtain four rooms in which to live, must spend about $336 each year for rent. By and large, studies indicate that it is socially undesirable for a family to spend this amount for rent with a family income of less than $1,600 to $1,800 per year.

Then, in the table which follows, it is shown that the percentage of farmers in 1936 with incomes of less than $1,500 was 56.3 percent. It would seem to me the problem is a tremendous one, very much larger than stated even by the Senator from Maryland.

Mr. TYDINGS. The Senator from New York encompassed a larger field than he intended, I think, because out of the 28,000,000 families in America there are about 5,000,000 who are farmers who own or rent or mortgage their

land, so those 5,000,000 would come off first of all. That would leave only 23,000,000 families, and one-third of 23,000,000 would be approximately 7,000,000 instead of 9,000,000, so the figure I took was the outside figure as to what might be called the ultimate cost if we include almost everything.

Mr. WAGNER. I am glad these questions are being asked because it shows what a modest beginning we are making in the venture. I want to have the opponents of the bill understand that the problem is much more tremendous than we are undertaking to take care of in the bill now under consideration. I know that in other countries public opinion has compelled the doing of more than this.

Mr. BYRD. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. I yield.

Mr. BYRD. I have missed a part of the Senator's argument.

Mr. WAGNER. I have been answering questions. I have not been presenting an argument.

Mr. WALSH. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state the point or order.

Mr. WALSH. Will the Senator yield to enable me to make the point of order that no quorum is present?

Mr. WAGNER. Oh, Mr. President, I prefer not to yield for that purpose. Through the questioning I think Senators have learned a great deal about the bill. I have not had any prepared speech, but I do want to get some other figures in the RECORD.

Mr. BYRD. Mr. President, will the Senator answer a question?

Mr. WAGNER. Oh, certainly.

Mr. WALSH. I thought the Senator was entitled to a rest of about 10 minutes and then he could proceed after a quorum had been obtained.

Mr. BYRD. The Senator from Massachusetts is very solicitous about the Senator from New York.

Mr. WAGNER. The Senator from Massachusetts knows I have not been well, but I am ready to proceed and answer the questions of the Senator from Virginia.

Mr. BYRD. Has an estimate been made of the cost per family unit?

Mr. WAGNER. Per room unit.

Mr. BYRD. Per family unit?

Mr. WAGNER. $4,000 per family and $1,000 per room, on an average for the whole country.

Mr. BYRD. What assurance has the Senator that the same extravagance which existed under the Resettlement Administration at Tugwelltown, when that unit was built as a low-cost housing unit, will not continue? At Tugwelltown the unit cost was $16,000 per unit, while up in New Jersey $20,163 per unit was spent. What guaranty can the Senator give that the same extravagance will not appear in connection with the program under his bill?

Mr. WAGNER. No such mandates were given those bureaus of the Government as are provided in the bill now under consideration. I want to say to the Senator, and I have tried on two or three occasions to mention it, that none of those projects were built for the low-income group, because the wrong method was used.

Mr. BYRD. If the Senator will look at the record he will find that Mr. Tugwell said that Tugwelltown was being built for the low-income group, but as a matter of fact $16,183 per unit was the cost of building Tugwelltown.

Mr. WAGNER. I am looking ahead and not to the past. Under the capital-grant system used by the Public Works Administration, they did the best they could. I think some buildings were built on too costly a scale. The units contemplated under the bill now under consideration are to be built by local authorities.

Mr. BYRD. Would the Senator be willing to accept an amendment limiting the cost to $4,000 per family unit or $1,000 per room unit?

Mr. WAGNER. I would not at all be willing to accept such a limitation. Is not that a rather difficult limitation to put in a bill of this kind?

Mr. BYRD. I am taking the Senator's statement and asking his opinion.

Mr. WAGNER. That is what I assume will be the cost, and I am sure it may be lower in some instances.

Mr. BYRD. The average cost of all homes in the cities of America is $4,400.

Mr. WAGNER. No; it is $6,500, according to the statistics I have.

Mr. BYRD. The statistics I have show the average cost is $4,400.

Mr. WAGNER. Statistics tell many different stories.

Mr. BYRD. I think Congress should have some assurance that the same extravagance which occurred under the Resettlement Administration, which began to deal with low-cost housing projects, but spent at Tugwelltown $14,259,000, or $16,159 per unit. Four hundred and eighty-six thousand dollars was spent there for landscaping. Does the Senator propose to do anything of that kind?

Mr. WAGNER. No; of course not.

Mr. BYRD. Tugwell spent $5,000 per unit for landscaping.

Mr. WAGNER. This is a slum-clearance bill.

Mr. BYRD. I understand that.

Mr. WAGNER. It provides for the elimination of a slum wherever any construction takes place.

Mr. BYRD. But Tugwelltown was built for low-income people, and at that time is was so announced, and after Congress appropriated the funds on that basis, it was found that Tugwelltown was built at a unit cost of $16,000 and more.

Mr. WAGNER. There is a mandate in the pending bill that its terms shall apply to the low-income group. There is no question about it.

Mr. BYRD. We were told the Tugwell program was for the low-income group.

Mr. WAGNER. There was no legislative mandate there. They had the authority to do as they wished about the matter.

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield, and, if so, to whom?

Mr. WAGNER. The Senator from Virginia must get these figures into the RECORD, and I am quite willing that he shall go on.

Mr. BYRD. I do not have to take the Senator's time.

Mr. WAGNER. I agree with the Senator that the project to which he refers was extravagantly built.

Mr. BYRD. These figures are from the General Accounting Office, and they are the official figures of the United States Government.

Mr. WAGNER. Very well.

Mr. BYRD. I am asking the Senator a sincere question as to what protection Congress has and the people have that the extravagance to which I have referred will not be duplicated under this measure.

Mr. WAGNER. The mandate of this legislation.

Mr. BYRD. What is the mandate of this legislation?

Mr. WAGNER. That mandate is that the housing is to be for the lowest-income group.

Mr. BYRD. I know; but that is what Dr. Tugwell said. That means nothing. A $10,000 dwelling may be built for those in the low-income group.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield; yes.

Mr. TYDINGS. I should like to make an observation, if I may. I think the Senator from New York would be very wise if he would espouse an amendment limiting the cost of these units to a fair price, because the Senator says he is just starting this thing; that this is more or less of an experiment. Assuming that the country wants it—and I know the Senator from New York wants it——it strikes me that unless the first venture is encompassed with all the business safeguards we can throw around it, the whole program by maladministration will get into bad repute, and the program then will be ended.

Mr. WAGNER. I agree with the Senator on that point. I thought there were sufficient safeguards; but, after all, I do

not think I have ever shown myself to be an adamant individual upon the floor of the Senate. If that is a desirable amendment, I shall not oppose it; but I should like to inquire a little more as to whether or not we are running a risk in imposing, over a period of 3 years, a limitation such as the Senator proposes of $1,000 per room.

Mr. BYRD. I simply took the Senator's own figure. If he wants to increase that figure, it is entirely agreeable to me.

Mr. WAGNER. The Senator wants some limitation?

Mr. BYRD. Yes.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. WAGNER. I yield to the Senator from Kentucky.

Mr. BARKLEY. Regardless of what happened at Tugwelltown or anywhere else, is there not this difference: These houses will be built by the local authorities with money loaned by the Government. The Government itself is not going to build the houses. The bill provides for loans to the local authorities.

Mr. WAGNER. Yes.

Mr. BARKLEY. And the cost of the houses will be under the jurisdiction of the local authorities, subject to the provisions of the bill—which are general, of course—that they are to be for the benefit of the low-income groups wherever they are undertaken. Under that provision, would there be any possibility of spending $16,000 or even $10,000 on a house or a group of houses in a slum-clearance area for the low-income groups?

Mr. WAGNER. No; because under the provisions of the bill the local authority must provide these homes only for the low-income groups; and the moment there is a violation of the agreement, the subsidy stops altogether.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. WALSH. What the Senator from Kentucky has said is correct, except that the point being made by the Senator from Virginia [Mr. BYRD] is of absolute importance to this extent: The subsidy that we have to pay for all time depends upon the cost of the project; so it is important to keep down the cost of the project to the lowest point in order to keep down the subsidy.

Mr. WAGNER. Yes; and I want to keep down the cost. There is no doubt about that.

Mr. BYRD. Mr. President, the Senator from New York speaks of a subsidy. It is all dependent upon the cost.

Mr. WAGNER. That is true; but the local authorities have to pay back the principal.

Mr. BYRD. I will take the Senator's own estimate of the cost—$4,000 per family unit, and $1,000 per room. I do not want to disturb the Senator by asking too many questions.

Mr. WAGNER. The Senator is not disturbing me. I should like to bring out all of these facts. I have been doing nothing but answering questions.

Mr. BYRD. There is another question which I desire to ask the Senator. I do not believe he is cognizant of section 6 of the bill, which makes this authority absolutely immune from the General Accounting System so far as preaudit is concerned.

Mr. WAGNER. If the Senator wants a provision inserted in the bill to change it in that respect, I do not care. Such a provision is not in any of the other acts, however. It is not in the Reconstruction Finance Corporation Act. It is not in any other loaning-agency act. I simply followed the same rule that had been applied to all the other loaning agencies we have created. If there is something about this authority which needs even greater checking than the obligation and the duty—because, after all, these men are to be public officials—I am not going to quarrel about it; but why do it? Is there some reason why this particular authority may not discharge its duties conscientiously and properly that does not apply to other authorities?

Mr. BYRD. The reason is, as I understand the proposal, that in this instance the Government is to put up 75 percent of the cost. Is that true?

Mr. WAGNER. No; under this proposal it is impossible to tell, until after the construction is completed, just what the Government shall put up. It may amount to 75 percent.

Mr. BYRD. What I am getting at is this: The Reconstruction Finance Corporation does not loan out 100 percent on any given security.

Mr. WAGNER. The loan here is on 100-percent security.

Mr. BYRD. Does not the Government take care of 75 percent of the risk under this plan?

Mr. WAGNER. It may do so under certain circumstances; but I have been trying all day to explain that there are two separate transactions. One is the loan for the construction, the cost of the project. That is the loan made by the Federal Government to the municipality, which must be paid back 100 percent with interest at the same rate which the Government pays. The subsidy is measured subsequently, when the building is finished. Then it is determined what the cost of the project was, what the maintenance charges are, and what rent it would be necessary to charge if all of those charges had to be met. That amount may be as much as $5 per room or $6 per room. We know that the very low income group we are trying to provide for cannot afford to pay that much. Therefore, the rent is reduced to the point where the low-income group can meet the rental. The difference may be $1 a room; it may be 50 cents a room; it may be $2 a room. That is the subsidy which is paid, which is done by an entirely separate transaction.

Mr. BYRD. The Senator has no objection to having the auditing done under the General Accounting Office, then, just as in the case of other funds of the Government?

Mr. WAGNER. I shall consider that.

Mr. STEIWER. Mr. President, will the Senator yield?

Mr. WAGNER. Yes. May I sit down for just a moment?

Mr. STEIWER. Yes; of course. I merely wish to make an observation.

Mr. WALSH. Mr. President, I rise to a point of order. In order that the Senator from New York may have a 10-minute rest, I make the point of order that there is not a quorum of the Senate present.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Radcliffe
Andrews	Copeland	La Follette	Reynolds
Ashurst	Davis	Lee	Schwartz
Austin	Dieterich	Lewis	Schwellenbach
Bailey	Donahey	Logan	Sheppard
Barkley	Ellender	Lonergan	Shipstead
Bilbo	Frazier	Lundeen	Smathers
Black	George	McAdoo	Smith
Bone	Gerry	McCarran	Steiwer
Borah	Gillette	McGill	Thomas, Okla.
Bridges	Glass	McKellar	Thomas, Utah
Brown, Mich.	Green	McNary	Townsend
Brown, N. H.	Guffey	Maloney	Truman
Bulkley	Hale	Moore	Tydings
Bulow	Harrison	Murray	Vandenberg
Burke	Hatch	Neely	Van Nuys
Byrd	Herring	Nye	Wagner
Byrnes	Hitchcock	O'Mahoney	Walsh
Capper	Holt	Overton	Wheeler
Caraway	Hughes	Pepper	White
Chavez	Johnson, Calif.	Pittman	
Clark	Johnson, Colo.	Pope	

The PRESIDENT pro tempore. Eighty-six Senators having answered to their names, a quorum is present.

Mr. STEIWER. Mr. President, will the Senator from New York yield to me to make the observation I started to make a while ago in respect to the suggestion as to a preaudit?

Mr. WAGNER. I yield.

Mr. STEIWER. I notice that in section 6 (a) the language which apparently relieves against the requirement of a preaudit is much broader in respect of expenditures than in relating to loans, but it seems to me to relate to all the expenditures of the funds of the authority. I desire to suggest to the Senator from New York that if that language is to be amended, perhaps consideration ought to be given to a distinction between a preaudit of a normal business operation of the authority and a preaudit of its expenditures

made for current expenses. I think there might be some difficulty in a preaudit upon the making of a loan, and probably there is not a valid reason for a preaudit in the case of a loan. There is every reason for a preaudit of an expenditure where the money is paid out irrevocably, and never is to be recovered. It seems to me of some importance.

Mr. WAGNER. Mr. President, to what expenditures is the Senator referring now—expenditures for current expenses, or for subsidies, or what?

Mr. STEIWER. The language is very broad. Let me read what it is I have in mind. Beginning with line 18, page 42, I find this recital:

> The Authority shall determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, and paid, and the manner in which accounts shall be audited. Vouchers approved by the Administrator for expenditures of the funds of the Authority shall be final and conclusive upon all officers of the Government.

That is the language that is used conventionally to relieve agencies of the Government from the control of the office of the accounting department of the Government, and I assume it was inserted here for the purpose of effecting a complete relief against the control of the Accounting Office.

Mr. WAGNER. I remember that in the Committee on Banking and Currency the bill providing for the Farm Credit Administration contained an identical provision. There is no governmental agency which is required to submit all of its loans to the Accounting Office.

Mr. STEIWER. I believe that is accurate.

Mr. WAGNER. It would be a mistake to make a change here.

Mr. STEIWER. Loans of the character contemplated in this bill have been subject to preaudit. I recall when $100,000,000 was allocated for almost the express purpose for which this bill is drawn, allocated to the National Housing Corporation, and I think the Comptroller General's office refused to approve the vouchers, and the $100,000,000 was never paid. I am not so sure about the identity of that money. As I recall, it was P. W. A. money. But whatever may have been the source of the money, the purpose for which the allocation was made was substantially the same as if not identical with the purpose of the bill the Senator from New York is discussing. Certainly there ought to be a rational middle ground which could be taken with respect to this matter that should leave the Authority reasonably free in the handling of its loans but would place the general expenditure of money which ought to be subject to audit subject to preaudit by the Comptroller.

Mr. WAGNER. I thank the Senator for his suggestion, and I will take it under consideration.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BARKLEY. I merely wish to emphasize what the Senator has said about some of these other agencies. Of course, it is manifestly impossible to have a preaudit by the General Accounting office of loans made by the Home Owners' Loan Corporation, for instance, to individual home owners. The law did not require that, and could not, because the loans are so large in number that they would clutter up the General Accounting Office, and at the same time delay unreasonably the relief the law was intended to afford. The same thing is true of the Farm Credit Administration, and the other agencies which are lending money. The same is true of the Reconstruction Finance Corporation and the Public Works Administration in making grants and loans, and of other agencies.

Of course, safeguards can be thrown around the profligate lending of money, but to require a preaudit in advance of every individual transaction where the Government is making these loans, either to individuals or to local authorities, it seems to me would tend to delay the relief which is provided for in the bill. There may be ground for the suggestion that there ought to be a little closer audit than may be provided here.

Mr. WAGNER. As to some of the expenditures. The Senator himself agrees it should not apply to loans.

Mr. President, I shall not take very much longer, but I think I have been very generous in yielding, because I took the floor at 12 o'clock, and it is now a quarter of 3, and I have done nothing but answer questions. That has aided, in that Senators have helped me very much in explaining the proposed legislation, and it has also shortened what I had desired to say. But I wish to call attention to another objective of the bill, which relates to the unemployment situation.

I need not discuss the causes of unemployment at this time. We all recognize that there are probably 8,000,000 unemployed in this country today. Many of them are unemployed because of technological reasons. Many of them are unemployed because the industries in which they have been engaged are still in a sluggish stage, or far below normal. I may also say that whenever there has been a depression there has always been some new activity started which has helped us absorb the unemployed.

The building industry, which will be aided by the pending legislation, is the one industry which is still in the depression stage, and I predict that under this program alone at least about a million men unemployed now throughout the country in this particular industry will be reemployed. Of course, I need not say to Senators that the moment that many are employed the purchasing power which they will receive will give an impetus to other industries so as to increase the employment in those industries.

I think the bill we passed yesterday, a measure shortening the hours of many of the lower-paid working people, will also assist in finally absorbing the unemployed. But more must be done, of course.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. TYDINGS. On page 5 of the report will be found a table prepared by Warren J. Vinton, Chief of Research, Division of Suburban Resettlement, Resettlement Administration. I suppose the Senator has not any information as to how these figures were obtained by Mr. Vinton.

Mr. WAGNER. Does the Senator mean the figures with respect to the income of individuals? I will say to the Senator that I do not know. I have made use of a number of statistics. I think the figures are generally agreed upon.

I wanted to call attention to the situation in the building industry. Here is the contrast between the indexes of industrial recovery and residential construction: The period from 1923 to 1925 is the period on which the figure 100 is based, because that was the time when we had what is generally regarded as normal employment.

In 1929 we had industrial production at the figure 119, and residential contracts at 87.

In 1930, industrial production stood at 96, and residential contracts at 50.

In 1932, industrial production stood at 64, and residential contracts at 13.

In 1933, industrial production stood at 76, and residential contracts at 11.

I know that figures are tiring, but these figures tell an extraordinary story. They tell the story that even though the other industries had gone up past normal in 1936, industrial production being at 105, which means that it was 5 points above normal, yet residential contracts were at 37.

For the first half of 1937, industrial production stood at 119, and residential contracts at 46.

Let us now look at the figures dealing with family accommodations. Table 4, on page 3 of the report, deals with families accommodated in new dwellings in cities of 25,000 and over in the 7-year periods 1923–29 and 1930–36, respectively. These are startling figures.

In 1923, 492,000 new family accommodations were provided. In 1925, 540,000 family accommodations were provided; in 1926, 507,000; in 1927, 435,000; in 1928, 411,000—coming down a little bit. In 1929 there were 261,000.

If I may digress, I will state that that was the time when the Senator from Wisconsin [Mr. LA FOLLETTE] and I contended that the depression was on, and employment was decreasing, but we were then "a voice in the wilderness." I also desire to add the distinguished former Senator from Colorado, Mr. Costigan, as one who also made that contention. He, unfortunately, is not now in this body. He is greatly missed by those of us who call ourselves liberals.

Senators, look at the contrast. In 1930 there were 135,000 family accommodations provided. That was a drop from 1925 of 540,000 down to 135,000 family accommodations provided in 1930. In 1931 the number was 107,000. In 1932 it was 31,000. Cannot Senators now see the reason for the tremendous shortage in housing which is threatening us, and which is going to be a very great menace if we do not pass legislation of the character of the pending legislation?

In 1933 there were 28,000 family accommodations provided. In 1934 there were 23,000. In 1936 the figure went up a little, to 132,000. But all of those years of inactivity in providing family accommodations have caused us to be confronted now with a serious housing shortage.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. ADAMS. I desire to ask the Senator about another part of the bill than that which he is now discussing, but I do not wish to interrupt him if it is not convenient to have me do so.

Mr. WAGNER. I will answer the Senator's question if I can.

Mr. ADAMS. Section 20, on page 63 of the bill, is a provision authorizing the President to allocate available funds to the authority, for the purposes of this act.

Mr. WAGNER. I will say to the Senator that we have discussed that section in the Senator's absence. The Senator from South Carolina [Mr. BYRNES] and I discussed that provision. I said that I did not want to interfere with any provision made in the Relief Act, and that this provision perhaps could be modified so that any provision made in the Relief Act would not interfere with the provisions of this measure.

Mr. ADAMS. I think subsection (b) ought to go out, because all of the money which is covered by subsection (b) has been definitely set aside.

Mr. WAGNER. Even that which comes in in the future?

Mr. ADAMS. All that which comes in in the future comes from securities, pursuant to title II of the National Industrial Recovery Act. That is not new money.

Mr. WAGNER. I understand. The money is coming back as the securities are liquidated.

Mr. ADAMS. Yes; but the Relief Act allocated all of that money for public improvements.

Mr. WAGNER. If all of the money has been covered and none is left, I certainly am not going to interfere with that program, although in subsection (b) it is left to the discretion of the President.

I call attention to some other figures indicating the serious unemployment situation in the construction industry, the recovery of which is one of the objectives of the bill, because it is a provision to help that industry to recover and to absorb a large part of our unemployed.

We again take the employment figures of 1929 as 100.

In 1933, in all manufacturing industries, the employees stood at 68, and the pay rolls stood at 45. In the building industry employees stood at 31 and pay rolls at 20.

In 1934, in all manufacturing industries, employees stood at 78, and pay rolls stood at 57. In building construction, employees stood at 35, and pay rolls stood at 23.

Senators will see the tremendous contrast. In other words, building construction did not benefit by our general recovery.

In 1935, in all manufacturing industries, employees stood at 82, and pay rolls stood at 65. In building construction, employees stood at 39, and pay rolls stood at 32.

Even in 1936, in all manufacturing industries, employees stood at 85, and pay rolls stood at 72. The employees in the building construction stood at 45, and pay rolls stood at 40.

That, Mr. President, clearly shows that the building industry is still in the depression stage, and would be greatly aided by the enactment of this legislation. My estimate is that about a million unemployed men would be absorbed if this legislation were enacted. So Senators see what a shortage in housing is confronting us in this country. Something really ought to be done about it.

On page 7 of the report will be found some figures on the crime situation, and I should like to refer to them. The report refers to the fact that both disease and crimes are caused by slums. The report says that in the city of Cleveland the tuberculosis death rate is 5 times as high in the slum areas as in the rest of the city, while the danger of contracting the great white plague is 30 times as high, because of the insanitary conditions and the terrific congestion.

During the past 2 years, in the city of New York, 6 times as many people were burned to death in the old tenement houses as in the better localities, showing the expense of fire protection which could be saved if we cleared the slums.

An investigation made in Chicago showed that juvenile delinquencies are over 300 times as great in the slum area in the loop as upon the prosperous North Shore. The major crimes committed by children under 21 years of age were 20 times as high in the slum areas as in other sections.

I simply want to emphasize to Senators who have been examining the so-called low-rent housing projects which have already been constructed under the housing division of the Interior Department that those who have had them in charge have learned something by their experience. The houses were constructed, I think, at too great a cost, and under a subsidy system of grants, which, in my opinion, is the wrong way of reaching the low-income group.

Mr. President, the result has been that there are only a few projects—of which one in Georgia and one in Florida—in reference to which it can really be said that they have reached the low-income group. It might interest Senators to know that in the Northeastern States families with incomes of less than $1,000 are 39 percent of the total.

In the Southeastern States those earning a thousand dollars or less are 50 percent of the total. That shows what a problem we have on our hands. Of course, as the Senator from Alabama [Mr. BLACK] said the other day, those of us who are living comfortably and have fairly reasonable incomes, unless we see the circumstances under which these unfortunate persons dwell, do not appreciate their plight.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. WAGNER. I yield.

Mr. VANDENBERG. In defining the low-income group the bill apparently intends to set the rule at five times the rental of the dwellings to be furnished, plus the value of heat, light, water, and cooking fuel. I wish to ask the Senator if he does not think that five times those factors would ordinarily be much more than a thousand dollars?

Mr. WAGNER. I think that rule reaches the low-income group, because, in some cases, there may be a number of children involved, and this formula fixing five times has been generally adopted as representing the limit as affecting those who may be permitted to occupy houses built for the low-income group.

Mr. VANDENBERG. Will the Senator give me an example by way of illustration as to what he would think the rental would be for an average family in one of these completed projects?

Mr. WAGNER. It would depend on the family; but suppose we take a family of four and four rooms—and a family of four really ought to have four rooms—if the rent is $4 a room then the total would be $16 a month.

Mr. VANDENBERG. If the Senator will excuse me there, there has to be added heat, light, water, and fuel.

Mr. WAGNER. That is not a very large sum, I may say to the Senator. I have not the figures with me at the

moment, but those factors do not represent a very large item.

Mr. VANDENBERG. It would seem to me, if the Senator will permit the observation, inasmuch as necessarily we cannot deal with the whole problem under the limited authority of the pending bill, and simply want to deal with those who are most greatly in need, that the rule of five times the rental, plus the various other items is too liberal and that a rule of four times would bring the benefits of the bill more surely to the thousand-dollar group.

Mr. WAGNER. The difficulty with making it too low is that it would not allow flexibility. We have got to rely upon the administrators to do what we say should be done, and the administrators must report to Congress each year so that we can follow the matter up. But take a charge of $4 a room. Some families cannot pay $4, and we have got to get down below $4 in some areas. In New York those in the slum area can pay $4 because their wage, low as it is, is a little larger than in some other areas. But take a family of four, father, mother, and two children, paying $16 for four rooms; that would mean they have an income of under $1,000 a year, on the formula of 5 to 1.

Mr. VANDENBERG. I agree to that

Mr. WAGNER. I am just a little afraid of making the formula too low. In some areas, for instance, in New York, those having $1,000 a year, with the cost of living, which, as Senators know is much greater in New York than in some other areas, are of the lowest income group.

Mr. VANDENBERG. I think that is so, and it would seem to me that a rule of five times the rent, heat, light, water, and cooking fuel often would cover an income of over twelve or fifteen hundred dollars.

Mr. WAGNER. I will have the figures a little later. It is not nearly so large as that.

Mr. VANDENBERG. I remember a year ago, when the same general subject was up, the able Senator from Massachusetts [Mr. WALSH] and I discussed the matter on the floor at some length.

Mr. WAGNER. I remember that very well.

Mr. VANDENBERG. And I think the Senator from Massachusetts rather agreed with my point of view in connection with it.

Mr. WALSH. Mr. President, will the Senator from New York yield?

Mr. WAGNER. I yield.

Mr. WALSH. I did agree with the viewpoint of the Senator from Michigan in that respect, and I expect to offer an amendment along that line.

Mr. WAGNER. Is the Senator going to make it four times?

Mr. WALSH. I am going to make it three or four. I want the people who get this subsidy to be not the low income group but the lowest of the low income group; and we have got to make the provision very low to bring that about.

Take a tenement the rent of which is $25 a month, this bill would permit a man who gets $124 a month, if he had the political pull or influence with the authorities, to get into one of these houses and enjoy a subsidy as against the poor washerwoman with only $50 or $60 a month income.

I know the Senator from New York and I are absolutely in accord as to the fundamental principle, but there is a difference as to how far we ought to go. The Senator from New York is disposed to be a little more liberal to the authority than I am. That is the only difference between us.

Let me say that I am convinced that unless we tighten it so that only the lowest-income group—not the low-income group but the lowest-income group—can get these tenements and these subsidies, we will have a housing scandal on our hands in the future.

Furthermore, we have made some mistakes in Federal housing which we must avoid in this bill. We are providing for and giving subsidies to people who have gone into better houses built by the Federal Government than the average workingman enjoys. There is no question about that. We must avoid this in the future.

Mr. WAGNER. Of course, that is so.

Mr. WALSH. We must see to it that the law is restricted so as to prevent such a thing happening under the bill. Perhaps I am too extreme, but the difference between us is only one of degree.

Mr. WAGNER. I think three times would simply be impossible in the large cities, when the construction cost is taken into consideration. In New York City—I am merely speaking of my own city, but the same thing must be true of others—a man earning $700 a year under the rule which would be applied by the Senator from Massachusetts would hardly be able to get into a house provided for under the bill.

Mr. WALSH. Under the rule I suggest nobody, unless his income was under $700, would get into the house.

Mr. WAGNER. That is what I want, but do not make it so strict that no one but the man having only $200 or $300 a year could get a house.

Mr. WALSH. Let us take a rental of, say, $25 a month. It must be a pretty small tenement in New York City that can be rented for that sum.

Mr. WAGNER. In the slum area, I think, the rent is a little less.

Mr. WALSH. Including water and heat?

Mr. WAGNER. It is a little less, I think, in the slum area.

Mr. WALSH. The ratio of 5 to 1 means that a person with $124 a month, which is $1,400 a year, if he had influence enough, could get a tenement as against the washerwoman who is only getting $50 a month.

Mr. WAGNER. We do not want to disagree as to this measure; but we want to be sure not to undo what we are trying to do. The Senator is assuming that the rent to be charged per room will be $5 or $6. The low-income group cannot afford to pay that sum. In New York, for instance, we would have to charge $3 or $4 a room.

Mr. WALSH. As I understood the question of the Senator from Michigan, he wanted to know who would occupy these tenements and get the benefit of the subsidy. He referred to a provision of the bill which determines the group that would get these subsidies and occupy these tenements, and he pointed out the fact that the spread would include all those persons who could show an income within five times what the rent would be.

Mr. VANDENBERG. Plus the other factors.

Mr. WALSH. Including the other factors. I illustrate that by showing that a $25 tenement can go to the man or woman who gets $124 a month, when we all know that in the city of New York and everywhere else there are men and women, with a houseful of children, working in sweatshops and doing scrubbing work, who earn only $50 or $60 or $75 or $90 a month. I want them to be preferred to those earning $124 a month.

Mr. WAGNER. If any housing authority in the city of New York should charge $25 for three rooms, it would be violating every provision of this bill, for it would indicate that the renter was within the $1,500 or the $2,000 group, and I am not concerned about him.

Mr. WALSH. I am not speaking of rooms but of tenements. Will any of these houses that will be built have less than three rooms?

Mr. WAGNER. I should not think so.

Mr. WALSH. Very well; what does the Senator figure may be the basic price per room?

Mr. WAGNER. I should say that for rent it would be $3 per room. I think that is what they are charging now for the houses built in the first real slum-clearance project. Three times that amount for three rooms would be $9.

Mr. WALSH. Is the Senator speaking of the rent per week?

Mr. WAGNER. No; I am speaking of the rent per month per room.

Mr. WALSH. Does the Senator mean to tell us that anywhere in New York City he can rent three rooms for $9 a month?

Mr. WAGNER. Not now, but under this legislation I hope we will come down to that basis.

Mr. WALSH. If the Senator were a poor man and wanted to hire a tenement and wanted three rooms, what would he have to pay in the slum area?

Mr. WAGNER. In the slum area, more than $9. That is the reason why families are doubling up there. In some places there are three families living in three rooms.

Mr. WALSH. I do not live in the city of New York. I live in the country in a small mill town. I do not know of any tenement anywhere, half slum or partly slum or all slum, where anyone can get a tenement for less than $12 to $15 a month.

Mr. WAGNER. Of course, if the Senator is sure he is right, I cannot dispute him; but I know that in the slum area in New York City, in some of the very bad areas down on the lower East Side and the lower West Side, families are doubling up, and no family pays more than $9. Two families may pay $18.

Mr. WALSH. If it is possible for people in New York to get a decent tenement for $9 a month, then there is no need for this bill.

Mr. WAGNER. But it is not fit for human habitation.

Mr. WALSH. These places are going to be fit for human habitation?

Mr. WAGNER. Of course they are.

Mr. WALSH. What are they going to cost?

Mr. WAGNER. I have been inclined to estimate the cost at $1,000 per room, and we need a subsidy to make up the difference if we are going to reach the low-income group.

Mr. WALSH. I agree that we need a subsidy. The only difference between the Senator from New York and myself is one of degree. The Senator desires to give more latitude and elasticity than I in the powers of the board. But there has been a movement behind the bill on the part of legitimate builders to go into housing on a large scale, which has merit. I am desirous of restricting and limiting the bill down to the very narrowest limit, so that the first tenant to get into one of these subsidized tenements, to get a subsidy for life, will be the poor washerwoman of New York City with her children.

Mr. WAGNER. Does the Senator say the builders are interested in this program? If they are, I do not know it.

Mr. WALSH. Deservedly and properly so.

Mr. WAGNER. That statement must be based on knowledge which came to the Senator. No builder came to me about the bill.

Mr. WALSH. Does not the Senator know the labor organizations in the building trades are interested in it?

Mr. WAGNER. Yes; but I do not class them as builders.

Mr. WALSH. I am not criticizing them. I want housing, but I want not families with low income but families with the lowest income to get the benefit of the subsidy.

Mr. WAGNER. So do we all.

Mr. WALSH. I shall not vote for the bill unless it is clear and unmistakable that the subsidy will be removed from any possibility of favoritism in its granting of subsidies. I insist its benefits reach the lowest-income group and that those of the lowest income get the tenements provided for in this measure.

Mr. WAGNER. Is the Senator doubtful that I am after the same objective?

Mr. WALSH. The Senator is inclined to object to my proposed restrictive language and says it is too restrictive.

Mr. WAGNER. That is another question, whether it is not a little too strict in some communities.

Mr. WALSH. What is the harm in trying it? In another year, if we find it harmful, we can change it if necessary.

Mr. WAGNER. We can agree on some amendment of that kind. Of course, the labor organizations have been interested for another cause. Another objective of the bill is to secure employment in an industry which has been and still is in a very depressed state.

Mr. WALSH. I hope the Senator will keep in mind that our colloquy is not merely for the purpose of informing ourselves as to the views of each other, but to place in the RECORD our opinions in order that the RECORD will reveal that he and I again and again on the floor of the Senate pleaded that the poorest and lowliest people in the country should get the subsidies carried by the bill. It is not so much that the Senator differs with me or that I differ with him, but that we want the RECORD to show that it is the purpose and the intent of the Congress of the United States that the subsidies shall go to the most needy of our poor families.

Mr. WAGNER. I am willing to have a mandatory provision that it shall be the duty of the board, the obligation of the board, in each case where a loan is made, that as a condition precedent to the making of the loan the lowest-income group among the slum dwellers shall be first served before any other group. I think the objective is clearly stated, but we can make it clearer if that is desired.

Mr. WALSH. I do not want to be too finicky. The Senator knows I want to restrict the powers of the board only within reasonable limits. To insure what we desire I would go so far as to incorporate a provision that the local housing authority every year shall be compelled to file with Congress a list of the tenants, of their incomes, and of the rents they are paying.

The Senator knows and I know how easy it is to let political favor enter into these matters. We have a housing problem in the city of Boston. I have not the slightest doubt there will be hundreds of families striving to get into the few tenements to be constructed under previous programs, and I fear that there, as elsewhere, the tenements may be parcelled out through political favor.

Mr. WAGNER. I really have not that apprehension. I think through social service of this kind we can get those in charge of the project and on the authority who will not permit politics to enter. When I was in Europe I inquired in England and Sweden as to whether there was any politics entering into the plan or not, and was told that no politics entered into it at all.

Mr. WALSH. Is there not now politics entering into it? Let us be frank about it. Who will be the administrators of the housing projects already constructed?

Mr. WAGNER. I do not know anything about the Senator's State. I assume he will take care of it.

Mr. WALSH. I wish I could, but I am forced to recognize the practical side of these questions. Is there any doubt that these appointments will be made of competent men, but through political influence?

Mr. WAGNER. I think that anybody who would permit politics to enter where these unfortunate, underprivileged, low-income groups are concerned is a pretty mean sort of individual. I really think that such individuals do not exist. In New York we have Langdon Post in charge. I have never discovered the slightest politics involved in the housing projects that have been conducted there. He had great difficulty when it came to the first houses in the first slum-clearance project. He put in the very lowest-income group. I heard no complaint that in the selection of those tenants any politics had entered at all.

Mr. WALSH. Of course, if the Senator feels that is true, then he really ought not to have any objection to such a limitation in the bill as I have suggested. If the appointees are all going to be of such a high-minded character and the condition is going to be so idealistic as the Senator has in mind, then there is no need of any limitation.

Mr. WAGNER. I was expressing confidence in the individual.

Mr. WALSH. The Senator said that before, but he must remember, to use an extreme illustration, the scrub woman and the washer woman and the poor man invalid going to

work here and there for a few days in order to live have not the vocal and group power through which they can make their protest even if favoritism is involved.

Mr. WAGNER. Long before any other Senator raised his voice, I raised mine in behalf of these people, when mine was almost a voice in the wilderness, so no one can question my interest. It has been the epitome of a life's work.

Mr. WALSH. Will the Senator agree with me that everybody in political life in New York City feels the same way about it?

Mr. WAGNER. No; I will not; but it is a pretty mean individual who in a case of this kind would permit politics to interfere. If there is not sufficient protection against such a thing, I am perfectly willing to provide any mandate in the bill that would protect against the injection of politics in the selection of occupants. The Senator and I will not disagree about that point.

I have provided in the bill for the housing authority to make a report to Congress each year. I take it that that report will have to include the condition of a local project, the rents charged, the costs, and all the other things involved otherwise the report would be meaningless. Does not the Senator think that would cover the subject?

Mr. WALSH. I agree with the Senator, but let me submit one further observation.

I think we are both—I hope we are both—arguing this matter with the thought that we want to better the housing lot of these people; but I say frankly to the Senator that if I were the representative from the south Boston district, where that housing has gone up, and if hundreds of my constituents of low income, any or all of whom qualified, came to me and said, "You must help me get one of those tenements", he would not expect me to ask him to go out looking for the washerwoman who was more entitled to it than he. I would expect the administrator to do it; but the pressure and influence would come for the most active and insistent applicants. Is not that the way it would be done?

Mr. WAGNER. Mr. President, I do not think I would do it. I am only an average person, but I do not think I would ever do it.

Mr. WALSH. The Senator might have to agree to it under political pressure.

Mr. WAGNER. No; political office does not mean as much as that to me.

Mr. WALSH. In any event, when they arrive at the office of the superintendent of the bureau that rents the houses, and they are shown the law stating that this is not discretionary, here is the limitation, the political pressure to which I have referred might be curbed.

Mr. WAGNER. Well, just put in there "the lowest-income group", and any other formula that may be desired, so that we may protect ourselves.

Mr. PEPPER. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. Yes.

Mr. PEPPER. I observe that the Senator put in some figures in his reference a moment ago to the low-income groups of the country; but I desire to add that, according to the latest figures I have been able to obtain as to the general population, 10.4 percent of all the persons in the United States make less than $500 a year each, which in the aggregate represents 7.1 percent of the total national income. If the computation were restricted to the farmers, if we referred to nothing but the farmer groups, we should find that 30 percent of the farmers in the United States have annual incomes of less than $500 each, which in the aggregate represents 8.6 percent of the total income of all farmers.

Will the Senator yield to allow me to put in the RECORD the latest figures on income groups generally in the United States?

Mr. WAGNER. Certainly, because I think all this information is very helpful. It furnishes additional evidence of the tremendous problem which confronts us; and this is only a very humble beginning.

Mr. PEPPER. I say this with tremendous sympathy for the Senator's objective, because, as the Senator knows, I am very strongly in favor of the pending bill.

Mr. WAGNER. I know the Senator's sympathy; but it also shows the insignificance of this proposed legislation. It is merely a start; but I hope public opinion will so approve it, if Congress sees fit to enact it into law, that we shall soon speed on to help the others.

The PRESIDENT pro tempore. Without objection, the tables submitted by the Senator from Florida [Mr. PEPPER] will be printed in the RECORD.

The tables are as follows:

Annual income of all groups in the United States

1929	Percent of population	Percent of national income
$500 or less	10.4	7.1
$1,000 or less	39.8	12.9
$2,000 or less	80.7	43.3
$2,500 or less	88.4	52.3
$3,000 or less	91.7	57.0
$4,000 or less	94.9	62.7
$5,000 or less	96.4	66.2
$6,000 or less	97.2	68.7
$7,000 or less	97.8	70.6
$8,000 or less	98.2	72.1
$9,000 or less	98.5	73.4
$10,000 or less	98.7	74.5
$15,000 or less	99.2	78.2
$20,000 or less	99.5	80.5
$25,000 or less	99.6	82.0
$30,000 or less	99.7	83.2
$40,000 or less	99.8	84.9
$50,000 or less	99.86	86.1
$100,000 or less	99.95	89.4
Over $100,000	.05	10.6

Annual income of farmers in the United States

Amount	Percentage of farmers	Percentage of total farmers' incomes in United States
$500 or less	30	8.6
$1,000 or less	63.4	32
$2,000 or less	88.8	66.3
$2,500 or less	93.8	77.3
$3,000 or less	96.1	83.4
$4,000 or less	98.3	90.5
$5,000 or less	99.2	94.6
$6,000 or less	99.6	96.5
$8,000 or less	99.86	97.4
$10,000 or less	99.94	99.1
$15,000 or less	99.99	99.5

Six hundred and fifty thousand farms covering 100,000,000 acres operated by over 500,000 farmers, where the farms are too poor to make possible the earning of a decent living.

Forty-two percent of the total farm population is tenants; over 10 percent rent land in addition to that that they own; 47 percent of the farmers own their own land.

From 1930 to 1935 there was over 200,000 increase in the number of tenant farmers in the United States.

Mr. BONE. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. BONE. On page 36 of the bill it is stated:

The term "public housing agency" means any State, county, municipality, or other governmental entity or public body * * * authorized to engage in the development or administration of low-rent housing or slum clearance.

Is there anything other than that in the bill which attempts to define the powers of any such body, or is it left merely to the people of any locality to set up any agency they select?

Mr. WAGNER. Unlike some other measure, it is up to the State. This bill is a bill decentralizing this whole activity, and it is up to each State or municipality or other political subdivision which has the power to deal with the subject of low-income groups and slum clearance to create its authority for that purpose.

Mr. BONE. Then, in part, this measure is predicated on the assumption that cities and communities and municipalities will set up some sort of agency to bring themselves within it?

Mr. WAGNER. Exactly; because the local authority, under this bill, initiates the whole project.

Mr. BONE. Then this is merely, in a sense, a provision to subsidize those in that class of work, to aid them with grants and loans in that sort of work?

Mr. WAGNER. Grants and loans; yes.

Mr. BONE. There is one other thing that has bothered me, and I think it has bothered some other Members of this body, and that is this particular thing: I do not know that it could be met by legislation of this sort without making the bill so complicated that it might be cumbersome. Possibly this point has been raised before, and I have not heard it discussed:

Assume that a city like New York, for instance, should desire to engage in this sort of work, and should build some decent habitations and dwellings for persons of low incomes, unless they tore down the old slum dwellings, a new subnormal group, or whatever the category might be into which they would fall, might come in and occupy the old slum dwellings, and we should have the same problem over again in a new form.

Mr. WAGNER. That is provided for, Mr. President.

Mr. BONE. Where is it covered in the bill? I have been going through the bill, and I did not see it.

Mr. WAGNER. It is on page 56:

> In the case of a low-rent housing project involving the construction of new dwellings, that provision is or has been made—

These are standards set—

> (either as a part of the project or otherwise as a condition to its initiation) for the elimination, by demolition, condemnation, effective closing, reconstruction, remodeling, or repair of unsafe or insanitary dwelling units in the locality or metropolitan area concerned, substantially equivalent in number to the new dwelling units constructed.

In other words, a project consists of two things, namely, to clear the slums, and to build units to house those who have lived in the slum dwellings.

Mr. BONE. In other words, as a condition to the grant or loan, the slum buildings in that section must be demolished?

Mr. WAGNER. That is correct.

Mr. BONE. Of course, as I well realize, we could not attempt to demolish all the slums in a city in order to get rid of them.

Mr. WAGNER. No; this refers merely to the slums in the project that is involved.

Mr. BONE. In other words, in the particular area we are endeavoring to help, adequate provision would have to be made to eliminate the old slums there before the new buildings would go up.

Mr. WAGNER. Exactly; and it would be necessary to provide for the slum dwellers.

Mr. BONE. I think that covers the matter I had in mind.

Mr. POPE. Mr. President, will the Senator yield for one question?

Mr. WAGNER. Yes.

Mr. POPE. On page 35 of the bill, in subsection (3), is a definition of slums. The Senator this morning was kind enough to refer to my own home town of Boise. I then made the statement that we do not have slums in Boise. Of course, we do not have slums in the sense that they exist in the large cities. That led me to examine this definition.

The provision in the definition is—

> The term "slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitation facilities, or any combination of these factors, are detrimental to safety, health, or morals.

I am wondering how that definition would apply to a situation like this, which occurs in my own town:

We have buildings which are not necessarily unsanitary or dilapidated or dangerous to the health or safety of the individual, but we do have our low-income groups. They may not be very well because of hunger, or because of lack of income sufficient to furnish them all the things that are necessary; but it is not so much a matter of health or bad air or lack of sanitation as it is simply the fact that they are members of the low-income groups. I wonder what the Senator would say about that type of person, located in many cities or even in the country, but whose dwellings are different from the ordinary slum dwellings in large cities.

Mr. WAGNER. There are slums in rural areas, too, Mr. President. The Senator from Idaho has not described one. In a case like that, my opinion is that the bill would not apply, because the persons to whom he refers are not living in unsanitary and unhealthful and indecent conditions. They are living in reasonably safe quarters.

Mr. POPE. There is one place in my own town which is called a cardboard town. The small buildings are constructed out of cardboard, tin cans, or slabs which may be picked up, or anything else which will make some sort of habitation, and yet they are not really unsanitary. They are not dangerous to health and safety, but they are simply poor dwellings where people live.

Mr. WAGNER. This bill would not apply there, Mr. President, because we are not rehousing everybody who has a low income, but only persons of low income who live in unsanitary and unsafe and unhealthful conditions which are detrimental to morals, to health, and also to safety.

Mr. POPE. Then, in the Senator's judgment, the emphasis should be placed on safety, health, and morals in any situation?

Mr. WAGNER. Oh, absolutely! The definite objective is to safeguard people of that character.

Mr. KING. Mr. President, will the Senator yield?

Mr. WAGNER. I yield to the Senator from Utah.

Mr. KING. I agree to the sentiment just expressed by the Senator from New York. May I be pardoned for making a statement? It seems to me, I may say to my friend from Idaho, that the Federal Government may not, under this broad plan and with the objective which it has, undertake to furnish homes for all the workers of the United States of low income. That would be impossible.

Mr. WAGNER. Of course not. It is the lowest-income group that we are trying to reach, and at the same time to clear the slums, because they are a constant menace.

Mr. KING. And the bill does not contemplate taking a house that I may have, and, because it is a poor house, taking the title away from me and transferring it to this organization, and having the organization build a house for me.

Mr. WAGNER. Oh, no; of course not—not any such thing.

Mr. KING. Just one other question: I desire to ask the Senator with respect to page 36, line 25:

> The term "public housing agency" means any State, county, municipality, or other governmental agency or public body (excluding the Authority), which is authorized to engage in the development or administration of low-rent housing or slum clearance.

I challenge attention to the words "or public body." Would that be an organization which has been promoted under the laws of a State, a political subdivision, or a municipal organization?

Mr. WAGNER. A public body is a body created under the law of a State.

Mr. KING. This definition would not, then, permit any private corporation to organize and then try to come in under the terms of the bill?

Mr. WAGNER. Oh, no; absolutely not—nothing but a public authority.

Mr. KING. And the States or the counties or the municipalities must initiate all of the organizations that will be comprised within this provision?

Mr. WAGNER. Absolutely. They not only initiate them but they complete them. They do all the work in connection with the matter. The work is absolutely decentralized from that standpoint.

Mr. KING. And if a State should refuse to accept the benefits or evils—whatever view one may have—of this bill,

or if the counties within the State or any political subdivision of the State should refuse to come under the terms of the bill, then the bill would be inoperative in that State?

Mr. WAGNER. Oh, yes; because they must initiate it. They must make the application.

Mr. KING. Exactly. That was my understanding. I want it to be definitely understood that private corporations, or, for that matter, public-spirited citizens, philanthropists, may not invoke the provisions of the bill and go forward, seeking to get these bounties and subsidies.

Mr. WAGNER. Or shipbuilders, either.

Mr. KING. Or shipbuilders, or anyone else.

Mr. WAGNER. Although they do get them. I am not complaining about that.

Mr. KING. I complained about that, and voted against that.

Mr. WAGNER. But this is limited to public bodies.

Mr. BONE. Mr. President, will the Senator from New York yield?

Mr. WAGNER. I yield.

Mr. BONE. I take it, from the colloquy between the Senator from New York and the Senator from Utah, that the prime purpose of the bill is to demolish slums.

Mr. WAGNER. Yes; and provide decent living quarters to the lowest-income group, who cannot afford to pay rent sufficient to provide decent living quarters. The Government would aid them to that extent.

Mr. BONE. In other words, demolish the slums and provide decent homes for those who previously lived in the slums?

Mr. WAGNER. Yes.

Mr. BONE. The Senator from Utah asked about what agency might come under the bill, and he referred to page 36. On page 37 there are two definitions, the definition of the term "consumers housing society" and "limited-profit housing agency."

Mr. WAGNER. I said those would be eliminated. Those provisions were inserted at the request of certain Senators.

Mr. BONE. They probably would have to be set up in corporate form in order to borrow.

Mr. WAGNER. Yes.

Mr. BONE. Are they to go out of the bill?

Mr. WAGNER. I intend to eliminate those provisions from the bill. As I have said, they were inserted at the request of certain Senators, principally from the West—and I do not intend to name them—who were interested in these cooperatives. But I think they ought to be separately treated.

Mr. KING. With that understanding, I did not make any inquiry concerning them.

Mr. WAGNER. I think the Senator heard me say they would be eliminated.

Mr. KING. I intended to move to strike out those provisions, but with the understanding that they would be eliminated, I did not offer the motion.

Mr. WAGNER. The Senator from Massachusetts says I am a little mild; so I was mild in acceding to the request of some of my fellow Senators in this regard. Now, I will be intolerant, and just eliminate the provisions.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BURKE. Referring to the colloquy in which the Senator engaged with the senior Senator from Massachusetts, it will be true, will it not, whether or not the evils the Senator from Massachusetts foresaw are kept away from, that, whether or not the objectives of the bill are properly carried out will depend to a considerable extent upon the personnel of the authority set up?

Mr. WAGNER. Yes; as in the case of any other project.

Mr. BURKE. The question I should like to ask is, Why should any members of the authority be subject to removal from office except for neglect of duty or malfeasance in office?

Mr. WAGNER. That is the provision generally employed in the statute.

Mr. BURKE. I think the Senator misunderstood. I say, Why should any member of this authority be subject to removal from office for any other reason than neglect of duty or malfeasance in office? Is it the Senator's understanding that all members of the authority are subject to removal only for cause?

Mr. WAGNER. What is the Senator leading me into? Is he going to discuss Presidential appointments and Presidential removals, or has he some suggestion to make?

Mr. BURKE. I wish to know what the Senator has in mind. I find in the bill that the authority is to consist of five members, an administrator and four directors, to be appointed by the President by and with the advice and consent of the Senate.

Mr. WAGNER. By the way, if I may say so, I propose to offer an amendment reducing the number of directors to three.

Mr. BURKE. At any rate, as the bill now reads, four directors are to be appointed by the President, by and with the advice and consent of the Senate, and in the case of the four directors, but not in the case of the administrator, we find that they are to be "removable by the President upon notice and hearing for neglect of duty or malfeasance in office." What I want to know is why should not the administrator as well as the four directors be removable only for cause?

Mr. WAGNER. Are not all five directors removable for cause?

Mr. BURKE. Not as I read the provision on page 38 of the bill.

Mr. WAGNER. Upon reading the provision, I am inclined to think the Senator is right about that. They certainly ought to be treated equally.

Mr. BURKE. That is what I thought. The provision very clearly limits the removal for cause to the four directors, and does not apply to the administrator, and it seems to me the Senator is correct in saying they ought to be treated equally.

Mr. WAGNER. I think so.

Mr. BURKE. At the proper time I shall offer an amendment to correct that defect.

Mr. WAGNER. If the Senator does not, I will.

Mr. President, the Senate has been spared a test of patience, because what I intended to say has been brought out by the different questions propounded. I have been on the floor now for 4 hours answering questions, which have been very enlightening.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WAGNER. For another question? [Laughter.]

Mr. O'MAHONEY. Yes; will the Senator yield for a question?

Mr. WAGNER. I yield. I think this is a good way to bring out what is in the bill. I think it is better than a cold presentation. I find no fault.

Mr. O'MAHONEY. The Senator has been very kind.

Mr. WAGNER. Am I not always kind?

Mr. O'MAHONEY. The Senator is always kind. This is certainly one of the most important measures that has come before the Congress.

Mr. WAGNER. I think it is.

Mr. O'MAHONEY. I have observed a desire upon the part of the draftsman to comply with principles which we all regard as very important in obtaining a high degree of efficiency of administration. However, I observe that while it is true that under section 4 (a), found on page 39, the administrator is authorized, subject to the civil-service laws and the Classification Act of 1923, to appoint and fix the compensation of employees, there is included an exemption.

Mr. WAGNER. What section?

Mr. O'MAHONEY. Section 4 (a), found on page 39. The section provides for the appointment of employees of the housing authority subject to the civil-service laws and the Classification Act of 1923. There is, however, an exemption, to be found in lines 23, 24, and 25, "except that without

regard to such laws", that is, without regard to the civil-service laws and without regard to the Classification Act, which is the act which fixes the salaries of employees, the authority "may appoint and fix the compensation of officers, attorneys, and experts."

What is the definition of an officer? What is the definition of an expert? Why should officers and experts be exempted from the Classification Act which fixes the salaries to be paid Government employees?

Before the Senator answers, may I say that this exemption of officers and experts from the effect of the Classification Act in previous laws has resulted in giving the administrative officials the power to appoint persons as experts at salaries far in excess of those authorized by the Classification Act, and doing exactly the same kind of work.

Mr. WAGNER. I do not want that to be possible, of course.

Mr. O'MAHONEY. I did not think the Senator wanted it to be possible.

Mr. WAGNER. This is the usual provision in all similar acts.

Mr. O'MAHONEY. No; I will say that this provision in the Senator's bill is far more satisfactory than similar provisions which have been included in other bills and I give the Senator a great deal of credit for that.

Mr. WAGNER. The Senator thinks they all ought to come under the Classification Act?

Mr. O'MAHONEY. What is an officer?

Mr. WAGNER. I think the courts have pretty definitely settled that. I remember even some opinions on that subject I had to write in our appellate division; I do not recall exactly what I said, and I would have to look up the decisions which were written by the judges, but I remember I had one to write. It is a very definite classification, however. The courts have definitely determined what an officer is, as distinguished from an employee. However, I am not going to quarrel for a moment over it, because I believe in the civil-service system. So that if attorneys should be under the civil service, or at least under the Classification Act——

Mr. O'MAHONEY. I agree that attorneys should be outside of it.

Mr. WAGNER. I mean that their salaries should be classified.

Mr. O'MAHONEY. The Classification Act ought to apply to all these employees.

Mr. WAGNER. Yes.

Mr. O'MAHONEY. But it certainly is perfectly obvious that if we provide that experts may be appointed without regard to the civil-service laws, or without regard to the Classification Act, it then becomes possible for the administrative officials to classify anyone they desire to appoint as an expert, and give him any salary.

Mr. WAGNER. Is it not required, even then, that he receive the approval of the Civil Service Commission, before he can be appointed as an expert?

Mr. O'MAHONEY. Not under this language.

Mr. WAGNER. The Senator does not think so?

Mr. O'MAHONEY. I would think not.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BARKLEY. I desire to make one observation. My information is that under the commissions and boards which we have recently established, such as the Maritime Commission and other commissions, where attorneys or even experts are exempted from the civil service, they have been appointed and their salaries have been fixed according to the Classification Act, although they are not appointed as a part of the civil-service arrangement. I know that is true with respect to the Maritime Commission, because that Commission was required to limit its salaries to the maximum provided in the Classification Act, although attorneys, especially, were appointed from outside.

Mr. O'MAHONEY. I am sure the Senator from New York will agree to an amendment which would strike out the exemption from the Classification Act.

Mr. WAGNER. Of course. This provision is less liberal than those contained in many of the laws which have been enacted during my time, but if there is any question about civil-service tests or the fixing of salaries, I certainly do not want to do violence to anything like that.

Mr. O'MAHONEY. There ought to be a clear definition as to what an expert is.

Mr. WAGNER. I will say that the Senator from Wyoming is an expert.

Mr. O'MAHONEY. I doubt whether I can be classified as such. However, on the advice of the Senator from Michigan [Mr. BROWN], I admit it.

Mr. WAGNER. May I designate the Senator from Wyoming as the one to draft an amendment on that subject?

Mr. O'MAHONEY. I shall be very glad to suggest language to the Senator from New York.

Mr. WAGNER. I thank the Senator very much. These suggestions are all very helpful.

Mr. POPE. Mr. President, I suggest to the Senator from Wyoming that in the Social Security Act, which contains about the same language, the Civil Service Commission itself is required to pass upon the qualifications of all the experts.

Mr. O'MAHONEY. That is quite true; but as the result of what went on under the Social Security Act it became necessary for the Congress, in a recent appropriation act, to require the confirmation by the Senate of a large number of these so-called experts; and during the past week the Committee on Appropriations has been resurveying the action of the Civil Service Commission and the Social Security Board in determining what constitutes an expert.

Mr. WAGNER. Does the Senator mean that he is going to try to overrule the Social Security Board when they have said what an expert is?

Mr. O'MAHONEY. No; but I am replying to the Senator from Idaho that while it may be true that there is such a provision in the Social Security Act, it has not operated to the satisfaction of the Senate.

Mr. WAGNER. Let me ask the Senator a question. In view of the law which requires the President to send in to the Senate the nominations of all those earning $5,000 or more per year, does that not give to the President the right to appoint anybody irrespective of any civil-service provision, or of the Classification Act?

Mr. O'MAHONEY. Not at all. I should not say that it does. My understanding of that provision is that it merely provides that if a person within a certain classification is to receive more than a certain salary, he shall also be confirmed by the Senate. That does not do away with the other requirement.

Mr. WAGNER. I do not see how the Commission can send in a name to the Senate for confirmation.

Mr. O'MAHONEY. It cannot.

Mr. WAGNER. So that would really be doing away with the Civil Service Commission in these particular cases.

Mr. O'MAHONEY. That is another matter.

Mr. WAGNER. That is not involved here.

Mr. KING. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. KING. As I understand the situation, the Civil Service Commission may certify a number of names to any of these Federal organizations, and they may be appointed, but if their salaries are more than $5,000 a year their names must come to the Senate, and we would pass upon the nominations, notwithstanding the fact that the nominees had certificates from the Civil Service Commission.

Mr. WAGNER. I do not want to go into that subject, because I am not sufficiently informed concerning it.

Mr. O'MAHONEY. It is altogether irrelevant to this discussion, of course.

Mr. WAGNER. Does that not mean a Presidential appointment, then? No board has the right to submit names to the Senate for confirmation. However, we are now getting far away from the subject under consideration.

Mr. BROWN of Michigan. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BROWN of Michigan. I am interested in having passed the bill which the Senator has advocated. As I made known to the Senator sometime ago, when I was a member of the House Banking and Currency Committee, and the matter was before that committee, I was not interested in seeing it pass; in fact, I was against it. I think the reason why the measure failed of passage in the House a year ago was because of the objection that it did not apply to the rural areas. I understand that that particular phase of the question was discussed at considerable length today when I was not here. However, what main differences are there with respect to rural areas between the Wagner bill as presented by the Senator from New York at this session and the Wagner bill as presented a year ago?

Mr. WAGNER. The rural areas are absolutely included, and if there exist any slum conditions, whether they are in rural or urban areas it makes no difference, and the authority within the State has the right to act, because, after all, it must initiate all these projects. There is no distinction between the two.

Mr. BROWN of Michigan. Are there agencies that may be set up in towns of 2,000 to 5,000 persons that may take care of the situation in these small communities?

Mr. WAGNER. The protection of the safety of its citizens being a State function, a State housing authority may be set up, as it is in my State, which may deal with conditions of ill-housing or slums anywhere in the State, whether they are in rural areas or in the cities. It makes no difference where they are.

Mr. BROWN of Michigan. Perhaps my viewpoint is a little different than it was previously, because I then represented a rural area, and now I have responsibility for the city of Detroit and other large cities in the State. It seemed to me, however, that particularly with regard to the things that were said by the senior Senator from Georgia [Mr. GEORGE], this bill can be justified as a city measure. We should do as much as we can for the rural areas; but many, many things have been done for the farm areas, such as resettlement, rural electrification, the farm-tenancy bill, and the soil-conservation bill.

I think the Senator from New York is perfectly justified in making this a city proposition. Let us do as much as we can for the rural areas; but in this bill let us remember that the cities are entitled to it as a city measure. I know that the city Congressmen, and particularly both the Senators from New York, have supported the various farm measures.

Mr. WAGNER. Of course I voted for every one of the measures the Senator has mentioned. I do say, however, that so far as this bill is concerned, if there is a slum area within a rural district—there are some in my State where houses that were built years ago upon farms and occupied by workers ought to be removed, because they are a menace to their health—under this bill a State authority has the same right to deal with that problem as with any problem within a city.

Mr. BROWN of Michigan. Of course, the great problem is within the large municipalities.

Mr. WAGNER. That is true, of course.

Mr. HUGHES. Mr. President, will the Senator yield to me?

Mr. WAGNER. I yield.

Mr. HUGHES. I heard with a good deal of interest the discussion earlier in the day relating to rural communities. The Senator from Georgia [Mr. GEORGE] today addressed himself to the subject of rural communities. Is it not true, as a matter of fact, that if a Senator representing such communities supports this bill, he does so because of his broad interest in all the people of the country—people who need the housing provided under this measure—although it may not benefit his constituents in any way at all? He supports the bill, does he not, because those who need the help provided under it are all citizens of our country together, and whether we live in the city or live in the country it is our problem as much as it is the problem of those who live in the city and represent a large city.

So far as I am concerned, I am approaching the subject from that standpoint. While probably no help of the kind the Senator speaks of would be required in Delaware, certainly not in the lower part of my State, yet it is as much my problem as it is the Senator's problem to house these underprivileged people.

Mr. WAGNER. I thank the Senator from Delaware very much. I feel that as a Member of this body during the 11 years I have been in it I should have utterly failed if I had not at least persuaded the Senate of my sincerity and my desire to help people, no matter where they are located in the United States. My objective has always been not provincial, but to give service wherever I can. I thank the Senator from Delaware for his very kind statement.

Mr. President, I think I may take about 5 minutes more, because, as I have said, I have been answering questions since 12 o'clock today. I do not complain about that.

I have touched on the social phases of this question and also on the economic phases so far as unemployment is concerned. There were several witnesses before the committee—some this year but more particularly last year—whom I wish the Senate could have heard on the pure economic question involved—namely, that the clearing of the slums and the housing of unfortunate people now living there in decent, sanitary quarters would be a great economic saving to the country.

I remember that the president of a trust company in the city of Louisville, the trust company having property all over the south, said he was very much interested in the question of taxes; that he did not care to pay upon the property of the trust company any more taxes than it was absolutely necessary to pay; and that, accordingly, he was in favor of a reduction of governmental expenses.

He came before the committee and spoke in favor of this proposed legislation. He said to the committee, in effect, "Mr. Chairman, I do not come here as a philanthropist; I come here purely as a businessman, because the trust company in which I am interested and which owns property throughout the Southern States has made a survey of the cost to the Government of maintaining slum areas, the cost of fire protection, health protection, the building of prisons and hospitals." And he made this very significant remark, "We have discovered that if we could remove these slums, have the people residing there live in decent quarters, and give them a chance, we would save a tremendous amount of money in the city of Louisville." So that, from the purely selfish economic standpoint, this bill should be enacted.

Mr. President, if there are now no more questions to be asked, I shall not, at present, speak further upon the bill, but I hope that overnight Senators who are still in doubt may study the measure, and I shall be prepared again to be the witness upon the stand tomorrow.

APPOINTMENTS OF SUPREME COURT JUSTICE

Mr. CONNALLY. Mr. President, I hold in my hand a copy of the Senate resolution submitted today by the Senator from Michigan [Mr. VANDENBERG].

It is as follows:

Resolved, That it is the sense of the Senate that an appointment to the Supreme Court should be made only at such a time as the Senate may act upon confirmation prior to the entry of the nominee upon his service.

Mr. President, it is not within the province of the Senate of the United States to tell the President when or how he shall make an appointment. It is within the province of the Senate to reject or confirm an appointment when it is made. I, as a Senator, am as much opposed to the invasion of the Executive function by the Congress as I am to the invasion of the legislative or judicial function by the Executive.

What can such a resolution do except excite comment and get headlines? We have no power to force the President to make an appointment and we ought not to have such a power. The Senator from Michigan in offering a resolution of this kind ought to know that it cannot be adopted; he

ought to know that it cannot increase the feeling of cordiality which ought to exist between the three branches of Government. It all kindness and good will, I wish to say to the Senator from Michigan that I cannot see that he is rendering his country any real public service in bringing forward a matter of this kind under these circumstances.

Mr. BURKE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Texas yield to the Senator from Nebraska?

Mr. CONNALLY. I yield.

Mr. BURKE. Would the Senator be in favor of the appointment being made to the Supreme Court to fill a vacancy occurring while the Congress was in session after a recess or adjournment of Congress had been had? Would the Senator be in favor of such appointee taking a place on the Court and deciding cases before the matter of the confirmation of his nomination had been submitted to the Senate?

Mr. CONNALLY. It is not a question of what the Senator from Texas would like or what he might desire.

Mr. BURKE. I should like the opinion of the Senator; that is all.

Mr. CONNALLY. My own opinion is that it would be more desirable, of course, that the nomination of every officer should be confirmed before he enters upon his duties; but we are not dealing now with that question here. The Senator from Michigan, through this resolution, if it should be adopted—which it will not [laughter]—is undertaking to suggest to the President how he shall perform his duty. That is not our business. If the President does not submit a nomination until the recess, and he makes the nomination then, it is the duty of the Senate, when the question of confirmation comes before it, to do with that nomination whatever our consciences and the Constitution dictate.

Mr. BURKE. Mr. President, will the Senator yield for just a moment further?

The PRESIDING OFFICER. Does the Senator from Texas yield further to the Senator from Nebraska?

Mr. CONNALLY. I yield.

Mr. BURKE. I should like to say, for myself only, that if that occasion should arise and the present session of the Congress should adjourn, and between the time of adjournment and the October term of the Court a Justice should be nominated to the Supreme Court, and the nominee should sit on the Court, he would never have my vote on confirmation when his nomination should come before the Senate.

Mr. CONNALLY. In reply, I wish to say to the Senator from Nebraska that the Senator from Texas would vote on the confirmation of such a nomination when it should come before the Senate just as he would vote had the nomination been confirmed before the appointee entered upon the discharge of his duties on the bench. The fact that he would already be on the Court and would have served for a considerable period would not in any wise cause the Senator from Texas to vote for confirmation, if the Senator from Texas should feel that the nominee should not be confirmed. That is a hazard that the appointee takes, because when he accepts the appointment he takes it under the Constitution subject to being wiped off the Court if the Senate does not confirm his nomination.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Massachusetts?

Mr. CONNALLY. I yield.

Mr. WALSH. Does the Senator know, from the precedents, whether in the past Presidents have ever appointed Supreme Court Justices while the Senate was not in session?

Mr. CONNALLY. I do not know what the precedents are with reference to appointments to the Supreme Court, but we all know that Presidents have taken advantage of recesses of the Congress to appoint certain officers, and in a number of cases they have done so even after the question of confirmation has been submitted to the Congress. I am speaking only from memory. But when confirmation was submitted to the Senate and the Senate did not act, and then the Congress recessed, there have been cases where the President then appointed a man who had failed of confirmation, not directly, but because of inaction of the Senate.

Mr. WALSH. What has been the general practice in the appointment of officers other than judges—and perhaps of judges? That is why I made the inquiry.

Mr. CONNALLY. I have not looked up the precedents.

Mr. BURKE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield further to the Senator from Nebraska?

Mr. CONNALLY. I yield.

Mr. BURKE. Is the Senator from Massachusetts referring to vacancies that come into being during a session of the Congress or vacancies that happen or come into being while Congress is in session and the nomination is not made?

Mr. WALSH. I am referring to both. What has been the practice in the past?

Mr. BURKE. I could tell the Senator, if the Senator from Texas will yield, what the precedent of the Senate is in reference to the matter.

Mr. CONNALLY. I am always glad to yield to the Senator from Nebraska.

Mr. BURKE. In 1899 the Senate had before it the question of seating Senator Matthew S. Quay, of Pennsylvania. His term expired on the 3d of March 1899. The Legislature of Pennsylvania balloted each day, but was unable to agree upon a Senator. On the 19th day of April of that year the Legislature of Pennsylvania adjourned without having chosen a Senator, and shortly thereafter the Governor appointed Mr. Quay. When he presented himself to the Senate—and I call attention to the fact that the provision of the Pennsylvania Constitution vesting in the Governor the authority to make the appointment of a Senator is identical in language with the provision of the Federal Constitution authorizing the President of the United States to make appointments to the Supreme Court—when Mr. Quay presented himself to the Senate, after many days of debate, the Senate rejected him on the ground that the Governor had no authority to make an appointment to fill a vacancy that occurred, happened, came into being while the legislature was in session.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. Certainly.

Mr. BARKLEY. Referring to the appointment of Judges of the Supreme Court during recesses of the Senate, my recollection is there have been four such appointments. In one case the Senate rejected the appointee, not because he was appointed during the recess, but for other reasons. In another case the Senate confirmed an appointment made during recess. In two other cases appointments were made but the Justices appointed, one of whom was Justice Holmes and the other Justice Harlan, declined to sit until they were confirmed.

Mr. CONNALLY. That is correct.

Mr. BARKLEY. But in no other case has the Senate rejected a man appointed to the Supreme Court merely because he took his seat during the recess, so far as I have any knowledge, although one man was rejected for other reasons.

Mr. CONNALLY. I thank the Senator from Kentucky and the Senator from Nebraska.

Mr. BURKE. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Texas yield further to the Senator from Nebraska?

Mr. CONNALLY. I yield.

Mr. BURKE. I think a very fine precedent was established by Justice Holmes and Justice Harlan, if I am correctly informed. Their appointments having been made while Congress was not in session, they recognized that the filling of vacancies on the Supreme Court is not the single act of the Executive or of the Senate but the joint act of both, and they did not sit in any case until both had acted.

On that point the Senator from Texas said the men appointed under these circumstances would have to take his

chances on whether he would be confirmed. He is not the only one who would take a chance. All the litigants who appeared before the Court and whose cases were heard before a Judge appointed under those circumstances and who was later not confirmed might find a weakness in the decisions of the Court; at least it would throw a little cloud on them.

Mr. CONNALLY. There is nothing to that point. He would be a Judge de facto, and his decisions would stand.

Mr. BARKLEY. Mr. President——

Mr. CONNALLY. I yield to the Senator from Kentucky.

Mr. BARKLEY. The appointment to fill vacancies on the Supreme Court comes under the same provision of the Constitution that the appointment to fill other vacancies do. Under the Constitution and the law, the President may make recess appointments. The fact that there is a vacancy on the Supreme Court does not create any difference in the constitutional provision relating to such appointments any more than it would with relation to any other Federal offices to be filled by appointment.

Mr. CONNALLY. The Senator from Kentucky is eminently correct. I am going to cite the Constitution on that point. Any appointee who should accept recess appointment and resign his circuit judgeship or his law professorship or his secretaryship in one of the departments or his seat in the Senate, and then should fail of confirmation, would be confronted with a trouble which would be all his own. He would just be out of luck.

However, that is not the question here. The question here is a legal, constitutional question. What does the Constitution provide? The provision of the Constitution relating to the appointment of a Supreme Court Judge is just the same as that relating to the appointment of a postmaster or any other Federal official. It is all under the same head.

Mr. LEWIS. Mr. President——

Mr. CONNALLY. I yield to the eminent and distinguished Senator from Illinois.

Mr. LEWIS. May I for the moment refresh the memory of the able Senator from Nebraska [Mr. BURKE]? The instance of the rejection of Mr. Quay from Pennsylvania under appointment by the Governor, after there had failed to be an election, was upon the theory and upon the doctrine that there was not a vacancy for the reason that there had not been an election. No one had died and no one's term had expired. The fact that the legislature failed to appoint or elect merely left the place vacant, and there was no Senator; therefore the provision which authorized the Governor to appoint a Senator had not been complied with. He was rejected because under our Constitution there was no condition or circumstance which authorized the Governor to make the appointment.

Mr. BURKE. Mr. President——

Mr. CONNALLY. I yield to the Senator from Nebraska for rejoinder.

Mr. BURKE. I have read the debate in the Senate which occurred over the confirmation of Senator Quay, and I did not find that the point urged by the Senator from Illinois was relied upon to any particular extent, though it was referred to by one or two Senators. The point turned on the question of whether the Governor had the right to make an appointment during a recess to fill a vacancy which happened while the legislature was in session. What appeared to be in the mind of practically every Senator was exactly the point in mind in this case and under identical language in the two constitutions.

Mr. CONNALLY. Mr. President, this is a moot question so far as concerns the issue raised by the Senator from Nebraska [Mr. BURKE] and the Senator from Illinois [Mr. LEWIS], for the simple reason that it can never be tested until an appointment is made. The Senate cannot force the President to make an appointment now. When he does make the appointment, if it is made during the recess of the Senate, all the Senate can do is to confirm or reject. The question then will arise as to whether there was a vacancy. We all know there is a vacancy.

Let us see what the Constitution provides. Speaking of the President, it provides:

> He shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public ministers and consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but—

And this point was under discussion on the housing bill—

> but the Congress by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments.

That is where the Congress, under authority to regulate inferior appointments, enacts legislation authorizing a Cabinet officer or housing board to appoint employees, and under that provision we can also require confirmation, because that is one of the conditions of the appointment, I shall say to the Senator from Wyoming [Mr. O'MAHONEY], who is honoring me by his close attention.

Here is the clause upon which the Senator from Michigan [Mr. VANDENBERG] is relying:

> The President shall have power to fill up all vacancies that may happen during the recess of the Senate, by granting commissions which shall expire at the end of their next session.

The Senator from Michigan is going to claim that, by inference, because a specific authority is given the President to appoint officers during recesses, therefore he cannot appoint one unless the vacancy occurred during the recess. That is not undisputed. That is not clear.

Mr. O'MAHONEY rose.

Mr. CONNALLY. I shall yield to the Senator from Wyoming in just a moment.

It might be argued, on the other hand, that, the Supreme Court being in recess itself, there were no duties for it to perform, and there was not, in fact, a vacancy. The Senator from Idaho [Mr. BORAH] contends quite strongly there is not any vacancy at all; that, because of the Retirement Act, we simply allowed a Judge to take a vacation and that he is still a Judge of the Supreme Court.

I yield now to the Senator from Wyoming.

Mr. O'MAHONEY. The Senator from Texas has been reading from clauses 2 and 3 of section 2, article 2, of the Constitution.

Mr. CONNALLY. That is correct.

Mr. O'MAHONEY. There are three words there upon which I should like to have him make some comment. In section 2 provision is made for authority to President to "nominate", and by and with the advice and consent of the Senate to "appoint"; and in clause 3 authority is provided for the President not to nominate, not to appoint, but to grant a "commission." Does the Senator believe there is any distinction?

Mr. CONNALLY. I do.

Mr. O'MAHONEY. I should like to have the Senator develop that distinction.

Mr. CONNALLY. The first section contemplates, of course, that the President shall nominate these parties and that the Senate will confirm or reject as the case may be. The other is a temporary arrangement purely to take care of the exigencies which arise during the recess:

> The President shall have power to fill up all vacancies that may happen during the recess of the Senate by granting commissions which shall expire at the end of their next session.

The first section does not provide that the President has to make the appointments when the Senate is in session. The Senate is the master of its own destiny. It can go home whenever the two Houses of Congress agree to do so.

Mr. BARKLEY. Mr. President——

Mr. CONNALLY. I yield to the Senator from Kentucky.

Mr. BARKLEY. It has occurred frequently since I have been here that during the last hours of the session of Congress the President has sent nominations to the Senate which were not acted upon to fill vacancies created during the ses-

sion of the Senate about to adjourn. In those cases frequently the President has made a recess appointment that held over until the end of the next succeeding session of the Senate.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WHEELER. That, of course, would be quite a different case from a case in which a vacancy occurs and no name is sent to the Senate.

I do not want to interrupt the Senator and disagree with him, but I think the clear implication of a reading of the Constitution as the Senator has read it is to the effect that the President shall send in a name when a vacancy occurs during the session. Otherwise, the language used that he may do this when a vacancy occurs when the Senate is not in session would not be in the Constitution at all, in my judgment. But if the Senator will permit me a further word, regardless of whether or not there is precedent on the subject and regardless of whether the Senator is right in his construction of the Constitution or I am right, the fact remains that the Senate is in session; that it has been stated that new blood is needed upon the Supreme Court, and needed now; that there is a vacancy, and it has existed since June 2. A nomination ought to be sent in while the Senate is in session; and I do not think any self-respecting lawyer would accept an appointment and serve as a member of the Supreme Court of the United States during the interim before being confirmed by the Senate.

Mr. CONNALLY. Mr. President, what the Senator says about a self-respecting lawyer may be all very well, but we are not talking about what suggestion a particular man's conception of ethics might make to him with regard to one of these appointments. We are talking about the power to make the appointment.

There is nothing unusual about vacancies occurring either in recess or during the session of the Senate and not being acted upon. There is now a vacancy in the Federal Reserve Board. Has anyone been complaining about that vacancy not being filled? I have not heard of it. It has been in existence for a considerable period. There are several vacancies in other Federal courts over the United States. There has been some little discussion about the failure to fill those vacancies; but the point I am trying to make is that the Senate has no right to put pressure upon the President, no right to suggest or intimate or make threats. When the issue comes here, it is the duty of the Senate then to stand up and perform its duty under the Constitution.

Mr. SCHWELLENBACH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Washington?

Mr. CONNALLY. In a moment. The Senate will not get anywhere, it will not promote the public business, it will not preserve the checks and balances in the Constitution, by nagging at the White House with a political resolution of this kind.

I now yield to the Senator from Washington.

Mr. SCHWELLENBACH. Mr. President, I hope the Senator from Texas is not complaining over the fact that this resolution was submitted today by the distinguished Senator from Michigan [Mr. VANDENBERG.] So far as I am concerned, to a certain extent I was delighted to have someone on the other side of the body show some recognition of the fact that we have a Supreme Court, and that there is some relationship between the Supreme Court and the Congress.

During the past few months we have had a very serious debate in the country over a very serious problem. We do not need to discuss the merits or demerits of that discussion.

I have been very much surprised, and at times rather bewildered, to think that a great political party in this country, represented in this body and in the other House of Congress not by very many but by very distinguished Members, sat by, mute, while that discussion went on. I do not believe the distinguished Senator from Oregon [Mr. MCNARY] abdicated his leadership of the Republican Party in this body to Mahatma Ghandi, but certainly he did have the Republican Party under a period of silence as long as that discussion was going on. I am glad once more to find out that the representatives of the great minority party in this country know that we have a Supreme Court and are willing to talk about it. [Laughter.]

Mr. CONNALLY. Mr. President, I am glad to yield to the Senator from Washington, but he is introducing a rather irrelevant and immaterial matter. [Laughter.] I want to say that in the matter which has just transpired, and to which the Senator from Washington refers, a number of very eminent and distinguished Republican Senators rendered to the Judiciary Committee and to the country what I regard as a very high and patriotic service; and I am not disposed to make any reflections either upon their political sagacity—and it is always good—their character, their patriotism, or the ability with which they maintained their attitude. I suggest to the Senator from Washington that he allow the Republican Party and the Court issue, both of which are dead, to remain dead, and not bring them into this discussion. [Laughter.]

Mr. President, I shall conclude in a moment. What the Senator from Texas is undertaking to maintain here is the same position which he undertook to maintain as a member of the Judiciary Committee and as a Senator on the court bill. The Constitution defines the functions of the Supreme Court, it defines the functions of the Senate, it defines the functions of the Executive, and we have to maintain the separation of those functions. I am just as much opposed, for the sake of politics or of holding my seat here, to undertaking to dictate or to suggest to the President of the United States in this public manner as I am opposed to the President's invading the province of the Congress or of the judiciary of the United States.

Why does not the Senator from Michigan go down and see the President? Why does he not go down and have a conference with the President, and say to him, "Mr. President, I think you ought to send in these nominations now, so that I can jump on them and make a lot of fuss over them, and get in the headlines?" That is what the Senator ought to do. He ought not to come up here and seek this forum—a forum where all the world looks on—and introduce his resolution. He will have plenty of time to perform presidential functions after he is elected, and not before.

Mr. O'MAHONEY. Mr. President——

Mr. CONNALLY. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. If a vacancy in any office which is to be filled by an appointment by the President should occur within 24 hours or 48 hours of the adjournment of Congress, let me ask the Senator from Texas whether there is anything in the Constitution to require the President to send up a nomination within the 24 hours or the 48 hours.

Mr. CONNALLY. Why, of course not; and there is nothing in the Constitution which says when the President shall appoint anybody. Evidently the third clause was written for this purpose.

Suppose a member of the Cabinet should die during the recess of Congress, and the President had to have a new member quickly. He could appoint him, and wait until Congress convened, and then we could confirm him or reject his nomination. Suppose any other important functionary whose services were absolutely imperative should die during the recess of Congress; the same thing would be true.

Mr. President, it is a rule of statutory and constitutional construction that the entire instrument must be construed, and an endeavor must be made to harmonize it wherever possible. My own view is that these provisions can be harmonized by suggesting that the third clause is very clearly just for the temporary filling of emergency vacancies, but there is no direct requirement in the second clause as to when the President shall nominate the appointees.

The Senator from Nebraska [Mr. BURKE] asked the Senator from Texas what his own thought was. My own thought is that it would be more desirable in any case, of course, if it could be done, to submit nominations while the Senate

is in session; but that is not for me to say. I am not President of the United States. We do not know what difficulties the President of the United States is encountering in the matter of selecting appointees; and if he is considering all the names that the newspapers say he is considering, he has a job on his hands. [Laughter.]

Mr. BURKE. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Nebraska?

Mr. CONNALLY. I do.

Mr. BURKE. The point has been made as between subsection 2 and subsection 3 that under subsection 2 general power is given to the President to nominate these various classes of officers, including Judges of the Supreme Court, and, by and with the consent of the Senate, to appoint them. There is no appointment in that case without the action of the Senate upon the nomination.

Mr. CONNALLY. Very well.

Mr. BURKE. Let me make one assumption. Assuming that the Senator from Idaho is not correct, and that there is a vacancy on the Supreme Court at the present time; the Senator from Texas surely will not claim that that vacancy happened during a recess of the Congress.

Mr. CONNALLY. No; I would not think so. I said, however, it might be contended by some technical and abstruse legalistic mind that there was no vacancy on the Court because it occurred at a time when the Court had itself adjourned, and would not convene again until October.

Mr. BURKE. That line of argument does not appeal to the Senator?

Mr. CONNALLY. No.

Mr. BURKE. He rejects it?

Mr. CONNALLY. It does not appeal to me, and I do not have to decide that question.

Mr. BURKE. If there is a vacancy on the Supreme Court—which we are assuming—and if it did not happen during a recess of the Senate, where would the President get any authority to make an appointment to fill the vacancy? I do not understand where such authority comes from at all.

Mr. CONNALLY. If he does not get it under section 2——

Mr. BURKE. He cannot get it under that section.

Mr. CONNALLY. And does not get it under section 3, he would not get it at all, of course.

Mr. BURKE. Very well.

Mr. CONNALLY. The difficulty about the attitude of the Senator from Nebraska is that he is contending that there is a vacancy and that it occurred during a session of the Congress, and that therefore it cannot be filled until the next session of the Congress, if the nomination is not submitted now. Is that correct, that unless it is submitted during this session no appointment can be made until the next session, in the Senator's opinion?

Mr. BURKE. That no appointment could properly be made until the Congress is again in session, absolutely.

Mr. CONNALLY. I thought I interpreted the Senator correctly. Let us see what would happen then. Suppose we were in some great emergency, and some high, important officer of the Government should die, as was suggested a moment ago, within 24 hours before the Congress adjourned, and it was not practicable to make the appointment. Under the contention of the Senator from Nebraska it could not be made at all until the next session of the Congress.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BURKE. I find in the Constitution a clear provision and authority for the calling of a special session in the case of an emergency, and Senators do not even need to leave this Chamber upon the adjournment, but can be called back immediately for a special session, and remain in session, and make all the confirmations necessary.

Mr. CONNALLY. I ask the Senator from Nebraska, however, does he regard the filling of one office, one job, as being such an emergency as ought to require a special session of the Congress?

Mr. BURKE. A special session of the Senate only. No; I do not consider that to be true, especially when the Senate is in session day after day after a vacancy occurs. But if for any reason, because of the number of individuals who are being considered, or for any other reason, the President does not care to make the appointment now—and I agree fully with the Senator that that is the sole prerogative of the President, and that we have nothing to do about that—if he does not care to make the appointment now to fill the vacancy, and Congress adjourns, and the President decides before the October term of the Court begins that he wants to fill the vacancy, I think he should by all means call the Senate into special session and submit the nomination.

Mr. CONNALLY. Mr. President, the Senator from Nebraska and I are practically in agreement. He agrees, of course, that we cannot compel the President to appoint these parties. The discretion—and this is the point I am trying to contend for—the discretion, or judgment, or power, of selection involved in making an appointment is exclusively within the President's province, and is not ours. So, for reasons other than those some of the Senators are attributing to him, the President may not be prepared to make an appointment during a session of the Congress. If he does not do that, but elects to undertake—and I will use that language to please the Senator from Nebraska—if he undertakes to make an appointment during a recess, then the questions which are involved will come before the Senate when the question of confirmation or rejection is acted upon, and if we then believe that the President had no right to make a recess appointment, that would be a cogent argument, one of the arguments, for the rejection of the nomination, and if gentlemen who are looking with wistful eyes upon the Supreme Court want to take the hazard of giving up their own positions to serve for 2 or 3 months and run the risk of rejection, that is the business of the President and the business of the appointee.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. LEWIS. I apologize; I did not wish a moment past to continue to interrupt the able Senator from Texas, but I did desire to add to my observation to the Senator from Nebraska to call to his attention, insisting, as I must, on the position I have taken with him, that he will find in the discussion of the case of Senator Allen, of Washington, that the United States Senate there had occasion to consider the Quay case; that in the State of Washington the legislature deadlocked, failed to make an election of anyone, the term of Senator Allen had expired, he was designated by the Governor of the State of Washington as an appointee, came to the Senate, and the able Senator from Nebraska will discover that again it was held, as there was no vacancy within the meaning of the Constitution, that Senator Allen could not be seated, and there the Senator will see, I am quite sure, that the viewpoint I urged before him as the reason for Senator Quay being likewise dismissed from the Senate, on the theory that there was no jurisdiction to appoint him, was confirmed in that case.

Mr. CONNALLY. Mr. President, in the cases of Senator Quay and Senator Allen we cannot read all the reasons for their rejection in the debate. There were probably other reasons, probably political reasons, probably personal reasons, and the Senate in exercising the power of expulsion, and in exercising the power of confirmation and rejection, is not bound by any law or any rule of evidence. It may reject a man because he has red hair if it should desire to do so.

The Senate can reject a man because he wears black whiskers if it should desire to do so. It can throw a man out of this Chamber because he smokes cubeb cigarettes if it should desire to do so. The Senate does not have to have any reason. It has the power, and it can exercise it. So in the Quay case and in the Allen case the chances are

that the Senate then, as it has in some cases in years past, been actuated by motives and reasons in the cases of some Senators that were not absolutely in consonance with the legal precedents, or what was written in the law books.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BURKE. If the Senator would read the Quay case he would find that a very considerable number of Senators, for instance, the able Senator Vest, of Missouri, who were intimate personal friends of Senator Quay, felt bound by the constitutional provisions to vote against his taking his seat in this body. Rather than it being an argument in favor of the Senator's contention to say that they voted for personal reasons, I think he will find that the opposite is true.

Mr. CONNALLY. Mr. President, even if that were true, it is no precedent here. It might be a precedent for the Senate, but we are now talking about the President's power to appoint, his right to appoint, his right to make up his own mind when he is ready, and not to have it made up for him by somebody else. The President has a right to make up his own mind about it just as the Supreme Court has the right to make up its own mind and the Senate has the right to make up its own mind.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. In the case of Senator Quay there was no vacancy caused by resignation or death, but the legislature of Pennsylvania failed to do its duty and failed to do what it had the power to do in the selection of a Senator, and the Senate held that a vacancy was not created which gave the Governor of the State the power to appoint a Senator.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BURKE. What happened was that Senator Quay's term expired of the 3d of March, 1899, and when no one was selected to take office on the 4th of March there was a vacancy there. The vacancy did not occur while the Pennsylvania Legislature was not in session or by reason of death. A week or so after Senator Quay's term expired the legislature adjourned and the Governor then appointed him to the Senate, and when he came to the Senate he was rejected on the ground that the Governor had no authority to fill a vacancy that had occurred while the legislature was in session.

It seems to me that the Senator is overlooking another point. This matter of filling vacancies on the Supreme Court is not the sole prerogative of the President of the United States. It is a joint duty in which this body has a high and solemn part to perform.

Mr. CONNALLY. That is right.

Mr. BURKE. And when we bring the matter up in this body we are acting not only within our constitutional rights but within the clear duty that is imposed upon us to see that we do perform our duty.

Mr. CONNALLY. Mr. President, I agree with the Senator from Nebraska. It is the duty of the President to appoint. It is the duty of the Senate to confirm or reject—not while we are at home, but when we come back in January. That is the only way we can act as a body. It is the President's duty to appoint when he gets good and ready, when he makes up his mind whom he wants. It is his duty then to appoint, and when the Senate is in session and makes up its mind, it is its duty to confirm or reject as the facts may justify.

Mr. McADOO. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the eminent Senator from California.

Mr. McADOO. I have been listening with great interest to the remarks of my distinguished friend from Texas, but I think he causes some confusion when he refers constantly to the power of the President to appoint. The President has no power to appoint in the instance we are discussing. He merely has the power to nominate. The President alone has the power to nominate.

Mr. CONNALLY. When I say "appoint" I mean nominate under the Constitution, subject to confirmation.

Mr. McADOO. He has the power to nominate somebody for this position, but the man he nominates cannot take the office until he is confirmed by the Senate.

Mr. CONNALLY. Oh, no.

Mr. McADOO. Under the Constitution the nominee cannot assume the duties of the office until he is confirmed. The President can only make an appointment by and with the consent of the Senate of the United States. The power of making an interim appointment has always been a disputed power. I myself have not had occasion to study that matter very thoroughly, and I express no opinion about it, but with respect to certain appointments which can become effective only upon the President's nomination to this body and confirmation by this body, the clear intent of the Constitution was and is, I think, to establish that means of finally consummating an appointment to high office in the United States.

Mr. CONNALLY. Let me ask the Senator from California a question. The Senator says that the President shall nominate and by and with the advice and consent of the Senate shall appoint. What is the difference between "nominate" and "appoint"?

Mr. McADOO. The only difference is the action of the Senate, which is essential in order to make the appointment conclusive.

Mr. CONNALLY. Exactly. So the Senator admits that "nominate" and "appoint", are the same thing, except, of course, that the nominee must be confirmed. Of course, he must be confirmed sooner or later.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. If the Senator will look at the last column on the front page of the Evening Star of today he will find that the object sought to be accomplished by the introduction of this resolution has already been accomplished by the publication of the resolution in big headlines on the front page of that evening newspaper. The object of the resolution has been accomplished, and I think probably the incident will soon be at an end.

Mr. BURKE. Mr. President, will the Senator yield for a question?

Mr. CONNALLY. Let me answer the Senator. I congratulate the Senator from Michigan. He has presented a resolution of about 20 words, and his resolution has been multiplied until it is about 300 or 400 or 500 words in the Evening Star. I do not know whether it took that many words to explain what the Senator's resolution meant, or whether it was just a fecund multiplication of a political germ.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BURKE. If the Senator from Kentucky feels that with the publication of this resolution in the newspapers and the headlines given to it, that that matter will quickly lose its interest and die out, I venture to make one prediction, and that is that the Senator is very seriously mistaken, because I believe that this matter is fundamental and of very great importance and interest to the people of this country, and I would urge upon the Senator from Kentucky and those who are close to the President to aid him in avoiding the pitfall which I see presently yawning before him. I do not think the proper course to pursue is to attempt to hush up the matter, and pass it over, and make fun of this resolution, and so on, because I believe the people of the country will not look with favor upon this proposal of having the Senate go on after June 2, week after week, and for 2 or 3 weeks yet, leaving a vacancy on the Supreme Court unfilled—a vacancy for which the Members of this body have an equal responsibility with the President—and then after the Congress has adjourned have the President, as apparently is contemplated, exercise the special and limited power

given him under subsection 3 of section 2 to fill up that vacancy, put a nominee in office who can sit with the other members of the Court at the October term, and take part in all the high and solemn duties of that office as fully as if his nomination had been sent to the Senate and he had in due course been confirmed by this body. I do not think it is a light matter at all.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Kentucky.

Mr. BARKLEY. I have no desire in any way to hush up any discussion of this proposition. I have no knowledge whatever of the President's intention with respect to this appointment. I have not sought to ascertain what his intention was. I assume, as I think we all have a right to assume, that he will perform that duty in a conscientious way as his judgment may dictate. What I said was that the object sought to be accomplished by the Senator from Michigan had been fulfilled, and I still insist that that is true.

Mr. McADOO. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from California.

Mr. McADOO. I should like to make it clear that I think the position of the Senator from Texas is absolutely sound; that the President alone has the power to make these nominations, and we have not anything on earth to do with the matter of those nominations, and so long as he does not present the nomination to the Senate we cannot say anything about it.

Mr. CONNALLY. The Senator is right.

Mr. McADOO. That is the point I wanted to make clear. On the other hand, as I view it, the appointment under the Constitution cannot be consummated until there is a confirmation by the Senate of the United States. Whether the President wants to send in the nomination now or withhold it, that is absolutely in his own power, and we have no method or manner of interfering with it or making a suggestion officially about it as a body.

Mr. CONNALLY. I thank the Senator from California for his interruption.

I may say, Mr. President, that in the event a nomination should be made in recess, it might very consistently be held to be simply a nomination and not an appointment. Then when the Senate does meet in January we confirm, if it be an appointment; and if we reject, it would be out of the window.

The point, however, I am trying to make is that we cannot force the President to act now. That is his function. We have a remedy. Our remedy will be here in January. If we then feel that the appointment was illegal, if we think it was an improvident appointment, if we find that the appointment is that of a man who is not able to perform the high functions of the Supreme Court, if we find that the appointment is that of a man whose conduct does not come up to the standard we require, we can reject him. That is all we can do. That is what the Constitution meant for us to do.

Much is said concerning the words, "by and with the advice and consent." It was probably contemplated by the makers of the Constitution that the President should call in the Senate and discuss with Senators these appointments and treaties. George Washington tried that. I do not know about appointments, but George Washington tried to come up to the Senate and confer with the whole Senate about some treaties in his first administration, but he never went back any more.

No doubt there were many hecklers there as there are in some other bodies, and they sought to embarrass him by resolutions like this and impertinent questions and political jibes, and so on. George Washington got his hat and went back to the White House, and there is where the Senate gave up its power to advise. It still has the power to consent.

Mr. President, by long usage the "advice" part has practically been abandoned, but the Senate does retain the power to consent or not consent. We have that power. We must cling to it. I should not hesitate to vote to reject a man nominated to the Supreme Court. I voted against the confirmation of Mr. Hughes, because at that time I thought and felt that Mr. Hughes, by long service for the great corporations, having gone off the Supreme Court Bench and then, as I thought, capitalized that fact by appearing before the Supreme Court at every session in great cases involving great fees, running for the Presidency, and getting his mind on politics, was so saturated with economic concepts, so saturated with the views of industries and corporations that no matter how honest he might be he could not divest himself of that outlook and that viewpoint.

I voted against confirming Mr. Hughes; but Chief Justice Hughes has made a good Justice, has made a splended Supreme Court Justice. I said several months ago to him, "Mr. Chief Justice, I voted against confirming you, but you have made a good Judge, and I am not now going to vote to kick you off the Supreme Court."

Before the Judiciary Committee one of the witnesses dug up a speech I had made in the Senate against the confirmation of Mr. Hughes. He said, "Senator CONNALLY, you voted against confirming Judge Hughes because of the economic and other slants of mind he possessed." I said, "Yes, and I have not changed my mind since that time. I voted then against putting one man on the Supreme Court because I thought he had a preconceived notion about how he was going to decide certain questions, and I am now opposed to putting six men on the bench with preconceived opinions, and preconceived notions." That is my position now.

I voted against confirming John J. Parker, of North Carolina, and I shall vote against confirming anyone else of that character. I think such men should not sit on the Supreme Court or any other court.

We shall meet all the questions involved, all these fine-spun theories involved on both sides of the matter, when the question comes before us. There is nothing before us now. We have no right to act until something comes before us in a constitutional way.

Mr. President, I hope the Senator from Michigan [Mr. VANDENBERG] will not press his resolution. It has already served him well. I trust the Senator from Michigan will stand for the integrity of the functions of the Executive just as he has stood for the preservation of the integrity of the Supreme Court in recent months.

Mr. NEELY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from West Virginia?

Mr. CONNALLY. I yield.

Mr. NEELY. The able Senator, in his usual interesting way, has said the resolution has served well the Senator from Michigan. Would the Senator be good enough to enlarge upon that suggestion?

Mr. CONNALLY. I have consumed more of the time of the Senate now than I should. I am sure the Senator from West Virginia, with his power and abilities along that line, could perform that function much more fittingly than the Senator from Texas.

Mr. VANDENBERG. Mr. President, I regret exceedingly taking the time of the Senate on this particular subject at this time. I did not start the debate, but I could not allow it to conclude without my observations in reply to both the Senator from Kentucky [Mr. BARKLEY] and the Senator from Texas [Mr. CONNALLY].

I shall spend no time upon motives. I am indebted to the able Senator from Kentucky and to my friend from Texas for their imputation to my action of something less than a sincere interest in the public welfare. If that is their viewpoint, I am sorry. The fact remains that they are mistaken.

The fact also remains that I personally regret that type of debate. There does happen to be a definite, specific, challenging issue involved in this instance, and no amount of levity and no amount of sarcasm can blind the importance of the issue as it rests at the bar of the Senate.

Mr. President, I concur completely in the fundamental idea that executive and the legislative functions shall remain utterly separate as the Constitution requires; but I am unable to understand how the creation of a Justice of

the Supreme Court can be considered exclusively an Executive function so long as it is a partnership function which requires the advice and consent of the Senate. There is no point in the process of the creation of a Justice of the Supreme Court where we can separate the ultimate responsibility of the Senate of the United States acting as an absolutely free and independent agent to pass upon the credentials of the nominee. The Senate is not a free agent to pass upon the credentials of the nominee if the nominee has been appointed during a recess, has taken his seat on October 1, has clothed himself with the robes of office, has participated in Court proceedings, deliberations, and decisions for 3 months, and then comes before the Senate for confirmation.

It is a totally different concept in its atmosphere. It is a totally different concept in respect to the problem which the Senate confronts.

I do not see how anyone can contend that it as simple a matter to reach up and take a Justice from the Supreme Court, as would be the necessity if there were a rejection of a recess appointment, as it is to confront in the first instance the academic question whether the nominee for Justice has the necessary qualifications. I submit that since this is a partnership proposition, and we cannot get away from the fact that it is a partnership proposition, the Senate has a right to speak for itself respecting its view of the manner in which the partnership should be served.

This resolution is no invasion of the Executive portion of the partnership. The President may still do precisely as he pleases. The resolution refers solely to the Senate's portion of the partnership by saying, on behalf of the Senate, that we do not believe we can exercise our function completely and independently if we are not permitted to exercise it until after an appointee has served for 3 months upon the Supreme Court bench.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Texas?

Mr. VANDENBERG. I should like to continue my presentation, and then I shall be glad to yield.

Mr. President, the question of whether or not the President has the constitutional power to fill in recess a vacancy which occurred prior to recess is one which I shall not undertake to explore. When the able lawyers of the Senate disagree upon the subject it is no place for a layman to attempt to umpire the dispute. But if a layman reads the language of article II, section 2, clause 3, of the Constitution, he confronts this language:

> The President shall have power to fill up all vacancies that may happen during the recess of the Senate.

For 150 years, as I find by reading the notes in the annotated Constitution, there has been an argument as to what the word "happen" means; and that is the crux of the entire dispute respecting the Presidential power. Does "happen" mean "occur", or does it mean "exist"? That is all there is to the question. If "happen" means "occur", then it reads:

> The President shall have power to fill up all vacancies that may occur during the recess.

Then there is no doubt about it. This vacancy did not occur during the recess.

If "happen" means "exist", then it reads:

> The President shall have power to fill up all vacancies that may exist during the recess.

And manifestly he does have the power.

We are advised that the Attorney General has told the President today that the President has the power. Therefore, I assume the Attorney General has told the President that "happen" means "exist"; and apparently, from the information upon my desk, the Attorney General is supported in that interpretation by a preponderance of the previous opinions rendered by previous Attorneys General. So we will not, so far as I am concerned, quarrel at all about the question whether or not the President has the power, although I repeat that a layman's reading of the article would seem to indicate that he would not have the power to fill a vacancy which existed prior to the recess. But we will pass that. It is not involved at all in the contemplation submitted in the resolution. The resolution simply contemplates the fact that there is now, and has been since the 2d of June, a vacancy upon the Supreme Court of the United States; and we have been told for months and months that the importance of injecting new blood into the Supreme Court is so emphatic that everything else should have given way to the creation of an opportunity to make an appointment.

Well, we will not argue that. We will simply acknowledge that there has been a vacancy since June 2. I think that is the date. Now, the contemplation is that this session of Congress will be allowed to adjourn without that vacancy having been filled. If it should be filled before we adjourn, the name would come to the Senate for confirmation, and there would be action ahead of the October term of Court. If it should be filled after we adjourn, the nominee would sit upon the Court from October 1 on, and when the Senate confronted the problem of confirmation after New Year's Day it would confront a sitting judge in his robes.

Mr. CONNALLY. Mr. President, will the Senator yield right there for a question?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Texas?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. Would the Senator from Michigan vote any differently in January on the nomination of a judge whom he thought unworthy than he would if his name were submitted at this time?

Mr. VANDENBERG. I think not.

Mr. CONNALLY. The Senator's remark implied that the Senator himself would not but somebody else in the Senate would.

Mr. VANDENBERG. No; I said I think not. I am not clear.

Mr. CONNALLY. The Senator is not clear that he would not?

Mr. VANDENBERG. I am not clear, because I do not know what might happen during that period of 3 months.

Mr. CONNALLY. How could anything happen? If a man were unworthy——

Mr. VANDENBERG. The Senator from Texas has had a fine field day. I suggest that he allow me to finish my statement.

Mr. CONNALLY. I beg the Senator's pardon.

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. CONNALLY. The Senator yielded, and I thank him for it; but I will withdraw my request.

Mr. VANDENBERG. I think the problem which the Senate would confront in January would be an essentially complicated problem; but I remind the Senator from Texas that that is not the primary difficulty. The difficulty is that if he and I should vote in January precisely as we would have voted otherwise, and if we should unseat a judge appointed during the recess, we should unseat a judge who would have participated for 90 days in the work of the Supreme Court of the United States.

Mr. BONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Washington?

Mr. VANDENBERG. I yield for a question.

Mr. BONE. Does the Senator think any decision rendered by a judge during that 90-day period would be tainted with illegality or with lack of effectiveness?

Mr. VANDENBERG. I have not the slightest idea, and I will not enter that legal realm; but I submit as an elementary contemplation in common sense that there ought not to be on the Supreme Court one Justice whose eligibility is questionable and whose authority is doubtful, particularly when it is not necessary.

Mr. BURKE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Nebraska?

Mr. VANDENBERG. I yield.

Mr. BURKE. The Senator from Michigan may be in difficulty as to what he would do in January, and the Senator from Texas may be in difficulty——

Mr. CONNALLY. Mr. President, the Senator from Texas is not in difficulty.

Mr. BURKE. All right; then we will leave out the Senator from Texas; but I desire to repeat that my position on the matter would be this: If the Senate should adjourn without a nomination being made to fill this vacancy on the Court, and if, prior to the October term of Court, the President should fill up the vacancy with any man who would sit on the Court for the 3 months before we meet in January, regardless of the qualifications of that man, I for one would vote against the confirmation of his nomination, because I think he would have done an unworthy thing.

Mr. VANDENBERG. Mr. President, the precedents which have been referred to seem to indicate that at least in recent years distinguished citizens nominated in recess for places on the Supreme Court have taken precisely the position respecting their own status that the Senator from Nebraska asserts as a rule of conduct for himself, because in each recent instance—and I have Mr. Justice Holmes particularly in mind—they have been appointed in recess, regardless of whether or not the vacancy arose in recess, they have not taken their seats upon the bench until they have been confirmed by the Senate of the United States. That of itself, Mr. President, is a clear ethical demonstration upon the highest authority that there ought not to be upon the Supreme Court any sitting Justices who have not been confirmed.

The only question I have raised in this resolution—and I submit that it is a very fundamental question—does not invade the Executive prerogative at all. It simply seeks to state, on behalf of the Senate, that the Senate believes it can best and most appropriately exercise its function of advice and consent in respect of the nomination of a Justice of the Supreme Court if it has a chance to act before the Justice has entered upon his term of service.

Mr. President, that is all there is to the issue, so far as I am concerned. The timidity about invading the Executive prerogative, however, is far more tender than it was a few years ago when the Senate did not hesitate to tell a President of the United States that he ought not to run for a third term, which was excellent advice then and remains superb advice today.

Mr. CONNALLY. Mr. President, I thought the Senator from Michigan stated, in answer to my inquiry, that he would vote exactly in January as he would vote now on the same nomination. But later he indicated some doubt, I believe. Is that correct?

Mr. VANDENBERG. I say that I think I would vote the same, but that I would find the situation greatly complicated.

Mr. CONNALLY. Mr. President, I cannot conceive how a Senator would vote against a man if his name were submitted now, because he thought he was unworthy or not able to fill the job, and then might in January vote for him.

Mr. VANDENBERG. Will the Senator yield?

Mr. CONNALLY. What could happen?

Mr. VANDENBERG. I will tell the Senator, if he will yield.

Mr. CONNALLY. I yield.

Mr. VANDENBERG. Suppose during this 3-month interim the sitting Justice whom we are discussing had participated in some important decisions, and the Senator from Texas were to rise as a lawyer and prove to me as a layman that the validity of those decisions was involved in my attitude. I submit to the Senator that he would have presented a problem which at least would change the sum total of the contemplation, as I understond it.

Mr. CONNALLY. Let me say to the Senator from Michigan that neither the Senator from Texas, nor any other lawyer, would be able to demonstrate that to the Senator from Michigan, because it would not be true. I have not looked up the precedents and the law, but I think I know some general principles. If the Justice participated in decisions, the decisions would not be affected. He would be a de-facto judge.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. HATCH. Could any private litigant question in any manner the decision of a de-facto judge?

Mr. CONNALLY. Certainly not. The Senator from New Mexico is a much better lawyer than is the Senator from Texas, and I thank him for his valuable suggestion and interruption.

Mr. BURKE and Mr. STEIWER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Texas yield, and if so, to whom?

Mr. CONNALLY. Just a moment. I wish to hold the turbulent waves of interruption in check just a moment.

Let me pursue just a little further the thought of the Senator from Michigan. There are Senators who are appointed and come with certificates of election and are seated. They vote on important bills and important questions, and then they are rejected from the Senate on final hearing, and are unseated. Does that disturb in any wise their votes on important measures? Suppose a bill should be carried by a single vote; of course it would not be disturbed. There would be no effect on it whatever.

I yield to the Senator from Nebraska.

Mr. BURKE. I merely wanted to suggest that a person appointed by the President to fill up this vacancy, and appointed some time after the adjournment of the Congress, would not be a de-facto judge at all, if the interpretation which I would place on this section is correct. He would be a mere interloper, without any color or right of authority at all, and while there might be a practical difficulty as to how any private litigant could get into court and question a decision, I would not be so much disturbed about that.

Mr. CONNALLY. Mr. President, the objection about it going to hurt someone's lawsuit is not what bothers the Senator from Michigan. He is not worried about some litigant. Of course, as already suggested, it would not affect the decision of the Court at all. No one could raise the question, no one could collaterally attack a judgment of the Supreme Court. If the Supreme Court handed down its decision with the Justice participating I think it would control over the voices of a couple of Senators.

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Oregon?

Mr. CONNALLY. I yield.

Mr. STEIWER. I merely wished to say that the Senator from New Mexico raises an important question when he suggests that a litigant cannot question the right of a justice to sit on the bench.

Mr. HATCH. Mr. President, will the Senator from Texas yield for a moment?

Mr. STEIWER. Let me finish my question.

Mr. CONNALLY. I yield to the Senator from Oregon until he finishes, and then I shall yield to the Senator from New Mexico.

Mr. STEIWER. As I understand, the Senator from Texas is agreeing with the Senator from New Mexico. Both Senators may be right; I pretend to no arrogance of opinion with respect to that question. But there are two State cases in our legal literature in which a litigant was permitted, in a case which was on trial, to question the composition of the court that was to pass upon his case.

Mr. CONNALLY. I know of those authorities, where the question was raised before the case was acted upon. If a

litigant finds a judge not a judge, that there was a void appointment, he gets another judge, of course.

Mr. STEIWER. I am not so certain, therefore, that a litigant before the Supreme Court of the United States would be wholly without remedy with respect to the composition of the Court.

Mr. CONNALLY. Let me say to the Senator that he will certainly concede that the decision would have to be a 5-to-4 decision, and that the odd judge would have to be the fifth man, would he not?

Mr. STEIWER. Not necessarily. The Court might unanimously decide one way or the other. It would not have to be a 5-to-4 decision.

Mr. CONNALLY. Would the fact that this judge had sat on the Court, one judge, invalidate the action of the other eight judges? Does the Senator contend that?

Mr. STEIWER. No; I do not mean that at all. The thing that concerns me is that we might create a situation whereby the Court would be obliged to determine its own composition and the right of its own membership, a most desperate situation so far as the welfare of the Court and the country are concerned.

Mr. CONNALLY. I think the Senator can rest in peace on that. I do not think that question will arise.

Now I yield to the Senator from New Mexico.

Mr. HATCH. I think the Senator from Texas has answered the point I had in mind. The Senator from Oregon did not catch the point I raised. Assuming that the man is a de-facto judge, I lay down the proposition that no private litigant can question his decision. That is the statement I made.

Mr. CONNALLY. That sounds the general principle, and by analogy I was undertaking to point out what has happened in the Senate and what has happened in the House of Representatives. Senators sit here for months, and sometimes for over a year, and vote on important questions, and then, when the Senate comes to decide whether they are entitled to their seats or not, the Senate may decide they were never entitled to their seats from the beginning; but that does not affect what a Senator did, and the reason is perfectly apparent. What they were doing, even though it was temporary, they were doing under the Constitution, and every day they sat here on their certificates of election they had a right to sit here, until the Senate, in exercising its constitutional power, finally passed upon their qualifications, and held that they no longer had a right to seats in the Senate.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. There is a well-known case, that of John Rutledge, who was appointed to the Supreme Court by President Washington and commissioned on July 1, 1795, while Congress was in recess. He presided at the August term, 1795, and was later not confirmed by the Senate.

Mr. BURKE. Mr. President, will the Senator from Texas yield?

Mr. CONNALLY. I yield.

Mr. BURKE. The vacancy in the Rutledge case occurred during a recess of the Congress.

Mr. McKELLAR. That fact does not appear in the statement before me.

Mr. BURKE. That is the fact.

Mr. CONNALLY. One more thing, and I shall be through. The Senator from Nebraska pointed out that Justice Harlan and Justice Holmes, who had been appointed to the Supreme Court, declined to act until they were confirmed. I suggest to the Senator from Nebraska that, while I have a very high regard for the eminence and the ethics of both the Justices I have named, each of them was a State judge at the moment, and it might have been that they did not care to resign their State judgeships until they knew they were to be confirmed as Federal judges. I have known men to act under motives of that kind. I do not say that that was the motive in those cases, but they might have acted on it. I think it is a fine thing for a nominee to any judgeship to wait until he is confirmed before entering upon his duties. But that is not for me to determine.

That is not my function. We will determine these things when it is our duty to determine them, and the first time that it becomes our duty to determine them is when a nomination is sent here to the Senate. It then becomes our duty to act upon it by confirmation or rejection.

I voted against the seating of the junior Senator from West Virginia [Mr. HOLT], not because I had any personal objection to his being seated here. I was of the opinion that he was not entitled to his seat under the Constitution, because I contended that when he came to this body with the certificate and he was under 30 years of age he could not take a seat under the Constitution; that immediately a vacancy was created from the State of West Virginia, and it could only be filled by an appointment made by the Governor or by an election of the people, but could not be filled by mere expiration of time by reason of the Senator-elect becoming 30 years of age.

Mr. President, I simply cite these things to show that in the case of Senators who are afterwards rejected by this body, they have a perfect right to act, their right to a permanent seat is simply suspended, and their votes in nowise can be disturbed, and can have no prejudicial effect upon legislation they enacted.

By analogy I hold that the same is true of a judge. If he holds his office legally, if he even holds it under legal color of right, his decisions cannot be attacked later and they cannot be overturned, because he is a de-facto judge just like a Senator who is afterward ousted is a de-facto Senator until he is ousted.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. HUGHES. May I ask a question of the Senator from Michigan through the Senator from Texas?

Mr. CONNALLY. I shall be glad to answer the Senator if I can answer his question.

Mr. HUGHES. I want to ask the Senator if he agrees with the Senator from Nebraska [Mr. BURKE] that if a man is appointed judge in vacation by the President and takes his seat, he would consider that ground for not voting to confirm him when his name came up to the Senate for confirmation.

Mr. CONNALLY. I will answer the Senator that the Senator from Texas would not consider it ground for not voting to confirm him.

Mr. HUGHES. I asked the question of the Senator from Michigan.

Mr. CONNALLY. It is certainly appropriate and right for the Senator from Nebraska to vote as he chooses. His vote is his own vote. He judges his own conduct and action by his own standards. He would have a perfect right to vote against confirmation on the ground that the judge by accepting the appointment under the circumstances had committed an act that was unworthy of the high judicial station of a judge.

Mr. BURKE. Mr. President, the Senator states my position exactly.

Mr. HUGHES. I should like to have the answer of the Senator from Michigan also.

Mr. CONNALLY. That is not the position of the Senator from Texas, I will say. If the Senator from Texas is here in January and the nomination comes here for action, so far as the Senator from Texas is concerned that will be the first official notification that he will have received that the nomination was made, and the Senator from Texas will then vote on that nomination according to his concepts of what the character, qualifications, and experience of the candidate ought to be, and he would be guided by the same standards as those which would guide him if he were voting on the nomination today. That is the attitude of the Senator from Texas.

Mr. HUGHES. Mr. President, I was sure that would be the position of the Senator from Texas. It is my position.

Mr. CONNALLY. I thank the Senator for his good will and commendation.

Mr. HUGHES. But I still have not received an answer to my question from the Senator from Michigan.

Mr. VANDENBERG. Mr. President——

Mr. CONNALLY. I yield to the Senator from Michigan.

Mr. VANDENBERG. I am sorry I could not hear the Senator from Delaware. I have not the slightest idea what he was talking about. Will the Senator repeat his question?

Mr. HUGHES. I will repeat my question, or perhaps the Senator from Texas will do so.

Mr. CONNALLY. The Senator from Delaware asked the question of the Senator from Texas and the Senator from Michigan—and the Senator from Texas highly appreciates that association.

Mr. VANDENBERG. That is mutual.

Mr. CONNALLY. The question was whether or not the mere fact that the appointee accepted the position and served from October, we will say, to January, would be sufficient in our minds to vote to reject him. The Senator from Texas said that in his case it would not, but the Senator from Delaware wants the answer of the Senator from Michigan.

Mr. VANDENBERG. I shall be very happy to answer. I would not say now that it would be finally conclusive, but I will say that it would seriously reflect upon the ethical standard of the nominee so far as my opinion is concerned.

Mr. CONNALLY. Mr. President, having heard all parties concerned, I want to submit as a final suggestion to the Senator from Michigan that it is the duty of the Senate to act on this matter. It is the duty of the Senate to act on it only when it comes here before us in a constitutional manner in the way of a nomination. It is not the duty of the Senate to anticipate. It is not the duty of the Senate to preconceive. It is not the duty of the Senate to see ghosts behind bushes and to fear that the President of the United States is not going to do his duty. So far as the executive function and the legislative function are concerned, we can best preserve our function unimpaired from executive influence by observing a similar attitude toward the Executive. The longer we refrain from invading the executive function the more strength and the more resistance we may justly claim against the invasion of the legislative function by the Executive.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. CLARK in the chair), as in executive session, laid before the Senate a message from the President of the United States submitting the nomination of Everett M. Grantham, of New Mexico, to be United States attorney for the district of New Mexico, vice William J. Barker, resigned, which was referred to the Committee on the Judiciary.

RECESS

Mr. BARKLEY. In order that we may look forward with some confidence to a real recess later, I now move that we take one until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 37 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, August 3, 1937, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate August 2 (legislative day of July 22), 1937

UNITED STATES ATTORNEY

Everett M. Grantham, of New Mexico, to be United States attorney for the district of New Mexico, vice Hon. William J. Barker, resigned.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 2, 1937

The House met at 12 o'clock noon.

G. Ellis Williams, district superintendent, Washington district, Methodist Episcopal Church, Washington, D. C., offered the following prayer:

O God, our Father in Heaven, we call upon Thee, believing that they who wait upon the Lord shall renew their strength.

Look upon our troubled world with compassion and love. Forgive our sins and restore unto us the consciousness of our sonship with Thee.

Give us teachable minds and hearts, so that we may deal justly with our fellow man, love mercy, and walk humbly with Thee.

May Thy richest blessings rest upon our Government in all its branches. Impart unto our leaders divine wisdom and understanding that Thy will may be done in our Nation and in our relationship with other nations. We ask it with the forgiveness of our sins in the name of Him who is our Savior. Amen.

The Journal of the proceedings of Friday, July 30, 1937, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1881. An act for the relief of the Consolidated Aircraft Corporation; and

S. 2475. An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S. J. Res. 57. Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes.

SERVICE-CONNECTED BENEFITS FOR WORLD WAR VETERANS

Mr. O'CONNOR of New York, from the Committee on Rules, filed the following privileged report (No. 1411), which was referred to the House Calendar and ordered printed:

House Resolution 292

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6384, a bill liberalizing the provisions of existing laws governing service-connected benefits for World War veterans and their dependents. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on World War Veterans' Legislation, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXTENSION OF REMARKS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a letter I have just received from Hon. Mitchell Hepburn, Prime Minister and President of the Council of Ontario, Canada.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I am not going to object to the gentleman's request, can the majority leader advise us what we may expect in the way of a legislative program today and tomorrow?

Mr. RAYBURN. The Consent Calendar will be called today. I am informed by the Speaker that the Committee on Agriculture has reported an omnibus bill carrying amendments to various acts affecting agriculture. It is my further understanding that the bill comes with the unanimous report of the committee. There is a probability that the Speaker may recognize the chairman of the Committee on Agriculture to suspend the rules and pass that bill this afternoon.

Tomorrow, of course, the Private Calendar will be called, and after that we will take up the conference report on the so-called District tax bill.

Mr. MARTIN of Massachusetts. That is the program, so far as the gentleman knows with certainty, for the week, is it?

Mr. RAYBURN. On Wednesday, of course, the calendar of committees will be called.

Thursday and Friday bills will be considered under special rules. The order in which they will be taken up has not been exactly determined. I do not think the rules have been reported yet.

Mr. MARTIN of Massachusetts. As far as the gentleman knows, there will be but one suspension today?

The SPEAKER. The Chair thinks it proper to state, after consultation with the majority leader, that the Chair may recognize the chairman of the Committee on Appropriations to suspend the rules and pass a bill making appropriations for the New York World's Fair. This, however, has not been finally determined.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BEITER] to extend his remarks in the RECORD and include the matter indicated?

There was no objection.

SOCIAL SECURITY BOARD LASHES ILLINOIS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, in one of the most scathing indictments ever directed at a State agency by the Federal Government, the Social Security Board on July 27, 1937, over the signature of A. J. Altmeyer, Chairman of the Board, released its decision with reference to the hearings held on old-age assistance in the State of Illinois. The decision covers 11 pages, and in its findings of fact administers a verbal lashing of the Illinois old-age assistance division, which is a revelation. It will be a revealing eye opener to the hundreds of thousands of aged Illinois citizens who have not been able to secure approval of their old-age pension applications or who have not been able to secure action on their requests for increased pensions. It is unnecessary for me to point the finger of blame or reproach at any person or agency. The report speaks for itself.

In July of 1936 the Social Security Board approved the Illinois Old Age Assistance Act. From time to time the Social Security Board made specific recommendations to the State agency of Illinois to the effect that it was not conforming to the requirements of the Board. In December of 1936 and again in January of 1937 the Board made a study of the set-up in Illinois. On June 15, 1936, the Board notified the Illinois agency of a hearing to be held on this whole matter, involving the suspension of Federal payments to the State. On July 16, 1937, the hearings were held. Mr. A. L. Bowen, director of public welfare; Mr. J. H. Andrews, superintendent of the division of social assistance; and Mr. John C. Weigel, fiscal supervisor, all from Illinois, were present. As a result of the hearings and its own investigations here is what the Board found as reported in its decision:

First. Ending June 30, 1937, total payments of about $16,000,000 have been made to about 115,000 aged persons in Illinois, representing about 1,065,000 payments. The administrative expenses were $1,317,111.39. Expenses of operation therefore are about 8½ percent of the total payments made.

Second. In 40 percent of all down-State cases and in 32 percent of all Cook County cases the State agency modified the decisions of the county boards and usually modified them downward. These reductions in pensions were made by the State agency without additional data or investigations. The factual basis for such reductions and modifications was inadequate according to the findings.

Third. The percentage of persons over 65 years of age receiving pensions varied from 13.5 percent in Jo Daviess County to 70.9 percent in Alexander County. In other words, 13½ out of every 100 persons in Jo Daviess County over 65 were receiving pensions whereas in Alexander nearly 71 out of every 100 persons over 65 were receiving pensions. Can it be that the old folks have gravitated toward certain counties in the State, or is there something wrong with this picture?

Fourth. The average grant per aged person varied from $9.96 per month in Washington County to $17.96 per person in Rock Island County and $20.90 per person in Cook County. This represents a spread of 80 percent between the high and the low. Perhaps this is a gentle hint to the aged folks in other counties to move to Cook or Rock Island County because pensions are higher there. However, was such inequity intended by the Social Security Act or the Illinois old-age assistance law?

Fifth. In November of 1936, 13,599 applications were pending in the State agency for which no certificates had been written. On January 20, 1937, the number was 11,000. On May 21, 1937, it was 10,901. On June 23, 1937, it was 13,389. On June 30, 1937, it was 12,485. All these had been recommended for grants by the county boards. There were, therefore, 12,485 aged folks in Illinois waiting for their pensions, but the applications were languishing in the Springfield office.

Sixth. The Social Security Board found that it was 3 months from the time an application reached the office in Springfield before it came to a decision. This does not include the time taken in the county boards. Here, then, is high testimony to why pensions are delayed. Ninety days in the State office before it is decided.

Seventh. There were 15,934 requests for increases in awards that were not acted on on June 30, 1937. What cheerful news this will be to those fine aged folks who were given a small award and then applied for an increase. Now you know why it is being delayed. There are 15,934 of those old folks who made such requests, but the requests have not come up for action.

Eighth. There were 13,449 applications pending in the county boards on June 30, 1937.

Ninth. But here is the "most unkindest cut of all." The State board sent a bulletin to the county board suggesting that they decrease the awards where such decreases were justified in leveling out the pensions to conform to available funds, and, despite this, there were on May 21, 1937, 10,187 cases recommended by the county boards which were unacted upon by the State agency. On June 23, 1937, the number of such cases was 14,221. On June 30, there were 15,934 cases. It is apparent, therefore, that in more than 15,000 cases which the county boards recommended for changes in awards, no action has been taken by the State agency. Those old folks who have been patiently waiting for their pensions to be increased will now know that their requests are gathering dust in the State office without action.

Tenth. With further reference to requests for increased pensions, the findings indicate that on June 14, 1937, the State agency sent out Bulletin No. 44, instructing the county boards not to consider requests for increases and not to reinvestigate the need for assistance for the purpose of adjusting awards oftener than once in each 6 months, except in cases of emergency. Even in emergency cases the State agency has failed to act promptly and the county boards have had to make complaint about such failure. Can you imagine such formalistic and indifferent treatment of the aged people of Illinois whose hopes were set upon an enlightened and sympathetic administration of the Old Age Pension Act?

Eleventh. The Social Security Board found that there is no uniform policy in the State agency for making decisions and that the county boards were not regularly notified of State decisions. The county boards have specifically complained of this lack of information. This is tantamount to a criticism that there is no coordination between State and county boards and that the fault lies with the State agency and not with the counties.

Twelfth. The Board found that the State agency had made no surveys of changes in living costs and therefore had no factual basis for making a change of awards. Despite this, as indicated above, the State agency assumed to change the recommendations of the county boards, usually downward. In fact, as the findings show, it changed 40 percent of the applications downstate and 32 percent of those from Cook County, and usually scaled them downward. Could anything be more arbitrary than this, when the State agency had no facts or figures as a basis for making such changes?

Thirteenth. The findings show that the State agency had no manual of procedure. How could any efficiency and cooperation be brought about unless there be a detailed manual of procedure so that the county boards might be advised as to procedure?

Fourteenth. Now, look at this finding: In Grundy County the number of completed cases per investigator was 178. In Jackson County the number of completed cases per investigator was 1,182. Grundy County has a population of 19,000 and Jackson has a population of about 36,000. Both are small counties with no large towns. Why this amazing difference of almost 700 percent?

Fifteenth. The Board found that the number of cases per employee in the county offices varied from 85 cases per employee in Jo Daviess County to 624 cases per employee in Saline County. Saline, of which Harrisburg is the county seat, has a population of 37,000; and Jo Daviess, of which Galena is the county seat, has a 20,000 population. In other words, is it a case of Saline County being 700 percent more efficient than Jo Daviess County or was the Jo Daviess County Board filled with persons who were not needed; all of which would contribute to the expense of administration?

Sixteenth. The findings place the responsibility directly upon the State administration because the State agency has control, it controls the number of employees, and pays the entire cost of administration. There can therefore be no shifting of the blame for whatever maladministration of old-age pensions.

Seventeenth. The findings show that there has been only a limited investigation by the field staff of the State agency and that the percentage of cases reviewed by such staff in which awards were canceled varied from 1.1 percent in Tazewell County to 79.8 percent in Saline County. This spread of percentage is so wide and so amazing as to baffle all understanding of the reasons.

Eighteenth. The Board found that the State agency has not studied and therefore could not judge the staff needs of the various counties.

Nineteenth. The Board found that while personnel of the county boards was to be based on population and upon the number of people in the county over age 65, that such a standard had never been applied.

Twentieth. The Board found that while the Pension Act has been in operation since early in 1936 and that the Illinois law provided for civil-service examinations, no examinations were held until June 26, 1937, and that prior to this time, the State had made no effort to select employees on the basis of recognized personnel standards. Is this not a polite way of saying that politics and not merit was the determining factor in selecting employees for this important work?

Twenty-first. Of the 39 persons on the State staff to administer this act, the Board found that only 10 had any previous experience in work of this type and only 2 had as much as 3 years' experience in a supervisory or executive capacity. Only 2 persons had special training in this field. Once more, the Social Security Board in so many words indicates that this work has been handled by persons who had no special fitness for the job. Considering that $16,000,000 has been expended, of which $1,317,111 was for administrative expenses, is it not apparent that the old folks of Illinois have been and are being sacrificed upon the altar of politics?

Twenty-second. Regulation no. 24, which was adopted by the State agency on June 30, 1936, provided for a fair hearing to any person in any case where the State agency reviewed the decision of a county board and then reversed the county board's decision or changed the amount of the pension. On January 26, 1937, the State agency adopted a revised regulation which, according to the findings of the Social Security Board, does not offer an opportunity for a fair hearing. Was the original regulation no. 24 adopted to get by the Social Security Board at Washington and then changed to fool the old folks and deny them a fair hearing? What other interpretation can be placed upon this finding? Since there were 12,485 original applications pending for pensions in the State agency as of June 30, 1937, together with 15,934 requests for changes of awards, the Social Security Board concludes that 28,419 aged persons in Illinois under the present practice will not be entitled to a fair hearing. This is a most startling finding. In so many words, in this land of the free and the home of the brave, under an act that was meant for their welfare more than 28,000 aged persons cannot receive a fair hearing on review. They will be interested to know it.

Twenty-third. In the matter of keeping records, the Social Security Board found that in 2,000 cases awards have been paid regularly since July 1, 1936, in amounts which are not authorized by the certificate of award.

There are many other criticisms in the findings, and in pursuance of these criticisms the Social Security Board concludes that there has been substantial failure in the administration and supervision of the law by the State agency, that there has been substantial failure in providing a fair hearing where a claim for a pension was denied, there has been substantial failure in keeping the kind of records required by the Social Security Act, and that as a result of such substantial failure to comply with the terms of the Social Security Act, no further Federal payments will be made to the State of Illinois until the Social Security Board is satisfied that the State agency is complying with the law.

Thus are the aged people of Illinois sacrificed upon the altar of maladministration of an act that was intended for them and for their benefit. Incidentally, the State of Illinois is the only one that enjoys this distinction of such complete failure to abide by the provisions of the Social Security Act. From this courageous action on the part of the Social Security Board will come a revision of methods, and a forthright compliance with the Federal act as will redound to the welfare of the aged people of the State. If not, there will be no more Federal funds, and then the people of Illinois will do something about it.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 4 minutes.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, and I am not going to object this time, but a few days ago Members got in the habit of asking unanimous consent to proceed for 1 minute; then it was 2, then 3, then 4, and now it is 5. There is not a great deal of difference between 5, 6, 7, or 10. I may say that hereafter to requests to address the House for more than 1 minute before the legislative business of the day has been concluded I shall object. I shall not, however, object to this request by the gentleman from Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

GOVERNMENT EXPENDITURES

Mr. RICH. Mr. Speaker, I call attention to a remark made on Friday by the gentleman from New York [Mr.

O'CONNOR], when he said that he had no objection to the gentleman's speaking out of order unless he is going to refer to the daily statement of the Treasury Department.

He was referring to me, Mr. Speaker, of calling to the attention of the House of Representatives the perilous condition we are finding ourselves each day, and each succeeding day it is getting worse. It is a serious condition we find the Federal Treasury. O Mr. Speaker, it is more than serious, it is a perilous situation.

I want to say to the Members of the House of Representatives I appreciate the statement that has been made by the chairman of the Rules Committee [Mr. O'CONNOR of New York]. He realizes the predicament that the Federal Treasury is in. The gentleman understands a Treasury statement and he knows the sad plight in which we find ourselves at this time. I want to congratulate him on being one of the first on the Democratic side to recognize the position we are placing ourselves in through the report given out by the Treasury of the United States on account of laws passed by this administration and the unbusinesslike manner of spending these fabulous sums—the waste and extravagance that is apparent.

You will find on looking at the July 28 statement that the national debt is $36,707,757,744.94. Since July 28, 1936, we have increased our debt $3,245,000,000. That means that we are in debt $10,111,000,000 more than we were during the wartime high of 1929 and that we have increased our debt over $20,512,000,000 more than we were in 1930.

The statement is made that the depression is over, but you are increasing your average daily expense over $5,000,000 a day more than last year. This is an appalling situation that we find ourselves in, and if we had more Members of the House of Representatives like this genial chairman of the Rules Committee we would be better off. That is what we need in the House of Representatives. He did not want to hear me talk about that, because it is a nightmare to him, but I hope, Mr. Speaker, that you feel we are in danger, and, Mr. Majority Leader, I hope you will get this into your system and realize the predicament on account of an empty Treasury we find ourselves.

The depression is over, it is said, but still we find ourselves in a very perilous situation. Why do you not take means to stop this ruthless expenditure of money? Why do you not do something to protect the Federal Treasury? Why do you not do something to put this Government on a sound financial basis? The first thing you know the greatest wreck will happen to this Nation of any in the world. Mr. Speaker, we must be vigilant and we must stop this ruthless expenditure of money. Mr. Morgenthau, why do you carry a cash balance in the banks of $2,652,595,255 on July 28? If you are not worried about the Treasury, why keep this money in the banks, paying interest on it, when the taxpayers are now overburdened by taxes? This may be the last straw that broke the camel's back. Laws, laws, laws, every law passed carries the expense of administration, bringing more burdens to the overburdened taxpayers. O Mr. Speaker, you should see that this Congress is adjourned sine die at once if the Treasury and the country is to be saved.

[Here the gavel fell.]

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PETITION TO DISCHARGE THE RULES COMMITTEE AND THE COMMITTEE ON BANKING AND CURRENCY

Mr. ELLENBOGEN. Mr. Speaker, at the beginning of this session I presented a bill (H. R. 6092) to reduce the rate of interest on home-loan mortgages from 5 and 6 percent now being charged to 3½ percent and to spread the time of payment over 25 years. The Committee on Banking and Currency has given no consideration to this bill.

EVERY MEMBER SHOULD SIGN THE PETITION TO DISCHARGE

I also present House Resolution 266 to make my H. O. L. C. bill a special order of business. This resolution was filed sometime ago, but so far the Rules Committee has not held a hearing on it. It is clear that it is impossible to get any action on my bill or on the resolution making it a special order of business, and therefore this morning I filed a petition to discharge the Committee on Rules from further consideration of House Resolution 266. If this petition is signed by 218 Members of the House, H. R. 6092 will be made a special order of business and the home owner will have a day in court.

The time has come when we must rescue the home owner, and I am asking every Member of Congress to sign the petition which I have filed. It bears no. 26.

CONGRESS SHOULD NOT ADJOURN UNTIL WE HAVE HELPED THE HOME OWNER

Mr. Speaker, I hope that the Members of Congress will not find it in their hearts to adjourn until they have protected the home owner against the foreclosures now going on. The home is the foundation of this Nation, and it is the duty of Congress to protect the home owner, particularly since the foreclosures are being made by a Government agency.

Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. LAMNECK. Mr. Speaker, I object.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in connection with the remarks just made by the gentleman from Pennsylvania [Mr. RICH], and the remarks he has made on various other occasions, the significance of which we all appreciate, it must be borne in mind, and the gentleman from Pennsylvania ought to bear in mind, that in 1931, under the last Republican administration there was a deficit of $903,000,000. In 1932, which was under the last Republican administration, there was a deficit of $3,153,000,000. In 1933, under the last Republican administration there was a deficit of $3,059,000,000, and the gross national debt increased in the last 3 years of President Hoover's administration from approximately $15,900,000,000 to $22,500,000,000, an increase of over $6,000,000,000, and without one penny being appropriated during those years to relieve human suffering and distress.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that on tomorrow, following the disposition of business on the Speaker's table, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. RAYBURN. Mr. Speaker, reserving the right to object—and the gentleman knows I must object—I should be very glad if he would change the request.

Mr. CANNON of Missouri. To Wednesday?

Mr. RAYBURN. No; until after the business of the day has been disposed of. All requests for permission to address the House have been based upon that consideration.

Mr. CANNON of Missouri. That will be entirely agreeable.

The SPEAKER. Does the gentleman modify his request?

Mr. CANNON of Missouri. Yes. Mr. Speaker, I ask unanimous consent that on tomorrow, after the disposition of business on the Speaker's table, and after the disposition of the legislative program in order for the day, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the disposition of the business on the Speaker's desk and the completion of the legislative program of the day, I may be permitted to address the House for 20 minutes.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, do I understand this request to mean after the business of Calendar Wednesday is completed?

Mr. HOFFMAN. Yes.

Mr. COCHRAN. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. RUTHERFORD asked and was given permission to extend his own remarks in the RECORD.

THE CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will report the first bill on the Consent Calendar.

REVISION OF THE AIR-MAIL LAWS

The Clerk called the first bill on the Consent Calendar, H. R. 4732, to revise the air-mail laws.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

RECORDS OF THE HOUSE OF REPRESENTATIVES

The Clerk called the next bill, H. R. 222, authorizing the Clerk of the House of Representatives to transfer certain records not necessary in current business to the Archivist of the United States.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CLAIMS OF THE RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the next bill, H. R. 4540, authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PER-CAPITA PAYMENT TO THE RED LAKE BAND OF CHIPPEWA INDIANS

The Clerk called the next bill, H. R. 4539, authorizing a per-capita payment of $25 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MEMORIAL TO WILL ROGERS

The Clerk called the next bill, H. R. 6482, providing for cooperation with the State of Oklahoma in constructing a permanent memorial to Will Rogers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby established a commission to be known as the Federal Will Rogers Memorial Commission (hereinafter referred to as the Commission), and to be composed of three persons to be appointed by the President of the United States. The members of the Commission shall serve without compensation, but traveling, subsistence, and other necessary expenses incurred by them in connection with the work of the Commission may be paid from any funds available for expenditure by the Commission. Any vacancy occurring in the membership of the Commission shall be filled by the President.

SEC. 2. There is hereby authorized to be appropriated the sum of $500,000, to be expended by the Commission, in cooperation with the Will Rogers Memorial Commission established by an act of the Legislature of the State of Oklahoma, and such other agencies, public and private, as the Commission may determine, for the purpose of designing and constructing on a site to be donated by Mrs. Will Rogers, in or near Claremore, Okla., a suitable permanent memorial to the memory of Will Rogers; but no part of the sum herein authorized to be appropriated shall be made available for expenditure until adequate provision has been made for the perpetual care and maintenance, without expense to the United States, of such site and the memorial constructed thereon.

SEC. 3. No amount shall be expended from the sums appropriated for the purposes of this act until an equal amount has been made available from other sources, public or private, for expenditure for the same purpose.

SEC. 4. All expenditures of the Commission shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the chairman of the Commission, but no expenditure shall be made or authorized by the Commission except with the approval of a majority of its members.

SEC. 5. No fee or charge of any character shall be imposed or made for admission to such memorial or the grounds on which it is constructed.

SEC. 7. Plans and designs for the memorial shall be chosen only after open competition by architects, and before any of the funds herein authorized to be appropriated shall be expended the plans and designs of the memorial shall be approved by Mrs. Will Rogers.

SEC. 7. The Commission shall cease and terminate upon the completion and acceptance by the said Joint Commission of the Will Rogers Memorial as herein provided and the submission to the President of a final report, including an audit of the expenditures of the funds expended as provided herein.

With the following committee amendments:

Page 1, line 7, after the word "States", insert "one of whom shall be Mrs. Will Rogers."

Page 2, after line 17, insert the following:

"(a) The Commission named hereunder shall have full power to accept gifts, grants, and donations from whatever source, and such gifts, grants, and donations shall be applied on and reduce the amount of the $500,000 authorized herein to the extent of such gifts, grants, and donations."

Page 3, line 16, strike out "Mrs. Will Rogers" and insert "the Commission."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES BOARD OF AWARDS

The Clerk called the next bill, H. R. 171, to create a United States Board of Awards and to provide for the presentation of certain medals.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

UNITED STATES GEORGE WASHINGTON INAUGURATION SESQUICENTENNIAL COMMISSION

The Clerk called the next resolution, House Joint Resolution 366, providing for the preparation and completion of plans for a comprehensive observance of the one hundred and fiftieth anniversary of the inauguration of George Washington as first President of the United States and authorizing the President to invite foreign countries to participate therein.

Mr. WOLCOTT, Mr. ENGEL, and Mr. HOLMES objected.

THE FIVE CIVILIZED TRIBES

The Clerk called the next bill, H. R. 4407, authorizing the Five Civilized Tribes, in suits heretofore filed under their original Jurisdictional Acts, to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and authorizing said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original Jurisdictional Acts.

Mr. COCHRAN. Mr. Speaker, reservng the right to object, I have had this bill up with the General Accounting Office and also the Attorney General. There is considerable merit to the measure, in view of the fact the petitions could not all be filed within the time limit because the General Accounting Office had not submitted its full report to the Attorney General within the time limit.

The bill in its present form, however, is highly objectionable. The Attorney General has prepared a substitute. This substitute is satisfactory, as far as I am concerned. If the gentleman from Oklahoma [Mr. CARTWRIGHT] will agree to substitute the entire bill prepared by the Attorney General, and will also promise that so far as he can control the situation he will insist the Senate not amend the bill when it goes to the Senate, and that if it comes back here

with an amendment he will not accept the amendment, I am willing to let the bill be considered.

Mr. CARTWRIGHT. To which I agree, and I shall offer such an amendment to conform thereto.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Michigan.

Mr. WOLCOTT. Does the amendment to which the gentleman has reference provide that set-offs may be taken into consideration?

Mr. COCHRAN. Absolutely. It protects the Government in every way. I want it distinctly understood that if the Senate, as it usually does, strikes out those provisions, when this bill comes back to the House I shall certainly oppose it.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Do the claims covered by this bill amount to approximately $20,000,000?

Mr. COCHRAN. Not this bill. This is a different one. This covers a small amount, but the Attorney General has drawn the bill and states he is willing that it be passed, as the Indians could not get their petitions filed within the time limit as prescribed by the original jurisdictional act.

Mr. RICH. Then this is not the same bill for the Five Civilized Tribes that we had up here a couple of weeks ago?

Mr. COCHRAN. No. May I also state to the gentleman that this bill is not going to be amended in the Senate to do the same for all Indian tribes, because the Attorney General specifically states that all cases must stand on their own bottom.

Mr. CARTWRIGHT. I will agree to that. This is not satisfactory all around, but I will agree to it.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I do not object to the consideration of the bill with our present understanding.

Mr. ROGERS of Oklahoma. Mr. Speaker, further reserving the right to object—and, of course, I do not intend to object—I simply want to say that the amendment is reluctantly accepted. I think this is much better than nothing at all, and I thank the gentleman from Missouri [Mr. COCHRAN] for cooperating with us.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 1379) authorizing any nation, tribe, or band of Indians, in suits heretofore filed under their original jurisdictional acts, to present claims to the United States Court of Claims by amended petitions at any time before final submission of said suit to conform to the evidence and authorizing the said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original jurisdictional acts, be substituted for the House bill.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is it the intention of the gentleman from Oklahoma [Mr. CARTWRIGHT] to offer the substitute amendment to the Senate bill to which the gentleman from Missouri has referred?

Mr. CARTWRIGHT. Yes; just as soon as given the opportunity.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in any suits heretofore filed in the United States Court of Claims by any nation, tribe, or band of Indians, plaintiffs therein, at any time before the final submission of said suits, shall have the right to amend their petitions to conform to any evidence filed in said suits, whether such amended petitions develop original claims or present new claims based upon said evidence; and jurisdiction be, and is hereby, conferred upon said Court of Claims, notwithstanding the lapse of time or statute of limitations, to hear, examine, adjudicate, and render judgment in any and all legal and equitable claims which may have been presented by said Indian nations, tribes, or bands in any amended petitions heretofore filed, or which may be filed under the terms of this act; and claims so presented shall be adjudicated by said court upon their merits as though presented by petitions filed within the time limited by said respective original jurisdictional acts, as amended; and any case presenting claims which may have been dismissed upon the ground that new claims were set up by amended petition, after the expiration of the time limitation fixed in said original jurisdictional acts, as amended, shall be reinstated and retried by said court on their merits, upon the same pleadings, findings of fact, and under the same law in force when originally tried.

Mr. CARTWRIGHT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARTWRIGHT: Strike out all after the enacting clause and insert:

"That in suits heretofore filed in the United States Court of Claims by the Five Civilized Tribes under their respective Jurisdictional Acts (Cherokee Nation, act approved Mar. 19, 1924, 43 Stat. 27; Seminole Nation, act approved May 20, 1924, 43 Stat. 133; Creek Nation, act approved May 24, 1924, 43 Stat. 139; Choctaw and Chickasaw Nations, act approved June 7, 1924, 43 Stat. 537, as amended by joint resolutions approved May 19, 1926, 44 Stat. 568, and Feb. 19, 1929, 45 Stat. 1229), plaintiffs therein shall have the right, prior to January 1, 1938, to amend their petitions to conform to any evidence heretofore filed in said suits, whether such amended petitions develop original claims or present new claims based upon said evidence; and jurisdiction be, and is hereby, conferred upon said Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, adjudicate, and render judgment in any and all legal and equitable claims which may have been presented by said Indian nations in any amended petitions heretofore filed, or which may be filed under the terms of this act; and claims so presented shall be adjudicated by said court upon their merits as though presented by petition filed within the time limited by said respective original Judisdictional Acts, as amended; and any case presenting claims which may have been dismissed upon the ground that new claims were set up by amended petition, after the expiration of the time limitation fixed in said original Jurisdictional Acts, as amended, shall be reinstated and retried by said court on their merits."

Mr. CARTWRIGHT. Mr. Speaker, H. R. 4407, introduced by me, and S. 1379, introduced by Senator ELMER THOMAS, have been favorably reported by the unanimous action of both the House and Senate Indian Affairs Committees. The Interior Department has also recommended that the proposed legislation be passed. I feel, however, that I should make a brief synopsis of the report of the Interior Department:

First. The Five Civilized Tribes filed general petitions under jurisdictional acts of 1924 and prayed for a general accounting to be followed by amended petitions.

Second. The time for filing amended petitions expired in 1930, and the reports of the General Accounting Office were not completed and filed until 1934, and amended petitions were filed thereafter.

Third. The Supreme Court has held in the *Seminole case* (L. 172) that claims set up by amended petitions after 1930 should be dismissed.

Fourth. The proposed legislation authorizes the adjudication of claims set up by amended petitions to conform to the evidence. (General Accounting Office reports filed by the United States.)

The Department of Justice has recommended the legislation with the proposed amendment.

No appropriation of moneys is involved, nor any obligations undertaken by the United States beyond original jurisdictional acts. The Indians are merely guaranteed adjudication of claims, upon their merits, of claims contemplated by original jurisdictional acts.

Permission for amended petitions has been granted in other Indian claims.

Passage of the proposed legislation is fair and just to the Indians because of the long and unavoidable delay in preparation and filing of reports of General Accounting Office, and is in complete harmony with the plans and policies of the United States for an early and final settlement of Indian claims, upon their merits, under original jurisdictional acts.

I sincerely hope no one sees fit to oppose the amendment, and that the bill will then be adopted.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the Senate bill (S. 1379) was amended to read as follows: "A bill to authorize the Five Civilized Tribes in suits heretofore filed under their original jurisdictional acts.

to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and to authorize said court to adjudicate said claims upon their merits as though filed within the time limitation fixed in said original jurisdictional acts."

PAYMENTS FOR LANDS TAKEN FROM UTE INDIANS, UTAH

The Clerk called the next bill, H. R. 4399, authorizing payment for certain lands appropriated by the United States, and for other purposes.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CLAIMS OF UTE INDIANS

The Clerk called the next bill, H. R. 3162, conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes.

Mr. COCHRAN. Mr. Speaker, this bill is a substitute for a direct payment from the Treasury.

I have a report from the General Accounting Office stating the bill is in proper form and contains provisions to protect the Government in the way of granting the Government the right to offset the claims by showing the gratuities and advances we have made to the Indians. With this provision in the bill, there is no objection to its consideration so far as I am concerned.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I wonder if the gentleman will inform us whether provision has been made in the bill to allow set-offs for gratuities previously advanced to the tribe.

Mr. COCHRAN. Yes. The General Accounting Office advises me that that is in the bill, but, of course, we will have to watch the bill when it goes to the Senate to see that is not stricken out.

Mr. WOLCOTT. If we can get assurance that the bill does not waive the defense of set-offs, I have no objection.

Mr. MURDOCK of Utah. Mr. Speaker, I call the gentleman's attention to section 5 of the bill, which specifically provides for set-offs under the Second Deficiency Appropriation Act, fiscal year 1935.

Mr. WOLCOTT. That brings it within the jurisdiction of the Committee on Appropriations.

Mr. MURDOCK of Utah. And provides for such set-offs; and I will guarantee the gentleman from Missouri there will be no amendments in the Senate.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred on the United States Court of Claims to hear, determine, and render final judgment on all legal and equitable claims of whatsoever nature which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of Ute Indians, or any of said bands, or any constituent band thereof, may have against the United States, including, but without limiting the generality of the foregoing, claims arising under or growing out of any treaty or agreement of the United States, law of Congress, Executive order, or by reason of any lands taken from them (as to which any of said bands had the possessory right of use and occupancy), without just and full compensation, or for the failure or refusal of the United States to protect the interest of any of said bands in lands (as to which any of said bands had the possessory right of use and occupancy), or because of any mismanagement or wrongful handling of any of the funds, land, property, or business enterprises belonging to or held in trust for any of said bands by the United States, or any misfeasance or nonfeasance on the part of the United States with respect thereto, or otherwise.

SEC. 2. Suit or suits under this act may be instituted by any of the aforesaid bands of Indians (each band to have the right to sue for constituent bands comprising said band), either separately or jointly, as party or parties plaintiff against the United States as party defendant, by filing within 5 years of the enactment of this act its or their petition or petitions in the Court of Claims and serving with respect to each suit, a copy thereof on the Attorney General of the United States who, either in person or by some attorney from the Department of Justice to be designated by him, shall appear and defend the interests of the United States. Such petition or petitions shall set forth the facts on which the claim or claims for recovery is or are based and shall be verified by the attorney or attorneys employed by said band or bands of Ute Indians, under contracts approved in accordance with existing law, to prosecute said claims, which may be made upon information and belief, and no other verification shall be necessary. Such petition or petitions may, in addition to alleging specific claims, demand a general accounting of all funds and property expended or used by the United States for it or their account, in which event the General Accounting Office or its successor shall within 1 year from the time of filing said petition make a complete audit of said accounts and deliver a copy thereof to each plaintiff and each member of the court, and the court, after full hearing, shall state the account, and render judgment in accordance therewith.

SEC. 3. At the trial of any suit instituted hereunder the court shall apply as respects the United States the same principles of law as would be applied to an ordinary fiduciary and shall settle and determine the rights therein, both legal and equitable, of said bands of Ute Indians against the United States, notwithstanding lapse of time, statutes of limitation, releases prompted by fraudulent representations or not predicated on fair and just compensation, or the nonpresentment of any claim to any tribunal, including the commission created by the act of March 3, 1851 (9 Stat. 631).

SEC. 4. The court shall have authority, by proper orders and process, to make parties to any suit or suits instituted hereunder any other tribe, band, or group of Indians deemed by it necessary or proper to a final determination of the matters in controversy.

SEC. 5. No payment or payments which have been made by the United States upon any claim or claims asserted in any suit brought hereunder or expended for any of the aforesaid bands of Ute Indians or members thereof shall apply as an estoppel against any suit brought hereunder, but there shall be set off against any recovery obtained by any band of said Indians hereunder, any payment made by the United States or any claim asserted by said band and such gratuity expenditures made by the United States for the benefit of said band as are directed to be set off by the Second Deficiency Appropriation Act, fiscal year 1935 (Public, No. 270, 74th Cong.)

SEC. 6. If the court shall find that any lands formerly belonging to the said bands of Ute Indians or any of them, or as to which they or any of them had the possessory right of use and occupancy, have been taken by the United States without compensation therefor and set apart and reserved as national reservations or for other public uses or otherwise classified, reserved, or withdrawn from entry and sale under the public land laws or disposed of in any manner whereby the said Indians have been deprived of the use or benefits of such lands and the natural resources thereof, it is hereby declared that such action shall be sufficient grounds for equitable relief and the court shall render judgment in favor of said Indians, and shall award to them, as for a taking under the power of eminent domain, just and full compensation for all such lands and natural resources.

SEC. 7. In any suit instituted hereunder, any letter, paper, document, map, or record in the possession of any officer or department of the United States (or certified copy thereof) may be used in evidence, and the departments of the Government of the United States shall give full and free access to the attorneys for any of said bands of Indians to such letters, papers, documents, or records as may be useful to said attorney or attorneys in the preparation for trial or trials of such suits and shall afford facilities for the examination of the same and the making of copies thereof.

SEC. 8. Upon the final determination of any suit, cause, or action instituted hereunder, whether by judgment, compromise, or otherwise, the Court of Claims, in the event of success by any plaintiff, or in the event any claim asserted by any of said bands of Indians shall be compromised or settled without the institution of any suit hereunder, the Secretary of the Interior, shall decree that there shall be paid to the attorney or attorneys employed therein by said plaintiff under contracts negotiated or entered into as provided by existing law, such fees as, based upon a quantum meruit, and taking into consideration the fact that no fees are to be paid unless the result is successful to the plaintiff, it or he shall find reasonable. In no case shall the fees decreed by said Court of Claims and/or by the Secretary of the Interior be in excess of the amount stipulated in the contracts approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and shall be paid upon money being appropriated for the benefit of any bands of Ute Indians pursuant to any judgment or settlement hereunder whether distributable thereto or not. All necessary and actual expenses incurred by the attorney or attorneys so employed, including court costs, bills for printing required by law or court rules, the surveying and appraisal of lands, the auditing and tabulation of accounts, the travel and subsistence of said attorney or attorneys and his or their employees while engaged in the preparation and prosecution of said suit or suits, securing and taking evidence deemed material therein, the compensation of stenographers and such clerical assistance as shall be reasonably employed solely upon work in connection therewith, fees or commissions of notaries public or commissioners, and any

other expenses reasonably necessary for the preparation of trial or prosecution of any suit or suits shall be paid by the Secretary of the Interior, when approved by him, from time to time, as the same shall accrue, out of the funds standing to the credit of any of said bands for whose account said expenditures are made, upon verified accounts submitted in such form as may be required by the Secretary of the Interior and without regard to the outcome or success of said suit or action against the United States.

SEC. 9. The net amount of any judgment recovered shall be placed in the Treasury of the United States to the credit of said Indians and shall draw interest at the rate of 4 percent per annum from date of judgment or settlement and shall, thereafter, be subject to appropriation by Congress for the benefit of said Indians, including the purchase of lands and building homes, and no part of said judgment, without further legislation, shall be paid out in per-capita payments to said Indians.

With the following committee amendments:

Page 3, line 9, after the period, insert "The petition or petitions shall be subject to amendment at any time prior to final submission of the case to the Court of Claims."

Page 3, line 16, strike out "1 year" and insert "a reasonable time."

Page 3, line 17, after the word "and", insert "in addition to the usual copies for the Attorney General shall."

Page 3, line 19, strike out "each member of the court" and insert "to the Secretary of the Interior."

On page 4, after the word "time", in line 3, strike out the remainder of line 3 and all down through line 8 and insert "or statutes of limitation."

Page 4, line 15, insert, after the word "upon", the words "or in satisfaction of."

Page 4, line 21, strike out the word "or" and insert "on."

Page 6, line 3, strike out the words "and the making of copies thereof."

Page 6, line 14, after the word "meruit", strike out the remainder of the line and all of line 15 and insert, after the word "reasonable", in line 16, "and in addition such actual and necessary expenses incurred by the attorney or attorneys in preparation and prosecution of said claims."

Page 6, line 22, after the word "Interior", insert "and in no event to exceed 10 percent of the amount of the recovery."

Page 7, line 2, after the period, strike out all down to and including line 22.

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. COSTELLO: Page 2, line 6, after the word "them", strike out the rest of the line, all of line 7, and in line 8 down to and including the parentheses; also, in line 8, after the word "without", strike out "just and full."

The amendment was agreed to.

The Clerk read as follows:

Page 3, line 19, after the word "thereof", strike out "to each plaintiff."

The amendment was agreed to.

The Clerk read as follows:

Page 5, strike out all of line 5, and in line 6 the words "of use and occupancy", and in line 16, after the word "domain", strike out "just and full."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SAFETY OF EMPLOYEES ON RAILROADS

The Clerk called the bill (S. 29) to promote the safety of employees and travelers on railroads by requiring common carriers engaged in interstate commerce to install, inspect, test, repair, and maintain block-signal systems, interlocking, automatic train-stop, train-control, cab-signal devices, and other appliances, methods, and systems intended to promote the safety of railroad operation.

The SPEAKER. Is there objection?

Mr. HARLAN. Mr. Speaker, I reserve the right to object. When this bill came up on the 19th, owing to the absence of the author of the bill, it was passed over without prejudice. A number of us in the House believe that this bill is of such a serious nature that it ought not to be taken up on the Consent Calendar. I notice that the gentleman from Ohio [Mr. CROSSER] is present, and I shall object to it or ask that it go over without prejudice, just as he says.

Mr. CROSSER. Mr. Speaker, is the gentleman opposed to the bill?

Mr. HARLAN. I am.

Mr. CROSSER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. MARTIN of Colorado. Mr. Speaker, I reserve the right to object. I call the attention of the House to the fact that the other body has not only passed this bill, but has passed the train-limit bill. The House Committee on Interstate Commerce has held hearings and favorably reported the signal bill. I would like to see favorable action on at least one of these bills. Both of them ought to be passed. I get rather restive under the situation existing that the other body has to take the initiative in all of this legislation. I withdraw my reservation of objection.

Mr. RICH. Mr. Speaker, I reserve the right to object, to ask the gentleman whether he knows of anyone who can tell us what the cost of this is going to be? There is nothing in the evidence that would show what the cost of this new equipment is going to be to the railroad. The chairman has asked that the bill go over without prejudice. I hope when he brings it up next he will be able to give us something definite on that matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio to pass the bill over without prejudice?

There was no objection.

DISTRICT TAXES

Mr. PALMISANO. Mr. Speaker, I submit a conference report and statement upon the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, for printing under the rule.

CONSENT CALENDAR

ASSIGNMENT OF NAVAL OFFICERS TO THE DEPARTMENT OF COMMERCE

The Clerk called the bill (H. R. 7216) to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein.

The SPEAKER. Is there objection?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

PAYMENT TO OSAGE TRIBE OF INDIANS

The Clerk called the bill (S. 670) authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

The Clerk called the bill (S. 2147) to amend provisions of the Agricultural Marketing Agreement Act of 1937.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the Agricultural Marketing Agreement Act of 1937 is amended by adding at the end thereof the following new subsections:

"(k) Section 8c (2) is amended by inserting after the words 'except the products of naval stores' the words 'and the products of honeybees' and after 'soybeans' the following: ', honeybees' ".

"(l) Section 8c (6) is amended by inserting after 'soybeans and their products', the following: 'honeybees,'."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PAYMENT TO SAN CARLOS APACHE INDIANS

The Clerk called the bill (S. 1231) authorizing payment to the San Carlos Apache Indians for the lands ceded by them in the agreement of February 25, 1896, ratified by the act of June 10, 1896, and reopening such lands to mineral entry.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. Is there objection?

Mr. MURDOCK of Arizona. Mr. Speaker, I reserve the right to object, to call attention to the fact that this bill has twice passed the Senate, has twice been reported out favorably by the House Committee on Indian Affairs, and has failed in the House last year because of lack of opportunity to have it considered. It is a meritorious bill, and I fear the same fate will now wipe it out. Further than that, I am glad to have it come up at the next call of the calendar. Let me call attention to this fact that any money appropriated in this bill will be justice to these Indians, while at the same time this sum will decrease the annual appropriation for these Indians next year by that same amount.

The SPEAKER. Is there objection?

There was no objection.

EVERGLADES NATIONAL PARK

The Clerk called the bill (H. R. 2014) to amend an act entitled "An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes", approved May 30, 1934.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. We passed this bill over without prejudice 2 weeks ago on the assumption that there might be a waiver of the prohibition in the original act against the spending of money for the development of the Everglades National Park for 5 years.

I understand that the only purpose of this bill is to allow a Civilian Conservation Corps camp to be maintained in the Everglades, because the Comptroller General has found that the expenditure of money in the maintenance of the C. C. C. camps comes within the prohibition of the original act.

Mr. WILCOX. The gentleman is right.

Mr. WOLCOTT. I may say I have no objection to the bill if that is the sole purpose, but if it is a total waiver of the prohibition against the use of Federal moneys for the development of the park otherwise, I think we should object to it, because it is just a matter of getting the camel's nose under the tent.

Mr. WILCOX. May I point out to the gentleman, I want to be perfectly fair about it, the primary object, of course, is to permit the immediate establishment of C. C. C. camps in this area. This is quite a large area, as the gentleman will recall. At the time the bill was passed considerable fear was expressed that I might come back and ask for a large appropriation immediately for the development of this area. I assured the House that I had no such intention, and this provision was put into the bill that no Federal funds should be spent within that area for a period of 5 years. Three years and 2 months of that time have now expired. The ruling of the Comptroller General is that the Federal Government may not spend any money whatsoever in that area either for the maintenance of C. C. C. camps or otherwise.

It happens that the Federal Government itself owns quite a large area in this proposed park area. That land has been subject to fires—muck fires and forest fires—and under the ruling of the Comptroller General, the Federal Government cannot take any steps to prevent the destruction of its own property in this area. In addition to that, the Bureau of Fisheries has desired to carry on certain propagation work in connection with fish and other marine life. Under this prohibition in the bill that may not be done. I can say to the gentleman that there is no intention whatsoever to ask for a Federal appropriation insofar as this area is concerned. The bill provides that the people of Florida must give the area to the Government free of charge. That has not yet been done, and, of course, the Federal Government could not make an appropriation for that area until after it had been accepted, which undoubtedly will be more than the 5-year period specified in the bill. But I would not limit it to a C. C. C. camp. There are other activities, such as the mapping of the Government's own land. There are certain fire-prevention measures and certain conservation measures. The Department of the Interior is very anxious to have the bill in order that the Government may carry on these necessary activities in the area. There is no appropriation contemplated or asked for at this time.

Mr. WOLCOTT. The Secretary of the Interior, in reporting on the bill, has this to say, quoting from a letter to him by the Director of the Bureau of the Budget:

> I understand that the purpose of this amendment to the Everglades National Park Act is to permit the location of Civilian Conservation camps in this area and that it does not contemplate the expenditure in the area within the 5-year period of any other Federal funds for any other purpose.

Mr. WILCOX. The Secretary did not go quite far enough. The reason I mentioned these other activities is that I do not want to be guilty of a breach of faith with the gentleman.

Mr. WOLCOTT. And I want to be fair with the gentleman, and we all do. We do not want to prevent protection of the park——

Mr. WILCOX. Well, that is the object.

Mr. WOLCOTT. And keeping it in status quo until the Government or the Congress determines that it can start upon a program of development.

Mr. WILCOX. That is the object. May I interrupt the gentleman to say this: That I will assure the House that no appropriation of Federal funds is in contemplation and that none will be asked for prior to May 30, 1939, the date when the 5-year period expires.

Mr. WOLCOTT. May I suggest to the gentleman that he might amend the act? Where the act reads "that the United States shall not expend any public moneys for the administration, protection, or development of the foresaid park within a period of 5 years from the date of the approval of this act" the gentleman might offer an amendment striking out the word "protection."

Mr. WILCOX. No; "protection" is necessary.

Mr. WOLCOTT. Then it might read:

> That nothing in this act contained shall prevent the establishment of C. C. C. camps or the expenditure by the Bureau of Fisheries under annual appropriation for the maintenance of that Bureau within this park area.

I think it would accomplish the gentleman's purpose and give the Congress assurance that there was not going to be any demand made to develop the park at a large expense until 1939.

Mr. WILCOX. May I say to the gentleman that no money could be spent for its development, except by appropriation by Congress. The trouble about trying to limit it is that we might leave out some necessary activity of the Government on its own land.

Mr. WOLCOTT. Let us have this definite understanding, that it is not the gentleman's intention to ask this Congress for any appropriation for the development of the park, other than through the C. C. C., and the maintenance of the park in status quo until the expiration of the 5-year period.

Mr. WILCOX. That is absolutely correct.

Mr. WOLCOTT. With that understanding, I will have no objection to the bill.

Mr. WILCOX. That is absolutely correct.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That section 3 of the act entitled "An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes", approved May 30, 1934, be, and the same is hereby, amended by striking therefrom the following words: "*And provided further*, That the United States shall not expend any public moneys for the administration, protection, or development of the aforesaid park within a period of 5 years from the date of approval of this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ABRAHAM LINCOLN NATIONAL PARK AND FORT M'HENRY NATIONAL PARK

The Clerk called the next bill, H. R. 4070, to change the designations of the Abraham Lincoln National Park, in the

State of Kentucky, and the Fort McHenry National Park, in the State of Maryland.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DONDERO. Mr. Speaker, reserving the right to object, would someone on the committee enlighten the House as to what names it is proposed to change the present names of these parks?

Mr. COSTELLO. I may state to the gentleman from Michigan that it is my understanding they wish to change these parks to national monuments; in other words, the area in the existing Fort McHenry National Park is very small. It is merely a memorial. It is simply to change these from national parks to national monuments. A national monument simply denotes a limited area.

Mr. DONDERO. The bill does not have for its purpose changing the name Lincoln in Lincoln National Park?

Mr. COSTELLO. I am not a member of the committee, but my understanding is that the change in that instance would be merely from Abraham Lincoln National Park to Abraham Lincoln National Monument.

Mr. DONDERO. Had there been any intention to change the name of Lincoln I would object, but I will not object if the change is merely from "park" to "monument."

Mr. PALMISANO. The word "Lincoln" is not in there now.

Mr. DONDERO. I beg the gentleman's pardon.

Mr. COSTELLO. The bill reads that these areas shall hereafter be called and known as the Abraham Lincoln National Monument and the Fort McHenry National Monument, respectively. The only change is striking out "National Park" and inserting in lieu thereof "National Monument."

Mr. MAY. In other words, you strike out the word "Park" and insert the word "Monument"?

Mr. COSTELLO. The bill strikes out the words "National Park" and inserts the words "National Monument."

Mr. GAMBRILL. Mr. Speaker, reserving the right to object, the Fort McHenry National Park consists of 43 acres of land. To call it a monument would be a misnomer. I seriously object to the consideration of the bill. There has been no hearing before the Committee on Public Lands, no opportunity afforded for a hearing. I object to the consideration of the bill.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. GAMBRILL. Certainly.

Mr. ROBSION of Kentucky. May I inquire of the gentleman from California what prompted this change?

Mr. PALMISANO. I do not know. We are objecting to it.

Mr. GOLDSBOROUGH, Mr. PALMISANO, Mr. ROBSION of Kentucky, and Mr. GAMBRILL objected.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from the Federal Trade Commission, together with a statement of how the Federal Trade Commission has decided certain cases involving the recent amendment to the Clayton Act, known as the Robinson-Patman Act. I have a statement from the United States Government Printing Office to the effect that it amounts to 2½ pages more than I would ordinarily be privileged to place in the RECORD under an extension of remarks, but I ask permission to insert it, notwithstanding the statement from the Government Printing Office.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered by my colleague the gentleman from Texas [Mr. JONES].

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the next bill on the Consent Calendar.

ACCEPTANCE OF CERTAIN UTAH LAND

The Clerk called the next bill, H. R. 4186, to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 1129) may be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to accept on behalf of the United States a deed of reconveyance from the State of Utah of all of section 2, township 12 south, range 19 east, Salt Lake meridian, Utah, when accompanied by evidence showing unencumbered title in said State, and in exchange therefor the Secretary of the Interior is hereby further authorized to patent to the State of Utah other vacant, unappropriated, and unreserved public land, whether mineral or nonmineral in character, of approximately equal area and value, to be used for the same purpose for which the lands so reconveyed were granted, and to be subject to the same conditions and limitations which applied to said reconveyed lands.

SEC. 2. That upon issuance of patent to the State for the land selected in exchange, the land reconveyed shall become a part of naval oil shale reserve no. 2, Utah no. 1, for the exclusive use or benefit of the United States Navy.

Mr. COSTELLO. Mr. Speaker, in order to make the Senate bill identical with the House bill I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 2, line 3, after the word "equal" strike out the words "area and."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a House bill (H. R. 4186) were laid on the table.

HOMESTEAD LAWS, ALASKA

The Clerk called the next bill, H. R. 5592, to amend an act entitled "An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898 (30 Stat. 409, 414).

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 11 of an act entitled "An act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes", be, and the same is hereby, amended by adding thereto the following: "and may permit such use by churches, hospitals, and charitable institutions in Alaska for firewood, fencing, buildings, and for domestic purposes."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL MONUMENT, CAMP MERRITT, N. J.

The Clerk called the next bill, H. R. 71, to provide for the establishment of a national monument on the site of Camp Merritt, N. J.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, will the author explain the bill to the House? I notice that section 3 reads:

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. KENNEY. We can acquire a considerable amount of land at very little money. It should not exceed thirty to forty thousand dollars.

Mr. RICH. Does that come out of the Treasury right now?

Mr. KENNEY. Not at this time. This bill simply authorizes the Secretary to take as much of the park as in his judgment is reasonable in order to set up this monument.

Mr. RICH. Does the gentleman know that is the fact? Has the Secretary an option on this property?

Mr. KENNEY. Not exactly that, but there is property which can be purchased at a reasonable amount.

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice. The gentleman can in the meantime find out the actual cost before the bill is brought up for consideration again.

Mr. KENNEY. I may say to the gentleman it would not exceed $40,000.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

SAN JUAN NATIONAL MONUMENT (PUERTO RICO)

The Clerk called the next bill, H. R. 7487, to establish the San Juan National Monument, P. R., and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mrs. O'DAY. Mr. Speaker, I object.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXCEPTION OF YACHTS, TUGBOATS, TOWBOATS, AND UNRIGGED VESSELS FROM PROVISIONS OF ACT OF JUNE 25, 1936

The Clerk called the next bill, H. R. 7158, to except yachts, tugs, towboats, and unrigged vessels from certain provisions of the act of June 25, 1936, as amended.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REINDEER INDUSTRY IN ALASKA

The Clerk called the next bill, S. 1722, to provide subsistence for the Eskimos and other natives of Alaska by establishing for them a permanent and self-sustaining activity in all branches of the reindeer industry, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INCORPORATION OF THE MARINE CORPS LEAGUE

The Clerk called the next bill, H. R. 4810, to incorporate the Marine Corps League.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that the bill, S. 774, to incorporate the Marine Corps League, may be substituted for the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is the Senate bill identical with the House bill?

Mr. HEALEY. It is identical with the House bill, as amended.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That Maj. Gen. John A. Lejeune, United States Marine Corps, retired, honorary national commandant; Maurice A. Ilich, national commandant; Roy S. Taylor, senior national vice commandant; Kenneth B. Collings, junior national vice commandant; Alexander F. Ormsby, national judge advocate; Rev. John H. Clifford, national chaplain; Edward A. Walker, national sergeant at arms; John B. Hinckley, Jr., national adjutant and paymaster; John E. Brock, national chief of staff, are hereby created a body corporate of the name "Marine Corps League."

SEC. 2. That the purposes of this corporation shall be (a) to preserve the traditions and to promote the interests of the United States Marine Corps; (b) to band those who are now serving in the United States Marine Corps and those who have been honorably discharged from that service together in fellowship that they may effectively promote the ideals of American freedom and democracy; (c) to fit its members for the duties of citizenship and to encourage them to serve as ably as citizens as they have served the Nation under arms; (d) to hold sacred the history and memory of the men who have given their lives to the Nation; (e) to foster love for the principles which they have supported by blood and valor since the founding of the Republic; (f) to maintain true allegiance to American institutions; (g) to create a bond of comradeship between those in service and those who have returned to civil life; (h) to aid voluntarily and to render assistance to all marines and former marines as well as to their widows and orphans; (i) to perpetuate the history of the United States Marine Corps and by fitting acts to observe the anniversaries of historical occasions of peculiar interest to marines.

SEC. 3. That the corporation (a) shall have perpetual succession; (b) may charge and collect membership dues and receive contributions of money or property to be devoted to carrying out the purposes of the organization; (c) may sue or may be sued; (d) may adopt a corporate seal and alter it at pleasure; (e) may adopt and alter bylaws not inconsistent with the Constitution and laws of the United States or of any State; (f) may establish and maintain offices for the conduct of its business; (g) may appoint or elect officers and agents; (h) may choose a board of trustees, consisting of not more than 15 persons nor less than 5 persons, to conduct the business and exercise the powers of the corporation; (i) may acquire, by purchase, devise, bequest, gift, or otherwise, and hold, encumber, convey, or otherwise dispose of such real and personal property as may be necessary or appropriate for its corporate purposes; and (j) generally may do any and all lawful acts necessary or appropriate to carry out the purposes for which the corporation is created.

SEC. 4. That the corporation shall, on or before the 1st day of December in each year, transmit to Congress a report of its proceedings and activities for the preceding calendar year, including the full and complete statement of its receipts and expenditures. Such reports shall not be printed as public documents.

SEC. 5. That the right to alter, amend, or repeal this act at any time is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 4810) was laid on the table.

EXPERIMENTAL AIR-MAIL SERVICES

The Clerk called the next bill, H. R. 7448, to provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the gentleman from New York inform the Members of the House how these experiments are going to be financed? Is the cost going to be paid out of the annual Post Office appropriation?

Mr. MEAD. That is the only method whereby they can be financed, but the revenue derived from these services will enable them to meet all of the costs. For instance, under the terms of this legislation night flying could be initiated between New York and Chicago, carrying only mail and express, with a view to trying out new instruments and equipment for the improvement of night and blind flying. A smaller and more economically operated plane than our regular air-mail ships could be used for this purpose, and perhaps it would entail only one schedule nightly or one schedule weekly. Such an operation could be carried on within the revenues received from the mail and express carried on the flight.

Mr. WOLCOTT. The contract for carrying the mail would cover the cost of the experiments in those cases?

Mr. MEAD. I think so, in every case. For example, the United Air Lines might make a request for one schedule between Chicago and San Francisco to fly the stratosphere in order that they may develop that sort of flying. The carriage of mail and express on that particular schedule might more than cover the cost. If it should not cover the cost, the Department could refuse to permit the operation.

Mr. WOLCOTT. I am heartily in accord with the purposes of the bill. One of the things I had in mind was that

we have constantly loaded up the Post Office Department with subsidies and charged it against the operation of that Department. Air development, marine development, as well as railroad development, have been charged against the Post Office Department, and sometimes the deficit of the Post Office Department is largely made up of these subsidies; so that we are never able to get an accurate estimate of the actual cost of carrying the mail, yet we are constantly striving to balance the budget of the Post Office Department. It was brought out by statements made by the Postmaster General a year or so ago that the budget of the Department was balanced, when all of us knew it was not balanced. We should be able to get an accurate check on it. I would be in favor of making direct appropriation for this purpose, and that is why I asked for the information. I think the gentleman has given it to me. I do not think this bill would cost the Post Office Department enough to justify an objection, if the major cost of this experimental work is to be paid out of the pay given to contractors for carrying the mail.

Mr. MEAD. I may say to the gentleman that the revenues from air mail now approach the cost of the service. The revenues from air mail increased 50 percent in the calendar year 1935 and increased 30 percent again in the calendar year 1936, so we anticipate the revenues this year will approximate the cost of the service.

This bill is merely in the interest of safety and efficiency of operation. In other words, we want to try out new equipment on schedules where passengers are not carried. If the equipment proves its value, then it will be used on passenger-carrying ships. We want to develop aids to safeguard human life by operating a schedule here and there to develop aviation rather than to produce charges against the Treasury.

Mr. WOLCOTT. I am pleased the gentleman has brought the bill up. I believe this is a desirable bill, and I think the Congress should grant the au'hority contained in the bill. The only question in my mind is whether it would not be advisable for us to make a direct appropriation for this purpose instead of charging it to the Post Office Department.

Mr. MEAD. That would probably be the better way, but in order to do so we would have to amend the general law and set up the particular agency.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does this bill have anything to do with the companies which bid in air-mail contracts for 1 mill an ounce? Would this bill have the Post Office Department spend a lot of money with the air lines for experimental purposes?

Mr. MEAD. Not at all.

Mr. RICH. Can the gentleman give us any reason why these contracts for carrying the air mail were bid in at 1 mill an ounce?

Mr. MEAD. Those low bids were for the purpose of making it a certainty that the new lines should be captured by companies who foresee a field of future attractive development. In other words, the lines the gentleman has in mind were bid in at ridiculously low prices because the companies realize that after the initial period is over those routes will be part of our permanent system and profitable.

Mr. RICH. When it comes to letting the next contract, how do they know they will be the successful bidders?

Mr. MEAD. There need be no next contract. After the initial 3-year period is over the contract will be extended indefinitely at a rate set by the Interstate Commerce Commission. This compensation is merely for the initial period of operation.

Mr. RICH. If you are not going to have any competition, then is it not a fact that eventually we are going to pay more for our air-mail service simply because we are making contracts in this manner? You and I and everybody knows that it is impossible for the fellow who bids 1 mill an ounce to carry the mail without loss. If he is assured that he is going to have the contracts for a period of years, then eventually the Federal Government is going to lose because of the fact you are making contracts of this character.

Mr. MEAD. Under the existing law the rate is set by the Interstate Commerce Commission after the initial period has expired, only upon a complete audit of the books of the company and a consideration of its revenues from all other sources. Therefore, in no case are the payments to these air-mail contractors really excessive.

Mr. RICH. Then you are trying under the laws to eliminate all competition for air-mail contracts?

Mr. MEAD. Oh, no; not at all.

Mr. RICH. That is what you are doing here. You are giving an extension for an unlimited period of time.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Massachusetts.

Mr. HOLMES. Does not the Department have under general law all the authority necessary to conduct experimental flights or transport mail exclusively by plane?

Mr. MEAD. Under a strict interpretation, no; but perhaps under a liberal interpretation of the law they would have such authority.

Mr. HOLMES. As a matter of fact, we have pending here general legislation which covers the entire field of aviation.

Mr. MEAD. The gentleman is correct.

Mr. HOLMES. This proposed legislation covers the carriage of passengers, mail, and express. Pending the passage of such legislation, does the gentleman think it is advisable to set up additional boards or bureaus within the Post Office Department to continue further experimentation?

Mr. MEAD. No; we are not going to do that.

Mr. HOLMES. When the Department of Commerce under the proposed legislation will have the administration of all the safety devices, and so forth, in connection with such operations?

Mr. MEAD. They will under this bill also.

Mr. HOLMES. It seems to me we should not take this step today before we consider the general aviation control bill placing jurisdiction in the hands of the Interstate Commerce Commission, which, after the enactment of the bill, in connection with the Post Office Department and the Department of Commerce, can lay out a comprehensive and well-thought-out program covering all of our future aviation operations, including passenger, express, and mail services.

Mr. MEAD. I may say to the gentleman I have my doubts that the Congress of the United States will ever pass that bill, because if it is passed it will break down every restriction in existing air-mail legislation. It will wipe out the restrictions with regard to holding companies and interlocking directorates as well as the ownership by certain lines of other lines, and it will give to a commission in the Government more power than I am willing to delegate. I think if that bill comes to a vote in this Chamber and in the other Chamber it will be overwhelmingly defeated, because it will create a condition similar to that which led to cancelation of the air-mail contracts, and we do not want a condition like that to exist again. There is no possibility of our anticipating that law, however, and the bill before us will merely allow experiments in aviation which may save human life, without any cost to the Government.

Mr. HOLMES. I appreciate the gentleman's views on the pending legislation.

Mr. MEAD. If this bill passes and the gentleman's bill becomes law, this bill will become a part of that law, and we will have the experience resulting from the operations authorized hereunder.

Mr. HOLMES. May I say to the gentleman I am not opposed to this measure, because I believe that in all probability it is good legislation, but at the same time there is a question in my mind whether, pending the consideration of the general legislation, we should set up further bureaus or boards to do any experimental work in the aviation field.

Mr. MEAD. There will be no bureau or anything of that kind set up under this bill.

Mr. HOLMES. I have no objection, Mr. Speaker.

Mr. WOLCOTT. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized, under such appropriate rules and regulations as he may prescribe, to provide for and supervise experimental services in connection with the transportation of mail by air, with the object of further developing safety, efficiency, and economy in air-mail transportation, collection, and delivery. The Postmaster General shall procure any such proposed service by contract with the lowest acceptable and responsible bidder. The provisions of section 13 (relating to pay and working conditions and relations of pilots and other employees) of the Air Mail Act of 1934, approved June 12, 1934, as amended, shall apply to all contracts awarded under this act.

SEC. 2. (a) The Postmaster General shall report to Congress as soon as practicable the final results of experimental services conducted under this act, together with his recommendations for legislation to establish on a permanent basis any such services ascertained to be essential or useful in carrying out the object of this act. He may from time to time make preliminary reports and recommendations to Congress whenever definite conclusions are reached in respect of any such service.

(b) A sum not to exceed $100,000 is hereby authorized to be appropriated for carrying out the provisions of this act.

(c) The authority conferred by this act shall terminate on June 30, 1938.

With the following committee amendments:

Page 1, line 6, after the word "air", insert "including the transportation of mail by autogiro aircraft shuttle service between outlying airports and central city areas."

Page 2, line 1, after the word "bidder", insert the following: "Such contracts and operations thereunder shall be subject to such requirements relating to safety, technical functions, qualifications of aircraft and airmen, and matters connected therewith as the Secretary of Commerce shall prescribe in accordance with the authority vested in him under the Air Commerce Act of 1926, as amended."

Page 2, line 12, strike out "(a)."

Page 2, beginning in line 21, strike out down to and including line 25.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENTS IN LIEU OF ALLOTMENTS TO KLAMATH INDIANS

The Clerk called the next bill, H. R. 5974, to authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That as used in this act, the term "Klamath Tribe" includes the members of the Klamath and Modoc Tribes and the Yahooskin Band of Snakes and all other Indians having rights on the Klamath Indian Reservation in the State of Oregon.

SEC. 2. Each enrolled member of the Klamath Tribe living on the date of the enactment of this act who has not received an allotment of land shall be paid the sum of $1,500 from unobligated Klamath tribal funds on deposit in the Treasury of the United States, under such rules and regulations as the Secretary of the Interior shall prescribe, in installments of not to exceed $300 per annum: *Provided*, That no member of the Klamath Tribe having rights on the Klamath Indian Reservation, but not enrolled, living on the date of the enactment of this act who shall be enrolled after 1 year from the date of the enactment of this act shall receive a payment in lieu of allotment. No member of the Klamath Tribe born after the date of the enactment of this act shall be entitled to receive any allotment of land or money payment in lieu thereof.

SEC. 3. The payments herein authorized shall be deposited to the credit of the individual Indian money accounts of such Indians subject to expenditure by such Indians, under such rules and regulations as the Secretary of the Interior may prescribe for (1) industrial and agricultural assistance, and the construction and improvement of homes, including the purchase of land and interests in land, building material, farming equipment, industrial equipment, trucks, livestock, feed, food, seed, tools, machinery, implements, household goods, bedding, clothing, and any other equipment or supplies necessary to enable the Indians to fit themselves for or to engage in the farming, livestock industry, or such other industrial or agricultural pursuits or avocations as will enable them to become self-supporting; (2) the educational advancement of such Indians; (3) financial assistance in cases of illness, death, or other emergency; (4) the repayment of reimbursable debts previously contracted; or (5) security for or the repayment of loans made to such Indians from any Klamath revolving loan fund now existent or which shall hereafter be created.

SEC. 4. In the event of the death of any such Indian entitled to receive a payment in lieu of allotment after the date of the enactment of this act, the unexpended balance of such payment remaining to the credit of such Indian shall first be applied to the repayment of any loans received by such Indian from the United States or from the Klamath tribal funds, and the balance thereafter shall be distributed as personal property.

SEC. 5. Hereafter only enrolled members of the Klamath Tribe of not less than one-sixteenth degree Indian blood of the Klamath Tribe shall inherit or take by devise any restricted or trust property within the Klamath Reservation: *Provided*, That the surviving spouse shall be entitled to the use of one-half part during his or her natural life of all the land included in any such property whereof the decedent was seized of an estate of inheritance at any time during coverture.

SEC. 6. If any enrolled member of the Klamath Tribe dies without lawful heirs or devisees, all interest which such member has in any restricted or trust property within the Klamath Reservation shall revert to and become part of the common tribal property.

With the following committee amendments:

On page 2, line 6, strike the sentence beginning with the word "That", on said line, all of lines 7, 8, 9, down to and including the word "allotment", in line 10, and insert in lieu thereof the following:

"That no member of the Klamath Tribe who shall not be enrolled within 1 year from the date of the enactment of this act shall receive a payment in lieu of allotment."

On page 3, lines 11 and 12, strike the words "the unexpended balance of such payment remaining to the credit of such Indian" and insert in lieu thereof the following: "any unexpended balance of said $1,500 still due the decedent."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REVOLVING LOAN FUND FOR KLAMATH INDIANS

The Clerk called the next bill, H. R. 5976, authorizing the establishment of a revolving loan fund for the Klamath Indians, Oregon, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to establish, out of any money in the Treasury of the United States to the credit of the Indians of the Klamath Reservation in Oregon, a capital reserve fund for such Klamath Indians, and to set aside each fiscal year, beginning with the fiscal year 1937, the sum of $50,000, said capital reserve fund to be held in the Treasury of the United States and to bear interest in accordance with existing law: *Provided*, That the interest accruing annually upon said fund shall be used, insofar as it is sufficient, for the payment of the expenses of administration of the Klamath Indian Reservation in Oregon.

SEC. 2. The Secretary of the Interior is hereby directed, under such rules and regulations as he may prescribe, to establish a reimbursable loan fund, out of any funds in the Treasury of the United States to the credit of the Indians of the Klamath Indian Reservation in Oregon, from which loans may be made to enrolled Indians of the said reservation for industrial and agricultural assistance, or for the construction and improvement of homes, including the purchase of land and interests in land, building material, farming equipment, industrial equipment, trucks, livestock, feed, food, seed, tools, machinery, implements, household goods, bedding, clothing, or any other equipment or supplies necessary to enable such Indians to fit themselves for or to engage in farming, livestock industry, or such other industrial or agricultural pursuits or avocations as will enable them to become self-supporting; for the educational advancement of such Indians; for financial assistance in cases of illness, death, or other emergency; for the maintenance and support of the aged, infirm, or incapacitated members of said Klamath Indian Reservation; or for the repayment of reimbursable loans previously had by such Indians from tribal funds: *Provided*, That $100,000 shall be set aside for such purpose during the fiscal year ending June 30, 1938, and that $50,000 additional shall be set aside for said purpose during each of the next three succeeding fiscal years: *Provided further*, That in addition to the foregoing the Secretary of the Interior shall immediately set aside for such purpose the unexpended balance of any funds heretofore appropriated or authorized to be used for the establishment of reimbursable loan funds for industrial assistance, or for any other purpose, out of the Klamath tribal funds.

SEC. 3. The reimbursable loan fund provided for in section 2 hereof shall be administered by a loan board composed of enrolled members of the Klamath Reservation, of not to exceed five members, under and subject to such rules and regulations as the Secretary of the Interior may prescribe: *Provided*, That the expense of administering this fund, including a per diem for mem-

bers of the loan board as authorized by the Secretary of the Interior, shall be paid from said loan fund. After the fiscal year 1939 the aforesaid expenses of administration shall not exceed the amount annually received from service fees, surcharges, and interest paid in on loans.

SEC. 4. For the purpose of providing adequate security for any loans made from the revolving reimbursable loan fund provided for in section 2 hereof, the Indians of the Klamath Reservation are hereby authorized, in addition to any unrestricted real or personal property owned by them, to include in the securities offered therefor any lands, interest in lands, rights, funds, future per-capita payments or other distributions of tribal assets, or other property, real, personal, or mixed, of any nature belonging to individual Indians of said Klamath Reservation, whatsoever, heretofore regarded or classed as trust or restricted Indian property.

SEC. 5. All repayments made upon any loans made from the reimbursable loan fund herein provided for and all repayments made upon any loans made from reimbursable loan funds for industrial assistance or for other purposes heretofore established out of Klamath tribal funds, and all interest, surcharges, and service fees paid upon such described loans, shall be credited to the reimbursable loan fund herein provided for and shall become available for the purposes herein authorized.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Interior shall cause to be established on the books of the Treasury, out of any unobligated tribal funds of the Indians of the Klamath Reservation in Oregon (hereinafter referred to as the "Klamath Indians") on deposit in the Treasury of the United States, a capital reserve fund for said Klamath Indians. Such fund shall be created by setting aside the sum of $50,000 for the fiscal year 1937, and shall be augumented by additions of $50,000 for each fiscal year hereafter. Such fund shall be held in the Treasury of the United States and shall bear interest as provided by law. The interest upon such fund shall be used, insofar as it is sufficient, for the payment of the expenses of administration of the Klamath Indian Reservation in Oregon.

"SEC. 2. The Secretary of the Interior shall cause to be established on the books of the Treasury, out of any unobligated tribal funds of the Klamath Indians on deposit in the Treasury, a reimbursable loan fund from which loans may be made to enrolled Klamath Indians for industrial and agricultural assistance and the construction and improvement of homes (including the purchase of land and interests in land, building material, farming equipment, industrial equipment, trucks, livestock, feed, food, seed, tools, machinery, implements, household goods, bedding, clothing, or any other equipment or supplies necessary to enable such Indians to fit themselves for or to engage in farming, the livestock industry, or such other industrial or agricultural pursuits or avocations as will enable them to become self-supporting); for the educational advancement of such Indians; for financial assistance in cases of illness, death, or other emergency; for the maintenance and support of the aged, infirm, and incapacitated Klamath Indians; and for the repayment of reimbursable loans previously made to such Indians from tribal funds. For the establishment of such loan fund, the Secretary of the Interior shall immediately set aside the unexpended balance of any funds heretofore appropriated or authorized to be used out of the tribal funds of the Klamath Indians for the establishment of reimbursable loan funds for industrial assistance or for any other purpose; and in addition thereto, out of any unobligated tribal funds, $100,000 shall be set aside for the fiscal year 1938 and $50,000 for each of the next 3 fiscal years.

"SEC. 3. The reimbursable loan fund provided for in section 2 hereof shall be administered under and subject to such rules and regulations as the Secretary of the Interior may prescribe, by a loan board composed of Klamath Indians of not to exceed five members: *Provided*, That the expenses of administering such fund, including such per diem for members of the loan board as may be authorized by the Secretary of the Interior, shall be paid from such loan fund. After the fiscal year 1939 the aforesaid expenses of administration shall not exceed the amount received from service fees, surcharges, and interest paid in on loans.

"SEC. 4. For the purpose of providing adequate security for any loans made from the revolving reimbursable loan fund provided for in section 2 hereof, the Klamath Indians are hereby authorized to include in the securities offered therefor, in addition to any unrestricted real or personal property owned by them, any lands, interest in lands, rights, funds, future per-capita payments and other distributions of tribal assets, and other property, real, personal, or mixed, of any nature whatsoever, belonging to individual Klamath Indians, heretofore regarded or classed as trust or restricted Indian property.

"SEC. 5. All repayments made upon any loans made from the reimbursable loan fund herein provided for, all repayments made upon any loans made from reimbursable loan funds for industrial assistance or for other purposes heretofore established out of Klamath tribal funds, and all interest, surcharges, and service fees paid upon any such loans, shall be credited to the reimbursable loan fund herein provided for and shall become available for the purposes herein authorized.

"SEC. 6. The amounts which the Secretary of the Interior shall cause to be added to the capital and loan funds established at his direction under the provisions of sections 1 and 2 of this act during each fiscal year shall not exceed the amount of unobligated Klamath tribal funds on deposit in the Treasury of the United States available for that purpose."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PER-DIEM PAYMENTS FOR KLAMATH DELEGATES

The clerk called the next bill, H. R. 5975, establishing per-diem payments in lieu of compensation and expenses for members of Klamath business committee and official Klamath delegates to Washington.

Mr. RICH. Mr. Speaker, reserving the right to object, I would like for some one to explain this bill.

In the Interior Department appropriation bill we appropriated money to the Indian Bureau for purposes similar to this, and I cannot understand why we should have a bill of this kind before us at the present time.

Mr. O'MALLEY. This money comes out of the tribal funds and is used to have their representatives protect their interests down here.

Mr. RICH. But you have an Indian Bureau to look after the Indians, and now you are going to pass a bill permitting the Indians to spend their own money to come down here and fight their own Indian Bureau.

Mr. O'MALLEY. I feel sure the gentleman knows enough about the Indian Bureau to know that this Indian tribe ought to have a few representatives here, does he not?

Mr. RICH. That may be true, but that is something that should be done in connection with the Indian Bureau. If you do not like your own Indian Bureau you ought to change it.

Mr. O'MALLEY. Some of us are trying to do that. I think the gentleman ought to let this bill pass because it is to protect the Indians.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. PIERCE. This bill simply allows the Klamath Indians to pay their own men who come here to represent them and this is not paid out of the Treasury of the United States.

Mr. RICH. But the gentleman understands that all of these Indian tribes are pretty soon going to be bankrupt. You are now permitting them to spend their own money and then when they have spent all of their money you are going to ask the Federal Government to meet these expenses.

Mr. PIERCE. Oh, no; this is one of the richest tribes of Indians in the United States. They own one of the finest bodies of timber in the United States. It is a large body of Ponderosa pine, and they have ample money.

Mr. RICH. Is it not the purpose of the Indian Bureau now to have the Indians preserve the things that belong to them?

Mr. PIERCE. Yes; and I think they are doing exactly that.

Mr. RICH. Then why do you want these Indians to come down here and fight the Indian Bureau?

Mr. PIERCE. We are not fighting the Indian Bureau. The two bills just passed by the House are bills looking to the preservation of their property. One bill was for the creation of a revolving fund and the one just passed provides for an allotment to certain of these Indians. This is all with the purpose of taking care of their property.

Mr. RICH. You gentlemen know more about Indian affairs than I do, but I believe that if you keep on permitting them to spend their money, the time will come when they will be asking to have the money come from the Federal Treasury.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior beginning with the fiscal year ending June 30, 1937, is hereby authorized and directed to pay, out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States, to official delegates of that tribe, whenever on business at the seat of government, and to members of the business committee and officers

of the general council of said tribe when ever actually engaged upon tribal business, a per diem to be approved by the tribal council of said tribe, or its authorized business committee, not however to exceed $8, in lieu of all other compensation and expenses: *Provided*, That official delegates of the tribe on business at the seat of government shall also receive the usual railroad transportation to and from the seat of government, which the Secretary of the Interior is also authorized and directed to pay, out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Interior or such official as may be designated by him is hereby authorized beginning July 1, 1937, to pay, out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States, to members of the business committee, and to officers of the general council when engaged on business of the tribe, and to such official delegates who may carry on the business of the tribe at the seat of government, a per diem not to exceed $8 in lieu of all other compensation and expenses: *Provided*, That the official delegates of the tribe on business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government: *Provided further*, That the rate of per diem paid not to exceed $8 shall be approved in advance by the tribal council of said tribe or its authorized business committee: *Provided further*, That the length of stay of the official delegates at the seat of government shall be determined and fixed by the Commissioner of Indian Affairs."

Mr. HILL of Washington. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HILL of Washington to the committee amendment: Page 2, line 23, strike out "$8" and insert in lieu thereof "$5 for expenses and $3 for salary."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF POSTAL EMPLOYEES

The Clerk called the bill (H. R. 3149) for the relief of the postal employees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter when a substitute in any branch of the Postal Service is injured while engaged in the performance of official duties the number of days he may be disabled from performing substitute service as a result of such injury shall be regarded, in computing his time credit for promotion purposes, as having been employed in the performance of official duties.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ALASKAN AIR-MAIL SERVICE

The Clerk called the bill (H. R. 6167) to provide a surcharge on certain air mail carried in Alaska.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object. Will the gentleman from Alaska please tell us about this surcharge? Is this going to bring money back into the Treasury of the United States?

Mr. DIMOND. Yes. If this bill is passed it will result in increment to the Federal Treasury.

Mr. RICH. Then, for goodness sake, let us pass the bill.

Mr. DIMOND. Mr. Speaker, as will be observed from the committee report, the only change proposed to be made by the bill in the law as it exists at present, is contained in the last proviso of the bill wherein the Postmaster General in his discretion is given the authority to fix the postage for mail carried by aircraft to, from, or within Alaska, the rates not exceeding 30 cents per ounce and 15 cents per half ounce.

At the present time Alaska has no air mail in the true sense of the term, although mail is carried by air over a number of star routes in the Territory. The mail is so carried by air because that is the cheapest mode of transporting it during the winter season. On this mail no extra postage is paid, nor should any be paid.

But the people of Alaska are keenly desirous of a true air-mail service, not only between the States and Alaska, but within the Territory. Air mail is needed in Alaska and between Alaska and the States, to an extent that can scarcely be realized by citizens who reside in the States. The lack of roads and railroads in Alaska makes imperative the furnishing of additional facilities for the transportation of mail by air.

The people realize that, on account of limitations of cost, it is not possible to carry all of the mail of all classes between the States and Alaska, and within Alaska through the air. But we urge that the air-mail service be established with a reasonable surcharge for the mail so transported. This would not only give us the advantages of air-mail service but would also give us the facilities of regular scheduled air transport for passengers and express and freight at prices which people could afford to pay. The extension of air mail between the States and Alaska and within Alaska would also inevitably lead to the enlargement of our present air fields and the construction of many new fields in accordance with the plan approved by the Interdepartmental Committee. The citizens of Alaska are fairly and justly entitled to this additional service, and they are quite willing to pay a reasonable amount for the service, thus bringing money into the Federal Treasury.

It is to be observed that the additional power envisaged by the bill will be exercised by the Post Office Department. Knowing the attitude of the officials of that Department with respect to the development of Alaska and their concern to do all within their power to aid in such development, I have not the slightest apprehension in granting to the Department the authority to impose a surcharge in proper cases on mail carried by air, for I am convinced that the authority will be wisely and fairly exercised.

This bill is really a Department bill. As will be observed from the report, it was prepared in the Post Office Department with a recommendation for its enactment. It contemplates that the additional air-mail service will be established at an early date. During the current session of Congress, Mr. Speaker, authorization has been given for the establishment of foreign air-mail service between Juneau, Alaska, White Horse, Yukon Territory, and Fairbanks, Alaska. I much hope that in the next session of Congress, air-mail service will be set up between the United States and Alaska and also within the Territory, so as to serve with air mail every substantial town and city in Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of February 21, 1925, as amended by the act approved August 24, 1935 (39 U. S. C., 488, 1934 edition), be, and it is hereby, amended to read as follows:

"The Postmaster General may provide difficult or emergency mail service in Alaska, at a total annual cost of not exceeding $25,000, including the establishment and equipment of relay stations, in such manner as he may think advisable, without advertising therefor; and he is authorized, in his discretion, to contract, after advertisement in accordance with law, for the carriage of all classes of mail to, from, or within the Territory of Alaska, by airplane, payment therefor to be made from the appropriation for star-route service in Alaska: *Provided*, That the Postmaster General, in his discretion, may fix the postage for the mails carried, or any part thereof, by aircraft to, from, or within Alaska, at rates not exceeding in any case 30 cents per ounce or 15 cents per half ounce, notwithstanding the domestic air-mail rate authorized by the act of June 12, 1934 (39 U. S. C., 463, 1934 edition)."

With the following committee amendment:

Page 1, lines 4 and 5, strike out the matter in the parentheses and insert "U. S. C., 1934 ed., Supp. II, title 39, sec. 488."

The amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ADDITIONAL COMPENSATION, STAR-ROUTE CARRIERS

The Clerk called the bill (H. R. 7879) to provide additional compensation to star-route carriers for necessary increased mileage, and for other purposes.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object, to inquire of the genial gentleman from Buffalo [Mr. MEAD], who has charge of all of the mail in this country, for a little more information about this bill.

Mr. MEAD. Mr. Speaker, I say to the distinguished gentleman from Pennsylvania that the veto of the President on the original star-route bill was referred to our committee, and we decided it would be better to rewrite the bill rather than to attempt to override the veto of the President. In reporting this new bill we have met the President's objection, because we have retained the competitive bidding features of existing law, whereby the various contractors will have to bid for this service. We have inserted a residential requirement so as to keep out interlopers and carpetbaggers. In addition to that we have provided that if the mileage is increased by reason of a detour, the Post Office Department has the right to raise the compensation in accordance with the terms of the original bid. We also permit the readvertising of routes when changes in schedule are not satisfactory to the contractor.

Mr. RICH. One thing I will say to the gentleman is that he knows they have 3-cent postage. The gentleman says they are trying to balance the budget in the Post Office Department. The gentleman must know that they went in the red in the Post Office Department $88,000,000 last year, and if it were not for the 3-cent postage it would go in the red $188,000,000. If they do not economize soon in the Post Office Department it will be continually coming back here for an increase in money to be had from the United States Treasury, and the gentleman knows that they will never do away with the 3-cent postage without coming back to the Treasury and asking the Treasury to pay the bill. The Post Office Department will not have a balanced budget until it cuts down expenses or increases revenue.

Mr. MEAD. And I say to the gentleman that the Post Office Department reached its all-time peak in revenue.

Mr. RICH. As well as expenses.

Mr. MEAD. No; we have a surplus.

The SPEAKER. Is there objection to the consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3951 of the Revised Statutes, as amended by the act of August 11, 1876 (amending secs. 246 and 251 of the act of June 8, 1872, U. S. C., 1934 edition, title 39, sec. 434), is hereby amended by adding at the end thereof the following new paragraphs:

"The Postmaster General may, in his discretion, and in the interest of the Postal Service and under such regulations as he may prescribe, allow extra pay to a contractor for necessary increased travel caused by obstruction of roads, destruction of bridges, or discontinuance of ferries occurring during the contract term, but no extra pay allowed shall be proportionately greater than the rate established by the contract involved.

"Where a change in schedule is ordered that will necessitate the contractor being away from the initial terminal an excessively longer period than was required in the advertised schedule, the route may be readvertised if the changed schedule is not acceptable to the contractor; or where a schedule is so changed that will permit the contractor to be away from the initial terminal a substantially shorter period than was required in the advertised schedule, the Postmaster General may, in his discretion, and in the interests of the Postal Service, readvertise the route. Less than 3 hours shall not constitute an excessively longer or substantially shorter period."

SEC. 2. Proposals for carrying the mail on star routes shall not be considered unless the bidder is a legal resident of the county or counties traversed by the roads over which the mails are to be carried, or a legal resident within the counties adjoining such county or counties; except that proposals for carrying the mail tendered by firms, companies, or corporations shall be considered, provided, such firms, companies, or corporations are actually engaged in business within the counties to residence in which individuals are herein restricted.

Mr. BIERMANN. Mr. Speaker, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BIERMANN: Page 2, after line 26, insert:

"SEC. 3. The Postmaster General in advertising for bids for any star route shall publish the estimated actual cost of carrying the route, which estimate shall include a reasonable wage for the carrier. No bid shall be accepted which is more than 10 percent below the estimated actual cost."

Mr. MEAD. Mr. Speaker, it will be necessary for me to object to that amendment, because that includes in the bill the principle that was objected to in the veto message of the President. Our committee considered it, and we feel that this present legislation is in keeping with the veto message of the President.

The SPEAKER. Does the Chair understand the gentleman from New York to make the point of order against the amendment?

Mr. MEAD. Yes, I make the point of order against the amendment that it is not germane. It is writing into the bill a new principle of law.

The SPEAKER. The gentleman from Iowa has a right under the rules to offer the amendment. It will require unanimous consent.

Mr. MEAD. I renew my point of order and I ask for a ruling.

Mr. BIERMANN. Mr. Speaker, this bill deals with a method of compensating star-route carriers. At the time when a star route is let the Postmaster General publishes the price that the present carrier is getting for transporting the route. My amendment simply provides for the publication of another figure in place of that.

The SPEAKER. Does the gentleman from New York [Mr. MEAD], agree with the statement made by the gentleman from Iowa [Mr. BIERMANN], that the bill deals with the matter of compensation under contracts?

Mr. MEAD. No, Mr. Speaker, I do not, because in the laws that we are attempting to amend and modify there is no principle of supervision set up that will permit of the operation of the principle that the gentleman now espouses. In other words, existing law is based entirely on competition in bidding and its exercise within the jurisdiction of the Post Office Department. The gentleman establishes a new principle, whereby wages or contracts would be established by another commission of the Government. Heretofore there have been no wages paid to these men. In my judgment that principle is not germane to the bill or to the law which this legislation is attempting to modify.

Mr. BIERMANN. Mr. Speaker, my amendment will not establish any new commission. It will provide that instead of the present system which, as I think the gentleman from New York will agree, is this, that when the Postmaster General asks for bids on a star route, he publishes the price that the present carrier is getting for that route and all bidders may know what this is. My amendment provides that instead of publishing that figure the Postmaster General shall publish the figure that the carrying of the route is actually worth. It establishes no new commission.

The SPEAKER. The Chair is ready to rule.

The gentleman from Iowa [Mr. BIERMANN] offers an amendment which has been read at the Clerk's desk, and proposes to incorporate the amendment as a new section to the bill. As the Chair understands the major purpose of the bill now under consideration, it deals with the subject of providing additional compensation for star-route carriers for necessary increased mileage, and for other purposes, and although the bill itself purports only to amend an existing statute, it undertakes in terms to set out certain provisions under which the Postmaster General may let these bids for the carrying of star-route contracts. Although the word "wage" does seem to be mentioned in the amendment offered by the gentleman from Iowa, the Chair is clearly of the opinion that as the bill has been proposed, it is merely an addition to the terms under which the contract shall be let.

The Chair therefore overrules the point of order.

The gentleman from Iowa [Mr. BIERMANN] is recognized for 5 minutes.

Mr. BIERMANN. Mr. Speaker, I believe that the star-route carriers are the only class of people employed by the United States Post Office Department whose wages are not determined on a fair basis. In times gone by we have had unfair wages paid to rural-route carriers. That has been corrected so that they are on a basis of good pay for the

mileage they travel. If they perform extra service as they carry their routes, they get extra pay for it. But the wages of star-route carriers are on a basis of unfairness, which I think is something of a shame to the Department. I sympathize with the effort of the Post Office Department to keep down expenses, and I think that Postmaster General Farley and his associates are to be congratulated upon the fact that during the 4 years they have conducted the Post Office Department they have conducted it with a net improvement over the previous 4 years of about $300,000,000; and that is something.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. No. I do not have time just now. If I have time I will yield later.

At the time when the Postmaster General advertises for bids for a star route he publishes the pay that the star-route carrier is then getting, so that everybody who bids knows what the fellow who now has the contract gets for it; and the new bidders bid below that figure. Some bid a little below and some more below, but the practical effect of it is to whittle down the pay, so that the pay of star-route carriers in the United States is little less than a shame, it is so low.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I will yield later if I have time.

I submit my amendment is fair to the Post Office Department and it is almost fair to the star-route carriers. It provides that when a star-route is to be let the Postmaster General, instead of publishing the pay that the star-route carrier is then receiving, he publishes what is fair compensation and figures into that a reasonable wage for the carrier himself, in addition to his other expenses, and it then provides that the Postmaster General shall not accept a bid more than 10 percent under that figure. Now, what is unfair about that? Is it right that the Post Office Department save money on a basis less fair than that?

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. MAY. Due to the increase in business all over the country in the last 4 years the obligations and undertakings of every one of these star-route carriers have multiplied two or three times.

Mr. BIERMANN. That is correct.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. COCHRAN. Will not the gentleman be jeopardizing this legislation by this amendment? In other words, you might be able to get something for the carriers by letting the bill go as it is now, whereas if you add the amendment it might come back as it did before. Why not take what it appears you can get?

Mr. BIERMANN. I cannot say about that, but I know the star-route carriers' representatives do not care very much for this bill as it is. They would almost as soon have nothing as to have the bill in its present form.

Mr. COLLINS. Under the terms of the gentleman's amendment will the announcement be fixed upon a mileage basis by the Post Office Department or will they merely use existing contract figures?

Mr. BIERMANN. That would be a matter for the Postmaster General to decide. Some routes, of course, have several stops, some have one; some routes have bad roads, some routes have good roads. Factors besides mileage should enter into the calculations.

Mr. COLLINS. But it would be a uniform rate per mile throughout the country?

Mr. BIERMANN. My amendment does not so specify.

Mr. COLLINS. Should not the gentleman's amendment direct that?

Mr. BIERMANN. Perhaps it should. I take it for granted, however, that the Postmaster General would know how to establish the cost of the route at fair compensation to the carrier.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. O'MALLEY. What happened to the veto on the other bill that it was not laid before the House?

Mr. BIERMANN. I cannot inform the gentleman. I refer him to the gentleman from New York [Mr. MEAD].

[Here the gavel fell.]

Mr. MEAD. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, answering the gentleman from Wisconsin, I may say that under the rules it is not necessary for the House to act on every veto message.

Mr. O'MALLEY. I realize that.

Mr. MEAD. The veto message and the bill were referred to the Post Office Committee, and it was the judgment of the committee that this bill now under consideration was the very best answer we could make to that suggestion at this time.

Mr. O'MALLEY. In other words, it was the judgment of the committee that it would take out everything to which the President objected in the original bill and the committee reported and brought in this bill? Is that what happened?

Mr. MEAD. The principal reason for the objection of the President was the elimination of competitive bidding. That feature is included in this bill.

Mr. O'MALLEY. Merely as one Member of the House expressing his opinion, I think that the House should be given an opportunity to express itself upon the competitive-bidding feature.

Mr. MEAD. It was not the judgment of the committee. As its chairman, therefore, I had to report the judgment of the committee.

Mr. Speaker, the recommendation of my good friend from Iowa is meritorious and warrants serious consideration, especially from those of us whose duty it is to prepare postal legislation, but to adopt that amendment would merely invite another veto and would likewise result in great hardship to many of the star-route carriers. For example, as my good friend, Mr. HENDRICKS, a member of the committee, pointed out to me a moment ago, there are many men operating star routes who carry passengers and perhaps express also. They traverse the route every day, and incidentally carry the mails. If we were to determine in advance how much it would cost to furnish the equipment necessary for that trip over a long route and to give the employees on that route a fair wage, it would certainly result either in eliminating that star-route carrier, who makes the most of his revenues from passenger and express service, or in compelling the Department to reject his bid. The only eligibles would be those who furnished their own equipment and did nothing but carry the mails. If that were the case, the Post Office Department could estimate a very low rate of pay based upon the most efficient equipment possible, and that would not be in keeping with the ideas of the contractor at all.

I, for one, am very anxious to improve the condition of the star-route carrier. I think it will be agreed that I have at least in some slight measure improved the conditions of those who work in the Postal Service. But I want to accomplish something in this instance; and, therefore, with the support and backing of my committee, including Republican and Democratic members, I want to send a bill to the Senate and to the White House that will really do something for these lowly paid workers and to make a start at least toward the elevation of their present economic status to a higher plane.

Mr. BIERMANN. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I yield.

Mr. BIERMANN. I appreciate what the gentleman has done for the Postal Service. He has been a great friend of the postal employee and has been a fine chairman of the Committee on the Post Office and Post Roads; but I think he either does not understand my amendment or he misinterprets it.

My amendment merely provides that the minimum wage shall be the reasonable cost for transporting the mails over the route. I do not think any Member of this Congress would want any employee of the Government to receive less than a reasonable price for doing his job. We ought not to save Government money by cutting below that figure.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MEAD. I would like to yield, but cannot for the moment. Answering the gentleman from Iowa, I may say that there are so many different kinds of bidders and competitors in the Star Route Service that it would result in nothing if we adopted the gentleman's amendment.

[Here the gavel fell.]

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa [Mr. BIERMANN].

The amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MEAD. Mr. Speaker, having been granted permission to extend my remarks, I insert the following explanations of the four postal bills considered on the Consent Calendar today:

EXPLANATION OF H. R. 7448, A BILL TO PROVIDE FOR EXPERIMENTAL AIR-MAIL SERVICES TO FURTHER DEVELOP SAFETY, EFFICIENCY, AND ECONOMY, AND FOR OTHER PURPOSES

H. R. 7448 authorizes the Postmaster General to provide for experimental services for the development of safety, efficiency, and economy in air-mail transportation, collection, and delivery.

Such service shall be by contract with the lowest acceptable and responsible bidder.

The pilots engaged in these experimental services are protected by a provision in the bill which states that the provisions of the Domestic Air Mail Act shall apply.

This legislation will permit the employment of night flying, without passengers, to try out new instruments, blind flying; also it will permit experiments with pick-up devices, stratosphere flying, autogiro shuttle service.

It is also required that the Postmaster General shall make a report to Congress on his findings in this connection.

H. R. 3149. A BILL FOR THE RELIEF OF THE POSTAL EMPLOYEES

This bill permits the Post Office Department to credit all postal substitutes with the time they are out recovering from injuries received while on duty, so that when they are promoted to regular assignments and assigned to their proper grade, such periods of convalescence will count as part of their service.

The Department's report states that the bill is not in accord with the program of the President. However, the Department also states that the cost of the bill would be negligible. There is no money involved, except that the substitute takes credit for promotion purposes and this time is counted in determining his proper grade when made a regular employee.

H. R. 6167. A BILL TO PROVIDE A SURCHARGE ON CERTAIN AIR MAIL CARRIED IN ALASKA

This bill was introduced at the request of the Post Office Department, and seeks to amend existing law in two respects: (1) For the purpose of making the law apply to the carriage of mails to and from the Territory of Alaska, whereas the existing law applies only to the carriage of mails within the Territory of Alaska; and (2) to permit the fixing, by way of surcharge, by the Postmaster General of rates of postage.

This bill links up with the request of the Post Office Department, while the 1938 Post Office appropriation bill was under discussion this year, for an appropriation for three air-mail routes:

First. Juneau to Whitehorse, Canada. (Foreign route.)

Second. Fairbanks to Whitehorse. (Foreign route.)

Third. Tanacross to Seward, via Cordova, Valdez, and Anchorage. (Domestic route, but would connect with the foreign route from Whitehorse at Tanacross.)

Air-mail service in Alaska is now contracted for under the star-route appropriation, and postage is at the regular letter, newspaper, and parcel-post rates. They do not even get the 6-cent domestic air-mail rate because the contracts are let under the title of star-route service. There are two air-mail routes, operated during the winter months, one from Fairbanks to Nome—this service used to take 25 days by dog sled; now it takes only 3 or 4 hours by air—and the other from Fairbanks to Bethel—this service used to take 30 days; now, only 6 or 7 hours. Dog-team routes branch out into the interior from these air routes. During the summer the people are served by boat, and the air-mail contracts are therefore let only for the winter months. The planes are packed to capacity with catalogs, parcels, bulk mail, and so forth. There is no room for passengers or anything else which would help the operators to meet expenses and, therefore, in bidding they have to charge the Government a high rate.

Air traffic in Alaska is rapidly increasing. Canada is encouraging passenger, air mail, express, freight service, and so forth.

Under present conditions the Department has to carry all classes of mail on the planes. Under the proposed bill the surcharge would result in the unimportant mail going by boat and the important mail by air at the higher rate of postage. This would leave room for passengers and the development of commercial air service, and would also reduce the cost to the Government.

The Post Office Department has been informed that Alaska is eager to have this service and is willing to pay the proposed surcharge.

H. R. 7879. TO PROVIDE ADDITIONAL COMPENSATION TO STAR-ROUTE CARRIERS FOR NECESSARY INCREASED MILEAGE, AND FOR OTHER PURPOSES

This bill is to replace H. R. 4408 which was vetoed by the President because it permitted renewal of star-route contracts.

The new bill eliminates the renewal feature, but does contain all the other unobjected-to provisions of the old bill.

It provides that the Postmaster General shall allow extra pay to star-route carriers for detours involving extra mileage, caused by obstruction of roads, destruction of bridges, or discontinuance of ferries. The extra pay shall be in proportion to the contract rate.

When there is a change in schedule which will keep the contractor away from the initial terminal longer than was contemplated when the route was advertised, the contractor is permitted to give up his route if he wishes to do so, and it will then be readvertised.

The Postmaster General may also readvertise the route if such change in schedule shortens the time of travel.

There is also a residential requirement in the bill whereby bidders must be legal residents of the county or counties traversed by the star routes, or of the adjoining counties.

PER-DIEM PAYMENTS FOR KLAMATH DELEGATES

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which the bill (H. R. 5975) establishing per-diem payments in lieu of compensation and expenses for members of Klamath business committee and official Klamath delegates to Washington was passed, in order that an amendment may be offered to make it conform to an amendment already offered to the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, what amendment is the gentleman going to offer?

Mr. COSTELLO. I may say an amendment was offered to the bill whereby the $8 figure was changed in one place and not in another place in the bill. The amendment I shall offer will make the bill read uniformly in both instances.

Mr. O'MALLEY. Was an amendment offered striking out the provision with respect to the necessity for the approval by the Indian Bureau of these delegates?

Mr. COSTELLO. A committee amendment was offered.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, beginning with the fiscal year ending June 30, 1937, is hereby authorized and directed to pay, out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States, to official delegates of that tribe, whenever on business at the seat of government, and to members of the business committee and officers of the general council of said tribe whenever actually engaged upon tribal business, a per diem to be approved by the tribal council of said tribe, or its authorized business committee, not, however, to exceed $8, in lieu of all other compensation and expenses: *Provided*, That official delegates of the tribe on business at the seat of government shall also receive the usual railroad transportation to and from the seat of government, which the Secretary of the Interior is also authorized and directed to pay, out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Interior or such official as may be designated by him is hereby authorized beginning July 1, 1937, to pay, out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States, to members of the business committee, and to officers of the general council when engaged on business of the tribe, and to such official delegates who may carry on the business of the tribe at the seat of government, a per diem not to exceed $8 in lieu of all other compensation and expenses: *Provided*, That the official delegates of the tribe on business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government: *Provided further*, That the rate of per diem paid not to exceed $8 shall be approved in advance by the tribal council of said tribe or its authorized business committee: *Provided further*, That the length of stay of the official delegates at the seat of government shall be determined and fixed by the Commissioner of Indian Affairs."

Mr. HILL of Washington. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HILL of Washington: Page 2, line 23, after the word "exceed", strike out "$8" and insert in lieu thereof "$5 for expenses and $3 for salary."

The amendment to the committee amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO to the committee amendment: Page 2, line 18, strike out "$8" and insert in lieu thereof "$5 for expenses and $3 for salary."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SECTION 243 OF THE PENAL CODE OF THE UNITED STATES

The Clerk called the next bill, H. R. 5812, to amend section 243 of the Penal Code of the United States, as amended by the act of June 15, 1935 (49 Stat. 378), relating to the marking of packages containing wild animals and birds, and parts thereof.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 243 of the act of March 4, 1909, entitled "An act to codify, revise, and amend the penal laws of the United States", as amended by section 201 of the act of June 15, 1935 (49 Stat. 378), is hereby amended so as to read as follows:

"SEC. 243. All packages or containers in which wild animals or birds and the dead bodies and parts thereof, and the eggs of any such birds, are shipped, carried, transported, or conveyed by any means whatever from any State, Territory, or the District of Columbia to, into, or through another State, Territory, or the District of Columbia or to a foreign country shall be plainly and clearly marked, labeled, or tagged on the outside thereof so as to show the names and addresses of the shipper and of the consignee: *Provided*, That the provisions of any treaty or convention to which the United States is a party or any law or regulation thereunder in conflict herewith shall control the marking or labeling of packages and containers of migratory birds, and the dead bodies, parts, and eggs thereof included in such treaty or convention."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPE HATTERAS NATIONAL SEASHORE, N. C.

The Clerk called the next bill, H. R. 7022, to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That when title to all the lands, except those within the limits of established villages, within boundaries to be designated by the Secretary of the Interior within the area of approximately 100 square miles on the islands of Chicamacomico, Ocracoke, Bodie, Roanoke, and Collington, and the waters and the lands beneath the waters adjacent thereto shall have been vested in the United States, said area shall be, and is hereby, established, dedicated, and set apart as a national seashore for the benefit and enjoyment of the people and shall be known as the Cape Hatteras National Seashore.

SEC. 2. The Secretary of the Interior is hereby authorized to accept donations of land, interests in land, buildings, structures, and other property, within the boundaries of said national seashore as determined and fixed hereunder and donations of funds for the purchase and maintenance thereof, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided*, That he may acquire on behalf of the United States under any donated funds by purchase, when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the act of August 1, 1888, such tracts of land within the said national seashore as may be necessary for the completion thereof.

SEC. 3. The administration, protection, and development of the aforesaid national seashore shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act of August 25, 1916 (39 Stat. 535), entitled "An act to establish a National Park Service, and for other purposes", as amended: *Provided*, That nothing herein shall be construed to divest the jurisdiction of other agencies of the Government now exercised over Federal-owned lands within the area of the said Cape Hatteras National Seashore: *Provided further*, That the provisions of the act of June 10, 1920, known as the "Federal Water Power Act", shall not apply to this national seashore: *And provided further*, That the legal residents of villages referred to in section 1 of this act shall have the right to earn a livelihood by fishing within the boundaries to be designated by the Secretary of the Interior, subject to such rules and regulations as the said Secretary may deem necessary in order to protect the area for recreational use as provided for in this act.

SEC. 4. Except for certain portions of the area, deemed to be especially adaptable for recreational uses, particularly swimming, boating, sailing, fishing, and other recreational activities of similar nature, which shall be developed for such uses as needed, the said area shall be permanently reserved as a primitive wilderness and no development of the project or plan for the convenience of visitors shall be undertaken which would be incompatible with the preservation of the unique flora and fauna or the physiographic conditions now prevailing in this area: *Provided*, That the Secretary of the Interior may, in his discretion, accept for administration, protection, and development by the National Park Service title to a minimum of 10,000 acres within the area described in section 1 of this act, including the existing Cape Hatteras State Park, and, in addition, title to any other portions of the area described in section 1 hereof subject to the agreement by the State of North Carolina that if all the lands described in section 1 of this act shall not have been conveyed to the United States within 10 years from the date of the passage of this act, the establishment of the aforesaid national seashore may, in the discretion of the said Secretary, be abandoned, and, in the event of such abandonment, the said State shall accept a reconveyance of title to it by the Secretary of the Interior who is hereby authorized to execute an appropriate deed or deeds for said purpose on behalf of the United States of America.

With the following committee amendments:

Page 2, line 4, after the word "seashore", insert a colon and the following:

"*Provided*, That the United States shall not purchase by appropriation of public moneys any lands within the aforesaid area, but such lands shall be secured by the United States only by public or private donation."

Page 4, strike out all of lines 6 to 15 and the word "America" in line 16 and insert the following: "If the State of North Carolina shall agree that if all the lands described in section 1 of this act shall not have been conveyed to the United States within 10 years from the passage of this act, the establishment of the aforesaid national seashore may, in the discretion of the said Secretary, be abandoned, and that, in the event of such abandonment, the said State will accept a reconveyance of title to all lands conveyed by it to the United States for said national seashore. The lands donated to the United States for the purposes of this act by parties other than said State shall revert in the event of the aforesaid abandonment to the donors, or their heirs, or other persons entitled thereto by law.

"In the event of said abandonment, the Secretary of the Interior shall execute any suitable quitclaim deeds, or other writings entitled to record in the proper counties of North Carolina stating the fact of abandonment, whereupon title shall revert to those

entitled thereto by law and no further conveyance or proof of reversion of title shall be required."

The committee amendments were agreed to.

Mr. WARREN. Mr. Speaker, I offer an amendment defining "jurisdiction", which has been approved by the Department of Agriculture and the Department of the Interior, as well as by the chairman of the committee.

The Clerk read as follows:

Amendment offered by Mr. WARREN: Page 3, line 2, after the word "that", insert "except as hereinafter provided."

Page 4, line 2, strike out the words "title to", and in lines 4 and 5, strike out the words "title to."

Page 5, after section 4, add a new section, as follows:

"SEC. 5. Notwithstanding any other provisions of this act, lands and waters now or hereafter included in any migratory-bird refuge under the jurisdiction of the Secretary of Agriculture, within the boundaries of the national seashore, as designated by the Secretary of the Interior under section 1 hereof, shall continue as such refuge under the jurisdiction of the Secretary of Agriculture for the protection of migratory birds, but such lands and waters shall be a part of the aforesaid national seashore and shall be administered by the National Park Service for recreational uses not inconsistent with the purposes of such refuge and under such rules and regulations as the Secretaries of the Interior and Agriculture may jointly approve. The proviso to section 1 of this act shall not limit the power of the Secretary of Agriculture to acquire lands for any migratory-bird refuge by purchase with any funds made available therefor by applicable law."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITIZENSHIP STATUS OF CERTAIN PERSONS BORN IN PUERTO RICO

The Clerk called the next bill, H. R. 4275, to correct United States citizenship status of certain persons born in Puerto Rico, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, and I am going to be compelled to object to this bill because it is the type of bill that merits more discussion and consideration than may be obtained under the present procedure.

Mr. LANZETTA. Mr. Speaker, this is a bill to correct the citizenship status of certain persons who were born in Puerto Rico on or after April 11, 1899. Under the treaty of peace which terminated the Spanish-American War, Spanish subjects were given the right to elect on or before April 11, 1900, whether they desired to continue their allegiance to Spain or become American nationals.

The persons who come under this bill are the children of those Spanish subjects who elected to continue as Spanish citizens. These persons, notwithstanding their birth on American territory, stood to lose their rights as American nationals because of the act of their parents over which they had no control, were it not for the act of March 2, 1917, which gave them the right upon reaching their majority to choose whether they desired to be American citizens. While most of the children of those parents who chose to continue as Spanish subjects took advantage of this legislation, a limited number failed to comply with the law and never did become American citizens. These few persons, because of their ignorance of the law and because of misunderstanding, have been under the impression that they were American citizens and have exercised the rights and privileges and performed the duties as such. It is for their benefit that this legislation is proposed.

Mr. O'MALLEY. How many people are involved?

Mr. LANZETTA. There are from 200 to 400 or 500 people who will benefit by this legislation. As I have already stated, these men and women have been performing the duties of American citizens and have been voting in general elections. This amendment to the act of March 2, 1917, is necessary to correct their status.

Mr. O'MALLEY. The gentleman states there are 200 people involved?

Mr. LANZETTA. From 200 to 500 people are involved.

Mr. O'MALLEY. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a new section is hereby inserted between sections 5b and 6 of the act entitled "An act to provide a civil government for Porto Rico, and for other purposes", approved March 2, 1917, as amended, as follows:

"SEC. 5c. That any person born in Puerto Rico on or after April 11, 1899, who has continued to reside within the jurisdiction of the United States, whose father elected on or before April 11, 1900, to preserve his allegiance to the Crown of Spain in accordance with the provisions of the treaty of peace between the United States and Spain entered into on April 11, 1899, and who, by reason of misinformation regarding his or her own citizenship status failed within the time limits prescribed by section 5 or section 5a hereof to exercise the privilege of establishing United States citizenship and has heretofore erroneously but in good faith exercised the rights and privileges and performed the duties of a citizen of the United States, and has not personally sworn allegiance to any foreign government or ruler upon or after attainment of majority, may make a sworn declaration of allegiance to the United States before any United States district court. Such declaration shall set forth facts concerning his or her birth in Puerto Rico, residence within the jurisdiction of the United States, and misinformation regarding United States citizenship status, and shall be accompanied by proof thereof satisfactory to the court. After making such declaration such person shall be considered a citizen of the United States."

With the following committee amendments:

Page 1, line 7, after the word "person", insert "of good character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States, and."

Page 2, line 17, after the words "Puerto Rico", insert "good character, attachment to the principles of the Constitution of the United States, and being well disposed to the good order and happiness of the United States."

Page 2, line 23, strike out the words "such persons" and insert "and submitting such proofs, such person shall be admitted to take the oath of allegiance before the court, and thereupon."

The committee amendments were agreed to.

Mr. LANZETTA. Mr. Speaker, at this time I wish to correct a statement in the report on page 2 to the effect that about 6,000 residents of Puerto Rico are involved. This statement is incorrect and should be that approximately 200 to 500 persons are involved.

Mr. O'MALLEY. Mr. Speaker, I withdrew my objection on the statement of the gentleman that this would not affect more than 200 to 500 people who would be eligible for citizenship if this bill passed.

Mr. LANZETTA. That is right.

Mr. O'MALLEY. The committee report states that 6,000 residents are involved.

Mr. LANZETTA. No; that is incorrect.

Mr. IGLESIAS. That was true 40 years ago, but not today.

Mr. O'MALLEY. Today there are how many?

Mr. IGLESIAS. Today there are about 200.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend in the RECORD my remarks on the bills from the Committee on the Post Office and Post Roads which have just been passed.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the request of the gentleman from New York?

There was no objection.

TERMS OF OFFICE OF SENATORS AND REPRESENTATIVES OF PUERTO RICO

The Clerk called the next bill, H. R. 1486, to amend section 30 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes."

Mr. O'MALLEY. Mr. Speaker, I object.

JUDICIARY OF PUERTO RICO

The Clerk called the next bill, H. R. 1485, to amend section 40 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes."

Mr. THURSTON. Mr. Speaker, reserving the right to object, I want to explain the reasons for my opposition to this measure.

The Committee on Insular Affairs, of which I am a member, has been informed that the laws of Puerto Rico do not require that cases involve any certain amount before an appeal can be taken from a trial court to the supreme court, and because of this lack of limitation, there are many cases brought to the appellate court which involve very small sums of money or questions of little consequence. In my State of Iowa, and I undertake to say in the other 47 States of the Union, a certain amount must be in controversy in a case before an appeal may be taken from a trial court to an appellate court. Usually this sum is approximately $100. The Governor of Puerto Rico and his assistants, who appeared before the committee in support of this proposal, agreed that about one-fourth or one-fifth of the cases brought on appeal in Puerto Rico involved less than $100; that many minor cases were appealed. Therefore, if the insular assembly should make some reasonable provision with reference to the amount in controversy before an appeal could be made, automatically the supreme court docket would be reduced in the same proportion. This being the situation, the Congress should protect the taxpayers and the people of Puerto Rico from adding to the pay roll two additional judges at $10,000 a year with clerical assistants, when a change in their own statutes, fixing a reasonable appeal limit, would obviate the necessity of adding these two judges.

Mr. SACKS. Mr. Speaker, will the gentleman yield?

Mr. THURSTON. I yield to the gentleman from Pennsylvania.

Mr. SACKS. The gentleman realizes that the chief justice of the supreme court of Puerto Rico, Emilio del Toro, and all the associate justices, want this measure passed, and also that in 1904 there were only 237 cases appealed, whereas today there are close to 800 cases appealed annually, which means that each judge must write 130 or more opinions each year?

Mr. THURSTON. Mr. Speaker, I decline to yield further.

That is true, I may say to the gentleman, but probably the judges of the supreme court in many States in the Union may want additional judges, to lessen their duties. I grant that the chief justice of the supreme court, Emilio del Toro, is an eminent and learned jurist, with high attainments in jurisprudence, but nevertheless, if these appeals were lessened through a limitation passed by the Assembly of Puerto Rico, these two additional justices would not be needed. We are all interested in the welfare of the fine people in Puerto Rico, therefore, we should not burden them with public expenditures which are not necessary.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. THURSTON. Mr. Speaker, I am compelled to insist upon my objection.

AMERICAN ISLAND, S. DAK.

The Clerk called the next bill, S. 1266, to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That nothwithstanding the provisions of section 21, as amended, of the act entitled "An act to divide a portion of the reservation of the Sioux Nation of Indians in Dakota into separate reservations and to secure the relinquishment of the Indian title to the remainder, and for other purposes", approved March 2, 1889, the city of Chamberlain, S. Dak., is authorized, for the purpose of maintaining, developing, and policing American Island, S. Dak., to construct, equip, and maintain a tourist camp and tourist cabins on such island and to charge for the use thereof; to operate and maintain amusement, recreational, and athletic facilities on such island, to charge for admission thereto, and to collect reasonable fees for any concessions granted in connection with amusement, recreational, and athletic entertainments; to lease to Girl Scout and Boy Scout organizations such grounds and quarters on such island as may be necessary for their encampments; and to maintain improvements placed on such island by or in cooperation with the National Park Service: *Provided*, That all enterprises operated on American Island shall be owned and operated by the city of Chamberlain and all profit derived therefrom shall be maintained by such city in a separate fund, which shall be used exclusively for the maintenance, development, and policing of such island.

With the following committee amendment:

Page 2, line 17, after the word "Island", insert a colon and the following: *"Provided further*, That this act shall become effective only after the city of Chamberlain makes regulatory provision to carry out the terms of the act and after such regulations have been certified to the Secretary of the Interior."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMUSEMENT AND RECREATIONAL FACILITIES, FARM ISLAND, S. DAK.

The Clerk called the next bill, S. 1047, to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities, to charge for the use thereof, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 21, as amended, of the act entitled "An act to divide a portion of the reservation of the Sioux Nations of Indians in Dakota into separate reservations and to secure the relinquishment of the Indian title to the remainder, and for other purposes", approved March 2, 1889, the city of Pierre, S. Dak., is authorized, for the purpose of maintaining, developing, and policing Farm Island, S. Dak., to construct, equip, maintain, and operate on such island dance pavilions, merry-go-rounds, ferris wheels, ball parks, and other amusement or recreational facilities, and to charge for admission thereto; to construct, equip, and maintain tourist cabins on such island and to charge for the occupancy thereof; to lease up to 100 plats of land in such island of not more than 2 acres each for the erection thereon of private cottages; to require the registration of vehicles entering such island and to charge a fee therefor based upon a single entry or upon the privilege of entering such island for the period of a year; to lease to Girl Scout and Boy Scout organizations such grounds and quarters on such island as may be necessary for their encampments; and to sell beer on such island in compliance with the laws of the State of South Dakota. The carriage, sale, or gift on such island of any alcoholic beverages other than beer is hereby prohibited and such city is further authorized for the purpose of detecting and preventing the carriage of such beverages, to provide for the reasonable inspection of persons and vehicles on such island.

SEC. 2. All enterprises operated on Farm Island shall be owned and operated by the city of Pierre, and all funds derived from such charges, fees, leases, and sales shall be maintained by the city in a separate fund and shall be used exclusively for the purpose of maintaining, developing, and policing Farm Island.

SEC. 3. Farm Island is hereby designated a wild-game refuge. The carriage of firearms on such island by any person other than an official of such city, the State of South Dakota, or the United States, and the hunting, pursuing, poisoning, killing, or capturing by trapping, netting, or any other means or attempting to hunt, pursue, kill, or capture any wild animal or bird for any purpose whatever, within the limits of such island, shall be unlawful. However, it shall be lawful that shotguns may be taken onto the island by members of the Izaak Walton League, or any regularly organized local gun club for the purpose of participating in trapshooting and skeetshooting conducted by such Izaak Walton League or official gun club under such regulations as the city commission of Pierre might adopt.

SEC. 4. Whoever violates any provision of this act shall, upon conviction thereof, be fined not more than $500 or imprisoned not more than 6 months, or both.

With the following committee amendments:

Page 2, line 15, after the word "South", strike out the remainder of the line and all down to and including line 20, and insert "Dakota: *Provided*, That this authorization shall be effective only when the city of Pierre or the State legislature shall enact and maintain regulatory provisions of the kind set out in sections 2, 3, 4, and 5 of this act, in modification of the conditions contained in the act of March 2, 1889 (25 Stat. L. 888, 897), relating to the purposes for which the said Farm Island may be used; and that until such enactment is certified to the Secretary of the Interior, no part of this act shall be in effect."

Page 2, line 20, strike out "Sec. 2" and insert "Sec. 3."

Page 3, line 1, strike out "Sec. 3" and insert "Sec. 4."

Page 3, line 15, strike out "Sec. 4" and insert "Sec. 5."

Page 2, after section 1, insert the following section, to be known as section 2:

"SEC. 2. The carriage, sale, or gift, on such island of any alcoholic beverages other than beer is hereby prohibited and such city is further authorized, for the purpose of detecting and preventing the carriage of such beverages, to provide for the reasonable inspection of persons and vehicles on such island."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALTERATIONS AND REPAIRS TO CERTAIN NAVAL VESSELS

The Clerk called the next bill, H. R. 7560, to authorize alterations and repairs to certain naval vessels, and for other purposes.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the request of the gentleman from California?

There was no objection.

PROCUREMENT OF DIVORCES IN FOREIGN COUNTRIES

The Clerk called the next bill, H. R. 6961, to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That every written or printed card, circular letter, book, pamphlet, advertisement, or notice of any kind, giving or offering to give information concerning where or how or through whom a divorce may be secured in a foreign country, and designed to solicit business in connection with the procurement thereof, is hereby declared to be nonmailable matter and shall not be conveyed in the mails or delivered from any post office or by any letter carrier. Whoever shall knowingly deposit, or cause to be deposited, for mailing or delivery, anything declared by this section to be nonmailable, or shall knowingly take or cause the same to be taken from the mails for the purpose of circulating or disposing thereof, shall be fined not more than $5,000 or imprisoned for not more than 5 years, or both.

SEC. 2. Nothing herein contained shall be construed to preclude criminal prosecution under the provisions of section 338, title 18, United States Code (Criminal Code, sec. 215), in any case in which the mails are used by any person in furtherance of any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MINIMUM-WAGE COMPACT

The Clerk called the next joint resolution, House Joint Resolution 321, granting the consent of Congress to the minimum-wage compact ratified by the Legislatures of Massachusetts, New Hampshire, and Rhode Island.

Mr. FISH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New Hampshire [Mr. TOBEY] to explain this resolution to the House, because it may be it should be extended to other States.

Mr. TOBEY. Mr. Speaker, I am very pleased to meet the request of the gentleman from New York, and I call the attention of the gentleman and the House to the fact that this is the first interstate compact on labor legislation ever brought before the Congress. Last year a similar measure was introduced by me, and it passed the House, but failed to pass in the Senate before adjournment.

The compact provides that no employer shall pay a woman or a minor under 21 years of age an unfair or oppressive wage. It sets up an administrative agency in each State to be appointed by the Governor and further provides for a continuing unpaid commission representing labor, the employer, and the public to deal with other States which are parties concerning questions arising under the compact and its operations. It constitutes an effort to secure uniform standards in all States which are parties to the compact.

The bill is entirely constructive. It has no conflict with any other labor legislation pending in Congress now to cover minimum wages. Testimony to this effect was given by Senator BLACK in his unanimous report on the bill when it was reported to the Senate. The measure has the unanimous approval of the House Judiciary Committee and the subcommittee of that committee was headed by our friend, the gentleman from Massachusetts [Mr. HEALEY], who has given splendid support to the resolution as has his colleague from Massachusetts [Mr. MCCORMACK].

As to whether the scope of the measure should be broadened or not, this compact was signed by the Governors of five of the New England States, or their representatives, all save Vermont, and was signed also by New York and Pennsylvania. The compact has subsequently been ratified by the Legislatures of Massachusetts, New Hampshire, and Rhode Island in the order named. It is an open form of compact and when it shall be ratified by the Congress and signed by the President, it will be in force in the States that have ratified it.

Mr. FISH. Could New York State still ratify the compact after the action of Congress in the matter?

Mr. TOBEY. At any time; yes. There is a clause in the compact which gives them that privilege and makes it effective when and if they do.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. HEALEY. Under the form of the act any other States that are signatories to this compact may come in at any time that their legislature may ratify the act?

Mr. TOBEY. The gentleman is correct.

Mr. BEITER. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. I yield.

Mr. BEITER. Does it require an act of Congress to amend the compact in that respect?

Mr. TOBEY. No; it is provided in the compact that when and if New York or any other signatory State comes in and ratifies the compact, it becomes a part of the compact.

Mr. BEITER. And no further legislation by Congress is required?

Mr. TOBEY. No.

Mr. MCCORMACK. Mr. Speaker, will the gentleman yield?

Mr. TOBEY. Yes.

Mr. MCCORMACK. This constitutes a very sound, constructive, and progressive use of the compact provision of the Constitution.

Mr. TOBEY. I agree with the gentleman from Massachusetts and point out that this legislation is most timely. It aims to prevent unfair competition between States having common industrial problems. It raises the standards of labor among women and children, and is a sincere effort to abolish sweatshop conditions and to safeguard the health and welfare of women and minors, and to guarantee them fair and just wages.

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That the compact for establishing uniform standards for conditions of employment, particularly with regard to the minimum wage, in States ratifying the same, which was signed in Concord, N. H., on May 29, 1934, by representatives of the Governors of Maine, New Hampshire, Connecticut, Massachusetts, Rhode Island, New York, and Pennsylvania, and which was ratified by the Legislature of Massachusetts on June 30, 1934, by the Legislature of New Hampshire on May 29, 1935, and by the Legislature of Rhode Island on May 1, 1936, is hereby approved and declared to be effective in said States in accordance with the terms thereof, and hereafter in such States as may at any time ratify the same, which compact is as follows:

COMPACT FOR ESTABLISHING UNIFORM STANDARDS FOR CONDITIONS OF EMPLOYMENT, PARTICULARLY WITH REGARD TO THE MINIMUM WAGE, IN STATES RATIFYING THE SAME

TITLE I. POLICY AND INTENT

Whereas enforcement among the industrial States of the Union of reasonably uniform standards for labor in industry, determined in accordance with the general welfare, would not only benefit labor but would be of real advantage to employers, removing the pressure toward low wages, long hours of work, exploitation of minors and women, and similar action commonly admitted to be injurious to all concerned; and

Whereas the advantages of such uniform standards have already been indicated by the operation of the National Industrial Recovery Act and the codes of fair competition adopted thereunder; and

Whereas such operation points to the desirability of continued uniform legislation affecting labor standards, by Federal action or

otherwise, and of joint action by the States to establish such uniform standards; and

Whereas the establishment of reasonably uniform standards in States concerned with the same general fields of industry and competitors in the same markets will afford the advantages of stability in labor legislation to all concerned, with disadvantage to none: Now, therefore,

The States whose commissioners have signed this compact and which have, by their legislature, ratified the same, acting to promote the general welfare of the people, do hereby join in establishing the said compact to provide uniform minimum standards affecting labor and industry in the said States: *Provided, however,* That nothing herein contained shall be construed as abrogating, repealing, modifying, or interfering with the operation of laws already in effect in any State party hereto which establish standards equivalent to or above those herein specified, nor to prevent or discourage the enactment of additional laws establishing similar or higher standards; nor shall anything herein contained repeal or affect any laws concerning conditions of employment that are not in conflict herewith or that deal with subjects not included herein: *And provided further,* That no part of any title of this compact nor of any legislation adopted in pursuance thereof, except as may be expressly specified in such title or in such legislation, shall be in effect in any State party hereto until this compact shall have been approved as provided in section 6 of title II, but whenever title I and II hereof and any other title included herein are so approved and ratified, such titles shall be in full force and effect as laws of the States so approving and ratifying the same.

TITLE II. GENERAL PROVISIONS

SECTION 1. Each State party to this compact shall require its administrative agency or agencies charged with the administration and enforcement of this compact and of State laws relating thereto to make comprehensive and detailed reports concerning the operation and administration of said compact and laws. Such agency shall report at least once each year and shall send copies of such report to the interstate commission established under the following section, to the Governors of the several ratifying States, and to the appropriate administrative agencies in such States.

SEC. 2. Each State party hereto shall make provision for a continuing unpaid commission representing industry, labor, and the public, and appointed by the Governor of said State, to deal with the other ratifying States concerning questions arising under this compact and the operation of the same within the limits of their respective States. The chairman of such State commission shall be designated by the Governor and shall be the representative of his State on an interstate commission which shall be composed of the representatives so designated by the several States parties to this compact. The Governors of the signatory States shall request the President of the United States to appoint a representative of the Federal Government to the interstate commission. The expenses of the interstate commission shall be shared equally by the States ratifying this compact. The interstate commission shall annually makes a report of its activities and shall furnish copies to the Governors of the ratifying States and to the permanent commissions of such States.

SEC. 3. Should any question arise on the part of one or more of the States ratifying this compact, concerning a matter involved in said compact or in any State law adopted in pursuance thereof, then such question shall be brought before the said interstate commission for consideration. Said interstate commission shall make any necessary investigations, shall publish its findings and any recommendations and shall furnish copies of such findings and recommendations to the State commissions in each State party to this compact.

SEC. 4. If any ratifying State should desire a modification of any provision or provisions of this compact, or a revision of the entire compact, or if for any reason it should become desirable to extend the scope of said compact, the aforesaid interstate commission shall, upon the application of one or more of the ratifying States, and after 30 days' notice to the Governors and State commissions of the other States, proceed to consider such application and the reasons advanced for the proposed modification or revision and shall make such recommendations to the ratifying States concerning the same as may seem fitting and proper. Whenever said modification, revision, or extension is ratified in the manner prescribed in section 6 of this title for the ratification of this original compact and the Congress of the United States has consented thereto, then such modification, revision, or extension shall be in full force and effect in the States ratifying the same.

SEC. 5. Each State party to this compact agrees that it will not withdraw therefrom until it has reported to the interstate commission the reasons for its desire to withdraw. The interstate commission shall, upon receipt of such report, investigate the situation and shall, within 6 months, submit its recommendations. If the State still desires to withdraw from the compact, it shall defer such action for 2 years from the date of the findings of the interstate commission.

SEC. 6. Upon ratification by the legislative act of the requisite number of States as specified in subsequent titles of this compact, and with the consent of the Congress of the United States, this compact shall be in full force and effect in the States ratifying the same. Each State so ratifying shall forthwith enact necessary and suitable legislation to establish and maintain the minimum standards set forth in the following title or titles and shall make provision for the continuing State commission required by section 2 of this title. The appropriate administrative agencies of each State shall thereafter enforce and supervise the operation of the laws relating to this compact and the laws enacted to make the provisions of said compact effective.

SEC. 7. Any State may at any time become a party to this compact by taking the action required by the preceding section of this title to ratify the same, subject to the consent of the Congress of the United States.

SEC. 8. If any part of this compact or the application thereof to any person or circumstance should be held to be contrary to the constitution of any ratifying State or of the United States, all other separable parts of said compact and the application of such parts to other persons or circumstances shall continue to be in full force and effect.

TITLE III. MINIMUM WAGE

SECTION 1. No employer shall pay a woman, or a minor under 21 years of age, an unfair oppressive wage.

SEC. 2. The State agency administering the minimum-wage law enacted in conformity with this compact shall have authority to investigate the wages of women and minors; to appoint wage boards, upon which employers, employees, and the public shall have equal representation, for the purpose of recommending minimum fair wage rates for women and minors; and, after a public hearing, to enter directory orders based on the determinations of the wage boards, together with such administrative rulings as are appropriate to make the determinations effective; and may have further authority, without the agency of a wage board, to enter such orders in the case of occupations with less than a specified number of employees.

SEC. 3. The State administrative agency and the wage boards appointed by such agency shall have authority to administer oaths and to require by subpena the attendance and testimony of witnesses and the production of records relative to the wages of women and minors.

SEC. 4. The State administrative agency shall have further authority to inspect to determine compliance with its orders; to publish the names of employers violating a directory order; and, after a directory order has been in effect for a specified period, to make such order mandatory after a public hearing thereon. Such mandatory order shall carry a penalty of fine, imprisonment, or both. Said agency shall have authority to reconvene wage boards or to form new wage boards for the purpose of modifying wage orders. It shall have authority at any time on its own motion to modify administrative regulations after a public hearing thereon.

SEC. 5. The State administrative agency shall have authority to issue special licenses to employees who, by reason of physical or mental condition are incapable of earning the minimum fair-wage rate established for the occupation in which they are employed. Said agency shall have authority to take assignment of wage claims at the request of women or minor employees paid less than the minimum wage to which they are entitled under a mandatory order, and to bring legal action necessary to collect such claims. Such employees shall be authorized, under the statute, to recover by civil action the full amount to which they are entitled under a mandatory fair-wage order.

SEC. 6. Employers subject to the minimum-wage law enacted in conformity herewith shall be required to keep specified records, including the names, addresses, occupations, hours, and wages of the women and minors in their employ; to permit the inspection and transcript of such records by the State administrative agency and its authorized representatives; and upon request, to furnish said agency with a sworn statement of the same. Employers shall further be required to post and maintain the notices regarding wage orders issued by the State administrative agency.

SEC. 7. Each minimum-wage law so enacted shall contain provisions for appeal to the courts on questions of law by persons aggrieved by the decisions of said agency. Said law shall also contain a provision to the effect that in no case shall wage orders or decrees entered under a previously existing law be nullified until the provisions of the law enacted in conformity herewith have become operative and until new wage orders covering the same occupations have been entered and made effective.

SEC. 8. Each minimum-wage law enacted in conformity herewith shall contain a saving clause to the effect that if any provisions of such law or its application be held invalid, the remainder of the law and its application elsewhere shall not be affected thereby.

SEC. 9. Mandatory fair-wage legislation now in effect in any of the signatory States, and such legislation in course of passage in any of such States as is in conformity with the provisions of this compact, is hereby declared to meet the minimum standards required by this compact.

SEC. 10. This compact as applied to minimum wage shall, when ratified by two or more States in accordance with the provisions of section 6 of title II, be in full force and effect in the States so ratifying the same.

In witness whereof the commissioners of the States of Connecticut, Maine, New Hampshire, New York, Rhode Island, and of the Commonwealths of Massachusetts and Pennsylvania have signed this compact in a single original which shall be deposited in the archives of the Department of State of the United States of America at Washington, D. C., and of which a duly certified copy shall be forwarded to the Governor of each of the signatory States.

Done at Concord, N. H., this 29th day of May, in the year of our Lord 1934.

(Signed by members of commissions and by delegates of the States of Connecticut, Maine, New Hampshire, New York, Rhode Island, and the Commonwealths of Massachusetts and Pennsylvania.)

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROMOTION OF EMPLOYEES, CUSTOMS FIELD SERVICE

The Clerk called the bill (H. R. 7948) providing for the promotion of employees in the Customs Field Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That each employee in the Customs Field Service (except those whose promotion is provided for by section 3 of this act) shall, at the beginning of each fiscal year, if such employee has rendered satisfactory service throughout the preceding fiscal year, be promoted to the next higher rate of compensation prescribed for the grade or class to which his position is allocated. No employee shall receive an increase in compensation under the terms of this act if such employee has during the preceding fiscal year received an increase in the rate of his compensation other than one prescribed by this act. No provision of this act shall be construed to prevent the promotion of any employee at any time to a vacant position in a higher grade or class, and when so promoted such employee shall receive compensation at the rate fixed by law for such grade or class. Nothing herein contained shall operate to reduce the compensation of any employee in the Customs Field Service.

SEC. 2. Section 1 (a) and 1 (c) of the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended (U. S. C., 1934 ed., title 19, sec. 6 (a)) are amended to read as follows:

"(a) Laborers, $1,440; $1,500; $1,560; $1,620; $1,680."

"(c) Clerks, entrance salary, $1,700; clerks having 1 year's satisfactory service, $1,800; clerks having 2 years' satisfactory service, $1,900; clerks having 3 years' satisfactory service, $2,000; clerks having 4 years' satisfactory service, $2,100; clerks having 5 years' satisfactory service, $2,200; clerks having 6 years' satisfactory service, $2,300."

SEC. 3. Section 1 (e) of such act of May 29, 1928, as amended, is amended to read as follows:

"(e) Inspectors shall be classified in 13 grades, as follows:

"Grade 1, salary $2,100; grade 2, salary $2,200; grade 3, salary $2,300; grade 4, salary $2,400; grade 5, salary $2,500; grade 6, salary $2,600; grade 7, salary $2,700; grade 8, salary $2,800; grade 9, salary $2,900; grade 10, salary $3,000; grade 11, salary $3,100; grade 12, salary $3,200; grade 13, salary $3,300.

"Hereafter inspectors shall be promoted to grades 2, 3, 4, 5, 6, and 7, at the beginning of each fiscal year following 1 year's satisfactory service in grades 1, 2, 3, 4, 5, and 6, respectively; not to exceed 50 percent of the force to grades 8, 9, 10, 11, 12, and 13 following 1 year's satisfactory service in grades 7, 8, 9, 10, 11, and 12, respectively: *Provided further*, That promotions above grade 7 shall be made in the discretion of the Secretary of the Treasury upon the recommendation of the Commissioner of Customs and as far as is consistent with the efficient administration of the Customs Service shall be made on the basis of seniority."

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 5. Sections 1, 2, and 3 of this act shall take effect July 1, 1937.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

NATCHEZ TRACE PARKWAY

The Clerk called the bill (H. R. 6652) to provide for the administration and maintenance of the Natchez Trace Parkway in the States of Mississippi, Alabama, and Tennessee by the Secretary of the Interior, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER pro tempore (Mr. WARREN). Is there objection?

There was no objection.

PAYMENT TO SAC AND FOX INDIANS OF OKLAHOMA

The Clerk called the bill (H. R. 5170) authorizing an appropriation for payment to the Sac and Fox Tribe of Indians in the State of Oklahoma.

The SPEAKER pro tempore. Is there objection?

Mr. COCHRAN. Mr. Speaker, I reserve the right to object. Several Members have spoken to me about this bill, claiming there is a great deal of merit to the measure. The bill provides for an appropriation of $40,000. If this bill passes it throws the doors wide open, and every other Indian tribe will be in asking for the same recognition. Forty thousand dollars is to reimburse the Indians for the money which they claim was taken out of their tribal funds for administrative purposes. In all we have expended $21,197,000 in the administration of Indian properties and other related purposes. So you see what we are going to do if we open the door to one tribe in this way.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. O'MALLEY. This tribe is asking to be reimbursed for their money that was spent on other tribes by the Indian Bureau. The money was taken out of their tribal funds and spent for the benefit of other Indians. While the Department does say it may establish a precedent, it is obviously unfair—I questioned the bill when it was in the committee—for the Indian Bureau, under its authority to administer the funds of Indians, to take the money of one tribe of Indians and spend it on other tribes, and they have done it, and these Indians ought to be reimbursed; and the only way they can be reimbursed for that misappropriation, one might say, of funds by the Indian Bureau is by an appropriation from the Treasury. I think they ought to be reimbursed, because their money was spent on other Indians by a Government department without their consent.

Mr. COCHRAN. Mr. Speaker, I think I have shown to the House today that I have been more than fair in considering these matters. I have taken the bills up with the Attorney General and with the General Accounting Office, and where they are in agreement and where they show there is some merit in the case I have not objected to the bill. I helped to get several bills passed today, but in this instance we would be opening the door for every other tribe to come in. Just as quick as you pass this bill the attorneys for these tribes will know about it—and I refer to the attorneys in Washington—and they will be down here with bills. Probably the funds of some other tribe was used in part for administration purposes this tribe was interested in.

There is a proviso in this bill that no tribal funds of Indians of the United States shall hereafter be used for administrative purposes of tribes or Indians other than the tribes or Indians to which said funds are accredited or hereafter made available. Why not bring that in by itself, why bring it in on this bill? If the gentleman wants to bring that in by a special bill, I shall vote for it, but I shall not support it now. It is simply added for the purpose of getting this bill passed, which, as I say, opens the door.

Mr. O'MALLEY. I opposed this bill until they accepted that amendment. That happens to be my amendment, that the Indian Bureau could nevermore use the money of one tribe to pay the expenses of another tribe.

Mr. COCHRAN. It does not belong on this bill. Introduce it as a separate bill. It will probably pass if the Department and the Bureau of the Budget does not object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. I object.

Mr. BOREN Mr. Speaker, request for regular order does not give me an opportunity to set forth the true circumstances in answer to the objections that have been raised here today with reference to my bill, H. R. 5170. So I take this time to further clarify the justice upon which this legislation is based. The report itself clearly shows that there is not even a single element in this bill which is not positively called for by justice, fairness, and reason.

The general objection that this bill is giving something to the Indians is unwarranted. If unwarranted appropriations dog the conscience of the gentleman from Missouri, that would not justify his opposition to this bill. I am not finding fault with the gentleman's determination to prevent mismanagement in the Indian Bureau or curtail the extension of that Bureau's power. It does not logically follow, however, that the Sac and Fox Indians, who have been the victims of misappropriations, should have their interests arbitrarily dismissed.

First, the Sac and Fox Indians are asking only for the return of their money which was spent for the benefit of other

Indians. The total number of Indians under the jurisdiction of the Shawnee Agency is 4,570. Of this number, only 849 are members of the Sac and Fox Tribe, yet the entire administrative expenses for the 4,570 was appropriated from Sac and Fox funds. The agents of the United States Government spent $52,450 belonging to Sac and Fox Indians. If this sum were prorated to the Indians it was designed to benefit, the total benefits to the Sac and Fox Indians, applying a per-capita ratio to the total sum, would be $6,800. It is evidently unjust to spend the limited funds which belong to 849 Indians in support of a program for 4,570 Indians. More especially, since this expenditure was without the consent and over the protest of the Indians to whom the money belonged. H. R. 5170 provides for the return of money, without interest or accruals, spent from the Sac and Fox funds for the particular benefit of Indians who are not members of the Sac and Fox Tribe.

In reply to the expression of fear that this bill might set a precedent which would encourage other tribes to seek similar legislation, I quote from the Department's own statement:

> Peculiar circumstances distinguish the claim of the Sac and Fox Indians. * * * In the present case, the Indians have not objected to the use of their own money for the administration of their own affairs. They are asking the return of their money * * * used in the administration of the affairs of other tribes.

Surely there is no wish on the part of the gentleman from Missouri to approve this evident robbery of this tribe's funds. It should further please the gentleman that this bill, through the committee amendment, more completely meets his viewpoint of the future policy for the administration of Indian affairs.

I cannot believe that this Congress nor any Member of this body, wishes to approve, aid, and abet the robbery of these Indians, and I am hoping that those who have entered this discussion today will look further into the justice of this cause and withdraw any objections to the passage of this bill.

TAXES ON GROSS PRODUCTION OF MINERALS

The Clerk called the bill (S. 2249) providing for the manner of payment of taxes on gross production of minerals, including gas and oil, in Oklahoma.

The SPEAKER pro tempore. Is there objection?

Mr. RICH. Mr. Speaker, I object.

SHOSHONE NATION OF INDIANS

The Clerk called the bill (S. 68) authorizing the western bands of the Shoshone Nation of Indians to sue in the Court of Claims.

The SPEAKER pro tempore. Is there objection?

Mr. COCHRAN. Mr. Speaker, I reserve the right to object. Here is a bill that specifically provides that the Government shall not have the power to set off the gratuities and advances that we have made to the Indians. Why should the Committee on Indian Affairs let such a bill come out of the committee when the members know that this House has disapproved of all legislation where the Government does not have that right. It seeks to repeal that section in the deficiency appropriation bill that protects the Government. Therefore I shall be compelled to object.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman withhold his objection?

Mr. COCHRAN. Yes.

Mr. WHITE of Idaho. The author of the bill, the gentleman from Nevada [Mr. SCRUGHAM] is not on the floor. He is in the hospital. He asked me to look after the bill. I ask the gentleman to permit the bill to go over without prejudice.

Mr. COCHRAN. In view of that situation, Mr. Speaker, I certainly will let the bill go over without prejudice. Just a few days ago a tribe of Indians by this name obtained a judgment against the Government for around $5,000,000, and part of it is to bear interest until paid from the date the judgment was rendered. This bill must be amended if it is going to pass by unanimous consent.

The SPEAKER pro tempore. Without objection, the bill will go over without prejudice.

There was no objection.

AMENDING ACT CREATING UNITED STATES COURT FOR CHINA

The Clerk called the next bill, H. R. 6444, to amend the act of June 30, 1906, entitled "An act creating a United States court for China and prescribing the jurisdiction thereof."

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That the second sentence of section 6 of the act entitled "An act creating a United States court for China and prescribing the jurisdiction thereof", approved June 30, 1906, as amended, is amended to read as follows:
>
> "The judge of said court and the district attorney, who shall be lawyers of good standing and experience, and the marshal and the clerk thereof shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive as salary, respectively, the sums of $10,000 per annum for said judge, $5,000 per annum for said district attorney, $4,000 per annum for said marshal, and $4,000 per annum for said clerk."
>
> SEC. 2. Section 7 of said act is amended to read as follows:
>
> "SEC. 7. The tenure of office of the judge and of the clerk of the United States court for China shall be 10 years, unless sooner removed by the President for cause; the tenure of office of the other officials of the court shall be at the pleasure of the President."

With the following committee amendment:

Page 2, strike out all after line 8 of the bill.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BOREN. Mr. Speaker, I ask unanimous consent to insert after the discussion on Calendar No. 413, H. R. 5170, my own remarks on the bill then under consideration.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

AMENDING COMMUNICATIONS ACT OF 1934

The Clerk called the next bill, H. R. 7711, to amend the act approved June 19, 1934, entitled the "Communications Act of 1934."

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That section 201 (b) of the act of June 19, 1934, entitled the "Communications Act of 1934" is hereby amended by inserting at the end thereof the following: "*Provided further*, That nothing in this act or in any other provision of law shall prevent a common carrier subject to this act from furnishing reports of positions of ships at sea to newspapers of general circulation, either at a nominal charge or without charge, provided the name of such common carrier is displayed along with such ship-position reports. The Commission may prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions of this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEN. ANTHONY WAYNE MEMORIAL COMMISSION

The Clerk called the next business, House Joint Resolution 406, to establish the Gen. Anthony Wayne Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Gen. Anthony Wayne.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the chairman of the committee explain how much money will be involved in the construction of this statue?

Mr. FARLEY. Mr. Speaker, this bill does not call for any appropriation. It is an enabling act, to set up a commission in the city of Fort Wayne.

Mr. MARTIN of Massachusetts. Who comprises the commission?

Mr. FARLEY. It will be a commission of nine, three appointed by the President, three by the House, and three by the Senate, and will be largely citizens of that community.

Mr. MARTIN of Massachusetts. Is this the opening drive of a large size appropriation?

Mr. FARLEY. As far as I am concerned, it is not a drive for an appropriation.

Mr. MARTIN of Massachusetts. Mr. Speaker, I have no objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read as follows:

Whereas the people of the United States owe a deep debt of gratitude to Gen. Anthony Wayne, whose military career meant so much during the War of the Revolution and whose activities in the Indian wars succeeded in opening such a large tract of territory in the Middle West; and

Whereas no adequate memorial exists at the junction of the St. Marys, St. Joseph, and Maumee Rivers where he established his fort and carried on his campaign: Therefore be it

Resolved, etc., That there is hereby established a Commission, to be known as the "General Anthony Wayne Memorial Commission", and to be composed of nine commissioners, three to be appointed by the President of the United States, three Senators to be appointed by the President of the Senate, and three Members of the House of Representatives to be appointed by the Speaker of the House. Such Commission shall consider and formulate plans for designing and constructing a permanent memorial in the city of Fort Wayne to the said Gen. Anthony Wayne.

SEC. 2. Such Commission may, in its discretion, accept from any source, public or private, money or property to be used for the purpose of making surveys and investigations, formulating, preparing, and considering plans for the construction of such memorial, or other expenses incurred, or to be incurred, in carrying out the provisions of this joint resolution.

SEC. 3. The Commission shall report its recommendations to Congress as soon as practicable.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIREMENT ANNUITIES

The Clerk called the next bill, H. R. 7801, to authorize retirement annuities for persons who serve as Librarian of Congress for 35 years.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read as follows:

Be it enacted, etc., That upon separation from the service, either by reason of resignation, retirement, or appointment of his successor by the President of the United States, any person who serves or has served 35 years or more as Librarian of Congress shall be paid a retirement annuity in equal monthly installments at the rate per annum of three-fourths of his annual pay at the time of such separation. The eligibility in respect to length of service of applicants for such annuity shall be determined by the Comptroller General or the successor to his present duties. Such annuity shall begin to accrue the day following the date of separation from office and shall continue during the life of the annuitant. Such annuity shall be paid by the disbursing officer of the Library of Congress, and such sums as may be necessary to make such payments are hereby authorized to be appropriated.

Mr. WOLCOTT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 1, lines 3, 4, and 5, strike out "either by reason of resignation, retirement, or appointment of his successor by the President of the United States."

Page 1, line 7, after the word "Congress", insert "or as an officer and/or employee of either the Senate or House of Representatives."

Page 2, line 5, after the word "Congress", insert "in case of the Librarian of Congress, and out of the contingent fund of the Senate or House of Representatives, respectively, in the case of officers and/or employees thereof."

Mr. WOLCOTT. Mr. Speaker, I have taken this bill as the groundwork for the purpose of providing retirement for employees and officers of the House and the Senate who have been in the employ of the House or the Senate for more than 35 years. The bill as amended will provide that these employees or officers may be retired at the end of 35 years with three-quarters pay.

Now, it seems only simple justice that we should provide that these old employees of the House and the Senate be given the same consideration, at least, as employees in the departments, who, under civil-service laws, may be retired. Our employees are not civil-service employees. They are classified differently. Within the last 6 months we have had at least two cases, in one case where we honored an old employee of the House by a subterfuge, by creating an assistant janitor, I think it was; but we intended by doing so to retire that delightful old employee.

We have had another case this year in which a man who, after serving for 47 years, I believe, in several different capacities in this House, was kicked right out in the most cold-blooded manner at a time in life when he needed support the most. We would not do that to an old broken-down horse on our farms. We would not do it to a sick dog. This man was kicked out of the House without any consideration whatever. I think we should protect our employees and officers in the same manner that the employees of other departments are protected.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MAY. I call the gentleman's attention to the further fact that over the years that these employees of the House and the Senate have served, no deductions have been made from their pay to create a fund to provide for their retirement, as has been done in the case of other Government employees who are required to pay into the fund as they go along.

Mr. WOLCOTT. That might be true.

Mr. MAY. There is, therefore, less reason for retiring them.

Mr. WOLCOTT. There is every reason for retiring them. I do not care how it is done. This is merely a start. Let this amendment be adopted and in conference with the Senate we can work out a system whereby in the future that might be done. We should not, however, penalize our employees who have been here over 35 years merely because of a mistake Congress made 35 years ago in not providing for them.

[Here the gavel fell.]

Mr. KELLER. Mr. Speaker, I ask unanimous consent that the amendment may be again read for the information of the House.

The SPEAKER pro tempore. Without objection, the Clerk will again read the amendment.

There was no objection.

The Clerk again read the amendment.

Mr. KELLER. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, I ask that the amendment be voted down for these reasons: This is a special bill that has come up now the second year. It was objected to last year by our unfortunate friend Zioncheck. It is a bill that has met the entire approval not only of the committee but of all the Members to whom I have spoken, and that is quite a large number; and it has met the approval of a large number of Senators, because of these facts: Dr. Putnam for 37 years has devoted his entire life to the Library of Congress. He has made it the greatest Library in the world, and he ought not to be put alongside of somebody else. We ought not to make a general bill of this particular one. The proposition of the gentleman from Michigan ought to be taken up as a separate bill. It is the intention of the committee—and I hope that it is the intention of the House—to take care of a man who deserves to be taken care of. Here is an opportunity to show our appreciation. When a man is 77 years old he ought to be permitted to retire if he so desires. I have talked it over with Dr. Putnam, and this is entirely satisfactory to him.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. KELLER. I yield.

Mr. SHORT. The Librarian of Congress is paid $10,000 a year salary, is he not?

Mr. KELLER. Yes.

Mr. SHORT. Does not the gentleman believe that a man receiving $10,000 a year from the Government over a long period of years ought to be able to take care of himself?

Mr. KELLER. He does exactly the same thing that you and I and almost every other Member here does.

Mr. SHORT. Yes; but Members of Congress do not receive any pension or annuity.

Mr. KELLER. We do not stay here long enough.

Mr. SHORT. And in addition to that we have to spend most of the money we make to get reelected.

Mr. KELLER. If we stayed here 35 years perhaps some provision would be made whereby we could retire.

Mr. SHORT. That is not our fault.

Mr. KELLER. That part is all right; it may not be the gentleman's fault.

Mr. SHORT. Does the gentleman feel that a man receiving $10,000 a year from the Government should receive an annuity or a pension?

Mr. KELLER. Certainly.

Mr. SHORT. While lesser employees receiving small salaries do not benefit at all?

Mr. KELLER. I am not going to deny them that; and if the gentleman from Michigan, Mr. Speaker, will bring in a general bill along the line he suggests there will be very little opposition to it; but, as I stated before, we ought not to make a general bill out of this. We ought to vote for this bill or against it just as it was presented.

Mr. SHORT. I am sure that the gentleman is in sympathy with the President's program to balance the Budget, but certainly he is not assisting him to do that when he votes a pension to a man who has been drawing $10,000 a year salary for a long period of years.

Mr. KELLER. I think everybody is aware of the very great service Dr. Putnam is rendering. I have been aware of it ever since I have been in Congress. I think if the gentleman from Missouri were, he would be for this bill.

Mr. SHORT. I do not deny the valuable work he has done, but there are 10,000 men who would like to have that job at that salary.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I am prompted to add a word to what the gentleman from Michigan [Mr. WOLCOTT] said a while ago about the treatment that was accorded to an old employee of this House. The gentleman from Michigan did not mention the fact that the employee in question was a minority employee. He was kicked out by the minority in this House. I thoroughly agree with the characterization used by the gentleman from Michigan, that it was a heartless act.

When I came to Congress a great many years ago the Democratic side of the aisle did not enjoy a very much higher rating than the Republican side does now. Bert Kennedy was at that time an employee of this House. Had I been a member of his own party I could not have been treated any more courteously, I could not have been helped any more than I was by Bert Kennedy. In my judgment he is the kind of man we should have in the Government service. It gave my heart a glow when I came back here after 20 years and found that he remembered me and found him the same old Bert Kennedy, although the political situation in the House was reversed.

We get up here and talk a lot against heartless corporations of the country who refuse to employ men because they are 35 or 40 years of age or throw them out of employment the minute they get so they are not able to keep up the pace. Then we take an employee of the House who has served faithfully for a half century and throw him out like a dog. I want to take this opportunity to protest against the action in this particular case.

Mr. RICH. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Pennsylvania.

Mr. RICH. I may say to the gentleman from Colorado that he is absolutely right. If any manufacturer did to Bert Kennedy what the House of Representatives did to him during this session of Congress that manufacturer would be severely criticized, yet the House kicked him out.

Mr. MARTIN of Colorado. May I say, Mr. Speaker, that the majority of this House ought to rectify the wrong and reinstate that man in some way. What is he fit for now after he has become white-headed in the service of the Government?

Mr. SHORT. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from Missouri.

Mr. SHORT. And he has not received $10,000 a year either.

Mr. MARTIN of Colorado. No. I do not suppose he has received $5,000.

Mr. WARREN. Will the gentleman yield?

Mr. MARTIN of Colorado. I yield to the gentleman from North Carolina.

Mr. WARREN. Some statements have been made here that ought to be corrected, especially in reference to Mr. Kennedy. Mr. Kennedy was a very fine gentleman and a valued employee of the House of Representatives.

Under the Legislative appropriation act the minority are assigned six positions here. Mr. Kennedy for years and years was a majority employee when his party was in power and a minority employee when we came into power. The Republican caucus displaced Mr. Kennedy as one of its employees. Then the suggestion was made that we should create a special position for him. It should be thoroughly understood that the only reason Mr. Kennedy is not in the employment of the House is that his own party refused to designate him as one of the six men that they are allotted.

Mr. MARTIN of Colorado. I may say to the gentleman from North Carolina that that is my understanding, of course.

Mr. RICH. As I understand from the gentleman from North Carolina, Mr. Kennedy served here about 45 or 50 years?

Mr. WARREN. Something like that.

Mr. RICH. It makes no difference. If his party did not take care of him after he had been in the service for 45 or 50 years, does not the gentleman think the Democratic Party ought to take him up now? I think the gentleman from Colorado is making a fine speech. If we made a mistake, you people ought to do the right thing.

Mr. WARREN. I do not agree with the gentleman.

Mr. MARTIN of Colorado. I think the gentleman from Pennsylvania, with that kind of buck-passing, has spoiled the whole thing. I am sure, though, the gentleman means well, and I applaud the courage and humanity of his stand. I may say to the gentleman I would vote for a resolution to reinstate Bert Kennedy to a job even if he was the rankest Republican in America. I would not question his politics after nearly 50 years of efficient service in this House. [Applause.]

[Here the gavel fell.]

Mr. KELLER. Mr. Speaker, I rise in opposition to the pro-forma amendment.

Mr. Speaker, I simply want to say that this whole discussion has nothing to do with the pending bill. It is just a question of whether we are going to kill the bill by amending it or not.

Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. The gentleman from Illinois moves the previous question on agreeing to the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the amendment may be read again.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the Wolcott amendment.

Mr. KNUTSON. Mr. Speaker, may I ask for information?

Mr. KELLER. Mr. Speaker, I demand the regular order.

Mr. KNUTSON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. KNUTSON. What salary has Mr. Putnam been receiving and how long has he been in the employ of the Library of Congress?

The SPEAKER pro tempore. The Chair does not regard that as a parliamentary inquiry.

Mr. KNUTSON. I am seeking information.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. KELLER] moves the previous question on agreeing to the amendment.

The previous question was ordered.

Mr. KNUTSON. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The Chair will count.

Mr. KNUTSON. Mr. Speaker, I withdraw temporarily the point of no quorum.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The question was taken; and there were on a division (demanded by Mr. WOLCOTT)—ayes 42, noes 40.

Mr. KELLER. Mr. Speaker, I ask for tellers.

Tellers were refused.

The bill was ordered to be engrossed and read the third time, and was read the third time by title.

Mr. KELLER. Mr. Speaker, I make the point of order a quorum is not present.

Mr. BOILEAU. Mr. Speaker, I make a point of order that the request of the gentleman from Illinois [Mr. KELLER] comes too late.

The SPEAKER pro tempore. The Chair does not think so. The gentleman from Illinois raises the point of order that there is not a quorum present. The Chair will count. (After counting.) One hundred and ten Members are present, not a quorum.

Mr. COSTELLO. Mr. Speaker, I move a call of the House.

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. COCHRAN. Mr. Speaker, the gentleman from Illinois made a point of no quorum, and he did not object to the vote on the ground a quorum was not present.

The SPEAKER pro tempore. The gentleman is correct and the gentleman from California [Mr. COSTELLO] has just moved a call of the House.

Mr. BOILEAU. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BOILEAU. The gentleman from Missouri [Mr. COCHRAN] submitted a parliamentary inquiry. Did I understand the Chair to state in answer thereto that the point of no quorum did not couple with it an objection to the vote?

The SPEAKER pro tempore. That is absolutely correct. The Chair had not put the question on the passage of the bill.

Mr. BOILEAU. When I made the point of order previously I was objecting because the gentleman from Illinois [Mr. KELLER] made a point of order that a quorum was not present and directed his point of order to the previous vote.

Mr. KELLER. No.

Mr. COCHRAN. The gentleman did not say that at all.

The SPEAKER pro tempore. The gentleman from Illinois merely made the point of no quorum.

Mr. COCHRAN. That is all.

The SPEAKER pro tempore. The question is on ordering a call of the House.

The question was taken; and on a division (demanded by Mr. COSTELLO) there was—ayes 54, noes 26.

So a call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 133]

Andrews	Evans	Lord	Robinson, Utah
Barden	Faddis	Luckey, Nebr.	Shafer, Mich.
Bernard	Fernandez	McFarlane	Shannon
Bland	Fitzpatrick	McGranery	Sirovich
Boehne	Flannagan	McGroarty	Smith, Maine
Boylan, N. Y.	Fries, Ill.	McLaughlin	Smith, Va.
Buckley, N. Y.	Fulmer	McLean	Smith, W. Va.
Bulwinkle	Gavagan	McSweeny	Snell
Cannon, Wis.	Gifford	Maas	Snyder, Pa.
Celler	Gilchrist	Mahon, S. C.	Somers, N. Y.
Champion	Gildea	Mahon, Tex.	Starnes
Clark, N. C.	Gray, Ind.	Maloney	Sullivan
Clason	Haines	Mosier, Ohio	Sweeney
Claypool	Halleck	Mouton	Swope
Cooley	Hamilton	O'Brien, Mich.	Taber
Cooper	Hill, Ala.	O'Neal, Ky.	Tarver
Cravens	Jarman	O'Toole	Taylor, Colo.
Crawford	Johnson, Okla.	Pace	Taylor, Tenn.
Creal	Kelly, N. Y.	Pettengill	Thom
Crosser	Kennedy, N. Y.	Peyser	Towey
Crowe	Keogh	Pfeifer	Treadway
Cummings	Kerr	Phillips	Vincent, B. M.
Dempsey	Kirwan	Plumley	Wadsworth
Dickstein	Kloeb	Rabaut	Wene
Dingell	Kocialkowski	Ramsay	White, Ohio
Doxey	Kvale	Reed, N. Y.	Withrow
Drewry, Va.	Lambeth	Reilly	Wolverton
Eaton	Lewis, Md.	Richards	

The SPEAKER. Three hundred and nineteen Members have answered to their names, a quorum.

On motion of Mr. COSTELLO, further proceedings under the call were dispensed with.

The SPEAKER. The question is on the passage of the bill.

Mr. KELLER. Mr. Speaker, I submit a motion to recommit.

The Clerk read as follows:

Mr. KELLER moves to recommit the bill (H. R. 7801) to the Committee on the Library.

The SPEAKER. Is the gentleman opposed to the bill in its present form?

Mr. KELLER. I am, Mr. Speaker.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 183, noes 58.

So the motion to recommit was agreed to, and the bill as amended was recommitted to the Committee on the Library.

A motion to reconsider was laid on the table.

CHARLES CARROLL OF CARROLLTON BICENTENARY COMMISSION

The Clerk called the next joint resolution, Senate Joint Resolution 171, relating to the employment of personnel and expenditures made by Charles Carroll of Carrollton Bicentenary Commission.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, in the committee report the committee recommends that lines 5 and 6 on page 2 be stricken out, but no committee amendment appears in the bill as it is printed and sent to the House.

Mr. KELLER. Is the gentleman offering an amendment to strike out section 2?

Mr. WOLCOTT. I would like to know if the committee still wants to strike out those lines?

Mr. KELLER. I will agree to an amendment to strike out section 2, if that is what the gentleman wants. That is recommended in the report.

The SPEAKER. Does the gentleman object to the consideration of the bill?

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, the committee report states the committee recommends an amendment to strike out lines 5 and 6 on page 2, but no committee amendment appears in the bill as it is reported out by the committee.

Mr. KELLER. I will accept such an amendment, Mr. Speaker.

Mr. WOLCOTT. I understand the chairman of the committee recognizes this to be an error. I have sent an amendment to the desk carrying out the recommendations of the committee.

Mr. COLE of Maryland. May I say to the gentleman that I have introduced a companion resolution in the House. The amendment proposed by the gentleman is not only acceptable, but I think it is a very proper amendment to the resolution.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That for the purpose of carrying out its functions under the joint resolution of June 15, 1936, the Charles Carroll of Carrollton Bicentenary Commission, or the chairman acting for the commission, is authorized to fix the compensation of such officers and employees as may be necessary without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States, and to determine its necessary expenditures and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds; and be it further

Resolved, That the commission be authorized to borrow the services of employees from other Government agencies.

Mr. WOLCOTT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Page 2, strike out all of lines 5 and 6.

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAVAL RESERVE OFFICERS' TRAINING CORPS

The Clerk called the next bill, S. 1115, to amend section 22 of the act approved March 4, 1925, entitled, "An act providing for sundry matters affecting the naval service, and for other purposes."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 22 of the act approved March 4, 1925 (43 Stat. 1276; U. S. C., title 34, sec. 821), is hereby amended by inserting, in lieu of the words "twelve hundred", at the end of the section, the words "twenty-four hundred", so that the section as amended will read:

"SEC. 22. A Naval Reserve Officers' Training Corps is hereby authorized to be established and operated under such regulations as the President may prescribe, which regulations shall, so far as may be practicable, conform to the provisions of the National Defense Act approved June 3, 1916, sections 40 to 53, inclusive (39 Stat. L. 191–194), as amended by the act approved June 4, 1920, sections 33 and 34 (41 Stat. L. 776–779): *Provided*, That the powers conferred therein upon the Secretary of War with regard to the Reserve Officers' Training Corps are hereby conferred upon the Secretary of the Navy with regard to the Naval Reserve Officers' Training Corps: *Provided further*, That all expenditures in connection with the establishment and operation of the Naval Reserve Officers' Training Corps shall be specifically appropriated therefor: *Provided further*, That members of the Naval Reserve Officers' Training Corps shall be eligible for appointment as Naval Reserve officers under the same conditions as provided by law for the appointment of Naval Reserve officers from other citizens of the United States, and when so appointed shall have the same status and be entitled to the same benefits in all respects as provided by law for other members of the Naval Reserve: *Provided further*, That the word 'naval' wherever used in this section shall be construed to include Marine Corps: *And provided further*, That the total personnel of the Naval Reserve Officers' Training Corps shall not exceed at any one time more than 2,400."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF LANDS TO STATE OF WASHINGTON

The Clerk called the next bill, H. R. 7278, to authorize the Secretary of Commerce to grant and convey to the State of Washington fee title to certain lands of the United States in Jefferson County, Wash., for highway purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is hereby authorized and directed to grant and convey to the State of Washington the fee title to the following strip of land, being a small portion of the Quilcene (Washington) Fisheries Station, certain property of the United States in Jefferson County, State of Washington, same being granted and conveyed to the State of Washington for State highway purposes:

A strip of land containing thirty-six one-hundredths acre, more or less, in the southwest quarter southwest quarter southeast quarter section 22, township 27 north, range 2 west, Washington meridian, having widths as hereinafter set forth on each side of the following-described center line of a "road connection", to wit:

Commence at the south one-quarter corner of said section 22 and run easterly along the south line of said section 22 a distance of exactly 702 feet to an intersection with the center line of State road no. 9 (Olympic Highway) as now located and of record in the office of the Director of Highways, Olympia, Wash.; thence along said center line, north 36°43' east, 745.9 feet to the point of beginning of said "road connection"; thence south 76°13' west, along the center line of said "road connection", 348.1 feet; thence on the arc of a curve to the left whose radius is exactly 955 feet, a distance of 158 feet, more or less, to an intersection with the easterly line of the southwest quarter southwest quarter southeast quarter, said section 22, and the true point of beginning of strip of land being herein described:

Thence continuing on the arc of said curve to the left a distance of 88.4 feet, more or less, having a width of 50 feet on each side of said center line; thence south 61°26' west, 23.4 feet, having a width of 50 feet on each side of said center line; thence on the arc of a curve to the right whose radius is exactly 1,146 feet a distance of 32.1 feet, having a width of 50 feet on each side of said center line; thence continuing on the arc of said curve to the right a distance of 176.6 feet, having a width of 50 feet on the northwesterly side and 30 feet on the southeasterly side of said center line; thence south 71°52' west, 61.8 feet, to an intersection with the existing road, having a width of 50 feet on the northwesterly side and 30 feet on the southeasterly side of said center line, excepting therefrom the right-of-way of existing road contained therein.

Also all that portion of the southwest quarter southwest quarter southeast quarter, said section 22, lying southeasterly of a line drawn parallel to and distant 50 feet northwesterly from the center line of said State road no. 9, said tract of land being of triangular shape and existing in the extreme southeast corner of the above-described legal subdivision.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIGHTHOUSE SITES, TERRITORY OF HAWAII

The Clerk called the next bill, H. R. 7714, to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului town site, Island of Maui, Territory of Hawaii, in exchange for two plots of land located in the same town site and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co. and the Hawaiian Commercial & Sugar Co., Ltd.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is hereby authorized to convey to the Kahului Railroad Co. all that piece or parcel known as lot no. 16, block "T", of Kahului Townsite, Island of Maui, Territory of Hawaii, containing an area of 7,064 square feet: *Provided*, That as a condition precedent to such transfer the said railroad company shall first convey to the United States of America, by warranty deed and free of all encumbrances, all that piece or portion of L. S. A. 7713, Apana 23, to Kamamalu, situate at Kahului, Island of Maui, Territory of Hawaii, being lot no. 10, block "T", of Kahului Townsite, containing an area of 7,958 square feet. The respective parcels of land to be more particularly described in the deeds of conveyances.

The Secretary of Commerce is further authorized to convey to the Hawaiian Commercial & Sugar Co., Ltd. (a Hawaiian corporation), all that piece or parcel of land known as lot no. 1, block "D", of Kahului Townsite, Island of Maui, Territory of Hawaii, containing an area of 7,740 square feet: *Provided*, That as a condition precedent to such transfer the said Hawaiian Commercial & Sugar Co., Ltd., shall first convey to the United States of America, by warranty deed and free of all encumbrances, all that piece or portion of land in grant 3343 to Claus Spreckels, situate in Kahului, Island of Maui, Territory of Hawaii, being lot no. 7, block "D", of Kahului Townsite, containing an area of 7,727 square feet. The respective parcels of land to be more particularly described in the deeds of conveyances.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIREMENT ANNUITIES FOR EMPLOYEES OF THE PANAMA CANAL AND THE PANAMA RAILROAD CO.

The Clerk called the next bill, S. 81, to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 103 of title 2 of the Canal Zone Code, approved June 9, 1934, is amended by adding at the end thereof the following paragraph:

"Any citizen of the United States separated from the service of either the Panama Canal or the Panama Railroad Co. on the Isthmus of Panama subsequent to August 1, 1920, and before July 1, 1926, not by removal for cause on charges of misconduct or delinquency, upon making the necessary contributions to the retirement and disability funds as provided in this article and who meets the requirements as to age and service set forth in said section 103 of title 2 of the Canal Zone Code, approved June 19, 1934, shall be entitled to an annuity computed in accordance with the provisions of this article, notwithstanding the fact that his separation from the service occurred prior to the existence of any retirement act applicable to employees of the Panama Canal or the Panama Railroad on the Isthmus of Panama: *Provided*, That such annuity shall be payable only from the date of enactment of this act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT TO INCLUDE HOPS

The Clerk called the next bill, H. R. 7836, to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable.

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, may I ask the gentleman from Oregon [Mr. PIERCE] if it is the purpose of this bill to put hops under the same

restrictions as other agricultural commodities now classified in the Agricultural Adjustment Act?

Mr. PIERCE. Not as a basic commodity, but in the same position that honey, milk, butter, and such commodities occupy. We can now make marketing agreements. This bill gives the Department the right to put hops in the same position as milk and butter.

That is the best explanation I can make.

Mr. O'MALLEY. Is it contemplated that this will tend to cause the hop growers to go into a crop-production plan and thereby increase the cost of hops, which may affect Milwaukee and make the cost of our beer higher?

Mr. PIERCE. No; it will not. This is agreed to by the Department of Agriculture, the brewers, and the growers of hops.

Mr. O'MALLEY. If the gentleman can assure me this will not cause an increase in the cost of a glass of beer, I shall not object.

Mr. PIERCE. I can give the gentleman that assurance.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 8 c (2) of the Agricultural Adjustment Act, as amended, is amended by inserting, after "soybeans", the following: ", hops,".

SEC. 2. Section 8 c (6) of such act, as amended, is amended by inserting, after "soybeans and their products", the following: ", hops,".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMINISTRATION OF OATHS IN THE OFFICE OF THE UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

The Clerk called the next bill, H. R. 7727, to authorize the administration of oaths by the Chief Clerk and the Assistant Chief Clerk of the Office of the United States High Commissioner to the Philippine Islands, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby conferred upon the Chief Clerk and the Assistant Chief Clerk, respectively, of the Office of the United States High Commissioner to the Philippine Islands, the authority whenever either of them is required or deems it necessary or proper so to do at any place within the territorial limits of the Commonwealth of the Philippines, to administer to or take from any person an oath, affirmation, affidavit, or deposition, and to perform any notarial act which any notary public is required or authorized by law to do within the United States or any of its possessions. Every such oath, affirmation, affidavit, deposition, and notarial act administered, sworn, affirmed, taken, had, or done, by or before such Chief Clerk or Assistant Chief Clerk when certified under their respective hands and accompanied by a certificate attesting the official position of the person certifying as such Chief Clerk or Assistant Chief Clerk, under the hand and the seal of office of the United States High Commissioner to the Philippine Islands or of the Acting United States High Commissioner to the Philippine Islands, shall be as valid, and of like force and effect within the United States and its possessions, to all intents and purposes, as if administered, sworn, affirmed, taken, had, or done by or before any other person within the United States or its possessions duly authorized and competent thereto.

SEC. 2. Any person who shall willfully and corruptly misstate, or by any means procure any person to misstate, any material fact or matter in any such oath, affirmation, affidavit, or deposition, or shall forge any of the signatures or the seal hereinbefore mentioned or shall tender in evidence any of the documents heretofore mentioned with a false or counterfeit seal or signature thereto, knowing the same to be false or counterfeit, may be charged and tried in any court of the United States or of its possessions, including the Commonwealth of the Philippines, within whose territorial jurisdiction he may be found, and upon conviction of any offense herein described shall be imprisoned for not less than 1 nor more than 3 years and fined in a sum not to exceed $3,000.

SEC. 3. Any document mentioned herein purporting to have subscribed thereto or thereon the signature of the official administering or taking the same in testimony thereof, when accompanied by the above-mentioned certificate of the United States High Commissioner to the Philippine Islands or of the Acting United States High Commissioner to the Philippine Islands, shall be admitted in evidence without proof of the genuineness of the signature or seal of any official herein mentioned or of the official position of such official.

With the following committee amendment:

Page 2, line 17, after the word "thereto", insert a colon and the following: *"Provided*, That nothing herein contained shall be held to limit or to replace any provision of law now in force in the Philippine Islands relative to the administration of oaths or the performance of notarial acts therein."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVIL GOVERNMENT OF PUERTO RICO

The Clerk called the next bill, H. R. 6747, to amend section 3 of the act entitled "An act to provide a civil government for Puerto Rico, and for other purposes", increasing borrowing margin of municipality of Mayaguez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to provide a civil government for Puerto Rico, and for other purposes", approved March 2, 1917, as amended, be amended to read as follows:

"SEC. 3. That no export duties shall be levied or collected on exports from Puerto Rico, but taxes and assessments on property, income taxes, internal revenue, and license fees, and royalties for franchises, privileges, and concessions may be imposed for the purposes of the insular and municipal governments, respectively, as may be provided and defined by the Legislature of Puerto Rico; and when necessary to anticipate taxes and revenues, bonds and other obligations may be issued by Puerto Rico or any municipal government therein as may be provided by law, and to protect the public credit: *Provided, however*, That no public indebtedness of Puerto Rico and the municipalities of San Juan, Ponce, and Mayaguez shall be allowed in excess of 10 percent of the aggregate tax valuation of its property, and no public indebtedness of any other subdivision or municipality of Puerto Rico shall hereafter be allowed in excess of 5 percent of the aggregate tax valuation of the property in any such subdivision or municipality, and all bonds issued by the government of Puerto Rico, or by its authority, shall be exempt from taxation by the Government of the United States, or by the government of Puerto Rico or of any political or municipal subdivision thereof, or by any State, Territory, or possession, or by any county, municipality, or other municipal subdivision of any State, Territory, or possession of the United States, or by the District of Columbia. In computing the indebtedness of the people of Puerto Rico, municipal bonds for the payment of interest and principal of which the good faith of the people of Puerto Rico has heretofore been pledged and bonds issued by the people of Puerto Rico secured by bonds to an equivalent amount of bonds of municipal corporations or school boards of Puerto Rico shall not be counted, but all bonds hereafter issued by any municipality or subdivision within the 5 percent hereby authorized for which the good faith of the people of Puerto Rico is pledged shall be counted:

"And it is further provided, That the internal-revenue taxes levied by the Legislature of Puerto Rico in pursuance of the authority granted by this act on articles, goods, wares, or merchandise may be levied and collected as such legislature may direct, on the articles subject to said tax, as soon as the same are manufactured, sold, used, or brought into the island: *Provided*, That no discrimination be made between the articles imported from the United States or foreign countries and similar articles produced or manufactured in Puerto Rico. The officials of the Customs and Postal Services of the United States are hereby directed to assist the appropriate officials of the Puerto Rican government in the collection of these taxes."

With the following committee amendment:

Page 3, line 7, strike out "counted:" and insert "counted."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MEDICAL AND DENTAL OFFICERS OF THE ARMY

The Clerk called the next bill, S. 2463, to authorize an additional number of medical and dental officers for the Army.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That on and after July 1, 1937, there shall be authorized 1,083 officers of the Medical Corps and 208 officers of the Dental Corps, notwithstanding the provisions of the act of June 30, 1922 (42 Stat. 721), and the authorized commissioned strength of the Army is hereby increased by 75 in order to provide for the increases herein authorized in the number of officers in the Medical and Dental Corps.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That section 10 of the act entitled 'An act for making further and more effectual provisions for the national defense, and for other purposes', approved June 3, 1916, be amended by providing that on and after July 1, 1937, there shall be officers as now authorized by

law, except that there shall be four assistants to the Surgeon General with the rank of brigadier general, one of whom shall be an officer in the Dental Corps, and 1,183 officers of the Medical Corps and 258 officers of the Dental Corps.

"SEC. 2. That the act entitled 'An act to authorize officers of the Medical Corps to count certain service in computing their rights in retirement, and for other purposes', approved May 29, 1928, be amended by adding at the end thereof 'service as Contract Dental Surgeons and Acting Dental Surgeons shall be credited to the officers of the Dental Corps for the purpose of retirement.'"

Mr. THOMASON of Texas. Mr. Speaker, I move to strike out the last word.

I would like to ask the gentleman from Ohio [Mr. HARTER] if this bill, which authorizes an additional number of medical and dental officers, also includes veterinary officers.

Mr. HARTER. Additional medical and dental officers are authorized by this bill. The reason for the authorization is the fact that the enlisted strength of the Army has been brought up from 118,000 men to 165,000 men, which necessitates the induction of additional medical and dental officers in their respective corps. Under the appropriation bill for the War Department this year 50 additional medical officers are included and 25 additional dental officers.

Mr. THOMASON of Texas. May I say to the gentleman I understand that situation, and I am very much in agreement with the purposes of the bill, but does not the gentleman think there ought also to be provision made for taking care of a veterinary officer with the rank of brigadier general?

Mr. HARTER. No representations were made to the committee during the hearings that were had upon this bill. No doubt, if the gentleman feels that way, the gentleman will introduce a bill covering the subject.

Mr. THOMASON of Texas. I do not want to object to the bill or offer an amendment, but is it possible under the provisions of the pending bill that the veterinary corps may be represented in the person of a brigadier general, and does not the gentleman think this is justified under the facts and circumstances?

Mr. HARTER. I believe that is a matter in the hands of the administrative officers of the War Department, particularly, the Surgeon General.

Mr. THOMASON of Texas. Does the gentleman have any assurance from the high officials of the War Department that any provision will be made to take care of the Veterinary Corps?

Mr. HARTER. I have no such assurance.

The pro-forma amendment was withdrawn.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CREDITS TO DISBURSING OFFICERS, SUBSISTENCE HOMESTEADS CORPORATIONS

The Clerk called the bill (S. 2157) authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of disbursing officers for all otherwise proper payments heretofore made by them as fees and expenses incident to the creation or organization of subsistence homesteads corporations sponsored by the Secretary of the Interior pursuant to Executive Order No. 6209 of July 21, 1933.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SITKA COLD STORAGE CO.

The Clerk called the bill (H. R. 5859) authorizing the Territory of Alaska to transfer a certain tract of land to Sitka Cold Storage Co., a corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Territory of Alaska, through the Governor of Alaska, is hereby authorized to transfer and convey to the Sitka Cold Storage Co., a corporation organized and existing under the laws of the Territory of Alaska, that certain tract of land situated at Sitka, Alaska, the same having been mistakenly included in the tract of land granted to the Territory by the provisions of Public Law No. 134, Seventy-third Congress, approved March 27, 1934 (48 Stat. 502), entitled "An act granting abandoned public buildings and grounds at Sitka, Alaska, to the Territory of Alaska, and for other purposes", said tract of land being described as follows, to wit:

Beginning at corner no. 1, identical with corner no. 1, United States Forest Service reserve, and also with corner no. 4, United States reserve for public common, as shown on the plat of Sitka Townsite, Alaska, United States survey no. 1474, tract A, from which point USRLM no. 1, established in connection with the Sitka Townsite United States survey no. 1474, marked by a cross "x" and "USRLM no. 1" chiseled on a large bedrock face in the Indian schoolyard, bears north 11°02' east 293.8 feet distant, and the southeast corner of the Sitka Cold Storage Co. building A bears north 29°35' west 3.5 feet, thence north 1°04' west 4.2 feet to corner no. 2 on the west-side line of an unnamed street, called hereinafter "Waterfront Street", from which corner the southeast corner of said Sitka Cold Storage Co. building A bears south exactly 60° west 1.5 feet, thence north 29°35' west exactly 90 feet along the west-side line of said Waterfront Street and parallel to and 1.5 feet east therefrom the east end of said Sitka Cold Storage Co. building A to corner no. 3 from which corner the northeast corner of said building bears south exactly 60° west 1.5 feet distant, thence north 38°51' west 50.22 feet along the west-side line of said Waterfront Street to corner no. 4, a point on the northwest boundary line of said United States survey no. 1474, tract A, identical with the northwest boundary line of said United States reserve for public common and the northwest boundary line of said Pioneers Home tract; from which corner the northeast corner of the Harbor Store Building, same being property of the Sitka Cold Storage Co., bears south 31°06' east 16.5 feet distant, thence south exactly 35° west 36.50 feet along and identical with said northwest boundary (13–14) line of said United States survey no. 1474, tract A; northwest boundary (7–6) line United States reserve for public common and northwest boundary line Pioneers Home tract to corner no. 5, meander corner, at line of mean high tide on east shore of Sitka Harbor identical with corner no. 14, meander corner said United States survey no. 1474, tract A, and corner no. 6, meander corner, said United States reserve for public common, and with a meander corner of said Pioneers Home tract, thence with meanders, along the east shore of Sitka Harbor, identical with the meander line of said United States survey no. 1474, tract A, of said United States reserve for public common and of said Pioneers Home tract, under the said Harbor Store Building and the Sitka Cold Storage Co. building A, south 37°19' east 57.09 feet, south 20°23' west 43.43 feet, south 82°56' west 31.56 feet, south 70°07' west exactly 29 feet, south 15°51' east 19.37 feet, south 2°51' east 36.17 feet, south 76°51' east 14.59 feet, to corner no. 6, meander corner, identical with corner no. 5, meander corner of said United States reserve for public common, and with corner no. 5, meander corner, of said United States Forest Service reserve, and with corner of the said Pioneers Home tract; thence north exactly 60° east 132.44 feet along the 5–1 boundary line of the said United States Forest Service reserve, identical with the 5–4 boundary line of the said United States reserve for public common, and a boundary of the said Pioneers Home tract, and parallel to, and 3.5 feet south of the south side of the Sitka Cold Storage Co. building A to corner no. 1, the place of beginning, containing four-hundred-and-seventy-two one-thousandths acre.

With the following committee amendment:

Page 1, beginning with line 4, strike out all of lines 4, 5, 6, 7, 8, 9, and 10 and lines 1, 2, 3, and 4 of page 2 and in lieu thereof insert: "Alaska, is hereby authorized to transfer and convey to the Sitka Cold Storage Co., a corporation organized and existing under the laws of the Territory of Alaska, that certain portion of the land granted to the Territory by the provisions of Public Law No. 134, Seventy-third Congress, approved March 27, 1934 (48 Stat. 502), entitled 'An act granting abandoned public buildings and grounds at Sitka, Alaska, to the Territory of Alaska, and for other purposes', subject to the reservation of all oil, coal, or other minerals in the land, and the right to prospect for, mine, and remove the same contained in said act of March 27, 1934, said portion of the land described in said act of March 27, 1934, being described as follows, to wit."

The committee amendment was agreed to; and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ARMY BAND

The Clerk called the bill (H. R. 6173) to authorize the attendance of the Army Band at the national convention of the Military Order of the Purple Heart to be held in Philadelphia, Pa., August 7, 1937.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President is authorized to permit the Band of the United States Army to attend and give concerts

at the annual national convention of the Military Order of the Purple Heart to be held in Philadelphia on August 7, 1937.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such reunion there is authorized to be appropriated the sum of $5,000, or so much thereof as may be necessary, to carry out the provisions of this act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Army Band be allowed not to exceed $5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HELIUM GAS

The Clerk called the bill (H. R. 7494) to amend the act entitled "An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes.'"

The SPEAKER. Is there objection?

Mr. THOMAS of New Jersey. Mr. Speaker, I reserve the right to object. This is a very controversial bill, probably the most controversial bill that we have had here today. It is a very important bill, one that was so controversial in the Committee on Military Affairs that 10 members of that committee signed minority views. I think it should not come up on the Consent Calendar, but should come in under a rule. Therefore, I object.

Mr. MAY. Mr. Speaker, will the gentleman withhold that for a moment?

Mr. THOMAS of New Jersey. Yes.

Mr. MAY. Mr. Speaker, will the gentleman yield to me?

Mr. THOMAS of New Jersey. Yes.

Mr. MAY. The gentleman is one of the committee who, with myself, joined others in an expression of minority views on the bill relating to two principal subjects, one the exportation of helium gas to foreign countries under certain conditions, and, second, to the exploitation and destruction of a private ownership, the only one in the United States engaged in the helium-gas business. Amendments have been put on the bill by the committee to take care of one feature of it, and I have an amendment on the Speaker's desk that will take care of the other feature.

Mr. THOMAS of New Jersey. The gentleman will have to admit that this was perhaps the most controversial bill that we had in the Military Affairs Committee.

Mr. MAY. Yes.

Mr. THOMAS of New Jersey. Mr. Speaker, I object.

PURCHASE OF METAL FOR MINOR COINS

The Clerk called the bill (H. R. 8025) to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3528 of the Revised Statutes, as amended (U. S. C., 1934 edition, title 31, sec. 340), is hereby further amended by striking out the figures "$400,000" and inserting in lieu thereof the figures "$600,000."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend the remarks I made today concerning House bill 6167.

The SPEAKER. Is there objection?

There was no objection.

PROHIBITING ISSUANCE OF COMMEMORATIVE COINS

The Clerk called the bill (H. R. 8036) to prohibit the issuance and coinage of certain commemorative coins, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsequent to the enactment of this act no commemorative coins shall be coined or issued pursuant to any act of Congress, authorizing the coinage and issuance of commemorative coins, enacted prior to the date of the enactment of this act: *Provided*, That the foregoing prohibition shall not apply to the coinage and issuance prior to January 1, 1939, of 50-cent pieces authorized by acts of Congress to be coined in commemoration of the seventy-fifth anniversary of the Battle of Antietam, of the three hundredth anniversary of the original Norfolk (Va.) land grant and the two hundredth anniversary of the establishment of the city of Norfolk, Va., and the centennial of the independence of Texas.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER, NATCHEZ, MISS.

The Clerk called the bill (S. 2116) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Mississippi River, at or near Natchez, Miss., authorized to be built by the city of Natchez and county of Adams, State of Mississippi, by the act of Congress approved August 30, 1935, as amended by the act of Congress approved May 1, 1936, are hereby extended 1 and 3 years, respectively, from August 30, 1937.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. TOBEY. Mr. Speaker, I ask unanimous consent to extend the remarks I made today on House Joint Resolution 321.

The SPEAKER. Is there objection?

There was no objection.

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent to extend my remarks on H. R. 7879.

The SPEAKER. Is there objection?

There was no objection.

BRIDGE ACROSS COLUMBIA RIVER AT ASTORIA, OREG.

The Clerk called the bill (S. 2205) to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg., authorized to be built by the Oregon-Washington Bridge Board of Trustees by an act of Congress approved June 13, 1934, as heretofore extended by acts of Congress approved August 30, 1935, and January 27, 1936, are further extended 1 and 3 years, respectively, from June 13, 1937.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

TOLL BRIDGE ACROSS MISSOURI RIVER AT OR NEAR ARROW ROCK, MO.

The Clerk called the next bill, H. R. 6975, granting the consent of Congress to the county court of Saline County, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Arrow Rock, Mo.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WHITE of Idaho. Mr. Speaker, I object.

Mr. NELSON. Mr. Speaker, will the gentleman withhold his objection?

Mr. WHITE of Idaho. I will withhold the objection.

Mr. NELSON. I may explain that this is not new legislation. A similar bill was passed in the previous session of Congress. This is merely to correct an error in the original bill. The privilege was granted in a previous session, and this is merely renewing a privilege granted in the previous bill. It is not a new proposition at all.

Mr. WHITE of Idaho. This bill utilizes public roads for private gain. I am opposed to toll bridges in all circumstances. I crossed a bridge between Cincinnati and Covington that was built in 1859 and they are still collecting tolls. I am opposed to it. Mr. Speaker, I object.

BRIDGE OVER LAKE SABINE NEAR PORT ARTHUR, TEX.

The Clerk called the next bill, H. R. 6979, to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge over Lake Sabine, at or near Port Arthur, Tex., authorized to be built by the city of Port Arthur, Tex., or the Port Arthur Bridge Authority and its successors, by an act of Congress approved June 18, 1934 (48 Stat. 1008), and heretofore amended and extended by an act of Congress approved April 10, 1936, are hereby further extended 1 and 3 years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 6, strike out "Authority" and insert "Commission."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS WEST PASSAGE OF NARRAGANSETT BAY

The Clerk called the next bill, H. R. 7266, authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WHITE of Idaho. Mr. Speaker, I object.

BRIDGE ACROSS MISSISSIPPI RIVER BETWEEN NEW ORLEANS AND GRETNA, LA.

The Clerk called the next bill, H. R. 7440, to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La., authorized to be built by George A. Hero and Allen S. Hackett, their successors and assigns, by act of Congress approved March 2, 1927, heretofore extended by acts of Congress approved March 6, 1928, February 19, 1929, June 10, 1930, March 1, 1933, March 5, 1934, June 4, 1935, and June 20, 1936, are hereby further extended 1 and 3 years, respectively, from June 20, 1937: *Provided*, That the State of Louisiana, or any agency or authority created by it, may construct the bridge herein authorized.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE OHIO RIVER AT OWENSBORO, KY.

The Clerk called the next bill, H. R. 7767, creating the Owensboro Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the Owensboro Bridge Commission (hereinafter created, and hereinafter referred to as the "Commission") and its successors and assigns be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River at or near the city of Owensboro, Ky., at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this act. For like purposes said Commission and its successors and assigns are hereby authorized to purchase, maintain, and operate all or any ferries across the Ohio River within 15 miles of the location which shall be selected for said bridge, subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Commission and its successors and assigns the right and power to enter upon such lands and to acquire, condemn, occupy, possess, and use such real estate and other property in the State of Indiana and the Commonwealth of Kentucky as may be needed for the location, construction, operation, and maintenance of such bridge and its approaches, upon making just compensation therefor, to be ascertained and paid according to the laws of the State in which such real estate or other property is situated, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in said State, respectively.

SEC. 3. The Commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge and such ferry or ferries in accordance with the provisions of this act.

SEC. 4. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of the bridge and its approaches (including the approach highways which, in the judgment of the Commission, it is necessary or advisable to construct or cause to be constructed to provide suitable and adequate connection with existing improved highways) and the ferry or ferries and the necessary land, easements, and appurtenances thereto by an issue or issues of negotiable bonds of the Commission, bearing interest at not more than 6 percent per annum, the principle and interest of which bonds and any premium to be paid for retirement thereof before maturity shall be payable solely from the sinking fund provided in accordance with this act. Such bonds may be registrable as to principle alone or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 25 years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the Commission may determine. The Commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity in such manner and at such price or prices, not exceeding 105 and accrued interest, as may be fixed by the Commission prior to the issuance of the bonds. The Commission, when it deems it to the best interest of the Commission, may issue refunding bonds to repurchase and redeem any outstanding bonds, before the maturity thereof, which it may issue: *Providing*, That the refunding bonds shall mature at such time or times, not exceeding 20 years, as the Commission may determine. The Commission may enter into an agreement with any bond or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Commission in respect of the construction, maintenance, operation, repair, and insurance of the bridge and/or the ferry or ferries, the conservation and application of all funds, the safeguarding of money on hand or on deposit, and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law and also provisions for approval by the original purchasers of the bonds of the employment of consulting engineers and of the security given by the bridge contractors and by any bank or trust company in which the proceeds of bonds or of bridge or ferry tolls or other moneys of the Commission shall be deposited, and may provide that no contract for construction shall be made without the approval of the consulting engineers.

The bridge constructed under the authority of this act shall be deemed to be an instrumentality for interstate commerce, the Postal Service, and military and other purposes authorized by the Government of the United States, and said bridge and ferry or ferries and the bonds issued in connection therewith and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation. Said bonds shall be sold in such manner and at such time or times and at such price as the Commission may determine, but no such sale shall be made at a price so low as to require the payment of more than 6 percent interest on the money received therefor, computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the bridge and its approaches, and the land, easements, and appurtenances used in connection therewith, and, in the event the ferry or ferries are to be acquired, also the cost of such ferry or ferries and the lands, easements, and appurtenances used in connection therewith, when added to any other funds made available to the Commission for the use of said purposes. The cost of the bridge and approaches and approach highways, and ferry or ferries, shall be deemed to include interest during construction of the bridge, and for 12 months thereafter, and all engineering, legal, architectural, traffic-surveying, and other expenses incident to the construction of the bridge or the acquisition of the ferry or ferries, and the acquisition of the necessary property, and incident to the financing thereof, including the cost of acquiring existing franchises, right, plans,

and works of and relating to the bridge, now owned by any person, firm, or corporation, and the cost of purchasing all or any part of the shares of stock of any such corporate owner if, in the judgment of the Commission, such purchases should be found expedient. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess be placed in the sinking fund hereinafter provided. Prior to the preparation of definitive bonds the Commission may, under like restrictions, issue temporary bonds or interim certificates with or without coupons or any denomination whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery.

SEC. 5. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than 6 months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission prior to the issuance of the bonds. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge, so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within any such reasonable class, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge for traffic except upon payment of the tolls so fixed and adjusted. No toll shall be charged officials or employees of the Commission or the Government of the United States or any State, county, or municipality in the United States while in the discharge of their duties, or municipal police or fire departments when engaged in the proper work of any such department.

SEC. 6. Nothing herein contained shall require the Commission or its successors to maintain or operate any ferry or ferries purchased hereunder, but in the discretion of the Commission or its successors any ferry or ferries so purchased, with the appurtenances and property thereto connected and belonging, may be sold or otherwise disposed of or may be abandoned and/or dismantled whenever in the judgment of the Commission or its successors it may seem expedient so to do. The Commission and its successors may fix such rates of toll for the use of such ferry or ferries as it may deem proper, subject to the same conditions as are hereinabove required as to tolls for traffic over the bridge. All tolls collected for the use of the ferry or ferries and the proceeds of any sale or disposition of any ferry or ferries shall be used, so far as may be necessary, to pay the cost of maintaining, repairing, and operating the same, and any residue thereof shall be paid into the sinking fund hereinabove provided for bonds. An accurate record of the cost of purchasing the ferry or ferries, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 7. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to the bridge, that part within Indiana to the State of Indiana or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereafter referred to as the Indiana interests) and that part within Kentucky to the Commonwealth of Kentucky or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the Kentucky interests), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired by the Indiana interests and the Kentucky interests, as may be agreed upon; but if either the Indiana interests or the Kentucky interests shall not be authorized to accept or shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management, until such time as both the Indiana interests and the Kentucky interests shall be authorized to accept and shall accept such conveyance under such conditions. If at the time of such conveyance the Commission or its successors shall not have disposed of such ferry or ferries, the same shall be disposed of by sale as soon as practicable, at such price and upon such terms as the Commission or its successors may determine.

(a) Notwithstanding any restriction or limitation imposed by the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, or by the Federal Highway Act, or by an act amendatory of or supplemental to either thereof, the Secretary of Agriculture may extend Federal aid under such acts, for the construction of said bridge, out of any moneys allocated to the State of Indiana with the consent of the Department of Highways of said State, and out of any moneys allocated to the Commonwealth of Kentucky with the consent of the Department of Highways of said State.

SEC. 8. For the purpose of carrying into effect the objects stated in this act, there is hereby created the Owensboro Bridge Commission, and by that name, style, and title said body shall have perpetual succession; may contract and be contracted with, sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or other property and apply same to the purposes of this act; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this act.

The Commission shall consist of A. S. Griffin, James R. Wilson, Sam C. Coots, W. J. Hinchey, and E. G. Lindeman. Such Commission shall be a body corporate and politic. Each member of the Commission shall qualify within 30 days after the approval of this act by filing in the office of the Secretary of Agriculture an oath that he will faithfully perform the duties imposed upon him by this act, and each person appointed to fill a vacancy shall qualify in like manner within 30 days after his appointment. Any vacancy occurring in said Commission by reason of failure to qualify as above provided, or by reason of death or resignation, shall be filled by the Secretary of Agriculture. Before the issuance of bonds as hereinabove provided, each member of the Commission shall give such bond as may be fixed by the Chief of the Bureau of Public Roads of the Department of Agriculture, conditioned upon the faithful performance of all duties required by this act. The Commission shall elect a chairman and a vice chairman from its members, and may establish rules and regulations for the government of its own business. A majority of the members shall constitute a quorum for the transaction of business.

SEC. 9. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this act. The members of the Commission shall be entitled to a per-diem compensation for their services of $10 per day for each day actually spent in the business of the Commission, but the maximum compensation of the chairman in any year shall not exceed $2,500 and of each other member shall not exceed $500. The members of the Commission shall also be entitled to receive traveling-expense allowance of 10 cents a mile for each mile actually traveled on the business of the Commission. The Commission may employ a secretary, treasurer, engineers, attorney, and other such experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. All salaries and expenses shall be paid solely from the funds provided under the authority of this act. After all bonds and interest thereon shall have been paid and all other obligations of the Commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the Indiana interests and the Kentucky interests as herein provided, and any ferry or ferries shall have been sold, the Commission shall be dissolved and shall cease to have further existence by an order of the Chief of the Bureau of Public Roads made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Owensboro, Ky., notice of the time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof, in a newspaper published in the city of Owensboro. At the time of such dissolution all moneys in the hands of or to the credit of the Commission shall be divided into two equal parts, one of which shall be paid to said Indiana interests and the other to said Kentucky interests.

SEC. 10. Notwithstanding any of the provisions of this act, the Commission shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of Indiana and the Department of Highways of Kentucky, the city of Owensboro, Daviess County, Ky., or any county or municipality in the State of Indiana, whereby the Commission may receive financial aid in the construction of the bridge and approaches thereto, and the Commission may make and enter into any contract or contracts which it deems expedient and proper with the State Highway Commission of Indiana and the Department of Highways of Kentucky, whereby said highway departments or either of them may construct, operate, and maintain or participate with the Commission in the construction, operation, and maintenance of said bridge and approaches. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Ohio River at or near Owensboro, and to authorize the Commission to promote said object and purposes, with full power to contract either with the State Highway Commission of Indiana or the Department of Highways of Kentucky, or both, in relation to the construction, operation, and maintenance of said bridge and approaches.

SEC. 11. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create any obligation or incur any liability other than such obligations

and liabilities as are dischargeable solely from funds provided by this act. No obligation created or liability incurred pursuant to this act shall be an obligation or liability of any member or members of the Commission but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this act be an indebtedness of the United States.

SEC. 12. All provisions of this act may be enforced or the violation thereof prevented by mandamus, injunction, or other appropriate remedy brought by the attorney general for the State of Indiana, the attorney general for the Commonwealth of Kentucky, or the United States district attorney for any district in which the bridge may be located in part, in any court having competent jurisdiction of the subject matter and of the parties.

SEC. 13. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 4, line 7, strike out "twenty years" and insert "thirty years from date of approval of this Act,"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREE HIGHWAY BRIDGE ACROSS SINEPUXENT BAY AT OCEAN CITY, MD.

The Clerk called the next bill, H. R. 7806, authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Sinepunxent Bay in Worcester County, Md., at Ocean City, Md., to replace a bridge already in existence.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, is the author of the bill present?

Mr. GOLDSBOROUGH. Yes.

Mr. COSTELLO. As I understand, this bill would authorize the building of a free bridge across Sinepuxent Bay in Maryland, as also does the next bill on the calendar. In view of the fact that this is not a navigable stream and that it is entirely within the State of Maryland, there appears to be no necessity for Federal authority to build the bridge. According to the report of the Secretary of War on both this bill and the succeeding bill, the only necessity is to obtain authority from the State of Maryland, and it does not properly come before Congress, so it would appear that the enactment of the legislation would be unnecessary.

Mr. GOLDSBOROUGH. The gentleman is mistaken. Both of these are navigable waters. Sinepuxent Bay is navigable, and so is Cambridge Creek in Dorchester County. They are both navigable waters. If the gentleman has ever been to Ocean City, he would notice that he has to cross a bridge before he gets to Ocean City. That is all navigable water.

Mr. COLE of Maryland. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. COLE of Maryland. I think it would be interesting to know that Sinepuxent Bay is connected by an inlet from the ocean, which inlet is constructed and maintained at Government expense. It is clearly navigable at this time. I think the objection might have applied before the inlet was cut through.

Mr. GOLDSBOROUGH. But it is all navigable. There are yachts anchored all around on both sides of the bridge.

Mr. COSTELLO. How about the following bill that comes right after it?

Mr. GOLDSBOROUGH. That is a little creek in Dorchester County. That is navigable water also.

Mr. COSTELLO. There is no necessity, according to the report of the War Department. All that is necessary is for the State of Maryland to grant authority and that the plans be submitted to the War Department and approved without specific legislation for this purpose, regardless of the question of navigability.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. O'MALLEY. At Ocean City the present bridge crosses navigable water, for the Government has dredged the inlet. There is a yacht basin at North River. It certainly is navigable, I will say to the gentleman, for I have navigated it.

Mr. COSTELLO. Was authority for the original bridge granted by Congress to the State of Maryland?

Mr. GOLDSBOROUGH. In both cases; yes.

Mr. COSTELLO. Is not that authority sufficient to carry over for the new bridge?

Mr. GOLDSBOROUGH. No; it is not, because conditions might change from time to time. The Acting Secretary says that this bill would authorize the State Roads Commission of Maryland to construct, maintain, and operate a free highway bridge and approaches thereto across the Sinepuxent Bay at Ocean City, Md., and favorable action on this bill is recommended. I just do not know what point the gentleman is making.

Mr. COSTELLO. Simply that the War Department alleges that the passage of this legislation is unnecessary.

Mr. GOLDSBOROUGH. It does not allege that so far as I know.

Mr. COSTELLO. The last line of Secretary Woodring's letter reads:

The enactment of this measure therefore appears to be unnecessary.

In other words, the original bridge was authorized and now it is only desired to replace that bridge. In order to do this no further action is necessary except possibly by the State of Maryland, with approval of the plans and specifications by the War Department.

Mr. GOLDSBOROUGH. The gentleman is speaking about the bridge across Cambridge Creek. The bill now under consideration is the one providing for a bridge across Sinepuxent Inlet.

Mr. COSTELLO. That is the one to which I refer, the bridge across Sinepuxent Inlet.

Mr. CHAPMAN. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. CHAPMAN. The committee considered this. In view of the fact that there is a difference of opinion as to whether these waters are navigable, and there is some question, they thought it should be treated as though the waters were navigable.

Mr. COSTELLO. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State Roads Commission of the State of Maryland be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across Sinepunxent Bay, at a point suitable to the interests of navigation, in Worcester County, Md., at Ocean City, Md., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State Roads Commission of the State of Maryland all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 8, strike out "Sinepunxent" and insert in lieu thereof "Sinepuxent."

Amend the title of the bill.

The committee amendments were agreed to.

Mr. HOLMES. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLMES: Page 1, line 8, strike out "a point suitable to the interests of navigation" and insert in lieu thereof "Worcester Street."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Sinepuxent Bay, in Worcester County, Md., at Ocean City, Md., to replace a bridge already in existence."

BRIDGE ACROSS CAMBRIDGE CREEK, MD.

The Clerk called the next bill, H. R. 7807, authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Cambridge Creek, in or near Cambridge, Dorchester County, Md., to replace a bridge already in existence.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State Roads Commission of the State of Maryland be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across Cambridge Creek, at a point suitable to the interests of navigation, in Cambridge, in Dorchester County, Md., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the State Roads Commission of the State of Maryland all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSISSIPPI RIVER, GREENVILLE, MISS.

The Clerk called the next bill, H. R. 7849, authorizing State Highway Commission of Arkansas and State Highway Commission of Mississippi to construct, maintain, and operate a toll bridge across the Mississippi River at or near Lake Village, Chicot County, Ark., and to a place at or near Greenville, Washington County, Miss.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WHITE of Idaho. Mr. Speaker, I object.

OKLAHOMA RECLAMATION PROJECTS

The Clerk called the next bill, H. R. 7953, to provide for studies and plans for the development of reclamation projects on the Cimarron River in Cimarron County, Okla.; the Washita River in Oklahoma, and the North Canadian River in Oklahoma.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized (a) to conduct surveys and investigations in order to determine the feasibility and economic usefulness of the development of reclamation projects embracing certain lands on the Washita River in Oklahoma, and certain lands on the North Canadian River in Oklahoma, and certain lands on the Cimarron River, in Cimarron County, Okla.; and (b) if such development is determined to be feasible and economically useful, to prepare cost of estimates and designs for the construction of dams at such sites and such additional or incidental facilities as are necessary to carry out such development.

SEC. 2. That any funds appropriated for the fiscal year 1938 providing for surveys under the Reclamation Act may be used to carry out the provisions of this act.

Committee amendment:

The Clerk read as follows:

Committee amendment: On page 2, strike out all of lines 6, 7, and 8 and insert in lieu thereof:

"SEC. 2. Not exceeding $25,000 of any funds appropriated for the fiscal year 1938 for investigations and surveys by the Bureau of Reclamation may be used to carry out the provisions of this act."

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 6, strike out all of lines 6, 7, 8, and 9 and insert in lieu thereof the following: "of reclamation projects embracing certain lands in the Washita River Basin in Oklahoma, and certain lands in the North Canadian River Basin in Oklahoma, and certain lands in the Cimarron River Basin, Cimarron County, Oklahoma, and (b)."

The amendment was agreed to.

Mr. COSTELLO. I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO as a substitute for the committee amendment: Page 2, beginning in line 6, strike out all of section 2 and insert, in lieu thereof, the following:

"SEC. 2. That any funds appropriated providing for surveys under the Reclamation Act may be used to carry out the provisions of this act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STUDIES AND PLANS FOR DEVELOPMENT OF RECLAMATION PROJECTS ON THE CIMARRON RIVER, OKLA.

The Clerk called the next bill, H. R. 5960, to provide for studies and plans for the development of a reclamation project on the Cimarron River in Cimarron County, Okla.

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to withdraw this bill from the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

FOREIGN PROPAGANDA

The Clerk called the next bill, H. R. 1591, to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc.,

That as used in this Act—

(a) The term "person" means an individual, partnership, association, or corporation;

(b) The term "United States" includes the United States and any place subject to the jurisdiction thereof;

(c) The term "foreign principal" means the government of a foreign country, a political party of a foreign country, a person not a resident of the United States, or any foreign business or political organization;

(d) The term "agent of a foreign principal" means any person who acts or engages or agrees to act as a public-relations counsel, publicity agent, or as agent, servant, representative, or attorney for a foreign principal or for any domestic organization subsidized directly or indirectly in whole or in part by a foreign principal. Such term shall not include a duly accredited diplomatic or consular officer of a foreign government who is so recognized by the Department of State of the United States, not a person other than a public-relations counsel, or publicity agent performing only private, nonpolitical, financial, mercantile, or other activities in furtherance of the bona-fide trade or commerce of such foreign principal.

(e) The term "Secretary" means the Secretary of State of the United States.

SEC. 2. Every person who is now an agent of a foreign principal shall, within 30 days after this act takes effect, and every person who shall hereafter become an agent of a foreign principal shall forthwith file with the Secretary a registration statement, under oath, on a form prescribed by the Secretary which shall set forth—

(a) The name, business address, and residence address of the registrant;

(b) The name of the foreign principal or other person or organization for which such person is acting as agent;

(c) A copy of all contracts of employment under which such person acts or agrees to act as such agent, if written, or a full statement of the terms and conditions thereof, if oral;

(d) The date when each such contract was made, the date of commencement of activity thereunder, and the period during which such contract is to be in effect;

(e) The compensation to be paid, if any, and the form and time of payment, under such contract;

(f) The name of every foreign principal, or other person or organization which has contributed or which has promised to contribute to the compensation provided in such contract; and

(g) If the registrant be a partnership, association, or corporation, a true and complete copy of its charter, articles of incorporation, copartnership, association, constitution, and bylaws, and any other instrument or instruments relating to its organization, powers, purposes, membership, and the like.

SEC. 3. Every person who has filed a registration statement required by section 2 shall, within ——— days after the expiration of such period of six months succeeding the first filing, file with the Secretary a statement, under oath, on a form prescribed by the Secretary, which shall set forth with respect to such preceding six months' period—

(a) Such facts as may be necessary to make the information required under section 2 hereof accurate and current with respect to such period;

(b) The amount and form of compensation received by such person for acting as agent for a foreign principal which has been received during such six months' period either directly or indirectly from any foreign principal; and

(c) A statement containing such details required under this act as the Secretary shall fix, of the activities of such persons as agent of a foreign principal during such six months' period.

SEC. 4. The Secretary shall retain in permanent form all statements filed under this act, and such statements shall be public records and open to public examination and inspection at all reasonable hours, under such rules, and so forth.

SEC. 5. Any person who willfully fails to file any statement required to be filed under this act, or in complying with the provisions of this act, makes a false statement of a material fact, or willfully omits to state any material fact required to be stated therein shall, on conviction thereof, be punished by a fine of not more than $1,000 or imprisonment for not more than 2 years, or both.

SEC. 6. The Secretary is authorized and directed to prescribe such rules, regulations, and forms as may be necessary to carry out this act.

SEC. 7. This act shall take effect on the 19th day after the date of its enactment.

With the following committee amendments:

Page 2, line 11, strike out "not a persor" and insert "nor a person."

Page 2, line 12, strike out "agent" and insert "agent.".

Page 3, line 20, insert after the word "powers" the word "and", and strike out the words "membership, and the like."

Page 3, line 23, after the word "within", insert "30."

Page 4, line 17, strike out "and so forth" and insert "and regulations as the Secretary may prescribe."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CREATION OF THE PALISADES INTERSTATE PARK COMMISSION

The Clerk called the next resolution, House Joint Resolution 445, granting the consent of Congress to a compact between the States of New York and New Jersey providing for the creation of the Palisades Interstate Park Commission as a joint corporate municipal instrumentality of said States with appropriate rights, powers, duties, and immunities, for the transfer to said commission of certain functions, jurisdiction, rights, powers, and duties together with the properties of the bodies politic now existing in each State known as "Commissioners of the Palisades Interstate Park", and for the continuance of the Palisades Interstate Park.

The SPEAKER. Is there objection to the present consideration of the House joint resolution?

Mr. FISH. Mr. Speaker, reserving the right to object, may I ask the gentleman from New Jersey [Mr. KENNEY] whether there has been any request from the New York State Legislature for any such legislation?

Mr. KENNEY. The request came down from the commission, which was set up by both the States of New York and New Jersey. The gentleman perhaps knows that the compact was entered into, and the laws of both States required that the commission ratify it. It has been ratified and approved, and the bill has been sent down by the commission for action by the Congress.

Mr. FISH. The New York State Palisades Park Commission has unanimously recommended this action?

Mr. KENNEY. Yes.

Mr. FISH. I have no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SUMNERS of Texas. Mr. Speaker, reserving the right to object, and I do so for the purpose of making an inquiry about jurisdiction. The Committee on the Judiciary, so far as I know, has always had jurisdiction with reference to interstate compacts. This bill seems to have been reported by the Committee on Interstate and Foreign Commerce. I reserved the right to object, and I shall not object in this instance, to raise only the question of jurisdiction. In other words, as chairman of the Committee on the Judiciary, I do not want to yield the jurisdiction of that committee as a permanent proposition. I have no objection to this bill, but I want it understood we do not consent that it shall become a precedent.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Clerk read the House joint resolution, as follows:

Joint resolution granting the consent of Congress to a compact between the States of New York and New Jersey providing for the creation of the Palisades Interstate Park Commission as a joint corporate municipal instrumentality of said States with appropriate rights, powers, duties, and immunities, for the transfer to said commission of certain functions, jurisdiction, rights, powers, and duties together with the properties of the bodies politic now existing in each State known as "Commissioners of the Palisades Interstate Park", and for the continuance of the Palisades Interstate Park.

Whereas, pursuant to chapter 170 of the Laws of 1937 of the State of New York and chapter 148 of the Laws of 1937 of the State of New Jersey, the States of New York and New Jersey entered into a compact which is as follows:

"COMPACT

"Whereas, heretofore the States of New York and New Jersey have cooperated in the establishment and maintenance of an interstate park along the front of the Palisades in said States and in the mountainous lands in Rockland and Orange Counties in the State of New York, by respectively enacting legislation creating in each State a body politic by the name and style of "Commissioners of the Palisades Interstate Park", with power to acquire lands for such park, and improve and manage the same, and by respectively appointing, in practically all cases, the same persons as members of each of such State bodies politic; and

"Whereas it is confidently believed that the creation, by interstate compact, of a joint corporate municipal instrumentality to hold and manage such interstate park will provide greater flexibility and harmony in the management of the park,

"Now, therefore, in consideration of the premises and of the mutual advantages and benefits to accrue to the peoples of the States of New York and New Jersey from this compact and in consideration of the mutual covenants of the parties hereto herein contained, the sovereign State of New York and the sovereign State of New Jersey do hereby agree as follows:

"ARTICLE I

"The park or parks in the State of New York under the jurisdiction, management, or control of Commissioners of the Palisades Interstate Park, a body politic created pursuant to chapter 170 of the laws of 1900 of the State of New York (hereinafter referred to as 'New York State board'), and the park or parks in the State of New Jersey now under the jurisdiction, management, or control of Commissioners of the Palisades Interstate Park, a body politic created pursuant to chapter 87 of the laws of 1900 of the State of New Jersey (hereinafter referred to as 'New Jersey State board', the New York State board and the New Jersey State board being hereinafter referred to collectively as 'State boards'), shall continue to exist and shall be maintained in the two States as an interstate park for the use of the public and for the purpose of preserving the scenic beauty of the Palisades and other lands therein. Such park shall be called 'Palisades Interstate Park.' The parties hereto do hereby agree to and pledge, each to the other, faithful cooperation in the future planning, improvement, development, maintenance, government, and management of the park, holding in high trust for the benefit of the public the special blessings and natural advantages thereof.

"ARTICLE II

"There is hereby created a body corporate and politic with the name and style of 'Palisades Interstate Park Commission' (for brevity hereinafter referred to as 'the commission') which shall be a joint corporate municipal instrumentality of both the State of New York and the State of New Jersey for the purpose of effecting the objects of this compact and which shall be deemed to be performing governmental functions of the two States in the performance of its duties hereunder. The commission shall have power to sue and be sued, to use a common seal and to make

and adopt suitable bylaws. The commission shall consist of 10 members, 5 of whom shall be citizens and residents of the State of New York and 5 of whom shall be citizens and residents of the State of New Jersey. For the purpose of doing business the members of the commission shall constitute a board. The present members of the two State boards shall be the first members of the commission for their respective States for the remainder of the terms for which they were respectively appointed. Each member of the commission shall be a citizen and resident of the State of which his predecessor was a citizen and each member of the commission other than the first members shall be appointed by the Governor of the State of which his predecessor was a citizen, by and with the approval of the senate of such State. Each member shall take an oath of office to perform faithfully all of the duties of his office according to the best of his ability. Such oath of office may be administered by any officer of the State of which such member is a citizen who is authorized to take oaths of office of any State officer and shall be filed in the office of the secretary of state of such State. The term of office of each member other than said first members shall be 5 years. Each member shall hold office until his successor shall have been appointed and shall have taken his oath of office, but each term shall be deemed to commence at the end of the preceding 5-year term regardless of when the incumbent is appointed or takes the oath of office. If a member shall cease to be a citizen and resident of the State for which he was appointed, he shall cease to be a member of the commission. If a member of the commission shall die, resign, be removed, refuse to act, or cease to be a citizen and resident of the State for which he was appointed, the vacancy so created shall be filled, for the unexpired term only, by the appointment of a citizen and resident of the State of which such member was a citizen by the Governor thereof, by and with the approval of the senate of such State. Each member of the commission may be removed from office for neglect of duty or misconduct in office by the Governor of the State of which such member is a citizen after giving such member a copy of the charges against him and an opportunity of being publicly heard in person or by counsel or both in his own defense, upon not less than 10 days' notice. No member of the commission shall receive any compensation for his services as a member, but each member shall be entitled to receive his actual disbursements for his expenses in performing the duties of his office. The commission shall annually choose a president, a vice president, a treasurer, and a secretary from among its members, and may also appoint such other officers as it may deem necessary or appropriate to carry out the purposes of this compact.

"ARTICLE III

"There are hereby transferred to the commission all of the functions, jurisdiction, rights, powers, and duties of the respective State boards, as now prescribed by the laws of the respective States, and the same shall hereafter be exercised and performed by the commission, subject to such modifications thereof as are contained in this compact. Either the State of New York or the State of New Jersey may by law applicable to parks or park commissions generally within such State, or by law specifically applicable to the commission or to any of the parks within such State under its jurisdiction, and without the concurrence of the other State, withdraw, modify, alter, or amend any of the functions, jurisdiction, rights, powers, and duties transferred to the commission by this article or confer additional functions, jurisdiction, rights, powers, and duties on the commission, but such action by one State shall be effective only within the territorial limits of such State. The commission shall also have such additional functions, jurisdiction, rights, powers, and duties as may be conferred upon it by both States.

"ARTICLE IV

"1. All legal and equitable title to or in any property, tangible or intangible and whether real, personal, or mixed, used or held as a part of, in connection with, or for the purposes of the park or parks now under the jurisdiction, management, or control of the respective state boards, or connected with the maintenance or control thereof, in so far as the same shall have heretofore been vested in either of such State boards, is hereby transferred to and vested in the commission, subject to such liens, easements, permits, life rights, and other contracts relating thereto or in respect thereof as may now lawfully exist. All such legal and equitable title shall, upon the taking effect of this compact, forthwith and thereafter reside in the commission without further act or deed or transfer.

"2. The commission shall succeed and shall be, and hereby is, substituted for each of the State boards in so far as either of them has any obligation or liability to any person, firm, or corporation, has undertaken or commenced any proceeding or other business, is a party to any action, suit, or proceeding (the substitution of the commission for either of the State boards in any action, suit, or proceeding to be deemed to be by operation hereof without motion or order) or has issued or promulgated any orders, rules, or regulations, and also in so far as consistent with the other provisions and the purposes of this compact, the commission should be regarded as succeeding and as substituted for either of the State boards in any other respect in order that the purposes of this compact may be accomplished. The balance of all appropriations heretofore made by either State and remaining to the credit of either of the State boards, to which either State board is entitled, or in the future would become entitled if its existence continued, shall be deemed to be appropriations to the commission herein created, and the commission shall, upon the taking effect of this compact, succeed to all the rights to any such appropriations theretofore made with the same force and effect as if the commission had originally been specifically named in the respective appropriation acts instead of the respective State boards for which such appropriations were made.

"3. All lands the title to which is hereby transferred to or shall hereafter be owned by the commission shall be and continue under the jurisdiction of the commission and shall be used only for public-park purposes and none of said lands or any part thereof shall be sold, exchanged, or conveyed except with the consent of both States by specific enactments: *Provided, however,* That the commission shall have power to grant easements, licenses, permits, and other rights over any lands held by it in either State when in the opinion of the commission the same will not interfere with the use and enjoyment of the park by the public.

"4. Each State may by legislation make rules and regulations for the use and government, including regulation of traffic, of such portions of the park as lie within the boundaries of the State, and such parts of any State, county, or other public highways as lie within the limits of such portions of the park, and all lands, parks, and parkways in the State under the jurisdiction of the commission, prescribe the penalty or penalties for violation of any such rules or regulations, prescribe the procedure for enforcement of any such penalty or penalties and provide the court or courts in which any such enforcement is to be sought.

"ARTICLE V

"1. All money, securities, and other property, real and personal, heretofore received by either of the State boards or hereafter received by the commission by way of gift, bequest or devise, may be retained by the commission and, except insofar as the purpose or manner of using the same is otherwise specifically designated or restricted by the terms of any such gift, bequest or devise, may be used in the commission's discretion in either State for any park purpose; and the commission may likewise retain and use all revenue and income arising solely from such money, securities, and other property so received by way of gift, bequest or devise or from facilities or operations financed solely by funds so received. In the case of revenue and income arising partly from specific property received by way of gift, bequest or devise or from specific facilities or operations financed partly by funds so received, the commission may likewise retain and use such proportion of such revenue and income as the amount of gifts, bequests or devises, or the proceeds thereof, invested in each such property, facility or operation, bears to the total amount invested therein. The legislature of either State may from time to time by law specifically made applicable to the commission prescribe other terms and conditions upon which or purposes for which any gifts, bequests or devises thereafter made of money, securities, or other property may be accepted for use in such State or used in such State or prescribe a different manner of administering gifts, bequests or devises thereafter made in such State and the disposition of all revenues or income arising therefrom.

"2. Either State may from time to time by law require the commission to render to any designated official or official body or such State such reports and such estimates of revenues and expenditures as may be specified in such law.

"ARTICLE VI

"The commission shall not pledge the credit of either State except by and with the authority of the legislature thereof.

"ARTICLE VII

"Neither the State of New York nor the State of New Jersey shall be liable for any torts of the commission, its members, officers, or employees, except as provided by the laws of such State, but each member, officer, and employee of the commission shall, with respect to any tort committed by him in the exercise of his duties or in the course of his employment as such member, officer, or employee, be deemed to be an officer or employee of the State where such tort was committed, and any liability arising from such tort shall be governed by the laws of such State.

"ARTICLE VIII

"This compact may be amended from time to time by the concurrent action of the two States who are parties hereto.

"In witness whereof, the sovereign States of New York and New Jersey, respectively, have caused this compact to be signed and sealed in triplicate by their respective commissioners thereunto duly authorized this 28th day of June 1937.

"For the State of New York:

"J. DU PRATT WHITE (L. S.)
"W. AVERELL HARRIMAN (L. S.)
"GEO. W. PERKINS (L. S.)
"FREDERICK OSBORN (L. S.)
"ALFRED E. SMITH (L. S.)
"JOHN J. BENNETT, JR. (L. S.)
"Attorney General of the State of New York.

"As commissioners authorized by Chapter 170 of the Laws of 1937 of the State of New York.

"Approved:

"HERBERT H. LEHMAN,
"Governor of the State of New York.

"In the presence of:

"FREDERICK C. SUTRO.

"For the State of New Jersey:

"CHARLES W. BAKER (L. S.)
"WILLIAM CHILDS (L. S.)
"EDMUND W. WAKELEE (L. S.)
"ABRAM DE RONDE (L. S.)
"VICTOR H. BERMAN (L. S.)
"DAVID T. WILENTZ (L. S.)
"Attorney General of the State of New Jersey.

"As commissioners authorized by Chapter 148 of the Laws of 1937 of the State of New Jersey.

"Approved:

"HAROLD G. HOFFMAN,
"Governor of the State of New Jersey.

"In the presence of:

"FREDERICK C. SUTRO."

Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to said compact, and to each and every part and article thereof: *Provided,* That nothing therein contained shall be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of said compact.

SEC. 2. The right to alter, amend, or repeal this resolution is hereby expressly reserved.

Mr. KENNEY. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, it is not my desire to take the time of the House, but I believe I ought to call the attention of the Members to a significant fact in connection with this bill. The bill, after it is passed by Congress, will set up the first park in which two States have united for joint control. As if by fate, the chairman of the Committee on Interstate and Foreign Commerce sent the bill to a subcommittee, appointing as its chairman the able gentleman from Indiana, an advocate of outdoor life, which adds years to its span and a nephew of the sponsor of our first national park, Yellowstone, carved out of sections of Wyoming, Montana, and Idaho, and constituting the world's greatest geyser area and world-famous game sanctuary. The chairman of the subcommittee has an inborn interest in our great parks. Consequently, he was disposed to and did expedite the resolution for consideration by the full committee. Having had the privilege of introducing the bill, I wish to pay my compliments to the chairman of the subcommitee, our colleague SAMUEL PETTENGILL. It was his uncle, then a Delegate from Montana, who sponsored the founding of Yellowstone Park, the first of our great national parks. Back in the last century William H. Clagett, Delegate in this House from Montana, gave of his energy and vision to establish our first national park. Now SAMUEL PETTENGILL, William H. Clagett's nephew, faithful to the cause, is aiding the progress of the world-renowned Palisades Interstate Park.

The resolution before the House undertakes to ratify a compact between two States for the better development and management of a great interstate park.

This proposed legislation is in harmony with the act of June 23, 1936 (49 Stat. 1894, ch. 735), section 3 of which provides as follows:

> The consent of Congress is hereby given to any two or more States to negotiate and enter into compacts or agreements with one another with reference to planning, establishing, developing, improving, and maintaining any park, parkway, or recreational area. No such compact or agreement shall be effective until approved by the legislatures of the several States which are parties thereto and by the Congress of the United States.

Following years of study a compact between the States of New York and New Jersey for the administration and development of the Palisades Interstate Park was drawn and submitted to the respective legislatures of those two States. This compact this year was adopted by each, signed by the respective authorized commissions, and approved by the Governor of each State. It remains only for Congress to approve, as provided in the Constitution, and the compact becomes effective.

Palisades Interstate Park was the first undertaking in which two sovereign States united for joint action in a vast project. It represents a cooperative enterprise of unparalleled success. The attendance in the park is greater than in any other park in the world. It is estimated that 14,382,622 people visited the park in the year 1936. Park lands consist of approximately 46,000 acres in New York and approximately 1,700 acres in New Jersey. The lands in New York are mostly mountainous and were valued at the times of their acquisition at a total of $7,524,671.08, while the lands in New Jersey, being located nearer New York City, were valued as acquired at a total of $10,914,306.

Since the creation of the park 36 years ago, in 1900, the State of New York has dedicated to it land valued at $170,000 and appropriated $22,594,735.38 in money, or a total of $22,764,735.38. The State of New Jersey has appropriated $3,291,415.37. The totals of these State appropriations include all sums appropriated for current maintenance and operating expenses during all the years. In addition to these State contributions, gifts of money and land have been made to the park by private donors of whom the family of John D. Rockefeller were generous contributors, totaling $17,799,999.57. Down to the end of 1935 the grand total of the money and property received from the two States and from private contributors for all purposes amounts to $43,856,150.32.

Palisades Interstate Park was established in 1900 to preserve the scenic beauty and natural resources of the Palisades. The machinery set up at that time for its management consisted of two separate State bodies—a New Jersey commission of which Senator Edmund W. Wakelee is now president, and a New York commission of which Mr. J. Du Pratt White is president—each consisting of 10 members. It was contemplated that the activities of the two State boards would be coordinated through having identical members of the two State commissions, as they have five residents of each State. This coordination, however, without the compact which is the subject of this joint resolution, rests entirely upon comity and has no basis in law. A Governor of either State might refuse to continue this policy of appointing identical members. If this should happen, the management and development of the park as a unit would be destroyed. As a matter of fact, at one time there was a serious possibility that this unfortunate result might occur.

This compact will place the park on a more solid foundation, permitting a permanent organization for its administration and development. The many advantages of this assurance are obvious. One advantage of inestimable value to the park in gaining this solid foundation will be that the park will be a more attractive object for the bounty and generosity of public-spirited benefactors.

It is believed, and indeed it has been specifically pointed out in the instances of a number of gifts in the past, that the park has not enjoyed gifts of land and money to the fullest extent for the reason that the operation of the park as a unit has lacked the element of permanency, this lack of assured certainty being inherent in the former plan of operation. The compact will allay the fears of possible donors that there might be a change in the fundamental policy of either State toward the park and thus frustrate the purpose of their gifts. With these fears allayed the commissioners look forward to the time when they will obtain gift funds with which they can provide income-producing operations that will make the park substantially self-sustaining.

The compact will in some respects add greatly to the efficiency of the administration of the park. An example of this is in the matter of the policing of the park. The compact specifically authorizes the new interstate commission to establish a police force to operate in both the New York and New Jersey sections of the park. At the present time a park policeman in the New Jersey section of the park is not and cannot be a peace officer in New York, and vice versa, a park policeman in the New York section of the park cannot act as a peace officer in New Jersey. This situation becomes very serious in the matter of pursuit of escaping violators of the law, because in such case the peace officer of one State is compelled to stop at the State line.

Furthermore, it prevents the commission from transferring its police force back and forth in order to take care of peak loads and emergencies on one side or the other of

the State line. For example, there may be in the New Jersey section on a particular day a celebration of some kind which would require a considerably larger police force than the New Jersey commission regularly employs. It is obviously economical and sensible to shift extra police from the New York section of the park into the New Jersey section to take care of this situation. In the same way there may be something going on in the New York section of the park, such as a ski-jumping contest at Bear Mountain in the winter, that makes it desirable to have extra policemen there, and sensible management of the park dictates that the New Jersey police force should be available for such use in New York.

With the approval of this compact by Congress, it is believed that the commission can confidently look forward to increasing the park's usefulness in making it even a greater instrumentality for the health and happiness of the millions of people that use it.

The pro-forma amendment was withdrawn.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WORLD WAR PROVISIONAL OFFICERS

The Clerk called the next bill, S. 1040, placing provisional officers of the World War in the same status with emergency officers of the World War and extending to them the same benefits and privileges as are now or may hereafter be provided by law, orders, and regulations for said emergency officers, and for other purposes.

Mr. BIERMANN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. FISH. Will the gentleman withhold his objection?

Mr. BIERMANN. I have two or three objections. One of the objections is this will cost $3,000,000. This bill is objected to by the Veterans' Administration, the Secretary of War, and the Secretary of the Navy.

Mr. FISH. Has the gentleman made a study for himself?

Mr. BIERMANN. I have the report right here and will submit it to the gentleman from New York.

Mr. FISH. There has been great discrimination against these provisional officers. They do not qualify for compensation, they were sidetracked, yet they are the same young fellows who went into the First and Second Divisions and did the fighting for this country and were all shot up. For some unknown reason they have been discriminated against for a number of years.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FISH. Mr. Speaker, reserving the right to object, I would like to further develop this a bit, because I do not believe any Member of the House wants an injustice to be done.

Mr. BIERMANN. I do not want an injustice to be done.

Mr. FISH. I am sure the gentleman does not. I would like to hear a little bit more about it, as long as the question has been raised.

Mr. WOLCOTT. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Michigan.

Mr. WOLCOTT. Those of us who were in training camps remember well the commanding officer asking those who wanted to be commissioned and go overseas immediately to take two paces forward.

Some of those who were a little braver than the rest of us took the two steps forward, and they were sent over as provisional officers. They were denied all the privileges we were allowed by reason of the fact we stayed in camp, were commissioned later on, and then went abroad. We received our bonuses, and some of us received retirement pay. However, these fellows who patriotically stepped the two paces forward and said, "I am willing to be commissioned now and go overseas" have been denied everything that we shavetails who went over later received.

Mr. FISH. And they had casualties beyond any other group.

Mr. WOLCOTT. They were over there before any other American officers went over.

Mr. THOMASON of Texas. If the gentleman will yield, is it not a fact those young officers acted in good faith in the belief they were to receive the same rights, benefits, and privileges as the regular officers?

Mr. FISH. I think that is so, but they went even further.

The SPEAKER. In order that the Chair may clear up the parliamentary situation, does the gentleman from Ohio [Mr. HARTER] object to the request that the bill be passed over without prejudice?

Mr. HARTER. I do, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BIERMANN. Mr. Speaker, in view of that objection I shall have to object to the present consideration of the bill.

EXCHANGE OF LANDS AT MILITARY RESERVATIONS

The Clerk called the bill (S. 1278) to authorize the exchange of lands at military reservations, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to convey by quitclaim deeds the tracts of real estate now owned by the United States hereafter described, and in exchange therefor to acquire the title to the tracts hereafter described, or rights pertaining thereto or interests therein, for the purposes named:

(a) A strip of land comprising part of the Quartermaster Depot Military Reservation at Jeffersonville, Ind., lying along the right-of-way of the Louisville & Jeffersonville Bridge & Railroad Co. as part of the consideration for land now owned by said railroad company lying adjacent to the main section of said depot.

(b) To enter into and execute an agreement or agreements with the owners or claimants of adjoining land to fix and establish a location for the western boundary line of that part of the Plattsburg Barracks Military Reservation, N. Y., acquired from Pliny Moore, and others, by deed dated December 30, 1814, and he may, if he deems it advisable, give to or receive from such owners or claimants appropriate releases, by way of quitclaim deeds or otherwise.

SEC. 2. That in conveying property of the United States under authority contained in this act, the Secretary of War shall determine that the exchange is to the best interest of the Government.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF SURPLUS WAR DEPARTMENT REAL PROPERTY

The Clerk called the next bill, S. 1281, to authorize the sale of surplus War Department real property.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, in the manner and upon such terms as he shall deem expedient, the cemetery properties hereinafter designated, and to execute and deliver in the name of the United States of America and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale and conveyance, and that the expense of sale shall be paid from the proceeds thereof and the net proceeds deposited in the Treasury to the credit of miscellaneous receipts:

Laurel Hill Cemetery, Baltimore, Md.; approximate area, 0.5 of an acre.

Confederate Lot, Greenlawn Cemetery, Indianapolis, Ind.; approximate area, 0.5 of an acre.

Point Lookout Confederate Cemetery, Md. (tracts nos. 1 and 2); approximate area, 5.5 acres.

Camp Dennison Cemetery, near Cincinnati, Ohio; approximate area, 0.628 of an acre.

Cave Hill National Cemetery, Louisville, Ky. (site of superintendent's lodge); approximate area, 0.22 of an acre.

Mobile National Cemetery, Mobile, Ala. (Freedman's Lot); approximate area, 1.5 acres.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

PROPERTY WITHIN THE WEST POINT MILITARY RESERVATION

The Clerk called the next bill, S. 2751, to authorize the transfer to the jurisdiction of the Secretary of the Treasury of portions of the property within the West Point Military

Reservation, N. Y., for the construction thereon of certain public buildings, and for other purposes.

Mr. THOMASON of Texas. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

IMPROVEMENT OF NAVIGATION FACILITIES ON THE COLUMBIA RIVER

The Clerk called the next bill, S. 607, to authorize the improvement of navigation facilities on the Columbia River, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to cause such alterations in existing bridges across the Columbia River at Cascade Locks and Hood River, Ore., as will render navigation for ocean-going vessels in the pool formed by the Bonneville Dam reasonably free, easy, and unobstructed, and to reimburse the owners of said bridges for the actual cost of such alterations from appropriations heretofore or hereafter made for maintenance and improvement of rivers and harbors.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BURR CREEK, BRIDGEPORT, CONN.

The Clerk called the next bill, H. R. 7766, to declare Burr Creek, from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., a nonnavigable stream.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Burr Creek, at and southward from Fairfield Avenue to Yacht Street in the city of Bridgeport, Conn., be, and the same is hereby, declared to be not a navigable water of the United States within the meaning of the Constitution and laws of the United States.

SEC. 2. That any project heretofore authorized by any act of Congress, insofar as such project relates to said Burr Creek from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., be, and the same is hereby, abandoned.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, strike out lines 3 and 4, and insert "That that portion of Burr Creek in the city of Bridgeport, Conn., lying north of a line across the creek beginning at the point of intersection of the south side of Yacht Street extended and the west harbor line of the harbor lines established by the Secretary of War December 9, 1924, thence south 85°46'17" E. to the east harbor line of said creek, be,".

Page 2, line 7, strike out the word "said" and insert "the above-described portion of"; line 8, strike out "from Fairfield Avenue southward to Yacht Street."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS THE MISSOURI RIVER, ARROW ROCK, MO.

Mr. NELSON. Mr. Speaker, I ask unanimous consent to return to Calendar No. 437, the bill (H. R. 6975) granting the consent of Congress to the county court of Saline County, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Arrow Rock, Mo.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, to how many more of these bills are we going to return? We must not get in the habit of going through the calendar and, when we get through, returning to various bills.

The SPEAKER. The Chair understands that there will be only two such requests. We have finished the call of the calendar for the day.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the county court of Saline County, Mo., to construct, maintain, and operate a bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, at or near Arrow Rock, Mo., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 14, after the word "tolls", strike out the remainder of the line down to and including the word "management" in line 18.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS NARRAGANSETT BAY

Mr. O'CONNELL of Rhode Island. Mr. Speaker, I ask unanimous consent to return to Calendar No. 439, the bill (H. R. 7266) authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the State of Rhode Island, acting by and through the Jamestown Bridge Commission or the successors of said Commission, as an agency of the State, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the west passage of Narragansett Bay, at a point suitable to the interests of navigation, between the towns of Jamestown and North Kingstown, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The State of Rhode Island, acting by and through the Jamestown Bridge Commission or the successors of said Commission, as an agency of the State, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 3. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient, with other funds available for the purpose, if any, to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 40 years from the completion thereof. In the event bridge-revenue bonds are issued to provide funds for the construction of such bridge, such tolls may be continued and adjusted at such rates as may be necessary to pay such bonds with interest thereon and any lawful premium for the retirement thereof before maturity, subject only to the power of the Secretary of War or other authorized Federal authority to regulate such rates.

SEC. 4. After a sinking fund sufficient to amortize the cost of such bridge or sufficient to pay the principal and interest on bonds issued for the purpose of financing such bridge shall have been provided to the extent hereinbefore required, such bridge shall thereafter be maintained and operated free of tolls, or the

rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management.

SEC. 5. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 6. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 3, line 12, after the word "tolls", strike out the remainder of line 12 and down through the word "management", in line 16.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF TAXES ON GROSS PRODUCTION OF MINERALS IN OKLAHOMA

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to return to Calendar No. 414, the bill (S. 2249) providing for the manner of payment of taxes on gross production of minerals, including gas and oil, in Oklahoma.

Mr. MARTIN of Massachusetts. Mr. Speaker, I object.

Mr. ROGERS of Oklahoma. Will the gentleman reserve his objection?

Mr. MARTIN of Massachusetts. There have been two requests, and it was stated only two were going to be made, and I therefore object.

The SPEAKER. The Chair probably made that statement inadvertently. The Chair recalled only the two requests.

Mr. MARTIN of Massachusetts. I am going to object to going back any more.

The SPEAKER. Does the gentleman object?

Mr. MARTIN of Massachusetts. Yes, Mr. Speaker; I object.

The SPEAKER. Objection is heard.

EXTENSION OF AGRICULTURAL CREDIT PROVISIONS

Mr. JONES. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 7909) to amend the Federal Farm Loan Act, to amend the Emergency Farm Mortgage Act of 1933, to amend the Farm Credit Act of 1933, to amend the Federal Farm Mortgage Corporation Act, to amend the Agricultural Marketing Act, and for other purposes, as amended.

Mr. ELLENBOGEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The gentleman from Pennsylvania makes the point of order a quorum is not present. The Chair will count.

Mr. ELLENBOGEN. Mr. Speaker, I withdraw the point of order.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Farm Credit Act of 1937."

SEC. 2. Section 4 (b) of the Federal Farm Mortgage Corporation Act (U. S. C., 1934 ed., title 12, sec. 1020d) is amended by adding at the end thereof the following new paragraph:

"When in the judgment of the directors conditions justify it, the Corporation shall have power to extend, in whole or in part, any unpaid obligation under the terms of any mortgage, and to accept payment of any such obligation together with interest thereon, at a rate not exceeding 5 percent per annum, during such period and in such amounts as may be agreed upon at the date of making such extension."

SEC. 3. Section 31 (a) of the Emergency Farm Mortgage Act of 1933 (48 Stat. 47), as amended, is amended by striking out all prior to the first proviso and inserting in lieu thereof the following:

"(a) The Federal Farm Mortgage Corporation is authorized and directed to make available to the land bank commissioner until July 1, 1938, out of the funds of the Corporation, the sum of $2,000,000, to be used for the purpose of making loans to the joint-stock land banks organized and doing business under the Federal Farm Loan Act, as amended. Loans made by the land bank commissioner under this section shall be made in the name and on behalf of the Corporation and shall bear interest at a rate not to exceed 4 percent per annum. No loan shall be made under this section to any joint-stock land bank except for the purpose of obtaining for a period of 1 year from the date on which the loan is made, postponement of the foreclosure of first mortgages held by such bank on account of (1) default in the payment of interest and principal due under the terms of the mortgage, and (2) unpaid delinquent taxes, excluding interest and penalties, which may be secured by the lien of said mortgage:".

SEC. 4. The first sentence of section 4 (b) of the Federal Farm Mortgage Corporation Act, as amended (U. S. C., 1934 ed., title 12, sec. 1020d), is amended to read as follows: "The corporation is further authorized to purchase from time to time, for cash, such consolidated farm loan bonds at such prices and upon such terms as may be approved by the board of directors of the corporation; to make loans to Federal land banks and joint stock land banks on the security of real estate mortgages, sheriff's certificates, sales contracts and real estate, upon such terms and conditions as shall be prescribed by the board of directors of the corporation: *Provided, however,* That loans outstanding to joint-stock land banks under this subsection shall not at any one time exceed in the aggregate $10,000,000; to make loans to Federal land banks on the security of consolidated farm loan bonds; and to invest its funds in mortgage loans made under section 32 of the Emergency Farm Mortgage Act of 1933, as amended."

SEC. 5. (a) There shall be 12 districts in the continental United States, excluding Alaska, which shall be known as farm credit districts, and may be designated by number. The boundaries of the 12 Federal land bank districts existing as of the date of enactment of this act shall be the boundaries of the respective farm credit districts. Such boundaries may be readjusted from time to time in the discretion of the Farm Credit Administration, provided that said districts shall be apportioned with due regard to the farm credit needs of the country and no such district shall contain a fractional part of any State. The designations "Federal land bank district" and "land bank district" wherever used in the Federal Farm Loan Act, or in any act amendatory thereof or supplementary thereto, are changed to "farm credit district" and shall hereafter be deemed to refer to the farm credit districts provided for in this section.

(b) There shall be in each farm credit district a farm credit board, which shall be selected as hereinafter specified and shall be composed of seven members. Each farm credit board shall include in its title the name of the city in which the Federal land bank, Federal intermediate credit bank, production credit corporation, and regional bank for cooperatives of the district are located. Three of the members of said board shall be known as elected directors of whom one shall be chosen by national farm loan associations and borrowers through agencies, one shall be chosen by production credit associations of the district and one shall be chosen by cooperatives which are stockholders or subscribers to the guaranty fund of the regional bank for cooperatives in the district. Three of the seven members shall be known as district directors, of whom two shall be appointed by the Governor of the Farm Credit Administration and one, who shall be known as the third district director, shall be chosen as hereafter in this section provided. The seventh member of such board shall be known as director at large and shall be appointed by the Governor of the Farm Credit Administration.

(c) The directors of the Federal land bank of each district who are in office on the date of enactment of this act shall constitute the farm credit board of the district and shall serve as members thereof for the remaining portions of the terms for which they were respectively elected or appointed as directors of the bank. Except as otherwise provided by this act, the successor to each original member of the farm credit board shall be selected in the manner in which such member was selected as a director of the Federal land bank.

(d) Each third district director shall be selected as follows: Each national farm loan association and borrower through agencies in the district shall nominate, in the manner provided herein for the nomination of candidates for elected directors, one candidate for such director, and from the three persons having the greatest number of votes as nominees the Governor of the Farm Credit Administration shall appoint such director. No third district director who is removed from office pursuant to section 17 (h) of the Federal Farm Loan Act may be nominated to succeed himself.

(e) At least 2 months before an election of an elected director the Farm Credit Administration shall cause notice in writing to be sent to those entitled to nominate candidates for such elected director. In the case of an election of a director by national farm loan associations and borrowers through agencies, such notice shall be sent to all national farm loan associations and borrowers through agencies in the district; in the case of an election by production credit associations, such notice shall be sent to all production credit associations in the district; and in the case of an election by cooperatives which are stockholders or subscribers to the guaranty fund of the bank for cooperatives of the district, such notice shall be sent to all cooperatives which are stockholders or subscribers to the guaranty fund at the time of sending notice. After receipt of such notice those entitled to nominate the director shall forward nominations of residents of the district to the Farm Credit Administration. The Farm Credit Administration shall, from the nominations received within 30 days after the sending of such notice, prepare a list of candidates for such elected director consisting of the 10 nominees receiving the highest number of votes.

(f) At least 1 month before the election of an elected director the Farm Credit Administration shall mail to each person or organization entitled to elect the elected director the list of the 10 candidates nominated in accordance with the preceding paragraph of this section. In the case of an election of a director by national farm loan associations and borrowers through agencies, the directors of each farm loan association shall cast the vote of such association for one of the candidates on the list. In voting under this section each such association shall be entitled to cast a number of votes equal to the number of stockholders of such association and each borrower through agencies shall be entitled to cast one vote. In voting under this section each production credit association shall be entitled to cast a number of votes equal to the number of the class B stockholders of such association. In voting under this section each cooperative which is a holder of stock in, or a subscriber to the guaranty fund of, the bank for cooperatives shall be entitled to cast one vote. The votes shall be forwarded to the Farm Credit Administration, and no vote shall be counted unless received by it within 30 days after the sending of such list of candidates. In case of a tie the Farm Credit Administration shall determine the choice. The nominations from which the list of candidates is prepared, and the votes of the respective voters, as counted, shall be tabulated and preserved and shall be subject to examination by any candidate for at least 1 year after the result of the election is announced.

(g) The terms of office of all directors shall be 3 years. Any vacancies that may occur in the farm credit board shall be filled for the unexpired term in the manner provided herein for the original selection of such directors.

(h) Members of each farm credit board shall have been, for at least 2 years, residents of the district for which they are appointed or elected. From and after the date of enactment of this act, no person shall be eligible for election or appointment as a member of any district farm credit board, and no person hereafter elected or appointed as a member of any district farm credit board shall be eligible to continue to serve as such, if in either case said person is an officer or employee of any Federal land bank, Federal intermediate credit bank, production credit corporation or bank for cooperatives. No district director, excepting any third district director selected as hereinabove specified, shall, during his continuance in office, be a director, officer, or employee of any institution, association, or partnership engaged in the business of lending money or of making or selling land mortgage loans, except an institution or association under the supervision of the Farm Credit Administration.

(i) No person shall be eligible for appointment or election as an administrative or executive official of a Federal land bank, Federal intermediate credit bank, or of any corporation or bank organized pursuant to the Farm Credit Act of 1933, or as a member of any farm credit board, or shall continue to hold office as such member, if such person has been finally adjudged guilty of a felony, or finally adjudged liable in damages in any civil proceeding for fraud, in any State or Federal court.

(j) Subject to the approval of the Farm Credit Administration members of each farm credit board shall receive such compensation as may be authorized by the board, including a reasonable allowance for necessary expenses in attending meetings of said board and directors' meetings. Such compensation shall be paid by the Federal land bank of the district, and such bank shall be reimbursed therefor by the Federal intermediate credit bank, production credit corporation and bank for cooperatives of the district in such proportion and in such manner as may be fixed by the farm credit board subject to the approval of the Farm Credit Administration. Except with the approval of the Farm Credit Administration, no member of any farm credit board shall receive compensation or allowances for any services rendered such institutions, in his capacity as director or otherwise, for more than 30 days in any 1 calendar year, exclusive of the period for which compensation is paid for attendance at meetings of said board and at directors' meetings.

(k) Nothing contained in this section shall be construed to abrogate or repeal the second paragraph of section 4 of the Federal Farm Loan Act, as amended, or to affect the applicability of any other act of Congress under which agricultural credit laws of the United States may be made applicable to Territories or insular possessions of the United States.

SEC. 6. Each farm credit board provided for in this act shall have power, subject to the approval of the Farm Credit Administration—

(a) To employ joint officers and employees for the Federal land bank, Federal intermediate credit bank, production credit corporation and regional bank for cooperatives in its district. The salaries or other compensation of all such joint officers and employees shall be fixed by the district farm credit board and shall be paid by the Federal land bank of the district. Such bank shall be reimbursed therefor by the other three institutions in the district, in such amounts and upon such conditions as the board shall determine. Officers and employees appointed by the district farm credit board shall be officers and employees of the district institutions served by them.

(b) To authorize the acquisition and disposal of such property, real or personal, as may be necessary or convenient for the transaction of the business of the Federal land bank, the Federal intermediate credit bank, the bank for cooperatives, and the production credit corporation, located in its district, upon such terms and conditions as it shall fix, and to prorate among such institutions the cost of purchases, rentals, construction, repairs, alterations, maintenance, and operation, in such amounts and in such manner as it shall determine. Any lease, or any contract for the purchase or sale of property, or any deed or conveyance of property, or any contract for the construction, repair, or alteration of buildings, authorized by a district farm credit board under this subsection shall be executed by the officers of the institution or institutions concerned pursuant to the direction of such board. No provision of law relative to the acquisition or disposal of property, real or personal, by or for the United States, or relative to the making of contracts or leases by or for the United States, including the provisions set out in title 40 and title 41 of the United States Code, 1934 edition, and the supplements thereto, and including provisions applicable to corporations wholly owned by the United States, shall be deemed or held applicable to any lease, purchase, sale, deed, conveyance, or contract authorized or made by a district farm credit board, Federal land bank, Federal intermediate credit bank, production credit corporation, or bank for cooperatives under this subsection.

(c) No corporation under the supervision of the Farm Credit Administration, of which corporation any member of the board of directors is elected or appointed by private interests, shall be subject to the provisions of the acts of Congress approved March 14, 1936 (49 Stat. 1161, 1162) (U. S. C., title 5, secs. 29a, 30b–30m, 31a).

SEC. 7. (a) The first paragraph of section 4 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 671), is repealed.

(b) Section 4 of the Federal Farm Loan Act, as amended, is further amended by striking out paragraphs 9 to 17 thereof (U. S. C., 1934 ed., title 12, secs. 678 to 683), both inclusive, and inserting in lieu thereof the following:

"The members of the farm credit board of each farm credit district provided for in the Farm Credit Act of 1937 shall be ex-officio directors of the Federal land bank located in that district. Any compensation that may be provided by the board of directors of any Federal land bank for officers or employees shall be subject to the approval of the Farm Credit Administration."

(c) Section 23 of the Farm Credit Act of 1935 (U. S. C., 1934 ed., Supp. II, title 12, sec. 682a) is repealed.

SEC. 8. The ninth paragraph of section 7 of the Federal Farm Loan Act (U. S. C., 1934 ed., title 12, sec. 719) is amended by adding at the end thereof the following sentence: "The boundaries of the territory designated in the charter of any national farm loan association may be readjusted from time to time to meet the farm-loan needs of the locality, as determined by the Farm Credit Administration."

SEC. 9. Section 17 (h) of the Federal Farm Loan Act (U. S. C., 1934 ed., title 12, sec. 831) is amended to read as follows:

"(h) To suspend or to remove for cause any district director or director at large, or any registrar, appraiser, examiner, or other official appointed by the Farm Credit Administration under authority of section 3 of this act, as amended, the cause of such suspension or removal to be communicated forthwith in writing by said Administration to the person suspended or removed, and in case of a district director or director at large to the proper Federal land bank, Federal intermediate credit bank, production credit corporation and regional bank for cooperatives."

SEC. 10. Section 201 (b) of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 1022), is amended to read as follows:

"(b) One such institution shall be established in each farm credit district in the same city as the Federal land bank of the district. The members of the several farm credit boards of the farm credit districts provided for in the Farm Credit Act of 1937 shall be ex officio the directors of the several Federal intermediate credit banks herein provided for and shall have power, subject to the approval of the Farm Credit Administration, to employ and fix the compensation of such officers and employees of such Federal intermediate credit banks as may be necessary to carry on the business authorized by this title."

SEC. 11. The second and third sentences of section 2 of the Farm Credit Act of 1933 (U. S. C., 1934 ed., title 12, sec. 1134) are amended to read as follows: "One such corporation and one such bank shall be established in each farm credit district in the city in which there is located a Federal land bank. The members of the several farm credit boards of the farm credit districts provided for in the Farm Credit Act of 1937 shall be ex officio the directors of the respective production credit corporations and banks for cooperatives."

SEC. 12. Paragraph "Fourth" of section 12 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 771), is further amended by striking out "incurred prior to January 1, 1933" from subparagraph (d) thereof, and by inserting in lieu thereof the following: "Incurred prior to January 1, 1937."

SEC. 13. Section 32 of the Emergency Farm Mortgage Act of 1933, as amended (U. S. C., 1934 ed., Supp. II, title 12, sec. 1016), is further amended by striking out so much of the sixth sentence thereof as follows the colon after the word "other", and by inserting in lieu thereof the following: "Refinancing, in connection with proceedings under chapter VIII of the Bankruptcy Act of July 1, 1898, as amended, any indebtedness, secured or unsecured, of the farmer, or which is secured by a lien on all or any part of the farm property accepted as security for the loan."

SEC. 14. The fourth sentence of section 32 of the Emergency Farm Mortgage Act of 1933, as amended (U. S. C., 1934 ed.,

Supp. II, title 12, sec. 1016), is further amended by striking out the proviso at the end thereof and by inserting in lieu thereof the following: "*Provided*, That when in the judgment of the land bank commissioner conditions justify it, any mortgage made under this section may provide that during the first 3 years the loan is in effect payments of interest only may be required if the borrower shall not be in default with respect to any other condition or covenant of his mortgage."

SEC. 15. (a) Paragraph "Eighth" of section 13 of the Federal Farm Loan Act (U. S. C., 1934 ed., title 12, sec. 781) is amended to read as follows:

"Eighth. To buy and sell United States bonds and Federal Farm Mortgage Corporation bonds."

(b) Paragraph "Fifteenth" of section 13 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 781), is further amended by striking out, after the word "value" in said paragraph, the comma and the words "and to purchase Federal Farm Mortgage Corporation bonds at or below par."

(c) Section 22 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 897), is further amended by inserting under the heading "In the case of a joint stock land bank" at the end thereof the following:

"(e) To purchase Federal Farm Mortgage Corporation bonds."

SEC. 16. Section 13 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 781), is further amended by adding at the end thereof the following paragraph:

"Seventeenth. To make loans to other Federal land banks upon such terms and conditions as may be approved by the Farm Credit Administration."

SEC. 17. Section 13 of the Federal Farm Loan Act as amended (U. S. C., 1934 ed., title 12, sec. 781), is further amended by adding at the end thereof the following paragraph:

"Eighteenth. To accept conditional payments from borrowers for subsequent credit upon their indebtedness to the land bank; and to allow interest on such payments. All conditional payments so accepted shall be subject to such terms and conditions, not inconsistent with the provisions of this paragraph and with any rules or regulations prescribed for its efficient execution by the Farm Credit Administration, as may be agreed upon at the time of their acceptance. If a conditional payment is accepted for subsequent credit upon a first mortgage which is at the time or is thereafter pledged as collateral security for an issue of farm-loan bonds, all requirements, conditions, and limitations set forth in the seventh, eighth, and ninth paragraphs of section 22 of this act, as amended, shall apply to such payment the same as though it were a present payment on the principal of the mortgage pledged as collateral security, and the land bank shall forthwith notify the farm-loan registrar of its receipt of such payment and account to him therefor. Every conditional payment accepted by a land bank for subsequent credit upon indebtedness of a borrower shall be credited upon such indebtedness as the borrower may from time to time direct in accordance with the terms and conditions upon which the payment has been accepted, and at the option of the bank may in any event be credited upon such indebtedness as and when it matures if it is not otherwise paid by the borrower at or before maturity. If at any time after 5 years from the date on which a borrower's loan was made, the aggregate of the borrower's conditional payments accepted on account of his indebtedness under such loan and not yet credited thereon equals or exceeds his total indebtedness under the loan, all unmatured indebtedness under such loan shall become due and payable at once, and the payments so accepted shall forthwith be credited upon the borrower's indebtedness under the loan so far as may be necessary to pay it in full. Any balances of conditional payments remaining uncredited when the indebtedness on account of which they have been accepted has been paid in full shall be refunded to the borrower by the land bank."

SEC. 18. The seventeenth paragraph of section 21 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 883), is further amended by adding at the end thereof the following: "The bond committee may appoint from among their number a subcommittee consisting of three members, to hold office for a period of 1 year or until their successors have been appointed, may from among their number fill any vacancies on the subcommittee, and may dismiss at pleasure the members of the subcommittee or any of them. The subcommittee, if appointed, shall have such authority to exercise the powers and to perform the functions of the bond committee as the bond committee may authorize and shall be subject to all provisions of law relating to the duties and expenses of the bond committee. The committee shall select one of the members of the subcommittee to be chairman and one of the members of the subcommittee to be secretary of the subcommittee."

SEC. 19. Paragraph "Tenth" of section 13 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 781), is further amended by striking out in the fourth sentence thereof the following: "made prior to the expiration of 5 years from May 12, 1933", and adding at the end of said paragraph the following: "The unexpended balances of the funds appropriated by the Fourth Deficiency Act, fiscal year 1933, approved June 16, 1933 (48 Stat. 279), the Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934 (48 Stat. 1060), the Second Deficiency Appropriation Act, fiscal year 1935, approved August 12, 1935 (49 Stat. 592), the First Deficiency Appropriation Act, fiscal year 1936, approved June 22, 1936, the Treasury Department Appropriation Act, 1937, approved June 23, 1936, and the Treasury Department Appropriation Act, 1938, approved May 14, 1937, for the purpose of enabling the Secretary of the Treasury to make subscriptions to the paid-in surplus of the Federal land banks, as provided for in this paragraph, and the proceeds of all repayments on account of said paid-in surplus, shall be held in the Treasury of the United States as a revolving fund and shall be available for subscriptions to paid-in surplus made pursuant to this paragraph, as amended."

SEC. 20. Examiners appointed pursuant to the provisions of section 3 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 656), shall hereafter be designated and known as farm credit examiners.

SEC. 21. The second paragraph of section 7 of the Federal Farm Loan Act (U. S. C., 1934 ed., title 12, sec. 712) is amended by striking out the first sentence and inserting in lieu thereof the following: "The board of directors of every national farm loan association shall consist of not less than five nor more than seven members, who shall be elected by the shareholders of the association. Elections of such directors shall be held once each year at an annual meeting of the shareholders. Every national farm loan association shall at the first annual meeting of its shareholders subsequent to the enactment of the Farm Credit Act of 1937 elect two directors for a term of 3 years, two directors for a term of 2 years, and the remainder of its board of directors for a term of 1 year. Thereafter directors shall be chosen to serve for terms of 3 years, and the shareholders of each association shall annually elect as many directors as may be necessary to fill the places of those directors whose terms expired during the year. Any vacancy that may occur in the board of directors through death, resignation, or other cause shall be filled at the next annual meeting of shareholders by the election of a director to serve out the unexpired portion of the term, or a special meeting of shareholders may be called for this purpose. Until such election the remaining directors shall have power to fill the vacancy for the time being by appointing a temporary director to serve until the next meeting of shareholders. All directors shall hold office until their successors are elected and have qualified."

SEC. 22. The fourteenth paragraph of section 7 of the Federal Farm Loan Act, as amended (12 U. S. C., 1934 ed., title 12, sec. 723 (c)), is further amended by adding at the end thereof: "Any borrower's interest in such stock may be transferred or hypothecated, by him or by operation of law, to the Federal Farm Mortgage Corporation."

SEC. 23. Effective 30 days after the date of the enactment of this act, the second paragraph of section 8 of the Federal Farm Loan Act (U. S. C., 1934 ed., title 12, sec. 732), is amended to read as follows:

"Every shareholder shall be entitled to one vote, and no more, at all elections of directors and in deciding all questions at meetings of shareholders."

SEC. 24. Effective 30 days after the date of the enactment of this act, the first sentence of the fifth paragraph of section 9 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., Supp. II, title 12, sec. 745), is further amended by striking out the word "two-thirds" and inserting in lieu thereof the word "majority."

SEC. 25. (a) Section 9 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, secs. 741 to 745), is further amended by adding at the end thereof the following new paragraphs:

"Any other provisions of law to the contrary notwithstanding, two or more national farm loan associations may with the approval of the Farm Credit Administration, and by an agreement not inconsistent with any rules and regulations prescribed by the said Administration, provide for a common board of directors to be elected by the shareholders of the associations that are parties to the agreement: *Provided, however*, That each member of any such board shall be a shareholder in an association that is a party to the agreement and shall be a bona fide resident of the territory within which such association is authorized to do business: *And provided further*, That no such agreement shall provide for a term of office in excess of 3 years for any member of such board. The number of members of the common board of directors shall be specified in the agreement and shall be five or more. The agreement may provide that any director may be elected by the shareholders of one or more of the associations which are parties to the agreement; that in the balloting for any director an association may vote at a separate meeting of its shareholders or at a joint meeting with the shareholders of any other association or associations participating in the election of the director; and that the candidate receiving the highest aggregate number of votes at such meeting or meetings shall be declared elected. Whenever two or more national farm loan associations have entered into such an agreement, the members of the common board of directors provided for in the agreement shall be ex officio the members of the board of directors of each association that is a party to the agreement, any provisions of this act to the contrary notwithstanding.

"Whenever a national farm loan association has entered into such an agreement, the power of approving applications for loans through the association and the power of admitting persons to membership in the association shall be vested in the loan committee of the association in lieu of being vested in its board of directors. The loan committee of any such association shall be elected annually by the shareholders of the association, instead of by its board of directors, and the shareholders shall in addition annually elect two alternates to serve as members of the loan

committee at such times as regular members may be absent or disqualified."

(b) Whenever it shall appear that the capital stock of a national farm loan association is impaired, the Farm Credit Administration may authorize the Federal land bank of the district in which such association is located to make loans to applicants through such association subject to the requirements and conditions specified for direct loans in paragraphs 12 to 16, both inclusive, of section 7 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 723), except as herein otherwise specifically provided, and may authorize such association to elect to membership borrowers having loans made pursuant to said paragraphs on lands situated within the chartered territory of the association. Borrowers admitted to membership in the association pursuant hereto shall be entitled to vote and hold office in the association and the rate of interest on their loans shall be one-fourth of 1 percent per annum less than the rate of interest provided at such time for direct loans. The association shall endorse all such mortgage loans, but it shall not become liable therefor except as hereinafter provided.

When there are 10 or more borrowers admitted to membership in an association pursuant hereto whose loans are in good standing, as defined by the Farm Credit Administration, and aggregate not less than $20,000:

First. The association shall become liable for the payment of said loans: *Provided, however,* That, any other provisions of law to the contrary notwithstanding, the shareholders who have become members pursuant to this subsection shall not be held responsible, through the amount paid in and represented by their shares or otherwise, for any contracts, debts, or engagements of the association entered into before the date on which the first member was admitted to the association pursuant to this subsection and the shareholders of such association who were members prior to said date shall not be held responsible, through the amount paid in and represented by their shares or otherwise, for any mortgages endorsed by such association on or after said date, but this provision shall not be construed to relieve any other liability with respect to stock held by shareholders who were members prior to said date.

Second. The interest rate paid by each such borrower on each such loan shall, beginning with the next regular installment date, be reduced one-fourth of 1 percent per annum.

Third. The stock in the Federal land bank held by each of said borrowers shall be exchanged for association stock in the manner provided for in paragraph 15 of section 7 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 723, subsection (d)).

Fourth. The association may thereafter admit new members, endorse their loans, and become liable for the payment of such loans as provided in paragraph "First" of this subsection.

Fifth. At the next annual meeting of stockholders, and thereafter, the loan committee of such association may be elected by the members who become stockholders pursuant to this subsection and any loan committee so elected shall have the powers specified for loan committees elected as provided in subsection (a) of this section: *Provided, however,* That in the event such stockholders fail to elect the loan committee, new members shall be admitted to the association as otherwise provided in the Federal Farm Loan Act, as amended.

Sixth. In accordance with rules and regulations prescribed by the Farm Credit Administration, the association shall maintain separate capital-stock records; shall keep all capital losses or gains, reserves (including legal reserves), and dividends received from the Federal land bank on stock owned by the association in connection with loans for which it becomes liable as provided in this subsection separate and apart from capital losses or gains, reserves (including legal reserves), and dividends received from the Federal land bank on stock owned by the association in connection with other loans of the association; and shall segregate any undivided profits of the association resulting from its business operations in like manner when so required by rules and regulations of the Farm Credit Administration. Subject to the other provisions of the Federal Farm Loan Act with respect to the declaration of dividends, dividends may be declared exclusively on association stock owned by borrowers with loans for which the association becomes liable as provided in this subsection or exclusively on association stock owned by borrowers with other loans through the association.

If the loan of any borrower who was admitted to membership pursuant hereto is not in good standing at the time when there are 10 or more borrowers with loans aggregating not less than $20,000 which are in good standing, the provisions of paragraphs "First", "Second", and "Third" of this subsection shall be applicable to his loan at such time as it shall be placed in good standing.

If and when all impairment is removed in the stock owned by shareholders with loans which were made prior to the date on which the first member was admitted to the association pursuant to this subsection, the holders of such stock and the holders of stock issued on and after said date may, pursuant to rules and regulations of the Farm Credit Administration and consistent with the provisions of the Federal Farm Loan Act, as amended, agree as to the rights, powers, privileges, duties, and liabilities which shall thenceforth attach to their respective shares of stock and otherwise agree as to the future applicability, if any, of the special provisions contained in this subsection.

(c) Section 11 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 761), is amended by adding a paragraph at the end thereof reading as follows:

"Fifth. Whenever a Federal land bank shall have empowered any national farm loan association of its district to collect and pay over to said bank the dues, interest, amortization installments, and other sums payable under the terms, conditions, and covenants of the mortgages taken from its shareholders, such association may, with the approval of said bank, enter into an agreement with another association operating in the same or adjacent territory to make such collections, for and on behalf of the association thus empowered to do so, on any or all of said loans, and immediately pay the amounts so collected to said land bank. Such agreements shall be made upon such terms and conditions and for such consideration as may be approved by the Farm Credit Administration."

(d) Section 29 of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, secs. 961-966), is further amended by adding at the end thereof the following new paragraphs:

"Upon receiving satisfactory evidence that any national farm-loan association has failed to meet its outstanding obligations of any description, and that it will be to the best interests of its creditors and stockholders for the association to continue in business, the Farm Credit Administration may, in its discretion, in lieu of appointing a receiver as hereinabove in this section provided, appoint a conservator for such association and require of him such bond and security as the Administration may deem proper. The person so appointed shall be a land-bank appraiser appointed under the authority of section 3 of this act: *Provided, however,* That the Farm Credit Administration may, in its discretion, appoint some other qualified person. Any land-bank appraiser appointed as a conservator shall serve without any additional compensation. Any other person appointed as a conservator shall receive such compensation as the Farm Credit Administration may authorize. Such compensation and all necessary and proper expenses of any such conservatorship shall be paid out of the assets of such association and shall be a lien thereon which shall be prior to any other lien.

"The conservator, under the direction of the Farm Credit Administration, may, when directed so to do, take possession of the books, records, and assets of every description of such association, and take such action as may be necessary to conserve such assets pending final determination of the financial condition of the association and the conditions under which it may be permitted to continue in business. Such conservator shall at the earliest practicable date make such investigations as shall be necessary to enable him to prepare an accurate report on the financial condition of such association. In preparing such report he shall value the association's assets and determine its indebtedness: *Provided,* That in determining said indebtedness contingent liabilities incurred by the association under the provisions of this act on endorsed mortgages shall be estimated and included as a debt. On the basis of said evaluation of the association's assets and indebtedness, the conservator shall determine the fair book value of the outstanding stock of said association and the claims of any retired shareholders based on their previous stock ownership. Upon its completion said report shall be submitted to the Federal land bank of the district and said bank shall thereupon indicate its approval thereof or note any exceptions thereto and submit such report together with its exceptions, if any, to the Farm Credit Administration for consideration.

"If said report is approved, in whole or in part, by the Farm Credit Administration, upon recommendation of the Federal land bank of the district said Administration shall then decide whether such association shall be permitted to pay off and retire its capital stock at its fair book value, upon full payment of the mortgage loans in connection with which such stock was issued originally, and to settle on the same basis the claims of any of its stockholders who have previously paid their loans in full, but have not received credit for, or the proceeds of their stock in such association. At the same time the Farm Credit Administration shall also decide whether it will permit said association to admit new members pursuant to section 25 (b) of the Farm Credit Act of 1937. If the decision of said Administration is in the affirmative, it may terminate the conservatorship and turn the affairs of the association back to its board of directors. If said report is not approved or the decision of said Administration is in the negative, it may, in its discretion, terminate the conservatorship and permit such association to resume the transaction of its business subject to such terms, conditions, restrictions, and limitations as it may prescribe for the protection of the rights of creditors and stockholders, or said Administration may appoint a receiver for the association as elsewhere provided in this section.

"Any settlement made with a retiring or retired shareholder on the basis of the fair book value of the stock of the association pursuant to this section shall be made only on condition that said shareholder agrees to accept such settlement as payment in full. If any shareholder or former shareholder does not desire to settle on such basis, he may, in lieu thereof, be given a participation certificate which will entitled him to share pro rata, on the basis of the number of shares of stock which he owned in the association, in the distribution of any assets of the association which is made after all of its indebtedness to creditors has been satisfied. The Federal land bank of the district may pay to the association from the proceeds of bank stock retired in connection with the payment in full of loans endorsed by such association an amount sufficient to permit the association to make the settlements provided for in this section and any balance of such proceeds shall be retained by the bank and applied as a credit on the indebtedness of the association to it.

"After any determination by the Farm Credit Administration as herein provided, that the fair book value of the stock of a national farm loan association is less than the par value thereof,

periodically thereafter any increase in the fair book value of said stock resulting from earnings of the association and actual recoveries in excess of the valuations used by the Farm Credit Administration in determining the fair book value of the stock of such association, as herein provided, shall, under rules and regulations of the Farm Credit Administration, be apportioned ratably on a per-share basis to all outstanding stock or participation certificates having a fair book value less than par until the fair book value of all such stock or participation certificates is equal to the par value thereof.

"In the event that the indebtedness, as determined by the conservator, of an association which has been under conservatorship pursuant to this section increases in excess of the earnings of such association, the Farm Credit Administration may, in its discretion, again appoint a conservator for the association, or it may appoint a receiver as elsewhere provided in this section."

SEC. 26. Section 201 (c) of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 1023), is amended by adding to the end thereof the following paragraph:

"Each Federal intermediate credit bank shall have power to acquire and dispose of such property, real or personal, as may be necessary or convenient for the transaction of its business, which, however, may be leased to others for revenue purposes."

SEC. 27. Section 203 (a) of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., Supp. II, title 12, sec. 1041), is further amended by striking out the comma after the word "banks" and the following: "when chartered and established,"; and by inserting after the comma which follows the word "cash" the following: "United States Government bonds, Federal Farm Mortgage Corporation bonds,".

SEC. 28. Section 203 (b) of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 1042), is amended to read as follows:

"(b) The provisions of title I of this act relating to the preparation and issue of farm loan bonds shall, so far as applicable, govern the preparation and issue of debentures or other such obligations issued under the preceding section; but the Farm Credit Administration shall prescribe rules and regulations governing the receipt, custody, substitution, and release of the cash, obligations of the United States Government, and notes or other obligations securing such debentures, the right of substitution being hereby granted, and in the event such notes or other obligations are secured by warehouse receipts, shipping documents, or other similar credit instruments, may permit the substitution of trust receipts therefor in such manner and subject to such conditions as may be approved by the said Administration. Rates of interest upon debentures and other such obligations issued under the preceding section shall, subject to the approval of the Farm Credit Administration, be fixed by the Federal intermediate credit bank making the issue, not exceeding 6 percent per annum."

SEC. 29. Section 204 (c) of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 1053), is amended to read as follows:

"(c) Subject to the approval of the Farm Credit Administration, a Federal intermediate credit bank may buy for its own account any debentures or similar obligations issued by or for the benefit and account of such bank or other Federal intermediate credit bank or banks, and (1) hold until maturity any such debentures or similar obligations or (2) retire before maturity any such debentures or similar obligations issued by it or for its benefit and account."

SEC. 30. Section 206 (b) of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., title 12, sec. 1072), is further amended to read as follows:

"(b) Subject only to review and approval by the Farm Credit Administration, each Federal intermediate credit bank, at the end of its fiscal year, after all its necessary expenses and costs of operation for such fiscal year have been paid or provided for, shall apply its net earnings then remaining, first, to making up any losses in excess of its reserves against unforeseen losses and assets of doubtful value; second, to the elimination of any impairment of its paid-in capital and paid-in surplus; third, to the creation and maintenance of reserves against unforeseen losses and assets of doubtful value in such amount as its board of directors may prescribe; fourth, to the payment of 2 percent of the amount then remaining to the United States as a franchise tax; and fifth, to the payment of the remaining net earnings into its surplus account. The amounts paid as franchise taxes to the United States by Federal intermediate credit banks shall, in the discretion of the Secretary of the Treasury, be used to supplement the gold reserve held against outstanding United States notes, or shall be applied to the reduction of the outstanding bonded indebtedness of the United States under regulations to be prescribed by the Secretary of the Treasury. Should a Federal intermediate credit bank be dissolved or go into liquidation, after the payment of all debts and other obligations as hereinbefore provided, any surplus remaining shall be paid to and become the property of the United States and shall be similarly applied."

SEC. 31. Section 208 (e) of the Federal Farm Loan Act, as amended (U. S. C., 1934 ed., Supp. II, title 12, sec. 1095), is amended to read as follows:

"(e) The executive departments, boards, commissions, and independent establishments of the Government, the Reconstruction Finance Corporation, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Reserve banks are severally authorized under such conditions as they may prescribe, upon the request of the Farm Credit Administration to make available to the Farm Credit Administration or any district bank or district corporation operating under its supervision, in confidence, all reports, records, or other information they may have relating to the condition of any institution to which the Administration, such district bank or corporation has made or contemplates making loans or for which it has discounted or contemplates discounting paper, or which it is using or contemplates using as a custodian of securities or other credit instruments, or as a depositary."

SEC. 32. Each regional agricultural credit corporation, created under the authority of section 201 (e) of the Emergency Relief and Construction Act of 1932 (U. S. C., 1934 ed., title 12, sec. 1148), in addition to the powers heretofore granted, shall have and, upon order or approval of the Farm Credit Administration, shall exercise the following rights, powers, and authority:

(a) To conduct, transact, and operate its business in any State in the continental United States, in the District of Columbia, and in Puerto Rico.

(b) To borrow money (other than by way of discount) from any other regional agricultural credit corporation, the Reconstruction Finance Corporation, or any Federal intermediate credit bank, and to give security therefor.

(c) To lend any of its available funds to any other regional agricultural credit corporation at such rates of interest and upon such terms and conditions as may be approved by the Farm Credit Administration.

(d) To sell to or purchase from any other regional agricultural credit corporation or any corporation formed by consolidation or merger as provided in section 33 of this act, any part of or all the assets of any such corporation, upon such terms and conditions as may be approved by the Farm Credit Administration, including the assumption of the liabilities of any such corporation, in whole or in part.

SEC. 33. (a) The Farm Credit Administration shall have the power and authority to order and effect the consolidation or merger of two or more regional agricultural credit corporations, on such terms and conditions as it shall direct.

(b) The Farm Credit Administration is authorized to grant charters to, prescribe bylaws for, and fix the capital of regional agricultural credit corporations which may be formed by the consolidation of two or more regional agricultural credit corporations, and to approve or prescribe such amendments to the charter and bylaws of any regional agricultural credit corporation as it may from time to time deem necessary. Corporations formed by the consolidation of two or more regional agricultural credit corporations, as herein provided, shall have all the rights, powers, authority, and exemptions; shall be subject to the same supervision and control; and shall have their expenses paid in the same manner as provided by law in respect to regional agricultural credit corporations organized under section 201 (e) of the Emergency Relief and Construction Act of 1932.

SEC. 34. Nothing contained in sections 32 and 33 of this act shall be construed as limiting the rights, powers, and authority heretofore granted to the regional agricultural credit corporations, the Farm Credit Administration, or the governor thereof, by any acts of Congress or Executive orders.

SEC. 35. Section 34 of the Farm Credit Act of 1933, as amended (U. S. C., 1934 ed., Supp. II, title 12, sec. 1134j), is further amended to read as follows:

"SEC. 34. Subject to such terms and conditions as may be prescribed by the chairman of its board of directors, the central bank is authorized: (a) To make loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for any of the purposes and subject to the conditions and limitations set forth in such act, as amended; (b) to make loans (by way of discount or otherwise) to banks for cooperatives organized under section 2 of this act; (c) to buy from and sell to any such bank, or any Federal intermediate-credit bank, any note, draft, bill of exchange, debenture, or other obligation, or any interest therein; and (d) to borrow from, and discount or rediscount paper with, any and all such banks and commercial banks."

SEC. 36. Section 41 of the Farm Credit Act of 1933, as amended (U. S. C., 1934 ed., Supp. II, title 12, sec. 1134c), is further amended to read as follows:

"SEC. 41. Subject to such terms and conditions as may be prescribed by the Farm Credit Administration, the banks for cooperatives are authorized (a) to make loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for any of the purposes and subject to the conditions and limitations set forth in such act, as amended; (b) to make loans (by way of discount or otherwise) to any bank organized under this act; (c) to buy from and sell to any such bank or any Federal intermediate-credit bank any note, draft, bill of exchange, debenture, or other obligation, or any interest therein; and (d) to borrow from, and discount or rediscount paper with, any and all such banks and commercial banks."

SEC. 37. Section 4 of the Agricultural Marketing Act, as amended (U. S. C., 1934 ed., title 12, sec. 1141b), is further amended by adding at the end thereof the following new subsection:

"(7) may sell at public or private sale to the highest responsible bidder, upon such terms and after such public advertisement as the Farm Credit Administration may deem in the public interest, any property, real or personal, or any interest therein, acquired by the United States on account of or as a result of any loans made from the revolving fund authorized by section 6 of this act, as amended; may lease any such property, pending

its sale, on such terms and for such period, not in excess of 5 years, as the Farm Credit Administration may deem in the public interest; and may incur and pay, from the said revolving fund, obligations and expenses for the operation, upkeep, maintenance, repair, disposition, insurance, and protection of any such property: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any purchase or service on account of such property."

SEC. 38. Section 6 of the Agricultural Marketing Act, as amended (U. S. C., 1934 ed., title 12, sec. 1141d), is further amended by adding at the end thereof the following: "Any and all funds derived from the sale, lease, operation or other disposition of any property, real or personal, acquired by the United States on account of or as a result of any loan made pursuant to the provisions of this act, shall be covered into and become a part of said revolving fund."

SEC. 39. The terms "debenture" and "debentures", when used in any act of Congress, whenever enacted, except the Federal Farm Loan Act, relating to the purchase, sale, or use as security, of debentures issued by or for the benefit and account of any Federal intermediate credit bank or banks, shall be deemed to mean debentures issued by any such bank individually and consolidated debentures issued by such banks acting together.

SEC. 40. (a) If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

(b) The right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. Is a second demanded?

Mr. HOPE. Mr. Speaker, I demand a second.

Mr. JONES. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Speaker, this bill for the most part is taken up with necessary amendments that have been found necessary from experience in handling the four wings of the Farm Credit Administration. It has one important change that is not a mechanical change and is not involved in the administrative features. This is a provision which authorizes the Farm Credit Administration to extend, in worthy cases, the time of payment of the principal of the Commissioners' loans.

You will recall that the land-bank loans were the first lien on the property and might be made up to 50 percent in value. The Commissioners' loans were the additional 25 percent that might be made and were second liens, in many instances, although not in all. These second liens in the Farm Mortgage Act of 1933 were made for a period of from 10 to 13 years and the principal payments were not required to be paid until the end of a 3-year period. These payments are falling due in lumps that are too large for the average farmer to pay and this provision simply authorizes the spreading out of the time of payment of the principal of these loans over a period of not to exceed the time for which the regular land-bank loans are made, to wit, a period of 33 years.

Then the measure makes many changes. You will recall that in 1933 we took different lending agencies where different methods of making loans for agricultural purposes had been lodged with different departments and embodied them in one centralized agency. This agency, which was designated the Farm Credit Administration, absorbed the old land banks that were established in 1916, and absorbed the intermediate credit banks. The act provided for emergency purposes for certain bonds with interest guaranteed for the purpose of making loans to the land banks in order that funds might be made available for refinancing farm mortgages, many of which were in desperate condition. It provided for production credit corporations which financed the current secured credit for the needs of the farmers from year to year, which was short-time paper. The intermediate credit banks were also continued.

The other wing provided for loans to cooperative organizations in financing their various activities. This was a pretty broad and sweeping organization.

Naturally, in handling over $3,000,000,000 in loans and supervising some $3,300,000,000 of loans, they have found that a number of changes are necessary for them to function to the best advantage. The committee went over these various changes thoroughly. They are largely technical, they have required a great deal of time to go over and are very important from an administrative viewpoint. I am not going into an explanation of any of them unless the House wants it. I believe this is a unanimous report of the committee, and, Mr. Speaker, I reserve the balance of my time.

Mr. SAUTHOFF. Mr. Speaker, will the gentleman yield for a question?

Mr. JONES. Yes.

Mr. SAUTHOFF. Does this bill in anywise affect the 3½-percent interest measure that we passed the other day?

Mr. JONES. No; this does not affect that in anyway.

Mr. SAUTHOFF. Does it in anyway lessen the amount of loans that will be available to the farmers?

Mr. JONES. Not in anyway whatever.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. LUTHER A. JOHNSON. As I understand, the Commissioners' loans on maturing, where the Farm Credit Administration determines they are good loans, the time of payment may be extended and spread over a period of years?

Mr. JONES. Yes.

Mr. LUTHER A. JOHNSON. I am pleased to know that that provision is in the bill.

Mr. JONES. Mr. Speaker, I would like unanimous consent of the House to insert a detailed explanation of the bill at this point.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The matter referred to follows:

ANALYSIS OF THE FARM CREDIT ACT OF 1937

Section 1: Title of the act.

Section 2: Authorizes the extension of land-bank commissioner loans.

This section confers upon the Federal Farm Mortgage Corporation powers similar to those vested in the Federal land banks under paragraph "tenth" of Twelfth United States Code, page 781. It authorizes the Corporation to extend, in whole or in part, any unpaid obligation under the terms of any mortgage for such periods as may be agreed upon at the time when the extension is made (amends 12 U. S. C. 1020 (d)).

Section 3: Reduces the amount available for loans to joint-stock land banks under section 31 of the Emergency Farm Mortgage Act of 1933 (48 Stat. 47) and makes the reduced amount available through the Federal Farm Mortgage Corporation instead of the Reconstruction Finance Corporation.

No loans have been made to joint-stock land banks under section 30 of the Emergency Farm Mortgage Act of 1933, and the authority conferred upon the land-bank commissioner to make loans under this section expired on May 12, 1937. Section 31 of the Emergency Farm Mortgage Act of 1933, providing for loans to joint-stock land banks for the purpose of postponing foreclosure of first mortgages held by such banks, is amended by cutting down the amount available for loans thereunder from $25,000,000 to $2,000,000 and by extending the authority to make loans thereunder from May 12, 1937, the present expiration date of section 31, until July 1, 1938. Under the amendment the funds will be made available through the Federal Farm Mortgage Corporation instead of the Reconstruction Finance Corporation. This amendment makes it necessary for any joint-stock land bank obtaining such a loan to agree that it will postpone foreclosures for a period of 1 year upon the conditions now prescribed in section 31 of the Emergency Farm Mortgage Act (amends sec. 31 of the Emergency Farm Mortgage Act of 1933 as set forth in note to 12 U. S. C. 823).

Section 4: Authorizes the Federal Farm Mortgage Corporation to make loans to Federal land banks and joint-stock land banks on the security of real-estate mortgages, sheriff's certificates, sales contracts, and real estate, upon such terms and conditions as shall be prescribed by the Corporation's board of directors.

The second clause of this section is new matter and will enable the Federal Farm Mortgage Corporation to make loans to Federal land banks and joint-stock land banks on the security of assets not acceptable as collateral for farm-loan bonds issued by these banks. The balance of the section reenacts existing provisions of law. Such loans to joint-stock land banks may not exceed in the aggregate $10,000,000 (amends 12 U. S. C. 1020d).

Section 5: Provides for 12 farm-credit boards, prescribes the manner in which the members thereof shall be elected, and establishes the qualifications of such members.

This section, together with sections 6, 7, 8, 9, 10, and 11, will promote the further integration of the Federal farm-credit system

through the creation of a cooperative farm-credit board in each of the 12 Federal land-bank districts now existing. This board will be ex officio the board of directors of the Federal land bank, Federal intermediate-credit bank, production-credit corporation, and bank for cooperatives in the district, and will in addition be vested with the powers enumerated in section 6. With the exception of the third-district director, the members of the farm-credit board will be selected in substantially the same manner as the members of the Federal land-bank board of directors are now chosen.

Paragraph (a) provides for the creation of 12 farm-credit districts to take the place of the 12 Federal land-bank districts now existing, and changes the designation of these districts in the Federal Farm Loan Act, its amendments and supplements, to "farm-credit districts" (new provision; 12 U. S. C. 671 repealed by section 7 (a)).

Paragraph (b) provides for a farm-credit board in each farm-credit district, to be composed of seven members. Three of the members of this board are to be elected: One by national farm loan associations and borrowers through agencies, and such director must, at the time of his election, be a Federal land bank borrower; one by production credit associations, and such director must, at the time of his election, be a class B stockholder in a production credit association; and one by cooperatives which are stockholders or subscribers to the guaranty fund of the district bank for cooperatives. In addition, there are to be three district directors, of whom two are to be appointed by the Farm Credit Administration and one, who will be known as the third-district director, selected as provided in paragraph (d). The seventh director is to be a director at large appointed by the Farm Credit Administration. (New provision. Substitute for 12 U. S. C. 678.)

Paragraph (c) provides that the present Federal land-bank directors shall be the first members of the farm-credit board and establishes identity of board members for selection purposes. (New provision.)

Paragraph (d) provides that so long as reduced interest rates on Federal land-bank loans continue in effect, the third-district director shall be appointed by the Farm Credit Administration, but that after the termination of all reduced interest rates such director shall be nominated by national farm-loan associations and borrowers through agencies and appointed by the Farm Credit Administration from among the three highest nominees. (New provision.)

Paragraph (e) sets out the procedure for nominating the three elected directors and the third-district director. (Substantially reenacts 12 U. S. C. 679.)

Paragraph (f) sets out the procedure for electing the three elected directors. (Substantially reenacts 12 U. S. C. 680.)

Paragraph (g) fixes a 3-year term of office for all directors and provides for filling vacancies in the farm-credit board. (Substitute for 12 U. S. C. 681)

Paragraph (h) prescribes the qualifications of directors; all directors must have been residents of the district 2 years; officers and employees of institutions under the supervision of the Farm Credit Administration are, with certain exceptions, made ineligible to serve as directors; and the extent to which district directors may engage in other business is restricted. (Substitute for 12 U. S. C. 682.)

Paragraph (i) continues in effect the present disqualification on conviction of felony or court award of damages for fraud applicable to all directors and to administrative and executive officials of the Federal land bank, Federal intermediate credit bank, production credit corporation, and bank for cooperatives. (Substantially reenacts 12 U. S. C. 682a.)

Paragraph (j) provides for compensating members of the farm-credit board and sets certain limitations on the compensation which may be paid such members. (Substitute in part for 12 U. S. C. 683.)

Paragraph (k) is a saving clause as to 12 U. S. C. 672 and other provisions of law authorizing loans in territories and insular possessions of the United States.

Section 6: Authorizes each farm-credit board to employ joint officers and employees for the four district institutions, and to acquire and dispose of such property, real or personal, as may be necessary or convenient for the transaction of the business of these institutions.

This section will permit the appointment of a unified service staff, similar to the present general agent's staff, and the unified handling of property needed in transacting the business of the four credit units in each district. Officers and employees appointed under this section will be officers and employees of the four institutions. (New provision.)

Sections 7, 8, and 9: Make changes in the Federal Farm Loan Act incidental to the creation of the farm-credit boards.

Section 7 repeals provision for Federal land-bank districts (12 U. S. C. 671) and other provisions of Federal Farm Loan Act superseded by section 5; makes members of farm-credit board ex-officio directors of Federal land bank in district (new); reenacts provision of 12 U. S. C. 683 making compensation of officers and employees of Federal land bank subject to the approval of the Farm Credit Administration; and repeals 12 U. S. C. 682a (substantially reenacted by section 5 (i)).

Section 8 preserves power of Farm Credit Administration to readjust territories of national farm-loan associations now exercised by reference to 12 U. S. C. 671.

Section 9 amends 12 U. S. C. 831, conferring removal powers upon the Farm Credit Administration, so as to permit the director at large to be removed for cause. Under existing law (12 U. S. C. 681, repealed by sec. 7) such director may be removed by the Governor of the Farm Credit Administration at will.

Sections 10 and 11: Provide that the members of each farm-credit board shall be ex officio the directors of the Federal intermediate credit bank, the production credit corporation, and the bank for cooperatives in the district.

Section 10 amends 12 U. S. C. 1022 providing that the directors of the Federal land bank shall be ex officio the directors of the Federal intermediate credit bank in the same city.

Section 11 amends 12 U. S. C. 1131 and 1134, making similar provisions for the production credit corporation and bank for cooperatives in the district.

Section 12: Extends the class of eligible purposes for Federal land-bank loans to include the refinancing of any indebtedness incurred prior to January 1, 1937.

Under existing law Federal land-bank loans may be made for the purpose of refinancing indebtedness incurred for agricultural purposes irrespective of the date of its incurrence, but may be made for the purpose of refinancing nonagricultural indebtedness only if incurred prior to January 1, 1933. This date is changed to January 1, 1937, by this section. (Amends par. "Fourth" of 12 U. S. C. 771.)

Section 13: Restricts the class of eligible purposes for commissioner loans by excluding the refinancing of indebtedness incurred for nonagricultural purposes subsequent to January 1, 1937, except where such refinancing is sought in connection with proceedings under chapter VIII of the Bankruptcy Act.

Under existing law, land-bank commissioner loans may be made for the purpose of refinancing any indebtedness of a farmer irrespective of the purpose for which it was incurred or the date of its incurrence. This section restricts eligibility for refinancing loans by the land-bank commissioner to the same classes of debts as are made eligible for Federal land-bank refinancing loans under section 12; that is, debts incurred for agricultural purposes or incurred prior to January 1, 1937, with the one exception that refinancing loans may still be made by the land-bank commissioner in connection with proceedings under chapter VIII of the Bankruptcy Act without regard to the purpose or date of the indebtedness to be refinanced. (Amends 12 U. S. C. 1016 (c).)

Section 14: Provides that when conditions justify it the land-bank commissioner may, by provision in the mortgage, allow a borrower the right to defer payments on principal during the first 3 years his loan is in effect.

This section substitutes for the existing provision of law under which borrowers from the land-bank commissioner are entitled to defer all principal payments for the first 3 years their loans are in effect if not otherwise in default, a provision under which such initial deferments will be permissible only when the land-bank commissioner deems them to be justified in the light of the circumstances, and consents to the inclusion in the mortgage of a clause permitting the borrower to defer principal payments for 3 years if he is not in default with respect to any other provision of his mortgage. Under existing law a borrower from the land-bank commissioner is in effect given the privilege of turning a 10-year loan into a 13-year loan at his option, by electing to defer principal payments during the first 3 years the loan is in effect. Under this section the land-bank commissioner will be vested with the power of determining whether this privilege should be granted the borrower according as the circumstances of the individual case may warrant. (Amends 12 U. S. C. 1016 (c).)

Section 15: Authorizes Federal land banks and joint-stock land banks to purchase Federal Farm Mortgage Corporation bonds without restrictions as to price.

Under existing law, the Federal land banks may purchase Federal Farm Mortgage Corporation bonds, but only at or below par. Paragraphs (a) and (b) of this section remove this limitation so as to permit purchases for more than par. They also confer upon the joint-stock land banks power to purchase Federal Farm Mortgage Corporation bonds without restrictions as to price. In addition, paragraph (c) of this section permits the proceeds of principal payments upon first mortgages pledged as collateral security for farm-loan bonds issued by a joint-stock land bank to be invested in Federal Farm Mortgage Corporation bonds. This provision confers upon the joint-stock land banks a power already vested in the Federal land banks by 12 U. S. C. 897. (Amends paragraphs "Eighth" and "Fifteenth" of 12 U. S. C. 781, and the last paragraph of 12 U. S. C. 897.)

Section 16: Authorizes Federal land banks to make loans to each other upon such terms and conditions as may be approved by the Farm Credit Administration.

Under existing law, Federal land banks have express power to borrow money and to give security therefor, but have no express general authority to make loans to each other. (Adds a new paragraph to 12 U. S. C. 781.)

Section 17: Authorizes Federal land banks and joint-stock land banks to accept conditional payments from borrowers, such payments to be held by the bank for future application upon unmatured indebtedness of the borrower making the payment.

The Federal land banks and joint-stock land banks do not, at the present time, have express authority to accept payments from borrowers on the condition that they be not immediately credited in reduction of the principal of the borrower's loan, but that they be held by the bank for the purpose of being applied to future maturing installments on the loan as they come due. This section, by conferring such power, will make it possible for the land banks to accept in good crop years payments in excess

of the installments for that year on the borrower's loan, and to hold these payments unapplied until some future year when the borrower is unable to meet his current payments because of a poor harvest or other cause. In order to protect the banks' bondholders, this section requires that when a conditional payment is accepted for subsequent credit upon a first mortgage then or thereafter pledged as collateral security for farm-loan bonds, such conditional payment shall be subject to all requirements, conditions, and limitations imposed with respect to principal payments by 12 United States Code 897 to 899. Conditional payments made under this section are to be credited upon the borrower's indebtedness to the land bank as he may from time to time direct in accordance with the terms and conditions upon which the payment has been accepted and may, at the option of the bank, be credited upon such indebtedness as and when it matures if not otherwise paid. If at any time after 5 years from the date on which a loan was made the borrower's conditional payments equal or exceed his total indebtedness under the loan, the entire loan will become due and payable at once and such conditional payments are to be forthwith credited upon the loan so far as may be necessary to pay it in full. The bank is authorized to pay interest on conditional payments while held unapplied. (Adds a new paragraph to 12 U. S. C. 781.)

Section 18: Authorizes the Federal land-bank bond committee to appoint a subcommittee of three members.

The bond committee of the Federal land banks consists of the presidents of the 12 banks or their alternates. It is desirable that the bond committee be given express authority to exercise its functions through a smaller subcommittee. This section permits the bond committee to appoint a subcommittee composed of three of its members, and provides that this subcommittee, if appointed, shall have authority to exercise all of the powers and perform all of the functions of the bond committee. Members of the subcommittee are to be appointed for 1-year terms but may be dismissed by the bond committee at will. (Amends 12 U. S. C. 883.)

Section 19: Permits the paid-in surplus of the Federal land banks subscribed by the United States to be converted into a revolving fund, which may be transferred from one bank to another to meet unusual conditions.

Under the authority of paragraph "Tenth" of 12 U. S. C. 781, the Secretary of the Treasury has from time to time subscribed to the paid-in surplus of the Federal land banks for the purpose of assisting these banks in granting extentions pursuant to the foregoing paragraphs and in deferring payments of principal pursuant to paragraph "Twelfth" of 12 United States Code, 771. This section provides that all unpaid balances of the funds appropriated for these subscriptions to paid-in surplus, and all repayments of Government subscriptions to paid-in surplus shall be held in the Treasury as a revolving fund. This revolving fund is to be used for the making of additional subscriptions to the paid-in surplus of the Federal land banks, which subscriptions may be made for the purpose of assisting the banks in granting extensions and deferring principal payments. The duty of making such subscriptions out of the revolving fund upon the request of any Federal land bank made with the approval of the Farm Credit Administration is placed upon the Secretary of the Treasury. Such subscriptions to paid-in surplus may be repaid, in whole or in part, at any time in the discretion of the bank and with the approval of the Farm Credit Administration, and the Administration may at any time require their repayment, in whole or in part, if in its opinion the bank has resources available therefor. (New provision to be added after 12 U. S. C. 698.)

Section 20: Changes the title of land-bank examiners to "farm-credit examiners."

Land-bank examiners appointed pursuant to the provisions of 12 U. S. C. 656, are, under the authority of other provisions of law, being used for the purpose of examining Federal intermediate credit banks, production credit corporations, banks for cooperatives, and other institutions under the supervision of the Farm Credit Administration. This section brings their title into conformity with their functions. (New provision.)

Section 21: Changes the term of office of national farm-loan association directors from 1 to 3 years, and provides for staggering the election of such directors.

This section provides that each national farm-loan association shall have a board of directors of from five to seven members; that the members of the board shall be elected by the shareholders at annual meetings; that they shall hold office for 3-year terms; and that a certain number of directors shall be elected each year. It also provides for filling vacancies on association boards of directors and eliminates the reference to the National Banking Act now contained in the provision of the Federal Farm Loan Act relating to the election of association directors. (Amends 12 U. S. C. 712.)

Section 22: Permits direct borrowers from Federal land banks to transfer or hypothecate their Federal land-bank stock to the Federal Farm Mortgage Corporation.

Under the provisions of the Federal Farm Loan Act the stock in Federal land banks for which direct borrowers from the banks are required to subscribe may not be transferred or hypothecated. Where the Federal Farm Mortgage Corporation holds a second mortgage, subject to a first mortgage in favor of the Federal lank bank, it sometimes becomes desirable to take an assignment of the borrower's interest in the Federal land-bank stock in order to avoid losses which the Corporation might otherwise sustain After obtaining an assignment of the stock the Corporation would either hold the stock until the bank loan had been paid in full and the stock retired, when the proceeds would be paid over to the Corporation, or the Corporation would dispose of the stock to a subsequent purchaser of the property who assumed the Federal land-bank mortgage. (Amends 12 U. S. C. 723 (c).)

Section 23: Changes method of voting in stockholders' meetings of national farm-loan associations to: One member, one vote.

Present law gives each stockholder one vote per share of stock with maximum of 20 votes. (Amends 12 U. S. C. 732.)

Section 24: Provides that the favorable vote of a majority of the board of directors is sufficient to elect a prospective borrower to membership in a national farm-loan association.

Present law requires a two-thirds vote to elect an applicant to membership. (Amends 12 U. S. C. 745.)

Section 25: Provides that two or more national farm-loan associations may under an agreement between them, and with the approval of the Farm Credit Administration, elect a commmon board of directors which will act as the board of directors of each of the associations entering into the agreement.

This section will facilitate the joint management program of the Farm Credit Administration under which national farm-loan associations operating in the same territory are encouraged to conduct their business at a common office and through a single secretary-treasurer for their mutual benefit and the convenience of borrowers in the territory served by them. It permits one or more members of the common board of directors to be elected by each association which is a party to the agreement and permits the balance, if any, of the directors to be elected by the shareholders of all the associations voting as a single group. Other methods of election may be used where deemed appropriate and the total number of directors may exceed the maximum of seven elsewhere fixed by law. The members of the common board of directors will be ex officio the directors of each association which has become a party to the agreement. In order to retain in the individual associations the power of approving or disapproving applications for loans, it is provided that the shareholders of each association which has entered into such an agreement shall elect the members of the association's loan committee at the annual meeting, and that the loan committee so elected shall set in place of the association's board of directors with respect to the approval of applications for loans and the election of applicants to membership in the association. (New provision to be added after 12 U. S. C. 745.)

Section 26: Authorizes Federal intermediate credit banks to acquire and dispose of such property, real or personal, as may be necessary or convenient for the transaction of their business.

This section is believed to be desirable so that the authority of the Federal intermediate credit banks to acquire and convey property used in the performance of their functions will be specific. Heretofore, such transactions have been conducted under the general authority of the banks to exercise "all the usual powers of corporations." (Amends 12 U. S. C. 1023.)

Section 27: Authorizes the Federal intermediate credit banks to pledge as collateral security for debentures issued by them United States Government bonds and Federal Farm Mortgage Corporation bonds.

This section authorizes the Federal intermediate credit banks to use United States Government bonds, or bonds fully and unconditionally guaranteed by the United States, as collateral security for their debentures. Under existing law, such collateral is limited to "cash, or notes or other such obligations discounted or purchased or representing loans made under section 202 (a) of the Federal Farm Loan Act." Authorization to employ obligations of the United States Government as collateral will be of advantage to the Federal intermediate credit banks, in view of the fact that a large part of their capital is now invested in these obligations. The Federal land banks have for some time been authorized to use United States bonds and Federal Farm Mortgage Corporation bonds as collateral for farm-loan bonds. This section will extend similar privileges to Federal intermediate credit banks in respect to the collateral for their debentures. The striking out of the phrase "when chartered and established" in the provision amended is due to the fact that this phrase is believed to be surplusage. (Amends 12 U. S. C. 1041.)

Section 28: Permits the Federal intermediate credit banks to withdraw on trust receipt pledged collateral of certain kinds, subject to the approval of the Farm Credit Administration.

This section provides that warehouse receipts, shipping documents, and other similar credit instruments, when constituting the underlying collateral securing notes which have been purchased or discounted by Federal intermediate credit banks and deposited with a farm loan registrar as collateral security for debentures issued by these banks, may be released by the registrar on trust receipt in such form and subject to such conditions as may be approved by the Farm Credit Administration. Heretofore, such warehouse receipts, shipping documents and similar credit instruments have been delivered physically to the registrar. This has occasioned considerable difficulty and delay in handling commodities covered by such receipts and documents. It is occasionally very desirable for the owners of such commodities to be able to dispose of them without delay, due to a rapidly fluctuating market. The purpose of this section is to permit the adoption of a procedure whereby warehouse receipts and similar documents can be held so that they will be available at all times when required for quick disposition of the commodities covered thereby. (Amends 12 U. S. C. 1042.)

Section 29: Permits Federal intermediate credit banks to purchase debentures issued by them without restrictions as to price.

This section authorizes any Federal intermediate credit bank, with the approval of the Farm Credit Administration, to purchase consolidated debentures issued by the 12 Federal intermediate credit banks and individual debentures issued by the purchasing bank or by any other Federal intermediate credit bank. If a Federal intermediate credit bank purchases debentures which it has issued, or which have been issued for its account, it may retire them forthwith. If it purchases debentures issued by, or for the account of, any other Federal intermediate credit bank it may hold them until maturity. At the present time Federal intermediate credit banks are authorized to purchase debentures only at or below par. It sometimes happens that one of these banks has funds which are temporarily idle, and market conditions are such that it can use such funds for the purchase of debentures only by buying them at a price above par. The section is designed to give these banks more freedom in using temporarily idle funds advantageously. (Amends 12 U. S. C. 1053.)

Section 30: Changes the procedure for determining the amount of the franchise tax to be paid by each Federal intermediate credit bank.

This section modifies and clarifies the provisions of the Federal Farm Loan Act with respect to the disposition of the annual earnings of Federal intermediate credit banks. It provides that after paying or providing for necessary expenses each bank shall apply the earnings then remaining: First, to restoring any losses in excess of its reserves which may have occurred during the current year; second, to eliminating any impairment in its paid-in capital and paid-in surplus which may have occurred during the year; third, to the creation and maintenance of such reserves as may be found advisable; fourth, to the payment of 25 percent of the amount then remaining to the United States as a franchise tax; and, fifth, to the payment of the residue of its net earnings into its surplus account. Under existing law the net earnings of any Federal intermediate credit bank remaining after payment or provision for necessary expenses are to be paid into the bank's surplus fund until it amounts to 100 percent of the subscribed capital stock, and thereafter 50 percent of such earnings is to be paid into the surplus fund, and the residue is to be paid to the United States as a franchise tax. No franchise tax has been paid to the United States for the past several years. It is believed desirable to amend the existing law in the manner indicated above which, it is expected, will result in substantial payments of franchise taxes to the United States. (Amends 12 U. S. C. 1072.)

Section 31: Amends the law relative to the furnishing of confidential information to Farm Credit Administration institutions by various Government agencies.

This section provides that the several executive departments, boards, commissions, and independent establishments of the Government, including the Reconstruction Finance Corporation, the Federal Deposit Insurance Corporation, and the Federal Reserve banks, are authorized, upon request of the Farm Credit Administration to furnish to the Administration or of any bank or corporation operating under its supervision, in confidence, information relating to the condition of any institution with which such bank or corporation, or the Administration, contemplates entering into business relations. At present such information is furnished only in connection with the affairs of Federal intermediate credit banks and it appears desirable to provide that similar information be furnished in connection with the affairs of the other institutions operating under the supervision of the Farm Credit Administration (amends 12 U. S. C. 1095).

Section 32: Confers upon the 12 regional agricultural credit corporations certain powers necessary or convenient for their proper liquidation.

This section authorizes each regional agricultural credit corporation to transact business in any State of the United States, in the District of Columbia, and in Puerto Rico; to borrow money from any other regional agricultural credit corporation, the Reconstruction Finance Corporation, or any Federal intermediate credit bank; to lend any of its available funds to any other regional agricultural credit corporation; and to sell to or purchase from another regional agricultural credit corporation any part or all of the assets of any such corporation. The foregoing additional powers are believed necessary to enable each regional agricultural credit corporation to liquidate its business to the best advantage (new provision).

Section 33: Provides for the merger and consolidation of regional agricultural credit corporations.

This section will enable the Farm Credit Administration to effect the consolidation or merger of two or more regional agricultural credit corporations. It provides for granting charters to, prescribing bylaws for, and fixing the capital of, regional agricultural credit corporations formed by consolidation, and makes applicable to such consolidated corporations all provisions of law conferring powers upon, or otherwise affecting, the 12 regional agricultural credit corporations now in existence. It is believed that the foregoing provisions are necessary to permit the liquidation of these corporations in an efficient manner (new provision).

Section 34: Declares that nothing contained in sections 32 and 33 shall be construed as limiting the rights, powers, and authority heretofore granted to regional agricultural credit corporations, the Farm Credit Administration, or the Governor thereof.

Section 35: Authorizes the Central Bank for Cooperatives (1) to buy and sell interests in notes and other obligations, and (2) to borrow from, and discount or rediscount paper with, commercial banks.

Clause (c) of this section enlarges the power of the Central Bank for Cooperatives to buy and sell notes or other obligations by including therein the power to buy and sell interests in such notes and other obligations. Clause (d) of this section gives the Central Bank for Cooperatives power to borrow from, and discount or rediscount paper with, commercial banks, in addition to its present power of borrowing from, and discounting or rediscounting with, Federal intermediate credit banks and banks for cooperatives. Clauses (a) and (b) of this section reenact existing law. (Amends 12 U. S. C. 1134J.)

Section 36: Authorizes the 12 regional banks for cooperatives (1) to buy and sell interests in notes and other obligations, and (2) to borrow from, and discount or rediscount paper with, commercial banks.

This section confers upon the regional banks for cooperatives powers similar to those conferred upon the Central Bank for Cooperatives by section 35. (Amends 12 U. S. C. 1134 (c).)

Section 37: Authorizes the Farm Credit Administration to lease and sell properties acquired in connection with loans made from the Agricultural Marketing Act revolving fund, and to pay from this fund expenses incurred in handling acquired properties pending their sale.

This section authorizes the Farm Credit Administration to sell at public or private sale to the highest responsible bidder, after such public advertisement as it may deem necessary, real or personal property acquired in connection with loans made from the Agricultural Marketing Act revolving fund, and also authorizes the leasing of such property for a period not in excess of 5 years. It further authorizes the Farm Credit Administration to pay from the revolving fund obligations and expenses incurred for the operation, upkeep, maintenance, repair, disposition, insurance, and protection of any such property. (Amends 12 U. S. C. 1141 (b).)

Section 38: Provides that all funds derived from the sale, lease, operation, or other disposition of real and personal property acquired in connection with loans made from the Agricultural Marketing Act revolving fund shall be covered into such fund.

The purpose of this section is to definitely establish that all proceeds from the disposition of properties acquired on account of or as a result of any loan made from the revolving fund, together with all income from such properties, shall become part of the revolving fund. (Amends 12 U. S. C. 1141d.)

Section 39: Provides that the terms "debenture" and "debentures", when used in any act of Congress, whenever enacted, except the Federal Farm Loan Act, relating to the purchase, sale, or use as security, of debentures issued by or for the benefit and account of any Federal intermediate credit bank or banks, shall be deemed to mean debentures issued by any such bank individually and consolidated debentures issued by such banks acting together.

Section 40: Provides that if any provision of the act is held invalid the remainder of the act shall not be affected thereby, and reserve the right to alter, amend, or repeal the act.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. ANDRESEN].

Mr. ANDRESEN of Minnesota. Mr. Speaker, this bill, as the chairman has said, is a technical measure. It consists of approximately 42 pages of technical changes in the Farm Credit Administration. The bill originally was prepared by the attorneys in the Farm Credit Administration, sent to the Congress, and introduced by our chairman. In analyzing the bill in our committee it appeared to me, as well as to other members of the committee, that an effort was being made to further centralize control over the farm credit set-up here in Washington.

The original Farm Credit Act or the Federal Land Bank Act provided for a cooperative control of farm credit by local national-loan associations. The members of the loan associations were the borrowers from the bank. They provided the capital stock and the money with which the bank was to operate. In the last 4 or 5 years the Federal Government has contributed a substantial portion of the funds for loaning purposes to the Farm Credit Administration, but the original purpose of the Farm Credit Act was to place an agency in the hands of the farmers so that they would be able to have a bank under their own management and control. An effort has been made during the past 2 or 3 years to take away the management and control that the local associations have had over their own affairs and centralize the authority in Washington, fixing it so that the local associations had nothing to say whatsoever about the policies or about the loans to be made within their respective districts. Some amendments were adopted in the committee that helped perfect the bill and helped retain some of that control for the local associations, but I call attention to section 8 of the bill, on page 13, which gives to the Federal land bank, or to the governor of the Federal land bank, the right to change the boundaries of the territory designated in the charter of any national

farm-loan association by readjusting from time to time those boundary lines.

If the Governor of the Farm Credit Association should decide he wants to wipe out one of the small local loan associations in your community, he might do so by changing the boundary lines of that particular loan association. Some of you no doubt have had complaints from your local associations that they have not been able to receive anything for servicing the loans. That is correct. The Farm Credit Administration in its policies here from Washington have stated to the local loan associations that if they do not join up with other farm loan associations as directed, they will receive no compensation for the servicing of the local loans. They are therefore forced to consolidate with other associations or be driven out of business because of lack of any income.

Within the past year and a half another criticism has become apparent in many agricultural sections. We find that the Farm Credit Administration has adopted a policy down here where they will no longer make loans to help finance farmers who are in distress on account of being in default on their farm mortgages. Out in Minnesota, in the section that I have the honor to represent, we find that the Federal land bank has virtually ceased making loans whatsoever or if they do make commitments, the commitments are so low that they will not help farmers in any way to refinance their present obligations. If the Federal land bank is to be of any assistance to the farmers of this country, then that assistance should be given to the farmers at this time where they are crying for help to refinance their present obligations so that they can stay in the farming business.

The SPEAKER pro tempore (Mr. CULLEN). The time of the gentleman from Minnesota has expired.

Mr. HOPE. Mr. Speaker, I yield the gentleman 3 minutes more.

Mr. ANDRESEN of Minnesota. Mr. Speaker, at a later date during the present session of Congress I shall talk more at length upon some of the policies and practices of the Federal land bank. I believe it would be well if Congress would appoint a special committee to investigate the practices and policies of the Federal land bank to see if the Farm Credit Administration is carrying out the policies according to the original intent. These institutions, national local loan associations, and Farm Credit Administration, Federal land bank, are supposed to be cooperative enterprise, where the farmers might have something to say over their own affairs in a bank they are creating from their own capital contributions. I hope that within the course of the next week or so I may have the opportunity of offering a resolution in this House asking for the appointment of a special committee to investigate present practices of the Farm Credit Administration and also ask Congress to investigate some of the questionable practices of the officers in various land-bank districts where charges have been made that certain preferred and questionable loans had been made contrary to public policy.

I would like to offer an amendment to strike section 8 from the bill, but under the rule no amendments can be considered. I therefore hope that section 8 will be stricken from the bill when it is considered in the Senate.

Mr. GEHRMANN. Mr. Speaker, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. GEHRMANN. I am wondering now if a local association is in default, will the individual stockholder be held liable for the default of the association, beyond the 5 percent that he is now liable for?

Mr. ANDRESEN of Minnesota. If I am not mistaken—if a local association is in default, I think all members of that local association may be assessed for the value of their stock, in order to pay up the loss of the association.

Mr. GEHRMANN. Beyond the 5 percent of the stock that they own?

Mr. ANDRESEN of Minnesota. No; not beyond the 5 percent, but if a man had a $10,000 loan and had $500 worth of stock, he might be assessed for the amount of that stock.

Mr. JONES. There is no change at all in that respect. They are liable for the value of their stock.

Mr. GEHRMANN. It does not change that part of it? They do not go beyond the 5 percent?

Mr. JONES. That is right.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. ANDRESEN of Minnesota. I yield.

Mr. BOILEAU. It would not be an assessment. It is merely the loss of his stock?

Mr. ANDRESEN of Minnesota. It is merely the loss of his stock. If the loss does not come up to the value of his stock he gets whatever equity there is, of course.

The SPEAKER pro tempore. The time of the gentleman from Minnesota [Mr. ANDRESEN] has again expired.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

DEFICIENCY JUDGMENTS AND SEED LOAN COLLECTIONS

Mr. CASE of South Dakota. Mr. Speaker, this bill is coming up under suspension of the rules which, as I understand, prevents any amendments. The remarks I have to make would really call for an amendment to this act or else, following the suggestion of the gentleman from Minnesota [Mr. ANDRESEN], the appointment of a commission with power to change two current practices in the administration of the Farm Credit Administration, which, it seems to me, are inconsistent with the fine work the F. C. A. has done and also inconsistent with the intent of Congress.

The first has to do with the taking of deficiency judgments in the case of land foreclosures. The second has to do with the reports that where farmers are now threshing, orders are given to the elevators or to the purchasers of grain, that they shall make a 100-percent collection of all Government seed loans; not merely the current feed and seed loans, but also the feed and seed loans for 4 and 5 years back. Those two policies are resulting in an unhealthy condition throughout the area that suffered from drought during the past few years.

I have a letter from a constituent enclosing a letter from the Farm Credit Administration, in which a husband and wife are notified that the Federal land bank would not be interested in taking a deed to a particular piece of land, but would insist upon foreclosure proceedings, with the costs that that involves; and, in addition to that, the taking of a deficiency judgment.

The letter reads:

> We have a report from our fieldman, advising us he discussed this loan with both you and your husband, and you did not feel that you could go on with the loan, and thus signed a statement wherein you agreed to transfer the land to the Federal Farm Mortgage Corporation in full settlement of the mortgage.
>
> This is to advise you that we will not be interested in taking title to this land, but rather, we choose to foreclose in the event you refuse to settle the present delinquencies and carry on with the loan. It is our thought that you have not given the proper consideration to the results that will accrue through foreclosure, and in case the land did not bring the full amount of our investment at the time of sale, it is quite possible that both you and your husband would be faced with a substantial deficiency which would later have to be paid.
>
> We wish you would talk this matter over together, giving consideration to this aspect of a foreclosure, and write us your decision.

In this case, my understanding was that the family found itself unable to make a go of things on the farm during the drought. The father got his soldier's adjusted compensation. Instead of applying it on the farm mortgage, he bought a little store or filling station and kept his family off relief. The farm loan was not a Commissioner's loan, but a first mortgage. Under any fair appraisal, the land should have been worth the loan so they offered to turn over title in settlement. But the collection letter plainly intimated that the land bank intended to get its money regardless of what happened to the family. So I asked the Farm Credit Administration if it really did take deficiency judgments. I received this reply:

FARM CREDIT ADMINISTRATION,
Washington, D. C., June 21, 1937.

Hon. FRANCIS CASE,
House of Representatives.

DEAR MR. CASE: Further reference is made to your letter of May 13, 1937, in which you inquired concerning the policy followed in

the foreclosure of loans owned by the Federal Farm Mortgage Corporation.

The Federal Farm Mortgage Corporation is pursuing a lenient policy regarding foreclosure, and it has the power to grant deferments, extensions, or reamortizations in individual cases as the facts may warrant. Delinquent loans are not foreclosed so long as the borrower is making an honest effort to meet his payments, is applying the net income from the farm to his primary obligations, is taking proper care of the security, and appears to have the ability to work out of a reasonable burden of debt under normal conditions. In foreclosure cases where the security is inadequate for the payment of the mortgage debt, it is the general policy to bid at sheriff's sale the estimated value of the property. If a deficiency results, the case is again considered on its individual merits and a determination made as to what further steps may be necessary or advisable. It is also the general policy to seek the appointment of a receiver to take possession of the farm and collect rents, issues, and profits within the period of redemption. We are informed that in South Dakota it is usually possible to have a receiver appointed within a reasonable time after sale.

We believe that the continued application of the established equitable foreclosure and extension policies pursued by the Corporation does not conflict with the intent and purpose of the Frazier-Lemke amendment to the Bankruptcy Act as confirmed by the Supreme Court's decision.

I trust that the foregoing is the information you desire.

Sincerely,

H. A. LAKE,
Assistant Deputy Commissioner, Land Bank Division.

The statement is well made; it sounds plausible; and, no doubt, it is a proper interpretation of the law as it now stands. But it also makes clear that deficiency judgments are taken, and, frankly, I do not like the idea of a Government agency taking deficiency judgments against citizens. The little money we can get by selling the last piece of machinery and the last cow and the last bedstead are not worth the damage we do to an American family. The proceeds of such sales pay hardly more than sheriff's costs. And we have done an injury to the morale of a family, a father, mother, and some children, that can never be repaired.

In the State of South Dakota we have a State law that says that the taking of a deficiency judgment in the foreclosure of a man's homestead is against public policy; that if you foreclose on the land on which a loan was extended that should be sufficient. To loan money to a farmer when he needs it is a good thing for the country; but to follow that up and say that you are going to close him out and sell his household goods and what little personal property he has and forfeit his homestead exemption is a terrible thing to do in the name of aid or help by an agency of the Federal Government. We should declare the taking of deficiency judgments to be against public policy.

Turning to seed-loan collections, I have a communication from D. D. Collins of the National Farmers' Holiday Association saying that they are very much concerned with the present policy of having agents and representatives of the feed and seed loan section following up the sale of grain to collect all outstanding seed loans.

At this point I wish to insert two letters from the national secretary.

The Emergency Crop and Feed Loan Section made a good record in getting loans into the field earlier last spring than in previous years. That was partly because Congress acted earlier, and partly because of the organization developed by the Farm Credit Administration. Col. Philip Murphy, director of crop loans, and his assistant, Mr. Lindsey, were really on the job. Note this record:

FARM CREDIT ADMINISTRATION,
Washington, D. C., July 9, 1937.

Hon. FRANCIS CASE,
House of Representatives.

DEAR MR. CASE: This will acknowledge receipt of your letter of July 6, 1937, in reference to the 1937 crop loan in South Dakota as compared with previous years.

It is believed that the advantages gained from the early launching of the 1937 loan were well sustained throughout the lending period.

In 1935 the total amount of loans made in South Dakota was $7,837,191; in 1936 the amount loaned was $138,660; and the loan for 1937 to date amounts to $2,623,905.

Our records indicate that compared with April 4, which was the date the first loans were disbursed in 1936, 45 percent of the total amount loaned in 1937 had been disbursed; and compared with April 10, which was the date the first loans were disbursed in 1935, 61 percent of the 1937 loan had been disbursed.

A comparison of the progress of the loan in 1937 with corresponding key dates for the previous years of 1935 and 1936 is as follows:

Date	Number of loans	Amount	Percent of total amount loaned
May 1, 1935	13,396	$3,098,630	39
May 1, 1936	885	106,160	76
May 1, 1937	12,088	2,471,560	94
May 15, 1935	25,637	5,837,234	74
May 15, 1936	1,024	121,835	87
May 15, 1937	12,860	2,610,855	99
June 1, 1935	28,816	6,422,296	81
June 1, 1936	1,084	128,500	92
June 1, 1937	12,877	2,623,905	100

It is noted that on May 1, which is in the midst of the planting season, 94 percent of the 1937 loan had been disbursed as compared with 39 percent in 1935; and on May 15 the 1937 loan was practically completed as compared to 74 percent for the 1935 loan.

Sincerely,

S. P. LINDSEY, Jr.,
Acting Director, Emergency Crop and Feed Loan Section.

You will note that 45 percent of this year's loans were disbursed before the first loan was put out in 1936 and that 61 percent of this year's loans were disbursed before a loan was put out in 1935. That is a good record and I hope it will not be marred in the memory of the people by a collection policy that hounds the people for the last penny, this first year that they have had a crop. I am concerned because of such letters as these:

NATIONAL FARMERS' HOLIDAY ASSOCIATION,
July 29, 1937.

Hon. FRANCIS H. CASE,
Representative from South Dakota,
House Office Building, Washington, D. C.

DEAR SIR: I am enclosing a copy of a letter sent to the Farm Credit Administration concerning fred and seed-loan collections. I am sure you are aware that the Federal Government, if it so desires, can strip thousands of farmers of the first crop they have had in many years.

Undoubtedly you are working on this problem in your own way, but I wish you would join us at the moment with a letter or telegram to the Farm Credit Administration, or the President.

I am sending a copy of the enclosed letter to numerous Governors, Senators, Congressmen, and farm leaders. A concentrated effort at this time, I feel sure, will show the proper officials the necessity for a lenient policy and consequently will at least dispel part of the despair which has settled over the drought areas these last years.

Sincerely,

DALE KRAMER.

NATIONAL FARMERS' HOLIDAY ASSOCIATION,
Minneapolis, Minn., July 29, 1937.

FARM CREDIT ADMINISTRATION,
Seed and Feed Loan Division, Washington, D. C.

GENTLEMEN: We are very much concerned over the attitude you are to take on collection of seed and feed loans. From the letters you have already sent out from your various regional offices, and from the reports coming to us from the field, we have considerable reason to be concerned.

If you are to pursue a hard-boiled, pound-of-flesh policy, farmers had as well turn over their crop and apply for aid at the nearest relief office. After the years of drouth these loans are piled up to the extent that according to law literally tens of thousands of farmers can be stripped of their first crop in a number of years.

It is our belief that you will not follow such a policy, if for no other reason than that the expense would be greater to the Government than if a lenient policy was pursued. After the expense of collections, farmers will have to seek the same old relief rolls.

We believe your local units should be instructed to release enough of the crop to insure reasonable living conditions and an opportunity to put in the new crop. Otherwise farmers will be forced to apply for new feed and seed loans. Our local committees will work fairly with you on this matter. They want debts of farmers paid, but naturally they also want to live. Men who are able to pay and desire only to beat their debts will meet the opposition of the Holiday Association, but, on the other hand, we expect our committees to work with your local units to see that families have enough out of their crop to live on.

I am sure you are in agreement with us in this matter and will instruct your local groups to follow a lenient policy.

Sincerely,

DALE KRAMER,
Secretary, National Farmers' Holiday Association.

We must realize that through a great deal of that section, with grasshoppers and some drought, it is a poor crop even

this year, and to require that out of the little proceeds of this year's crop the farmer must pay up 100 percent for the back feed and seed loans, merely means stripping him of this year's income and sending him back to the relief rolls again. I sincerely hope that action will be taken to indicate that this is not the will and intent of Congress. Of course, we should collect something, but do not strip these farmers again, and leave them in a destitute condition for the coming winter.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. ANDRESEN of Minnesota. Does the gentleman mean that the Farm Credit Administration is making collections on those unsecured loans that were made in 1933, 1934, 1935, and 1936?

Mr. CASE of South Dakota. That is what my correspondence indicates.

Mr. HULL. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. HULL. Is it not true that they are not only enforcing those seed loans to an extent that cripples the farmer, as far as his operations are concerned, but they are forcing many farmers into foreclosure proceedings because they are taking all he has got for seed loans made in 1934?

Mr. CASE of South Dakota. That is right. This year when we have a chance for these farmers to get squared away and on their feet again we ought to have a little consideration and leniency about this matter, whether you put it on a basis of relief or simply good business. I sincerely trust the gentleman will bring in his resolution so worded that the Farm Credit Administration may know how Congress feels about procedure under technical rulings which leads their agents to say they are extending all the aid the law permits them to extend. Let us make it clear in our amendment to these acts that they can extend consideration within the law and thereby follow a sound financial policy as well as a humane policy. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Speaker, replying to the gentleman from South Dakota, I may say that two bills on deficiency judgments have been pending before the Committee on Agriculture. One provides that deficiency judgments could not be taken under any conditions on the foreclosure of Federal loans. The second, a bill I introduced, provides that in foreclosing the property should be bid by the bank on the same valuation basis on which they made the loan. Loans are made today on the basis of normal value. The land bank has a complicated formula to get the basis for the loan value of a man's farm. They figure his average crop through a series of years, the average price, and then they get from that net average income for the series of years. Then they capitalize that, say at 4 percent, and that is the normal value. Then upon that basis they make their loan. I think it very unjust because they have succeeded in cutting the value so low that they have largely taken the helpfulness out of the farm credit business as far as farmers are concerned.

The Farm Credit Administration has stated that it would withdraw from any State that passed a law prohibiting deficiency judgments. The Oregon Legislature was about to pass such a law last winter. The Farm Credit Administration notified them that if they did so they would withdraw all lending in Oregon. That scared them out and they did not pass the law. We have had it up with the governor of the Federal land bank and I have had it up personally with the attorney and the various men who control the Farm Credit Administration in Washington, D. C. There is little chance to change their views. They wrote me a dissertation covering three or four pages giving the reason why they had to take deficiency judgments. I think every one of those reasons came from an age when the creditor contended that the debtor should be imprisoned for his debt if he could not pay.

Mr. ANDRESEN of Minnesota. Mr. Speaker, will the gentleman yield ?

Mr. PIERCE. I yield.

Mr. ANDRESEN of Minnesota. The State of North Dakota passed a law against taking deficiency judgments, and the Farm Credit Administration withdrew from lending any money whatsoever in the State of North Dakota. The farmers in that State are not able to secure loans from the Farm Credit Administration.

Mr. PIERCE. There are other reasons in North Dakota.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. CASE of South Dakota. But they would withdraw from Oregon or any State which passed a law saying that it was against public policy to take deficiency judgments.

Mr. PIERCE. I think, then, we should pass such a law here and let our viewpoint be known throughout the country.

Mr. CASE of South Dakota. I think we ought to.

Mr. PIERCE. I am seriously in favor of such a law, but I do not think we can pass it. These amendments should be passed. I am in favor of the pending bill. I would like to find some way to modify the severity of the policy followed by the Farm Credit Administration in valuing farm lands for the purpose of making loans.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. JONES. The gentleman will remember that they said they very seldom took deficiency judgments, but that there were some cases in which the man had plenty of property where they felt the man ought to pay a deficiency judgment to them just like they would have to pay it to any other institution. They act in the matter of deficiency judgments in accordance with the circumstances of each case.

On the proposition of their withdrawing from South Dakota, I understand that under the laws as they were enacted they could not continue and the State of South Dakota subsequently changed that law.

Mr. CASE of South Dakota. If the gentleman will yield, it was North Dakota, not South Dakota.

Mr. JONES. Certainly, an institution could not continue functioning in a State which passed laws changing outstanding contracts.

Mr. PIERCE. The injustice came to the farmer when they put into effect this normal-value formula which they use in such a one-sided manner at the present time.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I am indeed surprised to hear the gentleman from Oregon [Mr. PIERCE], as well as several gentlemen from Minnesota, asking for additional farm-relief legislation. It seems to me that a major portion of our time at this session has been taken up in the consideration of farm relief.

We have before us now by unanimous consent a bill that will amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act, the Farm Credit Act, and the Federal Farm Mortgage Corporation, as well as the Agricultural Marketing Act.

I want to congratulate the Members who come from the various industrial sections of this country in cooperating for the consideration of a bill of this kind to be considered by unanimous consent, notwithstanding the fact the chairman of the Committee on Agriculture says it is an innocent bill and will not accomplish a great deal. After reading the bill I think it will have a wholesome effect and will accomplish a great deal of good.

I bring this to the attention of you gentlemen who are vitally interested in the welfare of agriculture in this Nation so that you may show the same broad liberal views when we from the industrial centers desire legislation that may be

helpful and beneficial to the workers and wage earners of America. Invariably we find that there is not cooperation, that there is not aid, from you gentlemen whenever we aim to give some little assistance to the underpaid wage earners.

I want to congratulate the chairman of the Committee on Agriculture for the splendid and innocent way in which he brings before the House this important legislation for the aid and benefit of the agricultural interests.

I hope from now on you gentlemen will realize and recognize the aid and assistance you have been receiving at the hands of Democratic Congressmen from the industrial centers and that you will at some time in the future aid the Members who come from the industrial centers to pass some legislation at this session which is needed and legislation that will be helpful and beneficial to the wage earners of America. [Applause.]

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman represents the district in which is situated the International Harvester Co.?

Mr. SABATH. No. That is not in my district.

Mr. WHITE of Idaho. Did the gentleman know that the International Harvester Co.'s report for last year showed a profit of $59,000,000?

Mr. SABATH. All of these corporations show a great profit; I concede that.

Mr. WHITE of Idaho. The gentleman realizes that comes out of the farmer's pocket, and the farmers need a little help to pay those enormous profits?

Mr. SABATH. I would like some of that profit to go to the wage earners who make these huge profits possible. I would also like to see the farmers get their share. I am not interested in whether McCormick or any other implement manufacturer makes $59,000,000 or $159,000,000. I am interested in the underpaid wage earner of America who should receive a living wage, so that he may also exist.

Mr. HOFFMAN. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. HOFFMAN. What is the wage of the class the gentleman just referred to as compared with what the farmer gets, per hour?

Mr. SABATH. Taking everything into consideration, ordinary labor receives much less than the farmer. The farmers have received from 200 to 300 percent more for their products in the last 3 years, but the wages of the workers in the industrial centers have not been increased above 20 percent. I am satisfied that the average wage of American common labor does not amount to more than $600 a year. The farmers of this country should appreciate that they fare better than any other class in this country. I am gratified that the condition of the farmers has been so tremendously improved in the last few years under the present administration, and I hope the wage earners will be benefited at least to the same extent the farmers have been.

[Here the gavel fell.]

Mr. HOPE. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, I asked the gentleman from Illinois [Mr. SABATH] about the wages of a man in the factory as compared with the earnings of a man on the farm. He told us his version. Now I want to tell you something.

Ford, for instance, pays $7.29 a day. The average worker on the farm, if he is lucky, aside from what he gets to eat, and he does not get grapefruit, oranges, or anything like that, receives much less than that. Many times no more than a dollar a day. He gets potatoes, beans, bread, butter, salt pork, and once in a while some fresh meat if he grows it.

Mr. MAGNUSON. Why can he not grow it?

Mr. HOFFMAN. He cannot grow quite as much as he otherwise would, because many of your W. P. A. projects have taken the men away from the farmers. The boys and hired men on the farm flock into the city to get this Government money at 6, 8, or sometimes 5 hours a day. So they do not have to work on the farm. The farmers help keep those fellows.

The farmer, if he is lucky, may get a dollar a day, and that is about all. If the gentleman from Illinois would only come over just across the lake and instead of stopping at the hotels in Benton Harbor and St. Joseph where he pays 10, 12, or 15 dollars a day, as the gentleman is accustomed to pay and go out on the farms and see the boys work from the rising of the sun until its going down he would learn something. I would not want him to work on the farm. I would just want the gentleman to watch the farmer work over there.

Mr. SABATH. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Illinois.

Mr. SABATH. May I inform the gentleman I do work sometimes on the farm and I am interested in the farmer. I have voted for more farm-relief legislation than perhaps any other Member here.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield myself the balance of the time on this side.

Mr. Speaker, I appreciate the fine spirit shown by the gentleman from Illinois. However, I may say this bill is not brought up by unanimous consent. It is brought up under suspension of the rules.

May I inform the gentleman I did not make the statement that this is an innocent bill. The gentleman evidently misunderstood me. I said this is an important bill, but, being largely technical, I am sure the House would not be interested in a long technical explanation, although I will insert that technical explanation in the RECORD.

May I say just a word about the policies of this Administration? This is a financing institution for the purpose of financing secured credit. We have other types of credit in this country. This institution within the last 4 years has refinanced more farm mortgages at a lower rate of interest than was ever financed during any like period in our Government's history. It made more loans on land than were made in the 16 previous years of the land bank's history and at a lower rate of interest than ever prevailed in this country. They have repeatedly stated that on foreclosures their policy is not to foreclose on any farmer who is doing his honest best, if he applies all his money above his actual living needs on the payment of his loans. I have received complaints, and when I have investigated, in most instances I have found this statement to be correct. While they have 37 percent of the farm mortgages of America, they have foreclosed less than 10 percent as many mortgages as the other lending institutions of America.

I wish some of the gentlemen who are disposed to criticize the fine work of this organization, although there are some matters for criticism, would spend a little time in thinking over some of the fine accomplishments of this Administration. It has not only reduced the interest rate which it charges, and has done so in what I believe to be a very fair way, but it has caused the rates of interest to be reduced by practically all the other lending agencies of America. This is not an innocent bill. It is a tremendously important bill. I believe this institution is doing some of the finest work that has ever been done in our country. It has done for the farmer a class of work that has never been done before in any country in the history of the world. Nothing comparable to it has ever before been accomplished. This organization is doing a wonderful work. I do not claim it is perfect, for there are no perfect institutions in this country of ours, but I will match it word for word, act for act, accomplishment for accomplishment, with any institution which was ever created by the hand and purpose of man.

The SPEAKER. The question is on the suspension of the rules and the passage of the bill.

The question was taken, and, two-thirds having voted in favor thereof, the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROGRAM OF NATIONAL SAFETY AND ACCIDENT PREVENTION

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7433) to advance a program of national safety and accident prevention.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, I should like to know what this bill is about. We may not object to it.

Mr. SADOWSKI. There is no controversy whatsoever about this bill. This merely provides that the Secretary of Commerce shall continue to foster accident-prevention work on the part of organizations engaged in the promotion of safety and accident prevention. This is the bill sponsored by the gentlewoman from Massachusetts [Mrs. ROGERS].

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $35,000 to be expended under the direction of the Secretary of Commerce for the furtherance of the work of the Accident Prevention Conference. Money appropriated pursuant to this act shall be available upon vouchers approved by the Secretary of Commerce for fostering accident-prevention work on the part of organizations engaged in the promotion of safety and accident prevention; preparation and printing of material designed to enlighten the general public in matters of safety and accident prevention, such material to be disseminated through schools, newspapers, magazines, the radio, or any other means of intercourse or communication; the preparation and attempts to obtain enactment of uniform vehicle regulations in the several States; clerical assistants, the services of a director, an assistant director, and a trained engineer for the members of the General Committee of the Accident Prevention Conference: *Provided*, That the director, assistant director, and engineer shall be employed without reference to the civil-service laws and regulations; and that travel expenses incurred by members of the General Committee of the Accident Prevention Conference in the furtherance of the work of the said Conference shall be paid out of the amount appropriated.

With the following committee amendments:

Page 2, line 7, after the word "assistants" strike out "the services of a director, an assistant director, and a trained engineer."

Line 10, after the word "that" strike out "the director, assistant director, and engineer shall be employed without reference to the civil-service laws and regulations; and that."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the President of the United States, in which he expresses the hope there will be some low-cost-housing legislation passed at this session.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PER-CAPITA PAYMENT TO RED LAKE BAND OF CHIPPEWA INDIANS

Mr. BUCKLER of Minnesota. Mr. Speaker, I ask unanimous consent to return to the consideration of the bill (H. R. 4539) authorizing a per-capita payment of $25 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation, which was passed over a few minutes ago on the call of the Consent Calendar.

The SPEAKER. The gentleman from Minnesota asks unanimous consent for the present consideration of the bill referred to by him, which the Clerk will report.

The Chair may state that this bill was on the Consent Calendar, and the gentlemen who objected have agreed to withdraw their objections.

The Clerk read the title of the bill.

Mr. ROGERS of Oklahoma. Mr. Speaker, reserving the right to object, I just want to call attention to the tactics used over here. I am not going to object to this bill, but I have a bill which came up in the same way.

Mr. MARTIN of Massachusetts. Regular order, Mr. Speaker.

Mr. ROGERS of Oklahoma. If the gentleman is going to do that, I am going to object.

Mr. MARTIN of Massachusetts. I do not care.

Mr. FISH and Mr. MARTIN of Massachusetts, demanded the regular order.

Mr. ROGERS of Oklahoma. I object, Mr. Speaker.

EXTENSION OF REMARKS

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill (H. R. 6100) authorizing the Surgeon General of the Public Health Service to control and prevent the spread of the disease of cancer.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a short newspaper article in connection therewith.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in connection with the bill (H. R. 7909) to amend the Federal Farm Loan Act, to amend the Emergency Farm Mortgage Act of 1933, to amend the Farm Credit Act of 1933, to amend the Federal Farm Mortgage Corporation Act, to amend the Agricultural Marketing Act, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein a description of a ride in the air to Bermuda, by our colleague, the gentleman from Indiana [Mr. LUDLOW].

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. RICH. Mr. Speaker, reserving the right to object, there have been a number of newspaper articles put in the RECORD. We have all been taking flights in the CONGRESSIONAL RECORD. I do not object, but I think the Democratic administration ought to protect the CONGRESSIONAL RECORD and stop a lot of this insertion of newspaper articles in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. SADOWSKI. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered over the radio by my colleague, the gentleman from Michigan [Mr. HOOK].

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HAINES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill (H. R. 7748) to provide for the experimental air-mail services, to further develop the safety, efficiency, and economy, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

DEVELOPMENT OF HYDROELECTRIC POWER PROJECT AT CABINET GORGE

Mr. WHITE of Idaho. Mr. Speaker, I call up the conference report on the bill (H. R. 114) to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 114) to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and concur therein.

COMPTON I. WHITE,
J. W. ROBINSON,
PAUL R. GREEVER,
B. W. GEARHART,
J. C. OLIVER,
Managers on the part of the House.

J. P. POPE,
CARL A. HATCH,
ALVA B. ADAMS,
J. G. TOWNSEND, JR.,
PAT MCCARRAN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two houses on the amendment of the Senate to the bill (H. R. 114) to provide for a survey of the Cabinet Gorge, on the Clarks Fork of the Columbia River, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying report:

The purpose of H. R. 114 is to investigate the feasibility of a power project and incidental reclamation development at the Cabinet Gorge site, on the Clarks Fork of the Columbia River in the proximity of the Idaho-Montana State line. The bill (H. R. 114) authorized to be appropriated, out of any money in the reclamation fund, the sum of $25,000, or so much thereof as may be necessary, to carry out the provisions of this act.

On May 17, 1937, the Senate amended the bill (H. R. 114) by striking out the words in section 2 as follows: "in the reclamation fund" and inserted the following language in lieu thereof, "not otherwise appropriated." The bill H. R. 114 as amended authorizes to be appropriated, out of any money not otherwise appropriated, the sum of $25,000, or so much thereof as may be necessary, to carry out the provisions of this act.

The House recedes from its disagreement to the amendment of the Senate and concurs therein.

COMPTON I. WHITE,
J. W. ROBINSON,
PAUL R. GREEVER,
B. W. GEARHART,
J. C. OLIVER,
Managers on the part of the House.

Mr. WHITE of Idaho. Mr. Speaker, if there is no opposition to the report, I shall move the adoption of the conference report.

Mr. RICH. Mr. Speaker, there may be opposition to the report. We would like to know what the report does.

Mr. WHITE of Idaho. This bill was passed by the House and was amended by the Senate and this is a conference report which has been agreed upon by the conferees on the part of the House and Senate.

The bill provides for an investigation of the Cabinet Gorge power project and is similar to the bill passed this afternoon with reference to the Cimarron River.

Mr. RICH. Is this part of the seven-point program to put the Government in the power business all over the United States?

Mr. WHITE of Idaho. No; it is not. This is simply to get some information and have it on file with the Bureau so they may know how to handle the project.

Mr. RICH. Who is going to authorize this? Are you going to authorize in this way a survey for more power projects?

Mr. WHITE of Idaho. This is simply an investigation by the Bureau of Reclamation.

Mr. RICH. What is it going to cost to put this proposition through?

Mr. WHITE of Idaho. The bill authorizes an appropriation of $25,000.

Mr. RICH. Where are you going to get the money? [Laughter.]

Mr. WHITE of Idaho. By taxation, I imagine.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. MARTIN of Massachusetts. When this measure passed the House the understanding was that the money would come out of the reclamation fund, and as I understand it, the Senate has put on an amendment so that the money will come out of the general funds of the Treasury. Why should this money come out of the general funds of the Treasury?

Mr. WHITE of Idaho. I may say to the gentleman that the money that is available in the reclamation fund is obligated and it is desired to have these examinations and get the information on file and the Senate put on the amendment and the House conferees have agreed to it.

Mr. MARTIN of Massachusetts. There was a distinct understanding about it in the House and the chief argument used here was that the money would come out of the reclamation fund and consequently there would be no drain on the Treasury.

Mr. WHITE of Idaho. The argument that was made was that we wanted to develop Government-owned resources in our national forests and utilize the water power in manufacturing paper and things of that sort from Government timber.

Mr. MARTIN of Massachusetts. The gentleman is begging the issue. When this bill went through the House we wanted to have the money involved taken out of the reclamation fund. Did the gentleman make any effort to maintain the position of the House?

Mr. WHITE of Idaho. We certainly did, and the conferees are in agreement that we should accept the Senate amendment.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. RICH. If you had to get the money out of the reclamation fund it would be over 100 years before the gentleman could get it. The gentleman knew that, and this is only a ruse by which you say you are going to take the money out of the reclamation fund, although that money is spent or obligated for the next 100 years.

Mr. WHITE of Idaho. I may say to the gentleman that I think he is in error. We are passing bills every day authorizing the construction of projects by the utilization of the reclamation funds.

Mr. RICH. The gentleman states that I am in error. I may state to the gentleman that the reclamation fund is obligated to the extent of more than $700,000,000 and according to the Reclamation Service you are getting in $10,000,000 a year. If you include the interest you are paying and so on, you will see that it will be 100 years before you get caught up.

Mr. WHITE of Idaho. I may say to the gentleman that there is over $2,000,000 in the reclamation fund now.

Mr. RICH. There may be $2,000,00 in the fund at the present time but we have already obligated over $700,000,000, and how are you going to get $700,000,000 out of $2,000,000?

Mr. WHITE of Idaho. Mr. Speaker, I move the adoption of the conference report.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 51, noes 19.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

NEUTRALITY

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, early this year the membership of this House voted for an arms embargo law in the interests of neutrality which we were solemnly assured gave the President of the United States the authority to place an

embargo upon the exportation of arms and implements of war and to issue other Executive orders in the interest of maintaining the neutrality of the United States and assuring that our country would not become involved in the military disputes of other nations. For a number of weeks on the other side of the Pacific, the armed forces of China and Japan have been waging war upon the Asiatic mainland. In spite of the pratings of international diplomats and legalistic hair splitters, China and Japan are at war with every indication that the struggle will be a long one and may easily involve other nations, yet no application of our widely advertised neutrality and arms embargo laws have been made. Materials to be used in the prosecution of war are leaving our ports, American nationals are traveling on ships of the belligerents, American refugees are remaining in the war zone and apparently have not been advised to evacuate and American money and credit have not been restricted to the countries involved. In the so-called neutrality laws that we have passed with haste and with little or no opportunity to discuss or amend, the President is given the responsibility of declaring when a state of war exists before invoking the restrictions of the legislation. That the laws we have passed are weak, ineffective, and are charged with international and diplomatic dynamite is indicated to me by the Executive's hesitancy in using them in this Asiatic crisis. China insists Japan is pursuing a war of conquest and territorial aggrandizement against her, while the Foreign Office of the Government of Japan insists that they are not at war with China but dealing with irresponsible Chinese bandits, Communists, and so forth. When the so-called neutrality laws were passed by this Congress, some of us protested their ineffectuality and their dangers of international repercussions, but our voices crying in the wilderness were not heard. Some of us pointed out the very weakness which in my own opinion has caused the President to proceed so cautiously in applying the laws we have given him the authority to use. If the President of the United States declares that a state of war exists between China and Japan, in spite of the protestations of the Japanese, which he must do to proclaim an embargo, then Japanese-American relations are strained and even the lives of American nationalists in the war zone may be seriously endangered.

Why it was necessary to place the Executive on the delicate spot of declaring a state of war in existence before embargoing the shipment of arms and implements of war from this country, neither I nor millions of other friends of peace in America have been able to understand. No one has ever convinced me that it was a good thing to ship arms, implements of war, and loan money to foreign countries before a war started, but a bad thing after shooting began. That was why I introduced House Joint Resolution 412 in June, prohibiting the shipment of arms or the materials of war and the making of loans to be used in preparation for war, to any country, whether that country was actually at war or not. This type of legislation involves no statements by the President or any other American to be misinterpreted or misunderstood. This type of legislation, once the basic law of our land, applies to all countries at all times, equally and alike.

I requested a hearing by the Committee on Foreign Affairs for my resolution. No hearing has been granted, although the situation in Asia grows more serious day by day, and none of our so-called neutrality legislation, approved by that committee and enacted into law, has been applied. Scrap metal and other materials usable in the prosecution of war are leaving our ports. War clouds that may hover over us gather more ominously each day across the Pacific. We shall and must keep out of war, and the surest way of dong it is to take neither side and prevent profit-hungry war mongers from involving us on either side by the plying of their disreputable trade.

I have not despaired that the Foreign Affairs Committee may bring in legislation which will not require the President to declare a state of war exists before he can use it to protect the neutrality of the United States and prevent the exportation of arms, but the time before we adjourn is short. My resolution is broad enough to avoid such complications. On Friday, when the 30 legislative days required under the rule expired, I filed a discharge petition with the Clerk to bring my resolution into the House so that it might be acted upon. It would be a tragedy fraught with the greatest dangers if Congress should adjourn this session without passing an arms-embargo act that would bar exportation of arms and the making of loans to any country without conditioning such legislation on a Presidential pronouncement that war exists between certain countries. All Asia is arming and this country must not be connected with the conflict in any way. We can steer clear of war, check the greed of the munitions and banking dealers in blood without straining diplomatic relations with any country by the type of legislation I have suggested to the House. I am not vainglorious enough to insist that my bill and no other should pass, but I do feel the principles it outlines should be enacted into law before we adjourn. Millions of peace-loving Americans want an absolute embargo on arms, implements of war, and the loan of war-making moneys to be effective at all times. I urge my colleagues of the House to sign my petition no. 25 on House Joint Resolution 412 so that we can get some legislation effective before we adjourn that can be invoked without compelling the President to proclaim a situation exists that, while all the civilized world knows does exist, the very proclaiming by our President, before he is at liberty to apply the law, might lead us into the dispute ourselves and cost the lives of many Americans.

(By unanimous consent, Mr. O'MALLEY was granted leave to revise and extend his own remarks.)

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on H. R. 7909, and to insert certain letters referred to.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to proceed for 15 minutes.

The SPEAKER. Under previous order of the House heretofore made, the gentleman from Pennsylvania [Mr. DITTER] is entitled at this point to be recognized for 15 minutes.

Mr. DITTER. Mr. Speaker, I shall not avail myself of the privilege extended to me today. I ask unanimous consent that on Thursday next, after the disposition of legislative business and any other orders that may have been made, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

FORMER REPRESENTATIVE ROBERT H. WHITELAW

Mr. ZIMMERMAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes to announce the death of a former Member of this body.

The SPEAKER. Is there objection?

There was no objection.

Mr. ZIMMERMAN. Mr. Speaker, I rise today to announce the death of a former Member of this House, Hon. Robert H. Whitelaw, of Cape Girardeau, Mo., who died at Blythesville, Ark., on Tuesday last, the 27th of July, at the advanced age of 83 years. Mr. Whitelaw was a Member of the Fifty-first Congress, having been elected to serve out the unexpired term of Hon. James P. Walker, who died in July 1890, shortly after his renomination in the old Fourteenth Congressional District of Missouri. Mr. Whitelaw did not seek reelection, and after the expiration of his term, March 5, 1891, he resumed the active practice of law at his home in the city of Cape Girardeau, Mo.

At the time of his death Mr. Whitelaw had been a member of the bar of southeastern Missouri for more than 60 years. He was a successful lawyer, was loved and esteemed by the lawyers, judges, and litigants, and played a very important part in the development of southeast Missouri, where he spent most of his life.

Being the son of a Virginia planter, Mr. Whitelaw was an ardent Democrat in politics, and always contributed generously both of his time and money to the success of his party. To his surviving family, his wife, and three children, his home city, and his State he leaves a rich heritage, a life of useful, patriotic service, which will be long remembered by neighbors, friends, and an appreciative citizenry.

For many years it was my privilege to list him as my warm personal friend. I, too, shall miss him when I go back to his home city which he loved so well.

LABOR ORGANIZATIONS

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BRADLEY. Mr. Speaker, on Saturday in my State, the State of Pennsylvania, there was a so-called convention of those who posed as delegates representing large groups of American workingmen. They stated their purpose was to form an organization to secure justice for the American workingman and to insure him of the exercise of his right to work. The list of those attending in their capacity as so-called delegates comprised those who, throughout their lives, have been devoted to furthering so-called company unions. Practically every one of them who was there as a delegate has at some time in his life been associated with organizations which had for their purpose the nullifying of those things which legitimate organizations were seeking to accomplish. Unfortunately—and I say unfortunately with real sincerity—a Member of this House, the gentleman from Michigan [Mr. HOFFMAN] journeyed to my State of Pennsylvania and addressed this gathering. While there he engaged in the most vituperative attacks upon practically everyone who at any time had evidenced a desire to be of help to labor. The President of the United States, the Governor of Pennsylvania, everyone identified with the labor movement, and not even the wife of the President of the United States was immune from his vituperative remarks.

Mr. MARTIN of Massachusetts. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state the point of order.

Mr. MARTIN of Massachusetts. The gentleman is using language about a Member of the House that is not permitted.

Mr. BRADLEY. I will strike out "vituperative."

[Laughter.]

The SPEAKER. The gentleman will proceed in order.

Mr. BRADLEY. When a Member of Congress comes into my State, I deem that I have a duty upon the floor of this House to answer any remarks which he might have made, to which I have objection and which might be a reflection upon those people in my State who are striving to earn a living or to organize those who are engaged in occupations in that State.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY. When I have finished, if you please.

Now, the gentleman from Michigan made his plea on the basis of patriotism. He clothed himself in the garb of a patriot. He appealed to those gathered there to join him in a great movement to save the liberties of the American people. He praised, with great fervor, those captains of industry, Mr. Sloan, Mr. Ford, and all those who have concentrated the wealth of this country in their hands, who have exploited labor for years, who have pyramided their profits and piled up their gains.

I submit that when anyone engages in attacks upon others, when they clothe themselves in the garb of a patriot, their own actions, I presume, would be open to scrutiny. I heard the gentleman from Michigan upon the floor of this House state that at no time would he consider the bearing of arms—I believe my recollection is correct——

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield just there?

Mr. BRADLEY. I yield.

Mr. HOFFMAN. To correct the gentleman. I said "except in self-defense; in defense of my liberties."

Mr. BRADLEY. I make that correction—"except in self-defense."

Mr. HOFFMAN. And in defense of my liberty.

Mr. BRADLEY. Yes. I believe the gentleman stated that he had at no time borne arms for the defense of his country and would not bear arms except if he were personally attacked. The welfare of this country means nothing to him, presumably—only himself.

Now, some weeks ago I was much amazed to read in the public press that a Member of Congress had sent a telegram, and gave it publicity, advising someone to hoard up ammunition, buy machine guns, and Gatling guns. For what? Presumably—and I was right in making the inference, because it was made in connection with a labor dispute—the guns were to be used upon American workingmen, and I was much concerned at the time. I thought, well, as a friend of labor, here is something to be concerned about. Perhaps this is the traditional man on horseback. Perhaps this is some excellent military strategist whom the country would have to fear. Perhaps here is another would-be dictator, a man well versed in arms, the traditional man on horseback; but my calm returned to me when I made a few inquiries with respect to the possibility of the gentleman being learned in the arts of war and found these facts: The gentleman was born in 1875. I looked to see what patriotism he had when the country needed patriots and I found that at the outbreak of the World War he was 42 years old.

Mr. MARTIN of Massachusetts. Mr. Speaker, a point of order. I insist that the gentleman has no right to speak of a Member of the House in the language the gentleman is using.

Mr. BRADLEY. Will the gentleman state his point of order?

The SPEAKER. Does the gentleman move that the words of the gentleman from Pennsylvania be taken down?

Mr. MARTIN of Massachusetts. Not if the gentleman proceeds in order.

The SPEAKER. The gentleman from Pennsylvania will proceed in order.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY. In a moment I shall be pleased to.

Mr. HOFFMAN. I just wanted to give the gentleman permission to go as far as he likes.

Mr. BRADLEY. I believe I have that under the rules of the House anyway.

Mr. HOFFMAN. I give it to him whether the gentleman has it or not.

Mr. BRADLEY. The gentleman has no right to impugn the patriotism of our leaders. I simply stated the gentleman's record with respect to the absence of a military career: 42 years old at the time of the World War, no military record. At the time of the Spanish-American War he was 23 years old. I never heard of him in the histories bravely charging up San Juan Hill with Theodore Roosevelt. Why the patriotic fervor today? Why the call for arms and ammunition? Why the journey to a State to arouse officers, citizens, and give vent to spleen against the President of the United States and the Governor of my State.

Mr. Speaker, on one occasion, on this floor, the gentleman from Michigan spoke on the labor question. I asked him then if he had any knowledge of the earnings of the corporations he was discussing, and he informed me quite candidly that he had no knowledge either of their earnings or of their capital structures. I would say to the gentleman from Michigan that before he undertakes to settle the labor question, before he undertakes to impugn the motives of those who are leading the American workingman, before he attacks the President of the United States, the Governor of Pennsylvania, and the wife of the President of the United States, it would be a great deal better if he would study the corporations and the earnings of the corporation involved

in these labor disputes. Then, perhaps, he could speak with authority and not engage in general condemnation of everyone striving to improve the lot of the American workingman.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY. I yield.

Mr. RICH. I take it for granted that the gentleman is interested in labor and trying to see that labor gets a fair opportunity to say whether it wants to work under certain conditions or whether it does not want to work under those conditions.

Mr. BRADLEY. I am very much interested in labor. That is the reason I am here.

Mr. RICH. I wish to refer the gentleman to a letter that I placed in the RECORD on July 30, page 7908, from the Eskimo Knitting Mills, of Philadelphia, J. Rosenfeld, president. I do not know this man, but this letter is worthy of the gentleman's study if he lives in Philadelphia and is interested in doing labor a service. I would like for the gentleman to read the letter.

Mr. BRADLEY. I have already read the letter. The Eskimo Knitting Mills said that they were on the verge of liquidation, on the verge of going out of business. If the gentleman would read the news reports of today, he would find that they have changed their minds about going out of business, for they have just signed a complete agreement with the C. I. O. [Laughter.] From this I imagine that they sent the letter at a time when they were in the throes of labor difficulties in order to create sympathy. Their change of mind was reported in this morning's paper. [Applause.]

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY. I yield.

Mr. RICH. I would ask the gentleman whether the vote was an expression of the free will of the majority of the employees in the Eskimo Knitting Mills, or was it because they were compelled to cast that kind of vote under direction from the Governor of the State of Pennsylvania or from the mayor of Philadelphia?

Mr. BRADLEY. The gentleman's opinion is as good as mine. He can read the complete report in this morning's paper.

Mr. RICH. Which paper?

Mr. BRADLEY. The Philadelphia Record.

Mr. RICH. I would believe very little I saw in that paper.

Mr. BRADLEY. On the contrary, I find in these matters it is most reliable. It must be a good paper if it does not suit the gentleman. It must be very good for me, then.

Mr. RICH. Has the gentleman any more authentic information? I would like to get it if he has. I am interested in helping labor.

Mr. BRADLEY. If I had any further information, I would be glad to give it to the gentleman.

Mr. RICH. If the gentleman can get something, I wish he would send it to me. I want to help these people.

Mr. O'MALLEY. Will the gentleman yield?

Mr. BRADLEY. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Did I understand the gentleman to say in the course of his remarks that telegrams or letters had been sent out advising American citizens and businessmen to store arms and ammunition?

Mr. BRADLEY. I understand from what I read in the paper that the gentleman from Michigan wired someone in his State to collect ammunition and guns, and that he would be out there, I presume to take charge of the situation. [Laughter and applause.]

Mr. RICH. Will the gentleman yield?

Mr. BRADLEY. I yield to the gentleman from Pennsylvania.

Mr. RICH. I do not want to get into the controversy between the gentleman from Pennsylvania, my colleague, and the gentleman from Michigan, but I think if you sat down and talked with the gentleman from Michigan and got his viewpoint, you would be able to do something to help labor and not come on the floor of the House and make statements such as you have made.

Mr. BRADLEY. If the gentleman read the statements made by the gentleman from Michigan, he should be here objecting to them also.

Mr. RICH. I believe the gentleman is trying to do a good thing, and I think if you would try to do the same good you would not be here fighting. You would be discussing the thing and trying to help.

Mr. COFFEE of Washington. Will the gentleman yield?

Mr. BRADLEY. I yield to the gentleman from Washington.

Mr. COFFEE of Washington. Was that the speech the gentleman from Michigan made at Hershey, Pa., in which he charged that the Senator from Wisconsin was a Communist?

Mr. BRADLEY. He said everyone was a Communist. I presume I am one now by qualification.

Mr. O'MALLEY. Is Pennsylvania really in such a bad state they need these reformers to go in there from other States?

Mr. BRADLEY. We were in a terrible state up to about 2 years ago when we elected a Democratic Governor. Conditions are improving.

Mr. O'MALLEY. It would seem to me that Michigan is in need of reforming. That should be done over there.

Mr. BRADLEY. I think so. I agree with the gentleman, and I thank him.

Mr. RICH. Will the gentleman yield?

Mr. BRADLEY. I yield to the gentleman from Pennsylvania.

Mr. RICH. Did the gentleman read the editorial in yesterday's Philadelphia Inquirer?

Mr. BRADLEY. I read everything in the Inquirer yesterday except the editorials.

Mr. RICH. If the gentleman had read that editorial he would see a different situation in the State of Pennsylvania. I prognosticate if the gentleman will watch Pennsylvania for the next 3 or 4 years, he will find that Pennsylvania will be going backward.

Mr. BRADLEY. I will correct myself and say I did read that editorial. I hope when the wage and hour bill is in here for consideration the gentleman will join with us from Pennsylvania in voting for it in order to insure protection for Pennsylvania's manufacturers and Pennsylvania workers.

Mr. RICH. If you will bring in a bill providing for a 40-hour week and a 40-cent minimum wage and not set up a new board with a lot of new powers, you will find the gentleman from Pennsylvania voting for it; but when you put the power in the hands of five men to regulate all the industry of this country, I am frank to say I would not vote for anything like that because it will do no good.

Mr. BRADLEY. We have to make haste slowly.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MAAS (at the request of Mr. ANDRESEN of Minnesota), indefinitely, on account of illness.

To Mr. BLAND (at the request of Mr. BURCH), for 1 day, on account of important business.

To Mr. BEVERLY M. VINCENT (at the request of Mr. GREGORY), for 1 week, on account of important business.

To Mr. HARTER, for 1 week, on account of important business.

To Mr. COOPER, indefinitely, on account of illness.

To Mr. LUCKEY of Nebraska, for 1 week, on account of official business.

To Mr. PHILLIPS (at the request of Mr. SMITH of Connecticut), for 1 day, on account of important business.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 15 minutes in reply to the gentleman from Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. RAYBURN. Reserving the right to object, will the gentleman withhold that request for a half minute?

Mr. HOFFMAN. Yes.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, for the information of the gentleman from Pennsylvania [Mr. RICH], I think I may say to him that we can probably pass this bill without his approval.

Mr. RICH. I am sure you can pass the bill without my support; but if the gentleman wants my support, he will have to bring in a bill that does not set up a new board with unlimited powers. I will support a bill providing for a minimum wage and the elimination of child labor, but I will not support a bill which creates a new board.

Mr. RAYBURN. Mr. Speaker, I yield back the remainder of the time.

Mr. HOFFMAN. Mr. Speaker, I renew my request to address the House for 15 minutes at this time.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, perhaps I should apologize for going into Pennsylvania. I never knew before that that was closed territory; but if it is hereafter, I will try to avoid giving offense to the gentleman.

A correction should be made in his statement, because I said nothing at Hershey derogatory to any woman, nor do I ever expect to.

So far as my patriotism is concerned, I do not think any defense of that is necessary. It would be biased and prejudiced in any event, and I have no desire, and I have had none at any time, to be shot.

Mr. COFFEE of Washington. Will the gentleman yield?

Mr. HOFFMAN. Not now.

I am inclined to think that these gentlemen who boast of their patriotism so much perhaps did not realize fully the danger they might encounter and some of those who boast the most stayed nearest to home. We will let that pass.

As to the statement about inciting disorder or bearing arms, I have heard that once or twice before. All that I ever said at any time to anyone, and all I ever intend to say, was I did not and I do not advocate violence and I approve of no one who does. I do not approve of lawlessness. I assume no patriotic, decent American citizen does approve of lawlessness. I did say, and on this I stand, and I think every other Member of the House who is a patriotic American has the same idea, that when there comes to my city and to the cities of my State outsiders, some action should be taken. Michigan has been a fairly decent State in the past. I do not care under what banner these men come into my State, but when they come to our State, and they are armed, and a minority, not more than 10 percent, takes possession of our factories, takes possession of our streets, goes to the homes and intimidates the wives and children of our workers, when they threaten as Bittner did on that Sunday down there at Monroe, speaking to and of the citizens of Monroe and to the citizens of Michigan:

> By God, they'll pay for what they did at Monroe, and pay well. We will have pickets in Monroe within 2 days—we didn't want to do it today, for Sunday is not a day of work, so we'll allow the crowd in Monroe to rest in peace today, but beginning tomorrow there'll be no peace in Monroe until Republic signs with S. W. O. C.
>
> * * * * * * *
>
> We're going to Monroe and stay there as long as steel is made there.
>
> The Government of Michigan and the United States are with us.

When they do these things and make these statements, I can only answer that Michigan citizens will, as they did on this occasion, show themselves capable of defending themselves.

But what can any decent citizen do when his Governor has told the State troopers, in effect, to prevent the sheriff, a civil officer, from giving protection to citizens of a community? What can any decent citizen do, even though he be a coward, as the gentleman says I am?

Mr. BRADLEY. I did not say it; the gentleman said it himself.

Mr. HOFFMAN. There are two kinds of cowardice. There is the man who is possessed of physical courage and the man who is possessed of moral courage. There are more moral cowards in this world today who do not stand up and voice their sentiments when an election is about to be held than there are physical cowards, and they are not all outside official elected positions, either.

I have no apology to make for anything I said at Hershey. I criticized no one as a man. I criticized several because of their official acts, and I propose to do it again. As time goes on, you on the Democratic side will find more and more joining me in that criticism, because the course of this administration is bound to bring destruction to this Government and to its industries.

Into Michigan you came, or I will say came those whose doctrines and treatment you follow, and took from the wage earners $44,000,000 in the space of 44 days. What did these wage earners get in return? Nothing. You will find when this industrial war is over that the average pay check of the automobile worker will be from $300 to $400 per year less than it was before, and you will find that in the end those factories will be retooled, there will be fewer hours of employment required to turn out the same product than were required before, and the money expended for the benefit of labor will be less.

Oh, yes; I did criticize the Senate Civil Liberties Committee. Why? Because, charged with a duty of disclosing the truth, the whole truth, and nothing but the truth, it concealed a part of that Chicago transaction. I recall the day, the day the gentleman from Texas [Mr. MAVERICK] stood here and held out those pictures, and so do you. No one has ever brought to the floor the pictures showing the whole scene. I have in my office, and I will put in the RECORD, if I may have that permission, and I now ask it, a portion of the testimony taken in Chicago which shows that the photographers who took those pictures had them and that the Senate committee did not disclose them. I do not want to put the pictures in the RECORD.

Mr. BRADLEY. The gentleman said a portion of the testimony. I think we should have all the testimony.

The SPEAKER. Will the gentleman from Michigan kindly indicate before what committee this testimony was taken and where it was taken?

Mr. HOFFMAN. To save time, Mr. Speaker, I will put that testimony in the RECORD at some later time.

The SPEAKER. The gentleman withdraws his request.

Mr. HOFFMAN. It will come in in some other speech. What the Senate committee did, as I have stated, was to leave out that portion of the testimony which has since been put in under oath in another tribunal, which shows that the riot came about because of an assault by the strikers, armed at the time. It is a significant fact that the march on the plant was the fourth one which had been staged by those men. It is significant, indeed, that a first-aid station had been established by the strikers before they started their march. This is proof enough that they knew what was about to happen. That violence on their part was intended. That they were looking for trouble. That they intended to drive the workers from the plant by force.

I recall when I stood here in January and February and appealed for the passage of a resolution asking that these sit-down strikes be condemned, not a voice on this side was raised in support of it, though it is true that both the gentleman from Michigan [Mr. HOOK] and the gentleman from Massachusetts [Mr. MCCORMACK] made statements indicating their opposition to sit-down strikes and the methods used by those engaged in them. Last week the gentleman from Mississippi [Mr. RANKIN] rose and condemned, in terms

as strong as I have ever used, the National Labor Relations Board for what it did down in his State. It makes a difference, oh, it makes a difference whether it is your factory that is taken from you or a factory somewhere else. It was nothing to destroy industry in Michigan, and it was nothing to deprive our wage earners of their jobs by the thousands, and of their pay rolls by the millions of dollars, but go down into Mississippi and oh, that is a different proposition. This thing is coming home, as I told you it would come home, to you people of the South, and to you Democrats of the South. It is coming home some day to you men in Pennsylvania, when your laborers find they have sold their right to work to John L. Lewis and that he collects tribute each month. You will find that he will do to your workers and to your industry what he did to the coal miners and to the coal industry. He forced the users of coal into the use of oil and other substitutes. There are fewer jobs in the coal industry and there is less sale for coal in volume than there would have been were it not for his activities. What has he accomplished?

I hold no brief for the men who have established and who operate these industries. They are nothing to me, but the independent worker is, and the unorganized citizen means something, for, after all, they are the men who have to pay the costs. It is easy enough for the steel companies, if they have a market in Great Britain where they can sell steel to a country which wants to build ships and prepare for war, to grant an increase in wages and add it to the cost of the product, but it is a different proposition if the cost is to come out of the pockets of our own people.

Execute these men industrially, if you will, all of them about whom you talk—Ford, Mott, Sloan, Chrysler, and the rest of them. You know their names better than I, for they are the favorite topic of abuse and vilification. I say, execute them industrially, if you wish. Who will take their places—wreckers like Lewis? How many of you are riding in automobiles today because of the genius, the perseverance, and the executive ability of Henry Ford and like men? The chances are that the gentleman who spoke here a moment ago would be walking the streets on his own shoe leather instead of riding in an automobile if it were not for Henry Ford and a hundred like him.

Mr. BRADLEY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Not now.

Execute all of these men industrially. Then, will John Lewis, who rides around in his 12-cylinder Cadillac, with a liveried chauffeur, give the workers jobs?

And when Lewis provides the jobs, will he be "an easy boss"? Will he divide the profits with the workers? Will he discard his 12-cylinder Cadillac and his liveried chauffeur and drive his own medium-priced car, as do those who toil for him?

Does he possess the executive ability to create, to construct, to carry on a business, to as great an extent as he possesses the ability to wreck and to destroy? Is he a builder or just a wrecker?

He is an expert at collecting dues, at forcing men into the C. I. O. Can he meet a pay roll as well as he can levy tribute upon one? Is he equally as expert at creating and maintaining jobs, tasks at which to labor, as he is in destroying them?

He is an expert at collecting dues, at forcing men into the C. I. O. You cannot point to one strikebreaker imported into any plant by anyone since December 30, when this automobile strike was called, and all these acts of violence, with very few exceptions, have occurred on company ground; and I have a letter which I will put into the RECORD, too, if I may, showing how the C. I. O. gets its members. They just took him—this employee, and he is a member of the National Guard—and ducked him in a vat of flint "cote", which contains creosote. That is one way of arguing; that is one way of convincing a man he should join the C. I. O.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. No.

Well, Lewis, maybe when he has wrecked and destroyed the business, will give them jobs. Will he? Will the Madam Secretary? Will the President himself? Will it be Governor Earle?

Oh, I was born in Pennsylvania, and I claim the right to go back once in a while to visit some of my relatives who still live there. I know that under your code it is a sin and a crime for me to raise my voice in opposition to the crimes of the C. I. O. when committed in my State of Michigan. I would have been welcomed by the gentleman's associates in Pennsylvania anywhere had I spoken for the C. I. O., had I gone out to collect dues, had I advocated the doctrine that the gentleman stands for—the doctrine that is preached and followed by Brophy, Hapgood, Germer, and Reuthers and their associates.

Mr. BRADLEY. Is the gentleman intimating that I am associated with Browder and that outfit?

Mr. HOFFMAN. No; you just preach the doctrine they preach.

Mr. BRADLEY. The gentleman is very much mistaken. I am more opposed to communism than he is; and more intelligently opposed to it.

Mr. HOFFMAN. I admit the intelligence and thank God for the other—for the degree. I never questioned your intelligence. I will concede you are "all wise", that you are the only man who has patriotism in his heart. Oh, sure, that is all conceded. The only thing I regret is that it is not used in a different way, that is all.

Mr. BRADLEY. God forbid I should use it your way.

The SPEAKER. Gentlemen must not speak while sitting in their seats. If they desire to submit remarks, they must secure the permission of the Member occupying the floor.

Mr. HOFFMAN. The gentleman from Pennsylvania [Mr. BRADLEY] seems to be thinking, if not quoting, the words of that Biblical character who said, "God, I thank Thee that I am not as other men are"

Mr. RICH. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Michigan yield to the gentleman from Pennsylvania?

Mr. HOFFMAN. I think not, Mr. Speaker.

The SPEAKER. The gentleman from Michigan declines to yield.

Mr. HOFFMAN. You know it is always interesting, instructive, as well as amusing, I might add, to have some gentleman who knows nothing about industry, who never in his life has given a job to anybody, who never met a pay roll, tell how industry should be operated. I have noticed that the fellows who meet the pay rolls ordinarily are decent, respectable men, and I have noticed that the fellows who criticize them the most severely are fellows who have not, for some unexplained reason, followed the course of meeting a pay roll.

I have no criticism of any Member of the House nor do I question any Member's motives or ability. I suppose we can all go out and talk as long as we tell the truth and are fairly temperate in our language, but I notice it is all right for the gentleman from Minnesota [Mr. BERNARD]—and I regret to speak of this because he does not happen to be here—to advocate, as the papers say he did, if he did, the calling of strikes up in that country. It is all right for the gentleman from Pennsylvania [Mr. ALLEN] to speak as he did here a few days ago and criticize those of us who would like to see these jobs continued. I have no fault to find. That is their privilege, but when, on the other side, we rise and we talk not in favor, necessarily, of the industrialists, but when we talk in favor of the man who wants to work, the man who is satisfied with his job, that seems to be treason. To advocate the right of a man to work at a job of his own choosing seems to be contrary to the policy of those who would impose their will and levy tribute upon all workers. [Applause.]

[Here the gavel fell.]

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 2475. An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; to the Committee on Labor.

SENATE ENROLLED JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to enrolled joint resolutions of the Senate of the following titles:

S. J. Res. 57. Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric-power resources, water and soil conservation, and for other purposes.

S. J. Res. 183. Joint resolution consenting to an interstate oil compact to conserve oil and gas.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 3, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet Tuesday, August 3, 1937, at 10:30 a. m., to resume hearings on H. R. 6322, to provide for cooperation between the United States and foreign nations producing tin ore and other materials.

The Committee on Foreign Affairs will meet Wednesday, August 4, 1937, at 10 a. m., for the purpose of hearings on House Joint Resolution 458, providing for the participation of the United States in the continuing international exposition to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the year 1942 commemorating the landing of Cabrillo, and for other reasons.

COMMITTEE ON RIVERS AND HARBORS

The Committee on Rivers and Harbors will meet Tuesday, August 3, 1937, at 10:30 a. m., to resume hearings on H. R. 7365.

COMMITTEE ON NAVAL AFFAIRS

Committee on Naval Affairs will hold open hearings Tuesday, August 3, 1937, at 10:30 a. m., on H. R. 7809, to promote the efficiency of the Navy by creating a transferred regulars' list, amending the laws relating to retirement and promotion, and for other purposes.

Special Subcommittee on Naval Affairs appointed by Chairman CARL VINSON will hold open hearings on H. R. 7777, to further amend section 3 of the act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limit prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934 (48 Stat. 505), as amended by the act of June 25, 1936 (49 Stat. 1926; 34 U. S. C., sec. 496), Thursday, August 5, 1937, at 10:30 a. m.

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by Subcommittee No. 2, Tuesday morning, August 3, at 10:30 a. m., on H. R. 7528, postal rates on sample merchandise.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

763. A communication from the President of the United States, transmitting proposed provisions affecting certain appropriations of the Navy Department for the fiscal year 1938 (H. Doc. No. 328); to the Committee on Appropriations and ordered to be printed.

764. A letter from the Attorney General, transmitting the draft of a proposed bill to amend section 798 of the Code of Law for the District of Columbia, relating to murder in the first degree; to the Committee on the District of Columbia.

765. A communication from the President of the United States, transmitting two supplemental estimates of appropriation for the fiscal year ending June 30, 1938, for the Treasury Department, to provide payments to Federal land banks and to the Federal Farm Mortgage Corporation on account of reductions in interest rates on mortgages under the provisions of the act of July 22, 1937, amounting to a total of $40,050,000 (H. Doc. No. 329); to the Committee on Appropriations and ordered to be printed.

766. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1938, for the Department of Agriculture, to carry out the provisions of titles I and III of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937, amounting to $20,000,000 (H. Doc. No. 330); to the Committee on Appropriations and ordered to be printed.

767. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State, to remain available until December 31, 1939, amounting to $100,000, for the Seventh World's Poultry Congress and Exposition (H. Doc. No. 331); to the Committee on Appropriations and ordered to be printed

768. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Commissioners of the District of Columbia to pay a claim which has been settled by them under the provisions of the act entitled "An act authorizing the Commissioners of the District of Columbia to settle claims and suits against the District of Columbia", amounting to $600, and which requires an appropriation (H. Doc. No. 332); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 292. Resolution providing for the consideration of H. R. 6384, a bill to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes; without amendment (Rept. No. 1411). Referred to the House Calendar.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 8081. A bill authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments; without amendment (Rept. No. 1412). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATRICK: Committee on Expenditures in the Executive Departments. S. 1935. An act to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees; without amendment (Rept. No. 1414). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR of Montana: Committee on Indian Affairs. H. R. 6701. A bill to provide funds for cooperation with the school board at Worley, Idaho, in the construction of a public-school building to be available to Indian children in the town of Worley and county of Kootenai, Idaho; with amendment (Rept. No. 1425). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 7186. A bill to amend section 19 of the Federal Reserve Act, as amended, with respect to the payment of

interest on demand deposits of certain public funds; without amendment (Rept. No. 1426). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROMJUE: Committee on the Post Office and Post Roads. H. R. 7415. A bill to authorize payment of compensation to head charwomen, charwomen, and charmen of the custodial service of the Post Office Department, included in the Connery amendment to the Treasury and Post Office Appropriation Act (H. R. 4720) for the next fiscal year, and for other purposes; with amendment (Rept. No. 1427). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 7741. A bill to amend the Adjusted Compensation Payment Act, 1936, to provide for the escheat to the United States of certain amounts; without amendment (Rept. No. 1428). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KEOGH: Committee on Claims. H. R. 4018. A bill for the relief of Orville Ferguson; with amendment (Rept. No. 1415). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 4567. A bill to authorize and direct payment of claim of Alden H. Baker, former postmaster at Westfield, Ind., for postage, war-savings, and thrift stamps stolen by burglars; with amendment (Rept. No. 1416). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 5743. A bill to refund to Haffenreffer & Co., Inc., a Massachusetts corporation, certain taxes paid for revenue stamps; with amendment (Rept. No. 1417). Referred to the Committee of the Whole House.

Mr. BEVERLY M. VINCENT: Committee on Claims. H. R. 5905. A bill for the relief of the widow of Marshall H. Reese; with amendment (Rept. No. 1418). Referred to the Committee of the Whole House.

Mr. DREW of Pennsylvania: Commitee on Claims. H. R. 6996. A bill for the relief of Ragsdale & Knauss; with amendment (Rept. No. 1419). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 703. An act for the relief of John T. Armstrong; with amendment (Rept. No. 1420). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. S. 1402. An act for the relief of P. S. Everest; with amendment (Rept. No. 1421). Referred to the Committee of the Whole House.

Mr. CARLSON: Committee on Claims. S. 1457. An act for the relief of Samuel Richard Mann; without amendment (Rept. No. 1422). Referred to the Committee of the Whole House.

Mr. CASE of South Dakota: Committee on Claims. S. 1965. An act for the relief of James A. Lyons; with amendment (Rept. No. 1423). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2146. An act to amend the act entitled "An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the city of Perth Amboy, N. J.", approved July 23, 1935; with amendment (Rept. No. 1424). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON: A bill (H. R. 8099) to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes; to the Committee on Ways and Means.

By Mr. DEROUEN: A bill (H. R. 8100) to provide a measure of damages for trespass involving timber and other forest products upon lands of the United States; to the Committee on the Public Lands.

By Mr. DIMOND: A bill (H. R. 8101) to authorize the city of Ketchikan, Alaska, to issue bonds for street improvements, and for other purposes; to the Committee on the Territories.

By Mr. McGEHEE: A bill (H. R. 8102) providing for loans on cotton to the producers thereof; to the Committee on Agriculture.

By Mr. COLLINS: A bill (H. R. 8103) to authorize the Commissioners of the District of Columbia to regulate the discharge of industrial waste into the sewage-disposal system of the District of Columbia; to the Committee on the District of Columbia.

By Mr. MAY (by request): A bill (H. R. 8104) for the protection of certain enlisted men of the Army; to the Committee on Military Affairs.

By Mr. MAAS: A bill (H. R. 8105) to provide for the retirement, rank, and pay of Chiefs of Naval Operations, chiefs of bureaus of the Navy Department, the Judge Advocates General of the Navy, the Major Generals Commandant of the Marine Corps, and the heads of the staff departments of the Marine Corps; to the Committee on Naval Affairs.

By Mr. SUMNERS of Texas: A bill (H. R. 8106) to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, and for other purposes; to the Committee on the Judiciary.

By Mr. BUCK: A bill (H. R. 8107) to amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions to facilitate the collection of internal-revenue taxes thereupon, and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under control of the Government without any fault of the owner; to the Committee on Ways and Means.

By Mr. JONES: A bill (H. R. 8108) to regulate commerce among the several States, with Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes; to the Committee on Agriculture.

By Mr. HARRINGTON: A bill (H. R. 8109) to provide for loans to farmers on certain crops during the year 1937; to the Committee on Agriculture.

By Mr. MITCHELL of Tennessee: A bill (H. R. 8110) to enable the Department of Agriculture to prevent the spread of pullorum and other diseases of poultry, and to cooperate with official State agencies in the administration of the national poultry improvement plan, and for other purposes; to the Committee on Agriculture.

By Mr. MAAS: A bill (H. R. 8111) to provide for the promotion, retirement, and discharge of officers of the line of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. HAVENNER: A bill (H. R. 8112) to provide for the refund or credit of tax and duty paid on fermented malt liquor lost or rendered unmarketable by reason of nondelivery caused by the Pacific coast maritime strike; to the Committee on Ways and Means.

By Mr. O'MALLEY: A bill (H. R. 8113) limiting the expenditure of tribal funds of Indians of the United States to the tribes of Indians to whom the funds are accredited; to the Committee on Indian Affairs.

By Mr. PALMISANO: A bill (H. R. 8114) to amend the act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers in the District of Columbia", approved February 4, 1913; to the Committee on the District of Columbia.

By Mr. GEARHART: A bill (H. R. 8115) to amend section 340 of chapter 8 of title 18 of the United States Code of 1934 (48 Stat. 1063), approved June 19, 1934; to the Committee on the Post Office and Post Roads.

By Mr. TOBEY: Resolution (H. Res. 293) directing the Tariff Commission to investigate the production costs of cemented shoes; to the Committee on Ways and Means.

By Mr. CITRON: Joint resolution (H. J. Res. 469) proposing an amendment to section 7, article 1, of the Constitution of the United States, permitting the President of the United States to disapprove or reduce any item or appropriation of any bill passed by Congress; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 470) proposing an amendment to section 7, article 1, of the Constitution of the United States, permitting the President of the United States to disapprove or reduce any item or appropriation of any bill passed by Congress; to the Committee on the Judiciary.

By Mr. PALMISANO: Joint resolution (H. J. Res. 471) to regulate the use of public streets and sidewalks adjacent to public buildings within the District of Columbia; to the Committee on the District of Columbia.

By Mr. EICHER: Joint resolution (H. J. Res. 472) to authorize the submission to Congress of a report as to methods for limiting the maximum capable speed of motor vehicles; to the Committee on Interstate and Foreign Commerce.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 473) to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. WILCOX: A bill (H. R. 8116) for the relief of the estate of R. R. Ricou, deceased; to the Committee on Claims.

By Mr. COLE of New York: A bill (H. R. 8117) granting an increase of pension to Adelia Van Wormer; to the Committee on Invalid Pensions.

By Mr. COLLINS: A bill (H. R. 8118) for the relief of Frank D. Grantham; to the Committee on Military Affairs.

By Mr. MILLS: A bill (H. R. 8119) for the relief of Joe B. Taylor; to the Committee on Claims.

By Mr. McLAUGHLIN: A bill (H. R. 8120) granting an annuity to George J. Kleffner; to the Committee on the Civil Service.

By Mr. SABATH: A bill (H. R. 8121) for the relief of the legal representatives of the late Louis Horwitz; to the Committee on Claims.

By Mr. SPARKMAN: A bill (H. R. 8122) for the relief of the Eliza Coffee Memorial Hospital; to the Committee on Claims.

By Mr. PATRICK: A bill (H. R. 8123) for the relief of Sonia M. Bell; to the Committee on Claims.

By Mr. BUCK: A bill (H. R. 8124) for the relief of Wallace S. MacFarlane; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3066. By Mr. HAVENNER: Petition of the citizens of San Francisco and others, opposing the nullification of the California community property tax law; to the Committee on Ways and Means.

3067. By Mr. JACOBSEN: Petition of the cooperative oil companies located in and doing business in the State of Iowa, urging the passage of House bill 7800, making it unlawful for any person to engage in the marketing of refined petroleum products and at the same time be engaged in production, refining, and/or transportation of petroleum; to the Committee on Interstate and Foreign Commerce.

3068. By Mr. KEOGH: Telegram of E. R. Squibb & Sons, Carleton H. Palmer, president, New York, concerning the Miller-Tydings fair-trade bill (H. R. 7472); to the Committee on the District of Columbia.

3069. Also, petition of the International Paper Co., New York city, concerning the train-length bills (S. 69, H. R. 147, and H. R. 6795); to the Committee on Interstate and Foreign Commerce.

3070. Also, petition of Local No. 2 of International Federation of Technical Engineers, Architects and Draftsmen's Unions, American Federation of Labor, Navy Yard, Brooklyn, N. Y., concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3071. Also, petition of Furniture Union, Local 76–B, New York City, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3072. Also, petition of the New York State Credit Union League, Inc., New York City, concerning Senate bill 2675; to the Committee on Banking and Currency.

3073. Also, petition of the New York Women's Trade Union League, urging consideration of the Black-Connery labor standards bill and the Wagner-Steagall low-rent housing bill before adjournment; to the Committee on Banking and Currency.

3074. By Mr. LEAVY: Resolution of the Brotherhood of Railway Carmen of America, Lodge No. 313, Hillyard, Wash., pointing out the acute housing shortage in Spokane and the inability of private enterprise to remedy the situation and the resulting suffering caused to the general public and particularly to the building trades by existing unemployment, and urging upon Congress the enactment of the Wagner-Steagall housing bill during this session, as the first concrete step toward solving this national problem; to the Committee on Banking and Currency.

3075. My Mr. PFEIFER: Petition of the Mine Inspectors' Institute of America, Pittsburgh, Pa., concerning appropriations to maintain fire-fighting and mine-rescue and recovery personnel; to the Committee on Mines and Mining.

3076. Also, petition of the Citizens Committee for Support of Works Progress Administration, New York City, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3077. Also, petition of the Lawyers Security League, New York City, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3078. Also, petition of the American Numismatic Association, El Paso, Tex., concerning Senate bill 1628; to the Committee on Banking and Currency.

3079. Also, petition of the National Association of Tobacco Distributors, Inc., New York City, concerning the Tydings-Miller bill; to the Committee on the District of Columbia.

3080. Also, petition of the American Pure Food League, Cranford, N. J., concerning the Chapman bill (H. R. 7913), to amend the Food and Drug Act of June 30, 1906; to the Committee on Interstate and Foreign Commerce.

3081. Also, petition of the Interstate Airways Committee, Washington, D. C., concerning the McCarran-Lea bill for air-transport regulation; to the Committee on Interstate and Foreign Commerce.

3082. Also, petition of the New York Women's Trade Union League, New York City, concerning the Black-Connery labor standards bill and the Wagner-Steagall low-rent housing bill; to the Committee on Banking and Currency.

3083. Also, telegram of E. R. Squibb & Sons, New York City, concerning House bill 7472, the Miller-Tydings Enabling Act; to the Committee on the District of Columbia.

3084. Also, petition of the International Paper Co., New York, concerning the train-length bill (S. 69); to the Committee on Interstate and Foreign Commerce.

3085. Also, telegram of 25 Works Progress Administration teachers of Brooklyn, N. Y., urging adoption of Schwellenbach-Allen resolution; to the Committee on Banking and Currency.

3086. Also, petition of Furniture Union, Local 76–B, New York City, concerning the Schwellenbach-Allen resolution; to the Committee on Banking and Currency.

3087. Also, petition of the Post Office Eligibles Association of Greater New York, New York City, concerning House Joint Resolution 346; to the Committee on the Civil Service.

3088. Also, petition of Local 802, American Federation of Musicians, Associated Musicians of Greater New York, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3089. Also, petition of the New York State Credit Union League, Inc., New York City, concerning Senate bill 2675; to the Committee on Banking and Currency.

3090. Also, petition of the National Council for the Prevention of War, Washington, D. C., concerning House bill 1488, House joint resolutions 412, 300, 411, and 426; to the Committee on Expenditures in the Executive Departments.

3091. Also, petition of the Artists Union of New York, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3092. Also, petition of the Commercial Artists and Designers Union, New York City, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3093. By Mr. SADOWSKI: Petition of the Common Council of the City of Detroit, Mich., urging Works Progress Administration officials to approve survey project set up by Detroit Housing Commission; to the Committee on Banking and Currency.

3094. Also, petition of the Common Council of the City of Detroit, Mich., endorsing Senate Joint Resolution 176; to the Committee on Labor.

3095. By Mr. SANDERS: Resolution of W. W. Barton and J. W. Barton, Garrison, Tex., urging passage of House bill 7577, the 1937 farm bill; to the Committee on Agriculture.

3096. By Mr. SWOPE: Petition of Charles Franklin and eight other citizens of Steelton, Dauphin County, Pa., favoring the enactment of old-age pension legislation as embodied in House bill 2257, introduced by Congressman ROGERS of Oklahoma; to the Committee on Ways and Means.

SENATE

TUESDAY, AUGUST 3, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, August 2, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, apparently a quorum is lacking, and, in order to assure the presence of one, I ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Andrews	Copeland	Lee	Reynolds
Ashurst	Davis	Lewis	Schwartz
Austin	Dieterich	Lodge	Schwellenbach
Bailey	Donahey	Logan	Sheppard
Barkley	Ellender	Lonergan	Shipstead
Berry	Frazier	Lundeen	Smathers
Bilbo	George	McAdoo	Smith
Black	Gerry	McCarran	Steiwer
Bone	Gillette	McGill	Thomas, Okla.
Borah	Glass	McKellar	Thomas, Utah
Bridges	Green	McNary	Townsend
Brown, Mich.	Guffey	Maloney	Truman
Brown, N. H.	Hale	Minton	Tydings
Bulkley	Harrison	Moore	Vandenberg
Bulow	Hatch	Murray	Van Nuys
Burke	Herring	Neely	Wagner
Byrd	Hitchcock	Nye	Walsh
Byrnes	Holt	O'Mahoney	Wheeler
Capper	Hughes	Overton	White
Caraway	Johnson, Calif.	Pepper	
Chavez	Johnson, Colo.	Pittman	
Clark	King	Pope	

Mr. LEWIS. For the day, I ask that the RECORD show that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in the performance of official duty as members of the committee appointed to attend the dedication of the battle monuments in France.

Mr. AUSTIN. I announce, my colleague the junior Senator from Vermont [Mr. GIBSON], having been appointed a member of the committee to attend the dedication of the battle monuments in France, is absent on that official duty.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 81. An act to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama;

S. 607. An act to authorize improvement of navigation facilities on the Columbia River, and for other purposes;

S. 774. An act to incorporate the Marine Corps League;

S. 1115. An act to amend section 22 of the act approved March 4, 1925, entitled, "An act providing for sundry matters affecting the naval service, and for other purposes";

S. 1278. An act to authorize exchange of lands at military reservations, and for other purposes;

S. 1281. An act to authorize the sale of surplus War Department real property;

S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.;

S. 2147. An act to amend provisions of the Agricultural Marketing Agreement Act of 1937;

S. 2157. An act authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations; and

S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1129. An act to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu hereof, and for other purposes;

S. 1266. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and for other purposes; and

S. 2463. An act to authorize an additional number of medical and dental officers for the Army.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1047. An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes; and

S. 1379. An act authorizing any nation, tribe, or band of Indians, in suits heretofore filed under their original jurisdictional acts, to present claims to the United States Court of Claims, by amended petitions at any time before final submission of said suits, to conform to the evidence; and authorizing the said court to adjudicate such claims upon

their merits as though filed within the time limitation fixed in said original jurisdictional acts.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 114) to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1591. An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes;

H. R. 2014. An act to amend an act entitled "An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes", approved May 30, 1934;

H. R. 3149. An act for the relief of the postal employees;

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes;

H. R. 4275. An act to correct United States citizenship status of certain persons born in Puerto Rico, and for other purposes;

H. R. 5592. An act to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898 (30 Stat. 409, 414);

H. R. 5812. An act to amend section 243 of the Penal Code of the United States, as amended by the act of June 15, 1935 (49 Stat. 378), relating to the marking of packages containing wild animals and birds and parts thereof;

H. R. 5859. An act authorizing the Territory of Alaska to transfer a certain tract of land to Sitka Cold Storage Co., a corporation;

H. R. 5974. An act to authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation;

H. R. 5975. An act establishing per-diem payments in lieu of compensation and expenses for members of Klamath business committee and official Klamath delegates to Washington;

H. R. 5976. An act authorizing the establishment of a revolving-loan fund for the Klamath Indians, Oregon, and for other purposes;

H. R. 6167. An act to provide a surcharge on certain air mail carried in Alaska;

H. R. 6173. An act to authorize the attendance of the Army Band at the national convention of the Military Order of the Purple Heart to be held in Philadelphia, Pa., August 7, 1937;

H. R. 6444. An act to amend the act of June 30, 1906, entitled "An act creating a United States court for China and prescribing the jurisdiction thereof";

H. R. 6482. An act providing for cooperation with the State of Oklahoma in constructing a permanent memorial to Will Rogers;

H. R. 6747. An act to amend section 3 of the act entitled "An act to provide a civil government for Puerto Rico, and for other purposes", increasing borrowing margin of municipality of Mayaguez;

H. R. 6961. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries;

H. R. 6975. An act granting the consent of Congress to the county court of Saline County, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 6979. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.;

H. R. 7022. An act to provide for the establishment of the Cape Hatteras National Seashore, in the State of North Carolina, and for other purposes;

H. R. 7266. An act authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown;

H. R. 7278. An act to authorize the Secretary of Commerce to grant and convey to the State of Washington fee title to certain lands of the United States in Jefferson County, Wash., for highway purposes;

H. R. 7433. An act to advance a program of national safety and accident prevention;

H. R. 7440. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.;

H. R. 7448. An act to provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes;

H. R. 7711. An act to amend the act approved June 19, 1934, entitled the "Communications Act of 1934";

H. R. 7714. An act to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului town site, island of Maui, Territory of Hawaii, in exchange for two plots of land located in the same town site and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co. and the Hawaiian Commercial & Sugar Co., Ltd.;

H. R. 7727. An act to authorize the administration of oaths by the chief clerk and the assistant chief clerk of the office of the United States High Commissioner to the Philippine Islands, and for other purposes;

H. R. 7766. An act to declare Burr Creek, from Fairfield Avenue southward to Yacht Street, in the city of Bridgeport, Conn., a nonnavigable stream;

H. R. 7767. An act creating the Owensboro Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky.;

H. R. 7806. An act authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Sinepuxent Bay, in Worcester County, Md., at Ocean City, Md., to replace a bridge already in existence;

H. R. 7807. An act authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Cambridge Creek, in or near Cambridge, Dorchester County, Md., to replace a bridge already in existence;

H. R. 7836. An act to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable;

H. R. 7879. An act to provide additional compensation to star-route carriers for necessary increased mileage, and for other purposes;

H. R. 7909. An act to amend the Federal Farm Loan Act, to amend the Emergency Farm Mortgage Act of 1933, to amend the Farm Credit Act of 1933, to amend the Federal Farm Mortgage Corporation Act, to amend the Agricultural Marketing Act, and for other purposes;

H. R. 7948. An act providing for the promotion of employees in the customs field service;

H. R. 7953. An act to provide for studies and plans for the development of reclamation projects on the Cimarron River in Cimarron County, Okla.; the Washita River in Oklahoma; and the North Canadian River in Oklahoma;

H. R. 8025. An act to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States;

H. R. 8036. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes;

H. J. Res. 321. Joint resolution granting the consent of Congress to the minimum-wage compact ratified by the

Legislatures of Massachusetts, New Hampshire, and Rhode Island;

H. J. Res. 406. Joint resolution to establish the Gen. Anthony Wayne Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Gen. Anthony Wayne; and

H. J. Res. 445. Joint resolution granting the consent of Congress to a compact between the States of New York and New Jersey providing for the creation of the Palisades Interstate Park Commission as a joint corporate municipal instrumentality of said States with appropriate rights, powers, duties, and immunities, for the transfer to said commission of certain functions, jurisdiction, rights, powers, and duties together with the properties of the bodies politic now existing in each State known as "Commissioners of the Palisades Interstate Park", and for the continuance of the Palisades Interstate Park.

ENROLLED JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled joint resolutions, and they were signed by the Vice President:

S. J. Res. 57. Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric-power resources, water and soil conservation, and for other purposes; and

S. J. Res. 183. Joint resolution consenting to an interstate oil compact to conserve oil and gas.

HOUSE BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were severally read twice by their titles and referred or ordered to be placed on the calendar as indicated below:

H. R. 1591. An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes; and

H. R. 6961. An act to prohibit the use of the mails for the solicitation of the procurement of divorces in foreign countries; to the Committee on the Judiciary.

H. R. 2014. An act to amend an act entitled "An act to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes", approved May 30, 1934;

H. R. 5592. An act to amend an act entitled "An act extending the homestead laws and providing for right-of-way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898 (30 Stat. 409, 414); and

H. R. 7022. An act to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 3149. An act for the relief of the postal employees;

H. R. 6167. An act to provide a surcharge on certain air mail carried in Alaska;

H. R. 7443. An act to provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes; and

H. R. 7879. An act to provide additional compensation to star-route carriers for necessary increased mileage, and for other purposes; to the Committee on Post Offices and Post Roads.

H. R. 3162. An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Uncompahgre (Tabegauche), Uintah (Uinta), and White River (Yampa and Grand River) Bands of the Ute Indians may have against the United States, and for other purposes;

H. R. 5974. An act to authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation;

H. R. 5975. An act establishing per-diem payments in lieu of compensation and expenses for members of Klamath business committee and official Klamath delegates to Washington; and

H. R. 5976. An act authorizing the establishment of a revolving loan fund for the Klamath Indians, Oregon, and for other purposes; to the Committee on Indian Affairs.

H. R. 4275. An act to correct United States citizenship status of certain persons born in Puerto Rico, and for other purposes;

H. R. 5859. An act authorizing the Territory of Alaska to transfer a certain tract of land to Sitka Cold Storage Co., a corporation;

H. R. 6747. An act to amend section 3 of the act entitled "An act to provide a civil government for Puerto Rico, and for other purposes", increasing borrowing margin of municipality of Mayaguez; and

H. R. 7727. An act to authorize the administration of oaths by the chief clerk and the assistant chief clerk of the office of the United States High Commissioner to the Philippine Islands, and for other purposes; to the Committee on Territories and Insular Affairs.

H. R. 5812. An act to amend section 243 of the Penal Code of the United States, as amended by the act of June 15, 1935 (49 Stat. 378), relating to the marking of packages containing wild animals and birds and parts thereof; to the Committee on Agriculture and Forestry.

H. R. 6173. An act to authorize the attendance of the Army Band at the national convention of the Military Order of the Purple Heart to be held in Philadelphia, Pa., August 7, 1937; to the Committee on Military Affairs.

H. R. 6444. An act to amend the act of June 30, 1906, entitled "An act creating a United States court for China and prescribing the jurisdiction thereof"; to the Committee on Foreign Relations.

H. R. 6975. An act granting the consent of Congress to the county court of Saline County, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Arrow Rock, Mo.;

H. R. 6979. An act to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex.;

H. R. 7266. An act authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown;

H. R. 7278. An act to authorize the Secretary of Commerce to grant and convey to the State of Washington fee title to certain lands of the United States in Jefferson County, Wash., for highway purposes;

H. R. 7433. An act to advance a program of national safety and accident prevention;

H. R. 7440. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.;

H. R. 7767. An act creating the Owensboro Bridge Commission, defining the authority, power, and duties of said commission, and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky.;

H. R. 7806. An act authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Sinepuxent Bay in Worcester County, Md., at Ocean City, Md., to replace a bridge already in existence;

H. R. 7807. An act authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Cambridge Creek, in or near Cambridge, Dorchester County, Md., to replace a bridge already in existence; to the Committee on Commerce;

H. R. 7909. An act to amend the Federal Farm Loan Act, to amend the Emergency Farm Mortgage Act of 1933, to amend the Farm Credit Act of 1933, to amend the Federal

Farm Mortgage Corporation Act, to amend the Agricultural Marketing Act, and for other purposes;

H. R. 8025. An act to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States; and

H. R. 8036. An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes; to the Committee on Banking and Currency.

H. R. 7948. An act providing for the promotion of employees in the Customs Field Service; to the Committee on Finance.

H. R. 7953. An act to provide for studies and plans for the development of reclamation projects on the Cimarron River in Cimarron County, Okla., the Washita River in Oklahoma, and the North Canadian River in Oklahoma; to the Committee on Irrigation and Reclamation.

H. R. 7714. An act to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului town site, island of Maui, Territory of Hawaii, in exchange for two plots of land located in the same town site and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co. and the Hawaiian Commercial & Sugar Co., Ltd.;

H. R. 7766. An act to declare Burr Creek from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., a nonnavigable stream;

H. R. 7836. An act to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable; and

H. J. Res. 321. Joint resolution granting the consent of Congress to the minimum-wage compact ratified by the Legislatures of Massachusetts, New Hampshire, and Rhode Island; to the calendar.

H. R. 6482. An act providing for cooperation with the State of Oklahoma in constructing a permanent memorial to Will Rogers; and

H. J. Res. 406. Joint resolution to establish the Gen. Anthony Wayne Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Gen. Anthony Wayne; to the Committee on the Library.

H. R. 7711. An act to amend the act approved June 19, 1934, entitled the "Communications Act of 1934"; and

H. J. Res. 445. Joint resolution granting the consent of Congress to a compact between the States of New York and New Jersey providing for the creation of the Palisades Interstate Park Commission as a joint corporate municipal instrumentality of said States with appropriate rights, powers, duties, and immunities, for the transfer to said commission of certain functions, jurisdiction, rights, powers, and duties together with the properties of the bodies politic now existing in each State, known as "Commissioners of the Palisades Interstate Park", and for the continuance of the Palisades Interstate Park; to the Committee on Interstate Commerce.

PETITIONS AND MEMORIAL

Mr. LONERGAN presented a resolution adopted by the convention of the National Negro Insurance Association at Augusta, Ga., favoring the prompt enactment of the so-called Gavagan antilynching bill, which was ordered to lie on the table.

Mr. COPELAND presented a resolution adopted by Glenville Grange No. 1531, Patrons of Husbandry, Schenectady County, N. Y., protesting against the enactment of legislation to reorganize the executive branch of the Government, which was referred to the Select Committee on Government Organization.

He also presented a resolution adopted by the Seneca County Fish and Game Association, Seneca Falls, N. Y., favoring the enactment of the bill (S. 2670) to provide that the United States shall aid the States in wildlife-restoration projects, and for other purposes, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. WHITE, from the Committee on Claims, to which was referred the bill (S. 1646) for the relief of Robert G. Duncan, reported it with amendments and submitted a report (No. 1037) thereon.

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 2832) authorizing the adjustment of the claims of Frank Pashley and Brown Garrett, reported it without amendment and submitted a report (No. 1038) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 2458) to carry out certain treaty obligations of the United States and for the relief of the F. P. Weaver Coal Co., Ltd., and for other purposes, reported it with an amendment and submitted a report (No. 1039) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 824) for the relief of Sam Kimzey, reported it with an amendment and submitted a report (No. 1040) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 1651) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. 602), reported it with an amendment and submitted a report (No. 1041) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2791) to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable; reported it without amendment.

Mr. McADOO, from the Committee on Patents, to which was referred the bill (H. R. 5194) granting a renewal of patent no. 60731, relating to the badge of the Girl Scouts, Inc., reported it without amendment.

Mr. GUFFEY, from the Committee on Commerce, to which was referred the bill (S. 2831) to approve a compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake, reported it without amendment.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2021. A bill to provide time credits for substitutes in the motor-vehicle service (Rept. No. 1042);

H. R. 2738. A bill to extend the provisions of the 40-hour law for postal employees to watchmen and messengers in the Postal Service (Rept. No. 1043); and

H. R. 6341. A bill to provide for a stenographic grade in the office of chief clerks and superintendents in the Railway Mail Service (Rept. No. 1044).

Mr. McKELLAR also, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 701) to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes, reported it with an amendment and submitted a report (No. 1049) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (H. R. 6651) to provide for a referendum in the Territory of Alaska as to the establishment of a one-house legislature, and for other purposes, reported it without amendment and submitted a report (No. 1045) thereon.

Mr. O'MAHONEY, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 4277) to provide for the extension of certain prospecting permits, and for other purposes, reported it with an amendment and submitted a report (No. 1046) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 5472) to authorize the exchange of certain lands within the Great

Smoky Mountains National Park for lands within the Cherokee Indian Reservation, N. C., and for other purposes, reported it without amendment and submitted a report (No. 1047) thereon.

Mr. SHEPPARD, from the Committee on Irrigation and Reclamation, to which was referred the bill (H. R. 7953) to provide for studies and plans for the development of reclamation projects on the Cimarron River, in Cimarron County, Okla.; the Washita River, in Oklahoma; and the North Canadian River, in Oklahoma, reported it without amendment and submitted a report (No. 1048) thereon.

REORGANIZATION OF COURTS AND REFORM OF JUDICIAL PROCEDURE—REPORT OF COMMITTEE ON JUDICIARY

Mr. HATCH, from the Committee on the Judiciary, to which was referred the resolution (S. Res. 164) to investigate matters relating to the reorganization of Federal courts, the appointment of additional judges thereof, and the reform of judicial procedure (submitted by Mr. HATCH and Mr. BURKE on the 2d instant), reported it without amendment, and, under the rule, it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

FUNERAL EXPENSES OF THE LATE SENATOR ROBINSON

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, without amendment, Senate Resolution 156 and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 156), submitted by Mrs. CARAWAY on the 22d ultimo, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the President pro tempore in arranging for and attending the funeral of Hon. Joseph T. Robinson, late a Senator from the State of Arkansas, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

A bill (S. 2889) for the relief of Irene Lee; and

A bill (S. 2890) for the relief of the parents of Clarence Daniel; to the Committee on Claims.

By Mr. GEORGE (by request):

A bill (S. 2891) to increase the existing rates of death compensation payable to widows, children, and dependent parents of World War veterans who died as a result of injury or disease incurred in or aggravated by active military or naval service in the World War, and for other purposes; to the Committee on Finance.

By Mr. ASHURST (by request):

A bill (S. 2892) to amend section 798 of the Code of Law for the District of Columbia, relating to murder in the first degree; and

A bill (S. 2893) to confer jurisdiction upon certain United States Commissioners to try certain civil suits wherein the United States is plaintiff; to the Committee on the Judiciary.

By Mr. McNARY:

A bill (S. 2894) to amend the act entitled "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934, as amended; to the Committee on Public Lands and Surveys.

By Mr. MURRAY:

A bill (S. 2895) for the relief of Leona Draeger; to the Committee on Claims.

A bill (S. 2896) for the relief of William Ferrell; to the Committee on Military Affairs.

A bill (S. 2897) granting an increase in pension to Anna J. Skillin; to the Committee on Pensions.

By Mr. BROWN of Michigan:

A bill (S. 2898) to authorize the Federal Government to share with the various States, counties, municipalities, and other political subdivisions of the States and Territories and possessions of the United States the cost of constructing and improving airports in order to insure the safe operation of aircraft; to the Committee on Commerce.

By Mr. DAVIS:

A bill (S. 2899) for the relief of Frederick C. Perkins; to the Committee on Claims.

By Mr. RADCLIFFE:

A bill (S. 2900) to establish a fund for the insurance of mortgages securing loans for the construction or reconditioning of domestic floating property used for commercial purposes; to the Committee on Commerce.

By Mr. PITTMAN:

A bill (S. 2901) to amend subsection (e) of section 9 of the Trading With the Enemy Act, as amended; to the Committee on Foreign Relations.

By Mr. BRIDGES:

A joint resolution (S. J. Res. 192) to repeal certain powers of the President and the Secretary of the Treasury relating to the issuing of $3,000,000,000 of greenbacks; to the Committee on Banking and Currency.

By Mr. BLACK (for himself and Mr. BILBO):

A joint resolution (S. J. Res. 193) to stabilize the price of cotton; to the Committee on Agriculture and Forestry.

LOW-COST HOUSING—AMENDMENTS

Mr. COPELAND, Mr. JOHNSON of Colorado, Mr. KING, and Mr. MOORE each submitted an amendment, and Mr. WAGNER submitted sundry amendments, intended to be proposed by them, respectively, to Senate bill 1685, the so-called low-cost housing bill, which were severally ordered to lie on the table and to be printed.

INVESTIGATION OF CLAIMS OF NEW BRUNSWICK, N. J.

Mr. MOORE submitted the following resolution (S. Res. 165), which was referred to the Committee on Claims:

Resolved, That a committee composed of three members of the Committee on Claims, to be appointed by the chairman of said Claims Committee, is hereby authorized and directed to investigate the claims of the city of New Brunswick, N. J., for compensation for municipal services furnished to purchasers of lands from the United States Housing Corporation, the title to which lands still remains in the United States.

Such committee to be so appointed is authorized to hold hearings and to sit during recesses or sessions of the Seventy-fifth Congress, at such times and places as it may deem advisable, to send for persons or papers, to administer oaths, and to employ a stenographer to report such hearings, the cost of which shall not be in excess of 25 cents per hundred words, the expenses of such investigation to be paid from the contingent fund of the Senate.

MIGRATION OF WORKERS—MOTION TO PRINT AS SENATE DOCUMENT

Mr. BLACK submitted a motion to print as a Senate document a letter from the Secretary of Labor, transmitting, in response to Senate Resolution 298, Seventy-fourth Congress, a preliminary report on the subject of migration of workers across State lines (received by the Senate July 6, 1937, and on that date referred, with the accompanying report, to the Committee on Education and Labor), which motion of Mr. BLACK was referred to the Committee on Printing.

PARTITION OF PALESTINE—MEMORANDUM BY AMERICAN ECONOMIC COMMITTEE FOR PALESTINE

[Mr. COPELAND asked and obtained leave to have printed in the RECORD a memorandum on the Partition of Palestine prepared by the American Economic Committee for Palestine, which appears in the Appendix.]

WAGE-AND-HOUR BILL

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an editorial from the Evening Star of Aug. 2, 1937, on the wage-and-hour bill, which appears in the Appendix.]

DEDICATION OF MONTFAUCON BATTLE MONUMENT IN FRANCE

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an editorial from the Philadelphia Inquirer of the issue of Aug. 2, 1937, entitled "A Symbol of Courage and Peace", relating to the dedication of the Montfaucon battle monument in France, which appears in the Appendix.]

APPOINTMENT OF SUPREME COURT JUSTICES

Mr. BORAH obtained the floor.

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from New York?

Mr. BORAH. I yield.

Mr. WAGNER. I merely desire to ask the Senator whether he would yield for the purpose of permitting me to offer certain amendments to the pending bill which were suggested by different Senators as the result of the discussion yesterday, or would he rather I should defer doing so?

Mr. BORAH. I wish to occupy the floor very briefly.

Mr. President, I desire briefly to continue the debate on the subject of the vacancy or supposed vacancy on the Supreme Court. There was rather an extended and heated discussion on yesterday as to the time when this vacancy should be filled. I wish to invite the attention of the Senate to the fact that, in my opinion, there is no vacancy on the Supreme Court of the United States. This may seem surprising but investigation will disclose that we have that question to determine. Has Justice Van Devanter resigned? If not, how does the vacancy occur?

I do not think there is any vacancy to fill, and I wish to urge that view upon the consideration of the Senate. It will certainly become an acute question when the President sends in, if he ever does, an appointment for this vacancy. I should not be greatly surprised if the Attorney General did not have this matter in view when he was forming his opinion on the question of filling the supposed vacancy.

Mr. President, there are only three ways by which a Justice of the Supreme Court may be separated from the Court—by impeachment, by resignation, or by death. A Justice may be separated from the Supreme Court by no other means and in no other way. He is either a Justice of the Supreme Court or he is not, and he is a Justice if he has not been impeached or has not resigned or if death has not overtaken him. He cannot be made to "jayhawk" between the lines of being a Justice and not being a Justice of the Supreme Court of the United States. The measure which Congress passed, and which recently became a law, and under which we are apparently proceeding, recognizes, by its very terms, that a Justice who retires under the terms of this law is still a Justice of the Supreme Court of the United States. The law provides—

That Justices of the Supreme Court are hereby granted the same rights and privileges with regard to retiring, instead of resigning, granted to judges other than Justices of the Supreme Court by section 260 of the Judicial Code (U. S. C., title 28, sec. 375), and the President shall be authorized to appoint a successor to any such Justice of the Supreme Court so retiring from regular active service on the bench, but such Justice of the Supreme Court so retired may nevertheless be called upon by the Chief Justice and be by him authorized to perform such judicial duties, in any judicial circuit, including those of a circuit justice in such circuit, as such retired Justice may be willing to undertake.

Is he a Justice of the Supreme Court or what office does he hold when the Chief Justice of the United States calls upon him to perform the duties of a Justice? He is still a Justice of the Supreme Court. He is not a circuit judge. He has never been appointed to that position. No law has ever undertaken to make him a circuit judge, and we could not by law make him a circuit judge. He would have to be appointed. He is called into service as a circuit judge or to perform other judicial duties because he is still a Justice of the Supreme Court. If he is still a Justice of the Supreme Court of the United States, necessarily he must perform the duties of a justice, and he cannot perform duties other than those which depend upon the fact that he is a Justice of the Supreme Court.

I ask the Senate and I ask those who have studied the question to think over the matter of how a Justice of the Supreme Court of the United States can be retired. He is there during good behavior. There is no way to get rid of him except to impeach him. That was the entire design and purpose of that clause of the Constitution, that he could not be removed except through impeachment, through resignation, or death.

I called attention to this matter in the subcommittee when it was before them, but I could not get any consideration. I urged that as the Constitution now stands that all retirement plans must be based upon resignation. We were moved under a desire, apparently, to furnish a chute by which a Justice might escape so that another question might be made less acute. We did not fully consider the question I am now debating.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. BARKLEY. Does the Senator contend that under the statute there is no retirement of these Justices and that the Chief Justice could call a retired Justice back to service on the Supreme Court?

Mr. BORAH. I have no doubt at all that Justice Van Devanter could be called back at the October term 1937 and take his place and discharge the duties of a Justice of the Supreme Court of the United States. Of course he will not, under the circumstances, likely do so, but he still holds the office for he has not resigned. The Chief Justice may call upon him to perform judicial duties.

Mr. BARKLEY. Under what language of the statute could he do that?

Mr. BORAH. Under no act or statute.

Mr. ASHURST. Under the Constitution?

Mr. BORAH. Under the Constitution of the United States he has been appointed to that position during good behavior, and neither the Congress of the United States nor the President, nor the Congress and the President combined, can remove him from that office except through the power of impeachment. We could not provide by law for his retirement and end his term of office, unless that law provided for his resignation and he accepted the terms of the law.

Mr. BARKLEY. Of course, the Constitution does not provide the details by which Congress may clothe Justices of the Supreme Court with authority to serve in connection with circuit judges. By statutory provision, and not by the Constitution, for a long time they presided over the circuit courts and traveled around over the country like circuit riders. Of course, that was statutory and could be repealed, modified, or changed in any way Congress might see fit. The act which authorized the retirement, and which was supposed to be made necessary in order that the retired Justice might enjoy the emoluments of his office, would still hold out the fiction or delusion that he would in some way still be connected with the Court. It was provided by statute that he might be called by the Chief Justice to perform certain duties in the circuit.

Might not that be regarded merely to be what the statute in the beginning provided and still provides, that a Justice of the Supreme Court should perform certain duties in the circuit, without in any way involving his right to sit upon the Supreme Court if he insisted upon it, notwithstanding his retirement under the statute?

Mr. BORAH. There is a wide difference in calling upon a Justice of the Supreme Court by statute to perform the duties of a circuit judge and in removing him from office by statute. We do that because he is a Justice of the Supreme Court of the United States. What I am talking about now is a statute which undertakes to separate him from the justiceship of the Supreme Court of the United States, which I maintain cannot be done. There has never been an attempt that I know of to provide that a Justice of the Supreme Court might be a justice for some purposes and not a justice for another purpose.

Why do we say the Chief Justice can call upon Justice Van Devanter to discharge judicial duties in the circuit? It is because he is still a Justice of the Supreme Court. Under no other theory would he have any right or any authority to call upon Justice Van Devanter. He might just as well call upon John Doe to discharge the duties unless he is a Justice of the Supreme Court of the United States. The fact that we recognize in this act the right of the Chief Justice to call upon him to discharge his judicial duties recognizes the fact that he is still a Justice of the Supreme Court of the United States.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. ASHURST. I do not believe that any lawyer will dispute the assertion of the able Senator from Idaho that Mr. Justice Van Devanter, until he dies or is impeached or resigns, is a Justice of the Supreme Court of the United States. But I doubt if any lawyer upon a close examination will follow the able Senator in his position that there is no power vested in the Executive to nominate a successor to Mr. Justice Van Devanter.

For example, take the State of Arizona, which is provided with two district judges. One of them reached the age of 70 years lately and retired on full pay under a statute enacted many years ago. He is still a district judge. He may be called upon by the circuit judge to render service, but when the nomination came in for his successor no one here or elsewhere had any idea that the President was without power to nominate a successor.

Mr. BORAH. Certainly, the President cannot name a successor until there is a vacancy, and I challenge any lawyer here to say there is a vacancy on the Supreme Court of the United States, until a Justice resigns or is impeached or dies. Our retirement law is defective in not calling for resignation prior to receiving the emoluments there provided for.

Mr. ASHURST. The able Senator has been—I will not say an ornament, but he has been more than that—he has been a most useful member of the Senate Committee on the Judiciary for six Roman lustrums—30 years. When the health, the mental power of Mr. Justice Pitney was impaired, and he was unable to read his briefs, unable to read his correspondence, unable to sit upon the bench, my able friend from Idaho assisted in the Judiciary Committee in approving a measure to authorize the President in providing for retirement pay for Mr. Justice Pitney. While I do not recall now, because it was many years ago, yet I believe no one questioned the right of the then President to nominate a successor.

Suppose the entire membership of the Supreme Court of the United States should suddenly become insane. Suppose there was something which would take the reason prisoner, and that each and all, en masse and en bloc, would become insane. Congress, of course, would grant them retirement privileges and retirement pay. Does the able Senator say the President could not nominate a new bench?

Mr. BORAH. I say the Congress of the United States could not get rid of nine insane men except through the power of impeachment. That is what was done in the days when the Constitution was observed. Did they not in the early days impeach an insane judge?

Mr. ASHURST. I think one of the reasons for the great success of the Senator at the bar and in statesmanship is his willingness to say bold things and to take ground which at first blush challenges rather what is the generally accepted attitude of the country. If the nine members of the Supreme Court were each and all to become insane suddenly they would still be judges of the Supreme Court of the United States. They would still be entitled to their compensation and, as the able Senator has said, until they died, resigned, or were impeached, they would still be Justices of the Supreme Court of the United States.

I doubt, however, if upon careful reflection the able Senator would say that the President is without power to nominate not precisely successors but to nominate as Justices men to sit upon the Supreme Bench and do justice to the people. The Senator will never admit, keen, thoughtful logician that he is, brilliant statesman that he is, that the Federal Government can by any plan be driven into a cul de sac where the entire judicial branch of the Government could be paralyzed and the executive and legislative branches powerless and helpless to move.

Mr. BORAH. Mr. President, the framers of the Constitution provided certain means and methods by which the Justices of the Supreme Court could be dealt with. So far as this matter is concerned, it is wholly immaterial what my record has been on the Judiciary Committee. Nevertheless, when, years ago, the bill came before the Senate providing for the retirement of judges of the lower courts, I opposed it and voted against it for the reasons which I now urge. A bill came over from the House later covering the same principle, and I opposed it and voted against it, again for the same reasons. When the measure recently enacted was before the subcommittee of the Senate I again advanced the proposition that until a Justice resigns he is still a Justice.

Mr. ASHURST. That is true.

Mr. BORAH. Whether I am right or wrong, I have entertained that view from the beginning; and I ask those who disagree with me to point to me the constitutional method by which a Justice of the Supreme Court can be gotten rid of if he does not see fit to resign.

As I suggested, we could have passed a law providing that the salaries of resigned Justices should continue the same as while they were on the bench, but it would have had to be based upon their resignation. They would have had to resign. We had the same right to do that as we have now with reference to the widows of ex-Presidents, and so forth. We could have made such provision for these resigned Justices; but we are not doing that. We have a Justice here whom the Chief Justice at any time may call upon to discharge the judicial duties, which he could not discharge except from the fact that he is a Justice of the Supreme Court of the United States. After urging my position and receiving no support, I concluded not to oppose the bill. But now a situation has arisen which justifies—in fact, requires—that the matter be presented.

Mr. ASHURST and Mr. GEORGE addressed the Chair.

Mr. BORAH. I yield.

Mr. ASHURST. Mr. President, one or two sentences that fell from the lips of the able Senator indicated that he thought I was attempting to array him against himself. I did not attempt any such thing. It is my exclusive privilege here to array myself against myself when I see fit. [Laughter.]

Mr. BORAH. No; we all share that honor with the Senator. The only safe rule is to act according to your best judgment; today and tomorrow act upon your best judgment again. Let consistency take care of itself. "Consistency is the hobgoblin of little minds."

Mr. ASHURST. If consistency be a virtue at all—and I do not think it is—the Senator from Idaho has that among his many other virtues.

On many occasions men have left their country for their country's good. Suppose the Justices of the Supreme Court of the United States, for their country's good, should all retire en bloc, en masse. Is the Senator going to argue that the President of the United States could not nominate and send to the Senate for confirmation the names of men to sit upon the Supreme Bench? Will the Senator say that the President would be powerless in such a contingency?

Mr. BORAH. Yes, Mr. President; I am going to say that until a vacancy is created, either by the hand of God or by the impeachment power of the Congress, or by the resignation of a Justice, there is no office for the President to fill; and if Justices get up and leave their country for their country's good, then the Congress of the United States has the power to impeach them for failure to discharge their duty. They are no longer acting in accordance with the rules of good behavior. There is a perfect way to deal with them. At least, it is the only constitutional way.

Mr. ASHURST. Mr. Justice Van Devanter served his country on the circuit bench, he was an Assistant Attorney General, and I have no quarrel with his record as a Justice of the Supreme Court of the United States, though I may not agree with some of his decisions. He is not going to perform any more duties as Justice of the Supreme Court of the United States. The most remote excursion of the imagination does not lead anyone to believe that he will ever perform any more services as an Associate Justice of the Supreme Court of the United States. He will, however, draw full pay for life. Is the Senator from Idaho willing to vote to impeach him because of his refusing to serve further?

Mr. BORAH. I should unhesitatingly vote to impeach a Justice who refused either to perform his duties or resign. Why should I vote to impeach anybody if I would not vote to impeach a man who would not discharge his duty?

Mr. ASHURST. Very well. Then the fault lies with the Congress in passing the retirement law.

Mr. BORAH. The fault lies with the Congress in the fact that instead of providing for his retirement they did not provide for his salary or his compensation after his resignation. I am thoroughly in favor of a retirement law which provides the same emoluments after resignation as before. I would, however, require him to serve until 75 years of age.

That would have been a perfectly simple and easy thing to do. We could have said that any Justice resigning should have a salary equal to that which he had at the time he was serving—a perfectly simple thing to do. Instead of doing that, however, we have undertaken to do that which we have no power to do. We are trying to create a vacancy and still leave the Justice in office.

Mr. ASHURST. Very well. Suppose, during the session of Congress the President should nominate a man for Associate Justice of the Supreme Court of the United States and send his name to the Senate, and he should be confirmed and take the oath of office. We should have 10 judges of the Supreme Court, should we not?

Mr. BORAH. We should.

Mr. ASHURST. That is all I contend, and all anybody contends. There is no real difference between the Senator from Idaho and myself.

Mr. BORAH. We should have a Supreme Court of one Chief Justice and eight Associate Justices. That is what the statute provides. The statute today says that the Supreme Court shall consist of a Chief Justice and eight Associate Justices. We have no power to appoint for any other than those positions provided for by the statute; but if the President should nominate a man and send up his name——

Mr. ASHURST. He would be a de-facto judge.

Mr. BORAH. No; I do not think so. I do not think it would make a man a de-facto officer to nominate him for a position which did not exist.

Mr. GEORGE. Mr. President——

Mr. ASHURST. All right. The Senator says a man cannot be made a de-facto judge in the circumstances that have been stated. Suppose the President, after the adjournment of this session, during the recess, should nominate a Justice, and he should take the oath of office, and on what would otherwise be a 4-to-4 decision this temporary Justice, or Justice nominated during the recess, should cast the deciding vote. The able Senator knows that that would be a valid declaration, even though the Justice should not be thereafter confirmed.

Mr. BORAH. The Senator from Arizona is trying to make the Senator from Idaho know things which he does not know.

Mr. ASHURST. I cannot do that. The Senator from Idaho knows more than I do, to begin with.

Mr. BORAH. Let me say to the Senator that if there were in fact a vacancy, and the President of the United States should fill that vacancy during the recess, I concede that the man would be a de-facto judge; but what I am saying is that there is no vacancy, and a man cannot be made a de-facto judge by appointing him to an office which does not exist. Does not the Senator see the distinction?

Mr. GEORGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Georgia?

Mr. BORAH. I yield.

Mr. GEORGE. I am much interested in the Senator's remarks. The point I am about to mention may have been covered, but I wish to have the Senator's view upon it.

I think there would be no disagreement with the main premise of the Senator from Idaho that Justice Van Devanter is still a Justice of the Supreme Court of the United States. I do not think there can be any doubt about that. In fact, I think the Supreme Court in one case has held, in the case of a district court judge, that he still remained a judge; and in another case the Supreme Court refused to grant a writ of certiorari, which would have reviewed that decision. So it must be taken that the Supreme Court has passed upon the question.

Is it not a permissible view, however—and I submit it to the Senator without having previously explored it—that when the Congress passed the act authorizing the retirement of a Justice of the Supreme Court, and authorizing the President to appoint a successor, by necessary implication the Congress increased the number of Justices of the Supreme Court from 9 to 10, or increased the number of Associate Justices from 8 to 9, and that by necessary implication the Congress has given the Executive the power to make an additional appointment? It is not expressly so stated in the act, and of course I understand that the Senator would not favor construction of an act by invoking the doctrine of implication; but it seems to me that of necessity what we have done is to increase the number of Justices of the Supreme Court by each retirement under the terms of the act.

I should like to have the Senator's view on that question.

Mr. BORAH. Mr. President, I should entertain great doubt whether we could, by implication, increase the membership of the Supreme Court of the United States. We did not undertake to do so. We did not assume to do so. What we did was to permit a Justice to retire subject to the call of the Chief Justice, thereby retaining the position of a Justice of the Supreme Court. We might have gone further, possibly, and said that the Court thereafter should consist of 10 members, and that the retiring Justice should not be called upon thereafter to discharge the duties of a Justice. It might be possible that we could do such a thing; but why do that? Why go about it in that way?

Mr. LOGAN. Mr. President——

Mr. BORAH. All in the world we need to do is to pass a law providing that upon the resignation of a Justice of the Supreme Court he shall be allowed, during his lifetime, the salary which he theretofore enjoyed. That is all there is to it. If he does not want to resign, let him do his work. If he does resign, give him his pay. Let us have it settled, plain, clear-cut. Let us not have a man wabbling between a justiceship of the Supreme Court and the duties of a circuit judge, and nobody knowing what his duties are except as the Chief Justice assigns him.

Mr. GEORGE. Mr. President, it occurs to me that although we might provide for the resignation of a Justice and his salary thereafter, nevertheless it would be within the power of subsequent Congresses to reduce his salary after he had actually resigned; and I presume the thought of permitting a judge to retire came about in order to forestall any congressional action in reducing or increasing or changing or modifying his salary.

Mr. ASHURST. That is precisely it.

Mr. BORAH. I know; but there is no vested right on the part of any man in the world to draw a salary, and he cannot trade off an office for a vested right, because he has no vested right to hold the office.

Mr. GEORGE. While the Senator is correct in that, I think as long as a man remains a Justice of the Supreme Court Congress as least regards his salary as fixed.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. BORAH. I yield to the Senator from Kentucky.

Mr. BARKLEY. If the Senator from Idaho is correct in his contention that Justice Van Devanter is still a member of the Supreme Court, there might be difficulty, if the Constitution itself fixed the number of Supreme Court Justices at 9, in reaching the conclusion that by an act of Congress we might by implication have increased it to 10. Inasmuch, however, as the size of the Court is subject to congressional regulation, and if we may assume that Justice Van Devanter is still technically a Justice of the Supreme Court—though he may be regarded as a Justice emeritus, or something of the sort—I think there is much force in the suggestion of the Senator from Georgia [Mr. GEORGE] that by

implication, if not automatically, we have increased the membership of the Court from 9 to 10.

Mr. BORAH. I think the junior Senator from Kentucky [Mr. LOGAN] desired to interrupt.

Mr. LOGAN. Mr. President, if the Senator will yield, I think I understand the position which he takes, and there is logic behind the position. If the law provides that the Supreme Court shall consist of one Chief Justice and eight Associate Justices, and if that law has not been amended or modified, then, of course, it would not be possible for me to answer the argument which has been advanced by the Senator from Idaho. But would not this follow from the interpretation which the Senator places upon it? There are six Justices who are eligible to retire. Congress has said they may retire, so there can be no odium attached to them if they quit work. Following that a step further, Congress has said that it takes six members of the Supreme Court to constitute a quorum. We have said six may retire, which leaves only three, which is not a quorum. So if one follows the argument of the distinguished Senator from Idaho, it amounts to the assertion that Congress has already abolished the Supreme Court, and that we have been debating questions which are not pertinent.

If the position of the Senator from Idaho is sound, let me ask him this question: If a Justice will not resign, and we cannot make him do so, and if Congress authorizes him to retire and he still remains a Justice, is there any way to have a Supreme Court which will function properly other than by increasing the number of Justices?

Mr. BORAH. I am not sure I understand the proposition. I start out with this: That whether we like it or not, whether we would have made the Constitution differently or not, the Constitution provides that the Justices of the Supreme Court shall remain on that bench during good behavior.

Mr. LOGAN. That is true.

Mr. BORAH. That is fundamental. There is no way to get them off that bench so long as they observe the rules of good behavior.

Mr. LOGAN. That is true; there is no doubt about that.

Mr. BORAH. What we have undertaken to do is to provide a retirement provision. I say that that does not amount to taking a judge off the Supreme Court.

Mr. LOGAN. I agree with that.

Mr. BORAH. Then he is on the Supreme Court.

Mr. LOGAN. That is true.

Mr. BORAH. And we have a Chief Justice and eight Associate Justices there, and the President has no vacancy to fill.

Mr. LOGAN. That is where I agree with the Senator from Georgia rather than with the Senator from Idaho. We have done this already, and it has been complained about so much by the people and in the Senate; we have, under the act of Congress, a Supreme Court, not of a fixed number of 9, but a Supreme Court which may vary anywhere between 6 and 18 members, under chapter 21 of the laws of the first session of the Seventy-fifth Congress. It provides that when one of the Justices retires the President shall appoint a successor. By implication, according to my interpretation of the law, that amends section 203 of the statute, or whatever section it is, providing that the Supreme Court shall consist of one Chief Justice and eight Associate Justices.

Mr. BORAH. Mr. President, the escape from the position is that we have now increased the Supreme Court to 10. Nobody supposed we were undertaking to do any such thing, and I venture to say that the President of the United States is appointing upon the theory that the Court still consists of nine, and I venture to say that the Attorney General is making his recommendation upon the theory that the Court still consists of nine.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. AUSTIN. I do not intend to interrupt the speech of the Senator at all, but I have something which fits it so perfectly that I ask his indulgence to insert it at this point. It is the current, practical construction placed upon this matter by the Justice involved, Mr. Justice Van Devanter. In his retirement he stated:

> I desire to avail myself of the • • • judicial service specified in the act of March 1, 1937.

Of course he said other things, too, but he recognized that he was still a Justice, and he desired to avail himself of the judicial service specified in the act.

If the Senator will permit, I ask unanimous consent to have inserted at this point in the RECORD a copy of the letter of resignation of Justice Van Devanter and a copy of the acceptance by the President, which purport to have been published in the New York Times of May 19, 1937.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 18, 1937.*

MY DEAR MR. PRESIDENT: Having held my commission as an Associate Justice of the Supreme Court of the United States and served in that Court for 26 years, and having come to be 78 years of age, I desire to avail myself of the rights, privileges, and judicial service specified in the act of March 1, 1937, entitled "An act to provide for retirement of Justices of the Supreme Court", and to that end I hereby retire from regular active service on the bench—this retirement to be effective on and after the 2d day of June 1937, that being the day next following the adjournment of the present term of the Court.

I have the honor to remain,

Very respectfully yours,

WILLIS VAN DEVANTER.

THE WHITE HOUSE, *May 18, 1937.*

MY DEAR MR. JUSTICE VAN DEVANTER: I have received your letter of this morning, telling me that you are retiring from regular active service on the bench on June 2, 1937.

May I as one who has had the privilege of knowing you for many years extend to you every good wish.

Before you leave Washington for the summer it would give me great personal pleasure if you would come in to see me.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. DIETERICH. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. DIETERICH. Does the Senator from Idaho contend that the status of the judges of the inferior courts established by the Congress is any different from that of the Justices of the Supreme Court?

Mr. BORAH. No; if I understand the Senator's question on the fundamental proposition, those on the lower courts are there during good behavior, the same as those on the Supreme Bench.

Mr. DIETERICH. The same as those on the Supreme Court?

Mr. BORAH. I suppose so. The Constitution so provides.

Mr. DIETERICH. Will the Senator pardon me while I read that section of the Constitution, so that we may have a clear idea of it?

Mr. BORAH. Yes; but I reread it this morning.

Mr. DIETERICH. It provides:

> The judicial power of the United States shall be vested in one Supreme Court, and such inferior courts as the Congress may from time to time establish. The judges, both of the supreme and inferior courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services, a compensation, which shall not be diminished during their continuance in office.

If the contention of the Senator from Idaho is correct, then every time there has been a retirement under the act permitting judges of the circuit court and district courts to retire—and I understand this statute is identical as to them, and gives them the same privilege—the President, or the appointive power of the Senate, have violated the Constitution.

Mr. BORAH. Mr. President, we are not passing upon what this and that branch of Government has done, but during my brief stay in the Senate of the United States I have always taken the position that a Federal judge could not be gotten out of his position except through impeachment or by his resignation, and when the different measures relating to that subject have come before the Committee on the Judiciary I have urged that view. I am presenting

it today for the consideration of the Senate. Of course, I realize my fallibility with reference to all these questions, but I will ask the Senator from Illinois, and I will ask all other lawyers here, what they are to do with that provision of the Constitution which provides that these judges shall remain in their places during good behavior? What are they to do with that?

Mr. DIETERICH. Make them amenable to the act of Congress which created the courts and provided that judges should be appointed.

Mr. BORAH. Of course, in taking that position the Senator utterly disregards the Constitution. He treats the Constitution as no higher than a statute. He assumes that when the Constitution provides that they shall remain in their places during good behavior we may take them off the bench at will. I do not pause to argue that.

Mr. DIETERICH. Mr. President, I think the Senator from Idaho misunderstands my position and rather states a position which I do not occupy. If the Congress has a right to create inferior courts and fix the number of judges, as they have done, then any act of Congress dealing with that is certainly within the constitutional right of Congress.

Mr. BORAH. Let me ask the Senator a question. When the Constitution provides that Congress shall create these courts, then the Constitution itself says, and does not leave it to the Congress, that the judges of those courts which we create shall remain in their positions during good behavior. It is not a statutory provision; it is a constitutional provision.

Mr. DIETERICH. That is true, and we are not removing them; we are not removing a single judge, but we are providing for an active court when a judge is incapacitated, or when he has reached the age of retirement.

Mr. BORAH. The Senator then admits, I suppose, what I have been contending for.

Mr. DIETERICH. Mr. President, I do not want to get into a controversy with the learned Senator from Idaho, but I do not admit his contention to be sound.

Mr. BORAH. I say that Justice Van Devanter is still a member of the Supreme Court. That is what the Senator says, so we have no difference.

Mr. DIETERICH. Mr. President, that is also true of every justice of the circuit court and every justice of the district court who has taken advantage of the act and retired, and for whom there has been a successor appointed to perform the duties of his office. They stand in the same position, and I do not believe that, if that was error, we would have waited until this late day to discover it. A question certainly would have been raised before.

Mr. BORAH. It has been raised before. Just a word, now, with reference to another point, and I will be very brief.

Assuming that there is a vacancy which must be filled, section 2 of article 2 of the Constitution among other things provides, regarding the President:

> He shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for.

That clause in the Constitution provides for the general power of appointment. It assumes that the appointment takes place in cooperation with the Senate of the United States, which is in session and ready to confirm. But the framers of the Constitution had to provide for another situation, namely, when the Senate was not in session, when a vacancy would occur during a recess; and the framers provided for it in very plain terms. They said:

> The President shall have power to fill up all vacancies that may happen during the recess of the Senate.

When did Mr. Justice Van Devanter's vacancy happen? It happened during the session of the Senate. That is when it transpired. To happen is to take place. To happen is for something to take place unexpectedly; and this vacancy happened or took place while the Senate was in session. That is one of the things which is provided for in the general appointing power which I previously read. The clause I have just read provides for an instance which takes place after the Senate has departed and when there is a recess.

I understand that the able Attorney General has rendered an opinion to the effect that the President may appoint during the recess of the Senate. Mr. President, I know there are precedents for that contention. I have not seen the Attorney General's argument, and I do not know upon what he bases it; but he can, beginning back with the great William Wirt, find precedents to the effect that the President may appoint during the recess although the vacancy occurred before the recess took place. Mr. Wirt, as I recall, construed "happen during the recess" to mean to continue to exist during the recess, and thereby got around what seems to me the perfectly plain provision of the Constitution.

To happen is to take place—to take place, as I said, unexpectedly. Therefore, when the Senate is gone, if a vacancy takes place, the President may fill the vacancy. The commission of the appointee expires with the end of the recess, which again shows that the framers had in mind nothing more than taking care of a recess situation.

Mr. President, it cannot be said that a thing has happened during a recess which was complete, finished, before the recess began. So I take the position that if there is a vacancy, it must either be filled during this session or filled when the Senate comes back in January. If Justice Van Devanter had retired after we had left the city or had adjourned, undoubtedly the President could have filled the vacancy. I repeat, that of course there are plenty of precedents. When those precedents are studied, however, so much politics will be found connected with the establishment of the precedents that one hesitates to accept the precedents in place of the plain, simple, unmistakable language of the Constitution.

Mr. WALSH obtained the floor.

Mr. JOHNSON of California. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from California?

Mr. WALSH. Unless the Senator from California desires to reply to the Senator from Idaho, or to comment upon the observations made by the Senator from Idaho, I should like to proceed with the discussion of the pending legislation.

Mr. JOHNSON of California. I should like to occupy just a few minutes.

Mr. WALSH. I yield to the Senator from California.

Mr. JOHNSON of California. Mr. President, I never participate here in a legal argument. I think, first, that probably I am ill-fitted to do so, and, secondly, I think I realize the inutility of anyone participating here in an argument of the law. However, there is one case which it seems to me conclusively bears out the contention of the Senator from Idaho and to him and my colleagues I cite it. That is the case of Booth against United States, decided not so long ago, in Two Hundred and Ninety-first United States Reports, page 339. In that case it was held distinctly that a retiring judge does not lose his status as a judge, but continues to hold during good behavior—that is, during life—and hence his retirement allowance cannot be diminished by the Congress either by direct diminution or by levy of an income tax thereon.

The Booth case involved an act of Congress which had attempted to decrease the allowance of retired judges. Judge Booth, a circuit judge, and Judge Amidon, district judge, who had retired under the above-mentioned act of February 25, 1919, but had not resigned, brought suit to recover the amounts of which they had been deprived by the act of Congress. The judges claimed that, despite their retirement, they still held office as circuit judge and district judge, respectively, and that the provision of section 1 of article 3 of the Constitution forbade decrease of their compensation. The Supreme Court, in a unanimous decision—not 6 to 3, nor 5 to 4, nor 7 to 1, but in a unanimous decision—upheld the contention of the judges. The case decided

that neither of the judges by retiring without resigning have vacated office or ceased to be a judge, and in consequence the compensation of each judge was protected against diminution by section 1.

I have before me a long quotation from the case, but it suffices to say that in the case of Mr. Justice Van Devanter, when he retired, stating with meticulous care why he retired, and under what law he retired and left the Supreme Court Bench, he did not cease to be a Supreme Court Justice, and that is the argument, as I understand it, that is made by the Senator from Idaho.

I am not going to take time by saying what route may be pursued to accomplish the result that is sought by the Senate or by the Congress of the United States in selecting his successor, but suffice it to say that we do it in the teeth of a decision of the United States Supreme Court that was unanimous in a case decided a very few years ago, saying that a judge who retired had not ceased to be a judge by virtue of retiring.

Mr. HATCH. Mr. President, will the Senator from Massachusetts yield to me?

Mr. WALSH. I yield.

Mr. HATCH. The discussion which has occurred today is of deep interest and concern to the Congress of the United States, and the existence of this very question that has been argued and discussed in the Senate today is one of the reasons which prompted the Senator from Nebraska [Mr. BURKE] and me to introduce a resolution the other day providing for a complete investigation and study of this and all other questions relating to the Federal judicial system. The argument made by the Senator from Idaho presents clearly to me one of the defects arising out of the life-tenure clause.

I have today presented a favorable report from the Judiciary Committee on the resolution to which I have referred, and I trust the Senate will shortly have the opportunity to debate it, and that a study may be made of it in the meanwhile.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. WAGNER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from New York?

Mr. WALSH. I yield.

Mr. WAGNER. I ask the Senator to yield, and I also ask the indulgence of the Chair in order that I may have the opportunity to offer some amendments to the amendment to the bill in the nature of a substitute reported by the committee, because the amendments I desire to offer embody suggestions made by various Senators yesterday, and in a way will serve to perfect the bill, so far as I, as the introducer of the measure, would like to see it perfected.

May I have permission of the Senate to do that, if the Senator from Massachusetts will yield to me for that purpose?

Mr. WALSH. The difficulty is, I will say in answer to the Senator from New York, that I desire to discuss briefly the bill itself, and action on his amendments would require perhaps from half to three-quarters of an hour, and I would be obliged to delay making my remarks for that length of time.

Mr. WAGNER. If the Senator does not desire to yield, very well.

Mr. WALSH. If there were some assurance that the amendments would be acted upon without discussion, I should be willing to yield to the Senator for the purpose of presenting the amendments, but I cannot conceive that 10 or 15 amendments could be disposed of in less than half or three-quarters of an hour, and meanwhile I should be obliged to defer my discussion of the bill.

Mr. WAGNER. The amendments in question were practically agreed upon during the discussion yesterday, and in view of that fact I thought that the Senator would perhaps prefer to make his remarks based upon the amendments which would be included in the bill.

Mr. WALSH. If the Senator will offer the amendments and no Senator will ask questions concerning the amendments I shall be very glad to yield.

Mr. KING. Of course, Mr. President, that could not occur.

Mr. WALSH. Of course, it cannot be done.

Mr. TYDINGS. Mr. President, will the Senator yield for a question?

Mr. WALSH. I yield for a question.

Mr. TYDINGS. I should like to say to the Senator from New York [Mr. WAGNER] that several of the Senators who engaged in the discussion yesterday and in response to whose questions the amendments were drawn, are absent now at luncheon. I should like to suggest to the Senator that he wait until about half past 1 or a quarter to 2 in order that those Senators may return to the Senate Chamber. Probably then we shall be able to act upon a number of amendments without duplication of discussion. I have no desire to divert the Senator from what he wishes to do, but I believe it will be helpful to the necessary action upon the amendments if the Senator will delay until the Senators I referred to have returned to the Senate Chamber.

Mr. WALSH. I want my position to be entirely clear. I would gladly and cheerfully yield to the Senator from New York if I had some assurance that there would be no debate on the various amendments he has in mind.

Mr. SMITH. The Senator knows very well that debate will be had on the amendments.

Mr. WALSH. Of course there will be.

Mr. President, I was chairman of the Committee on Education and Labor last year when extensive hearings were held on a bill similar in character to the one now pending. This year, because of the unfortunate illness of the Senator from Alabama [Mr. BLACK], it fell to my lot to preside over the hearings on the pending bill, which were also of several days' duration. I rise now not merely for the purpose of seeking to influence the Members of the Senate in favor of this proposed legislation but rather to perform what I think is a very important duty for a member of an important committee dealing with an important bill, namely, to put in the RECORD the viewpoint of the committee and the viewpoint of at least some Members of the Senate with respect to certain features of the authority and power granted by the bill. I also feel that this occasion ought not to be permitted to pass without a brief review of what has been done by way of providing low-cost houses for people with low incomes and without discussing what has and can be done in the way of abolishing slums.

Mr. President, first and foremost, I wish to impress upon the Senate the fact that there is no need whatever of Federal legislation in order to abolish any slums or slum dwellings. There is ample authority in every State in the Union to enable it to proceed with the abolition of all slums within the area of any of its municipalities or any of its urban sections. Indeed, so far has State legislation gone in this direction, that in the State of New York there is a law which gives the housing authority power to enter into a dwelling that is insanitary and unsafe and to repair and modernize it, and retain a lien on the property for the money thus expended. I cite this for the purpose of indicating, before we come to the question of what the Federal Government ought to do, that if there is the disposition and the will to abolish slums, it can be done by local authorities.

In my own State of Massachusetts and in the city of Boston, there has been during recent years much done looking to demolishing the slums. They have the authority there as elsewhere to order the destruction of any insanitary, unsafe, unhealthy house or dwelling.

Many Senators no doubt noticed the picture in a morning newspaper and the account of a very shocking accident that happened in the city of New York yesterday, involving two young girls, who, while passing from one tenement house to another, and walking over a screen which was weak and unsafe, fell into a pit, both being killed. That indicates that an unsafe condition existed which the public authorities, in all probability, had not taken steps to remove.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. COPELAND. Is it not possible that there was a failure on the part of the tenement-house inspectors to do their part to see that the premises were safe?

Mr. WALSH. That is quite possible.

Mr. President, I am discussing this matter for the purpose of focusing the attention of the Congress upon what may be done without Federal aid and assistance, and also to indicate what assistance the Federal Government ought to give and what assistance is necessary to be given in order to help slum clearance.

I wish to repeat that there has been very little done in this country in the way of abolition of slums, either by private authority or by public authority. I will come to the reasons shortly why I think so little has been done and why the powers already possessed by local authorities have not been exercised. In my humble opinion, they have not been exercised partly because many of the owners of these slums are wealthy property owners who pay taxes to the city and have power to prevent the tenement authorities or other authorities, such as those concerned with health, actually condemning their properties.

There is not a slum in the city of Washington out of which the proper authority in this city could not tomorrow order the tenants. There is not an unsafe, insanitary dwelling that cannot be closed. An unsafe, insanitary dwelling is as much a public nuisance as is an open sewer. Does not the Senator from New York agree with that statement?

Mr. COPELAND. I do agree with it, and, if the Senator will permit me to do so, I should like to add that one reason why there has been hesitation on the part of authorities in some cities actually to close and eliminate slum areas is that there has been no other place to which to locate the people who reside in such areas.

Mr. WALSH. I am coming to that. The Senator has put his finger upon and calls attention to the relationship of this problem to the Federal Government. The claim is made by the local authorities that they have no place to which to locate slum dwellers if they destroy the slums, and that they have not the money with which to provide proper housing facilities for those who now dwell in the slums.

The mayor of the city of New York emphatically so asserted before the committee, as did the mayors of many other cities and other officials of municipal and State governments.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. KING. I do not wish to interrupt the able address of the Senator from Massachusetts, but it seems to me that New York City, with its great wealth, and New York State with its still greater wealth, the city alone paying 25 percent of all Federal taxes, ought to have no difficulty whatever, if it so desires, in obtaining credit, by the issuance of bonds or otherwise, and solving the housing problem which it has put at the door of the Federal Government.

Mr. WALSH. I am impressed with the statement made by the Senator from Utah, and with it I am somewhat in sympathy. The assertion of municipal officials is that their power of levying taxes is limited largely to real estate, and they have not the means and the sources of income sufficient to undertake the debt that would necessarily be incurred by an effort to replace the present slum dwellings with proper houses for the low-income tenants of New York.

Mr. COPELAND. Mr. President——

Mr. WALSH. I yield to the Senator from New York.

Mr. COPELAND. I agree with what the Senator from Utah has said. I have long believed that there was wealth enough in the city of New York to do a great many things that are not being done, and which should be done, but with regard to housing the Senator from Utah must remember that whatever authority the municipal government in New York City has is derived from the State, from the legislature; and the difficulty the city finds itself in very frequently in undertaking humane and forward-looking projects is the lack of authority due to failure to get legislation from the State legislature.

Mr. WALSH. Mr. President, as the able junior Senator from New York [Mr. WAGNER] has pointed out again and again in the discussion of this subject, there can be no question about the social-welfare value of the abolition of slums. I am not going to take any time to discuss that phase of the matter. Neither can there be any question about the economic-recovery factor in connection with the abolition of slums. There can be no question whatever that the governments of Europe, which for more than 80 years have been dealing with this problem, have considered it a serious problem and one of national moment and national consequence.

The very fact that our local authorities have not been in a position to engage in this work, have not had the funds with which to replace in proper surroundings the tenants ousted from the slums of the crowded cities, does not relieve the Federal Government, in my opinion, of the obligation of stimulating, encouraging, and promoting the abolition of slums.

Before I discuss the bill I wish to point out what has been done by private authorities in this country to bring about the abolition of slums, or, at least, to provide comfortable housing for persons with low incomes. I wish also to point out some successes that have been attained by activities of the Federal Government in the housing field.

We have now at least five Federal agencies in the housing field, engaging in one aspect or another. I wish to point out what to me is the most striking example that has come to my attention in the study of this question. I refer to what has been done by the Alley Authority in the District of Columbia. I should like to tell that story briefly, as the photographs hanging on the wall of the Senate Chamber refer to that activity.

Only a few years ago—I think 3 years ago—the President set up, under the discretionary power he had under the emergency relief appropriation, what is known as the District of Columbia Alley Authority for the purpose of abolishing slums in the alleys of the District of Columbia.

They have been given two grants of money amounting to $850,000. The pictures which I have had placed on the wall tell the story of the abolishment of slums in the alleys of the District of Columbia, the remodeling of some of the old buildings, the construction of new buildings, and the retention of some of the land which was purchased and from which the buildings were removed, which was converted into auto-parking spaces and income thereby obtained. The dwellings, averaging four rooms, are rented at a rental of between $13.50 and $15.50 a month to the people who formerly lived in the alley slums.

Now, this is the startling fact. If that Alley Authority liquidated tomorrow, there would not be one cent of loss to the Federal Government. They could liquidate for something in excess of the amount of money which was granted to them.

Why am I referring to this undertaking? It is because I want the power of the board directed as far as humanly possible to the actual problem of slum clearance. I want the houses built to be of that modest character which is illustrated by the pictures on the wall to which I have just referred, and to avoid what has been done in some of the Federal housing activities, namely, building better homes for people of low income, so-called, that any moderately comfortable workingman in America can afford. Not that I would deny all wage earners the best kind of houses possible, but I do not want to discourage or put at a disadvantage the owners of small homes.

I shall not take the time to explain the pictures further, but they are very illuminating. Sometimes the alley property was taken and made use of by the authorities for parking cars, thus proving a profitable investment; sometimes for garages; sometimes for playground purposes. It has not been a very heavy undertaking, only $850,000, but it has been remarkably encouraging, and is an evidence of what can be done, what helpful work in this direction can be done for the people of any city.

So much for the only public activity which has been called to my attention that has been purely slum clearance. I think the distinguished junior Senator from New York [Mr. WAGNER] will agree with me that some real slum clearance, with the detail of which I am not familiar, has been done on the part of Mr. Post in New York. Am I correct?

Mr. WAGNER. Yes; and I think there is one in Georgia and one in Florida which have reached the low-income group.

Mr. WALSH. Was that by Federal authority?

Mr. WAGNER. Yes.

Mr. WALSH. Under which department?

Mr. WAGNER. The Housing Division of the Public Works Administration.

Mr. WALSH. In these limited cases a slum-clearance project was involved, as well as the construction of housing facilities for the persons who lived in the slums.

Concerning what I have said about how little we have touched the problem, I think the junior Senator from New York will agree with me that there are two groups, as I discern from the hearings, of well-intentioned, public-spirited, patriotic, deeply interested groups in this problem, who have two distinct points of view. One emphasized the point of view of building houses for people of low incomes. That group think in terms of building houses. That is commendable.

The other group, unfortunately small in number and not so vocal, say, "Slum clearance! Slum clearance! Slum clearance!" That is what they want. They say the primary object of any movement of this kind is slum clearance, and in conjunction with this should be houses for rehousing those dehoused. I am in particular sympathy with the objectives of that group.

Mr. GEORGE. Mr. President——

Mr. WALSH. I yield to the Senator from Georgia.

Mr. GEORGE. I merely wish to suggest that the housing division of the Public Works Administration carried on two projects in Georgia and did a very good job, so far as construction of units was concerned.

Mr. WALSH. As a physical property?

Mr. GEORGE. As a physical property, yes; but I think it is true—in fact, I know it to be true—that in order to bring each unit within the reach of people of low incomes there had to be a voluntary writing off or reduction under the actual cost of the construction of the buildings.

The other was a housing project undertaken for the colored people of the city of Atlanta. I am not sure whether they wrote down the value of the property in order to bring it within the reach of people of low incomes. In the main housing project carried on by Mr. Ickes the physical construction was most excellent, but had to be written down considerably in order to bring it within the reach of the people of low income.

Mr. WALSH. May I ask the Senator if I am stating correctly the situation in regard to that and many other undertakings by the Housing Division in the Interior Department? Money was assigned for housing projects during the depression, in part for the purpose of increasing employment in the building crafts. When it came time to rent the property, the Comptroller General ruled that no authority was possessed by the Secretary of the Interior to rent the property for less than what would be a reasonable return on the investment by the Federal Government.

Mr. GEORGE. The Senator is entirely correct.

Mr. WALSH. Thereafter the Senator and others, in order to prevent the properties remaining vacant because of the high rentals to be charged, introduced a bill giving authority to rent the property on the basis of 40 percent of the capital cost, the Federal Government having made a grant of that amount, or the capital invested for the purpose of having low rentals.

Mr. GEORGE. The Senator is quite right. I introduced the bill myself and the Senator was one of the conferees when the bill was in conference between the two Houses.

Mr. BARKLEY. Mr. President——

Mr. WALSH. I yield to the Senator from Kentucky.

Mr. BARKLEY. In connection with what the Senator from Georgia has said about projects in Georgia which were constructed by the Public Works Administration, I happen to have here a table showing that for the Techwood Homes in Atlanta the shelter rent per room is $5.52; heat and water, 63 cents; making a total of $6.15 per room. For the University Homes the shelter rent is $5.11 plus 54 cents for heat and water, making $5.65 per room. The average annual income of the persons who have been accepted as tenants in the Techwood Homes is $1,130 and in the University Homes is $917.

Mr. WALSH. I am pleased to have that information. In connection with that information I am going to turn at once to money privately invested in projects, where the rents are less than on these Government-financed projects.

Mr. President, I call attention, first of all, to a card with several photographs of single dwellings upon it, furnished me by request by the Federal Housing Administration that insures mortgages on private houses. The central picture shows the complete lay-out and the large number of single dwellings that were built in that locality by private capital. I read the description of the properties on this chart:

This development contains a total of 202 dwelling units. The average rent is $7.65 per room per month, with 4-, 5-, and 6-room houses. The total capitalization of the project is $1,012,000, or an average of $5,000 per family. The insured mortgage is $800,000.

In this case private capital applied to the Reconstruction Finance Corporation for a loan. They obtained the loan, and the result is this development. The Federal Housing Administration insured it without its costing the Federal Government a single, solitary cent. Here is a private enterprise, with private money invested, conducted and carried on profitably by a private concern with low rentals.

I will give the Senate one illustration better than that; and in this connection I cannot praise too highly the wonderful contribution made by the isurance provisions of the law permitting the Federal Housing Administration to insure mortgages upon properties of individuals and groups of individuals and families. Do Senators know that the Federal Housing Administration has insured mortgages in amount of $200,000 to 100,000 individuals who each have only a single home, with an income of less than $2,500 per year? We shall have to be careful, or under this measure we shall be building better houses than these people have who are paying for their own properties and asking only the aid of the provision of our law for Government insurance of the mortgages.

One of these projects is across the river in Virginia, a magnificent development. The other is right at the end of Sixteenth Street, here in the city of Washington; but those are expensive houses for the moderate-income groups. I want to call attention to these where the rent is low. I call attention to this one:

Here is a development at Crossett, Ark. This development provides housing for 125 white families and 74 Negro families in detached frame houses, ranging in size from three to six rooms. The average rent is $4.70 per room per month, or $16.70 per house, for white persons. The average rent is $3.18 per room per month for Negroes. The project is capitalized at $440,000, or an average of approximately $2,200 a family. The first mortgage insured by the Federal Housing Administration was $320,000.

There is a project that does not cost the Federal Government one dollar, that will never have any subsidies, where private investment has built comfortable private homes, with a mortgage granted by either the Reconstruction Finance Corporation or some bank or some private

concern, but insured by the Federal Housing Administration to 85 percent of the value of the project.

Here is another project that I want to put in the RECORD, because what I am trying to develop here is that though I favor the Federal Government undertaking this work, I am disturbed and troubled at the tendencies I have seen to build expensive and unnecessarily elaborate dwellings.

I take the position that the Federal Government has no authority whatever to take 200 families in any community, unless they come from the slums and have the lowest incomes in the city, and put them in Government-erected homes for 50 percent of the normal rent a private enterprise or private owner would have to charge. If we are going into that business, I want all families to have that advantage and that subsidy; and that would mean, if I understand anything, that we should be right on the road to socialism and ultimately have complete Government ownership of all private dwelling property.

Mr. BORAH. Mr. President——

Mr. WALSH. So, I am concerned in this bill, to limit it to what is commendable, what is defensible, what is legal in my opinion, holding it down to nothing but what has been done in England and other countries—the abolition of slums first, and the rehousing of people if there are not existing facilities for them.

I go further than that. I think we ought to remodel a lot of the slums. This alley project shows the remodeling of buildings; not all the buildings that were taken over were destroyed, but in many cases they were remodeled. If we do that, if we proceed to remodel existing slums, we shall be doing two things at once—providing more housing by remodeling present homes and building new ones.

I now yield to the Senator from Idaho.

Mr. BORAH. Mr. President, is the Senator prepared to offer some amendments to the bill?

Mr. WALSH. Yes; I am.

Now I wish to present one more of these developments in my own State of Massachusetts. This is very interesting.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. WALSH. Certainly.

Mr. WAGNER. I do not want to interrupt the Senator in his presentation. As has been so often stated, he and I are together in this proposition; but to insure absolutely that none but the lowest-income group will secure occupancy of these homes I may say to the Senator that I am going to offer another amendment in which I shall provide that the occupancy shall be confined to those who are in the lowest-income group. In other words, each area will be limited to the lowest-income group. We cannot very well go below that. I mean, that is absolute assurance.

Mr. WALSH. That will help.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. WALSH. Yes.

Mr. DAVIS. Is that in substance the amendment that the Senator from Massachusetts is going to offer?

Mr. WALSH. Yes; it is along the same line.

Now, let us come to this development at Chicopee Falls, Mass. I think this will be a revelation to Senators. It was to me. Nothing has impressed me more of the fine possibilities than this alley development without costing the Federal Government anything, and these developments by private initiative that do not cost the Federal Government a single cent and provide low rents.

After the Senator from Georgia took his seat, the distinguished Senator from Kentucky referred to the Georgia development and gave us the rentals of the property there, where there has been a 40-percent grant on the capital; and yet, even with that concession, the rents are higher than in the private developments to which I have referred.

This chart shows the Chicopee Falls Housing Corporation development. This project involves the modernization and improvement of 216 dwelling units. Chicopee Falls is situated in the western part of Massachusetts, in the city of Chicopee, a city of about 40,000 people. Chicopee Falls is distinctly and strictly a manufacturing section of that city. There probably is not a person, outside of the local merchants, who lives at Chicopee Falls, who does not work in one of the mills in that locality. It is a simon-pure industrial center, and the persons who occupy these homes, therefore, would be of that class only.

Mr. DAVIS. Mr. President, is this a governmental authority?

Mr. WALSH. No; this is a private investment, private work, done with private funds. The project involves the modernization and improvement of 216 dwelling houses. The project is sponsored by the Massachusetts State Housing Board. The Massachusetts State Housing Board examined it, approved it, said it was desirable, and encouraged these private investors to put their money into it. The limited-dividend corporation has been organized by the Chicopee Falls Manufacturing Co., a subsidiary of Johnson & Johnson, surgical manufacturers. The remodeled properties will furnish accommodations for 216 families, and a large lodging house with 27 rooms in addition. The basic rent will be $4 per room per month, or an average of $14.54 per family. The cost of remodeling the properties is estimated at approximately $1,000 per dwelling unit provided by the operation.

The same families that were living in these properties before modernization will be rehoused with modern housing facilities. The insured mortgage covering the property is for $190,000.

Just look at this chart and see how presentable and how attractive those homes are at that low rent.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. COPELAND. Some years ago I was a member of the World Housing Conference in London. The delegates went out to visit various garden cities in England, where manufacturing enterprises would establish communities and there erect housing such as the Senator has shown for the use of the employees, and put the rents on such a reasonable basis that they would be within the reach of those who were engaged in the various industries.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. Yes.

Mr. KING. I know that in my own State, through the refinancing which was obtained, the insurance of the houses, a large number of houses were constructed by private persons at very low cost. If the Government had constructed the houses to which I am now referring, I am sure the cost would have been perhaps 25 to 50 percent, if not more, higher than it was.

Mr. CLARK. Mr. President, will the Senator yield before he passes on from the very interesting exhibit to which he has just referred?

Mr. WALSH. I yield.

Mr. CLARK. I think everybody is agreed that the great danger of any housing movement is that instead of benefiting the persons who are most in need of assistance, the next most needy class will move back into the new construction.

I should like to ask the Senator from Massachusetts whether he knows what method was taken in the particular case to which he has just referred to see that the same families were allowed to occupy the new houses. In other words, when there is demolition, there must be some families moved out, and I should like to know, if possible, in order that the Government may employ the same method, just what method was followed to insure that the same families or the same class of families would be allowed to occupy the dwellings. I did not wish to interrupt the Senator, but I wanted to get the information.

Mr. WALSH. The Senator has asked a very important question, and at an appropriate time. Let me read the questions and answers in an interview I had with Mr. John Ihlder, the executive authority of the Alley Authority here

in Washington, because this would answer the question the Senator had asked. Mr. Ihlder said:

The primary purpose of our Authority is to get rid of slums and we substitute for those dwellings demolished those things that belong in that neighborhood, such as repair shops, automobile parking lots, garages, etc. We must, however, assure the rehousing of those whom we de-house. So far as private houses are available they are used and we build only when necessary in order to provide decent shelter and prevent a housing shortage. We have completed two housing developments and have two more under construction.

The Hopkins Place development is on L Street between Twelfth and Thirteenth Streets SE., which is designed for the poorest people. In building new houses or apartments you must keep two things in mind, keep it as inexpensive as possible and fix it to the character of the neighborhood. The Hopkins Place had both these ideas carried out. It typifies the least Washington would accept as proper housing. All the occupants are colored.

Q. (By Senator WALSH). What rents do they pay?

A. Differerent rents for reconditioned houses and new houses. A four-room, one-family, reconditioned brick house rents from $13.50 to $15.50 per month, while the new houses rent from $25 to $27.50 per month, but they have larger rooms, complete bathrooms, good kitchen equipment and, as far as I know, are the lowest rentals in Washington. That rent includes all operating, maintenance, repairs, taxes (which we cannot pay), and insurance.

Q. In these two new building or housing projects, where is the title?

A. In the Federal Government with the Alley Dwelling Authority acting as agent.

Q. You state your Authority has built houses for the poor people of the District. What is their incomes?

A. Among our tenants we have four on relief, one P. W. A., one getting old-age assistance. This is the lowest level of income.

Q. For each dwelling you reconditioned or built new, have you destroyed an unsafe or insanitary slum house?

A. We have done more than that. We have destroyed many more than we built. As I said, we have availed ourselves of vacancies in private houses and built only where necessary. We should build more right now but our funds are exhausted.

By the way, he told me that under the bill as originally drafted, not under the amendment offered, he never could get any of the money provided for in this bill.

Mr. COPELAND. Mr. President, will the Senator yield at this point? I wish to speak of the fact that it is necessary to have an amendment to the bill.

Mr. WALSH. Let me finish this, and then I shall be glad to yield.

Q. What rents had these people been paying in the alley houses?

A. Alley rentals are about $11.50, average.

Q. How many of these alley houses have you demolished?

A. We have eliminated approximately 130 to 150 slum houses.

This is a remarkable record, that all this was done without costing a dollar. We gave them the use of money to start with, but the total of their assets now is equal to what we gave them originally.

Question. And how have you taken care of these people?

Answer. In Hopkins Place we have 24 one-family dwellings. In the W Street apartment we have 31 apartments. We have now under construction another apartment house of 24 apartments and another 1-family house development of 16 houses.

Question. Am I correct in my understanding that all this is done without any subsidy for rent?

Answer. That is correct.

Question. What is the value of the property that has come into the Federal Government when compared with your appropriation?

Of course, no profit is expected on the low-rent houses.

Answer. That is a matter of estimate until we sell. Our objective is that our whole program shall end with a credit balance or at least break even, but we now look forward to making a profit. Of course, no profit is expected on the low-rent houses.

Question. If you were to liquidate today——

Answer. The present assets and cash total more than $850,000. The income today practically equals our operating expenses.

There is no charge even for operating.

May I state here further that of the 11 reconditioned houses, 9 are occupied by the former tenants who occupied the houses at the time we acquired title to them.

I trust we will not be looked upon with suspicion by making these observations and by suggestions that may strengthen the bill. The local authorities, who wrote the bill, in large part, and who deserve great credit for promoting the legislation, are naturally more concerned about the local point of view than the Federal financial point of view. I am concerned about both the Federal point of view and the local activities to provide proper housing facilities.

Mr. WAGNER. Mr. President——

Mr. WALSH. I yield.

Mr. WAGNER. Perhaps I should wait until later. I did not know what the Senator meant by referring to some who were not much interested in slum clearance.

Mr. WALSH. Perhaps I did not express myself accurately. I have attended the hearings, and I have not had the partisan point of view of the Senator from New York, perhaps; the Senator drafted the bill, he introduced it, and he has been deeply interested in the subject and has worked earnestly for it, and I cannot compliment him enough for his effort. But I sat in the hearings more or less saying to myself, "I am a Federal officer. Where can I strengthen this bill? How can I prevent what I have seen in the Public Works Administration, where I have seen 40-percent grants made, where I have seen certain limited numbers given a rent subsidy of approximately 50 percent and no slums removed? What can be done to make this bill what the Senator from New York and I want it to be, a slum clearance bill, rather than a general housing bill?"

Mr. WAGNER. I think that before we are through we will have such a bill.

Mr. WALSH. I am sure we will.

Mr. KING. Mr. President, I think the Senator's presentation is so illuminating that we ought to have a quorum. May I suggest the absence of a quorum?

Mr. WALSH. I do not think it is necessary. Why am I making this presentation? It will not affect action on the bill. I am going to support the bill. I am for the bill. I think that in the case of a bill of this magnitude and importance, when the record is made, it may be helpful to the board in understanding how much pressure there was and with what earnestness some of us in the Congress desired to have them pursue the objective which I hope they will pursue, namely, real slum clearance. That is my purpose. Otherwise I should take my seat and remain silent. But I hope I am making a contribution which will be of service when the law is in operation by calling attention to these things.

Mr. TYDINGS. Mr. President, I should like to ask the Senator two or three questions in order to elicit information as to a phase of the bill on which I am somewhat in doubt.

Mr. WALSH. Would the Senator mind if we had a quorum called first?

Mr. TYDINGS. Certainly not.

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BULKLEY in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Johnson, Colo.	Pittman
Andrews	Connally	King	Pope
Ashurst	Copeland	La Follette	Radcliffe
Austin	Davis	Lee	Reynolds
Bailey	Dieterich	Lewis	Schwartz
Barkley	Donahey	Logan	Schwellenbach
Berry	Ellender	Lonergan	Sheppard
Bilbo	Frazier	Lundeen	Shipstead
Black	George	McAdoo	Smathers
Bone	Gerry	McCarran	Smith
Borah	Gillette	McGill	Steiwer
Bridges	Glass	McKellar	Thomas, Okla.
Brown, Mich.	Green	McNary	Thomas, Utah
Brown, N. H.	Guffey	Maloney	Townsend
Bulkley	Hale	Minton	Truman
Bulow	Harrison	Moore	Tydings
Burke	Hatch	Murray	Vandenberg
Byrd	Herring	Neely	Van Nuys
Byrnes	Hitchcock	Nye	Wagner
Capper	Holt	O'Mahoney	Walsh
Caraway	Hughes	Overton	Wheeler
Chavez	Johnson, Calif.	Pepper	White

The PRESIDING OFFICER. Eighty-eight Senators have answered to their names. A quorum is present.

Mr. TYDINGS. Mr. President, one of the features of the housing bill is what is called the rent-subsidy provision; and I should like to ask the Senator from Massachusetts two or three questions about the provisions in the bill dealing

with that subject. First of all, as I understand, the Federal authority is created, and it has the power to give assistance to insure low rentals of the houses constructed in a slum-clearance program. I notice on page 45 of the bill that the annual contribution for any such project shall be fixed, and uniform amounts shall be paid in such amount over a fixed period of years. Does not the Senator feel it would be wise to have the period of years limited in the bill? The only limitation in the bill that I have been able to find is that the period shall not be more than 20 years in the first instance, but that after the first period has been terminated then the board shall have authority to continue the subsidies in 10-year intervals by resolution each time, and make a new contract for another 10 years, so that the chain is endless. It seems to me that there ought to be some limitation in the bill as to how long the Federal Government will give grants in assistance to reduce operating expenses, as it were, so that the low rents will be sufficient to carry the project.

Does the Senator from Massachusetts agree with that suggestion?

Mr. WALSH. Yes. It was my desire to treat the subjects separately. Will the Senator permit me to begin at the beginning with one of the most important features of this bill, namely, its financial provisions, and present them as I understand them to the Senate? That presentation will embrace an answer in part to the question of the Senator from Maryland.

Mr. TYDINGS. I shall be glad to conform to the Senator's request, but of course the provision I have reference to is not in the section dealing with the financial provisions. The financial provisions come at the end of the bill.

Mr. WALSH. The Senator is referring to the subsidy?

Mr. TYDINGS. I am referring to the subsidy.

Mr. WALSH. I shall discuss that out of order because of the Senator's question rather than to begin in what seems to me to be the orderly way to discuss the financial features of the measure. The bill provides for an appropriation of $5,000,000 the first year for subsidies, and $7,500,000 the two subsequent years. As the life of the law is to be only 3 years there is no appropriation for subsidies for more than 3 years contained in this bill, but the bill does permit the United States Housing Authority to contract for these subsidies for a period extending to 60 years. It not only permits and authorizes that, but it in solemn language makes it a solemn obligation of the Government to meet that obligation for 60 years.

Mr. WAGNER. For 20 years.

Mr. WALSH. With a right of review in 20 years.

Mr. WAGNER. With a right of review at the end of 20 years.

Mr. WALSH. But the contract can be made for 60 years. However, at the end of 20 years the terms of the contract can be reviewed for the purpose of determining whether new conditions have arisen which should cause a readjustment. I suppose the real purpose, as the Senator will agree with me, is that in case there has been a reduction of rentals in the particular locality the subsidy might be reduced.

Mr. WAGNER. Or if conditions have improved so in the locality that a higher rent may be charged the low-income group than the rental that was made at the time the contract was entered into. Those occupying the houses may have improved their conditions, and therefore a modification of rentals ought to be made. An increase of rentals and a reduction of the subsidy should then be made.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. TYDINGS. The bill provides that in no case shall any contract be made for a period exceeding 60 years. In the section I first read to the Senator there is no limitation placed upon the time to run, so that the original contract could run for 60 years. It could be divided up into 20-year periods at first and then renewals for periods of 10 years made.

It seems to me, as the Senator has well said, that this program is as yet largely an experimental program, and to permit the Goverment for a period of even 20 years to make these contracts is, in my judgment, stretching the rubber band a right good long distance. I think if we continue this subsidy for 5 years, we would be wiser, and then review the program and extend the subsidy for 5 more years, if necessary, or 10 more years, rather than to commit ourselves to an ultimate program of 60 years, when we all know that the program takes in only a certain number of the unemployed. Does not the Senator think there is something in that point?

Mr. WALSH. The local housing authority must contribute 20 percent to the new housing project. The Federal Government contributes 80 percent. The 20 percent is assumed to be probably the cost of the real estate. This bill is based upon the presumption that in large cities, such as New York and other large cities, it is impossible to build suitable dwellings through private funds for persons of low income to live in at a rental they can afford to pay. Therefore, instead of doing what has been done in the case of the Housing Authority under the Public Works Administration, giving an outright grant, the bill substitutes this idea of a subsidy, and the amount of the subsidy is reached by first of all determining the cost of the project, and next the income that will be realized from the tenants. That difference multiplied by 3½ percent is the maximum subsidy that can be gotten on any project.

Mr. TYDINGS. One and a half percent.

Mr. WALSH. No; 1½ percent plus 2 percent, making 3½ percent.

Mr. TYDINGS. That is at the prevailing rate of interest at the time the lease is made, whatever it may be.

Mr. WALSH. If the difference in the cost of the contemplated project and the income from rents leaves a balance of $10,000,000, the maximum subsidy would be $350,000, or 3½ percent of $10,000,000. Does the Senator agree?

Mr. WAGNER. Mr. President, if the Senator will yield——

Mr. WALSH. I yield.

Mr. WAGNER. That is not quite true.

Mr. WALSH. The maximum.

Mr. WAGNER. No subsidy might be required, depending upon the court's instruction. The Senator has stated it very clearly, except that I think the calculations that the Senator mentioned are in reverse order.

What we first determine is what are the carrying charges of the projects, and what rents would have to be charged per room in order to get sufficient funds to pay all the expenses of operation and amortization. As the result of that calculation it may be that it will be determined that a $6-per-room rent is required. Then there will be ascertained what the lowest-income group—because it is the lowest-income group that is to be served—is able to pay under the income which it receives. Say that would be $4 per room. Then we take the difference between $4 and $5, $1 per room, and that would be the Federal Government's contribution toward the poor family to help the poor family pay the rent.

I do not know whether or not I have made myself clear, but that is the method of calculation.

Mr. WALSH. I agree with the Senator from Maryland if it were possible to prevent this obligation extending over 60 years it would be most desirable. The bill last year had no subsidy provision.

Mr. WAGNER. It had no subsidy provision, but had a capital grant provision.

Mr. WALSH. The capital grant would be paid immediately. It was in the nature of a subsidy, but did not cover 60 years, as it would have been paid instantly and immediately.

Mr. TYDINGS. I wish to bring out the point that there is an alternative method set up in the bill called "capital grants in assistance of low rentals." As I read that provision, instead of having an arrangement under which the Government would contribute so much each year for a

period of years under the alternative the Government could make a direct outlay. Thus there would be no yearly contract for low-rent appropriations or subsidy, but the Government would make a donation, and there would be no further connection between the Government and the finished project except to collect the loan which it had guaranteed.

I wish to suggest to the Senator that, in my judgment, it would be well to study the elimination of the first alternative and substitute for it the second alternative as the one way, because if we are to go into the business of making a subsidy for a period of 20 or 30 or 40 or 50 or 60 years, we are committing the Government to a tremendously long program.

I can see that there must be some financial assistance given to these undertakings to permit the low rents desired to be fixed. My question is, Would not the Government be better off, would not the project be better off, and would not all concerned be better off if the Government refrained from contributing to the rent of a citizen of the United States, which is really what it would be doing? We would be saying to Bill Jones, for instance, "For 20 years we will pay a part of your rent on a particular building if you will occupy it. The rent is $6 a month per room. It would have been six and a half, but we are going to contribute every month, 50 cents of your rent per room." I would much rather, if we are going to enter the field, contribute a definite sum toward the construction of the building and then withdraw, rather than see the Government committed to a 30- or 40- or 50- or 60-year period. I am asking the Senator if he believes that such a policy would not be better than the one now set up in the bill?

Mr. WALSH. The alternatives were given very serious consideration, but the preponderance of opinion was in favor of the provision as found in the bill. There is the disadvantage of time, as the Senator has pointed out, but there is also the advantage that the Federal Government would have control over the rent to a degree, whereas if it should give a capital grant it would not have such control; its control would be ended. Secondly, the Federal Government may be able, if the proper kind of officials are placed on the board, men of financial astuteness, to save money by a subsidy toward the rentals rather than by a capital grant.

Mr. TYDINGS. That is possible.

Mr. WALSH. In other words, when the project comes before the board for their consideration they can so change the plans and specifications as to cut down the cost, and therefore save something on the subsidy.

Mr. TYDINGS. On the other hand, if the Government were to make a grant of money to the cost of the building equivalent to the aggregate of the subsidy over a period, say, of 20 years, would not the Government still have jurisdiction over the rents through its loaning policy of putting up 80 percent of the money for the construction of the building? It could certainly put the money up under such terms as those who get it would provide that they would not charge more than a certain amount per room per month. So that, so far as the Government having control of the rents is concerned, it would have just as much control under a grant-in-aid as it would under a subsidy payable monthly over a period of years.

Mr. WALSH. Does the Senator mean that the Government in its loan should impose terms and conditions with regard to low rents, and if the conditions were not lived up to the Government would be in a position to take over the property?

Mr. TYDINGS. That is correct; to make it a condition in the mortgage. The point I am making is that, so far as the tenant is concerned, he does not care whether the Government enters into a 20-year contract or makes a direct grant at the time the building is started. What he is interested in and what the Senator is interested in, I imagine, is finishing the building and turning it over to the tenant at the lowest possible rent that good business will permit. If we are going to give the tenant a subsidy running for 20, 30, 40, or 50 years, the amount can be ascertained at the time the contract is let; and if we are going to pay a subsidy, anyway, I should much prefer to pay it in the form of an equivalent sum of money in cash, and wind the matter up, rather than have the Federal Government committed to a policy of helping to pay the rent for a part of its citizens over a period of 60 years.

Mr. WALSH. A distinguished authority, who is familiar with the slum and housing problem of England, appeared before the committee, and he and others who have studied the European method of handling the problem think that the rent subsidy method is the better one.

Mr. WAGNER. Will the Senator yield?

Mr. WALSH. I yield.

Mr. WAGNER. Is it not very much simpler to have a contract under which, if there is a violation of its terms in the form of an increase of the rent charged, the Government can say, "Very well, we withdraw our subsidy"? Is not that much simpler than to have a provision in the loaning contract by which in case of a violation the United States Government will have to take over the property and operate it? I think there is no comparison between the two.

Mr. TYDINGS. My answer to the Senator from New York now can be definite, because the Senator from Massachusetts and, as I recall, the Senator from New York both contended—and I believe with facts to support their contention—that the people who were doing the best job were the local authorities and not the Federal Government. So I have no hesitancy at all in asserting that if the houses can be turned over to the local authorities to rent and operate, they having done so well up to now, I would prefer to enable them to get the slums cleared and the new buildings up, and then terminate our interest in the matter, rather than for 30 or 40 or 50 or 60 years having the Government continue its activity in the form of a subsidy which would commit the Government to pay a part of the rent, so to speak, of certain citizens of the country. I think that principle is dangerous, and I want to avoid it if I can.

Mr. WAGNER. In both instances the Government would constantly supervise the rent, because, under the Senator's theory, the contract providing for the loan would require supervision over the project.

Mr. TYDINGS. No; it would not. The Senator misunderstood me. What I contend for is that when the application for the loan came in, the applicant would have to submit the terms and conditions under which the finished room could be rented to the tenant, and if the applicant, taking into consideration the Government grant, taking into consideration the Government loan, could not erect the building and comply with the governmental rent terms, then the loan would not be forthcoming. If he claimed that he could comply, the loan would be made, but in the loan it would be stipulated, as a covenant running with the loan so long as that loan remained unpaid, that the rent should not be beyond a certain figure.

Mr. WAGNER. Under that plan the Government would have constantly to supervise the operators to ascertain the rental being charged.

Mr. TYDINGS. The applicant could be required every 6 months or once every year to state under oath what rentals were being paid in the building.

Mr. WAGNER. I do not wish to interfere further with the Senator from Massachusetts except to say that I think, under this bill, the locality has an option to proceed under the theory of capital grants or under the other; but I think that the more extravagant scheme is the capital-grant scheme, because under it the money is given all at once and there is no control, except as it is mentioned in the contract, whereas under the contributory system we could at any time withdraw the subsidy if economic conditions became better and the situation of the low-income group should improve so that they could afford to pay a higher rent. So, in view of the experience of England and all the other countries that have dealt with this problem, an experience which is much greater than ours, the committee finally adopted the plan which is suggested

Mr. TYDINGS. The Senator, of course, is entitled to his viewpoint, but I may say that, as for myself, I do not think it would be cheaper for the United States to enter into a contract extending over a period of 60 years to subsidize the rent of a certain small group of people for the houses to be erected than it would be to make an outright grant and then get out of the proposition, except to see that the ethics and purposes of the act were observed in the future relationship.

I want to offer this suggestion to the Senator——

Mr. WALSH. Will the Senator permit me to interrupt him there to state something which it is important the Senate should know?

Mr. TYDINGS. I will not interrupt the Senator much further.

Mr. WALSH. The Senator is contributing to this discussion, but it is important for the Senator to know that one of the reasons why there is a subsidy in the bill rather than an outright grant is because of a matter the Senator is very much interested in.

Mr. TYDINGS. I do not know what it is.

Mr. WALSH. Under the plan of the Senator we would have to appropriate annually large sums of money and we would put the Budget more out of balance.

Mr. TYDINGS. Let me say to the Senator, as I started to say to the Senator from New York, I want to stretch a point so far as I can in favor of this very worthy undertaking, but at the same time I do not want to surrender what I consider to be desirable principles of government; and I doubt very much, I may say to the Senator from New York, the feasibility of the Federal Government embarking on a policy by which it pledges itself to pay the rent of certain tenants in the United States over a period of 60 years.

I think when we do that we are starting something that may be extremely expensive in the long run. What right have we to do it while there are more applicants for these houses than there are houses? What right have we to give them the first houses that more people than they want, on the one hand, and then make a contribution toward the rent, upon the other hand, while someone else not so fortunate can get neither the room nor the subsidy? Certainly that is not democracy. It is picking out a person and giving him preferred quarters and then helping to pay the rent. I would much rather make a contribution to further such slum projects, and call it a day, than to have the Federal Government interested in renting houses in New York City, Baltimore, Philadelphia, or any other place.

Mr. BONE. Mr. President, will the Senator from Massachusetts yield to enable me to ask the Senator from Maryland a question?

Mr. WALSH. Very well.

Mr. BONE. Does the Senator from Maryland see any parallel between that and paying subsidies to shipping lines over a long period of years?

Mr. TYDINGS. Yes; I do see a great deal of difference between granting subsidies to shipping lines, and the building of a small number of houses in this way.

Mr. BONE. Does the Senator think the masses of Americans who are dangerously near the bread line would draw that distinction?

Mr. TYDINGS. Even so, I have never been a particular advocate of paying shipping subsidies or subsidies to anybody else. My thought is that the Government will be wise to pay as few subsidies as circumstances will permit.

The man who uses the pretext that because there is a subsidy for one thing, there is carte blanche for the granting of subsidies everywhere, is doing his Government a disservice and asking it to venture upon a program which would be ruinous in the end.

Mr. BONE. Since we have made it our policy to subsidize steamship lines for years, we certainly are justified in adopting the principle very completely.

Mr. TYDINGS. The Senator is not very forthright in his suggestion, because he figures that if, for example, 10 men in the Senate are horse thieves, that justifies everybody else in the Senate turning horse thief.

Mr. BONE. I am not in favor of subsidies and have voted against them every time the question has arisen. Every time we establish a subsidy we take a further step toward establishing the principle of subsidies, and if we follow that principle sufficiently far we will have opened a veritable Pandora's box.

Mr. TYDINGS. I want to say to the Senator from New York that so far as I am concerned my reluctance to support the measure, if such there is, comes from the proposal for subsidies on rents, rather than because of any other feature of the bill. I do not know how long it will be, if the measure is incorporated into law, and I do not want to invade the realms of prophecy, but I predict if it remains in the law and is employed, it will be the entering wedge to subsidies to a tremendous number of people who will not even live in slum-clearance projects, because once the principle has been adopted in national law it will be carried to the extreme limit.

My own thought is that I would rather appropriate more money now than the bill will appropriate, or go at it a little more slowly if necessary, and not have the Government adopt the policy of paying rent for a part of its citizens, but a policy of making a larger grant outright to some of the slum-clearance projects and then getting out of the local situation entirely. It is not the business of the National Government to bother with rents in New York City or Baltimore or any other place except in the aggregate. It is not our purpose to construct certain buildings. We recognize that by allowing the State authority to do it, and therefore, if we want to help, I submit to the Senator from Massachusetts that I think he would gain a considerable amount of support for the bill if some policy other than this continual 60-year rent subsidy could be set up. As for myself, I would much rather vote for a grant and call it a day, to help these slum-clearance projects than I would to espouse a policy which will commit the Government to pay the rent of part of the citizens of the country for a period of 60 years.

Mr. WALSH. This is an administration bill and sympathetic consideration to the financial views of the administration has been given by the committee in determining the financial policy of the bill.

Mr. TYDINGS rose.

Mr. WALSH. I have tried to be generous to the Senator with my time.

Mr. TYDINGS. I am going to ask the Senator only one more question.

Mr. WALSH. Very well.

Mr. TYDINGS. There are two alternative proposals in the bill. One is a direct-rent subsidy over a period of 60 years, and the other a capital grant in assistance of low rentals. Has the Senator any information, either in the experience of England or in the estimation of the experts who helped prepare the measure, as to which of the two propositions would be more frequently employed?

Mr. WALSH. The preponderance of evidence, as I said, is in favor of the rent subsidy.

Mr. TYDINGS. The Senator's thought is, therefore, that the rent subsidy is preferable?

Mr. WALSH. That is true.

Mr. TYDINGS. Why would that be? Why not have a large sum of money appropriated outright, which would not have to be repaid, rather than a contract of so many percent a year of operating costs?

Mr. WALSH. I assume the financial provisions of the bill were deliberately and intentionally shaped and formulated so as to avoid immediate large appropriations from the Federal Treasury in the way of grants. Based upon the authorized appropriations for the first 3 years fixed in the bill, the outright grant from the Federal Treasury, which, of course, would have to be met at once, would have been $315,000,000. In view of the condition of the Budget the Senator can appreciate how reluctant the administration was to start it upon that basis.

Mr. TYDINGS. Would the Senator consider it fatal to the bill if the provisions for rent subsidies should be stricken

out and the ones relating to capital grants of assistance retained?

Mr. WALSH. Yes. I think the President would veto the bill and would reject it. Perhaps I should not say the President, but I think the administration would reject the bill and I think the Senator from New York would ask to have the bill defeated. Am I correct, may I ask the Senator from New York?

Mr. WAGNER. Yes.

Mr. TYDINGS. Will the Senator consider if we may not shorten the period of 60 years to something more reasonable?

Mr. WALSH. I would be glad if the Senator would study that suggestion.

Mr. President, several Senators asked me yesterday and today to explain or to summarize the financial provisions of the bill. I think the Senator from New York [Mr. WAGNER] was interrupted so much yesterday that he did not have a chance to do it. I desire for the RECORD and for the information of Senators to recite the principal financial features of the bill.

First of all, we have authorized to be appropriated $200,000,000 the first year and $250,000,000 for each of the 2 succeeding years for the purpose of making loans to public-housing agencies.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. ADAMS. I understood the Senator to say the bill authorizes appropriations. Is it not correct that it authorizes the housing authority to borrow the amounts stated, rather than that it authorizes a direct appropriation?

Mr. WALSH. That is correct, and I thank the Senator. The bill authorizes the borrowing by the United States Federal Housing Authority of $200,000,000 the first year and $250,000,000 for each of the 2 succeeding years for the purpose of making loans to public housing agencies, private limited-profit housing agencies, or consumers' housing societies, at a rate of interest not less than the going Federal rate and for a period of 60 years.

In this connection let me say that I expect to offer an amendment increasing the rate to be charged to one-half of 1 percent more than the going Federal rate. That will be done at the suggestion of high authorities in the administration who have reached the conclusion, and I think properly so, that we ought not to continue to loan, at the going rate of interest, money raised by the Federal Government, which in many cases subjects the Federal Government to losses and to the cost of administration. That is an amendment to which I assume there will be no objection.

In this connection I want to commend the policy which is now to be inaugurated, as I understand, to carry out the policy of the administration that hereafter loans made by the Federal Government to local and other authorities for various activities will be fixed at one-half of 1 percent more than the going Federal rate.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. VANDENBERG. Of course, that does not protect the Government at all against loss on the interest charge over the term of years.

Mr. WALSH. Not at all. It helps to minimize it.

Mr. VANDENBERG. We have had a very sad experience on that subject, as the Senator knows, because when the going Federal interest rate is down to one-half of 1 percent, as it was when the original Merchant Marine Act prevailed, and private loans are made at that rate for 20 years, we are bound to suffer a tremendous loss in the interest rate over the 20 years. My attention has been attracted repeatedly by this language, which manifestly does intend that the Government shall not lose money on the interest; yet I think it inevitably will lose money unless we discover some kind of a formula for an average rate instead of the temporary going rate. The temporary going rate may have no relationship to the average rate for 20 years.

Mr. WALSH. The Senator is right; but I assume the Senator agrees that this is a movement in the proper direction, a direction that improves the policy of the past.

Mr. VANDENBERG. Oh, yes; but it does not go far enough.

Mr. WALSH. The second important financial provision: The bill authorizes $25,000,000 of these funds, amounting to $700,000,000, which the United States Federal Housing Authority will raise, to be utilized for loans to limited private housing agencies.

Mr. WAGNER. Mr. President, I may say to the Senator that he need not consider that provision any further, because I have here an amendment which strikes that provision from the bill.

Mr. WALSH. I am very much pleased to learn that. The bill as it is before the Senate without the proposal of the Senator permitted the loaning of $25,000,000 to private housing agencies; and I may say to the Senator that there was another very fatal defect in that provision of the bill, which I had an amendment to cure in case the Senator insisted upon keeping it in the bill. We provided in the bill for loaning money to a private loaning agency for the same rate of interest—namely, the prevailing Federal rate—as to municipalities and States.

Mr. WAGNER. I may say to the Senator, however, that that is no longer a matter of relevancy; for while originally some Senators were interested in the subject, I have an amendment ready to strike it out.

Mr. WALSH. It is a matter of relevancy for me to explain why I put in an amendment to change the rate of interest.

Mr. WAGNER. Oh, yes! I did not think the Senator understood my statement.

Mr. WALSH. I understood it.

What is the situation? The Reconstruction Finance Corporation is now loaning money to these limited-dividend housing agencies at 4½ percent, and the Federal Housing Administration is insuring the loans. If we had let this provision stand—and I am very happy the Senator from New York is removing it—my amendment proposed to make the rate which they would have to pay the same rate that the Reconstruction Finance Corporation charges. If we let this provision stand, we would allow these private housing agencies to go to the United States Housing Administration and get loans at 2¾ percent, whereas if they went to the Reconstruction Finance Corporation they would have to pay 4½ percent. But that is eliminated now by the Senator's very appropriate and very timely amendment.

The benefit of the charts I have produced here is plain. It seems to me that one of the results of the opportunity to make loans from the Reconstruction Finance Corporation is demonstrated in these charts, which show that there has been a very remarkable growth and increase in loans made to private housing agencies which have been able to take care of housing facilities for persons of low income.

The third provision: The bill provides that the United States Housing Authority is authorized to enter into contracts for annual contributions of not more than $5,000,000 per annum during the first year, and an additional $7,500,000 in any of the 2 succeeding years, for grants or subsidies to the local housing authorities to be used for the payment of the expenses of such local authorities, including payments on account of debt service. That is a subject to which the Senator referred.

Mr. WAGNER. Yes.

Mr. WALSH. I understand that this provision will operate in the following manner:

The local housing authorities will bring a project to the United States Housing Authority for approval, and assert how much it is going to cost, and how much income they may be able to obtain, and receive authority to use a portion of this $5,000,000 to meet the deficit; and the grant is limited to the amount necessary to produce low rents. It is my opinion—in that the Senator does not agree with me—that the maximum will usually be granted in the way of subsidy, so as to make the rent as low as possible.

Mr. WAGNER. In the grants?

Mr. WALSH. No; in this subsidy. The maximum amount permitted in a given project to give as a subsidy will be granted, because it will be desirable to have the rent as low as possible.

Mr. WAGNER. That may be.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Maryland.

Mr. TYDINGS. The Senator apparently is referring to the capital grants in assistance, rather than to the contracts of yearly subsidy. The Senator himself says that the grant would be as large as possible in order to insure low rents.

Mr. WALSH. I mean, a certain amount of the $5,000,000 is taken to be taken out each year and granted to local authorities to meet the deficit of the undertakings by reason of the low rent they charge. I say the tendency will be to make that the maximum rather than the minimum, in order to keep the rents down as low as possible.

Mr. TYDINGS. That is, on the yearly subsidy basis?

Mr. WALSH. Yes; exactly.

In connection with the capital grant, there is a provision which requires the local housing authorities to contribute 20 percent; but in connection with the annual contributions there is no requirement for any contribution on the part of the local authority. This 20 percent probably would represent about the value of the land.

The sums authorized to be appropriated, or appropriated, are cumulative. This means that any unexpended balance left over from one year may be utilized the next year, so that at the end of the 3 years for which authorizations are made the Government is committed to an annual outlay not exceeding $20,000,000 a year for grants, and loans not in excess of $700,000,000 may be made.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Utah.

Mr. KING. Is the Senator now discussing section 11 (a)?

Mr. WALSH. I am discussing every financial feature of the bill.

The bill provides that at the end of 20 years the Federal Authority shall have a chance to restudy the operations of the project and to determine whether the subsidy grant will continue or be reduced. To be sure, at the end of 3 years the Authority is not authorized to make any further commitments without action of Congress. However, while the bill provides for the financing of the United States Housing Authority for only 3 years, contracts which it enters into for subsidies, grants, and loans may be made for a period not exceeding 60 years.

Obligations, including interest thereon, issued by public-housing agencies, and income derived by such agencies on such projects are to be exempt from all taxation now or hereafter imposed by the United States. In other words, the bill gives the public housing agencies the right to issue tax-exempt bonds, which means they are free from income tax, surtax, estate, gift, and inheritance taxes.

I think the summary of the financial features I have given presents it—or, at least, I hope it does—rather clearly.

Mr. DAVIS. Mr. President——

Mr. WALSH. I yield to the Senator from Pennsylvania.

Mr. DAVIS. As I understand, the local authorities will be granted some $700,000,000.

Mr. WALSH. There will be that amount of money available for the United States Housing Authority to loan to the local authorities throughout the country.

Mr. DAVIS. The grant, so to speak, for reducing the rental of the rooms will be, the first year, $5,000,000, and the second year seven and a half million dollars, and the third year seven and a half million dollars?

Mr. WALSH. That is a separate appropriation; and in 3 years it will amount to $20,000,000.

Mr. DAVIS. And $20,000,000 is the top. They cannot appropriate any more?

Mr. WALSH. Until Congress acts at the end of 3 years.

Mr. President, I think I am now prepared to submit the few amendments I have to offer. Before doing so, however, I should like to call attention to the very excellent record that has been made by individuals of low income in establishing homes for themselves. Fifty-one and four-tenths percent of all the mortgages insured by the Federal Housing Administration have been to individual home owners whose income is less than $2,500. I think that is quite remarkable. The number of families that have incomes of less than $1,000 who have mortgages on their homes, and have applied for the benefits of the insurance provisions of the Federal Housing Administration, is 1.5 percent of all borrowers. The number where the annual family income is between $1,000 and $1,500 is 10.5 percent of all the borrowers. The number whose family income is between $1,500 and $2,000 is 19.9 percent of all the borrowers. The number whose family income in between $2,000 and $2,500 is 21.7 percent.

That has impressed me very much indeed, as showing the thrift of our people, and the disposition of many of them to establish homes at great sacrifice. Another table, which I ask to have printed in the RECORD, shows how much per month these mortgages have cost the families who have insured their homes. The borrowers with an income of less than $1,000 have to pay $12.74 on their mortgages each month. Those with incomes between $1,000 and $1,500 have to pay $17.68 per month. Those with incomes between $1,500 and $2,000 have to pay $22.36 per month.

I ask that these tables and certain others be inserted in the RECORD in connection with my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables referred to are as follows:

TABLE I.—*Mortgage payment[1] and ratio to borrower's income for various income groups, based on mortgages insured on single family owner-occupied dwellings*

Borrower's annual income groups	Median monthly mortgage payments	Median ratio to borrower's income
		Percent
Total	$28.18	13.4
$1,000 or less	12.74	16.7
$1,001 to $1,500	17.68	15.6
$1,501 to $2,000	22.36	14.8
$2,001 to $2,500	26.64	13.9
$2,501 to $3,000	30.70	13.1
$3,001 to $4,000	36.26	12.6
$4,001 to $5,000	43.24	11.6
$5,001 to $6,000	48.91	10.5
$6,001 to $8,000	57.75	10.0
$8,001 to $10,000	67.00	9.0
More than $10,000	79.00	7.3

[1] Mortgage payment includes payment to principal, interest, mortgage insurance premium, and service charge (if any).

TABLE II.—*Distribution of mortgages by percent of annual mortgage payment to borrower's income for various income groups, based on mortgages insured on single-family owner-occupied dwellings*

Borrower's annual income groups	Percentage ratio of annual mortgage payment to borrower's annual income						
	Total	Less than 5.0 percent	5.0 to 9.9 percent	10.0 to 14.9 percent	15.0 to 19.9 percent	20.0 to 24.9 percent	25.0 percent or more
Total	100.0	1.6	20.4	41.4	27.5	7.8	1.3
$1,000 or less	100.0	0	6.6	31.5	34.6	18.9	8.4
$1,001 to $1,500	100.0	.1	8.9	36.8	35.2	15.9	3.1
$1,501 to $2,000	100.0	.3	11.5	40.2	35.9	10.6	1.5
$2,001 to $2,500	100.0	.4	15.5	44.3	31.6	7.3	.9
$2,501 to $3,000	100.0	1.0	20.0	46.5	26.4	5.5	.6
$3,001 to $4,000	100.0	1.2	26.6	42.2	22.3	6.7	1.0
$4,001 to $5,000	100.0	2.5	33.8	43.7	16.2	3.1	.7
$5,001 to $6,000	100.0	4.1	42.2	37.2	13.3	2.5	.7
$6,001 to $8,000	100.0	7.0	42.9	36.3	12.1	1.6	.1
$8,001 to $10,000	100.0	11.0	49.2	33.4	5.5	.9	0
More than $10,000	100.0	25.0	55.1	16.2	2.5	.9	.3

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Massachusetts yield to the Senator from New York?

Mr. WALSH. I yield.

Mr. WAGNER. Mr. Stewart McDonald undoubtedly has made a remarkable record for the class of people who have been enumerated by the Senator, and Mr. McDonald also heartily favors the proposed legislation, because he appreciates that we are reaching a class of people whom the Federal Housing Administration under its present authority cannot possibly reach.

Mr. WALSH. Let me say to the Senator that Mr. McDonald and every person with whom I have come in contact who has had anything to do with the various Federal housing activities has favored the proposed legislation.

Mr. WAGNER. Exactly. I thank the Senator for that statement.

Mr. WALSH. And Mr. McDonald so testified.

Mr. WAGNER. As did Mr. Fahey.

Mr. WALSH. I think they are all as deeply concerned as the Senator and myself in making it, as far as humanly possible, a slum-clearance undertaking.

Mr. WAGNER. Slum clearance and housing for the low-income group.

Mr. ADAMS. Mr. President, I desire to ask the Senator for a bit of information in which I am interested; that is, an estimate of the actual annual cost to the Federal Government. A certain part of the moneys which are borrowed will be lost, necessarily; that is, loans will not be fully repaid. There will be certain loss in handling, and there are certain contributions to be made, as I understand. I am wondering whether the Senator could furnish a range of the estimated actual cost to the Government.

Mr. WALSH. Mr. President, it is assumed that the $700,000,000 that is to be raised by bonds issued by the United States Federal Housing Authority will come back into the public treasury; that they are loans, and that the projects on which the loans are made, in view of the subsidy in the bill to help pay the rents, should be paid in due time. I should not anticipate any loss in that direction; yet it is possible. At any rate, it is not possible to make any estimate, if there is a loss from inability to collect the loans.

There will be a steady growing and increasing obligation in the nature of the payments which must be made through appropriations each year for these rent subsidies. The bill authorizes the subsidies to go as high as $20,000,000 the first 3 years of the life of the law. It authorizes the board to continue that for 60 years. The Senator can multiply 60 by $20,000,000 and get the figure of what it will cost in 60 years.

Mr. ADAMS. It is probable that beyond 3 years the amount would increase as the housing program developed.

Mr. WALSH. If at the end of 3 years there shall be a reenactment of legislation of this kind, and larger and new housing projects to be substituted for slums are undertaken, and new rent subsidies granted, the amount will continue to accumulate just as rapidly as we build new houses and authorize loans to be made through the United States Housing Authority.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. KING. Is there any automatic limitation of 3 years? It seems to me, as I read the bill, it is one in perpetuity; at any rate, the authority goes on forever and a day.

Mr. WALSH. The authorization for raising the $700,000,000 is confined to 3 years. The making of loans by the Federal Housing Administration is confined to 3 years. Of course, after 3 years some agency must collect these loans, either the Federal housing authority or somebody else, and some agency is going to pay the subsidies, and the subsidies, of course, will go on for 60 years. I think the Senator is correct that probably the fairest interpretation of the bill would be that there is only a limitation for the time being of the amount of money that can be loaned; and if the law is a success, and meets with the approval of a future Congress, there will undoubtedly be a movement to continue it beyond the 3 years.

Mr. WAGNER. I think one correction ought to be made of a statement probably inadvertently made. The bill provides that only during the period of 3 years is there to be the appropriation, but thereafter there shall be no other appropriation of $20,000,000 a year for the subsidies. I am absolutely sure about that. In other words, this is a 3-year program.

Mr. WALSH. In other words, you can meet the maximum of subsidies at the end of 3 years of $20,000,000 that year.

Mr. WAGNER. Twenty million dollars a year, but it provides that thereafter there shall be no more than $20,000,000 a year.

Mr. WALSH. Is there language to that effect?

Mr. WAGNER. Oh, yes.

Mr. WALSH. Of course, there cannot be under this bill, because at the end of 3 years there are no more grants.

Mr. WAGNER. Yes.

Mr. WALSH. But if the Congress provides for further grants, then there will have to be more subsidies, and it will increase.

Mr. WAGNER. Unless Congress acts again, under the proposed legislation there can be no more than $20,000,000 a year for subsidies over the entire period of time.

Mr. KING. However, the bill commits the Government first to $700,000,000; secondly, to subsidies of one billion three or four hundred million dollars during the 60-year period; thirdly, five million, plus five million, plus seven million five hundred thousand dollars, as a cash subsidy to be paid during the 3 years. Is not that correct?

Mr. WALSH. The Senator has substantially stated what the financial provisions of the bill are. Of course, the $700,000,000 is to be raised by the United States Housing Authority by issuing bonds.

Mr. KING. Exactly.

Mr. WALSH. It is not to become an item in the Budget.

Mr. KING. But the Government of the United States does not have the $700,000,000. It has to issue bonds and solemnly agree to pay them. So that after all it has to incur an indebtedness in order to meet the $700,000,000.

Mr. WALSH. That is true.

Mr. WAGNER. Mr. President, let me make this statement, that the municipalities and States borrowed from the Federal Government during the depression years, and in no case was there any default by any municipality or political subdivision. On the contrary, the Federal Government has actually made a profit on these loans, because they have sold the securities upon the market at a higher rate than they paid for them when they took them as collateral. I wish to protest against any suggestion that this loan is in the form of a gift. I think it is as safe a collateral as the collateral behind the loans, in at least 90 percent of the cases.

Mr. WALSH. I agree with the Senator, so far as the loans are concerned.

Now, I send to the desk the first amendment which I ask to have presented to the Senate, and I ask to have action taken on it.

Mr. WALSH subsequently said: Mr. President, in connection with my remarks this afternoon on the pending bill, I ask that certain documents of an informative character from authorities on the subject, and certain tables and briefs, may appear in the RECORD.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

SUMMARY OF WAGNER HOUSING BILL, S. 1685, REPORTED OUT OF COMMITTEE ON EDUCATION AND LABOR JULY 22, 1937

FINDINGS AND POLICY

Section 1: The existence in the United States of an acute shortage of acceptable dwellings within the financial reach of families of low income is inimical to the general welfare.

The failure to remedy this situation has produced stagnation of business in important lines of activity, accompanied by recurring unemployment.

Private industry is unable to produce acceptable dwellings for families of low income and neither the several States nor their political subdivisions are able to alleviate these conditions without financial assistance.

It is declared to be the policy of the United States to promote the general welfare by employing its funds and credit in the alleviation of these detrimental housing conditions and the attendant ills.

DEFINITIONS

Section 2: (1) Low-rent housing: Decent, safe, and sanitary dwellings and their appurtenances available to families whose net income is not more than five times the rental (including heat, light, water, and cooking fuel) except for families with more than two minor dependents where the ratio shall not exceed 6 to 1.

(2) Families of low income: Families whose resources are insufficient to induce private enterprise to supply acceptable dwellings.

(3) Slum: Any area where there exists a predominance of dwellings whose physical characteristics are detrimental to the community.

(4) Slum clearance: The demolition of slum buildings and a redevelopment of the area for public purposes.

(5) Development: All undertakings in connection with a housing project up to the point of physical completion.

(6) Administration: All undertakings subsequent to physical completion.

(7) Demonstration project: Owned or administered by the Authority.

(8) Acquisition cost: Cost to the Authority or to a housing agency of acquiring a project.

(9) Going Federal rate of interest: Rate of the most recently issued Federal bonds of 10 years or more maturity.

(10) Public housing agency: Any governmental entity authorized to engage in housing activities.

(11) Consumers' housing society: A formally organized body of persons badly housed and of low income organized on a nonprofit basis to promote and administer low-rent housing.

(12) Limited profit housing agency: A formally organized body for developing and administering low-rent housing projects regulated in a manner satisfactory to the Authority with respect to capital structure, interest payments, and rental charges.

(13) Housing agency: Public housing agency, consumers' housing society, or limited-profit housing agency.

(14) State.

(15) Authority.

UNITED STATES HOUSING AUTHORITY

Section 3: (a) A body corporate of perpetual duration.

(b) The board of directors—an Administrator and four directors appointed by the President and serving originally for terms of 1 year, 2 years, 3 years, and 4 years, with 4 years as the regular term.

(c) Salaries—the Administrator, $10,000 a year, and each director $9,000 a year.

(d) Policy determination and administration.

(e) Quorum.

Section 4: (a) Subject to civil-service laws and the Classification Act of 1923—the Administrator may make appointments, except that officers, attorneys, and experts may be appointed without regard to such laws. Furthermore, employees transferred to the Authority from any department or agency of the Federal Government concerned with housing may, after 90 days, be included within the civil service upon certification and the passing of a noncompetitive examination.

(b) Voluntary services.

(c) The President may transfer to the Authority any rights or interests held by an agency of the Federal Government in any housing projects and any assets, contracts, or materials concerned with housing or slum clearance and any unexpended balance of funds allocated to such an agency for housing purposes and any employees engaged in this work.

Section 5: (a) Location of offices.

(b) Right to sue and be sued.

(c) Official seal.

(d) Use of the mails.

(e) The Authority shall be exempt from all taxation. Obligations including interest issued by public housing agencies and the income from such projects shall be exempt from taxation by the United States.

Section 6: (a) Expenditures for administrative purposes.

(b) Purchases of less than $300.

(c) Application of section 2 of title 3 of the Treasury and Post Office Appropriation Act for 1934.

Section 7: (a) The Authority may engage in research studies, surveys, experimentation, and experimental construction, and may publish and disseminate information pertinent to the various aspects of housing.

(b) Annual report.

Section 8: (a) Administrative regulations.

(b) The findings of the Authority shall be conclusive.

LOANS FOR LOW-RENT HOUSING AND SLUM-CLEARANCE PROJECTS

Section 9: (a) The Authority may make loans to public-housing agencies for housing projects, not to exceed the acquisition cost for any one project less all capital grants (sec. 11) and less loans made by third parties. The interest rate shall be not less than the going Federal rate and the period of repayment shall not exceed 60 years.

(b) Loans to limited-profit housing agencies may be made under the following conditions:

(1) Not more than $25,000,000 shall be so loaned in 1 year.

(2) For any project a loan shall not exceed 85 percent of the acquisition cost less loans made by third parties.

(3) The interest rate shall be not less than the going Federal rate and the loan shall be repaid in not more than 60 years.

ANNUAL CONTRIBUTIONS IN ASSISTANCE OF LOW RENTALS

Section 10: (a) Annual contributions to public-housing agencies may be made to assist in achieving the low-rent character of their housing projects. Such contributions shall be annual, fixed, and contractual payments.

(b) The contributions shall be limited to the amounts and periods necessary to assure the low rent character of the housing. The Authority may fix and regulate the contributions in such manner as it may determine provided that the fixed annual contribution shall not exceed a sum equal to the annual yield at the going Federal rate of interest plus 1 percent upon the acquisition cost of the project.

(c) Annual contributions may extend up to 60 years. At the end of 20 years and every 10 years thereafter the Authority shall reserve the right to reexamine the status of the project and to make modifications in the terms of the contributions.

(d) Contributions shall be made out of any funds of the Authority except its capital and funds obtained through the issuance of obligations.

(e) The Authority may contract for annual contributions of not more than $5,000,000 per annum; after July 1, 1938, additional contributions of not more than $7,500,000 per annum, and after July 1, 1939, additional contributions of not more than $7,500,000 per annum.

CAPITAL GRANTS IN ASSISTANCE OF LOW RENTALS

Section 11: (a) Where appropriate, capital grants may be made to any public housing agency to be paid in connection with the development or acquisition of a low rent housing project.

(b) No grant shall exceed 25 percent of the acquisition cost of the project.

(c) The capital of the Authority and funds obtained through issuance of obligations shall not be available for capital grants.

(d) After enactment, not more than $10,000,000 grants may be made; on or after July 1, 1938, grants of not more than $10,000,000 additional may be made, and on or after July 1, 1939, an additional $10,000,000 in grants may be made.

(e) As a supplement to any capital grant the President may allocate unemployment-relief funds for payment of labor used in the project, provided that this type of grant shall not exceed 15 percent of the development cost.

(f) No capital grant shall be made unless the State or political subdivision makes a contribution in the form of cash, land, or the value of community facilities, services, or tax remissions in an amount not less than 20 percent of the cost of the project.

DEMONSTRATION PROJECTS

Section 12 (a) Demonstration projects may be built with the consent of the local authority provided that not more than one such project shall be in one locality and that the total cost of all such projects commenced in any one year shall not exceed $25,000,000.

(b) As soon as possible the Authority shall sell or lease such projects.

(c) Demonstration projects may be sold only to a public-housing agency at a price determined by the Authority to be the fair value less allowance for depreciation. Such a sale renders the project eligible for loans, annual contributions, or grants, and any obligation of the purchaser accepted as part payment shall constitute a loan.

(d) Demonstration projects may be leased to a public-housing agency or a consumers' housing society provided that in the latter case tenant eligibility shall not be limited to members of such societies. The annual sums paid to the Authority under the lease shall be determined by the Authority as consistent with maintaining the low-rent character of the project.

(e) Pending the sale or lease of a demonstration project the Authority shall fix the rentals to cover all costs of operation plus such additional amounts as are consistent with maintaining the low-rent character of the project.

GENERAL POWERS OF THE AUTHORITY

Section 13: (a) The Authority may acquire real or personal property by purchase, eminent domain, lease, or otherwise. The Authority may reimburse any State, local authority, or housing agency for costs incurred in the acquisition by condemnation or otherwise of property to be conveyed to the Authority.

(b) The Authority may take such action as is necessary to protect its rights and interests in any project. The Authority may acquire and administer any low-rent housing project which it previously owned or in connection with which it has made loans, contributions, or grants.

(c) Legal effect of acquisition by the Authority.

(d) The Authority may pay annual sums in lieu of taxes provided that such sums shall not exceed the taxes that would be paid if the property were not exempt.

(e) Insuring of property.

(f) Dedication of land for public purposes.

(g) The Authority may sell or exchange any real property, personal property, securities, or obligations (the disposition of low-rent housing projects is governed elsewhere in this act) to facilitate the sale of such securities or obligations. Any other securities or obligations retained by the Authority may be subordinate to

those sold. The Authority may borrow on the security of any real or personal property owned by it.

Section 14: The Authority may consent to the modification with respect to interest, time of payment, security, amount of annual contribution, or any other term of any contract or agreement to which the Authority is a party.

STANDARDS

Section 15: The making of any loan, contribution, or grant by the authority shall be guided by these considerations—

(1) That the project conform to the general program of the Authority.

(2) That there exist a shortage of adequate low-rental housing in the community.

(3) That for projects involving new construction provision is made for the elimination of unfit units substantially equivalent in number to the new units constructed provided that such elimination may be deferred in case of a shortage of housing.

(4) That in case of slum clearance substantially all dispossessed inhabitants shall be adequately rehoused within their means by the development of sufficient low-rent housing or other means.

(5) That the form and amount of financial assistance is appropriate to each project and not in excess of the amount necessary.

(6) That the site of each project is appropriate for its intended use and that the cost of acquisition is reasonable.

(7) That the assistance given by the State or political subdivision conforms to the provisions and intent of this act.

(8) That the State or political subdivision take such action as the authority considers appropriate through city planning and zoning and by the enforcement of standards of health to ameliorate existing conditions and to prevent the spread of blight.

(9) That advice be sought of existing planning commissions.

Section 16: In order to insure the low-rent character of housing projects it is provided that—

(1) In the case of a loan, the authority may retain the right, in case of a breach of the condition providing for the maintenance of the low-rent character of the project, or in case of acquisition of such project by a third party, to increase the interest rate to not in excess of the going Federal rate plus 2 percent, or to declare the unpaid principal due forthwith.

(2) In the case of a loan for a slum-clearance project, in event of the leasing or acquisition of such a project by a third party, the authority shall retain the right to increase the interest rate to not in excess of the going Federal rate plus 2 percent, or to declare the unpaid principal due forthwith.

(3) In case of a contract for annual contributions the Authority shall retain the right, in case of a breach of the condition providing for the maintenance of the low-rent character of the project, to reduce or terminate the annual contributions. If the project be acquired by a third party such contribution shall terminate.

(4) If a low-rent housing project is leased pursuant to section 12, the Authority may terminate such lease in case the low-rent character of the project is not maintained.

(5) The Authority may insert in any of its contracts in respect of a housing project any such conditions or covenants as it may deem necessary to insure the low-rent character of the project.

Section 17: (1) The provisions of the act of August 30, 1935, relating to rates of wages, and the act of August 24, 1935, providing for a performance bond which applies to contracts in connection with the low-rent housing or slum-clearance demonstration projects.

(2) The wages of all architects, technicians, laborers, and mechanics employed in low-rent housing or slum-clearance projects shall be determined by the Authority and based upon the wages prevailing in the locality.

(3) The hours of daily service of laborers and mechanics employed as a result of contracts let by the Authority shall be limited in accordance with 37 Stat. 137.

(4) Compensation for injuries.

(5) Provisions of act of June 13, 1934.

(6) Reports by contractors to the Department of Labor.

FINANCIAL PROVISIONS

Section 18: The capital stock of $1,000,000 is to be subscribed by the United States.

Section 19: The Treasury is authorized to appropriate the sum of $26,000,000 for the fiscal year ending June 30, 1938, $1,000,000 of which will pay the subscription to the capital stock.

Section 20: (a) Any funds under any act for allocation for housing or slum clearance may be allocated to the Authority.

(b) Any unallocated funds now in the hands of the Federal Emergency Administration of Public Works or which is derived from the sale of securities acquired pursuant to title 2 of the National Industrial Recovery Act or the Emergency Relief Appropriation Act of 1925 may be allocated to the Authority at the discretion of the President.

Section 21: (a) Obligations in the form of notes or bonds may be sold by the Authority in an amount not to exceed $200,000,000, an additional amount not to exceed $250,000,000 after July 1, 1938, and an additional amount not to exceed $250,000,000 after July 1, 1939. The maturity of these obligations must not exceed 60 years and the rate of interest must not exceed 4 percent.

(b) Such obligations shall be exempt from taxation except inheritance, gift, and estate taxes both as to principal and interest.

(c) Such obligations shall be guaranteed by the United States as to both interest and principal.

(d) Such obligations shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds. The Secretary of the Treasury is authorized to purchase such obligations and for such purchases may use the proceeds from the sale of securities issued under the Second Liberty Bond Act. The Secretary of the Treasury may sell any such obligations, and all redemptions, purchases, or sales by him of such obligations shall be treated as public debt transactions of the United States.

(e) Such obligations may be marketed for the Authority by the Secretary of the Treasury.

Section 22: (a) The funds of the Authority may be deposited with the Treasury, any Federal Reserve bank, or may be invested in obligations of the United States.

(b) The Federal Reserve banks as fiscal agents.

(c) The Authority as a financial agent of the Government.

PENALTIES

Sections 23 through Section 30 cover penalties and other standard provisions not affecting the purposes of the act.

THE RIGHT TO CONDEMN AND CLOSE DWELLINGS WHICH ARE UNFIT FOR HUMAN HABITATION

So far as the sovereign power is concerned, whether it be Federal or State, only two legal methods exist to close up, condemn, appropriate, or otherwise impede the use of a dwelling unit or units. They are, respectively, the police power and the power of eminent domain. Though widely variant at their extreme poles, they narrow into confused similarity toward their centers, and a discussion of the one without the other would be unsatisfactory from the points of view of this brief. Within the limitations of each and across the face of both are many convincing implications that should meet the demand of housing authorities for stern action.

The police power springs from the fundamental principle that every property owner must so use his own as not to endanger the safety, health, and general welfare of the community at large (Lewis, Eminent Domain, 2d edition). It operates upon an existing evil that injuriously affects the health, morals, or general welfare, and is a power to which every person and corporation must yield and from which not even the State itself can grant an exemption (*Cincinnati Railroad Company* v. *Connellsville*, 170 Ind. 316; 83 N. E. 503). The expanse of this power reaches even to the destruction of property, as, for example, to prevent the spreading of fire or disease.

Since the element of calamity or disaster or regulation in some degree or other is involved, land owners who suffer from the exercise of the police power are not entitled to compensation of any kind since the imposition, whether it be destruction or prohibition of the use amounting to destruction, or regulation amounting to a specific loss in property value, it is not in any sense a taking for public use but rather to conserve the general welfare of the community. The law either regards his loss as damnum absque injuria or considers him sufficiently compensated by sharing in the general benefits resulting from the exercise of this power (*Com.* v. *Plymouth Coal Company*, 232 Pa. 141, 81 A. 148; 43 La. Ann. 275, 9 S. 473).

Under the Police Power dwellings which constitute a public nuisance because they constitute a menace to the general public because of their unsafe or insanitary condition may be condemned, closed, demolished, or otherwise abated by the State acting through its duly constituted agencies and authorities. This power, while ample from a legal standpoint to effect the demolition of slums, has been little used. The fact that the power has not been used except to a very limited extent, however, is not significant. The significant fact is that the power which exists is a constitutional power and can be exercised whenever educated public opinion demands action from the local public authorities. Particularly with reference to slum clearance and public housing, the police power may be an effective means to an end. Both New York State (sec. 309, multiple-dwelling law, as amended May 17, 1937) and Pennsylvania (53 Purdon's Annotated Codes, sec. 3943) have statutes which permit administrative authorities to vacate tenements unfit for human habitation. New York's statute goes a step further by permitting the State to correct the condition of unfitness itself should the owner prove to be recalcitrant and fail to do so and in this event the law provides that the State may attach an effective lien against the property involved for the expenses incurred.

While neither of the statutes mentioned have been judicially interpreted, their constitutionality is undoubtedly sound. Similar statutes have usually been held valid and within the police power of the State. As long ago as 1897 the laws of New York contained a provision permitting the Board of Health to vacate tenements unfit for human habitation. Pursuant to this law the Health Department closed the tenement of one Egan and prohibited its further use without the Board's consent. The recital in the order is of special interest since it reveals the extent to which the State may go in the exercise of its regulatory power: The building is "unfit and not reasonably capable of being made fit for human habitation by reason of want of proper ventilation and repair and defects in the drainage and plumbing and because of the existence of a nuisance on the premises which is likely to cause sickness among its occupants and that the occupancy of the said building is dangerous to life and detrimental to health." The plaintiff contended that without proper notice and a day in court the execution of this order under the act was a deprivation of property without due process of law and therefore unconstitutional. The court found the statute constitutional and the order a proper exercise of the police power of the State.

"It was the function of the Board exclusively confided to it by the legislature to determine whether an occasion existed for the exercise of the power—and having so determined the court will not assume to reverse its action unless it appears—arbitrary, oppressive, or repugnant to justice" (*Egan v. Health Department of the City of New York*, 45 N. Y. S. 325; 20 Misc. Rep. 38).

Of even greater significance is the case of *New York* v. *Hagardine* (171 N. W. 773, 3 A. L. R. 1627). The Egan case went no further than to declare the right of the State to vacate an uninhabitable tenement. New York against Hagardine, however, is substantial authority to the effect that the police power may not only vacate but destroy, as well, a building which is deemed unfit and unsafe for human habitation, without compensation to the owner. New York against Hagardine arose from a Minnesota statute (ch. 469, laws 1917) which authorized the fire marshal to condemn and order torn down any building which, by reason of age, dilapidated condition, or other defect, is liable to fire and is so situated as to endanger life and limb * * *. Pursuant to this statute the fire marshal condemned and ordered torn down the plaintiff's wooden building. The plaintiff insisted that the law was unconstitutional since the police power does not extend to destruction without due compensation. The court declared the validity of the statute and commented as follows:

"Regulating or compelling the repair or alteration of buildings that have become a nuisance to persons or surrounding property is conceded * * * to be a proper exercise of the police power of the State. Whether as a result of the compulsory repair or alteration, or the manner in which it is required to be done, the owner suffers a pecuniary loss, thus depriving him of his property, is of no vital consequence. In principle there would seem to be no room for making a distinction between the right under the police power to compel the alteration of the building and the right to compel its reduction into lumber."

"Such abatement is not in any sense a taking for public use, entitling the owner to compensation. The public takes nothing, it simply causes one who maintains upon his land that which unduly endangers life and property to remove it." To the same effect is the case of *Runge* v. *Glerum* (64 N. W. 284).

It must not be supposed that this branch of the police power is in any way limited. The same that has been done with reference to fire hazard has been done to prevent the spread of disease. In the case of *Sings* v. *City of Joliet* (86 N. E. 663, 237 Ill. 300), the plaintiff sued the city for the damages resulting from the destruction of his apartment house. The destruction occurred pursuant to a city ordinance which was specifically passed for the destruction of this tenement as a nuisance because it was overcrowded and infected to such an extent that it could not be disinfected. The court declared that the city in the exercise of its police power may destroy such a nuisance without any compensation to the owner thereof.

Certainly if police power extends to the extreme right of destroying a nuisance, it must obviously include the right to vacate and prohibit the use of a tenement which by virtue of its physical conditions amounts to a nuisance.

To deny the existence of the police power in this respect is to concede that there may exist a vested interest in a public nuisance. The mere statement of this proposition is its own refutation.

PRACTICE OF THE ALLEY DWELLING AUTHORITY FOR THE DISTRICT OF COLUMBIA

Primary purpose: To rid Washington of its alley slums.

Corollary: To assure rehousing of those whose dwellings it demolishes.

Objective: By supplementing the work of other Government agencies (health department, building inspector, etc.) and the work of private enterprise, to assure that every dwelling in the District of Columbia shall be a fit place in which to live.

Methods:

1. Acquisition and the redevelopment of slum areas for those uses that will most benefit the neighborhood and the city as a whole.

2. Assurance of proper rehousing, utilizing private houses so far as available, building low-rent dwellings itself when necessary.

The Alley Dwelling Authority is handicapped in the second part of its work by being restricted to squares that contain inhabited alleys. That means it can operate only in built-up sections of the city where vacant land is scarce. Consequently when alley slum dwellings are demolished in a business section or other area not adapted to low-rent housing (the existing old houses are a hang-over from a past stage of the city's development and the character of their neighborhoods often has changed) the Authority finds difficulty in securing sites for dwellings to replace those demolished.

THE ALLEY DWELLING AUTHORITY,
FOR THE DISTRICT OF COLUMBIA,
July 28, 1937.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

DEAR SENATOR: In response to your question I—

1. Am having prepared a series of large placards containing before and after photographs of the Alley Dwelling Authority's work in slum reclamation and provision of low-rental housing.

2. Repeat what I said this morning, that the Alley Dwelling Authority could not participate in the benefits of the Wagner-Steagall housing bill as now worded. On this I have secured the advice of counsel. A slight modification of wording would probably include the Authority legally, but a few other modifications would be necessary to enable it to carry on its present program with funds secured from the United States Housing Authority.

Before going further, in order to prevent any possibility of misunderstanding, may I inject the statement that personally—the Authority as such has taken no position—I sincerely desire enactment of legislation embodying the purposes of the Wagner-Steagall housing bill, and that if the choice is between accepting that bill as printed under date of July 22, 1937, and getting no such legislation at this session, I emphatically support the bill. This, in spite of my belief that the Alley Dwelling Authority cannot participate in the benefits of the bill as now worded.

The program of the Alley Dwelling Authority is based upon slum reclamation and assuring rehousing of those whose dwellings it demolishes.

Slum reclamation involves redevelopment of slum sites for uses that will benefit the neighborhood and the community as a whole. These uses may be residential, or they may be recreational, commercial, or industrial, depending upon the character of the neighborhood.

The Authority may sell its acquisitions to private developers or it may itself carry the development to completion. It has done both. In case any of its acquisitions fit into the program for park and playground extension prepared by the National Capital Park and Planning Commission, the Authority would turn them over to the Commission at cost. But parks and playgrounds will at best occupy only a small proportion of the slums. Other uses of community benefit must be found for the rest if they are not to lie vacant and have a depressing effect.

The financial objective of the Alley Dwelling Authority for its whole work is to close that work with cash and assets equal to the total amount of appropriations given it, profits on some projects balancing losses on others. This is possible only because reclaimed sites can be devoted to uses which will best serve the community.

Our books show that on June 30, 1937, there was a net decrease in our assets of $51,627.94. We have received a net total of $863,825.67 since the Authority began in November 1934. The book decrease includes not only all administrative expenses of the Authority from the beginning but also depreciation on properties, maintenance and repairs, water rent, reserve for taxes, fire insurance, etc. But it does not include the enhanced value of the properties we have redeveloped. This would more than cover the deficit. We carry our properties on our books at their actual cost to us.

The financial objective of the Alley Dwelling Authority in its low-rent housing projects—which are located on sites adapted to low-rent housing—is to make each individual project break even. The method is to design and construct the least expensive acceptable dwellings—bearing in mind the future character of the neighborhood—and then fix the rentals at figures that will pay operating costs and upkeep, amortization, taxes, insurance, and 3-percent interest on the actual total cost.

It may be necessary in some cases to write down part of the acquisition cost, as the site when acquired contains unfit buildings that, nevertheless, have a capital value and produce revenue but which must be razed. In such redevelopments as low-rent housing projects it is believed to be against public policy that the cost of these demolished buildings should be included in the rent of those who later occupy the site. This write-down would, of course, be a subsidy, such as is provided for in the housing bill and, unless it is compensated for by profits on other reclamation projects, would result in a deficit.

While each project (reclaimed square) is a complete unit in itself, all the projects together contribute toward our work objective of ridding Washington of its slums and assuring proper housing for the poorest people. One of the simplest illustrations is given by the projects now known as Bland's Court No. 1 and Bland's Court No. 2. In Bland's Court No. 2 we are acquiring property containing 25 old dwellings. All these we shall demolish and on their sites construct other dwellings. Meanwhile, however, because of the shortage of housing, especially for Negroes, we have acquired a site in the next square that was largely vacant (it contained two houses, which we demolished) and there have erected a three-story multiple dwelling with 31 living units.

Because of the present housing shortage we should and would build more low-rent houses if we were not restricted to squares containing inhabited alleys, squares that with very few exceptions are now closely built. The basis of our work, however, would remain slum reclamation and rehousing.

Your interest being so definitely in elimination of slums I would call your attention to the definition. Again there is no difference of purpose or of policy, but only a question of whether the present wording achieves the purpose. As worded there is some confusion because the word "which" refers to "area" but the following description applies to individual dwellings. Because "slum" is so difficult to define it is important that its application to any given area shall be definite. The following wording is designed to meet these requirements:

"(3) The term 'slum' means an area containing dwellings, which is detrimental to public health, safety, or morals by reason of insanitary conditions or land overcrowding, or by reason of dilapidation of the dwellings or of their faulty arrangement, design, poor construction, lack of ventilation, light, or sanitary conveniences.

"The boundaries of a slum shall, for the purposes of this act, be those determined by the local legislative body, State or municipal, or, outside incorporated communities, by the county legislative body, or by the local public housing agency, which shall

file with the Authority a finding of fact showing the existence within these boundaries of slum conditions as defined in this act. These findings and boundaries shall be subject to approval by the Authority."

You asked me to indicate why the Alley Dwelling Authority would be excluded from participation in the benefits of the act.

The Authority, being an agency created by act of Congress, would, I am informed by counsel, be excluded by the definition of a public housing agency (sec. 2 (10), p. 36, line 23), which contemplates that the public housing agency shall derive its authority from a State. Though the District of Columbia is specifically mentioned under the definition of the word "State" (14, p. 38, lines 1–3), this, I am informed, has no bearing, as the District of Columbia is merely an administrative agency of Congress, which exercises exclusive legislative jurisdiction. This condition could be remedied by changing the position of the words "State, county, municipality" so the definition will read:

"(10) The term 'public housing agency' means any governmental entity or public body, including any State, county, or municipality, but excluding the authority, which is authorized to engage in the development or administration of low-rent housing or slum clearance."

The definition of "slum clearance" excludes a considerable part of the Alley Dwelling Authority's work, as a cleared slum area may be devoted to only a few uses. If not adapted to these, it will lie vacant unless and until purchased by a private owner. As you know, there are many such cleared areas in Boston where the building department has been active in securing the demolition of unsafe buildings. The building department, acting under the police power, can do no more than demolish. So the property lies unproductive.

Sincerely,

JOHN IHLDER, *Executive Officer.*

THE NEW YORK LAW

HON. DAVID I. WALSH,

United States Senate, Washington, D. C.

DEAR SENATOR WALSH: On May 11, 1937, when Mr. Henry Winters, of New York City, was testifying before the Committee on Education and Labor against the Wagner housing bill, he made reference to a New York State bill which provides that if the owner fails to make the necessary sanitary repairs, the tenement house commissioner has authority to make them, and that constitutes a lien next to taxes on the property.

At that time you stated that you would like to have a copy of the bill referred to. Enclosed is a copy of the bill which has been sent by Mr. Winters.

Very respectfully,

KENNETH E. HAIGLER, *Clerk.*

An act to amend the multiple-dwelling law, in relation to assessments for the abatement of nuisances in old law tenements, and authorizing the issuance of bonds therefor

The people of the State of New York, represented in senate and assembly, do enact as follows:

SECTION 1. Subdivision 1 of section 309 of chapter 713 of the laws of 1929, entitled "An act in relation to multiple dwellings, constituting chapter 61 (a) of the consolidated laws", is hereby amended to read as follows:

1. Whenever any multiple dwelling or the plumbing, sewerage, drainage, light, or ventilation thereof, is in the opinion of the department charged with the enforcement of this chapter in a condition or in effect dangerous to life or health, the said department may declare that the same, to the extent it may specify, is a public nuisance, and may order the same to be removed, abated, suspended, altered, or otherwise improved or purified as the order shall specify. The said department may order or cause any multiple dwelling or part thereof, or any excavation, building, structure, sewer, plumping, pipe, passage, premises, ground, matter, or thing in or about a multiple dwelling, or the lot on which it is situated, to be purified, cleansed, disinfected, removed, altered, repaired, or improved. Any order of the department may be served in the manner provided in this chapter, except that in the event that said department elects to exercise the powers conferred on it by subdivision 6 of this section it shall also serve a copy of such order on any mortgagee or other encumbrancer of record by sending it by registered mail to the address given in the recorded instrument evidencing such encumbrance, or if no address be given therein, to the person at whose request such instrument was recorded; such order shall be accompanied by a copy of this section and by a notice stating that unless the said order is complied with within 21 days after the mailing thereof, such department may exercise the powers conferred on it by subdivision 6 of this section. If any order of the department is not complied with or not so far complied with as the said department may regard as reasonable, within 21 days after the service thereof, then such order may be executed by said department through its officers, agents, or employees, or contractors. The said department may, in its discretion, let out contracts for the repairs to be done pursuant to this section, in accordance with the provisions of the charter, ordinance, and local laws of the city applicable to letting of contracts for public works.

SEC. 2. Section 309 of such chapter is hereby amended by adding thereto a new subdivision, to be subdivision 6, to read as follows:

6. (a) Notwithstanding and in addition to the other provisions of this section or any other provisions of law, the board of estimate and apportionment, or other governing body charged with the duty of appropriating the funds of any city, may create, establish, and maintain a revolving fund, to be known and designated by the term "Old Law Tenement Assessment Fund."

(b) Such "Old Law Tenement Assessment Fund" shall consist of—

(1) All moneys hereafter collected by such city for or on account of the principal or interest of assessments made pursuant to this subdivision.

(2) All moneys received from the sale of old-law tenement assessment bonds issued and sold under the authority of this section, including accrued interest and premiums thereon.

(3) Such sums as may be appropriated in the budget to such fund or as may be raised by taxation in such city to meet the expenses specified in paragraph (f) of this subdivision.

(4) Such other sums as may by law be required to be paid into such fund.

(c) It shall be lawful for the controller, treasurer, or chief fiscal officer of such city, when authorized by such board or body, to issue old law tenement assessment bonds at not less than par, for such period as he may determine, not exceeding 10 years and bearing interest at the rate prescribed by such board or body, for the purpose of meeting the expenses specified in paragraph (f) of this subdivision.

(d) Bonds issued pursuant to this section shall constitute general obligations of such city for the payment of which the full faith, credit, and resources of such city shall be pledged.

(e) All such bonds together with the interest thereon, shall, when due, be paid from such fund, and in case such fund shall be insufficient for such purpose, it shall be lawful for such controller, treasurer or other chief fiscal officer of any such city when thereto authorized by such board or body, without the concurrence or approval of any other board or public body, to issue certificates of indebtedness of such city in an amount sufficient to pay from the proceeds thereof the principal or interest of such bonds. Such certificates of indebtedness shall be termed "tax notes" and shall be in such form, bear such rates of interest and interest payment dates, and recite such terms and conditions as such controller, treasurer, or other chief fiscal officer may determine. Such "tax notes" or any renewal thereof shall be redeemed out of the tax levy for the fiscal year next succeeding the fiscal year of their issue.

(f) Upon the establishment of such fund, the moneys therein may be used to defray the expenses incurred in the execution of orders issued under this section affecting old-law tenements under the provisions of titles I, II, and III of article 7 of this chapter. Such expenses shall be deemed to mean the cost and expense of making improvements pursuant to such orders.

(g) The board of assessors, or other body of such city charged with the making of assessments for local improvements other than those confirmed by a court of record, shall, upon the certificate of the department charged with the enforcement of this chapter, assess the amount of such expenses against the property upon and with respect to which the work was performed, which property shall be deemed benefited to the extent of such expenses. Such certificate shall be accompanied by a copy of the order and notice served pursuant to subdivision 1 of this section and a copy of the affidavit executed and filed pursuant to subdivision 4 of this section, and such certificate, when accompanied by such papers, shall be binding and conclusive on such board or body. Except as in this subdivision otherwise provided, subsequent proceedings with regard to such assessments shall in all respects be as prescribed by the charter, local laws, or ordinances of such city. Confirmation of such assessments by such board of assessors, or other like body, exercising original power of confirmation, shall be deemed final. Every such assessment, after confirmation, shall be a lien or charge upon the property or premises in respect to which the same may have been made, which lien shall have priority over all other liens and encumbrances, including mortgages, whether or not recorded previously to the levying of such assessment, except that the lien of such assessment shall not have priority over taxes and assessments for other public or local improvements levied pursuant to law. If such an assessment be made payable in installments pursuant to law, and if any installment remain unpaid for a period of more than 90 days after it shall have become due and payable, then the entire unpaid principal of such assessment shall be reinstated forthwith as a lien and shall immediately become due and payable with interest at the rate of 7 percent per annum from the time the original assessment became a lien, any provision of law to the contrary notwithstanding.

(h) The powers conferred upon such department by this subdivision shall be exercised up to and including December 31, 1939.

SEC. 3. This act shall take effect immediately.

COPY OF LETTER TO PRESIDENT ROOSEVELT

DEAR MR. PRESIDENT: There is one aspect of the Wagner-Steagall housing bill which has given me very grave concern, and on which I should like your advice.

It is my earnest conviction that any housing program of the Federal Government involving the expenditure of Government funds should be focused primarily upon the elimination of our slum areas. Careful consideration of the bill as reported out of the Committee on Labor and Education leaves great doubt in

my mind as to whether the bill will so direct the Federal Government's efforts.

As you know, there is a wide divergence of view between those engaged in the problems of so-called slum clearance. One group of local housing authorities thinks in terms of construction of new houses and seeks Federal funds for such new construction. The other group desires to keep foremost in mind the destruction or reconstruction of slum areas. I am in sympathy with this latter group.

Because of political or other pressure, some cities, while talking much about slum clearance, have done nothing in that direction. That the authority exists, under police powers, to wipe out slums cannot be questioned. It is the cities that do this—that are willing to exercise their authority to abolish slums, to which I desire Federal grants to be made.

To my mind, if you leave slum houses standing they will be occupied, and the idea that you can drain slums by building houses elsewhere is a fallacy. What I desire is that the subsidies provided in this bill and which may rapidly increase and reach, in a few years, tremendous proportions unless great caution is exercised, shall be given to those who are forced through economic conditions to live in slums rather than those who through political or other sources of favoritism, may be given the rent subsidies and permitted to live in new homes constructed with Federal grants.

It is really surprising what can be done in the way of demolishing slums, repairing old houses, or reconstructing new houses without any appreciable cost to the Government or the community.

There exists in Washington the Alley Dwelling Authority. This Authority informs me they have spent or committed to date $850,000 in actual slum clearance. The primary purpose of this Authority is to get rid of slums and substitute therefor dwellings, automobile parking lots, garages, etc. For each slum dwelling demolished they assure the rehousing of those whom they have dehoused. It has completed two housing developments and has two more under construction. The Alley Dwelling Authority claims that if forced to liquidate today, its assets would be more than the $850,000 appropriated to it.

I cite this merely to show what can be done, if efforts are exerted in the right direction.

I propose, therefore, to move an amendment offered in the committee or on the floor of the Senate which will strengthen this aspect of the bill. I am convinced that this amendment will not seriously handicap the operations of local housing authorities except in cases in which these authorities consider their task primarily that of building new houses rather than that of eliminating slums.

You will note that the amendment forces these local housing authorities who wish financial assistance from the Government in the form of loans, grants, or subsidies, to move definitely toward the elimination of unsafe and insanitary dwellings in their area. They have the alternative of demolition, condemnation, and effective closing, or compulsory repair and improvement.

I have discussed this amendment with a number of persons whom I consider to be eminently qualified to advise me on it, including the executive officer of the Alley Dwelling Authority. I feel confident that the provisions of the amendment are not unduly drastic and that they will accomplish what I stated in the beginning I believed to be the major objective of the Federal Government's housing program.

Will you be good enough to give me your counsel in the matter?

Very respectfully yours,

DAVID I. WALSH.

REASONS FOR THE WALSH AMENDMENT

The bill as reported does not accomplish the purposes for which the amendment to be proposed by Senator WALSH was designed, for the following reasons:

(1) The proposed amendment is placed in section 15 under Standards. The standards are not compulsory but the section requires that "the Authority shall be guided by these considerations." The provision for the elimination of unsafe or insanitary dwelling units is only one of nine considerations which the Authority is to be guided by.

(2) The subsection contains a saving clause as follows: "Provided that such elimination may be deferred in case of a shortage of housing of a low-rent character."

My proposal is to amend section 9 of the original bill with respect to grants and section 11 with respect to demonstration projects, by limiting the power of the Authority to make a grant or to construct a demonstration project unless and until insanitary or unsafe dwelling units, substantially equal in number to the number of dwelling units provided by a project, were either actually eliminated or the Authority was assured that upon the completion of the project they would be eliminated.

It is absurd to limit the operation of the proposed amendment to those situations in which there is "a case of a shortage of housing of a low-rent character." For the proposed amendment does not require the demolition of houses; it only requires the elimination of unfit housing by any one of three alternatives, namely, (a) demolition, (b) condemnation and effective closing, (c) compulsory repair or improvement.

If the last alternative is utilized, the improvement in housing conditions would proceed at twice as rapid a rate as it would otherwise. That is, for every new dwelling unit constructed, an old dwelling unit can be made fit, sanitary, safe, and wholesome.

The bill as amended would be entirely ineffective in securing the elimination of unfit housing. If the purpose of the bill is primarily to encourage new construction rather than to improve general housing conditions and secure as widespread and immediate an attack on the worst housing conditions in our cities as possible, then it should be left in its present form. If the purpose of the bill is to put the influence of the Federal Government and of the money grants which it gives to local housing authorities squarely and irresistibly behind a program for the improvement of housing conditions through the elimination of slums and of insanitary and unsafe dwellings, then the amendment must be inserted as a compulsory limitation of the powers of the Authority in sections 10, 11, and 12 of the proposed bill as reported by the committee.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to amend section 9 (a) on page 45, line 3, by inserting after the word "made", the words "plus one-half of 1 percent."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes.

The message also announced that the House had passed a bill (H. R. 7373) to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 81. An act to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama;

S. 607. An act to authorize improvement of navigation facilities on the Columbia River, and for other purposes;

S. 774. An act to incorporate the Marine Corps League;

S. 1115. An act to amend section 22 of the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes";

S. 1278. An act to authorize exchange of lands at military reservations, and for other purposes;

S. 1281. An act to authorize the sale of surplus War Department real property;

S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.;

S. 2147. An act to amend provisions of the Agricultural Marketing Agreement Act of 1937;

S. 2157. An act authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations;

S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.; and

H. R. 114. An act to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes.

ADJUDICATION OF INDIAN CLAIMS UNDER ORIGINAL JURISDICTIONAL ACTS

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1379) authorizing any nation, tribe, or band of Indians, in suits heretofore filed under their original jurisdictional acts, to present claims to the United States Court of Claims, by amended petitions at any time before final submission of said suits, to conform to the evidence; and authorizing the said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original jurisdictional acts,

which were to strike out all after the enacting clause and insert:

That in suits heretofore filed in the United States Court of Claims by the Five Civilized Tribes under their respective jurisdictional acts (Cherokee Nation, act approved Mar. 19, 1924, 43 Stat. 27; Seminole Nation, act approved May 20, 1924, 43 Stat. 133; Creek Nation, act approved May 24, 1924, 43 Stat. 139; Choctaw and Chickasaw Nations, act approved June 7, 1924, 43 Stat. 537, as amended by joint resolutions approved May 19, 1926, 44 Stat. 568; and Feb. 19, 1929, 45 Stat. 1229), plaintiffs therein shall have the right, prior to January 1, 1938, to amend their petitions to conform to any evidence heretofore filed in said suits, whether such amended petitions develop original claims or present new claims based upon said evidence; and jurisdiction be, and is hereby, conferred upon said Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, adjudicate, and render judgment in any and all legal and equitable claims which may have been presented by said Indian nations in any amended petitions heretofore filed, or which may be filed under the terms of this act; and claims so presented shall be adjudicated by said court upon their merits as though presented by petition filed within the time limited by said respective original jurisdictional acts, as amended; and any case presenting claims which may have been dismissed upon the ground that new claims were set up by amended petition, after the expiration of the time limitation fixed in said original jurisdictional acts, as amended, shall be reinstated and retried by said court on their merits.

And to amend the title so as to read:

An act to authorize the Five Civilized Tribes, in suits heretofore filed under their original jurisdictional acts, to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and to authorize said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original jurisdictional acts.

Mr. THOMAS of Oklahoma. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

LOANS ON COTTON AND OTHER AGRICULTURAL COMMODITIES

Mr. SMITH. Mr. President, before we take further action on the slum-clearance bill I should like to make some remarks on a matter of importance which has arisen.

Several resolutions and bills have been introduced looking toward the Federal Government taking care of the surplus crops. The Senator from Mississippi [Mr. BILBO] has risen from time to time and called the attention of the chairman of the Committee on Agriculture and Forestry to the pending disaster, which it is claimed will result in excessively low prices on account of the large crop of cotton in my section, and the large crop of wheat and corn in other sections.

I did not feel that it was necessary for me to call the attention of Senators to existing law. The public ought to be advised, and certainly Members of this body ought to be advised, as to what provisions have been made to meet an emergency of the kind suggested. Someone showed me today a resolution which has been introduced by two Members of this body.

In view of this situation, I have had a digest made of the laws which have been enacted looking to relief in such an emergency, and I have prepared some remarks in order that there may be no misunderstanding on the part of the farmers as to whom they should go to in order to obtain the relief which they are insisting Congress shall pass legislation to afford.

Since the decline in cotton prices and wheat prices, which has been startlingly drastic, I have received numerous letters from cotton and other farmers demanding legislation which would enable the Government to come to their assistance by making loans on cotton or wheat so that the pressure on the market could be relieved. The size of the cotton crop, or its estimated size, is the result of a slight increase of acreage, but more largely is due to the good growing season. However, the size of the crop is not by any means as yet determined. The critical period for a cotton crop, as all cotton producers know, is the month of August, and no one can tell what effect weather and the boll weevil have had until the picking begins. Bolls that seem to be mature, when opened, disclose, perhaps, that half or more of the lint has been destroyed by the weevil. The prediction of a fourteen and a half million bale crop is a pure, unadulterated guess. The greatest expert in the Department of Agriculture and the wisest old Negro in the cotton field cannot tell what a crop is going to be until it is picked and ginned.

Mr. President, in reply to those who are clamoring for legislation, I want to take this opportunity of stating to them and the public generally that there is ample legislation without any additional legislation to take care of the situation, and that ample funds are available.

Therefore, if the cotton planters desire loans, they should write to the parties indicated by me and insist that loans be made.

THE COMMODITY CREDIT CORPORATION, UNDER EXISTING LAW, HAS SUFFICIENT LEGISLATIVE AUTHORITY AND FUNDS TO MAKE LOANS ON CROPS HARVESTED DURING 1937

The Commodity Credit Corporation was organized on October 17, 1933, pursuant to the President's Executive Order No. 6340, dated October 16, 1933, for the purpose of making loans to producers to finance the carrying and orderly marketing of agricultural commodities.

Section 7 of the act extending the functions of the Reconstruction Finance Corporation (Public, No. 1, 74th Cong.), approved January 31, 1935, ratified the organization of the Commodity Credit Corporation and extended its life as a governmental agency to April 1, 1937, or such earlier date as may be fixed by the President by Executive order. Section 7 of said act reads as follows:

SEC. 7. Notwithstanding any other provision of law, Commodity Credit Corporation, a corporation organized under the laws of the State of Delaware as an agency of the United States pursuant to the Executive order of the President of October 16, 1933, shall continue, until April 1, 1937, or such earlier date as may be fixed by the President by Executive order, to be an agency of the United States. During the continuance of such agency, the Secretary of Agriculture and the Governor of the Farm Credit Administration are authorized and directed to continue, for the use and benefit of the United States, the present investment in the capital stock of Commodity Credit Corporation, and the Corporation is hereby authorized to use all its assets, including capital and net earnings therefrom, and all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions as such agency, including the making of loans on agricultural commodities.

Section 2 of the act extending the functions of the Reconstruction Finance Corporation (Public, No. 2, 75th Cong.), approved January 26, 1937, again extended the life of the Commodity Credit Corporation as a governmental agency until the close of business on June 30, 1939.

The governing body, which consists of a board of directors composed of 12 members, is as follows:

Henry A. Wallace, Secretary of Agriculture;

W. I. Myers, Governor, Farm Credit Administration;

J. E. Wells, Jr., deputy cooperative bank commissioner, Farm Credit Administration;

Lynn P. Talley, assistant to the directors, Reconstruction Finance Corporation;

Oscar Johnston, manager, Cotton Producers Pool, Agricultural Adjustment Administration;

Ward M. Buckles, Director of Division of Finance, Agricultural Adjustment Administration;

Ben Johnson, special assistant to the directors, Reconstruction Finance Corporation;

Wilford J. Johnson, Assistant Chief of Examining Division, Reconstruction Finance Corporation;

Warren Lee Pierson, president, Export-Import Bank;

Clifford J. Durr, assistant general counsel, Reconstruction Finance Corporation;

John D. Goodloe, vice president and general counsel, Commodity Credit Corporation; and

H. R. Tolley, Administrator, Agricultural Adjustment Administration.

The present capital of the Corporation is $100,000,000. The original capital of $3,000,000 was subscribed by the Secretary of Agriculture and the Governor of the Farm Credit Administration, who hold it jointly for the use and benefit of the United States. The remaining capital of $97,000,000 was subscribed and is held by the Reconstruction Finance Corporation pursuant to the provisions of the act of April 10, 1936 (Public, No. 489, 74th Cong.).

The Commodity Credit Corporation is essentially a lending institution. Its affairs are managed by a board of 12 direc-

tors, chosen by the stockholders. Under its charter the Corporation is empowered to buy, hold, sell, lend upon, or otherwise deal in commodities, agricultural or otherwise.

In section 7 of Public Law No. 1, Seventy-fourth Congress, the Commodity Credit Corporation is expressly empowered to make agricultural loans by using all of its assets, including capital and net earnings. In enacting this law, the Congress, in the exercise of its judgment, left the decision, as to whether to make these loans, to the Corporation, the authority conferred with respect to this matter being optional and not mandatory. However, as the purpose of the Corporation, as provided in its charter, is to provide for loans to enable farmers to finance the carrying and orderly marketing of agicultural commodities, now, under the present circumstances, when we are faced with increased production and the eminent possibility of lower prices for commodities this fall, it seems to me only proper that by action on the part of the board of directors, a loan for the crops produced this year, if desired by cotton producers, should be announced forthwith.

From the above-quoted sections of law relating to the creation of the Commodity Credit Corporation, it is evident that there is ample legislative authority for loans to be made, if the Corporation decides such loans are needed, and from the present trend of prices, it appears that the loans should be made, as they would have a tendency to offset precipitate price declines and bring about a stabilization of prices on the commodities upon which loans are available.

With respect to the availability of funds to make these loans, in a letter from Mr. Jesse H. Jones, Chairman, Reconstruction Finance Corporation, under date of July 31, last Saturday, I was advised that the Commodity Credit Corporation and the Reconstruction Finance Corporation have ample funds to meet the commodity-loan needs of the present crops. He says, however, in substance, that the loans will not be made unless the "necessity for them develops." Mr. Jones' letter is as follows:

RECONSTRUCTION FINANCE CORPORATION,
Washington, July 31, 1937.

DEAR SENATOR SMITH: In reply to your inquiry, I wish to advise that the Commodity Credit Corporation and the Reconstruction Finance Corporation have ample funds to meet the commodity-loan needs of the present crops, should the necessity develop.

Sincerely yours,

JESSE H. JONES, *Chairman.*

That was written on July 31.

As the Commodity Credit Corporation already has ample legislative authority and ample funds to effectuate these loans, it is, in my opinion, not necessary to enact a new law at the present time, but we should concentrate our efforts on Mr. Jones and other officials connected with the R. F. C. and the Commodity Credit Corporation, who have ample law and ample funds to meet the situation, so that they will take the necessary steps to do what the law empowers them to do.

Mr. President, I have letters from all over my State and from other States criticizing me for not urging farm legislation to enable the farmers to secure loans, when we find ample law provided, and a board set up for that very purpose. We are fond of delegating our powers to a board. Here we have one armed with ample authority to say how much should be loaned on a pound of cotton. I have quoted the law, and now I am glad it is in the RECORD. I shall suggest to those who may hereafter write to me that they communicate with those whom we have clothed with the authority to do that which the farmers are asking us to duplicate here in the Congress.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. GEORGE. I may ask the Senator from South Carolina who constitute the board of directors of the Commodity Credit Corporation?

Mr. SMITH. I have given their names. They are in the RECORD.

Mr. GEORGE. The Agricultural Department is represented on the board, is it not?

Mr. SMITH. Yes; the Department of Agriculture is represented on the board by the Secretary of Agriculture.

Mr. GEORGE. I was not here at the beginning of the Senator's remarks. Is the Senator advised of the present price of cotton in the primary market for this year's crop, which is already beginning to come on the market?

Mr. SMITH. About 10½ cents basis, Middling.

Mr. GEORGE. About 10½ cents.

Mr. SMITH. Yes.

Mr. GEORGE. The Senator, of course, knows that this year's crop, and indeed all crops of cotton under existing conditions when an inflation of values exists, is certainly worth 12 cents or better?

Mr. SMITH. Surely.

Mr. GEORGE. So that the sale of this year's crop of cotton at a 10- or 10½-cent basis, Middling, in the primary market represents an actual loss to the cotton producers in the South.

Mr. SMITH. It represents an actual loss. Mr. President, the Senator from Georgia has raised the question as to the price of cotton. Just a few months ago the Agricultural Department, taking the average cost of the things the farmer has to buy, placed what they call a parity price of 16 cents a pound as an average return for the grades from Good Ordinary to Middling Fair. That would represent about 17½ or 18 cents a pound for Middling, because all the grades below are discounted and all above bear a premium.

The object of orderly marketing was that the Government should so relieve the pressure on the market as to let farm commodities which were available for the market reach parity. Cotton is the only farm commodity that has not even approximated parity. Corn has gone above parity; wheat has gone above it; hogs have gone above it. But the fact that the Government has 6,000,000 bales of the farmer's cotton stored and financed, and every time the price of cotton showed a tendency to rise toward parity the cotton owned by the Government was dumped on the market or offered for sale. The Senator from Georgia knows that to be so.

Mr. GEORGE. I ask the Senator from South Carolina whether cotton has ever sold at parity, even adding to the price received all the benefit payments and all the rental payments?

Mr. SMITH. It has never even approximated parity. It has been anywhere from ten to twenty dollars a bale below parity.

Mr. GEORGE. All the while?

Mr. SMITH. All the while.

Mr. GEORGE. I should like to ask the Senator also if there is any possibility of saving the value of this year's crop to the farmer at this date—for cotton is now coming on the market—except by a loan or by some operation under the Commodity Credit Corporation or some other agency of the Government performing a similar function?

Mr. SMITH. There is none whatever. The cotton from the extreme Southwest is now being hedged on the future market.

Mr. GEORGE. And I will say to the Senator from South Carolina that the cotton of the extreme Southeast is daily coming on the market now and is being sold, so that the Senator believes, I am sure—for he is very familiar with the matter—that nothing in the form of legislation could now be helpful save some operation which the Commodity Credit Corporation is now empowered to undertake.

Mr. SMITH. Nothing will be helpful, save the exercise of the full and plenary powers that they have now in their hands.

Mr. GEORGE. They have not only the authority but the money and the credit with which to carry on helpful operations.

Mr. SMITH. They have both the money and the credit and are directed to so use them so as to take care of a declining market.

Mr. GEORGE. If the Senator will permit me to say so, I agree with him thoroughly. On yesterday I gave out a statement, which was carried in my State, that requisite

power does exist in the Commodity Credit Corporation; that the Secretary of Agriculture is a member of the board of the Commodity Credit Corporation, and that the Commodity Credit Corporation has both the money and the credit with which, at least, to make this year's crop of cotton sell at the cost of production.

Mr. GILLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Iowa?

Mr. SMITH. I yield.

Mr. GILLETTE. I should like to ask the Senator two or three questions. Is the Senator's recollection the same as mine—I did not hear the first part of his remarks—that the Commodity Credit Corporation is chartered under the laws of the State of Delaware under an Executive order of the President rather than by legislative act?

Mr. SMITH. Yes.

Mr. GILLETTE. And that it now has the authority to which the Senator has directed attention to make loans on the commodities designated by the President?

Mr. SMITH. I have read the statute to the Senate conferring that authority on the Corporation.

Mr. GILLETTE. I am also informed that there is included in the list of commodities which have already been designated by the President as eligible for loans almost everything in which as representatives of farm constituencies we are interested; that the Farm Credit Corporation has $600,000,000 available for that purpose; that it has full authority, as the Senator has pointed out, to make the loans; that it has the money with which to make them; but that it is against the policy of the board of directors to make this type of loan. Is not that the Senator's understanding?

Mr. SMITH. I do not know what the policy of the Corporation is, but I know that loans are not being made.

Mr. GILLETTE. There is pending, I believe, before the Committee on Agriculture and Forestry, of which the Senator is chairman, a bill to direct the Commodity Credit Corporation to make such loans.

Mr. SMITH. It is already directed to do so by the law.

Mr. GILLETTE. It is authorized and directed?

Mr. SMITH. It is authorized by the law.

Mr. GILLETTE. But does it not seem to the Senator that a mandatory act, which could not possibly be construed as being discretionary, to make the loans, under such rules and regulations and under the authority the Corporation now has, is essential in order to make the present law effective, and that such a law would be necessary to accomplish the desired purpose?

Mr. SMITH. The corporation is created under a State law, and its functions are defined, the primary one which interests us being, when for any reason there is a declining market that it is authorized and directed to make these loans.

Mr. GILLETTE. There is no doubt that is the law, just as the Senator has stated, but the Corporation construes it to be discretionary.

Mr. SMITH. It is discretionary, but, in the name of common sense, when we create a board why should its judgment run contrary to the actual facts as they exist perhaps in the West and in the South, and why should it determine the necessity rather than we?

Mr. GILLETTE. I heartily agree with the Senator. I think it is necessary to pass additional legislation so that there will be no question but that the Commodity Credit Corporation will have to make the loans.

Mr. SMITH. Mr. President, I wish to call the attention of the Senate to the fact that we create boards and boards and boards, and all they are used for is to spank their creator. [Laughter.]

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Kentucky?

Mr. SMITH. I yield.

Mr. BARKLEY. The Senator, of course, knows more about this question than I do, but my recollection is that it was through this same Corporation that early in the present administration loans were made on cotton?

Mr. SMITH. That is correct.

Mr. BARKLEY. And they have now the same authority they had then to make loans?

Mr. SMITH. They have the same authority.

Mr. BARKLEY. And no authority has been taken from them?

Mr. SMITH. None whatever.

Mr. BARKLEY. And the Senator contends that they have ample funds?

Mr. SMITH. Do not let us say "the Senator contends." Jesse Jones, the Administrator, says they have. Here [exhibiting] is his letter.

Mr. BARKLEY. I will change my phrase and say that it is admitted they have ample funds?

Mr. SMITH. Yes; that is better.

Mr. BARKLEY. That pertains, of course, to the present crop. I wanted to inquire of the Senator with reference to a broader phase of the subject, so that we may have information as to the probability of legislation dealing with the entire agricultural situation in the near future. The Senator knows that all of us who represent agricultural commodities have realized that if we have this year an unusual season, resulting in large crops, not only of cotton but of corn and wheat and tobacco and other farm products ordinarily denominated as basic products, unless there is provided some program by which there may be further regulation of production and sale—I mean feeding the surplus to the market—next year there may be a considerable slump in the price of cotton, corn, wheat, tobacco, and other agricultural commodities. Looking that far ahead, efforts have been made during the present session to try to work out a general agricultural bill, not in the hope that it could affect this year's crops but that it might take effect soon enough to have some influence on production and prices in 1938.

The Committee on Agriculture and Forestry, of which the Senator is chairman, recently adopted a resolution providing for regional hearings on the entire subject of agricultural commodities, and I think there is pending in the Senate a resolution providing an appropriation of $10,000 to pay the expenses of the committee for that purpose.

In view of the admitted possibility of danger that might occur if we should have a bumper crop next year without any additional legislation, may we be assured by the Senator and by his committee that the hearings which have been provided for will be speedily held and that the committee will make every possible effort to have legislation ready for Congress when it reassembles, whether in January or at an earlier date—and I assume now that it will be in January. May we confidently hope and expect that the committee will have a comprehensive agricultural measure ready for the consideration of Congress as item no. 1 when we meet at the next session?

Mr. SMITH. I do not know what item 1 will be, but I know that my committee was thoroughly convinced that heretofore farm legislation had been considered and enacted in such a piecemeal fashion that every year we were back here with some plan to take care of conditions temporarily. So after full and free discussion, the committee unanimously agreed that it would be better to take the question to the farmers themselves and use the interim between the time when Congress shall adjourn—if it ever shall—and the time when it shall reconvene, which it is bound to do, in an effort to get to the fundamentals of the proposition and come back prepared with a bill, formulated by the members of the committee, with the assistance of the farmers who make the crops. That is what we are going to do.

Mr. BARKLEY. I appreciate that, and I think the Senator and his committee are well advised in attempting to get the best possible information from all available sources in order that a comprehensive and wise permanent plan may be worked out.

Mr. SMITH. That is what we propose to do.

Mr. BARKLEY. I am sure the Senator will at the same time agree that there may be cause for apprehension in some

quarters lest the enactment of legislation may be delayed until next year's crop is in the ground—tobacco, which is planted in the spring, cotton in the early spring, corn, and wheat, especially spring wheat. What we ought to try to guard against is delaying the enactment of legislation until the crop is in the ground, because then we would have to go through the same process of attempting to destroy something that has already been planted or that is partially matured. Therefore I wish to emphasize the desirability of having a comprehensive bill enacted into law in time to embrace whatever action may be necessary in order to provide for 1938 crops, so that if there should be another excellent season and an overproduction or unsalable surplus, we may have legislation enabling us to protect the farmers against drastic reductions in their prices.

Mr. SMITH. The leader of the majority may rest assured that the Committee on Agriculture and Forestry of the Senate are thoroughly alive to the situation and that we are going to leave nothing undone. We will have ready for Congress when it reconvenes, perhaps not a complete bill, but a bill that will meet the endorsement of the majority, if not all, of our committee. Two things we want to get rid of—one, patchwork legislation for farmers, and the other, being railroaded by old hacks who come here from time to time with all sorts of plans and schemes which are about as workable as their brains—just about as workable as that. [Laughter.]

Mr. BARKLEY. I have no information concerning that situation. I suppose whoever are here representing the farmers are sent here by the farmers and authorized to do whatever they are undertaking to do. I do not know the methods of their selection.

Mr. SMITH. Not only they, but a host of others who think they know more about farming than the man in the field, but who do not know a cotton stalk from a jimson weed, nor a stalk of corn from a fishing pole, and yet they can tell the farmer exactly how to make a fortune on the farm, though if I should turn my farm over to them I have no doubt they would starve to death in a couple of years.

Mr. BARKLEY. I want to thank the Senator for the assurance, which it was not really necessary for him to give, that every possible effort will be made to deal with the situation.

Mr. SMITH. And I wish to take this occasion to say that I do not take with good grace the whip and spur that were applied to my committee to act. It was not a question of what we did, but "Go and do something." A bill was brought here which did not meet the approval of some of us who sometimes think, and yet we were told, "You must approve it." I knew there was ample law to take care of the situation for this crop year.

Do not make any mistake about it. The next time a bill comes here it will be the result of investigations by that splendid body of men known as the Committee on Agriculture and Forestry of the Senate. That committee includes the only woman in the Senate, and in that respect it is more fortunate than are other committees.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. SMITH. Certainly.

Mr. PEPPER. I should like to ask the chairman of the Committee on Agriculture and Forestry if in its deliberations as to legislation which should be proposed at the next session the committee proposes to examine the subject of sugar.

Mr. SMITH. No; we are sweet enough without that. [Laughter.]

Mr. PEPPER. Some think their pocketbooks are not full enough without subsidies. Is the Senator willing to judge of sugar as an agricultural product and deal with it according to its deserts as his committee may find them to be?

Mr. SMITH. I do not think I ought to commit myself to any one commodity one way or the other. In the course of the investigations of the committee, if it seems to be necessary, we will take a little sugar in ours. [Laughter.] Otherwise I cannot promise the Senator or anyone else just what we are going to consider. We intend to consider the agricultural problem. That is what we are going to undertake to do, and to find out why it is Congress has never passed an agricultural bill which proved effective much longer than 1 year.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. GILLETTE. I ask the Senator to yield so that I may make a statement which I am sure he himself would not make. As chairman of the Committee on Agriculture and Forestry I heard him make the assertion, which I think he was perfectly justified in making, that, while the representatives of farm organizations had various ideas about farm legislation—and the Senator from South Carolina as chairman of the committee has always given them respectful hearing and has been glad to get their views—yet he had in mind that over 80 percent of the farmers of the Nation do not belong to any organization and the purpose of the action the committee has taken on the recommendation of the chairman is to try to learn what the other 80 percent of the farmers want in the way of farm legislation and to make certain that they are represented through their Representatives in the Congress of the United States.

Mr. SMITH. Mr. President, I have tried, as chairman of the committee and as a farmer, to meet the problem. I have tried to meet the problem in the best interests of those engaged in agriculture. Of course, I laid myself open to the criticism of those whose views do not run along with mine, but I resent having imputed to me the idea that I was taking the action I did because I was indifferent to the farmer. I believe I am the only man here who is an unadulterated, simon-pure farmer. I would wager that every other so-called farmer in the Senate has some side line outside of farming. I know some of them commit an assault with intent to be lawyers. [Laughter.]

I take this occasion to resent the implication that an honest man, for any reason whatever, would refuse to do the right thing for the very group to which he belongs.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. TYDINGS. If I interpret correctly the remarks of the Senator from South Carolina, I understand he resents very strongly the statement that he is not interested in agriculture. Am I correct?

Mr. SMITH. Yes. [Laughter.]

Mr. President, I am glad to have had this opportunity of having the matter brought to a point where it may be known in all its aspects. With this statement I yield the floor.

Mr. PEPPER. Mr. President, before the Senator takes his seat, will he let me ask him a further question?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Florida?

Mr. SMITH. Certainly.

Mr. PEPPER. Does the Committee on Agriculture and Forestry, according to the knowledge or intention or inclination of its chairman, propose to offer to the Senate any measure with respect to the restriction of any agricultural commodity being grown in the United States when the United States does not grow and produce enough of that commodity to meet the requirements of human consumption?

Mr. SMITH. I suspect that question will come up incidentally in our varied investigations. I think the Senator is intimating some very high protective tariff ideas. I do not know, but I think perhaps that is what he is doing.

Mr. PEPPER. On the contrary. I am directing my inquiry to the question of whether or not American farmers will be permitted to produce sufficient quantities of American agricultural commodities to meet American consumption, or whether they will be denied that right. I represent some commodities which are denied that right.

Mr. SMITH. We will take that under prayerful consideration. [Laughter.]

Mr. BILBO. Mr. President, I am very sorry I was not in the Chamber when the distinguished Senator from South Carolina [Mr. SMITH] made his first remarks about the cotton situation. I will state, however, that it is very gratifying that he has given to the Senate and to the country the information that there is a way in which we may bring relief to the cotton farmers of the South without additional legislation.

A few days ago, on the floor of the Senate, I asked the Senator to make these remarks in order that the farmers of the South may be assured that the Congress will do everything in its power to give them relief from the present situation. I am afraid the Senator is a little bit too enthusiastic about the procedure. I grant you that the authority is ample in the legislation already enacted, and that the funds provided for are adequate to meet the situation. I am afraid, however, there is a discretionary power on the part of those who have the authority to act in this case. For that reason the Senator from Alabama [Mr. BLACK] and I have agreed upon a joint resolution which was introduced and sent to the committee which I am sure will meet with the approval of the chairman and the committee members, knowing their great desire to do something for the cotton farmer, calling on this constituted authority to act, and to act immediately.

Heretofore loans have been provided for the farmer, but not until the month of September. Because of the peculiarity of the present season, cotton is now being picked in the fields and ginned and put on the market. Especially in the extreme southern part of Texas they are practically through with the picking, and the cotton is being sold, and it is being absorbed by the cotton speculators of the country. I had a notice from my home State, a little farther north, that they are already ginning the cotton, and the cotton is being sold on the market; and that is true in southern Georgia and southern Alabama and Florida and Louisiana.

The thing we are trying to get those in authority to do is to act immediately, because it will do the farmer no good if he sells his cotton on a low market which has been beaten down by the cotton speculators for speculative purposes until the cotton gets into the hands of the speculators; and after that is done we have the assurance that the price of cotton will immediately be boosted, and those who are engaged in speculating on the cotton farmer will gather in their golden shekels.

I desire to call the attention of the Senate to another fact; and I appreciate the observation made by the leader, the Senator from Kentucky [Mr. BARKLEY]:

The power to make these loans to the farmers is discretionary; and one reason why they have been hesitating is because, so far, the Congress has not enacted any permanent farm legislation at this session. We have been in session over 7 months, and we have not done anything about it. We already have about a 6,000,000-bale carry-over, and I am afraid the report which is to be made on the 8th of August will show about a thirteen- or fourteen-million-bale crop, which will assure another surplus with the present domestic consumption and our exports. We cannot expect these men representing the taxpayers to rush in and loan this money to the farmers unless they have some assurance that the Government is not going to lose in the transaction; but they would have the assurance if we had a permanent farm program that would guarantee or give some promise of control of the cotton crop next year.

For that reason I send to the desk a second concurrent resolution, in which the Senator from Alabama [Mr. BLACK] joins with me, in which we ask the Congress to place itself upon record that because of the fear of accumulated surpluses next year which would make it bad business on the part of the Government to loan the farmer 12 cents a pound on his cotton this year, the first business of the Congress in January will be the consideration of this bill and legislation which the Senator from South Carolina, the chairman of our committee, assures us will be ready for action at that time.

At this time I ask that the concurrent resolution I have sent to the desk be read, in order that the Senate may know exactly what we propose to do.

Mr. KING. Mr. President, the Senator does not ask to have action taken on the resolution today?

Mr. BILBO. Oh, no; I am just asking that it be read.

First, I ask consent of the Senate to have the first resolution read, so that the Senate will understand the second one.

The PRESIDENT pro tempore. The Chair is informed that the first resolution has gone to the Secretary's office.

Mr. BILBO. Very well. Then we will not waste the time of the Senate. I ask to have the second resolution read.

The PRESIDENT pro tempore. Without objection, the resolution will be read.

The Chief Clerk read the concurrent resolution (S. Con. Res. 19), as follows:

Whereas no permanent agricultural program has been adopted at this session of the Congress because of the unavailability of the data necessary to enable the Congress to formulate such a program; and

Whereas action has been taken with a view to authorizing subcommittees of the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House to hold regional hearings during the fall of 1937 for the purpose of obtaining such data; and

Whereas due to the lack of such a program, surpluses of the basic agricultural commodities, particularly of cotton, are accumulating; and

Whereas such surpluses have the effect of reducing the prices received by farmers for such commodities below the parity prices thereof; and

Whereas it is in the interest of all the people of the Nation that the Government should take such action, by exercise of its lending power or otherwise, as will result in raising the prices received by farmers for such commodities to the parity prices of such commodities; and

Whereas the proper action to be taken is dependent for its success upon the control in the future of such surpluses; and

Whereas it is desirable, in the interest of making plans for the future, that farmers should now be advised of the intention of Congress to adopt a permanent agricultural program in the early months of 1938: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that a permanent agricultural program should be the first legislation to engage the attention of the Congress upon its convening in January 1938.

Mr. SMITH. Mr. President, I should hate to have that resolution interpreted as being necessary, in view of what has taken place here today. I did not know the resolution was in existence. The resolution states what the Agricultural Committee have already definitely decided to do; and, as chairman of the committee, I do not like to be put in the attitude that whatever action we may take subsequently is taken on account of this resolution, when we had already, as a committee, decided to do that very thing, and had appointed a subcommittee to carry it into effect.

I know the resolution will sound pretty well out amongst the boys, but I hope the situation will be taken care of by those who purvey the news to the people.

Mr. BILBO. Mr. President, I am sure my distinguished friend, the Senator from South Carolina, need have no fear that he had not put himself on record before this concurrent resolution was ever presented. There is no man in the country who will think that the concurrent resolution was the stimulus that caused him to act or caused the committee to act on the proposed legislation.

Mr. President, in this connection, for the information of the Senate and the public, I ask permission to have printed in the RECORD at this point in my remarks a report from the Division of Statistical and Historical Research of the Bureau of Agricultural Economics showing the world carry-over from year to year from 1920 up to the present time, and the average price of middling ⅞-inch cotton during those years, and also the parity price that should have been received during these years.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table is as follows:

Cotton, world carry-over of American, price per pound of Middling ⅞-inch at 10 markets, and parity farm price, specified seasons

Season beginning Aug. 1	World carry-over of American cotton at beginning of season	Average price of Middling ⅞-inch cotton at 10 designated markets	Average United States parity farm price [1]
	1,000 running bales	*Cents*	*Cents*
1920–21	6,338	16.66	
1921–22	9,393	18.09	
1922–23	5,162	25.83	
1923–24	3,304	30.14	20.3
1924–25	2,705	24.22	20.9
1925–26	3,386	19.68	20.9
1926–27	5,495	14.40	20.7
1927–28	7,696	19.72	20.7
1928–29	5,114	18.67	20.7
1929–30	4,409	15.79	20.3
1930–31	6,287	9.61	18.4
1931–32	8,868	5.89	15.8
1932–33	12,960	7.15	14.3
1933–34	11,588	10.81	15.5
1934–35	10,634	12.36	16.2
1935–36	9,009	11.55	15.7
1936–37	6,955	12.10	16.6

[1] Average United States farm price in the 5 years, August 1909 to July 14, of 12.4 cents times the index of prices paid by farmers for the commodities purchased.

Division of Statistical and Historical Research of the Bureau of Agricultural Economics. Compiled from official and trade sources.

Mr. BILBO. Mr. President, you will appreciate the fact that the price of spot cotton today is about 10 cents a pound, which is about 6.6 percent below parity. When we realize that the gold dollar has been devalued, I do not think we have made much progress in the way of helping the farmer. We never will reach the ideal price for cotton to give the cotton grower a square deal until he gets 25 cents a pound for his cotton. When he gets 12 cents a pound, the statisticians have estimated that the farmer is getting 12½ cents an hour for his work.

Just the other day we passed a bill in which our ideal, our goal, is 40 cents an hour for those who toil in industry; and yet, at 12 cents a pound for cotton, the farmer is getting only 12 cents an hour for his labor. Certainly he is entitled to 25 cents an hour; and in order to receive that he must get 25 cents a pound for his cotton. I say to you frankly that my ideal, my dream, is so to shape my action on the floor of the Senate in reference to farm policies and legislation that when I shall have finished my term of service here the farmer's compensation may be somewhere in the neighborhood of the compensation of those who work in industry when it comes to payment for honest and hard toil in the cotton fields of the South.

The PRESIDENT pro tempore. What does the Senator from Mississippi desire to have done with the concurrent resolution?

Mr. BILBO. I ask that it be referred to the Committee on Agriculture and Forestry, so that any correction may be made to suit the chairman of the committee.

The PRESIDENT pro tempore. The concurrent resolution will be referred to the Committee on Agriculture and Forestry.

MEDICAL AND DENTAL OFFICERS FOR THE ARMY

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2463) to authorize an additional number of medical and dental officers for the Army.

Mr. SHEPPARD. I move that the amendment of the House be referred to the Committee on Military Affairs.

The motion was agreed to.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity; to create a United States Housing Authority, and for other purposes.

Mr. WAGNER. Mr. President, I have certain amendments, all of which are really a result of the very profitable discussion of yesterday.

Mr. WALSH. Mr. President, I have an amendment pending, and when that is disposed of I wish to offer another one. Then I will yield to the Senator from New York.

Mr. WAGNER. Very well.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Massachusetts to the amendment of the committee, which will be stated.

The CHIEF CLERK. In the committee amendment, it is proposed to amend section 9 (a), page 45, line 3, by inserting after the word "made", the following words:

Plus one-half of 1 percent.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts to the amendment reported by the committee in the nature of a substitute.

The amendment to the amendment was agreed to.

Mr. WALSH. Mr. President, I present another amendment. This is a very important amendment, in that it assures, insofar as language can, that the undertakings of the Federal Housing Authority will be accompanied by slum-clearance projects as well as housing projects.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. In the committee amendment, it is proposed, on page 46, line 3, after the word "period", to insert a colon and the following:

Provided, That no annual contributions shall be made, and the Authority shall enter into no contract guaranteeing any annual contribution in connection with the development of any low-rent housing project involving the construction of new dwellings, unless the project includes the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement of unsafe and insanitary dwellings situated in the locality or metropolitan area, substantially equal in number to the number of newly constructed dwellings provided by the project.

On page 48, line 21, after the word "character", insert a colon and the following:

Provided, however, That no capital grant shall be made for the development of any low-rent housing project involving the construction of new dwellings, unless the project includes the elimination by demolition, condemnation, and effective closing, or the compulsory repair or improvement of unsafe or insanitary dwellings situated in the locality or metropolitan area, substantially equal in number to the number of newly constructed dwelling units provided by the project.

On page 50, line 22, after "$25,000,000", insert a colon and the following:

And provided further, That no such projects shall be commenced in any locality unless such projects include the elimination by demolition of insanitary or unsafe dwellings in the locality or metropolitan area substantially equal in number to the number of new dwelling units provided by the project, or unless and until the appropriate governing body having jurisdiction over such locality, or the appropriate public housing agency shall enter into an agreement with the Authority under which the Authority is assured that upon the completion of such demonstration project insanitary or unsafe dwelling units in the locality or metropolitan area substantially equal in number to the number provided by such demonstration project will be eliminated by demolition, condemnation, and effective closing, or compulsory repair or improvement.

On page 56, strike out lines 10 to 19, inclusive, as follows:

(3) In the case of a low-rent housing project involving the construction of new dwellings, that provision is or has been made (either as a part of the project or otherwise as a condition to its initiation) for the elimination, by demolition, condemnation, effective closing, reconstruction, remodeling, or repair of unsafe or insanitary dwelling units in the locality or metropolitan area concerned, substantially equivalent in number to the new dwelling units constructed: *Provided*, That such elimination may be deferred in case of a shortage of housing of a low-rent character.

Mr. KING. Mr. President, with respect to section 12, I have a motion to strike out the provisions as to "demonstration projects." I have conferred with the chairman of the committee, and I understand it is agreeable to him.

Mr. WALSH. Mr. President, I am proposing an amendment to the bill as it now stands, inserting several provisos, so as to make certain that slum-clearance projects will accompany the new housing projects. As the bill now stands, the substance of my amendment is in the bill, but it is made optional. My amendment makes it compulsory. Later, when the motion is made to strike out the whole paragraph, that part of my amendment which modifies it will be stricken out if the amendment prevails.

Mr. WAGNER rose.

Mr. KING. I am referring to section 12, I may say to the Senator from New York, and I have stated that I will move later to eliminate that section.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. WAGNER. Mr. President, I desire to offer several amendments.

Mr. BONE. Does the Senator desire a vote on the amendments at this time?

Mr. WAGNER. I think there will be no objection to the amendments I am about to offer. They result from the very profitable discussion yesterday, and I am attempting to perfect the bill in accordance with the fine suggestions made at that time.

The first amendment I offer merely provides that where there is a slum-clearance project, the lowest-income group shall occupy the new dwellings. Some question was raised yesterday as to whether there was definite assurance to this effect. In order to make it perfectly clear and mandatory, I am offering the following amendment.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 35, line 10, after the word "families", it is proposed to insert the words "who are in the lowest-income group and."

Mr. WALSH. Mr. President, I understand that the Senator from New York is of the opinion that the adoption of the amendment will strengthen the bill and accomplish the purpose we have in mind, namely, that preference in the granting of the subsidies provided for and in the occupation of the tenements erected by the local housing authorities shall go to those families of the very lowest-income groups.

Mr. WAGNER. That is exactly what the amendment provides.

Mr. WALSH. There is no longer any question as to the local authority having discretionary power to choose between a large number of persons of low income, but they must choose those with the lowest incomes.

Mr. WAGNER. Those with the lowest incomes.

Mr. COPELAND. Mr. President, will my colleague yield for a question?

Mr. WAGNER. I yield.

Mr. COPELAND. I take it this carries out the same thought that was suggested to me, that at all times the families with low income shall have the preference.

Mr. WAGNER. My amendment is even more mandatory, because it requires the selection of the lowest-income families.

Mr. COPELAND. I think that is very wise.

Mr. ADAMS. Mr. President, does this absolutely take away all discretion from the authority having the placing of families to apply any other test than that of income? The fact that one family may have no children and another family have 6, another may have 10, one family may be engaged in an illegitimate occupation, another in a legitimate occupation, that there may be character differentials, and that there may be differentials as to things they are trying to do—all those things would be wiped out, and it is to be limited solely to the test of the lowest income?

Mr. WAGNER. Of course, people of ill-repute will not be permitted to occupy the premises. The question has been raised as to whether the lowest-income group would be helped or whether the discretion would rest with the local authorities to pick from a higher stratum. This amendment merely guards against that.

Mr. ADAMS. The Senator does not specify the group range. There might be a family with an income of $700, obviously in a low-income group. There might be another family with an income of $500, and another with an income of $400. The family with the income of $500 might be, upon all other bases, more entitled to consideration than the one with a $400 income. That is, the $400 income might be due to the very fault of the family themselves, dissipation or other things. I am wondering whether the Senator is proposing to absolutely tie this down so that the least able, the least competent, the least worthy may get the premises over some others who have been unfortunate but are slightly better off financially and yet in the low-income group.

Mr. WAGNER. The amendment speaks for itself. It appears to be the sentiment of this body, and it is my sentiment, that those having the lowest income are those for whom we are legislating. We are not justified in spending public money for the construction of projects for the benefit of people with incomes enabling them to afford to live in buildings erected by private industry. In order that we may take care of the poorest first, we provide that those with the lowest incomes shall have the preference, and when they are disposed of, we may take care of those with the next highest incomes, and so on. Questions of character, of course, will always have consideration.

Mr. ADAMS. Why should it not be provided in the amendment, then, rather than limit the prohibition against consideration to anything but income?

Mr. WAGNER. I think the Senator raises a very insignificant consideration.

Mr. WALSH. Mr. President, the amendment of the Senator is to apply on page 35, and is an amplification of the definition of families of low income.

Mr. WAGNER. It is a limitation, I should say.

Mr. WALSH. Yes; it is a limitation. The text of the bill provides:

> The term "families of low income" means families who cannot afford to pay enough to cause private enterprise in their locality or metropolitan area to build an adequate supply of decent, safe, and sanitary dwellings for their use.

That does not specify whether the families of low income are respectable people or not respectable, whether they are deserving or not deserving. All the Senator's amendment does is to cover the families who have the lowest incomes. Am I correct?

Mr. WAGNER. Yes.

Mr. WALSH. And he cannot afford to pay in excess thereof.

Mr. WAGNER. Yes.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. PEPPER. I understand that the word "lowest" means the lowest; that is the ones who are at the very bottom of the income field.

Mr. WAGNER. Who need help most.

Mr. PEPPER. So I suppose that all the people making $3 a month would have the first legal preference to these quarters?

Mr. WAGNER. That would depend.

Mr. PEPPER. Are we not going to run into an inconsistency there in that regard as a practical matter? As I understand, quarters costing a certain amount of money will be provided, and a subsidy will be given which will make it impossible to rent those quarters at as low a figure as they could be rented if the subsidy were not provided. The amount of the subsidy will determine what the amount of the rental shall be, will it not? That rent may be $3 a month per room, as the Senator suggested.

Mr. WAGNER. Yes.

Mr. PEPPER. If the rent as a practical matter of necessity is $3 per room per month, and the language of the bill limits the availability of all those quarters to persons who

are only making $3 a month, have we not as a matter of fact practically excluded those persons? If the Senator will indulge me, I wish to ask whether it would not be better instead of saying "the lowest" to say "the lower-income group", without making it a matter of law that the tenants all be selected from the very bottom of the income brackets?

Mr. WAGNER. There are some people whom we cannot possibly reach; I mean those who have no means to pay the rent minus the subsidy. This, after all, is a renting proposition, not a complete gift.

Mr. PEPPER. If that is what the Senator means, that is not what this paragraph will say.

Mr. WAGNER. I am sure it will be so interpreted, because obviously this bill cannot provide housing for those who cannot pay the rent minus the subsidy allowed.

Mr. PEPPER. Yes; and yet the language, if this amendment is adopted, will limit the availability of those quarters just to those people. That is not what the Senator had in mind.

Mr. WAGNER. I doubt whether it would be so interpreted. I think it would be interpreted to mean the lowest income group that the bill can reach.

Mr. PEPPER. The Senator means then, if I may inquire further, the lowest income group which is able to pay the rentals which will be required by the authorities who administer this act?

Mr. WAGNER. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from New York [Mr. WAGNER] to the committee amendment, on page 35, after line 10.

The amendment to the committee amendment was agreed to.

Mr. WAGNER. I send to the desk certain amendments which will eliminate from the bill the limited-dividend housing companies and consumers' housing societies. Yesterday the question was raised by the senior Senator from Iowa [Mr. GILLETTE], and I call his attention to the fact that I am now proposing amendments which comply with his suggestions.

Mr. GILLETTE. Limited-dividend companies?

Mr. WAGNER. Yes; and consumers' housing societies. I agree absolutely with the suggestion of the Senator from Iowa. I am now offering amendments eliminating them from the bill.

Mr. GILLETTE. I thank the Senator.

Mr. WALSH. Mr. President, the amendments remove from the bill the possibilities of any loans being made by the United States Housing Authority to Consumers' Housing societies or to limited-dividend companies.

Mr. WAGNER. That is what I stated a moment ago, Mr. President.

Mr. WALSH. So that the bill, with this elimination, will provide only for loans to be made by the United States Housing Authority to State or municipal agencies.

Mr. WAGNER. To public agencies.

Mr. WALSH. Exactly.

The PRESIDENT pro tempore. The amendments will be stated.

The CHIEF CLERK. On page 36, line 18, before the word "housing", it is proposed to insert the word "public."

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The CHIEF CLERK. On page 37, it is proposed to strike out lines 3 through 24, inclusive.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The CHIEF CLERK. On page 45 it is proposed to strike out lines 6 through 19, inclusive.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The CHIEF CLERK. On page 51, in line 16, it is proposed to insert a period after the word "agency" and strike out the remainder of line 16, all of lines 17 and 18, and the word "society" in line 19.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment of the committee.

The amendment to the amendment of the committee was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The CHIEF CLERK. On page 38, it is proposed to change paragraph (14) to paragraph (11), and change paragraph (15) to paragraph (12).

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment of the committee.

The amendment to the amendment of the committe was agreed to.

Mr. CONNALLY. Mr. President——

Mr. COPELAND. Mr. President, may I ask my colleague a question?

Mr. CONNALLY. Mr. President, I do not understand that the Senator from New York [Mr. WAGNER] can hold the floor and have amendments voted on and adopted and business transacted. I do not understand that he can have business transacted and still hold the floor. I raise the point of order that he did not yield for any amendments to be voted on as I understand.

Mr. WAGNER. Mr. President, I have the floor.

Mr. CONNALLY. I am raising the question as to whether the Senator from New York can hold the floor and let the Senate transact business by having the Senate agree to amendments. I raise the question whether he can do that and still hold the floor. I have no objection to the Senator having the floor, but I do not think that what is now being done is good practice.

The PRESIDENT pro tempore. The Chair may say to the Senator from Texas that had the question been raised I believe the Senator from New York would not have concurred in that practice.

Mr. CONNALLY. It is not a question of whether the Senator would have concurred or not. It is a question of parliamentary law.

Mr. WAGNER. Mr. President, I asked permission of the Senate that I might offer the amendments which were drafted as the result of our discussion yesterday, and such permission was granted.

Mr. CONNALLY. I am not trying to take the Senator from New York off the floor, but I do not think that the practice that has just been indulged in is good practice in the Senate. It ought not to be done.

Mr. WAGNER. What shall I do, Mr. President? Shall I sit down and then stand up again?

Mr. CONNALLY. The point I am raising is that one Senator cannot take charge of the proceedings in the Senate and hold the floor and have amendments voted on and agreed to and still hold the floor and speak. I think the Senator yields the floor when he asks the Senate to vote on an amendment, and that he must then rise and be recognized if he wishes to make any further remarks.

Mr. WAGNER. Shall I sit down now?

Mr. CONNALLY. No; the Senator does what he pleases. I am appealing to the Chair and not to the Senator.

The PRESIDENT pro tempore. The Senator from Texas is technically right. After a Senator has asked for action on an amendment, and the Senate has taken action on the

amendment, if he does not then address the Chair and ask for the floor he does not have the floor. The Senator from Texas [Mr. CONNALLY] addressed the Chair first after the Senate had taken action on an amendment.

Mr. CONNALLY. I claim the floor.

The PRESIDENT pro tempore. The Senator from Texas [Mr. CONNALLY] has the floor.

Mr. COPELAND. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state the point of order.

Mr. COPELAND. I thought I was going to have the floor.

The PRESIDENT pro tempore. The Chair has ruled that the Senator from Texas has the floor.

Mr. WAGNER. Mr. President, I do not want to offend against any rule of the Senate. If it is the direction of the Chair that at each instance after an amendment is acted upon I shall take my seat and then try to get the floor again I shall do so, but I understood permission had been granted to me to make offer of certain perfecting amendments.

The PRESIDENT pro tempore. The practice which was just followed has been the invariable practice of the body. Nevertheless, when a Senator offers an amendment and action is taken on the amendment, and he then does not address the Chair for the purpose of getting the floor, and some other Senator addresses the Chair first, that other Senator is recognized and has the floor.

Mr. WALSH. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WALSH. The objection made by the Senator from Texas is that he has not had an opportunity to speak upon a pending amendment, and it seems to me that his objection is well taken. The Senator from New York has a right to offer an amendment, but the Senator from Texas has the right to be recognized to speak on it.

Mr. WAGNER. I did not make any point on that, Mr. President.

Mr. CONNALLY. Mr. President, do I have the floor?

The PRESIDENT pro tempore. The Senator from Texas, under the strict ruling, has the floor.

Mr. CONNALLY. Mr. President, I want to know what is the difference between a strict ruling and any other kind of ruling. The Chair says I am technically right. What is the difference between being technically right and right?

The PRESIDENT pro tempore. The Chair will answer that parliamentary inquiry by saying that before the Senator from Texas got the floor the Senator from Massachusetts [Mr. WALSH] had had the floor and had offered two perfecting amendments. It was agreed that he might do so, and that the junior Senator from New York [Mr. WAGNER] could then offer his perfecting amendments.

The Senator from Massachusetts [Mr. WALSH] offered his amendments, and then the junior Senator from New York offered certain perfecting amendments. After the amendments of the Senator from New York had been acted upon the Senator from Texas addressed the Chair and was recognized. Under the ordinary custom the Chair might state that the Senator from New York would not have been interfered with, and would have finished his presentation of his perfecting amendments.

Mr. CONNALLY. Mr. President, I want to make a reply to a previous parliamentary inquiry.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from New York for a question.

Mr. COPELAND. Mr. President, I do not want to take the Senator off his feet. Is the Senator going to read all those books?

Mr. CONNALLY. Not all of them.

Mr. COPELAND. If so, I shall make my speech tomorrow.

Mr. CONNALLY. I shall not read all of them.

Mr. COPELAND. Does the Senator think it is safe for the Senator from New York to leave the floor now?

Mr. CONNALLY. It is dangerous to the welfare of the country, but personally it is safe.

Mr. COPELAND. Will the Senator yield to me to put some matter in the RECORD?

Mr. CONNALLY. Yes.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I will yield for a question.

Mr. DAVIS. Will the Senator yield for the purpose of having an editorial inserted in the Appendix of the RECORD?

Mr. CONNALLY. I yield; but I do not think it is good practice for Senators to interrupt a Senator when he is speaking, in order to put things in the RECORD, because Senators can do that just before we conclude our session. However, I yield. I do not commend as a good practice in the Senate to interrupt a Senator's speech in order to put a newspaper article in the RECORD. That can be done most anytime. However, I yield.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. COPELAND. I thought the Senator from Texas yielded to me.

Mr. CONNALLY. I had yielded to the Senator from New York.

Mr. COPELAND. Then the Senator took me off the floor by yielding to the Senator from Pennsylvania.

Mr. CONNALLY. No; the Senator from Pennsylvania was merely going to make a request that some matter be inserted in the RECORD.

Mr. COPELAND. Suppose I do that?

Mr. CONNALLY. It is all right with me.

(At this point Mr. COPELAND asked and obtained leave to have printed in the RECORD a memorandum on the partition of Palestine, which appears in the Appendix.)

Mr. COPELAND. Mr. President, I should like to ask one question, and then I will sit down. I should like to ask my leader whether it will be possible to take up Senate bill No. 2 sometime during the present week? It has to do with certain aviation agencies.

Mr. CONNALLY. Mr. President, I want to save the leader any embarrassment, and I decline to yield for that purpose.

Mr. COPELAND. Very well. The RECORD will show that I made the inquiry, and I am much obliged to the Senator from Texas.

Mr. CONNALLY. The RECORD will show that the Senator was interested in the subject and wanted information but could not get it. [Laughter.]

Mr. COPELAND. That is correct.

Mr. GEORGE. Mr. President, will the Senator yield to me?

Mr. DAVIS. Mr. President——

Mr. CONNALLY. Does the Senator from Pennsylvania still want to put an article in the RECORD? If so, I yield.

(At this point Mr. DAVIS asked and obtained leave to have printed in the RECORD an editorial from the Washington Evening Star and an editorial from the Philadelphia Inquirer, which appear in the Appendix.)

Mr. GEORGE. Mr. President——

Mr. CONNALLY. I yield to the Senator from Georgia.

Mr. GEORGE. With the permission of the Senator from Texas, I should like to propose to be inserted at the proper place in the pending bill an amendment which reads as follows:

This act shall expire 2 years after the approval thereof: *Provided, however,* That all contracts entered into and all commitments made with the Board shall be carried out by such agency or authority as the Congress may designate.

I ask that the amendment be printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. KING. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Utah.

Mr. KING. I offer an amendment to the pending bill which I ask to have printed and lie on the table.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

APPOINTMENTS OF SUPREME COURT JUSTICES

Mr. CONNALLY. Mr. President, the Chair, in ruling that the Senator from Texas is entitled to the floor, seemed rather to imply that, while he is entitled to it, he ought not to have it, or to the effect that it was not courteous because the Senator from Texas was not in the Chamber when the transaction took place. The Senator from Texas is not caring so much about the floor for himself at the present moment, but what provoked his inquiry was his conviction that the business of the Senate was not being transacted according to parliamentary practice and rules but was, to use a slang expression, "sort of being sloppily done." I never have seen in the House of Representatives or even in a State legislature one member get the floor and hold it all day and have amendments adopted in the middle of his speech and go right on with his speech. That is what I was objecting to. I was not objecting to the Senator from New York. I have very great admiration and personal esteem for him, but I think that when measures are under consideration, other Senators have a right to address the Senate. So that is why I was invoking the rule.

Mr. WAGNER. I would never undertake to deprive the Senator of any opportunity to speak.

Mr. CONNALLY. I am sure of that. I do not blame the Senator from New York. It is perfectly natural for Senators, just like ordinary people, to want all they can get [laughter], and if they have the floor to keep it until they get through with it. That is perfectly all right. But the rest of us, who are on the outside looking in, wanting the floor just as badly as the Senator from New York, feel that we ought to have it now and then.

Mr. President, yesterday I submitted some remarks to the Senate on the so-called Vandenberg resolution in relation to the nomination to fill a vacancy on the Supreme Court. I had not had opportunity at that time to consult the precedents or the Court decisions. My position was violently assailed by Senators on both sides of the Chamber. I wish to cite certain precedents, however, at the present moment, but I shall not take up much time, and those who want to speak may soon have the floor, so far as I am concerned.

Mr. President, the precedents on this subject arose as early as the administration of President Monroe. Attorney General William Wirt made a ruling at that time, holding that a recess appointment may be made by the President just as other appointments may be made. I am not going to read all the rulings, but I do wish to read from one by Attorney General Taney, rendered July 19, 1832. I shall not read it all. It related to the appointment of a register of the Land Office in the State of Mississippi.

The facts in the case, I understand, to be these: After the adjournment of Congress, on the 3d of March, 1831, and before their meeting in December of the same year, a vacancy occurred in the above-mentioned office of register, and Samuel Gwinn was appointed to fill it. During the late session of Congress he was regularly nominated to the Senate, and rejected by them. The President having afterward received strong testimonials in his favor from the State of Mississippi, and being requested by one of the Senators from that State to renominate him, his name was again sent to the Senate, with the additional recommendations which had been forwarded to the President. The second nomination was made on the 11th of June last. It was considered on the 10th of July, and laid on the table. And on the 16th of July, the last day of the session, the following resolution was moved and considered:

"*Resolved*, That the President of the United States be informed that it is not the intention of the Senate to take any proceeding on the renomination of Samuel Gwinn to be register of the Land Office at Mount Salus, in Mississippi, during the present session."

This resolution was ordered to lie on the table; and the Senate adjourned without taking any further order in the matter.

In this state of things, can the President, during the recess, appoint Mr. Gwinn, or anyone else, to the office before mentioned?

Omitting a paragraph that is not pertinent—

The Constitution gives him the right "to fill up all vacancies that may happen during the recess of the Senate, by granting commissions which shall expire at the end of their next session."

The appointment of Mr. Gwinn during the last recess "filled up" the vacancy which had then happened, and the office remained full; and there was no vacancy, from the time of the appointment and acceptance, until the close of the late session. The nomination made not being confirmed by the Senate, the commission granted by the President expired at the end of the session; and the moment after it closed, the office again became vacant. This was a new vacancy.

Has this second vacancy happened during the recess of the Senate, so as to authorize the President to fill it, under the grant of power contained in the article of the Constitution above referred to?

It has, I know, been contended that, in order to enable the President to make the appointment, the vacancy must take place during the recess; in other words, that the office must be full at the time of the adjournment of the Senate and become vacant afterward.

I cannot think that this is the true interpretation of the article in question. The Constitution was formed for practical purposes, and a construction that defeats the very object of the grant of power cannot be the true one. It was the intention of the Constitution that the offices created by law, and necessary to carry on the operations of the Government, should always be full, or, at all events, that the vacancy should not be a protracted one. A government cannot go on, nor accomplish the purposes for which it is established, without having the services of proper officers to execute the various duties required by law. To guard against any abuse of the appointing power by the President, the approbation of the Senate is required. But as it was foreseen that, from the various contingencies and uncertainties to which human affairs are liable, vacancies might be found to exist, during the recess of the Senate, in offices which the public interest required to be filled, the power above mentioned was given to the President in order to provide against the evil of requiring a vacancy to continue in every case until the Senate could be convened, and the further evil of calling them together upon every one of the vacancies which might unexpectedly be found to exist during the recess. But the control of the Senate over appointments to such vacancies is effectually preserved by the limited term for which the President is authorized to make them.

Suppose an officer to die in a distant part of the United States and his death not be known at Washington until after the adjournment, must the office remain vacant until the Senate can be convened? It is admitted by everyone that the President may appoint in such cases, and the practice of the Government has continually conformed to that construction. But if the Constitution required that the office should be full at the time of the adjournment, and that the vacancy should take place afterward, then the President could not appoint; for, in the cases above mentioned, the vacancy happens during the session and the office is not full at the time of the adjournment. It becomes vacant the moment the incumbent dies; and the notice does nothing more than inform the President that a vacancy has happened; and it informs him at the same time that it took place while the Senate was in session, and not during the recess.

I am aware that it has been said that in these cases the vacancy must be regarded as happening when the notice of the death is received; and that, therefore, such a vacancy is to be considered as happening after the adjournment and during the recess. But how can it be so considered in opposition to the admitted fact? There are no words in the Constitution that justify such an interpretation. It does not speak of the notice of a vacancy, but of the existence of a vacancy. It does not say if a vacancy shall become known, but if a vacancy shall "happen"; and if the words of the Constitution give the power to fill those vacancies only which take place after the adjournment, then the vacancies I have just mentioned could not be filled.

I shall not read all the opinion, but go now to the pertinent part:

It is manifest, however, that the Constitution could not have intended to place such cases on a different footing from vacancies which occur after the adjournment. There is no reason for a distinction between them. And the words used in the Constitution do not, I think, by any fair construction, require a distinction to be taken. It was intended to provide for those vacancies which might arise from accident, and the contingencies to which human affairs must always be liable. And if it falls out that, from death, inadvertence, or mistake an office required by law to be filled is, in the recess, found to be vacant, then a vacancy has happened during the recess, and the President may fill it. This appears to be the common sense and natural import of the words used. They mean the same thing as if the Constitution had said, "If there happened to be any vacancies during the recess." The framers of the Constitution had provided for filling the offices with the concurrence of the Senate; but, foreseeing that, from the various casualties to which human concerns are exposed, vacancies would be found during the recess, they give power to fill them until an opportunity can be afforded of bringing the appointments before the Senate; and they use words which denote the character of the vacancies which they foresee may occur, and for which they are providing. He may fill up vacancies which "happen" during the recess. But vacancies are not designedly to be kept open by the President until the recess, for the purpose of avoiding the control of the Senate.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BURKE. I did not get the full import of that sentence. Will the Senator read it again?

Mr. CONNALLY. Oh, yes; the Senator did, but he did not think some other Senators did. The Senator from Nebraska got the full import because he has already read it. He has been waiting until I reached that point to ask the question. However, I shall read it again:

But vacancies are not designedly to be kept open by the President until the recess, for the purpose of avoiding the control of the Senate.

I shall read it again:

But vacancies are not designedly to be kept open by the President until the recess, for the purpose of avoiding the control of the Senate.

It does not matter how long the President holds up the appointments. He cannot avoid the control of the Senate because whenever the Senate convenes it can reject or confirm, so that he cannot avoid it in any event.

And the word "happen"—

I invite the attention of the Senator from Nebraska to this line also—

And the word "happen" is used to describe the class and kind of vacancies, and not the particular time at which they took place.

Mr. BORAH. Mr. President——

Mr. CONNALLY. I yield to the Senator from Idaho.

Mr. BORAH. I came in after the Senator began. May I ask him what he is reading?

Mr. CONNALLY. From the opinion of Attorney General Taney, with which the Senator from Idaho is no doubt familiar.

Mr. ASHURST. Mr. President, will the Senator yield for a brief statement?

Mr. CONNALLY. Certainly.

Mr. ASHURST. During the course of my debate with the able Senator from Idaho [Mr. BORAH] this morning, I adverted to the case of Mr. Justice Pitney. Upon reflection and examination, I believe that case could not be used as a precedent, because I find Justice Pitney resigned and did not retire. I thank the Senator from Texas for giving me the opportunity to correct my own erroneous impression under which I labored at that time.

Mr. CONNALLY. The Senator from Arizona is always welcome to interrupt the Senator from Texas.

Attorney General Taney continued:

I might suggest another case, showing the restricted construction contended for cannot be the one contemplated by the framers of the Constitution. Suppose a nomination made to a vacant office, and confirmed by the Senate: the office is not full until the person appointed accepts. Suppose he refuses to accept, and his refusal is not known until after the adjournment: In such a case, the original vacancy would remain unfilled; and as it took place during the session, and not after the adjournment, the President could not fill it. It cannot be imagined that such cases were intended to be excepted out of the power granted to him.

It has been said that this power, if possessed by the President, may be so used as to defeat the intention of the Constitution, and exclude the Senate from all share in appointments. The answer to such an objection appears to be a plain one. If the President willfully abuses a power given to him, the Constitution has provided a remedy. In this case, the Senate have had a full opportunity of acting, but have not acted, and have held the nomination under advisement, and left it to fall vacant as soon as they adjourned. They must be supposed to have had sufficient reasons for keeping the nomination in their power, and suspending their action upon it. The President could not nominate another person for the same office until this was disposed of, and was either withdrawn by him or finally acted on by the Senate. And as the Senate had had an opportunity of asking, but have determined to suspend the decision, I cannot see how an appointment now made by the President can be supposed to interfere with the rights of the Senate. There is nothing in the case that can be construed into a desire to avoid their constitutional control.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. CONNALLY. Certainly.

Mr. ADAMS. I rise to get some information. The constitutional provision is that—

The President shall have power to fill up all vacancies that may happen during recess of the Senate, by granting commissions which shall expire at the end of their next session.

My inquiry is, assuming the President had the right to make an appointment during the recess, regardless of when the vacancy happened or occurred, could the President allow the appointee to hold, without making a report to the Senate, until the end of the next session? It seems to me the literal meaning of the Constitution would permit the President to make an appointment during the recess, assuming it was a proper recess appointment, and not report the appointment to the Senate under the language of the Constitution, so the appointee would hold until the end of the next session, and then we would have no vacancy and the President could continue the process.

Mr. CONNALLY. I do not think he could continue it. I have not investigated the precedents on that point, but the Constitution contemplates that when he makes a recess appointment, as soon as the Senate convenes he shall transmit that nomination to the Senate. If the Senate rejects it, the appointee is out. He cannot continue even until the end of that session.

Mr. ADAMS. Does not the opportunity exist to decline or omit sending the appointment to the Senate, so that the appointee would continue to hold until the end of the ensuing sessions of the Senate?

Mr. CONNALLY. I will say to the Senator that that is a possibility, but the Congress ought not to assume that the President is going to do what would be a palpable violation of his duty. If the President makes a recess appointment, he ought to send that appointment to the Senate the first day it convenes; and if he does not he will lay himself open to the suspicion that he is trying to evade his responsibility and trying to avoid submitting his nomination for confirmation to the Senate, where the Constitution says it ought to be submitted. That is my answer to the Senator.

Mr. BURKE. Mr. President, will the Senator yield further at that point?

Mr. CONNALLY. I yield.

Mr. BURKE. But if that circumstance should arise the Senator from Texas takes the position that it would not be proper for any Senator to raise any point about that, because the sending of nominations to the Senate is the sole duty of the Executive, and no Senator ought to give any thought to that matter. Is that true?

Mr. CONNALLY. I am not opposed to thought by Senators. In fact, I favor it; but what the Senator from Texas is undertaking to say is that we have no right to undertake to coerce or intimidate the President into making a nomination. If he appoints a man during the recess, the appointee cannot draw a dollar from the Treasury until he is confirmed by the Senate, and so he never would get any salary until the Senate confirmed him. I do not think the President would want to appoint a man, and I do not know many men who would want to accept the job, if he would not get any compensation until the Senate finally confirmed him. That is the law, is it not? I will ask the Senator from Nebraska whether that is not the law.

Mr. BURKE. The law or the precedents?

Mr. CONNALLY. I am talking about the statute law. The statute law—the act of 1869, I think it is—is that when a person is appointed in recess he cannot draw any salary until he is confirmed. After all, there is the power of Congress—the power of the purse, the control of money.

Mr. O'MAHONEY. Mr. President——

Mr. CONNALLY. I desire to answer a little more fully the Senator from Nebraska.

Mr. BURKE. I will defer to my colleague.

Mr. CONNALLY. I yield, then, to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I am interested in the statement just made by the Senator from Texas. Not having hand an opportunity recently to consult the statutes, I am inclined to doubt the correctness of the Senator's statement.

Mr. CONNALLY. The Senator from Wyoming is on the Appropriations Committee; and if he does not know about the matter, he ought to find out. I am not on the Appropriations Committee.

Mr. O'MAHONEY. Yes; but it is not the Appropriations Committee which provides for the payment of detailed salaries. The Appropriations Committee appropriates a fund to take care of all salaries.

Mr. CONNALLY. I will say to the Senator that that was the law. Whether or not it has been repealed, I do not know.

Mr. O'MAHONEY. I think it is a matter which should be investigated. I am under the impression that the law now is that a person appointed in recess may not draw salary after the adjournment of the next succeeding Senate, but he will certainly draw salary from the moment he obtains his commission to fill up the vacancy.

Mr. CONNALLY. If he served to the end of the Congress without being confirmed and then was reappointed, he would be another recess appointee; and why would not the same law to which the Senator refers apply? He would not get any money until the end of the next Congress.

Mr. O'MAHONEY. But the Appropriations Committee upon numerous occasions has written into the law provisions to make certain that that shall not be done.

I am glad the Senator has now obtained the law. I think it will be illuminating.

Mr. ASHURST. Mr. President——

Mr. CONNALLY. The Senator has had the law all the time, but it is not his duty to go around and speak on the law. Here is what the law says; and a man on the Appropriations Committee ought to be advised about the safeguards on the Treasury.

Mr. O'MAHONEY. Mr. President, I always learn from the Senator from Texas.

Mr. CONNALLY. I thank the Senator. I am not addressing the Senator in anything but the best of humor.

The act of June 7, 1924, says:

> No money shall be paid from the Treasury as salary to any person appointed during the recess of the Senate, to fill a vacancy in any existing office, if the vacancy existed while the Senate was in session and was by law required to be filled by and with the advice and consent of the Senate, until such appointee has been confirmed by the Senate. The provisions of this section shall not apply to any person appointed as an original member of the Board of Tax Appeals, if such appointment was made prior to December 1, 1924.

Does the Senator from Arizona [Mr. ASHURST] wish me to yield now?

Mr. ASHURST. No, Mr. President; the Senator has covered the point I was going to make.

Mr. O'MAHONEY. Mr. President, may I interrupt the Senator at that point?

Mr. CONNALLY. Yes; I yield.

Mr. O'MAHONEY. The statute which the Senator has just read, of course, applies to the particular case which we are now discussing. It is not the rule which applies, as I understand, to general recess appointments; but so far as any discussion that is now engaging the attention of the Senate is concerned, of course, that is the controlling provision.

Mr. CONNALLY. I am not advised as to all the statutes. I never try to learn much about the statutes, because I can look in the book and find out what the statutes are. I have tried to learn the general principles of law.

Mr. ASHURST. Mr. President——

Mr. CONNALLY. I yield to the Senator from Arizona.

Mr. ASHURST. What the able Senator read is, of course, existing law. There are a few exceptions—I think, three or four.

Mr. CONNALLY. I shall be glad to yield to the Senator to explain them.

Mr. ASHURST. Oh, no; but the exceptions do not apply to the instant case.

Mr. CONNALLY. I thank the Senator.

Therefore, Mr. President, the appointee in either case—the case suggested by the Senator from Colorado [Mr. ADAMS] or the case suggested by the Senator from Nebraska [Mr. BURKE]—will not get any salary until he is confirmed by the Senate. I cannot conceive of a President appointing a man in recess and then not sending his name to the Senate for a whole session. I cannot conceive of any President doing that—not when he has a friendly Senate to deal with, as the President has in this case.

Mr. President, I desire to be very brief and conclude this opinion.

Speaking of Judge Taney, he cites a case under President John Adams, the case of Amos Binney. President Adams must have proceeded on the same conclusion that I have given as to the construction of the Constitution. The opinion says:

> The commission of Amos Binney, as Navy agent of the port of Boston, expired by operation of law February 15, 1825, during the session of Congress. He was nominated for the same office February 28, 1825. The session closed on the 3d of March, and the Senate adjourned without acting on the nomination. They were convened on the 4th of March, 1825, by the summons of the President; and on the 7th Mr. Binney was again nominated. On the 9th, this nomination was postponed by the Senate to the first Monday in December following; and they adjourned on the same day, leaving this vacancy unfilled. On the 22d of March 1825, during the recess, Mr. Binney was appointed by the President to the office above mentioned.
>
> Here, then, was a vacancy which occurred during the session; was known to have taken place; was left unfilled at the close of the session; and was afterward during the recess filled up by the President. I know of no precedent in favor of the opposite construction.

Mr. President, I shall not quote other rulings; but that ruling of the Attorney General has been followed in a long list of similar rulings:

H. S. Legare, Attorney General under Tyler (3 Op. 673).

J. Y. Mason, Attorney General under Polk (4 Op. 523).

C. Cushing, Attorney General under Pierce (7 Op. 187).

Edward Bates, Attorney General under Lincoln (10 Op. 356).

James Speed, Attorney General under Lincoln (11 Op. 179).

W. H. H. Miller, Attorney General under Harrison (19 Op. 261).

Mr. President, I have here two decisions of the Federal courts. I shall not read them, but I desire to quote from them.

In the matter of Henry P. Farrow and John S. Bigby, claimants of the office of United States attorney for the district of Georgia, Third Federal Reporter (1st series) 112, it was held:

> The phrase "vacancies which may happen during the recess of the Senate", found in section 2, article II, of the Constitution, and section 1769 of the Revised Statutes of the United States, authorizing the President to fill vacancies in office, means "vacancies that may happen to exist during the recess of the Senate."

Mr. BURKE. Mr. President, will the Senator yield at that point?

Mr. CONNALLY. I am glad to yield.

Mr. BURKE. The general power to make appointments is contained in paragraph 2 of section 2, and then follows subsection 3, from which the Senator has just read. Is not subsection 3 in the nature of a limitation on the broad power before stated, and must it not be strictly construed? If that is the rule, by what authority is the Senator able to add two words in order to make his meaning, so that "vacancy that may happen" really means a vacancy that may happen to exist?

Mr. CONNALLY. I was reading a decision of the court, I think, of a circuit court.

Let me say to the Senator from Nebraska that I do not regard the last paragraph of section 2, article II, as being a limitation on the preceding paragraph. It might have been more skillfully drawn. If the makers of the Constitution had foreseen all the possibilities of construction in cases that

might arise, they might have written it so that it would have been a little clearer. But my view is that the third paragraph was at least an effort to add to the preceding paragraph, and to provide in the second paragraph that the President should have the power by and with the advice and consent of the Senate. They evidently contemplated that he would make such appointments while the Senate was in session. But someone says, "Wait a minute. That is all right so far as it goes, but suppose some of the vacancies exist during a recess? Shall we add another clause 'if they occur during a recess'?" It was probably an afterthought, an afterthought of some delegate who was cautious and wise and wanted to provide against some contingency. At least, that is what the Court says was the origin of it.

Mr. President, I desire to conclude. I have read one decision of the circuit court. I have here another one—in Twenty-eighth Federal Reporter, first series, page 445, the case of In re Yancy, where the Court held:

> Although the vacancy first happen during a session of the Senate, if it continue to exist during the subsequent recess, the President has power to fill it up, under the Constitution of the United States, article II, section 2, clause 3.

That answers the Senator from Nebraska as to clause 3.

Yancy had been appointed marshal of the United States for the western district of Tennessee.

I also wish to cite a textbook on constitutional law, Willoughby on the Constitution of the United States. This is what Mr. Willoughby says:

> By article II, section 2, of the Constitution, the President is given the power "to fill all vacancies that may happen during the recess of the Senate by granting commissions which shall expire at the end of their next session."
>
> The only constitutional controversy which has arisen with reference to this provision is as to when a vacancy may be said to have "happened" during a recess of the Senate, and therefore to have furnished an opportunity for a Presidential appointment.
>
> There are no decisions of the Supreme Court which bear upon this point, though there have been a considerable number of opinions of the Attorney General regarding it, and there has been the practice, in the premises, by the President. The circumstances attending one of the recess appointments may be mentioned.
>
> In 1902 a vacancy in the office of the collector of customs at Charleston, S. C., occurred during a recess of the Senate. During the next sitting of the Senate the President sent in the nomination of one William D. Crum for the office, but the Senate adjourned without acting upon it. When the Senate reconvened the nomination was again sent in, and again the Senate adjourned without action thereupon. The President then issued a temporary commission to Mr. Crum as collector, who took the oath of office and entered upon the discharge of his official duties but without receiving any compensation. The Senate having again convened in special session, Mr. Crum's nomination was again sent in. That session ended at noon on December 7, 1903, and at noon of the same day the regular session began. At that instant, Mr. Crum was again given a temporary commission as collector by President Roosevelt on the theory that the appointment was made during a "constructive recess" of the Senate, that is, during the constructive period of time between the ending of the special session and the beginning of the regular session of the Senate. In response to a resolution of inquiry on the part of the Senate the Secretary of the Treasury replied that Mr. Crum had taken office, was functioning as such, and that the question whether or not he was de jure as well as de facto in office was one for determination by the courts and by them only. In response to protests on the part of certain Senators that there had been no real recess during which a temporary appointment could be constitutionally made, a letter was sent to the Committee on Military Affairs of the Senate by Mr. Root, then Secretary of War, in which he called attention to the fact that similar recess appointments in the Regular Army had been made. In this letter he said that there were two possible views of the situation occurring when one session of the Senate ends and another immediately begins: either that the special session did not end at all but was merged in the regular session (which view he was inclined to accept) or that a constructive recess intervened between the two sessions. As to this second view he said: "There can be no end of a session until a time is reached when there is no session, and the time when there is no session is a recess. The recess may be called 'constructive' but is no more constructive than the end of a session which is assumed to happen. A constructive end involves a constructive recess. A real end involves a real recess. Necessarily, a vacancy caused by the expiration of a commission at the end of a session happens in the recess caused by the end of the session, and it is within the constitutional power of the President to fill up such vacancy." In other words, then, there was, in either case, a recess, if not real, then constructive, if not constructive, then real. In result no action was taken by the Senate.
>
> SEC. 989. DO VACANCIES "HAPPEN" WHEN THEY OCCUR DURING A SESSION OF THE SENATE?
>
> It has been contended that the constitutional provision regarding the granting of commissions by the President during recesses of the Senate does not apply when such vacancies occur while the Senate is in session, and which might therefore have been filled by the making of regular nominations by the President. The practice of a long line of Presidents, together with opinions of Attorneys General, support the view that this may be done. To the contention that such vacancies do not "happen" during the recess, the reply has been that the Constitution provision means "happen to exist" for any reason while the Senate is not in session.

Mr. President, I shall not encumber the RECORD with the reading of other cases and other authorities, but I think I may safely say that the overwhelming mass of precedents and the overwhelming weight of judicial opinion sustains the view that whether a vacancy actually happened during a session, or may happen after a session, the President may fill the vacancy during the recess by making a temporary appointment.

I desired to put these matters into the RECORD in order to fortify the position which I took yesterday.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BURKE. Is the Senator able to say whether the authorities upon which he relies are the same, in extent, as those upon which the Attorney General relies, or does he have no information on that?

Mr. CONNALLY. Frankly, I will say to the Senator, I do not know what the Attorney General has in the way of authorities.

I called his office, and he said that the matter was included in a memorandum to the President which was of a confidential nature, and he could not give me a copy. So the Senator from Texas has had to look to other than the Department of Justice for his information.

Mr. BURKE. My only reason for making the inquiry is that, as the Senator will freely admit, I am sure, there are precedents on the other side.

Mr. CONNALLY. I am sure of that.

Mr. BURKE. And reasoning which ought to be presented, and at the appropriate time, unless someone else takes the opportunity of doing so, I will be glad to present the other side of the case.

Mr. CONNALLY. Mr. President, it will be well presented if it is presented by the Senator from Nebraska. I am aware of the fact that there are, of course, precedents and decisions on the other side. A question upon which there is no divergence of view usually is a question of no importance whatever. Anything on which everybody agrees does not amount to much in this world.

I thank the Senate for its attention.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistahce to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. COPELAND obtained the floor.

Mr. O'MAHONEY. Mr. President, I ask the Chair to state the pending question.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill. There are no amendments pending.

Mr. O'MAHONEY. If the Senator from New York will yield for the purpose, I desire to offer an amendment. I shall not discuss it at this time.

The PRESIDENT pro tempore. The Senator from Wyoming asks the senior Senator from New York if he will yield.

Mr. COPELAND. I yield for the purpose the Senator suggests.

Mr. O'MAHONEY. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On line 25, page 39, it is proposed to strike out "officers, attorneys, and experts" and in lieu thereof to insert "attorneys, and, under regulations to be prescribed by the Civil Service Commission, of such officers and experts as may be necessary to carry out the purposes of this act."

Mr. WAGNER. Mr. President, I may say that I am in favor of the amendment, but I desire to point out that I think it is the most restrictive provision yet offered to us on the question of appointments. Am I correct about that?

Mr. O'MAHONEY. I think the Senator exaggerates just a little. The amendment was drawn for the purpose of placing in the proposed statute the procedure which is now followed. There was a ruling of the Comptroller General with respect to the characterization of "experts", giving a definition of what constitutes an expert, and the amendment is offered merely to write that definition into the statute.

Mr. WAGNER. I am sure it will improve the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. COPELAND. Mr. President, I do not wish to interfere with my colleague, if he would rather go ahead with his bill.

Mr. WAGNER. I should like to do so, unless the Senator feels that he wants to press his matter now.

Mr. COPELAND. I am much distressed about the term "United States Housing Authority" because of its effect upon the alley work, and I suggest to my colleague that he broaden the term "public housing agency" just a bit. The term "public housing agency" is defined to mean any governmental entity or public body, including any State, county, or municipality. In that way the term will take care of this organization in the District, which otherwise would not be taken care of; and the argument is this:

The Alley Dwelling Authority for the District of Columbia, being an agency created by act of Congress, would, it seems, be excluded by the definition of a "public housing agency" as used in the bill, which contemplates that the public housing agency shall derive its authority from a State. Though the District of Columbia is specifically mentioned under the definition of the word "State" on page 14, it is said that this has no bearing, as the District of Columbia is merely an administrative agency of Congress, which exercises exclusive legislative jurisdiction within the District. This condition could be remedied by changing the position of the word "State" as I have indicated.

Does what I have said appeal to the Senator from Utah [Mr. KING]?

Mr. KING. Mr. President, I should want to consider that suggestion, because I do not want to make the term so broad as that. It might invite quasi-public corporations to come under the act. I should be perfectly willing to have this particular agency indicated, because it was created by Federal statute. I shall confer with the Senator, and I think we can agree upon an amendment which will be entirely satisfactory.

Mr. WAGNER. I have no desire, of course, to exclude the District of Columbia; but we must be very careful about our definition.

Mr. KING. Absolutely.

Mr. COPELAND. I shall ask that the amendment which I suggested be printed so that it may be understood, and I shall give a memorandum concerning it to the very able chairman of the District Committee of the Senate.

I now ask unanimous consent that there be printed in the RECORD a statement concerning the amendment, at the end of which the amendment appears.

There being no objection, the statement and amendment were ordered to be printed in the RECORD, as follows:

The Alley Dwelling Authority for the District of Columbia, being an agency created by act of Congress, would, I am informed by counsel, be excluded by the definition of a public-housing agency (sec. 2 (10), p. 36, line 23), which contemplates that the public-housing agency shall derive its authority from a State. Though the District of Columbia is specifically mentioned under the definition of the word "State" (14, p. 38, lines 1–3), this, I am informed, has no bearing as the District of Columbia is merely an administrative agency of Congress, which exercises exclusive legislative jurisdiction. This condition could be remedied by changing the position of the words "State, county, municipality", so the definition will read:

"(10) The term 'public housing agency' means any governmental entity or public body, including any State, county, or municipality, but excluding the authority which is authorized to engage in the development or administration of low-rent housing or slum clearance."

Mr. WAGNER. Mr. President, I offer another amendment in connection with a question raised by the Senator from Nebraska [Mr. BURKE] yesterday; namely that as the bill was drawn, while the directors were made subject to removal only for cause, the same provision was not made as to the administrator. I am offering an amendment to treat all equally, and also to reduce the number of members from five to three. I think three will be amply sufficient to administer this law.

The PRESIDENT pro tempore. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 38, it is proposed to strike out line 11 through and including line 25, and in lieu thereof to insert the following:

(b) The powers of the Authority shall be vested in a Board of Directors (hereinafter referred to as the Board) composed of an Administrator and two Directors. The Administrator and the two Directors shall be appointed by the President, by and with the advice and consent of the Senate, and shall be removable by the President upon notice and hearing for neglect of duty or malfeasance, but for no other cause. One of the three original members of the Board shall serve for a term of 1 year, one for a term of 3 years, and one for a term of 5 years, but their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed.

On page 39, in line 17, it is proposed to strike out "three" and insert "two."

Mr. O'MAHONEY. Mr. President, I inquire of the Senator from New York [Mr. WAGNER] whether he has consulted the majority leader with respect to this amendment. I am under the impression that an amendment was to be offered this afternoon to provide that the Housing Authority shall be under the general jurisdiction of the Secretary of the Interior.

Mr. WAGNER. That amendment will come a little later on. I have the amendment on my desk.

Mr. O'MAHONEY. Mr. President, I ask the Senator what the effect of that amendment will be upon this provision, because here we are providing for the appointment by the President of the Administrator and two directors, by and with the advice and consent of the Senate.

Mr. WAGNER. We will not change that provision by the amendment which will be offered later. That amendment, which our leader and I have under consideration, simply provides that the administrator and the board shall be responsible to and subject to the supervision of the Secretary of the Interior; but the appointment of the members of the board remains in the President, like the appointment of the members of any other boards.

Mr. O'MAHONEY. May I then inquire of the Senator from New York and the Senator from Kentucky [Mr. BARKLEY] to what extent it is proposed that the supervision of the Secretary shall extend?

Before the Senator answers, let me point out that in this bill we go to considerable lengths to define the powers and duties of the administrator and of the directors, and then by this amendment it is suggested that nevertheless they shall operate under the supervision of the Secretary. Does the Senator propose to define to what extent that supervision shall go?

Mr. WAGNER. Of course I did not draft this amendment.

Mr. O'MAHONEY. I understand that the Senator did not.

Mr. WAGNER. But those who drafted it were satisfied with it.

Mr. O'MAHONEY. I desire to say that I am in complete sympathy with the proposal. I think it is a part of the general scheme of reorganization, and that the proposed amendment should be adopted; but it does seem to me that we should have clearly in mind what the authority will be respectively of the head of the Department and of the Administrator and the directors.

Mr. WAGNER. I see your point.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BARKLEY. The amendment offered by the Senator from New York does not change that situation. It simply reduces the number of directors. Under the bill, however, the four directors and the administrator must be appointed by the President with the advice and consent of the Senate. If the amendment that is to be offered a little later is adopted, the same sort of jurisdiction will be provided that was provided the other day in the farm-tenancy bill, when we created in the Department of Agriculture a board to be under the general supervision of and to be responsible to the Secretary of Agriculture. It is difficult to go through the bill and outline each sentence so as to specify just what sort of supervision the Secretary of the Interior has; but the words "responsible" and "supervision", as applied to the Secretary of the Interior and this board, contemplate that the Secretary is to have general supervision over the board's activities, and that on any major matter that is contemplated, the board would have to secure his approval.

Mr. O'MAHONEY. Mr. President, I shall trespass upon the time of the Senator from New York for just a moment more. The thought occurs to me that the reorganization bill, which is before the committee of which the Senator from Kentucky [Mr. BARKLEY] is a member, contemplates that the independent agencies of the Government shall be grouped under the executive departments, but only with respect to what have been called their housekeeping functions; that is to say, with respect to appropriations and personnel and the like.

Mr. BARKLEY. That applies to the so-called quasi-judicial independent agencies, such as the Interstate Commerce Commission, the Federal Trade Commission, and others.

Mr. O'MAHONEY. That is true.

Mr. BARKLEY. But as to the vast number of unrelated independent agencies, which perform no quasi-judicial functions, if we should pass a reorganization bill and they should be reallocated among the departments, they would, I assume, have the same status in those departments that divisions and bureaus now have which are under the jurisdiction of a Cabinet member.

Mr. O'MAHONEY. Would it not be the thought of the Senator from Kentucky that the housing administrator and the directors should be free to exercise all functions conveyed to them by this bill, but that the supervisory authority of the Secretary should be confined to so-called housekeeping functions?

Mr. BARKLEY. Frankly, I do not think so in this particular, because the duties here are almost wholly administrative. There already exists in the Department of the Interior a housing division, as we all know, which has functioned well. It has heretofore been engaged and is now engaged in slum-clearance work and in the carrying on of housing projects. They have an accumulation of experience and information that undoubtedly would be of great service to this new agency. It occurred to some of us, inasmuch as we have gone on for years creating independent agencies and setting them up without any responsibility to anybody, a situation which is responsible for the fact that we are asked to pass a reorganization bill, that now as we are creating new agencies we might ourselves allocate them to some department, because one of the criticisms being made against the reorganization bill is that Congress itself is not doing the reorganization, but is authorizing the President to do it.

I think the time has come when, in creating new agencies, instead of setting them loose to float around under their own steam, Congress ought to put them under some department, and not turn them loose to contribute to the complexity and confusion of the situation which calls for the reorganization measure.

Mr. O'MAHONEY. The question I am propounding is whether or not, under the amendment which it is proposed to offer, we are in fact conveying to the Secretary of the Interior all the powers and duties and responsibilities which by this bill are invested in the administrator and the directors. In other words, the President, by and with the advice and consent of the Senate, appoints an administrator and two directors, and then, assuming the other amendment shall be adopted, if the Secretary of the Interior decides those three individuals, independently confirmed, are not exercising their functions and performing their duties as he would like to have them exercised and performed, he may cause them to abandon a course upon which they may have entered after full consideration.

Mr. WAGNER. Of course, there is some slight ambiguity as to what "subject to the supervision of the Secretary of the Interior" means. Personally I had preferred, and those who have been interested in the legislation have preferred, an independent agency. I think an agency of this kind would be more efficient if it were an independent agency. And there is much in what the Senator from Wyoming [Mr. O'MAHONEY] says. I have laid the amendment aside for the moment in order to confer with the majority leader upon that very point.

Mr. BARKLEY. Inasmuch as the amendment is not now pending we might defer further discussion of it until it is reached.

Mr. O'MAHONEY. My discussion of the amendment may be a little premature.

Mr. WAGNER. But it is very useful.

Mr. O'MAHONEY. I should like to read the reorganization bill with a view to determining what powers and functions it is desired and designed to give the heads of the various departments. Then I shall confer with the Senator from Kentucky and the Senator from New York with respect to succeeding amendments.

Mr. WAGNER. Of course the directors are given the function of formulating the policy and the administrator is to do the actual executive work. Whatever amendment may be adopted ought not to paralyze these individuals in their work.

Mr. BARKLEY. Of course we could change the bill so as to provide that a housing authority should be created with the Department of the Interior and that the Secretary of the Interior should appoint an administrator for it; but inasmuch as we are seeking to create a board to be appointed by the President, by and with the advice and consent of the Senate, it seems that it presents a little different situation from that where we simply create a bureau within a department and provide that the Secretary of the department is authorized to make all appointments.

In this bill we provide that the Senate shall have a part in the appointments, and I think that provision should be retained because we are committing ourselves to the appropriation of quite a large sum of money over a period of years. I think it is not necessary for the Senate to give up its function in the appointment, so as to provide for these officers or the board of directors and the administrator to be appointed by the Secretary of the Interior. There are many things in which they can coordinate their work, and we have the housing experience in the Interior Department so as to make both of them more efficient.

Mr. O'MAHONEY. I quite agree with the Senator from Kentucky on that point. My thought was simply that the supervisory authority of the Secretary ought to be limited to questions arising out of the Budget, for example, what we have called the housekeeping functions of the independent

commissions and authorities. As a matter of fact, that is all the President's committee has recommended, and that is one of the purposes of the consolidation. It seems to me we might confine it to that.

Mr. WAGNER. I think there ought at least to be a limit upon the supervisory power.

Mr. BARKLEY. We can confer about it before tomorrow and agree on the matter.

Mr. WAGNER. Was the amendment adopted?

The PRESIDENT pro tempore. No. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. McADOO. Mr. President, before the amendment is adopted I have a suggestion to offer. In the enumerated causes for removal I think the word "incompetence" should be added.

Mr. WAGNER. I have no objection to that. I have used the words which are usual in the laws we have enacted.

Mr. McADOO. I think the provision should be broadened to that extent, because incompetence is one of the most frequent difficulties with which we have to deal.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. BURKE. May I ask the Senator a question on that point? In the case of nominations by the President and confirmed by the Senate, is it not going a little far to insert in the bill a provision that the appointee may be removed for incompetency? Is not their competence presumed upon their confirmation? Competent men might well get into the habit of neglect of duty.

Mr. McADOO. When we confirm a man we presume that he is competent, but it very frequently develops that he is hopelessly incompetent, and I think that is one of the causes for removal which should be included.

The PRESIDENT pro tempore. Does the Senator from New York accept the amendment of the Senator from California?

Mr. WAGNER. The Senator from California desires to add to my amendment the word "incompetence." I accept the modification.

Mr. KING. Mr. President, I shall oppose the modification.

The PRESIDENT pro tempore. The modification will be stated.

The CHIEF CLERK. In the amendment of the Senator from New York to the amendment reported by the committee, after the words "malfeasance in office", it is proposed to insert the words "or incompetence", so as to make the sentence read:

> The Administrator and the two directors shall be appointed by the President, by and with the advice and consent of the Senate, and shall be removable by the President upon notice and hearing for neglect of duty or malfeasance in office or incompetence, but for no other cause.

Mr. KING. Mr. President, I hope the words "or incompetence" may be eliminated entirely. Does the Senator from New York accept the amendment of the Senator from California?

Mr. WAGNER. I am in a very agreeable mood, and I see no serious objection to adding the word "incompetency."

Mr. McADOO. It will be necessary to have hearings to determine the basis for the charges, and I think incompetence should be considered as one of the causes for which a man may be haled before the board.

Mr. KING. What body would determine the incompetence of a member of the board?

Mr. McADOO. There is a provision for that in the amendment itself.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from New York, as modified, to the amendment of the committee.

Mr. BURKE. Mr. President, I desire to be heard on that question.

Mr. McADOO. Mr. President, I wish to hold the floor, but I yield for a question.

Mr. BURKE. It seems to me that, if we are to vest the President with authority to remove these members, we might as well eliminate this section altogether and let the President remove them at will. If the authority to remove is limited to neglect of duty or malfeasance in office, there is something upon which to stand; but if we put in the general statement that a member of this board may be removed for incompetence, there is no need for notice and hearing, and no need at all for the Senate to go to the trouble of acting in confirmation of the nominations of any of these men.

Mr. ADAMS. Mr. President, may I inquire whether we are not wasting time on this question? As I recollect the Myers case, the Supreme Court of the United States said that whenever power is vested in the President to make an appointment, except a judicial appointment or a quasi-judicial appointment, he has the right to remove the appointee at any time, without notice and without cause, and that Congress cannot put limitations on that power.

Mr. BURKE. That case must be considered in connection with the Humphrey case, in which the language construed by that tribunal was the same as in this measure originally—that members of the Federal Trade Commission could be removed only for neglect of duty or malfeasance in office. The removal was made without the allegation of either of those two things, and the Supreme Court unanimously said that the removal was illegal. It is to avoid exactly that situation that I object most seriously to including incompetence as a ground of removal.

Mr. McADOO. Mr. President, in that case the removal was based upon a statement in the President's own letter, as I recall, that Humphrey was not in sympathy with the President's policy. That is a very different thing from incompetence. Frequently we find in office incompetent men whom we have no way of removing. If we are going to specify the reasons or causes for which a man may be removed, I think the President's power ought not to be limited in any way in this case any more than in all the other cases.

Mr. CONNALLY. Mr. President, will the Senator yield at that point?

Mr. McADOO. I yield.

Mr. CONNALLY. Let me say that the Senator from Colorado is correct and the Senator from Nebraska is correct. If the Senator wants to give the President full power to remove, let us not put in any clause at all. Just let the President remove.

Mr. McADOO. I agree with the Senator fully.

Mr. CONNALLY. When the Congress, in the exercise of its constitutional power to create these offices and define their duties, puts in the statute, as it did in the Federal Trade Commission Act, that the members may be removed only for cause or incompetence, the President is limited to those causes, and he has to establish those reasons; but if we do not put in any such requirement, he may remove the officials at will, because the power of appointment includes the power to remove and appoint somebody else.

Mr. McADOO. There is no doubt about the correctness of the statement of the Senator from Texas. I should prefer to leave out the provision entirely; but if we are going to enumerate the causes we certainly should include incompetence as a cause for removal, and the President, of course, should be the judge of that fact. It is the intention of the amendment that the President shall give any accused person a hearing.

Mr. KING. Mr. President, will the Senator yield?

Mr. McADOO. I yield.

Mr. KING. Do I correctly understand the Senator to take the position that the President or some administrative officer will lodge a complaint against A or B, who is a director or has some other important position, and then the President of the United States is to sit and try a man to determine whether he is competent or incompetent?

Mr. McADOO. No.

Mr. KING. It seems to me the President of the United States is being placed in a humiliating position and made less than a jury.

Mr. McADOO. Not at all.

Mr. KING. I am very much opposed to the amendment. It seems to me a very improper one. Let me say to the Senator that in these cases it is proposed to make this a bureau of the Department of the Interior. That is all it is; and the President acts upon the suggestion or complaint of the head of the department in a case of this sort where he may be asked to act.

Mr. DAVIS. Mr. President, I have personally inspected the housing programs in England, Scotland, Ireland, Wales, Germany, and Austria. Of the many housing proposals either in effect or pending, the committee proposal with amendments will constitute the best piece of legislation in this specific field that has been offered for our consideration.

As I understand, the housing authority is given the right to borrow $700,000,000 at the current Government rate. For the first year there is authorized to be appropriated $5,000,000, for the second year seven and a half million dollars, and for the third year seven and a half million dollars. For each succeeding year not more than $20,000,000 is authorized to be appropriated, the latter sums to be appropriated by Congress after the third year.

The pending legislation is directed toward abolishing slums and providing housing for those with low incomes. With the expenditure of such sums as the bill provides it will do but little in abolishing slums. The best plan for eradicating slums is to pay a wage that will enable our workers to own their own homes or to pay a rental that will cause our people to invest their money in this form of security.

Mr. President, an editorial in this morning's Philadelphia Inquirer entitled "Low-Cost Housing on a Business Basis" expresses my thought on this subject. I ask that it follow my brief remarks in the RECORD at this particular point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The editorial is as follows:

[From the Philadelphia Inquirer of Aug. 3, 1937]

LOW-COST HOUSING ON A BUSINESS BASIS

While Secretary Wallace has challenged the accuracy of Senator BYRD's latest figures on the high cost of a Government housing project in Virginia which indicate an average of nearly $8,000 for each home unit, the failure of the resettlement experiments as a whole is now generally admitted.

As Mr. BYRD renews his criticism of a well-intentioned plan which has proved impracticable, its contrast to pending legislation to provide low-cost, low-rent housing for city families with low incomes becomes more clearly apparent.

Resettlement involved building homes far too expensive for the meager incomes of the intended beneficiaries. One of its features was the moving of large numbers of families to new locations.

The Wagner housing bill would hold down building costs to a reasonable figure. In addition, it contains a specific safeguard against high rents. Besides Government loans at low interest for construction, there are to be direct grants conditioned on the maintenance of low rents. Many resettlement projects have meant a lifetime of debt for the tenants or nominal owners who accepted the Government's offer.

This new housing program with Government assistance is directed toward abolishing slums from our cities, but it is not designed to remove present residents from familiar locations. There is to be no wholesale resettlement nor the forced migration which has worked such hardship in some previous housing enterprises.

Families have been compelled to leave rebuilt neighborhoods because they could not afford to remain there. Wherever this has occurred it has meant the virtual failure of a public housing project, because it has not fulfilled its primary purpose.

The overwhelming need is for decent, sanitary, and comfortable housing to fit slender incomes. This need is to be supplied, if Congress takes the proper action, by a plan based on business principles. The Government loans, backed by ample security, should be paid back with interest. The comparatively modest outright grants will be the people's contribution to the welfare of the less fortunate.

Here is a piece of genuinely progressive legislation that will place no heavy tax on the public. Wretched housing at extortionate rents must be abolished. A moderate investment will enable the wiping out of this national disgrace forever.

Congress will be recreant to its duty if it fails to act at this session toward placing low-cost housing within the reach of a multitude of needy American families.

EXPENSES OF PARTICIPATION IN INTER-AMERICAN RADIO CONFERENCE

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted authorizing an appropriation of the sum of $15,000, or so much thereof as may be necessary, for the expenses of participation by the United States in the Inter-American Radio Conference to convene at Habana November 1, 1937.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 3, 1937.*

[Enclosure: Report.]

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

The PRESIDENT pro tempore. The amendment offered by the Senator from California [Mr. McADOO], as the Chair understands, was accepted by the Senator from New York as a modification of his own amendment, as he has a right to do. Therefore, the question is on the amendment of the Senator from New York, as modified, to the amendment of the committee.

Mr. KING. Mr. President, the senior Senator from New York [Mr. COPELAND] is claiming recognition; and if he does not ask for recognition, I shall ask for it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment, which the Senator from New York has a right to discuss if he desires; or he may wait until the amendment is passed on and offer another amendment.

Mr. COPELAND. Mr. President, I am not very fussy about whether or not I have the floor, but I should like to have it to keep at some time.

Mr. O'MAHONEY. Mr. President, will the Senator from New York yield to me?

Mr. COPELAND. I yield.

Mr. O'MAHONEY. I do not desire to take up the Senator's time, but it is getting late.

Mr. COPELAND. I hope the Senator will not be modest about it. Nobody else has been. [Laughter.]

Mr. O'MAHONEY. Mr. President, I desire to place in the RECORD one or two amendments which I desire to offer, but which I shall not discuss at this time.

At the appropriate time I shall offer an amendment, on page 41, at the end of line 25, to add the following language:

But this use shall not be construed to include the distribution by mail of press releases.

On page 42, line 18, after the word "act", I shall move to add the following language:

Provided, That a showing of necessity therefor shall first be made to the Bureau of the Budget and to the Congress.

On page 43, line 22, after the words "publish and", I shall move to insert the words "upon request."

At the appropriate time I shall call up those amendments.

Mr. COPELAND. Mr. President, have I now the floor?

The PRESIDENT pro tempore. The Senator from New York has the floor.

Mr. COPELAND. I wish to ask my colleague [Mr. WAGNER] two questions before I proceed.

Did the committee give consideration to the idea of an advisory committee?

Mr. WAGNER. I am not a member of the committee, so I cannot tell about that. I have made no provision for it in

the bill, because I take it that the advisory committee will be an advisory committee to the local authority; for under the bill, as I am sure my colleague understands, the construction from beginning to end and the management are exclusively within the authority of the locality where the project is erected.

Mr. COPELAND. I understand that Secretary Ickes, when he appeared before the Senate committee, suggested an advisory committee. I am also advised that the British, in their law, have made provision for such a committee, and that it includes some very important persons around the Empire who are interested in housing.

Let me say to my colleague that I am going to present at this point a form of the language to provide for such a committee, and I hope that tomorrow he will perhaps give the matter some study and revise the bill accordingly. So I will offer the proposed amendment. It reads as follows:

SEC. 23. There is hereby created a national housing advisory committee which shall consist of 16 members, 8 to be appointed by the Authority, and 8 to be named from organizations designated by the Authority, having due regard to a representation of public housing, mortgage credit, labor, and construction interests upon such advisory council. Each organization shall name its representative and all members of the committee shall serve without compensation, but shall be entitled to reimbursement from the Authority for traveling expenses incurred in attendance at meetings of such committee. The committee shall meet at Washington at least twice a year and oftener if requested by the Authority. The committee may select its own chairman, vice chairman, and secretary, and adopt methods of procedure and shall have power:

(1) To confer with the Authority and other public officials on any matter which may be referred by the Authority to the committee, dealing with the housing question, public or private, and any matters arising in connection with the execution of laws relating to housing.

(2) To request information and to make recommendations with respect to matters within the jurisdiction of the Authority and also to consider the operation of enactments relating to housing and make to the Authority such recommendations with respect to these matters as the committee thinks desirable. The recommendations here directed shall be printed as a part of the annual reports to Congress of the Authority.

One other question. My colleague is still pressing the rural aspects of the bill, I assume?

Mr. WAGNER. Yes.

Mr. COPELAND. He has not receded?

Mr. WAGNER. No.

Mr. COPELAND. I wish to speak about that first. I happened to be here yesterday when there was a colloquy on this particular feature of the bill. The question was raised whether or not there is need in rural communities of such housing relief as the law would afford.

My answer to that question is yes, there is such need. I wish to use one example, which in a sense is a series of examples, to demonstrate the truth of what I say regarding the need of better housing in rural communities.

I was born on the banks of a beautiful river in Michigan, a river of considerable length, which develops a large amount of water power. In my youth there were numerous dams along this river from above the town where I lived on down to Lake Erie, where the Huron River runs into that body of water. Along this river were a number of mills—flour mills, saw mills, woolen mills, and perhaps other mills. I suppose along the length of the river there must have been 20 reservoirs and mill sites.

I recall one community, at Dover. In my youth there were about 8 or 10 houses in this hamlet. They were occupied by families, the men employees of the nearby farms in summer, and of the nearby mill in winter. Going on down the river, skipping Dexter, my birthplace, we came to another hamlet, Scio, where there were a number of houses, and on to Delhi and Fosters. Then there were a number of cities, large places, and so on down to Lake Erie.

Mr. President, the people who lived in these hamlets were in unincorporated villages. They were in every sense rural people, and their living places were rural in every sense of the word. I do not think I have ever seen, outside of the slums of cities, greater poverty that was evidenced in some of those homes. I do not know about the ownership. I think in some cases the homes were owned by those who occupied the houses, but they were struggling people, poor people.

There is exactly the same reason for decent houses for persons living in rural communities, such as I have named, as in the great cities. I am sure the bill does not contemplate at all that the housing authority will go out onto 160-acre or 320-acre or 640-acre farms and build houses. But there are little hamlets where human beings are living, families deserving the attention of Government. In no other way can they have the benefits of decent housing.

Some of those to whom I have referred were most benighted in the period of which I speak. I recall being told by a missionary who used to travel around in the country that in one of these hamlets he found a boy 10 years old, a normal boy mentally and physically, who never had heard of God except in profanity. If there were anywhere in the world neglected, forgotten people, they were those who were living in the tiny hamlets of the sort I have mentioned.

I know that there are hamlets like that today in my own State of New York. I have no doubt that they are to be found in other parts of the country. So I hope that there will be no retreat on this particular part of the bill, and that those who live in rural communities may have the same type of relief as is being proposed for the cities.

Mr. President, I come now to the city. I think I know the slums of the cities as well as any man can possibly know them unless he was born in the slums. The nature of my work for years, as health commissioner of the biggest city in the world, made me learn, first through the employees of the department, 4,000 of them, then later by personal visits to these places, how too many human beings live.

We used to have 1 square mile in New York City—I say we used to have it, because in the last few years there has been slum-clearance activity in New York—a square mile where lived 500,000 persons. Think of it, a half million persons in 1 square mile. How did those persons live? Twelve in three rooms, perhaps, four sleeping in the kitchen every night.

Poverty, such poverty! New York is spoken of as the richest city in the world. It is not only the richest city in the world, but it is the poorest city in the world. I have never seen anywhere, except in Dublin, Ireland, slums more terrible than those found in New York. One night I paid a visit to the slums of Dublin with the Minister of Health. I saw 1 single room in a sub-basement—not a basement, but a sub-basement—with a wooden shaft which brought some air down from the street, where lived 11 persons, father and mother and 9 children, and the father had tuberculosis. I do not need to recite even to a lay audience what that means. It means that all of them will die; no doubt they have already died of tuberculosis.

Mr. President, it is not right to demand of people that they live in such places, as I have suggested. We should not permit thousands of families to be forgotten. If a way can be found, such as I believe this bill provides, to make it possible to replace those indecent, insanitary, vermin-infested, rat-overrun, leaky-roofed houses by decent sanitary dwellings, I shall be proud to have had any part in the legislation.

I happened to be commissioner of health in the city of New York during the war and following the war, when there was no construction, and yet when we were receiving large numbers of persons through immigration, which was then practically unrestricted. I saw people living in places where I would not put sheep or goats. Under the code of the city those places could have been closed; they could have been padlocked. But there was no place for these people to go; there was no place to put them. We had to permit them to continue to live under these conditions because there was no other place for them to go.

Mr. President, any housing bill is an incomplete bill unless it provides not alone for the building of decent homes but also for the destruction and the elimination of the indecent ones; and that is contemplated by this bill.

I regard bad housing as an attack not alone upon the health of the people, but an attack upon morals and upon

the stability of government itself. Families cannot be put on one floor of a tenement house—a tenement house of the kind that we call a "railroad flat", where there is no corridor, but where persons go through from one room to another as is done in a railroad car—people cannot live in such "homes" and have morals and decency and righteousness prevail. Through this proposed legislation we are seeking to make it impossible for conditions such as I have named to continue in America.

What do I mean when I say that bad housing is an attack upon the fundamentals of government, involving the very stability of the Government? I mean that where the population is most dense, where the men and women and children are crowded into close quarters, there is found delinquency, particularly juvenile delinquency.

Take the map of any city in America and draw upon that map concentric rings, having as the center of this series of rings the business part and the most crowded residential part of the city. Then make a dot upon that map of every case of juvenile delinquency. In unbroken sequence from the first circle to the outer one there will be a diminution of those dots as you approach the periphery.

The most important of all American social troubles is the problem of juvenile delinquency. Common as it is among adults, crime is more prevalent among youths than in the older age groups. The average age of the criminal is 23; the largest age group is found at 19, and the next at 18.

Delinquency has been studied with reference to every possible cause, but, as I view it, not enough in its relationship to bad housing. The community, neighborhood area, and environmental conditions have been considered; but no one has quite thought the thing through to determine the relationship of delinquency to the quality and location of the housing of the victims.

The problem of delinquency is not a simple one by any means. No single factor can be fixed as the chief cause of bad behavior and lack of character. The physical, mental, and emotional nature of the individual cannot be divorced from his social contacts and companionships. Let us look into this a bit.

Crime is found where there is denseness of population. When you get out to the suburbs, where the people have detached houses, where they have playgrounds, where they have supervised play for the children, there is little delinquency. But where people are crowded by the thousands into indecent tenament houses, where the children have to play upon the streets, the morals of that community are in danger.

The farther the homes are removed from the slum districts, the fewer are the cases of children and youths demanding police attention. The densely populated centers lack social and cultural advantages; the dwelling places are crowded and unattractive, and crime abounds. As the outskirts are approached, the detached homes increase in number. Door yards and playgrounds multiply. Gangs are less numerous, and delinquency is infrequently met.

Many persons of high character and splendid qualities of heart and mind have come from the crowded city streets. The worst of slums has contributed real greatness. But the child born in a decent home has vastly more chances for health and goodness.

I plead with Senators to pass the bill. I am sure I do not need to do that, because I am confident that Senators are in full agreement with the purposes of the bill. But living as I do in a great crowded community, I know what it will mean to our people if they can be taken out of these dangerous places and moved into decent homes.

Mr. President, unless absolutely necessary I would not have the Government assume the burden of this work. I can see no reason why my community, through its public and private resources, cannot go very far with work of this sort.

The Senator from Massachusetts [Mr. WALSH] ably presented the cause today. He is a Senator whom I have known through long years, and I know his heart. I know that all of his impulses and all of his efforts are in the direction of passing a reasonable, workable, sensible bill.

The Senator from Massachusetts said that the amendments we have proposed here today have been amendments to perfect the bill, not to impair its usefulness. He has wisely drawn the line to show the distinction between what the Government should do on the one hand and what private organizations should do on the other. I think the Senator from Massachusetts is entitled to our thanks for the part he took today in developing the bill. It will be the better for the whole country because of his contribution.

My colleague [Mr. WAGNER] has been a leader for many years in social welfare legislation. If he can succeed in having this bill passed and made into law, he will have added another star to his crown.

I was speaking about the rich cities in America. For instance, in my own city of New York we cannot do any more than the State permits us to do. We have in New York City one-half the population of the State, but we have one-third of the legislators. We, in New York City, must depend upon the bounty, the courtesy, and sometimes the indulgence of the up-State people. We cannot always do what we want to do. But through the operation of this measure there can be carried out, in New York City and other great cities, the great work of slum clearance, the replacement of those slums with houses which will be decent and livable and which will make for the health and the morals of the people and, as I have said, for the stability of government.

If I had my way, every family in America would live in its own home. There is nothing that makes the husband and wife more interested in government than home ownership. When they own the home they want to know about the operation of local government and the reason for taxes. They are interested in knowing what kind of a mayor they have. They want to have a city government which is above reproach and which operates in harmony with the demands of the population.

But, Mr. President, it is impossible to have every family in America in its own home. I am sorry for them. I should like to fill up the country with white houses having green blinds, surrounded by door yards with shade trees and green grass, and around each one a white picket fence. I should like to have every child in America brought up in a home like that. A child born in a home of three rooms has twice the chance to live that the child has who is born in a "home" of one room. Infant mortality is high where families are crowded. The tiny baby in a clothes basket needs to have some air space beyond the cubic contents of the basket. When that child can be brought up in a home of several rooms it grows and thrives and prospers as it never can when it is a prisoner in one room in the slums of a great city.

This bill has in it provisions which make certain that the Government will lose nothing in the long run. It merely lends the credit of the Government. It makes certain by insurance that the investment is safe. It will cost us nothing in the long run. When I think about the millions and millions of dollars spent for agricultural relief and agricultural investment—and I have no resentment because of that, for my State stands eighth in agriculture—when I think of what has been done for the people on the farms then my heart throbs with the desire that equal opportunity and aid and assistance may be given to those who live in the homes in the cities. Here is a bill which is all comprehensive. It deals not only with the problems of the cities, but it goes into the rural communities and seeks, wherever human beings live, to have them live in decent places.

Mr. President, there is no need for me to say more. I am eager for the passage of the bill. I am thankful for the genius of those who planned it. I am confident, if it is enacted into law and its provisions wisely administered, that every Senator who votes for it will have occasion

throughout his life to be glad that he did so human a thing as to help the people of America to live decently, as all Americans are entitled to live.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The question is on agreeing to the amendment of the Senator from New York, as modified, to the amendment reported by the committee.

Mr. WAGNER. Mr. President, there was some controversy about the insertion of the word "incompetence." The Senator from California [Mr. McADOO], who suggested the modification, has been called from the Chamber, but asked me before he left if I would not in his behalf withdraw the modification.

The PRESIDING OFFICER. Does the Senator from New York desire to withdraw the modification?

Mr. WAGNER. Yes; at the request of the Senator from California, who made the original suggestion. Then the amendment will stand in the form in which I first sent it to the desk.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New York to the amendment of the committee.

Mr. McNARY. Mr. President, I ask that the pending amendment may go over until tomorrow before it is disposed of.

Mr. WAGNER. The amendment simply reduces the number of directors from five to three.

Mr. McNARY. Yes; I understand. That is the one to which I want to offer an amendment tomorrow.

Mr. WAGNER. Very well.

Mr. BARKLEY. Mr. President, has the Senator from New York any further amendments to offer?

Mr. WAGNER. I have merely some corrective amendments. I shall not offer any substantive amendment.

Mr. McNARY. I have no objection to the consideration of amendments of that character.

Mr. WAGNER. Mr. President, I shall not offer any more amendments tonight, even though they are merely amendments making clerical corrections; but I send certain other amendments to the desk and ask that they may be printed, to be taken up tomorrow.

The PRESIDING OFFICER. The amendments will be received, printed, and lie on the table.

HIGHWAYS SYSTEM TOLL BRIDGES

Mr. BLACK. I ask that the Chair lay before the Senate House bill 7373.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 7373) to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes, which was read twice by its title.

Mr. CLARK. Mr. President, will the Senator explain what the bill is?

Mr. BLACK. It is a bill which the Senate passed last year. It has been favorably reported today from the Committee on Post Offices and Post Roads. It calls for no appropriation of any kind. It simply authorizes, as it did last year, in case of the construction of bridges, that one-half of the cost of the bridges shall be considered in connection with Federal aid.

Mr. McKELLAR. Mr. President, is the Senator willing that the amendment be inserted which we discussed?

Mr. BLACK. I am going to ask the adoption of the amendment which we agreed upon in the committee.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 7373) to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

Mr. BLACK. Mr. President, in order that the bill may conform to the report of the Committee on Post Offices and Post Roads, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was, on page 1, line 7, to strike out the numerals "1938" and insert "1939", so as to make the bill read:

Be it enacted, etc., That in the case of each and every State, or political subdivision or subdivisions thereof, which, prior to the date of approval of this act, shall have constructed or acquired any toll bridges on the approved system of Federal-aid highways, and which has caused, or shall, prior to July 1, 1939, cause, any such toll bridge or toll bridges to be made free, the Secretary of Agriculture shall be, and he is hereby, authorized to pay out of the Federal-aid road funds apportioned to such State not to exceed 50 percent of such amount as may be approved by the Secretary of Agriculture as the reasonable value or construction cost of any such bridge, whichever shall be least: *Provided*, That no payment of Federal funds shall be made on account of any such bridge which was not constructed in accordance with plans and specifications which would meet the standards required by the Secretary of Agriculture at the time such bridge was constructed, nor on account of any bridge the construction of which was completed prior to March 3, 1927: *And provided further*, That no such payment shall be made which will exceed 50 percent of the reasonable value or cost of the labor and materials which were actually incorporated in the construction of such bridge, excluding all costs of rights-of-way, property damages, and financing costs whichever, value or cost, shall be least, and any amount so paid on account of any such bridge shall be used by the highway department of such State for matching unobligated Federal-aid road funds available to the State, for expenditure in the improvement of highways on the system of Federal-aid highways.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

On motion by Mr. BLACK, the bill (S. 701) to aid the several States in making certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes, was ordered to be indefinitely postponed.

LANDS IN UTAH

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1129) to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes, which was, on page 2, line 3, to strike out the words "area and."

Mr. WALSH. Mr. President, this is a bill to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes.

The bill passed the Senate and was amended in the House. There is a very slight amendment which strikes out the words "area and" on page 2 of the bill. The purpose of this exchange of land is to make the land now owned by the State of Utah a part of naval oil shale reserve no. 2. It is recommended by all the departments of the Government which are concerned, and the amendment is not one of substance but is merely of a clerical character.

I move that the Senate concur in the amendment of the House of Representatives.

The PRESIDING OFFICER. The question is on the motion of the Senator from Massachusetts.

The motion was agreed to.

CRASH OF PAN-AMERICAN PLANE NEAR CRISTOBAL, CANAL ZONE

Mr. McCARRAN. Mr. President, I send to the desk and ask to have inserted in the RECORD an article appearing in today's Evening Star, bringing to the attention of the American public another major disaster in the air, one of the Pan-American liners having crashed in the neighborhood of Cristobal, Canal Zone.

This sad occurrence is indicative of the fact that Americans must awaken to the situation that we have no regulation of commerce in the air, and that if we intend to go forward and progress in our air commerce we must do something by way of legislation before the present session of Congress adjourns. The disaster again brings to the

attention of the American public the necessity for the enactment of legislation such as that contained in Senate bill 2.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The article is as follows:

FOURTEEN PERISH IN PAN-AMERICAN AIRLINE CRASH—TWO UNITED STATES OFFICIALS AMONG VICTIMS OF SEA CRASH—MOTHER, CHILDREN ALSO ON PLANE

The Pan American-Grace clipper, lost over Panama, today was found submerged 30 miles northeast of Cristobal, Canal Zone, according to a radio report to the War Department here from the chief of the Army Signal Corps in the Canal Zone.

There was no sign of life aboard the wrecked ship.

In a terse dispatch to the War Department the Signal Corps station chief in the Canal Zone gave only the briefest details of the wreckage of the airliner.

The radio message read:

"The missing Pan-American plane located 30 miles northeast of Cristobal. Totally under water. No signs of life."

No other information was available here for the moment. A more detailed report was expected later.

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CRISTOBAL, CANAL ZONE, August 3.—Fourteen persons are missing in an air liner which failed to complete a landing at Cristobal on a flight from Lima, Peru.

More than 25 planes were scouring the area for miles around this port today in an attempt to locate the airship which may have been forced down on the sea.

On board the missing air liner were nine passengers, including a mother and her two children, and the crew of three.

A 1,810-MILE FLIGHT

The airship, a twin-engine Sikorsky amphibian of the Pan American-Grace Airways, was making the trip from Lima to Cristobal on a new schedule. The distance between these two points is 1,810 miles.

The plane was approaching Cristobal when it became lost. The ship was last heard from about 7:40 p. m. yesterday as it was heading for Cristobal to land. It was cloudy at the time and the ship flew through the clouds and nothing further was heard from it.

When it became apparent the craft was lost, search was immediately instituted, with the Army and Navy cooperating. Two destroyers aided airplanes in searching for the missing air liner.

Those aboard were:

PASSENGERS

Thomas Wakely, of the National City Bank of New York. He was en route from Santiago to Cristobal and was planning to continue by Pan American clipper ship across the Caribbean Sea to Miami and thence to New York.

Rex Martin, Department of Commerce, Washington, D. C.

G. Q. Caldwell, Department of Commerce, Washington, D. C. Both Martin and Caldwell were en route to Cristobal, Martin having boarded the missing air liner at Guyaquil, Ecuador, and Caldwell at Lima.

Oscar Miller, of the Ford Motor Car Co. He was en route from Guyaquil to Cristobal.

Isadore Souza, en route Guyaquil to Cristobal.

Sam Oliver, en route Guyaquil to Cristobal.

P. W. Kumle, en route from Cali, Colombia, to Cristobal. He had booked on Pan-American Airways out of Cristobal for Mexico City and Los Angeles.

Ernest Wood, an employee of Pan American-Grace Airways.

Mrs. Amy Levering, wife of an employee of the company; her son, Jimmie, and her daughter, Jessie.

CREW

Stephen Dunn, pilot.

Lawrence Arnold Bickford, co-pilot.

Herman Diez Canseco, steward.

Search for the missing air liner proceeded over a wide area. Planes went out from Coco Solo and France Air Fields, the Navy alone sending out 22 planes. Pan American-Grace sent out a trimotored Ford and a Sikorsky amphibian in search for the airship.

COASTLINE PATROLLED

Pan-American Airways assigned a clipper ship to patrol the coastline.

At the time last word was received from the missing air liner it was raining at Cristobal. Visibility at near-by France Field was 500 feet to the north, and 5,000 feet to the south and east from which direction the airship came.

Pilot Dunn, as he was preparing to make a landing through the heavy clouds over Cristobal and environs, gave no indication, it was announced, that he anticipated any difficulty in getting in safely.

TWENTY-FIVE PLANES, TENDER, DESTROYERS IN HUNT

Twenty-five airplanes, an airplane tender, and two destroyers were dispatched today to search for a Pan American-Grace Airways clipper ship, which is down near the Panama Canal Zone, according to advices to the Navy Department from the Canal Zone naval commandant.

Pan-American officials here admitted the clipper was down.

Definite information as to where the accident occurred was unavailable, but airline officials thought the mishap occurred on the Isthmus west coast.

The Navy search, the Department said, started from a point 50 miles north of Cristobal. The airplane tender taking part was the *Teal*, and the destroyers were the *Babbitt* and *Taylor*.

Pan-American headquarters here said they were trying to obtain further details of the accident.

REX MARTIN ABOARD DOWNED AIR CLIPPER

Rex Martin, one of the passengers on the missing Pan American-Grace Airways liner near the Panama Canal Zone, was formerly assistant director of the Bureau of Air Commerce in Washington.

With the shakeup in the Bureau earlier in the year he was relieved of his duties here, together with Col. Carroll Cone, also an assistant director. Colonel Cone was sent to Europe and Mr. Martin to South America as aeronautical advisors to the Department of Commerce. Colonel Cone subsequently resigned from the Government service, but Mr. Martin remained and has been in South America since March.

At the Department of Commerce today it was said he had a roving assignment.

C. Q. Caldwell, another passenger on the missing plane, is an air-line inspector for the Bureau of Air Commerce. He left Washington about a month ago for an inspection trip over United States air lines operating in South America.

Mr. Martin served as a lieutenant in the Air Corps during the World War, and is the author of Commercial Aeronautics.

Resignation of Eugene Vidal as head of the Bureau of Air Commerce, and the shifting of his principal administrative assistants, including Mr. Martin, followed by several months a scathing report by the Senate Committee on Air Commerce Administration. The Senate's Special Air Safety Committee, headed by Senator ROYAL S. COPELAND (D.), of New York, was appointed to investigate the cause of the crash which took the life of Senator Bronson Cutting.

In its report the committee condemned the administration of the Bureau of Air Commerce under Vidal and Martin, charging that it was shot through with politics and favoritism, that Vidal was "too amiable" and easy-going, and that Martin lacked the professional qualifications for the post he then held as Assistant Director of the Bureau.

This report was submitted to the Senate in June 1936. It contained this statement regarding Martin:

"We question the professional equipment of Mr. Martin. A man of much larger experience is needed for this position. He must be chosen not with reference to his political affiliations but strictly because of his professional ability, his known success as administrator, his possession of tact, and qualities of leadership. These qualities are not combined in Mr. Martin. We can say this without any reflection on his character."

Mr. COPELAND. Mr. President, I should like to say just one word about the crash which occurred today. It is a very unfortunate thing and a sad thing, because one of our Commerce Department employees died in the wreck.

I think we ought to reserve judgment on this crash until we get the particulars, for the reason that the Pan-American Co.—I hold no brief for it, neither do I hold any stock in it—has been remarkably successful in its South American operations. I do not know that that is anything to boast about, because the company's planes never fly at night, nor do they do instrument flying and directional flying, as we do. They do contact flying. The plane is sometimes away up above high mountains, but the flights are always by daylight. They have visual direction. So they have been extremely fortunate in their operations. Because of that fact, I think we ought to be most charitable in judging what happened, and where the responsibility lies.

Mr. McCARRAN. Mr. President, will the Senator yield at that point?

Mr. COPELAND. Yes.

Mr. McCARRAN. I do not want anything in my remarks to be construed as a criticism of the Pan-American Line or any other line. Rather, I wish to draw the attention of the Senate and of the Congress of the United States to the fact that if we propose to go forward and progress in commercial aviation, we must do something along regulatory lines.

Mr. COPELAND. I fully agree with the Senator from Nevada.

Mr. McKELLAR. Mr. President, our present laws on the subject of air lines and air mail, which usually have come before us from the committee having jurisdiction of the air mail, have brought about one of the finest air services in the world, which I imagine has had fewer accidents than any other.

So far as the proposed legislation known as Senate bill 2 is concerned, in my judgment it will do more to bring disaster to air mail and to all other kinds of aviation than any other bill ever introduced in this body. I cannot sit

here in silence and hear encomiums upon a bill that I know would result in destroying the laws that have built up air mail as it has never before been built up in this country. The very bill known as Senate bill 2, introduced by the distinguished Senator from Nevada, would repeal all the air-mail laws which have been passed during the present administration, and which have brought about a reform in the system that previously existed. Indeed, it would repeal all of the laws on the subject, and would turn the matter over to the aviation companies and permit them to do as they please, virtually without restriction.

Mr. COPELAND. Mr. President, I desire to say that the Senator from Nevada [Mr. McCARRAN] has two bills. I do not like one of the bills at all. I think the second bill will do all that the Senator from Tennessee [Mr. McKELLAR] says; but I believe that Senate bill 2, which is the one about which the Senator spoke, is a desirable bill, that it is in the interest of the development of aviation, and in the direction of the promotion of safety.

I very much dislike to disagree with my friend from Tennessee, my immediate neighbor on the Appropriations Committee; but I believe that Senate bill 2 is a desirable bill, and ought to be enacted. As to the other one, I will go just as far as the Senator will go in seeking its defeat.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the further consideration of the bill now under consideration no Senator shall speak more than once or longer than 10 minutes on the bill or any amendment thereto.

Mr. McNARY. Mr. President, I should prefer to have the Senator extend the limitation of debate on amendments to 15 minutes. I have in mind the Senator from Vermont [Mr. AUSTIN], who has an amendment the discussion of which may require more than 10 minutes. With that change, I should have no objection to the proposed agreement.

Mr. BARKLEY. I modify the request so as to make the limitation 10 minutes on the bill and 15 minutes on amendments.

The PRESIDING OFFICER. The Senator from Kentucky asks unanimous consent that during the further consideration of the pending business no Senator shall speak more than once or longer than 10 minutes upon the bill, or more than once or longer than 15 minutes upon any amendment thereto. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. SCHWELLENBACH, from the Committee on Immigration, reported favorably the nomination of James L. Houghteling, of Illinois, to be Commissioner of Immigration and Naturalization for the Department of Labor.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

CLYDE O. EASTUS

Mr. CONNALLY. From the Committee on the Judiciary, I report back favorably the nomination of Clyde O. Eastus, of Texas, to be United States attorney for the northern district of Texas, and I ask unanimous consent for the present consideration of the nomination.

The PRESIDING OFFICER. The question is, will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. CONNALLY. I ask unanimous consent that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

If there be no further reports of committees, the clerk will state the nominations on the executive calendar.

THE JUDICIARY

The legislative clerk read the nomination of Berthold J. Husting, of Wisconsin, to be United States attorney for the eastern district of Wisconsin.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

WORKS PROGRESS ADMINISTRATION

The legislative clerk read the nomination of J. Banks Hudson, of Pennsylvania, to be State administrator for Pennsylvania.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

SOCIAL SECURITY BOARD

The legislative clerk read the nomination of Frank Bane, of Virginia, to be Executive Director.

Mr. McKELLAR. Mr. President, under the Social Security Board nominations I call attention to the nomination of Agnes Van Driel, of Illinois. One of the Senators from Illinois, who is unavoidably absent this afternoon asked that this nomination go over, and I ask that it be excepted from the confirmations which are about to be made.

The PRESIDING OFFICER. Without objection, the nomination of Agnes Van Driel, of Illinois, to be Chief, Division of Technical Training, will go over.

Mr. CLARK. Mr. President, I do not intend to object to the confirmation of Frank Bane, or any other nominee on the list. I merely desire to extend my very sincere congratulations to the State of Virginia at being able to break through the embargo heretofore in effect against appointments to the Social Security Board from south of the Potomac and Ohio Rivers, and to the State of California for being able to break through in a single case the embargo heretofore against the appointment of persons to the Social Security Board from west of the Mississippi River.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Frank Bane, to be executive director?

The nomination was confirmed.

The PRESIDING OFFICER. The clerk will state the next nomination on the calendar.

The legislative clerk read the nomination of John J. Corson, of Virginia, to be assistant executive director.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas I. Emerson, of the District of Columbia, to be principal attorney.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Gladys A. Harrison to be regional attorney, region 8, Minneapolis, Minn.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of LeRoy Hodges, of Virginia, to be director of Bureau of Federal Old Age Benefits.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Helen R. Jeter, of California, to be Chief, Public Assistance Statistics Division.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William B. Williamson, of Connecticut, to be an actuarial consultant.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Alanson W. Willcox, of the District of Columbia, to be assistant general counsel.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

Mr. O'MAHONEY. Mr. President, may I inquire of the chairman of the Committee on Post Offices and Post Roads and the chairman of the subcommittee of the Committee on Civil Service, having under consideration the House bill placing postmasters under the civil service, whether there has been any progress with that measure? My understanding is that the President of the United States has recommended the extension of the civil service to the appointment of postmasters.

Mr. McKELLAR. First-, second-, and third-class postmasters.

Mr. O'MAHONEY. Exactly.

Mr. McKELLAR. At least two of the three members of the subcommittee are opposed to the enactment of the bill. As I stated a few days ago, I took the trouble to inquire among the Senators, and up to date I have found only four Senators who are willing to say that they would vote for a bill taking away the right of confirmation of the Senate of postmasters of the first, second, and third classes, and I do not think there will be any legislation upon the subject.

Mr. O'MAHONEY. Mr. President, I think I understand the position of the genial Senator from Tenneseee.

Mr. McKELLAR. That is not only my position, but I think it is the position of another member of the subcommittee.

Mr. O'MAHONEY. That is no doubt the case; but, of course, we all know that almost from time immemorial it has been regarded as a prerogative of Members of the Congress to suggest to the Post Office Department the persons to be selected as postmasters in offices of the first, second, and third classes. The confirmation of the appointments by the Senate for years without number has been a mere formal gesture. All the correspondence having to do with the selection of these postmasters is carried on by the Representatives in the House with the Post Office Department, and when the Post Office Department and the Representatives come to an agreement as to an appointment to be made the name thus selected is submitted to the President and by the President transmitted to the Senate for confirmation. The name is then sent to the Committee on Post Offices and Post Roads. The clerk of that committee then submits the names to the Senators from the respective States. There is never any meeting of the committee to consider the appointments individually.

Mr. McKELLAR. O Mr. President——

Mr. O'MAHONEY. Am I in error about that?

Mr. McKELLAR. Yes; the Senator is in error about that. Whenever a question arises concerning the fitness or the capacity of a person, which is quite frequently the case, the committee considers the nomination. I do not think the Senator was present at the meetings, but we have had a number of meetings this session to discuss whether or not we should confirm certain nominations.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK. I should simply like to bear witness to the accuracy of what the Senator from Tennessee has said. In the only case in which I have seriously objected to the nomination of a postmaster I made a personal appearance before the Committee on Post Offices and Post Roads, suggested the grounds of my objection to the nomination, and the nomination was reported adversely, with the understanding that I would appear on the floor of the Senate and justify my objection.

Mr. O'MAHONEY. Undoubtedly what the Senator says is correct, and what the Senator from Tennessee says is correct; if any serious question is raised, of course then the committee is called into session. What I am pointing out is that in the great majority of cases it is a purely routine matter, and the confirmation goes according to form, according to routine. If the Senators from the respective States raise no objection, then confirmation is recommended, the nominations come before the Senate, and the chairman of the Committee on Post Offices and Post Roads rises in his place and moves that the nominations be confirmed en bloc, and they are immediately confirmed en bloc. What I am pointing out is that this practice is a pure formalism, and that the President of the United States has recommended the establishment of a bona-fide civil-service system to take its place.

The House of Representatives, the Members of which, under the system, have the right of making the recommendations, has passed a bill and sent it to this body. The bill has been before the Committee on Civil Service since almost the beginning of the present session, and no report has been submitted. I have risen merely to call attention to the fact that the bill is in the Committee on Civil Service and that it has not yet been reported. I hope that the Senate will be given an opportunity to vote it up or vote it down, instead of having it killed in the committee.

Mr. McKELLAR. Mr. President, the Senator can easily have that done by moving to discharge the committee and bring the bill before the Senate. I do not know whether or not he will get the four votes I spoke of a while ago, because one or two of them are in doubt; but that course is open to the Senator.

I wish to say just one word in reply. Under the Constitution the House of Representatives has the right to initiate all revenue legislation. Suppose the Senator from Wyoming should introduce a bill in the Senate to take away that power from the House of Representatives; how far does he think he would get? If the Senate passed such a bill in a moment when nobody was paying very much attention, and it went to the House, would the Senator expect a committee of the House to do much with the Senator's bill? It is a similar course that is being suggested here.

A Member of the House of Representatives has offered a bill to take away the constitutional right of the Senate to pass upon first-, second-, and third-class postmaster appointments. I do not see how the author of the bill could ever have expected the Senate seriously to consider such a bill, originating in the House and proposing to take away the constitutional power of the Senate.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK. In the instance to which the Senator refers, an analogous case, of revenue bills originating in the Senate, on several occasions the House of Representatives, and I believe uniformly, not only did not permit reference of the bills to a House committee for consideration but they have refused to receive the bills, and have sent them back to the Senate.

Mr. McKELLAR. I think that is entirely true. It seems to me that what probably ought to have been done with this bill was to have sent it back in exactly the same way.

If the Senate wants to give up its constitutional authority and right, that is a matter for the Senate to decide. The bill certainly ought not to have originated in the House. I wish to say to the Senator that I do not think the bill will get anywhere at this session of Congress or at any other session of Congress so long as he and I may be here.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

That completes the Executive Calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 p. m.) the Senate took a recess until tomorrow, Wednesday, August 4, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 3 (legislative day of July 22), 1937

UNITED STATES DISTRICT JUDGE

Eugene Rice, of Oklahoma, to be United States district judge for the eastern district of Oklahoma, to fill an existing vacancy.

UNITED STATES ATTORNEY

Clyde O. Eastus, of Texas, to be United States attorney for the northern district of Texas. (Mr. Eastus is now serving in this office under an appointment which expired June 13, 1937.)

APPOINTMENTS AND PROMOTIONS IN THE NAVY

MARINE CORPS

The following-named citizens to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July 1937:

Keith B. McCutcheon, a citizen of Pennsylvania.

Donald N. Otis, a citizen of Massachusetts.

William F. Prickett, a citizen of Oklahoma.

David W. Silvey, a citizen of Indiana.

Marine Gunner Kennard F. Bubier to be a chief marine gunner in the Marine Corps, to rank with but after second lieutenant, from the 26th day of June 1937.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 3 (legislative day of July 22), 1937

UNITED STATES ATTORNEYS

Clyde O. Eastus to be United States attorney for the northern district of Texas.

Berthold J. Husting to be United States attorney for the eastern district of Wisconsin.

WORKS PROGRESS ADMINISTRATION

J. Banks Hudson to be State administrator in the Works Progress Administration for Pennsylvania.

SOCIAL SECURITY BOARD

Frank Bane to be Executive Director.

John J. Corson to be Assistant Executive Director.

Thomas I. Emerson to be principal attorney.

Gladys A. Harrison to be regional attorney, region VIII, Minneapolis, Minn.

LeRoy Hodges to be Director of Bureau of Federal Old Age Benefits.

Helen R. Jeter to be Chief, Public Assistance Statistics Division.

William R. Williamson to be an actuarial consultant.

Alanson W. Willcox to be assistant general counsel.

POSTMASTERS

KANSAS

Blanche Jacobs, Gorham.

MAINE

Norman W. Hulit, Cumberland Center.

NEW JERSEY

Louis Quinby, Longport.

WASHINGTON

William F. Gorman, Burlington.

WISCONSIN

Paul Mlodzik, Cudahy.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 3, 1937

The House met at 12 o'clock noon.

Rev. A. F. Poore, of the Waugh Methodist Episcopal Church, Washington, D. C., offered the following prayer:

Almighty God, we come to Thee in the name that is above every name. We bless Thee, we worship Thee, we praise Thee, we laud and magnify Thy holy name.

We thank Thee for this day, we thank Thee for this place, we thank Thee for our leaders.

Grant us clarity of thought, breadth of vision, wings for our imagination, love for the human race.

Help us to be motivated by the words of the prophet: To do justly, to love mercy, and to walk humbly with God, that our Nation shall keep her place in the sun.

Lead us, Son of Man, even though it be by the sacrificial way, into the wealth of the Father's love. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On July 21, 1937:

H. R. 730. An act for the relief of Joseph M. Clagett, Jr.;

H. R. 3634. An act for the relief of Noah Spooner; and

H. R. 1377. An act for the relief of Walter T. Karshner, Katherine Karshner, Anna M. Karshner, and Mrs. James E. McShane.

On July 22, 1937:

H. R. 2332. An act for the relief of William Sulem;

H. R. 2562. An act for the relief of Mr. and Mrs. David Stoppel; and

H. R. 7562. An act to create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes.

On July 23, 1937:

H. R. 1945. An act for the relief of Venice La Prad; and

H. R. 2565. An act to confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of contractors for excess costs incurred while constructing navigation dams and locks on the Mississippi River and its tributaries.

On July 26, 1937:

H. R. 3408. An act to amend the Civil Service Act approved January 16, 1883 (22 Stat. 403), and for other purposes.

On July 28, 1937:

H. R. 6402. An act for the relief of Emory M. McCool, United States Navy, retired;

H. R. 6496. An act granting the consent of Congress to the State of Montana, or the counties of Roosevelt, Richland, and McCone, singly or jointly, to construct, maintain, and operate a free highway bridge across the Missouri River, at or near Poplar, Mont.;

H. R. 6636. An act granting the consent of Congress to the county of Carroll, in the State of Indiana, to construct, maintain, and operate a free highway bridge across the Wabash River at or near Lockport, Ind.;

H. R. 6920. An act granting the consent of Congress to the Commonwealth of Massachusetts, Middlesex County, and the city of Lowell, Mass., or any two of them, or any one of them, to construct, maintain, and operate a free highway bridge across the Merrimack River at Lowell; and

H. R. 7641. An act to authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic, to be held at Madison, Wis., September 5 to 10, inclusive, 1937.

On July 29, 1937:

H. R. 7017. An act to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May

27, 1936 (49 Stat. 1380, 1383; U. S. C., 1934 ed., title 46, sec. 239).

On July 30, 1937:

H. R. 1961. An act to authorize the conveyance by the United States to the State of Wisconsin of a portion of the Twin River Point Lighthouse Reservation, and for other purposes;

H. R. 6358. An act to amend section 107, as amended, of the Judicial Code so as to eliminate the requirement that suitable accommodations for holding court at Columbia, Tenn., be provided by the local authorities;

H. J. Res. 365. Joint resolution authorizing Federal participation in the Seventh World's Poultry Congress and Exposition to be held in the United States in 1939;

H. R. 1086. An act for the relief of Weymouth Kirkland and Robert N. Golding;

H. R. 3251. An act for the relief of Joseph A. Rudy;

H. R. 4246. An act for the relief of N. C. Nelson;

H. R. 4896. An act to authorize a preliminary examination and survey of Cayuga, Buffalo, and Cazenovia Creeks, N. Y., with a view to the control of their floods;

H. R. 5040. An act to provide for the establishment of a Coast Guard station at or near Beaver Bay, Minn.;

H. R. 5140. An act to provide for the establishment of a Coast Guard station at or near St. Augustine, Fla.;

H. R. 5552. An act to provide for the relinquishment of an easement granted to the United States by the Green Bay & Mississippi Canal Co.;

H. R. 6899. An act to repeal the limitation on the sale price on the old post-office and courthouse site and building at Fourth and Chestnut Streets, Louisville, Ky.;

H. R. 6916. An act to amend the laws relating to enlistments in the Coast Guard, and for other purposes;

H. R. 7401. An act to authorize the Secretary of Commerce to convey to the Commissioners of the Palisades Interstate Park, a body politic of the State of New York, certain portions of the Stony Point Light Station Reservation, Rockland County, N. Y., including certain appurtenant structures, and for other purposes; and

H. R. 7611. An act to adjust the pay of certain Coast Guard officers on the retired list who were retired because of physical disability originating in line of duty in time of war.

On August 2, 1937:

H. R. 6906. An act to impose an occupational excise tax upon certain dealers in marihuana, to impose a transfer tax upon certain dealings in marihuana, and to safeguard the revenue therefrom by registry and recording;

H. R. 7564. An act to permit the erection of the *Shenandoah* Memorial in or near Ava, Ohio; and

H. R. 1561. An act for the protection of oyster culture in Alaska.

LEAVE TO ADDRESS THE HOUSE

Mr. JONES. Mr. Speaker, I ask unanimous consent that on Friday next, after the legislative program of the day is out of the way, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Mr. Speaker, reserving the right to object, I hope the gentleman will tell us how we are going to get farmers to carry on without being regulated so much.

The SPEAKER. Is there objection?

There was no objection.

Mr. SWOPE. Mr. Speaker, I ask unanimous consent that on Thursday next, following the special order already granted my colleague the gentleman from Pennsylvania [Mr. DITTER], I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that I may address the House today for 15 minutes after the address of the gentleman from Missouri [Mr. CANNON], and after the disposition of business on the Speaker's table and the business of the day.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

COTTON

Mr. FORD of Mississippi. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FORD of Mississippi. Mr. Speaker, I rise at this time to call the attention of the House to the situation which now confronts the southern cotton farmer with reference to the marketing of the 1937 cotton crop. Cotton closed yesterday at 10.89 cents a pound, which is 1.77 cents a pound below the price of a year ago today, for the average on 10 southern markets on August 3, 1936, was 12.66 cents a pound for ⅞-inch Middling cotton. This is approximately $8.85 a bale above yesterday's closing quotation.

Despite this decline in the price of his product the farmer has been forced to meet increased production costs, and the cost of his necessities has greatly increased.

It is my opinion, after careful study, that the Secretary of Agriculture now has sufficient authority, already granted by Congress, to successfully meet the problem. Under laws now in force the Secretary of Agriculture can arrange for such loans on the 1937 crop as will result in the farmer receiving at least 12 cents a pound for this year's production, or he can provide for subsidies paid directly to the farmer which will accomplish practically the same result.

I am, therefore, taking it upon myself, as one of the Members representing a cotton-growing constituency, to ask my colleagues who represent cotton producers to meet in the caucus room tomorrow morning at 10 o'clock in order that we may discuss this matter fully and prepare to take immediate united action.

EXTENSION OF REMARKS

Mr. STACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a communication from the American Federation of Labor.

The SPEAKER. Is there objection?

There was no objection.

Mr. DREW of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. RAYBURN. Mr. Speaker, under the statement I made yesterday I feel compelled to object. Therefore, I object.

INTER-AMERICAN RADIO CONFERENCE

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted authorizing an appropriation of the sum of $15,000, or so much thereof as may be neces-

sary, for the expenses of participation by the United States in the Inter-American Radio Conference to convene at Habana November 1, 1937.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 3, 1937.*

JEFFERSON MEMORIAL, ST. LOUIS

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I am introducing today a resolution asking the Speaker to appoint a committee of three members to go to St. Louis and investigate the Jefferson Memorial proposition and make a report to this House before the adjournment of Congress. I am introducing that resolution now and will ask for its immediate consideration, in view of the fact that nobody has answered any one of the eight speeches I have made on this subject; nobody even from Missouri has arisen to defend it. In view of these facts I think we are entitled to an investigation, and we promise in the resolution that it will not cost the Government a dollar.

Gentlemen, you may think I am unduly annoying in my frequent repetition of this proposal, but $30,000,000 is involved. If by extreme concentration and persistence we can arouse enough interest so that it will react for a reconsideration by the President and this project abandoned or set aside, it will be worth the effort of one's life. All that is necessary to accomplish this purpose is to effect a congressional investigation. We should do it now before this Congress is adjourned. This committee could go to St. Louis for a few days, study the question intently for a week and be ready to make a report. The friends of economy and fair play will be chagrined to know that unanimous consent was denied the immediate consideration of the following resolution which I have introduced today:

Resolved, That the Speaker appoint a select committee of three Members of the House, and such committee is authorized and directed to investigate each and every circumstance and action looking to the construction of the proposed memorial to Thomas Jefferson in the city of St. Louis, Mo., from its inception to the present time.

Said committee shall ascertain by what authority, if any, said memorial was proposed, the estimated total cost thereof, what amount already has been expended and for what purpose and by whom, and from what fund such expenditures were made. Also the location in said city of the site for said memorial and by whom selected and the contemplated cost of such site, and thoroughly to investigate all aspects of the said proposed memorial.

Said committee shall report its findings and recommendations to the House before the adjournment of the present session of Congress.

Said committee is authorized to receive and expend such contributions of money from private sources as may be made and received by it to defray the expenses of its investigation and to account for the same in its report.

Mr. Speaker, on several previous occasions I have directed the attention of the House to the fraud and corruption which has been disclosed in the attempt of the St. Louis real-estate promoters to unload 37 blocks of business property in downtown St. Louis onto the Federal Government as the site for the proposed $30,000,000 second memorial to Thomas Jefferson in that city.

The National Park Service, acting solely under authority of an Executive order issued by the President December 21, 1935, are now proceeding with the condemnation of this property as the first step in the actual construction of the memorial for which the President has set aside the sum of $6,750,000 of work-relief funds, which, together with $2,250,000, the proceeds of a fraudulent bond-issue election, makes but $9,000,000—barely enough to buy the site presently available.

As before stated, this project has never been officially authorized by this or any preceding Congress.

It is, however, the most remarkable example of the misuse of work-relief funds as a springboard to inaugurate another wasteful project without the sanction of Congress and in violation of the law as I understand it.

Today it will be my endeavor to present another aspect of this memorial matter. Quite recently 42 tenants and owners of buildings and property in this 37 block area which the National Park Service now seek to condemn, filed suit in the United States District Court at St. Louis asking for a temporary restraining order and a trial of the issues raised on their merits.

The suit came before Federal Judge Charles B. Davis, who on July 8, denied the petition for a temporary restraining order and several days later filed with the clerk of the court his findings of fact and conclusions of law in the matter. The plaintiffs in this action had set up in their petition that there was no authority vested in the President to allocate funds appropriated by the Emergency Relief Appropriation Act of April 8, 1935, except for the specific purposes and to the specific uses mentioned in the act itself, which did not include the use of funds for the preservation of historic sites. The plaintiffs also contended, among other things, that the Historic Sites and Buildings Act of August 21, 1935, is not a relief act and definitely forbids the use of Federal funds, except and until appropriated by the Congress for the specific purposes of this act.

It was pointed out to the court that the building of this memorial in St. Louis with money appropriated for relief, but proceeding under the Historic Sites Act solely on the order of the President, constitutes an unlawful assumption of constitutionally delegated powers over certain legislative matters reserved to the Congress.

The matter of election frauds was given no consideration whatsoever, as far as I can understand. In the findings of fact and conclusions of law filed by Judge Davis the court held the intended acts of the defendants—the National Park Service et al.—are legal; that the Secretary of the Interior had under authority of the Historic Sites Act found and determined the river-front area comprised a historic site; that the city of St. Louis on May 15, 1936, had paid into the United States Treasury $2,250,000—money from the fraudulent election—and that the Secretary of the Interior had accepted the payment. The court found that the Federal and city officials were about to proceed with the project; that the Historic Sites Act was constitutional; and that the allotment of relief funds was authorized by Congress and was constitutionally made. These are the findings of the court as reported in part by the newspapers of St. Louis.

Mr. Speaker, I do not believe these findings of Judge Davis are supported by either the law or the intent of this Congress. Let me again review the situation for you.

The Emergency Relief Appropriation Act of 1935 became a law April 8, 1935. By it $4,800,000,000 was appropriated for "relief, work relief, and to increase employment by providing for useful projects."

Remember, my friends, only $300,000 of this first $9,000,000 now in the hands of the National Park Service will be spent for skilled and unskilled labor. Therefore this second memorial to Jefferson in St. Louis can in no wise be classified as either a necessary, useful, or work-relief project, for the appropriation act itself stipulates that not less than 25 percent of loans or grants to municipalities must be spent for work under each particular project.

The next thing to keep well in mind is the fact that more than 4 months after the passage of the Emergency Relief Appropriation Act the Historic Sites Act became a law on August 21, 1935. Thus it is seen that the Historic Sites Act is no part of the relief set-up and cannot be made subservient to a prior act. No specific sums were appropriated for the preservation of historic sites or even for the purpose of making surveys to determine just what sites are worthy of preservation.

This fact was fully impressed on the subcommittee of the Appropriations Committee on April 2, 1937, by Mr. A. E. Demaray, who in appearing before the committee in the

hearings on the Interior Department appropriation bill for 1938 said, when explaining the request for an increased appropriation of $26,000:

This is for the conduct of the historic-sites survey, as required by Public, 292, which is an undertaking of great magnitude. No comparable survey has ever been undertaken in the United States.

And in reply to further questions from Mr. O'NEAL, Mr. Demaray said:

The Secretary of the Interior was directed, through the National Park Service, to do these things. But no funds were provided, and therefore the purposes of these bills, of course, cannot be carried out.

Mr. Speaker, this brings up the question, Who furnished the money and by what authority did Mr. Ickes arrive at the determination that the 37-block area of business property in St. Louis is in fact a historic site? No money had been appropriated by this Congress for the purposes of the act, and we all know the historic events named by the President in his Executive order of December 21, 1935, have been exposed for the most part as bits of historical fiction. Now, where does Mr. Ickes get his historical data that is so different from the facts? But even if all these historical sites and historical events actually took place in St. Louis, the buildings are for the most part gone, a thriving industry has grown up, and there is no more sense in tearing these buildings down than there would be to advance on the city of Chicago, and demand the right to condemn half the downtown area as a memorial to the great historic fire created when Mrs. O'Leary's cow kicked over a lantern in 1871. We might just as well try to restore the O'Leary stable, and cow pasture, in the heart of Chicago, as try to restore these historic sites on the river front in St. Louis. The one project is no more absurd than the other.

The Historic Sites Act left the matter of appropriating money where it properly belongs—in the hands of Congress—but the act went further, to provide—

That no contract or cooperative agreement shall be made or entered into which will obligate the general fund of the Treasury unless or until Congress has appropriated money for such purposes.

If the act means what it says—and I believe the Members of this Congress know what they mean when they write a bill—then the first great question of law which comes up is this: By what authority of law can the President order the Secretary of the Interior to enter into any kind of contract or cooperative agreement with the officials of St. Louis or any other city for that matter?

Mr. Speaker, this brazen assumption of the legislative powers of the Congress ought not to have escaped the notice of Judge Davis. Besides his failure to take cognizance of the law as it actually stands today, the learned judge in his wisdom, as might occasionally be expected, also overlooked another section of our basic law dealing with just such proposals as now arise. I refer now to section 451, title 16, United States Code, which is as follows:

LIMIT ON COST OF BUILDINGS ERECTED IN NATIONAL PARKS

SEC. 451. No expenditure for construction of administration or other buildings cost in case of any building exceeding $1,500 shall be made in any national park except under express authority of Congress.

Where is this express authority?

Is not this provision of the law sufficient indication that the appropriations for buildings in national parks is a legislative matter reserved to the Congress? To delegate it elsewhere is both unconstitutional and unlawful.

Mr. Speaker, to say the least, I believe this Federal judge has dealt very lightly and unwisely in a serious case. This is not an ordinary suit, filed by these citizens of St. Louis. It is a suit in which they fight for their rights against a most vicious combination of circumstances. Many of them will suffer irreparable damages and the Government will be forced into endless litigation unless this useless project is halted quickly. The situation can best be visualized by the following extract from a letter recently written by Mr. A. W. Albrecht, owner of a piece of property in the memorial area:

I have a piece of property in the proposed Jefferson Memorial in St. Louis that brought me an income of $3,000 net a year. Government bonds of today are bringing 2 percent or less, therefore the value of my property, equivalent to Government bonds would be $150,000.

The city of St. Louis assesses this property at $7,900. Will you please tell me where I can invest $7,900 to bring me an income of $3,000 per year? I can cite you any number of these cases here.

Mr. Speaker, this letter is an indication that the National Park Service will not be able to even acquire this memorial site with the $9,000,000 now available, but will have to come back to Congress for funds to complete this illegitimate project laid on our doorstep by the promoters of St. Louis. There are many Members in this House who believe that there should be more control over the Federal judiciary. So far no one close to the administration has raised a voice in protest against the decisions of the Court in this memorial matter. If there has been anything of good, to commend the Florida ship canal or the Passamaquoddy tidal power project that feature is entirely absent here. The project is crooked, wasteful, and unauthorized by this Congress. Let us halt it quickly or we will have to shoulder the shame as well as the blame of our negligence. The Rules Committee must now give us a rule to allow this resolution to be considered. Help us to solicit this request.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

GEORGE SMITH AND KETHA SMITH

The Clerk called the first bill on the Private Calendar, S. 176, for the relief of George Smith and Ketha Smith.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

The SPEAKER. Two objections are required. The Chair hears only one objection. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to George Smith and Ketha Smith, of Mobile, Ala., the sum of $2,250 in full settlement of all claims against the United States Government for damage to their automobile and for bodily injuries sustained by them on September 3, 1934, when the automobile in which they were riding collided with a Government vehicle operated in connection with the Civilian Conservation Corps, near Mobile, Ala.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ORSON THOMAS

The Clerk called the next bill, S. 191, for the relief of Orson Thomas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Orson Thomas, out of any money in the Treasury not otherwise appropriated, the sum of $1,200 in full settlement of all claims against the United States for damages on account of injuries resulting from being struck by an Army truck on February 25, 1932, at Salt Lake City, Utah: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, strike out "to Orson Thomas", and after the word "appropriated" in line 5 insert "to Orson Thomas, of Salt Lake City, Utah."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF CHARLES PRATT

The Clerk called the next bill, S. 449, for the relief of the estate of Charles Pratt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of $2,500 to the estate of Charles Pratt in full compensation for personal injuries sustained by Charles Pratt as the result of an accident involving a Government truck, operated in connection with the Civilian Conservation Corps, near Williston, Vt., on January 26, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, after the word "Corps", strike out "the sum of $2,500 to the estate of Charles Pratt in full compensation" and insert "to the administrator of the estate of Charles Pratt, deceased, formerly of Chittenden County, Vt., the sum of $2,500 in full settlement of all claims against the United States."

Page 2, line 2, after the figures "1934", insert "which injuries contributed to his death a few months thereafter."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAM LARSON, GUARDIAN OF MARGARET LARSON, A MINOR

The Clerk called the next bill, S. 792, for the relief of Sam Larson, guardian of Margaret Larson, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sam Larson, guardian of Margaret Larson, a minor, the sum of $2,500 in full settlement of all claims of said guardian and minor against the Government of the United States for injuries received by Margaret Larson on August 30, 1935, when she was struck by a truck belonging to the United States Department of Fisheries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "to", strike out "Sam Larson, guardian of Margaret Larson, a minor" and insert "the legal guardian of Margaret Larson, a minor, of Ephrata, Wash."

Page 2, line 1, strike out the word "Fisheries" and insert "Commerce on the highway between Soap Lake and Ephrata, Wash."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Margaret Larson, a minor."

JAMES O. COOK

The Clerk called the next bill, S. 854, for the relief of James O. Cook.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended and supplemented, are hereby waived in the case of James O. Cook, formerly employed by the Civil Works Administration on the South Marias Hill project, north of Valier, Mont.; and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of the enactment of this act, by said James O. Cook for compensation under the provisions of such act of September 7, 1916, as amended and supplemented, for disability due to injuries received by him in the performance of his duties during the time he was so employed.

With the following committee amendments:

Page 1, line 8, after the word "Cook", insert "of Valier, Mont."

Page 2, line 2, strike out "1 year" and insert "6 months."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACK WADE ET AL.

The Clerk called the next bill, S. 893, for the relief of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor, respectively, for damages they received caused by and as a result of injuries sustained by a collision with a Civilian Conservation Corps truck on the public highway on the crest of Navajo Hill, in Mesa Verde National Park, Colo., on January 7, 1935: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court: *Provided further*, That said suit shall be brought and commenced within 6 months of the date of the passage of this act.

With the following committee amendments:

Page 1, line 4, after the word "judgment", insert "as if the United States were suable in tort."

Page 1, line 7, strike out the word "respectively" and insert "all of Mancos, Colo."

Page 1, line 8, after the word "damages", strike out "they received caused by and as a result of injuries sustained by" and insert "resulting from personal injuries sustained by them in."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor."

TROUP MILLER AND HARVEY D. HIGLEY

The Clerk called the next bill, S. 1160, for the relief of Troup Miller and Harvey D. Higley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Troup Miller, colonel, Eleventh Regiment United States Cavalry, and Harvey D. Higley, lieutenant colonel, Seventy-sixth Regiment United States Field Artillery, the sum of $5,257.50, such sum representing money paid by such officers from their personal funds to make good the loss of money belonging to trainees of the citizens' military training camp at the Presidio of Monterey, Calif., which was unavoidably lost or stolen when it had been placed in the welfare office of such camp for safekeeping in July 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 9, strike out "such sum representing money paid by such officers" and insert "in full satisfaction of their claims against the United States for money paid."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAUDE P. GRESHAM

The Clerk called the next bill, S. 1453, for the relief of Maude P. Gresham.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Maude P. Gresham, widow of William F. Gresham, late commander, United States Navy, the sum of $8,750, and to Agnes M. Driscoll the sum of $6,250, out of any money in the Treasury not otherwise appropriated, said sums to be in full and complete settlement of all claims by said parties against the United States arising from the invention of the late Commander William F. Gresham, which said invention has been accepted by the Navy Department for use in connection with naval communication facilities: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$8,750" and insert "$8,690.55."

Page 1, line 11, after the word "Gresham", insert "and Agnes M. Driscoll."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Maude P. Gresham and Agnes M. Driscoll."

MRS. CHARLES T. WARNER

The Clerk called the next bill, S. 1637, for the relief of Mrs. Charles T. Warner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Charles T. Warner the sum of $5,000, in full settlement of any and all claims against the Government on account of the death of her husband, Charles T. Warner, formerly a United States deputy marshal, who died May 23, 1935, as a result of injuries sustained while in the performance of his duties: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider the claim of Mrs. Charles T. Warner, of Tulsa, Okla., widow of Charles T. Warner, who sustained injuries in December 1932 in the performance of his duties as a deputy United States marshal from which he is alleged to have died in May 1935, under the provisions of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended, except that the limitations of time in sections 15 to 20 thereof, both inclusive, are hereby waived: *Provided*, That claim hereunder shall be filed within 6 months from the approval of this act: *Provided further*, That no benefits shall accrue prior to the approval of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN DISBURSING OFFICERS OF THE ARMY

The Clerk called the next bill, S. 2334, for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their names: Maj. E. T. Comegys, Finance Department, $80.54; Capt. J. H. Dickie, Finance Department, $13.30; Maj. E. F. Ely, Finance Department, $51.40; Maj. H. G. Foster, Finance Department, $36.86; and Lt. Col. F. M. Holmes, Finance Department, $39, said amounts being public funds for which they are accountable and which comprise minor errors in computation of pay and allowances due former members of the Civilian Conservation Corps, Reserve Officers' Training Corps, and the Regular Army, who are no longer in the service of the United States, and which amounts have been disallowed by the Comptroller General of the United States: *Provided*, That no part of the amounts so credited shall be later charged against any individual other than the various payees.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. H. G. Foster, Finance Department, $38, representing overpayment to a Civilian Conservation Corps enrollee for the months of August and September 1934: *Provided*, That there be refunded to Capt. William C. Carne, Fourth Regiment United States Infantry, $9.50 on account of payment made by him on this account: *Provided further*, That no charge shall be raised against any individual other than the payee.

SEC. 3. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the disbursing officer of the Army making payment therefor the cost of shipment by rail of household goods and personal property belonging to Lt. Col. (then Major) Clarence M. McMurray, Infantry, on permanent change of station from Fort Lewis, Wash., to Newport, Ky., in December 1933 in a sum not exceeding $188.29.

SEC. 4. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of First Lt. W. J. Matteson, Corps of Engineers, $27,044, representing the amount paid by him for the construction of two additions to the Munitions Building under contracts with Birchett & Atkins, Inc., and the Charles H. Tompkins Co., and approved by the Secretary of War, which amount has been disallowed by the Comptroller General of the United States on the grounds that the appropriation expended was not available for construction in the District of Columbia: *Provided*, That any amounts collected from either of the contractors on account of these payments prior to the passage of this act shall be refunded to them.

SEC. 5. That in all cases where suit has been instituted in the courts against any disbursing officer covering items subsequently cleared by the action of the Congress or otherwise, such clearance of the principal amount shall be considered and construed as precluding the recovery of any interest charges from the disbursing officer arising from any items so cleared.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. JOSEPH KONDERISH

The Clerk called the next bill, H. R. 938, for the relief of Mr. and Mrs. Joseph Konderish.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HANCOCK of New York and Mr. COLE of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

STELLA VAN DEWERKER

The Clerk called the next bill, H. R. 4489, for the relief of Stella Van Dewerker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $110 to Stella Van Dewerker, of Camp Crook, S. Dak., in full satisfaction of her claim against the United States for damages arising out of the loss by her of a horse which was killed and another which was injured in 1934 and a harness which was leased in 1934 and never returned while being worked, under contract with the owners, by employees of the Forest Service, United States Department of Agriculture, in connection with emergency conservation work.

With the following committee amendments:

In line 5, strike ou the figures "$110" and insert "$60."

In lines 8, 9, 10, strike out the words "was killed and another which was injured in 1934 and a harness which was leased in 1934 and never returned," and insert "died, in November 1934."

In line 11, strike out the word "owners" and insert "owner."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROGOWSKI BROS.

The Clerk called the next bill, H. R. 4941, for the relief of Rogowski Bros.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CYRUS M. LASHER

The Clerk called the next bill, H. R. 5431, for the relief of Cyrus M. Lasher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cyrus M. Lasher, East Greenbush, County of Rensselaer, State of New York, the sum of $5,000, in full satisfaction of his claim against the United States on account of injuries received by him on the 5th day of January 1935 in the post-office building at Albany, N. Y.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures "$5,000" and insert "$1,750."

Page 1, line 9, after the words "in the", insert "tunnel adjoining the."

Page 1, line 9, also, after the words "New York", insert "when a metal door, operated by a postal employee, dropped on him."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAROLINA MALDONADO

The Clerk called the next bill, H. R. 5846, for the relief of Carolina Maldonado.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carolina Maldonado, of Socorro, Tex., the sum of $7,500 for injuries received while riding in automobile which was struck by Government truck numbered 33799 operated in connection with the Civilian Conservation Corps.

With the following committee amendments:

In line 5 strike out the words "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

In line 6 strike out the figures "$7,500" and insert "$3,500, in full satisfaction of her claim against the United States."

At the end of the bill strike out the period and insert the following: "near Ysleta, Tex., on June 22, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. L. MYERS

The Clerk called the next bill, H. R. 5989, for the relief of J. L. Myers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. L. Myers, Texarkana, Tex.-Ark., the sum of $113.50. Such sum represents actual medical and other expenses incurred by the said J. L. Myers on account of personal injuries received by him, his wife, and minor son when his automobile was in collision, near Searcy, Ark., on December 31, 1935, with a truck in the service of the Civilian Conservation Corps.

With the following committee amendments:

In lines 4 and 5 strike out the words "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

In line 6 strike out the word "represents" and insert "shall be in full satisfaction of all claims against the United States for the."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN NIEHAUS

The Clerk called the next bill, H. R. 6316, for the relief of Helen Niehaus.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Paymaster General of the Navy shall cause to be paid to Helen Niehaus an amount equal to 6 months' pay at the rate received by her son, John Gilbert Niehaus, former coxswain, United States Navy, at the time of his death on October 3, 1930. Pursuant to the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920, as amended by the act of May 22, 1928 (U. S. C., title 34, sec. 943; U. S. C., Supp. VI, title 34, sec. 943), the said John Gilbert Niehaus designated his father, Clemens Niehaus, as beneficiary of the gratuity authorized by such act, as amended, but such designated beneficiary died on December 18, 1930, before payment was made.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert the following:

"That the Secretary of the Navy is hereby authorized and directed to pay, out of the current appropriation for 'Pay, Subsistence, and Transportation, Navy', to Helen Niehaus, of Newport, Ky., mother of John Albert Niehaus, late coxswain, United States Navy, who died on October 3, 1930, at the Naval Hospital, Mare Island, Calif., a sum equal to 6 months' pay at the rate received by John Albert Niehaus at the time of his death: *Provided*, That Helen Niehaus shall first establish to the satisfaction of the Secretary of the Navy that she was actually dependent upon her son, John Albert Niehaus, at the time of his death, and the determination of such fact by the Secretary of the Navy shall be final and conclusive upon the accounting officers of the Government."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTHONY CARAMAGNO

The Clerk called the next bill, H. R. 6469, for the relief of Anthony Caramagno.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anthony Caramagno the sum of $7,460. The payment of such sum shall be in full satisfaction of all claims

by the said Anthony Caramagno for damages to a restaurant and two houses at Salisbury, Mass., owned by him, caused by blasting operations on Works Progress Administration project no. 7496 on or about June —, 1936.

With the following committee amendments:

In line 3, after the word "is", insert "hereby."

In line 5, after the name "Caramagno", insert "of Salisbury, Mass."

In lines 5 and 6 strike out the figures and words "$7,460. The payment of such sum shall be" and insert "$7,154."

In line 7 strike out the words "by the said Anthony Caramagno" and insert "against the United States."

In lines 10 and 11 strike out the words "on or about June —, 1936" and add: "in May 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COLE of New York. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Strike out all after the enacting clause and insert:

"That jurisdiction is hereby conferred upon the United States District Court for the State of Massachusetts to hear, determine, and render judgment, as if the United States were suable in court, upon the claim of Anthony Caramagno, of Salisbury, Mass., for damages to a restaurant and two houses at Salisbury, Mass., owned by him, alleged to have been caused by blasting operations on a Works Progress Administration project no. 7496, in May 1936: *Provided*, That the judgment, if any, shall not exceed a total of $7,154.

"SEC. 2. Suit upon any such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code as amended.

"Amend the title."

Mr. COLE of New York. Mr. Speaker, I desire to briefly explain the amendment.

The claimant is the owner of two houses which were damaged by dynamite set off by the W. P. A. a distance of a mile and a half away. The purpose of the amendment is to confer jurisdiction upon the Federal district court for that district to hear and determine the issues involved and make an award.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. COLE].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill conferring jurisdiction upon the United States District Court for the State of Massachusetts to hear, determine, and render judgment upon the claim of Anthony Caramagno."

MACK COPPER CO.

The Clerk called the next bill, H. R. 3739, conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.

Mr. HANCOCK of New York and Mr. COLE of New York objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

FRED G. CLARK CO.

The Clerk called the next bill, S. 51, for the relief of the Fred G. Clark Co.

Mr. COSTELLO and Mr. COLE of New York objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

STANLEY A. JERMAN

The Clerk called the next bill, S. 1242, for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc.

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

JOSEPH NOEL ROBERTS

The Clerk called the next bill, H. R. 2345, for the relief of Joseph Noel Roberts.

Mr. COSTELLO and Mr. COLE of New York objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

SOUTHERN OVERALL CO.

The Clerk called the next bill, H. R. 3960, for the relief of the Southern Overall Co.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the claim of the Southern Overall Co., growing out of proxy-signed contract of November 23, 1917, with the Quartermaster Corps for delivery of jumpers and trousers to the Quartermaster Corps during the World War, is hereby referred to the United States Court of Claims with jurisdiction to hear the same to judgment and with instructions to adjudicate the same upon the basis of the fair and reasonable value at the time of delivery of the jumpers and trousers delivered thereunder.

With the following committee amendment:

Page 2, line 1, after the word "thereunder", insert "not to exceed $1.36 per garment: *Provided*, That no recovery shall be had unless the court further finds that the delay in delivery was due to no fault of the contractor or to unforeseen causes beyond his control."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN MAHAR JOHNSON

The Clerk called the next bill, H. R. 4571, for the relief of Helen Mahar Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helen Mahar Johnson, of Gilboa, N. Y., the remarried widow of James P. Mahar, the sum of $5,000 in full satisfaction of any and all claims of the estate of James P. Mahar for United States Government life-insurance benefits under policy no. K-812772.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VELIE MOTORS CORPORATION

The Clerk called the next bill, H. R. 6784, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Velie Motors Corporation.

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

WALTER W. JOHNSTON

The Clerk called the next bill, H. R. 2860, for the relief of Walter W. Johnston.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Walter W. Johnston, out of any money in the Treasury not otherwise appropriated, the sum of $5,495 as full compensation to him, the said Walter W. Johnston, for personal services rendered to the United States Shipping Board Emergency Fleet Corporation and the use of appliances personally owned and operated by him in connection with the launching of ships for the United States Shipping Board Emergency Fleet Corporation for carrying on the war. The ships were launched at the shipyards of the fourth and other districts during the year 1918 and subsequent thereto, said work being done by order of and under the direction of the district supervisor of the United States Shipping Board Emergency Fleet Corporation, and for which services and use of his devices the claimant has not been fully compensated by the United States Shipping Board Emergency Fleet Corporation or the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RALPH B. SESSOMS

The Clerk called the next bill, H. R. 5871, for the relief of Ralph B. Sessoms.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed, out of the appropriation for military and naval insurance, to pay to Ralph B. Sessoms the sum of $10,000. Such payment shall be in full settlement of all claims against the United States based on Government insurance policy numbered T-4367266 in the amount of $10,000 issued to Lewis C. Sessoms, deceased (C-627929).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUKE FRANCIS BRENNAN

The Clerk called the next bill, H. R. 3372, for the relief of Luke Francis Brennan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged sailors Luke Francis Brennan, formerly of the United States Navy, shall hereafter be held and considered to have been honorably discharged from the naval service of the United States as a member of the United States Navy at the expiration of the term of his first enlistment: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

With the following committee amendment:

Page 1, line 8, strike out "at the expiration of the term of his first enlistment" and insert "on March 22, 1899."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACORS RATHBUN THOMPSON

The Clerk called the next bill, H. R. 5440, to authorize the award of a decoration for distinguished service—namely, the Congressional Medal of Honor—to Acors Rathbun Thompson.

The SPEAKER. Is there objection to the present consideration of the bill?

The Chair may state there is on the Speaker's desk a Senate bill of similar tenor.

Mr. WADSWORTH. Mr. Speaker, is it within my right to reserve the right to object in order to make an inquiry?

The SPEAKER. Not to a bill on the Private Calendar, the Chair may state.

Mr. WADSWORTH. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. WADSWORTH. May the bill be read?

The SPEAKER. The bill will be read if there is no objection to its consideration.

Mr. WADSWORTH. Will it be read before the time for making an objection is in order.

The SPEAKER. The gentleman cannot reserve the right to object. The gentleman can object to the consideration of the bill, but if he does not object, he can only oppose the passage of the bill or offer an amendment.

Mr. WADSWORTH and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Naval Affairs.

ELVA T. SHUEY

The Clerk called the next bill, H. R. 2649, for the relief of Elva T. Shuey.

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Elva T. Shuey, an employee of the Bureau of Mines, Department of the Interior, is hereby released from any liability to the United States by reason of being employed in two positions, that of teacher in the District of Columbia schools and as clerk in the executive branch of the Government during the period January 13, 1919, to March 15, 1919, and on September 16, 1920, and June 30, 1924. The Acting Comptroller General of the United States has certified that the sum of $192.50 is due the United States from the said Elva T. Shuey under the statute relating to the receiving of more than one salary.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILTON S. MERRILL

The Clerk called the next bill, H. R. 3723, for the relief of Milton S. Merrill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General is hereby authorized and directed to credit the accounts of Milton S. Merrill, as postmaster at Mount Hebron, Calif., in the amount of $392, such amount representing a loss by mail-truck robbery in San Francisco, Calif., on April 7, 1924, and shown on final audit of his accounts as postmaster to be due the United States.

SEC. 2. That the surety on the bond of the said Milton S. Merrill, as postmaster, is relieved of any liability on account of such loss.

With the following committee amendments:

Page 1, line 4, strike out the word "as" and insert "former."

Line 6, strike out "a loss by" and insert "surplus postal funds remitted to his Central Accounting Post Office and lost in a."

Line 3, after the figures, strike out the remainder of line 9 and all of line 10.

Page 2, strike out all of section 2.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELLIE DODGEN

The Clerk called the next bill, H. R. 3757, for the relief of Rellie Dodgen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rellie Dodgen, Sevierville, Tenn., the sum of $2,000. Such sum shall be in full settlement of all claims against the United States for damages sustained by the said Rellie Dodgen as the result of a Government truck in the service of the Great Smoky Mountains Park striking and severely injuring him.

With the following committee amendments:

Page 1, line 6, after the word "of", strike out the remainder of line 6 and the word "be", in line 7, and insert "$407.25."

Line 8, after the word "States", strike out the remainder of line 8 and all of lines 9 and 10 and insert "for personal injuries sustained when he was struck by a Department of Agriculture truck, near Gatlinburg, Tenn., on June 11, 1935.

"SEC. 2. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Anah Webb Lavery, of Evanston, Ill., the sum of $15, in full satisfaction of her claim against the United States for personal injuries and expenses incident thereto as a result of a collision between the automobile she was driving and a National Park Service truck, operated in connection with the Civilian Conservation Corps, at Lincolnwood, Ill., on May 11, 1936.

"SEC. 3. That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Amend the title.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Rellie Dodgen and Anah Webb Lavery."

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on World War Veterans' Legislation may have until 12 o'clock tonight to file a supplemental report on the

bill (H. R. 6384) to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PRIVATE CALENDAR

T. T. EAST AND THE CASSIDY SOUTHWESTERN COMMISSION CO.

The Clerk called the next bill, H. R. 3776, for the relief of T. T. East and the Cassidy Southwestern Commission Co., citizens of the State of Texas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That T. T. East and the Cassidy Southwestern Commission Co., a corporation, their heirs, legal representatives, executors, administrators, and assigns, any statutes of limitations being waived, are hereby authorized to enter suit in the United States District Court for the Northern District of Texas for the amount alleged to be due to said claimants from the United States by reason of the alleged neglect and alleged wrongdoing of the officials and inspectors of the United States Bureau of Animal Industry in the dipping of tick-infested cattle in Texas, which said cattle were shipped from Texas to Rockland, Kans., in the year 1922.

SEC. 2. Jurisdiction is hereby conferred upon said United States District Court for the Northern District of Texas to hear and determine all such claims without intervention of a jury. The action in said court may be presented by a single petition making the United States party defendant and shall set forth all the facts on which the claimants base their claims, and the petition may be verified by the agent or attorney of said claimants, official letters, reports, and public records or certified copies thereof may be used as evidence, and said court shall have jurisdiction to hear and determine said suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found due from the United States to the said claimants by reason of the alleged negligence and erroneous certification, upon the same principles and under the same measure of liability as in like cases between private parties, and the Government hereby waives its immunity from suit. And said claimants and the United States shall have all rights of appeal or writ of error or other remedy as in similar cases between private persons or corporations: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of said court, and upon such notice it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *And provided further*, That such suit shall be begun within 6 months of the date of the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. B. B. BARBEE

The Clerk called the next bill, H. R. 5615, for the relief of Capt. B. B. Barbee.

Mr. COLE of New York and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

JUDD & DETWEILER, INC.

The Clerk called the next bill, H. R. 5912, for the relief of Judd & Detweiler, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Judd & Detweiler, Inc., Washington, D. C., the sum of $150.75. The payment of such sum shall be in full settlement of all claims of Judd & Detweiler, Inc., against the United States for printing services rendered to the Federal Housing Administration, Washington, D. C., under unnumbered contract, consisting of proposal of Judd & Detweiler, Inc., dated November 17, 1934, and acceptance dated November 27, 1934.

Such sum represents a deduction made by the Comptroller General upon payment under the above contract to effect collection of a like amount paid to Judd & Detweiler, Inc., for printing services rendered the Farmers' Seed Loan Office, Washington, D. C., under open-market purchase orders nos. 15 (Reconstruction Finance Corporation) and 55 (Reconstruction Finance Corporation), dated March 8 and 15, 1932, respectively, on the ground that the work should have been performed at the Government Printing Office, or contracted for by the Public Printer instead of the Secretary of Agriculture.

With the following committee amendment:

Page 2, line 13, after the word "Agriculture", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALTER G. ANDERSON

The Clerk called the next bill, H. R. 5927, for the relief of Walter G. Anderson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Walter G. Anderson, of Kenton, Mich., the sum of $48.40 in full satisfaction of his claim against the United States for mileage, witness fees, and subsistence allowance for appearing before a board of Army officers at Fort Brady, Civilian Conservation Corps district, Sault Ste. Marie, Mich., on July 20, 21, 22, 23, and 24, 1935.

With the following committee amendments:

Page 1, line 7, strike out the words "witness fees, and subsistence" and insert "and per diem."

In line 8, after the word "appearing", insert "as a witness, pursuant to orders."

Line 11, after the word "July", strike out "20, 21, 22, 23, and 24, 1935" and insert "21, 22, and 23, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSE A. LA RUE

The Clerk called the next bill, H. R. 7172, for the relief of Jesse A. LaRue.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jesse A. LaRue, 1320 Princeton Avenue, Birmingham, Ala., the sum of $50 in full satisfaction of his claim against the United States for the value of a typewriter owned by the said Jesse A. LaRue and loaned by him to the Civil Works Administration and which was stolen while in the custody of the Civil Works Administration.

With the following committee amendments:

In line 6 strike out the words "1920 Princeton Avenue" and insert "of."

In line 10, after the word "stolen", insert "on January 16, 1934, from a Birmingham, Ala., project."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ETHEL SMITH M'DANIEL

The Clerk called the next bill, H. R. 7316, to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, to Ethel Smith McDaniel.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 972) for the relief of Ethel Smith McDaniel may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of Ethel Smith McDaniel, widow of Travis McDaniel, who died on April 16, 1934, and whose death is alleged to have resulted from disability incurred on January 8, 1929, while an employee of the United States Railway Mail Service, and the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider her claim under the remaining provisions of said act: *Provided*, That claim hereunder shall be made within 1 year from the date of the approval of this act: *And provided further*, That no benefits shall accrue prior to the approval of this act.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 2, line 4, after the word "within", strike out "1 year" and insert in lieu thereof "6 months."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 7316) was laid on the table.

JOHN E. T. CLARK

The Clerk called the next bill, H. R. 7458, for the relief of John E. T. Clark.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the account of John E. T. Clark, former postmaster at Coalgate, Okla., in the sum of $6,113.93 on account of the loss of postal, Treasury-savings, postal-savings, money-order, and war-revenue funds, resulting from the failure of the City National Bank of Coalgate, Okla., on November 5, 1923, and the First National Bank of Coalgate, Okla., on January 8, 1924.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIVVIE V. ROWE

The Clerk called the next bill, H. R. 7679, for the relief of Livvie V. Rowe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Livvie V. Rowe, of Oklahoma City, Okla., the sum of $5,000, as a gratuity for the death of her husband, Truett E. Rowe, a special agent of the Federal Bureau of Investigation, Department of Justice, who was killed in the line of his official duty while endeavoring to arrest a fugitive from justice near Gallup, N. Mex., on June 1, 1937: *Provided*, That no part of of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPHINE M. SCOTT

The Clerk called the next bill, S. 184, for the relief of Josephine M. Scott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Josephine M. Scott, widow of Harry Scott, of Opheim, Mont., the sum of $1,000 in full settlement of all claims against the Government for the loss of a valuable registered Percheron stallion, the death of which was caused by a test for dourine made by Dr. Perry Zanor, a veterinarian and representative of the Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATES OF H. LEE SHELTON, ETC.

The Clerk called the bill (S. 826) for the relief of the estates of H. Lee Shelton and Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of H. Lee Shelton, of Pittsylvania County, Va., the sum of $7,500, plus $18.27 court costs; to the estate of Mrs. H. Lee Shelton, of Pittsylvania County, Va., the sum of $2,500, plus $13.60 court costs; to Mrs. J. R. Scruggs, of Pittsylvania County, Va., the sum of $5,000, plus $10.60 court costs; and to Mrs. Irvin Johnson, of Pittsylvania County, Va., the sum of $300, plus $13.60 court costs, in full settlement of all claims against the Government of the United States for fatal and personal injuries sustained in a collision involving a United States Government truck operated by an employee of the Soil Conservation Service of the Department of Agriculture in Pittsylvania County, Va., on November 9, 1935: *Provided*, That no moneys appropriated under this act shall be paid until the judgments rendered against C. S. Blanks, Works Progress Administration employee, are fully satisfied: *Provided further*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$7,500" and insert "$5,000."

Page 1, line 10, strike out "$5,000" and insert "$3,000."

Page 2, line 9, strike out "against C. B. Blanks, Works Progress Administration employee, are fully satisfied" and insert "in the circuit court of Pittsylvania County, Va., against C. S. Blanks, employee of the Soil Conservation Service, Department of Agriculture, are released and fully satisfied of record by the claimants herein."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendments, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 1, line 7, after the figures "$5,000", strike out "plus $18.27 court costs."

Page 1, after the figures "$3,000", strike out "plus $10.60 court costs."

Page 2, lines 1 and 2, after the figures "$300", strike out "plus $13.60 court costs."

The amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended so as to read: "An act for the relief of the estate of H. Lee Shelton, the estate of Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson."

PAULINE M'KINNEY

The Clerk called the bill (S. 1219) for the relief of Pauline McKinney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Pauline McKinney, a nonrelief administrative employee of the Emergency Relief Administration for the State of Oklahoma, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended by the act of February 12, 1927: *Provided*, That no benefits shall accrue prior to the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That in the administration of the act entitled 'An act to provide compensation for employees of the United States suffering

injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended by sundry acts, including the act of February 15, 1934 (48 Stat. 351), the United States Employees' Compensation Commission is hereby authorized and directed to extend the provisions of said acts to Pauline M. Warden (nee Pauline McKinney), of Tulsa, Okla., for personal injuries sustained by her on August 17, 1934, on United States Highway No. 77, near Wayne, Okla., while in the performance of her duties as a nonrelief administrative employee of the Federal Emergency Relief Administration for the State of Oklahoma: *Provided*, That claim hereunder shall be filed within 6 months after the approval of this act."

The amendment was agreed to; and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended so as to read: "An act for the relief of Pauline M. Warden, nee Pauline McKinney."

WILLIARD COLLINS

The Clerk called the bill (S. 1401) for the relief of Willard Collins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Willard Collins, the sum of $10,000 in full and final settlement of any and all claims against the Government for the death of his wife and minor child, who were killed November 23, 1936, when the automobile in which they were riding was struck by a truck belonging to the Department of Agriculture, Forest Service, which was being operated by Joseph Yusba, a member of the Civilian Conservation Corps, Camp Rainbow, Florence County, Wis.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, after the word "Collins", insert "of Tipler, Wis."
Page 1, line 9, strike out "who were killed" and insert "and personal injuries to himself suffered on."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. COSTELLO: Page 1, line 7, after the words "the sum of", strike out "$10,000" and insert "$7,500."

The amendment was agreed to, and the bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

HARRY BRYAN AND ALDA DUFFIELD MULLINS

The Clerk called the bill (S. 1640) for the relief of Harry Bryan and Alda Duffield Mullins and others.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry Bryan and Alda Duffield Mullins, for the death of their daughter, Eva Mae Mullins, the sum of $5,000; to the legal guardian of Elbert Grover Harrison, Jr., the sum of $11,000; to the legal guardian of Imogene Stanley, the sum of $500; to the legal guardian of Graynell Stanley, the sum of $2,500; to the legal guardian of Hazel Marie Hitchcock, the sum of $5,000; to the legal guardian of Patricia Lea Hitchcock, the sum of $500; to the legal guardian of Charles Ray Coulter, the sum of $2,000; to the legal guardian of Harry Robert Isenhart, the sum of $10,000; to the legal guardian of Carl Gene Bosley, the sum of $9,000; to the legal guardian of Doris Ruth Helmick, the sum of $750; to the legal guardian of James Andrew Belknap, the sum of $1,000; to Patrick Daniel and Nora Helena Grace Hickey, for injuries sustained by Paul Hickey, their son, the sum of $100; to Everett French Mick, for injuries sustained by Wallace Robert Mick, his son, the sum of $300; to William M. and Ato Norman Young, for injuries sustained by Harry Jess Young, their son, the sum of $100; to Albert and Della Workman Groves, for injuries sustained by Norris Blaine Groves, their son, the sum of $100; to Ethel Rollyson Lough, the sum of $2,500; and to Ray Earl Bennett, the sum of $75, said sums to be in full settlement of all claims against the Government for personal injuries and death caused by an explosion resulting from the negligent heating of tar by employees of the Works Progress Administration in Gassaway, W. Va., November 7, 1936. The sums above appropriated to guardians are for the sole and exclusive benefit of the minors for whom such guardians are appointed.

SEC. 2. That the Works Progress Administration is hereby authorized and directed to pay, out of any money allocated by the President for the maintenance and operation of the Works Progress Administration, all hospital, medical, and other expenses necessarily incurred by the above-named claimants as the result of the explosion in Gassaway, W. Va., November 7, 1936.

SEC. 3. That no part of the amounts appropriated in this act shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 2, line 2, strike out "$500" and insert "$1,000."
Page 2, line 3, strike out "$2,000" and insert "$4,000."
Page 2, line 17, after the figures "$75", insert "all claimants of Gassaway, Braxton County, W. Va."
Page 2, line 18, after the word "sums", insert "in all, $52,925."
Page 3, line 7, strike out the period and insert "and such payments, when made shall be in full settlement of all claims against the Government for said expenses."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer the following amendments, which I send to the desk.

The Clerk read as follows:

Amendments offered by Mr. COSTELLO: Page 1, line 8, strike out "$11,000" and insert "$8,500."
Page 2, line 4, strike out "$10,000" and insert "$8,000."
Page 2, line 8, strike out "$1,000" and insert "$500."
Page 3, strike out all of section 2 and, in line 10, strike out the words "Sec. 3" and insert "Sec. 2."

The amendments were agreed to; and the bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY BURNETT

The Clerk called the bill (S. 1822) for the relief of Harry Burnett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry Burnett, of Eunice, N. Mex., the sum of $300 in full settlement of any and all claims against the Government on account of personal injuries sustained by him in a collision with an automobile owned by the United States Government and driven by Howard H. Major, agent and employee of the Government, in the service of the Division of Grazing, on Highway No. 285 at a point about 9 miles north of Encino, N. Mex., on December 1, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

R. L. M'LACHLAN

The Clerk called the bill (S. 2399) for the relief of R. L. McLachlan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. L. McLachlan, of Estill, Mo., the sum of $75 in full settlement of all claims against the United States for damages to him caused by the death of one purebred cow and one grade cow, known as abortion reactors, in connection with the Government's efforts to eradicate this disease from the dairy herds of Howard County, Mo.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary not-

withstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MARY LUCIA HAVEN

The Clerk called the bill (H. R. 7430) for the relief of Mary Lucia Haven.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Lucia Haven, widow of Joseph Emerson Haven, late American consul at Florence, Italy, the sum of $7,900, equal to 1 year's salary of her deceased husband.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GENEVIEVE E. DALEY

The Clerk called the next bill, H. R. 345, for the relief of Genevieve E. Daley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 17 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 17, 1916, as amended, the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider, when filed, the claim of Genevieve E. Daley, of Cazenovia, N. Y., for disability incurred by her while in the employment of the Army School of Nursing, in August 1931, and to determine said claim upon its merits: *Provided*, That no benefits shall accrue prior to the enactment of this act.

With the following committee amendments:

Page 1, line 3, strike out "provisions and limitations of sections 17 to 20" and insert "limitations of time in sections 15 to 20."

Page 1, line 8, strike out "17" and insert "7."

Page 2, line 1, strike out the word "disability" and insert "tuberculosis allegedly."

Page 2, line 2, after the word "while" strike out "in the employment" and insert "a student nurse."

Page 2, line 3, after the word "Nursing", insert "Walter Reed General Hospital, Washington, D. C."

Page 2, line 6, after the word "act", insert a colon and the following: *Provided further*, That the claim hereunder shall be filed within 6 months after the enactment of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DERBY OIL CO.

The Clerk called the next bill, H. R. 459, for the relief of the Derby Oil Co.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York and Mr. HANCOCK of New York objected, and the bill, under the rule, was recommitted to the Committee on Claims.

OLIVER Z. HOGE

The Clerk called the next bill, H. R. 2195, for the relief of Oliver Z. Hoge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Oliver Z. Hoge, of Staunton, Va., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Oliver Z. Hoge as the result of serious personal injuries received by him in a fall, on September 19, 1936, down an unprotected and unlighted outside stairway at the rear of the post-office building in Staunton, Va.

With the following committee amendments:

Page 1, line 6, strike out "$5,000. The payment of such sum shall be" and insert "$1,500."

Page 1, line 8, strike out the words "the said Oliver Z. Hoge" and insert the word "him."

Page 1, line 9, strike out the word "serious" and, after the word "received", strike out "by him."

Page 2, line 1, after the word "Virginia", insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEIRS OF EDWARD P. FRANK, DECEASED

The Clerk called the next bill, H. R. 2455, for the relief of the heirs of Edward P. Frank, deceased.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Edward P. Frank, deceased, of the city of New York, the sum of $5,000, as full compensation for the death of said Edward P. Frank, which was caused by the deceased being struck down by an automobile truck belonging to the Post Office Department, on the 18th day of March 1920, at the intersection of Lafayette and Franklin Streets, in the Borough of Manhattan, city of New York.

With the following committee amendments:

Page 1, line 5, strike out the words "the heirs" and insert "Bertha L. Frank, sister."

Page 1, line 7, strike out "$5,000 as full compensation" and insert "$234.50, in full settlement of her claim for funeral expenses, and all claims against the United States."

Page 2, line 3, insert a colon and the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Bertha L. Frank."

ROLAND STAFFORD

The Clerk called the next bill, H. R. 3225, for the relief of Roland Stafford.

The SPEAKER. Is there objection?

Mr. COSTELLO and Mr. COLLINS objected, and the bill, under the rule, was recommitted to the Committee on Claims.

CLIFFORD BELCHER

The Clerk called the next bill, H. R. 4229, for the relief of Clifford Belcher.

There being no objection the Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clifford Belcher, Dunsmuir, Calif., the sum of $5,000, the same being for the purpose of reimbursing him for the loss caused by him physically as a result of an accident involving a Government vehicle operated in connection with the Civilian Conservation Corps on January 9, 1936.

With the following committee amendments:

Page 1, line 5, after the word "Treasury" strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps";

Page 1, line 8, after the word "of" strike out the remainder of line 8 and all of lines 9, 10, and 11, and the figures on page 2, line 1, and insert the following: "$1,000, in full satisfaction of his claim against the United States for personal injuries sustained when the automobile which he was driving was struck by a Civilian Conservation Corps truck on United States Highway No. 99, near Hazel Creek, Calif., on January 9, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any

contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES N. ROBINSON

The Clerk called the next bill, H. R. 4493, for the relief of Charles N. Robinson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, the sum of $517 to Charles N. Robinson, of Brooklyn, Miss., for expenses incurred by him in connection with a homestead entry for a tract of land formerly embraced in a patented entry, which patent was canceled under a decree of court, but subsequently to Robinson's entry of the land it was decreed that the patent was erroneously canceled.

With the following committee amendments:

Page 1, line 6, after the word "Mississippi", insert "in full satisfaction of his claim against the United States."

Page 1, line 9, after the word "land", strike out the remainder of line 9 and all of lines 10 and 11, and on page 2, line 1, the words "was erroneously canceled", and insert the following: "known as Jackson 07920, which he was allowed to make on June 6, 1918, and which he subsequently relinquished on June 24, 1922, after it was determined that the United States was not in a position to issue a patent to him: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NORMAN E. SHERMAN AND BANKS W. SMITH

The Clerk called the next bill, H. R. 4506, for the relief of Norman E. Sherman and Banks W. Smith, operating under the name of California Flyers, for damages sustained by collision with Navy plane *F4B4* by Waco Cabin airplane *NC12456*.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed to pay Norman E. Sherman and Banks W. Smith, operating under the name of California Flyers, out of any money in the Treasury not otherwise appropriated, the sum of $3,500. Such sum shall be in full settlement of all claims against the United States on account of damages sustained by Waco Cabin airplane *NC12456* on or about the 5th day of September 1936 caused by collision with Navy plane *F4B4*, no. 9018, at Los Angeles Airport, Los Angeles, Calif.

With the following committee amendments:

Page 1, line 4, after the word "pay", insert "out of any money in the Treasury not otherwise appropriated, to."

Page 1, line 7, after the word "Flyers", strike out "out of any money in the Treasury not otherwise appropriated, the sum of $3,500. Such sum shall be" and insert "at Los Angeles Municipal Airport, Inglewood, Calif., the sum of $3,500."

Page 2, line 3, strike out the words "or about."

Page 2, line 5, after the words "Los Angeles", strike out "Airport, Los Angeles, Calif." and insert the following: "Municipal Airport, Inglewood, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Norman E. Sherman and Banks W. Smith."

ARTHUR T. WORLEY

The Clerk called the next bill, H. R. 4583, for the relief of Arthur T. Worley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended (U. S. C., title 5, secs. 767, 770), are hereby waived in favor of Arthur T. Worley, of St. Petersburg, Fla., who is alleged to have sustained an injury on December 15, 1933, while employed at the Veterans' Administration Facility at Bay Pines, Fla., which injury is alleged to have resulted in continuing physical disability, and his case is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if he files a notice of such injury and claim for compensation with the United States Employees' Compensation Commission not later than 60 days after the enactment of this act. The term "injury" as used in this act shall have the meaning assigned to such term in section 40 of such act of September 7, 1916, as amended (U. S. C., title 5, sec. 790).

With the following committee amendments:

Page 1, line 3, strike out the words "sections 17 and 20" and insert: "the limitations of time in sections 15 to 20, both inclusive."

Page 2, line 4, strike out the words "60 days" and insert "6 months."

Page 2, line 5, start with the words "The term" and strike out the remainder of the bill and insert in lieu thereof: "*Provided*, That no benefits shall accrue prior to the approval of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN RAUCH

The Clerk called the next bill, H. R. 4864, for the relief of Helen Rauch.

Mr. COSTELLO and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MAJ. WILLIAM W. M'CAW

The Clerk called the next bill, H. R. 5563, for the relief of Maj. William W. McCaw.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maj. William W. McCaw, Medical Corps, United States Army, the sum of $336 in full satisfaction of his claim against the United States for a stoppage in pay ordered against him on March 27, 1923, as a result of overpayments of an allotment in the case of Pvt. Joseph Caci, from August 19, 1920, the date such soldier was court-martialed, through June 30, 1922, the date it was discovered that he had previously been dishonorably discharged, although Major McCaw was not, at the time of the court martial or discharge of such soldier, his immediate commanding officer and therefore not subject to the collection made from him.

With the following committee amendment:

Page 2, line 1, after the word "discharged", insert a comma, strike out the remainder of the bill, and add the following: "such overpayment resulting from the failure of Major McCaw, through a misinterpretation of regulations, to notify the Finance Department of the Army of the said discharge of Pvt. Joseph Caci: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRIETTA WILLS

The Clerk called the next bill, H. R. 5639, for the relief of Henrietta Wills.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money

in the Treasury not otherwise appropriated, the sum of $10,000 to Henrietta Wills, of Springfield, Ohio, as full compensation for permanent injuries and damages received by the said Henrietta Wills on the 29th day of May 1936, caused by being struck by a truck, then in the service of the Post Office Department, said injuries being caused by negligence of the driver of said truck without any contributory negligence on the part of the said Henrietta Wills: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out the figures "$10,000" and insert "$4,000."

Page 1, line 6, strike out the words "as full compensation" and insert "in full satisfaction of her claim against the United States."

Page 1, lines 7 and 8, strike out the words "the said Henrietta Wills" and insert "her."

Page 1, line 9, start with the word "truck" and strike out all of the bill down to and including the name "Henrietta Wills"; in line 12, and insert in lieu thereof "United States mail truck while she was standing on the sidewalk at the intersection of Lagonda Avenue and Laurel Street, Springfield, Ohio."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 6, strike out "$4,000" and insert in lieu thereof "$2,500."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY LOUISE CHAMBERS

The Clerk called the next bill, H. R. 5768, for the relief of A. B. Chambers and in behalf of Mary Louise Chambers, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. B. Chambers, of Sweetwater, Tex., on behalf of his daughter, Mary Louise Chambers, a minor, the sum of $10,505, in full satisfaction of all claims against the United States for injuries sustained through the negligence of Works Progress employees when they left lumber piled and strewn about the yard of the home of A. B. Chambers, in Sweetwater, Tex., and from which cause Mary Louise Chambers fell and sustained a broken leg on December 27, 1935, causing her to be a sufferer through life with a stiff knee: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 5 and 6, strike out the words "A. B. Chambers, of Sweetwater, Tex., on behalf of his daughter" and insert "the legal guardian of."

Page 1, line 7, after the word "minor", insert "of Sweetwater, Tex."

Page 1, line 7, also strike out the figures "$10,505" and insert "$2,000."

Page 1, line 8, after the word "sustained", insert "by her."

Page 1, line 9, after the word "Progress", insert the word "Administration."

Page 1, line 11, after the name "Chambers", insert a comma and the words "her father."

Page 2, lines 2 and 3, strike out the words "causing her to be a sufferer through life with a stiff knee."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "A bill for the relief of Mary Louise Chambers, a minor."

S. UTTAL

The Clerk called the next bill, H. R. 5994, for the relief of S. Uttal.

Mr. COSTELLO and Mr. COLE of New York objected, and under the rule, the bill was recommitted to the Committee on Claims.

R. E. RAINER

The Clerk called the next bill, H. R. 6135, for the relief of R. E. Rainer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to R. E. Rainer, of Fort Myers, Fla., out of any money in the Treasury not otherwise appropriated, the sum of $101.50, in full settlement of all claims against the Government of the United States, representing the value of personal property owned by Mr. Rainer which was destroyed by fire when the customs vessel U. S. Cutter *4192* was destroyed by explosion and fire on December 3, 1935, at Pass-A-Grille, Fla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 4 and 5, after the word "pay", insert a comma and strike out the words "to R. E. Rainer, of Fort Myers, Fla."

Page 1, line 6, after the word "appropriated", insert "to R. E. Rainer."

Page 1, line 6, also, after the figures, insert a comma and the words and figures "to R. H. Alderman the sum of $99.50, and to John Harmon, the sum of $53.73."

Page 1, lines 8 and 9, strike out the words "owned by Mr. Rainer which was destroyed by fire" and insert "which they lost in the performance of their duties as customs patrol inspectors."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "A bill for the relief of R. E. Rainer, R. H. Alderman, and John Harmon."

SADIE N. PIKE AND EDWARD W. PIKE

The Clerk called the next bill, H. R. 6155, for the relief of Sadie N. Pike and Edward W. Pike.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,612.80 to Sadie N. Pike and the sum of $403.20 to Edward W. Pike, as the mother and father, respectively, of Edward G. Pike, who died of injuries received in line of duty as an enrolled member of the Civilian Conservation Corps in Company 461, Camp SC P–62, Kingstree, S. C., Fourth Corps Area, on December 6, 1933; the amounts herein appropriated representing the amounts which would have been awarded to the said Sadie N. Pike and Edward W. Pike by the United States Employees' Compensation Commission had their claims for compensation been filed within 1 year after the death of their son, Edward G. Pike.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That the limitations of time in sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended by sundry acts, including the act of February 15, 1934, are hereby waived, and the United States Employees' Compensation Commission is hereby authorized and directed to receive and consider the claim of Sadie N. Pike and Edward W. Pike, of Greenville, S. C., for compensation for the death of their son, Edward G. Pike, resulting from injuries sustained in line of duty as an enrollee of the Civilian Conservation Corps in Company 461, Camp SC P–62, Kingstree, S. C., on December 5, 1933: *Provided*, That the United States Employees' Compensation Commission is also hereby authorized to receive

and consider claims for compensation by the said Sadie N. Pike and Edward W. Pike on behalf of the dependent minor brothers and sister of Edward G. Pike."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNIE FLEMING ET AL.

The Clerk called the next bill, H. R. 6271, for the relief of Annie Fleming, George Perdue, O. B. Ross, and Sadie Washington.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement of all claims against the Government arising out of a collision involving an Army truck and trailer about 2 miles north of Palmetto, Ga., on the night of March 6, 1933, the sum of $5,000 to Annie Fleming, whose husband, Larry Washington Fleming, was killed in the collision; the sum of $1,500 to George Perdue, the sum of $2,500 to O. B. Ross, and the sum of $1,000 to Sadie Washington, all of whom were severely injured in said collision: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all of the bill after the enacting clause and insert in lieu thereof the following:

"That jurisdiction is hereby conferred upon the United States District Court for the Northern District of Georgia to hear, determine, and render judgment, as if the United States were suable in tort, upon the claims of George Perdue, O. B. Ross, Sadie Washington, and the estate of Larry W. Fleming, deceased, all of Atlanta, Ga., for damages resulting from personal injuries, death, and property damage received by them on March 6, 1933, by reason of an automobile collision involving a United States Army truck and trailer, on the Atlanta-Newnan Highway, near Palmetto, Ga.: *Provided*, That the judgment, if any, shall not exceed, in the case of George Perdue, $3,000; in the case of O. B. Ross, $3,000; in the case of Sadie Washington, $3,000; and in the case of the estate of Larry W. Fleming, $5,000.

"SEC. 2. Suit upon such claims may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims, appeals therefrom, and payment of any judgments thereon shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph twentieth of section 24 of the Judicial Code, as amended."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The title of the bill was amended so as to read: "A bill conferring jurisdiction upon the United States District Court for the Northern District of Georgia to hear, determine, and render judgment upon the claims of George Perdue, O. B. Ross, Sadie Washington, and the estate of Larry W. Fleming."

SALLIE S. TWILLEY

The Clerk called the next bill, S. 1585, for the relief of Sallie S. Twilley.

Mr. HANCOCK of New York and Mr. COLE of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

CLARENCE JOSEPH FERGUSON

The Clerk called the next bill, H. R. 7716, to provide for admission into the United States of Clarence Joseph Ferguson, an alien.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 3 of the Immigration Act of 1917 relating to the exclusion of persons who have been convicted of or admit having committed a crime or other crime or misdemeanor involving moral turpitude, Clarence Joseph Ferguson shall be admitted into the United States if he applies within ———— from the date of enactment of this act for admission to the United States.

With the following committee amendment:

Page 1, line 8, after the word "within", insert "6 months."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF SUNDRY ALIENS

The Clerk called the next bill, H. R. 7888, for the relief of sundry aliens.

Mr. COSTELLO. Mr. Speaker, I make the point of order that is an omnibus bill.

The SPEAKER. The point of order is sustained. This appears to be an omnibus claims bill and, without objection, it will be passed over.

There was no objection.

WATERTON OIL, LAND & POWER CO., OF BUTTE, MONT., *v.* UNITED STATES

The Clerk called the next bill, S. 190, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States.

Mr. COSTELLO and Mr. COLLINS objected, and, under the rule, the bill was recommitted to the Committee on Public Lands.

W. J. STECKEL

The Clerk called the next bill, H. R. 599, for the relief of W. J. Steckel.

Mr. COSTELLO and Mr. COLLINS objected, and, under the rule, the bill was recommitted to the Committee on Claims.

D. X. SANDERS

The Clerk called the next bill, H. R. 1185, for the relief of D. X. Sanders.

Mr. COSTELLO and Mr. COLLINS objected, and, under the rule, the bill was recommitted to the Committee on Claims.

GETLOW KALBERG

The Clerk called the next bill, H. R. 1233, for the relief of Getlow Kalberg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Miss Getlow Kalberg, a resident teacher of the Pierre Indian School, the sum of $2,135.15 in full settlement of all claims against the United States for loss of personal property housed in Morgan Hall, Pierre Indian School, Pierre, S. Dak., which was destroyed by fire on July 10, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "to", strike out the remainder of line 5 and all of lines 6, 7, 8, 9, and 10 and insert the following: "the following-named employees of the Pierre Indian School, South Dakota, or their heirs, for losses sustained through destruction by fire of the Government building in which they were assigned quarters, the fire having occurred on July 10, 1936, sums as follows: Getlow Kalberg, $1,601.36; Thurmian Shaffer, $159.30; Mildred Shaffer, $279.46; Ethel Cotter, $244.81; Bertha Hitchcock, $1,287.56; Charles Walker, $43.01; Thomas Saul, $106.42; Mrs. Oren Cason, $713.25; Mildred Sully, $249.56; Cecelia Sully (now Mrs. K. Barry), $181.65; L. D. McGhee, $375. Said sums shall be in full settlement of all claims against the United States for damages sustained as a result of this fire."

Page 2, line 17, strike out "claim" and insert "claims."

Page 2, line 21, strike out "claim" and insert "claims."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill for the relief of the employees of the Indian Service for destruction by fire of personally owned property in Government quarters at the Pierre Indian School, South Dakota."

ANNA L. ANDREAS AND ANITA ANDREAS

The Clerk called the next bill, H. R. 1251, for the relief of Anna L. Andreas and Anita Andreas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna L. Andreas the sum of $11,628 in settlement of her claim against the United States for damage caused by the flooding of her property through diversion of the natural flow of floodwaters by the building of dikes and dams incident to construction of the United States detention farm at La Tuna, Tex.

SEC. 2. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anita Andreas, the sum of $5,000 in settlement of her claim against the United States for injury to her health caused by the flooding of the property of her mother, Anna L. Andreas, by diversion of the natural flow of floodwaters by the building of dikes and dams incident to construction of the United States detention farm at La Tuna, Tex.

With the following committee amendments:

Page 1, line 5, strike out "Andreas the sum of $11,628 in" and insert "Andreas, of La Tuna, Tex., the sum of $2,500 in full."

Page 1, line 9, after the word "property" insert "during August and September 1935."

Page 2, line 6, strike out "the sum of $5,000 in" and insert "of La Tuna, Tex., the sum of $500, in full settlement."

Page 2, line 12, after the word "Texas", insert a colon and the following: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 7, after the words "sum of", strike out "$2,500" and insert "$2,000."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. WALTER L. SHEARMAN

The Clerk called the next bill, H. R. 1750, for the relief of Capt. Walter L. Shearman.

Mr. MOTT and Mr. COLE of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

MARTIN BRIDGES

The Clerk called the next bill, H. R. 1872, for the relief of Martin Bridges.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Martin Bridges, of Greenville, S. C., out of any money in the Treasury not otherwise appropriated, the sum of $1,946.74 in full payment of all claims of the said Martin Bridges for damages to his one Graham and two Packard automobiles, as the result of an accident which occurred on September 25, 1935, in Knoxville, Tenn., involving a Government-owned truck assigned to Camp T. V. A. P 10, alleged to have been operated by William B. Willis, a junior foreman at said camp of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 5, after the word "Treasury", strike out "not otherwise appropriated" and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps."

Page 1, line 8, after the word "full", strike out the remainder of line 8 and all of line 9 and insert "settlement of all claims against the United States."

Page 2, line 2, after "1935", strike out the remainder of line 2 and all of lines 3, 4, and 5, and insert "on the TVA Freeway, between Knoxville and Norris, Tenn., involving a National Park Service truck operated by the Civilian Conservation Corps: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL AND A. B. JOHNSON

The Clerk called the next bill, H. R. 2192, for the relief of Paul and A. B. Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Paul and A. B. Johnson the sum of $1,000 in full settlement of all claims against the United States for the loss of services of the father, A. B. Johnson, and the injuries sustained by Paul when he was struck by a truck driven by an enrollee of the Civilian Conservation Corps at or near Hampton, Tenn., on or about September 20, 1934.

With the following committee amendments:

Page 1, line 5, after the word "Treasury", strike out the remainder of line 5 and all of lines 6, 7, 8, 9, and 10, and on page 2 all of line 1 and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to the legal guardian of Paul Johnson, a minor, of Hampton, Tenn., the sum of $750, and to A. B. Johnson, of Hampton, Tenn., his father, the sum of $250, in full settlement of all claims against the United States, and in settlement of the judgments obtained against Fred A. Baker in the Circuit Court for Carter County, Tenn., as a result of personal injuries sustained by Paul Johnson when he was struck by a Forest Service truck, driven by said Fred A. Baker, an employee of the Civilian Conservation Corps, on State Highway No. 67, near Hampton, Tenn., on September 25, 1934: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO to the committee amendment: Page 2, line 6, after the words "United States" strike out the remainder of the line and all of lines 7 and 8 up to and including the word "Tennessee."

Page 2, line 21, after "$1,000" change the period to a colon and insert *"Provided further,* That no moneys appropriated herein shall be paid until any judgment obtained by the claimants herein against the Government officer or employee as a result of the accident described herein shall have been satisfied of record."

The amendments to the committee amendment were agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GALLUP'S, INC.

The Clerk called the next bill, H. R. 2215, for the relief of Gallup's, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Gallup's, Inc., Kansas City, Mo., the sum of $198.50. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Gallup's, Inc., on account of the destruction by fire at Washington State Park, De Soto, Mo., on March 12, 1935, of certain surveying instruments which were leased by such company under its former name of "Gallup Map and Supply Co." to the Department of the Interior, National Park Service.

With the following committee amendment:

Page 2, line 8, after the word "Service", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEROME H. HOWARD

The Clerk called the next bill, H. R. 2451, for the relief of Jerome H. Howard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jerome H. Howard, the sum of $871.26 in full settlement of all claims against the United States for losses incurred by him as a result of a collision with an Army truck being negligently driven by a member of the United States Army stationed at Scott Field, Belleville, Ill., near Glenview, Ill., on November 18, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, at the beginning of the line, insert "of Harrisburg, Ill.", and in the same line strike out "$871.26" and insert "$859.86."

Line 7, strike out the word "losses", and at the beginning of line 8, strike out the words "incurred by him" and insert "damage to his truck."

Line 9, after the word "truck", strike out the remainder of line 9 and all of line 10.

Page 2, strike out all of line 1 and insert "on United States Highway No. 50."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

L. S. SNIPES

The Clerk called the next bill, H. R. 2994, for the relief of L. S. Snipes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to L. S. Snipes, of Tupelo, Miss., the sum of $200. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by L. S. Snipes as a result of the personal injuries received by his minor son, Lamar Snipes, when the vehicle in which the said Lamar Snipes was riding was struck, on September 26, 1935, by a vehicle in the service of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 4, after the word "Treasury", strike out the remainder of line 4 and all of lines 5, 6, 7, 8, 9, and 10 and insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Lamar Snipes, of Tupelo, Miss., the sum of $300, and to Luther S. Snipes, of Tupelo, Miss., the sum of $200, in full settlement of all claims against the United States for personal injuries sustained by Lamar Snipes, and his expenses and losses incident thereto, when the truck he was driving."

Page 2, line 9, after the word "Corps", insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Amend the title.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Lamar Snipes and Luther S. Snipes."

WILLIAM O'CONNELL

The Clerk called the next bill, H. R. 3552, for the relief of William O'Connell.

Mr. COSTELLO and Mr. COLLINS objected, and, under the rule, the bill was recommitted to the Committee on Claims.

GEORGE MILLER, JR.

The Clerk called the next bill, H. R. 4138, for the relief of George Miller, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Treasurer of the United States be, and he is hereby, directed and instructed to pay to George Miller, Jr., of Fresno, Calif., the sum of $10,000 for injuries sustained when struck by a Civilian Conservation Corps truck near Fresno, Calif., on July 8, 1933.

SEC. 2. That there is hereby appropriated, from funds not otherwise appropriated, the sum of $10,000 to carry out the purposes of this act.

With the following committee amendments:

Page 1, strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to the legal guardian of George Miller, Jr., a minor, of Fresno, Calif., the sum of $3,000 in full settlement of all claims against the United States for personal injuries sustained by him when the truck in which he was riding was struck, on July 9, 1933, by a Civilian Conservation Corps truck at the intersection of Fresno and Shaw Streets, Fresno, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of George Miller, Jr., a minor."

CONSOLIDATED AIRCRAFT CORPORATION

The Clerk called the next bill, H. R. 4150, for the relief of the Consolidated Aircraft Corporation.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 1881), for the relief of the Consolidated Aircraft Corporation, may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Consolidated Aircraft Corporation the sum of $79,116.88, in full settlement of all claims against the United States for additional costs incurred by such corporation in the performance of a contract with the Department of the Navy dated June 13, 1933 (contract numbered No—31792): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 4150) was laid on the table.

COAL HULK "CALLIXENE"

The Clerk called the next bill, H. R. 4777, conferring jurisdiction on certain courts of the United States to hear and determine the claim of the owner of the coal hulk *Callixene*, and for other purposes.

Mr. MOTT, Mr. COSTELLO, and Mr. HANCOCK of New York objected, and, under the rule, the bill was recommitted to the Committee on Claims.

PUGET SOUND BRIDGE & DREDGING CO.

The Clerk called the next bill, H. R. 5161, for the relief of the Puget Sound Bridge & Dredging Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Puget Sound Bridge & Dredging Co., of Seattle, Wash., the sum of $1,020.44 in full settlement for claim arising as the result of damages sustained by reason of suspension of dredging operations by the United States under contract W-869-eng-666, dated October 18, 1933, from 8 a. m., November 20, 1934, to 8 a. m., November 26, 1934: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out "$1,020.44" and insert "$856.97."

Line 7, strike out the words "for claim arising as the result of" and insert "of all claims against the United States for."

Page 2, beginning in line 1, after the word "from", strike out the remainder of line 1 and the word "meridian" in line 2.

Line 2, after the word "to", strike out "8 a. m."

Line 3, strike out "26" and insert "25."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COL. WILLIAM H. NOBLE

The Clerk called the next bill, H. R. 5260, for the relief of Col. William H. Noble.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Col. William H. Noble, Quartermaster Corps, United States Army, $10,100.70, or so much of such sum as shall have been collected from him prior to the passage of this act, representing the loss of public funds due to financial irregularities and frauds against the Government, in the handling of public funds by a civilian employee of the Quartermaster Corps at Fort Jay, N. Y., during the period from on or about July 14, 1928, to July 7, 1930, for which Colonel Noble has been held responsible as post quartermaster: *Provided*, That no part of this shortage shall be later charged to Col. William H. Noble, Quartermaster Corps, United States Army.

With the following committee amendments:

Page 1, line 6, after the word "Army", insert "retired, the sum of."

In line 9, after the word "act", strike out the word "representing" and insert "in full satisfaction of his claim against the United States as a result of."

Page 2, line 3, after the word "from", strike out "on or about."

Page 2, line 3, after "1930", strike out the remainder of the bill and insert "while Colonel Noble was on duty as post quartermaster at Fort Jay and constructing quartermaster at Fort Jay and New York City: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COSTELLO. Mr. Speaker, I move to dispense with the further calling of bills on the Private Calendar today.

The motion was agreed to.

DERBY OIL CO.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to return to Private Calendar No. 599, the bill H. R. 459, for the relief of the Derby Oil Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Derby Oil Co., Wichita, Kans., the sum of $582.47. Such sum represents the amount due for furnishing gasoline to the quartermaster, Fort Riley, Kans., under item 123 (a), contract TPS 9477, dated December 10, 1935, during the period January 1 to March 31, 1936, and covers the loss of $582.47 sustained by the Derby Oil Co., Wichita, Kans., through clerical error in calculating the freight rate on gasoline shipped from the Derby Oil Co.'s bulk plant at Wichita, Kans., to destination.

With the following committee amendments:

Page 1, line 6, after the word "of", strike out "$582.47. Such sum represents the amount due" and insert "$445.20, in full satisfaction of its claim against the United States."

Page 1, line 11, after the figure "1936", strike out the balance of the line and all of line 1 on page 2, and the words "Kansas, through" in line 2 and insert "covering the loss sustained through its."

At the end of the bill insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH NOEL ROBERTS

Mr. GREEN. Mr. Speaker, I ask unanimous consent to return to Private Calendar No. 531, the bill (H. R. 2345) for the relief of Joseph Noel Roberts, and I hope there will be no objection to this bill, because it is a case of unusual merit and will give the difference in retired pay and compensation to a totally blind veteran.

The Clerk read the title of the bill.

The SPEAKER. The gentleman from Florida asks unanimous consent to return to Private Calendar No. 531, the bill H. R. 2345. Is there objection?

Mr. COSTELLO and Mr. HANCOCK of New York objected.

EXTENSION OF REMARKS

Mr. GREEN and Mr. MAAS asked and were given permission to extend their remarks in the RECORD.

COMMITTEE ON ACCOUNTS

Mr. WARREN. Mr. Speaker, I ask unanimous consent that the Committee on Accounts be given permission to sit tomorrow during sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

THOMAS W. SEAY

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1044) for the relief of Thomas W. Seay, and ask for its immediate consideration.

The Clerk read the title of the bill.

Mr. MAPES. Mr. Speaker, reserving the right to object, is this a bill that was on the Private Calendar and objected to today?

Mr. DEMPSEY. The bill has passed the Senate, but has not been put on the Private Calendar. It has been reported favorably by the House committee. The condition of this

man is such that he is expected to die almost any time and he has a wife and three children.

Mr. FORD of California. Mr. Speaker, I reserve the right to object to find out something about the bill.

Mr. DEMPSEY. This man was an enforcement officer and was shot while capturing three counterfeiters who were sent to the penitentiary for a period of 15 years each. The picture I have here shows the injuries he sustained.

Mr. FORD of California. What kind of an enforcement officer was this man?

Mr. DEMPSEY. A deputy sheriff enforcing a Federal statute and three men who were counterfeiters were captured and sent to the penitentiary for a period of 15 years. He received this permanent injury and can only live a short time. He has a wife and large family.

The bill has all ready passed the Senate and is now on the Speaker's desk.

Mr. FORD of California. I withdraw my objection, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas W. Seay, of Albuquerque, N. Mex., the sum of $10,000 in full settlement of any and all claims against the Government on account of personal injuries sustained by him as a result of gunshot wounds received while in the performance of his duty as a deputy sheriff attempting to arrest a counterfeiter, said injuries having resulted in his permanent total disability: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WATERTON OIL, LAND & POWER CO.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to return to Calendar No. 583, S. 190, to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Waterton Oil, Land & Power Co., of Butte, Mont., against the United States.

The SPEAKER. The gentleman from Montana asks unanimous consent to return to S. 190. Is there objection?

Mr. COSTELLO. Mr. Speaker, I object.

Mr. O'CONNELL of Montana. Mr. Speaker, I wish the gentleman would withdraw his objection to this bill.

Mr. COSTELLO. Mr. Speaker, when the bill was called on the Private Calendar, I objected to it. I do not see why I should withdraw my objection at this time. I object to returning.

The SPEAKER. Objection is heard.

CHARLES CARROLL OF CARROLLTON BICENTENARY COMMISSION

Mr. WOLCOTT. Mr. Speaker, in the consideration of the Consent Calendar yesterday, Senate Joint Resolution 171, relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission, was considered and passed by the House with an amendment offered by myself striking out lines 5 and 6 on page 2. Inadvertently I did not include in that amendment the words immediately preceding in lines 3 and 4, "and be it further." I ask unanimous consent to vacate the proceedings whereby Senate Joint Resolution 171 was read a third time and passed, and consider the same at this time.

The SPEAKER. The gentleman from Michigan asks unanimous consent to vacate the proceedings whereby Senate Joint Resolution 171 was considered and passed yesterday and that the same be considered now. The Clerk will report the title of the joint resolution.

The Clerk reported the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. WOLCOTT: Page 2, line 3, after the word "funds", strike out the semicolon and the remainder of the line and all of line 4 and insert a period.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Senate joint resolution as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

ADDITIONAL REVENUE FOR THE DISTRICT OF COLUMBIA

Mr. PALMISANO. Mr. Speaker, I call up the conference report upon the bill (H. R. 7472) to provide additional revenue for the District of Columbia and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. The gentleman from Maryland calls up the conference report upon the District tax bill, H. R. 7472, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 12, 29, 30, 31, and 32 .

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, and 33, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"Title II—Taxes on insurance companies

"SECTION 1. On and after the 1st day of September 1937, every domestic, foreign, or alien company organized as a stock, mutual, reciprocal, Lloyd's, fraternal, or any other type of insurance company or association, before issuing contracts of insurance against loss of life or health, or by fire, marine, accident, casualty, fidelity and surety, title guaranty, or other hazard not contrary to public policy, shall obtain from the superintendent of insurance of the District of Columbia an annual license or certificate of authority, upon payment of a fee of $25 to the collector of taxes of the District of Columbia. All licenses for insurance companies who may apply for permission to do business in the District of Columbia shall date from the first of the month in which application is made, and expire on the 30th day of April following, and payment shall be made in proportion.

"SEC. 2. Any such company issuing contracts of insurance in the District of Columbia, without first having obtained license or certificate of authority from the superintendent of insurance so to do, shall upon conviction be subject to a fine of $100 per day for each day it shall engage in business without such license or certificate of authority.

"SEC. 3. All prosecutions for violations of this title shall be in the police court of the District of Columbia by the corporation counsel of the District of Columbia or any of his assistants.

"SEC. 4. Each of such companies shall file an annual statement, in the form prescribed by the superintendent of insurance, before March 1 of each year, of its operations for the year ending December 31 immediately preceding. Such statement shall be verified by the oath of the president and secretary or in their absence by two other principal officers. The fee for filing said statement shall be $20 and payment therefor shall be made to the collector of taxes of the District of Columbia.

"SEC. 5. If any such company shall fail to file the annual statement herein required, the superintendent of insurance may thereupon revoke its license or certificate of authority to transact business in the District of Columbia.

"SEC. 6. All such companies shall also pay to the collector of taxes of the District of Columbia a sum of money as taxes equal to 2 per centum of its policy and membership fees and net premium

receipts on all insurance contracts on risks in the District of Columbia, said taxes to be paid before the 1st day of March of each year on the amount of income for the year ending December 31 next preceding. Such tax shall be in lieu of all other taxes except (1) taxes upon real estate, and (2) fees and charges provided for by the insurance laws of the District including amendments made to such laws by this title.

" 'Net premium receipts' means gross premiums received less the sum of the following:

"1. Premiums returned on policies canceled or not taken;

"2. Premiums paid for reinsurance where the same are paid to companies duly licensed to do business in the District; and

"3. Dividends paid in cash or used by policyholders in payment of renewal premiums.

"Nothing contained in this section or in sections 1 or 7 of this title shall apply with respect to marine insurance written within the said District and reported, taxed, and licensed under the provisions of the act entitled 'An act to regulate marine insurance in the District of Columbia, and for other purposes', approved March 4, 1922, as amended.

"SEC. 7. If any such company shall fail to pay the tax herein required, it shall be liable to the District of Columbia for the amount thereof, and in addition thereof a penalty of 8 per centum per month thereafter until paid.

"SEC. 8. Nothing contained in this title shall apply to any relief association, not conducted for profit, composed solely of officers and enlisted men of the United States Army or Navy, or solely of employees of any other branch of the United States Government service or solely of employees of the District of Columbia government, or solely of employees of any individual, company, firm, or corporation or to any fraternal organization which issues contracts of insurance exclusively to its own members.

"SEC. 9. Any act or part of any act insofar as it is inconsistent with the provisions of this title is hereby repealed."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with amendments, as follows: Restore the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the Senate amendment, on page 11 of the House bill, line 16, after "fuel" insert "to be used by him or"; and on page 12 of the House bill, line 19, after "fuel" insert "to be used by him or"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"Title VI—Tax on privilege of doing business

"SECTION 1. Where used in this title—

"(a) The term 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, receiver, or any other group or combination acting as a unit, but shall not include railroad or railroad express companies which report to and are subject to regulation by the Interstate Commerce Commission under the provisions of the Interstate Commerce Act of 1887, as amended.

"(b) The term 'taxpayer' means any person liable for any tax hereunder.

"(c) The term 'Commissioners' means the Commissioners of the District of Columbia or their duly authorized representative or representatives.

"(d) The term 'business' shall include the carrying on or exercising for gain or economic benefit, either direct or indirect, any trade, business, profession, vocation, or commercial activity in or on privately owned property and in or on property owned by the United States Government in the District of Columbia, not including, however, labor or services rendered by any individual as an employee for wages, salary, or commission.

"(e) The term 'gross receipts' means the gross receipts received from any business in the District of Columbia, including cash, credits, and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials, labor, or services or other costs, interest, or discount paid, or any other expenses whatsoever: *Provided*, That the term 'gross receipts' when used in connection with or in respect of financial transactions involving the sale of notes, stocks, bonds, and other securities, or the loan, collection, or advance of money, or the discounting of notes, bills, or other evidences of debt, shall be deemed to mean the gross interest, discount, commission, or other gross income earned by means of or resulting from said financial transactions: *Provided further*, That in connection with commission merchants, attorneys or other agents, the term 'gross receipts' shall be deemed to mean the gross amount of such commissions or gross fees received by them, and, as to stock and bond brokers, the term 'gross receipts' shall be deemed to mean gross amount of commissions or gross fees received, the gross trading profit on securities bought and sold, and the gross interest income on marginal accounts from business done or arising in the District of Columbia: *Provided further*, That with respect to contractors the term 'gross receipts' shall mean their total receipts less money paid by them to sub-contractors for work and labor performed and material furnished by such sub-contractors in connection with such work and labor.

"(f) The term 'fiscal year' means a year beginning on the 1st day of July and ending on the 30th day of the June following.

"SEC. 2. No person shall engage in or carry on any business in the District of Columbia after sixty days from the approval of this Act and until July 1, 1938, without first having obtained a license so to do from the Commissioners, except *that* no license shall be required of any person selling newspapers, magazines, or periodicals, whose sales are not made from a fixed location and which sales do not exceed the annual sum of $2,000. All licenses issued under this title shall expire on June 30, 1938, and no license may be transferred to any other person.

"All licenses granted under this title must be conspicuously posted on the premises of the licensee and said license shall be accessible at all times for inspection by the police or other officers duly authorized to make such inspection. Licensees having no located place of business shall exhibit their licenses when requested to do so by any of the officers above named.

"Licenses shall be good only for the location designated thereon, except in the case of licenses issued hereunder for businesses which in their nature are carried on at large and not at a fixed place of business, and no license shall be issued for more than one place of business without a payment of a separate fee for each.

"The Commissioners may, after hearing, revoke any license issued hereunder for failure of the licensee to file a return or corrected return within the time required by this title or to pay any installment of tax when due.

"SEC. 3. Each application for license shall be accompanied by a filing fee of $10: *Provided, however*, That no license fee shall be required of any person if he shall certify under oath that his gross receipts during the year immediately preceding his application, if he was engaged in business during all of such period of time, or his gross receipts as computed in the manner provided in section 5 of this title, if he was engaged in business for less than one year immediately preceding his application, was not more than $2,000. Such application shall be upon a form prescribed and furnished by the Commissioners.

"SEC. 4. Every person subject to the tax hereunder shall, within thirty days after the approval of this Act, furnish to the assessor, on a form prescribed by the Commissioners, a statement under oath showing the gross receipts of the taxpayer during the preceding calendar year, which said return shall contain such other information as the Commissioners may deem necessary for the proper administration of this title.

"The Commissioners, for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return where none has been made, are authorized to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return and may summon any person to appear and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then, and in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

"The Commissioners are authorized and empowered to extend for cause shown the time for filing a return for a period not exceeding thirty days.

"SEC. 5. For the privilege of engaging in business in the District of Columbia, each person so engaged shall pay to the collector of taxes of the District of Columbia for the fiscal year 1937–1938 a tax equal to two-fifths of 1 per centum of the gross receipts in excess of $2,000 derived from such business for the calendar year 1936: *Provided, however*, That the tax imposed by this section shall be payable only upon the gross commissions of any person engaged in the business of a broker or agent, and shall not be payable upon the funds of his principal, of which he is a mere conduit.

"If a taxpayer was not engaged in business during the whole of the calendar year 1936 he shall pay the tax imposed by this title measured by his gross receipts during the period of one year from the date when he became so engaged; and if such taxpayer shall not have been so engaged for an entire year prior to the approval of this Act, then the tax imposed shall be measured by his gross receipts for the period during which he was so engaged, multiplied by a fraction, the numerator of which shall be 365 and the denominator of which shall be the number of days during which he was so engaged.

"If a person liable for the tax during any year or portion of a year for which the tax is computed acquires the assets or franchises of or merges or consolidates his business with the business of any other person or persons, such person liable for the tax shall report, as his gross receipts by which the tax is to be measured, the gross receipts for such year of such other person or persons together with his own gross receipts during such year.

"SEC. 6. National banks and all other incorporated banks and trust companies, street railroad, gas, electric lighting and telephone companies, companies incorporated or otherwise, who guarantee the fidelity of any individual or individuals, such as bonding companies, companies who furnish abstracts of titles,

savings banks, and building and loan associations which pay taxes under existing laws of the District of Columbia upon gross receipts or gross earnings, and insurance companies which pay a tax upon premiums shall be exempt from the provisions of this title. Any tax levied by the District of Columbia upon tangible personal property (other than motor vehicles) for the fiscal year 1937–1938 and paid by such taxpayer shall be credited upon the tax due under this title.

"SEC. 7. The taxes imposed hereby shall be due thirty days after the approval of this Act and may be paid without penalty to the collector of taxes of the District of Columbia in equal semiannual installments in the months of September and March following. If either of said installments shall not be paid within the month when the same is due, said installment shall thereupon be in arrears and delinquent and there shall be added and collected to said tax a penalty of 1 per centum per month upon the amount thereof for the period of such delinquency, and said installment with the penalties thereon shall constitute a delinquent tax.

"SEC. 8. If a return required by this title is not filed, or if a return when filed is incorrect or insufficient and the maker fails to file a corrected or sufficient return within twenty days after the same is required by notice from the assessor, the assessor shall determine the amount of tax due from such information as he may be able to obtain, and, if necessary, may estimate the tax on the basis of external indices such as number of employees of the person concerned, rentals paid by him, stock on hand, and other factors. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed shall within fifteen days after the giving of notice of such determination apply to the Board of Equalization and Review of the District for hearing and review, and the burden of proving the incorrectness of the assessor's determination shall be upon the taxpayer. After such hearing said Board shall give notice of its decision to the person liable for the tax. The decision of said Board may be reviewed by application to the District Court of the United States for the District of Columbia, if the said application be filed within twenty days after said notice: *Provided, however*, That the amount of any tax sought to be reviewed shall, with interest and penalties thereon, if any, be first deposited with the clerk of said court.

"SEC. 9. Any person failing to file a return or corrected return within the time required by this title shall be subject to a penalty of 10 per centum of the tax due plus 5 per centum of such tax for each month of delay or fraction thereof.

"SEC. 10. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended by registered mail addressed to such person at the address given in the return filed by him pursuant to the provisions of this title, or if no return has been filed then to his last-known address. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing such notice.

"SEC. 11. The taxes levied hereunder and penalties may be collected by the collector of taxes of the District of Columbia in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection.

"SEC. 12. Any person engaging in or carrying on business without first having obtained a license so to do, or failing or refusing to file a sworn report as required herein, or to comply with any rule or regulation of the Commissioners for the administration and enforcement of the provisions of this title shall, upon conviction thereof, be fined not more than $1,000 for each and every failure, refusal, or violation, and each and every day that such failure, refusal, or violation continues shall constitute a separate and distinct offense. All prosecutions under this title shall be brought in the police court of the District of Columbia on information by the corporation counsel or his assistant in the name of the District of Columbia.

"SEC. 13. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

"SEC. 14. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner the receipts or any other information relating to the business of a taxpayer contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the United States or the District of Columbia, or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby, as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District of Columbia, or any of his assistants, of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for three years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be subject to the punishment provided by section 12 of this title.

"SEC. 15. This title shall not be deemed to repeal or in any way affect any existing act or regulation under which taxes are now levied."

And the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"Title VII—Rate of taxation on tangible property and miscellaneous provisions

"SECTION 1. (a) For the fiscal year ending June 30, 1938, the rate of taxation imposed for the District of Columbia on real and tangible personal property shall not be less than 1.75 per centum on the assessed value of such property.

"(b) The Commissioners of the District of Columbia are authorized to extend for not to exceed sixty days the time for payment of any installment of taxes on real property, tangible and intangible personal property, and other taxes, payable in September 1937.

"Authorization for advance of funds

"SEC. 2. Until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary, from time to time, during said fiscal year to meet the general expenses of said District, as authorized by Congress, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of the taxes and revenue collected for the support of the government of the said District of Columbia.

"Survey of tax structure of the District

"SEC. 3. There is hereby authorized to be appropriated out of the revenues of the District of Columbia the sum of $5,000, for the employment of clerical services in connection with a survey and study of the entire tax structure of the District of Columbia to be made under the direction of the Commissioners of said District. Such sum shall be available for expenditure for personal services without regard to the civil service laws or the Classification Act of 1923, as amended. A report of such survey, with recommendations, shall be made by the Commissioners to Congress not later than January 15, 1938.

"Regulations

"SEC. 4. The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

"Separability of provisions

"SEC. 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby."

And the Senate agree to the same.

VINCENT L. PALMISANO,
AMBROSE J. KENNEDY,
JACK NICHOLS,
EVERETT M. DIRKSEN,
DEWEY SHORT,
Managers on the part of the House.

WILLIAM H. KING,
PAT MCCARRAN,
MILLARD E. TYDINGS,
ARTHUR CAPPER,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

On amendments nos. 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 19, 20, 21, 22, 23, 24, 25, and 26: These amendments make clerical changes and certain clarifying and perfecting amendments to the text of titles I, III, and IV of the House bill with a view to simplifying the administration and collection of the taxes to which those titles relate, namely, personal-property taxes, gasoline taxes, and motor-vehicle weight taxes. None of the amendments was controversial. The Senate recedes on amendments numbered 11 and 12; the House recedes with an amendment on amendment

numbered 10; and the House recedes on the balance of the amendments above enumerated.

On amendment no. 9: This amendment eliminates title II of the House bill relating to taxes on insurance companies. The conference action restores the provisions of the House bill, makes certain clarifying changes, and adds a provision exempting marine insurance written within the District and taxed under the provisions of the act of March 4, 1922.

On amendments nos. 16, 17, and 18: These amendments restore the rates of taxation in title V, article I, of the House bill (relating to inheritance taxes) which were in the bill as reported to the House on June 11, 1937. The House recedes.

On amendment no. 27: This amendment eliminates title VI of the House bill relating to tax on privilege of doing business. There was no corresponding provision in the bill as it passed the Senate. The conference action restores such tax but limits its operation to one year, increases the exemption from $1,000 to $2,000, and reduces the rate of tax from three-fifths of 1 percent of the gross receipts in excess of $2,000 to two-fifths of 1 percent of such gross receipts. In addition, it eliminates the progressive license fee upon chain stores. It also provides that any tax levied upon tangible personal property (other than motor vehicles) for the fiscal year 1937–38 shall be credited upon such tax. Provision is also made, in the case of contractors, restricting the application of the tax to their gross receipts less money paid by them to subcontractors for work and labor performed and material furnished by such subcontractors. Certain clarifying amendments are also made in the text of the House bill.

On amendments nos. 28, 29, and 31: Amendment no. 28 eliminates title VII of the House bill fixing the rates on real and tangible personal property for the fiscal year ending June 30, 1938, at 1.7 percent of the assessed value of such property. Amendment no. 29 imposes an additional tax on land for such fiscal year of 1 percent upon the assessed value of the land exclusive of improvements. It is also provided in this amendment for an extension for not to exceed 90 days of the time for payment of installments on real-estate taxes payable in September 1937. Amendment no. 31 authorizes an advance of funds by the Secretary of the Treasury to the District until June 30, 1938, to meet the general expenses of the District and to be reimbursed by the Commissioners out of taxes and revenues collected for the support of the government of the District. It also contains a provision authorizing an appropriation of $20,000 for a survey of the tax structure of the District with a report to be made by the Commissioners to Congress not later than January 15, 1938. This amendment also provides that the Commissioners may make such rules and regulations as may be necessary to carry out the provisions of the act, and contains a general separability clause.

The conference action on these amendments fixes the rate of taxation on real and tangible personal property for the fiscal year ending June 30, 1938, at 1.75 percent of the assessed value of the property, eliminates the additional tax on land provided for by amendment no. 29, and authorizes the Commissioners of the District to extend for not to exceed 60 days the time for payment of any installment on taxes payable in September 1937. There are also included the miscellaneous provisions which were contained in amendment no. 31 with a change in the provision relating to the survey of the tax structure of the District authorizing an appropriation of $5,000 instead of $20,000, and limiting the use of that amount to the employment of clerical services in connection with such survey.

On amendment no. 30: This amendment includes a new title providing for an income tax for the District and is identical with the provision reported by the House committee on June 11, 1937. There was no corresponding provision in the House bill. The Senate recedes.

On amendment no. 32: This amendment authorizes the Commissioners of the District, in their discretion, to secure and install, at no expense to the District, mechanical parking meters or devices. There was no corresponding provision in the House bill. The Senate recedes.

On amendment no. 33: This amendment provides for an amendment to the antitrust laws under which contracts and agreements stipulating minimum resale prices of certain commodities, and which are similar to contracts and agreements which are lawful as applied to intrastate commerce, are not to be regarded as being illegal under the antitrust laws. The House recedes.

VINCENT L. PALMISANO,
AMBROSE J. KENNEDY,
JACK NICHOLS,
EVERETT M. DIRKSEN,
DEWEY SHORT,
Managers on the part of the House.

Mr. PALMISANO. Mr. Speaker, I feel that the members of the House are familiar with the report, and unless someone wants to ask some questions or wants some time, I shall move the adoption of the conference report.

Mr. MAPES. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. Yes.

Mr. MAPES. Will the gentleman inform the House what was done with the amendment of the Senate providing for an income tax for the District of Columbia?

Mr. PALMISANO. Mr. Speaker, the Senate receded on the income-tax provision. While personally I, together with a number of the members of the committee, felt that the income tax ought to be provided, yet in view of the action of the House on two occasions on that particular question, we had to insist that the Senate recede from its amendment in that respect.

Mr. MAPES. I am sorry that the House conferees took that attitude. I believe the action of the House was taken at a time when the House did not clearly understand what the amendment provided.

Mr. PALMISANO. I agree with the gentleman. I might say that the provision which is substituted for the income tax is for only 1 year, and it may be that next year a better income-tax provision may be worked out, to which the Members of the House will agree.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. Yes.

Mr. DIRKSEN. I have never at any time relinquished my position in favor of an income tax until it was impossible to secure the amendment. I thoroughly agree that we have to have an income tax in the District of Columbia, and since this is a 1-year tax bill, I am hoping that as we reconsider the whole tax structure next year, we will come along with an income tax which will be acceptable to the House and the Senate.

Mr. Speaker, this conference report represents the best judgment of the conferees of House and Senate on the very knotty problem of District of Columbia revenues under the handicap of a time limit. I for one do not pretend that it is all that a revenue measure should be. But for the most part, it will only remain in effect for 1 year and it is hoped that a resurvey of this matter will produce a bill next year that will do justice to the District of Columbia and be predicated upon sound and accepted principles of taxation.

As the bill left the House, it contained a title to tighten up the collection of personal property taxes. That provision was retained by the Senate and by the conference committee. The title which the House approved to raise the tax on insurance premiums from 1½ percent to 2 percent was stricken by the Senate and restored in conference. This 2-percent rate places the District in line with more than 20 State jurisdictions which also impose a 2-percent rate. The House also approved an increase in the motor-fuel tax from 1 cent to 2 cents together with an earmarking of the funds for general highway and improvement purposes. This title was not disturbed by the Senate or the conferees. Seemingly the House and Senate were also in agreement on that title which increases the vehicle tax. That tax is but $1 per vehicle. Under the pending bill, they will be increased from $5 to $12 on pleasure cars and from $15 to $150 on trucks. The next title, dealing with inheritance and estate taxes, was reported to the House by the subcommittee with a schedule of rates that the committee deemed equitable. These were recast as the result of an amendment on the floor of the House but the Senate restored the rates originally approved by the House subcommittee and these were restored in conference. As the bill left the House, it contained a title imposing a business-privilege tax of three-fifths of 1 percent with an exemption of $1,000 and with special rates for chain stores. This whole title was stricken by the Senate but restored by the conferees with a rate of two-fifths of 1 percent, an exemption of $2,000 and the chain-store tax deleted. The House also approved a rate of $1.70 on real estate in the District of Columbia but this was stricken by the Senate. The Senate supplemented the existing rate by writing into the bill a modified form of the single tax, placing an extra rate of $1 per hundred of value on land. This would have resulted in a tax rate of $1.50 on improvements and $2.50 on land values. In conference, the land tax was stricken and the general real-estate rate set at $1.75.

The Senate District Committee adopted a kind of sales tax which was styled luxury sales tax. On the Senate floor

this title was stricken and the income tax substituted. This was of real interest to me after two ineffectual attempts to secure House approval of the income tax. In conference the income tax was again stricken.

Sooner or later the Congress will have to adopt an income tax for the District of Columbia. Two-thirds of the States now have such a tax, and every year they are increasing in number. Moreover, States are gradually expanding their income-tax rates to meet their needs. It is a sound tax, based upon ability to pay, and has the virtue of being a direct tax which will make the public tax conscious. In proportion as it does, so it will develop a keener and more attentive interest in the generic problem of government expenditure and government taxation. The District of Columbia is growing every year, and as it grows it requires more and more revenue. Unless the Congress wishes to impose an unbearable burden upon property and continue to resort to indirect and hidden taxes, it must enact an income tax that is all inclusive and will make everybody bear a fair share of the burden in return for the benefits which they enjoy. The average citizen who has sufficient income pays a Federal tax and also a State income tax in those States which now have income-tax laws. It is altogether indefensible that State employees should escape a Federal income tax or that Federal employees should escape a local income tax. Yet such are the exemptions that now inure to some three and one-half million Federal, State, and local employees in this country through a court decision which prevents the States from taxing Federal instrumentalities and which prevents the Federal Government from taxing State instrumentalities. There was a bit of attenuated reasoning in that decision of 1870 on this matter. The theory was advanced that through the taxing power the States could cripple or destroy the Federal Government and, conversely, the Federal Government could destroy, hamstring, and cripple the State governments. The theory is logical enough, but it is of a gossamer texture that nobody would seriously regard as a practical matter. I venture the prophecy that the time is not far distant when the District of Columbia will have an income-tax law.

In the bill as reported by the House subcommittee was a provision authorizing an advance of funds from the Treasury to the District to tide it over the rough spots when it began to appear that the District might be without sufficient revenues. The House deleted that provision but it was restored by Senate action and retained by the conferees.

Finally, the Senate added a new title which contained the substance of the Miller-Tydings bill. There was considerable outspoken talk about the procedure whereby a wholly ungermane rider is attached to a House bill and some insistence that the House conferees stand adamant in demanding its removal from the bill. Conferees can, of course, be adamant, but it must not be forgotten that the technique of the conference committee is to give and take, to compromise and harmonize in order to effect a bill in agreeable form. The difficulty lies not in the derelictions of conferees but in the rule which permits the attaching of ungermane items to House bills in the form of riders. This practice has prevailed for a long time and probably will prevail for a much longer time unless there be an alteration of the rules which make such legislative technique possible.

I do not condone this practice, but I might say that I did favor and do favor the enactment of the Miller-Tydings bill. It resulted from an Illinois case that went to the Supreme Court. The Illinois Legislature had enacted a law prior to 1936 making it possible for the manufacturer of merchandise to set the price at which it must be resold. In other words, it empowered the manufacturer to tell the retailer what he must get as a retail price and if he refused to do so, the manufacturer could refuse to sell him further and also had an action at law. It so happened that the Seagram's Distillers Corporation, located in Indiana, sold some of its products to the Old Dearborn Distributing Co. in Chicago. Evidently, the distiller indicated the price at which the liquors must be sold and when the distributer refused to abide by such a price, there was a violation and court action. Thus the case found its way to the Supreme Court on a question of constitutionality of the statute. The Court ruled that this was a matter of policy for the States to determine, and thereby upheld the Fair Trade Act of Illinois.

A question then arose as to whether or not the maintenance of such resale prices under a State fair trade act might not be in violation of the Sherman Anti-Trust Act of 1890 insofar as these transactions sprang from a contract in interstate commerce. This question was presented to the House Judiciary Committee and there determined by the reporting of the Miller bill. It was essentially nothing more than an enabling act which placed the stamp of approval upon price maintenance transactions under State acts, notwithstanding the Sherman Act of 1890. The bill was reported to the House and was ready for action but for some unknown reason it was withdrawn and began to gather dust. Then came the District revenue bill and this Tydings-Miller bill was attached as a rider. It was slightly modified from its original text by a proviso which I am informed was acceptable to the Attorney General and acceptable to the authors. I, for one, trust that it will be approved by the Senate and by the President because it will be of immense importance to the retailers, the wholesalers, and the manufacturers of the country.

Thus, while the conferees were perfecting a revenue measure for the Nation's capital, they were also, by a quirk in the rules, enacting one of the most important pieces of general legislation that has come before this session of Congress. Such are the vagaries of human and legislative destiny.

Mr. MAPES. Mr. Speaker, will the gentleman yield further on another matter?

Mr. PALMISANO. Yes.

Mr. MAPES. I notice there is a provision adopted in the Senate authorizing the appropriation of $20,000 for a study and survey of the entire tax structure of the District of Columbia.

Mr. PALMISANO. Mr. Speaker, that was cut to $5,000 and it just permits them to have a couple of extra clerks in order to get this new tax bill in shape. It is really for extra work to cost $5,000.

Mr. MAPES. Of course, the gentleman knows there have been a great many surveys and studies made of the tax situation in the District.

Mr. PALMISANO. This is not to be a survey.

Mr. MAPES. Does the gentleman think anything will be accomplished by this appropriation?

Mr. PALMISANO. We cut down the $20,000. There was an appropriation for $20,000, and we reduced it to $5,000 for extra clerk hire.

Mr. MAPES. I commend the gentleman for saving at least $15,000 of the $20,000.

Mr. KENNEDY of Maryland. Will the gentleman yield?

Mr. MAPES. I yield.

Mr. KENNEDY of Maryland. I wish to say to the gentleman from Michigan that we cut that proposal from $20,000 to $5,000, and it is our belief that already there have been too many surveys made in the District of Columbia. With this additional personnel I believe they can compile all the data that are necessary. I do not believe it will cost as much as $5,000.

Mr. MAPES. May I ask the question further—I notice the Senate amendment contained a provision which seems to have crept into so much legislation in the last few years, as follows:

> Such sums shall be available for expenditure for personal services without regard to the civil-service laws or the Classification Act of 1923, as amended.

Was that provision retained in the conference report?

Mr. PALMISANO. I think it was.

Mr. DIRKSEN. If the gentleman will yield, that was changed. They are amenable to civil service.

Mr. MAPES. They are?

Mr. PALMISANO. I am informed that was changed.

Mr. MAPES. I congratulate the gentleman on that accomplishment.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. CULKIN. I am interested in amendment no. 33, which has to do with the Miller-Tydings bill. Can the gentleman tell me whether that amendment, in its general scope, contains the provisions of the Miller-Tydings bill?

Mr. PALMISANO. I understand so.

Mr. CULKIN. The action of the conferees is satisfactory to the gentleman from Arkansas, the author of the bill in the House?

Mr. PALMISANO. I understand it is.

Mr. MILLER. Yes.

Mr. CULKIN. I think the bill is sound legislation and should be on the books.

Mr. Speaker, this legislation carries into effect one of the principles of the Kelly-Capper Act. It does it through the medium of fair-trade acts passed by the State legislatures. It is perhaps sounder in principle than the Kelly-Capper Act, in that it applies the basic principle of that legislation through the medium of home rule. Having supported the Kelly-Capper Act and urged its passage, I am even more vigorously for this measure. I wish to congratulate the learned proponent of the bill, our distinguished colleague from Arkansas [Mr. MILLER], upon bringing this bill to the floor.

This bill will aid the independent merchant, the efficient independent retailer, and protect them from predatory price cutting by chain outfits. But the independent must not be lulled into the belief that legislative enactment alone will save him, for his case depends even more largely upon his own initiative, industry, and energy. His present precarious situation is due to the tremendous economic waste in distribution. This is aggravated to a more serious extent by his failure to so organize his group that he is able to participate in mass buying and mass distribution the way the chain organizations do. Former President Hoover is quoted as saying that no less than $8,000,000,000 is lost annually through inefficient marketing. A large portion of this loss is due to the present procedure in retail business circles. In my judgment, the time is now ripe for the independent retailer and wholesaler to mass their buying powers through cooperative procedure and successfully meet the chain store by bringing about reduced prices.

It is stated that about 4,000,000 men are engaged in the retailing business in America and that 3,000,000 of these are independents. The force of numbers and buying power is therefore still in the hands of the independents, and they can hold the fort by the application of mass buying and mass distribution. Such procedure would eliminate the tremendous waste that now handicaps the local retailer and would put him economically on all fours with the chain. The independent retailer, furnishing as he does a delivery and credit system which appeals to many groups, provided he sets up in addition the machinery of cooperative buying, has nothing to fear.

THE AMERICAN RETAILER

Here in America the retail merchant was a potent influence in the political field during the Revolutionary period. The first retailers were the traders who pioneered the woods before the settlements came. In the development of America, past and present, the independent retailer has had a tremendous social and political part. In community life everywhere they are the backbone of church and other local organizations. The retail merchant largely supports the local hospitals, the fraternal organizations, service and social clubs, and all other charitable activities. The solicitor for such various and worth-while activities as the Boy Scouts, Red Cross, Young Men's Christian Association, and the other activities that stand for community betterment makes the store of the retail merchant his first port of call. Incidentally, a worthy cause is never rejected by the community-minded retailer. But let the selfsame solicitor visit the chain store. Its managing clerk tells him that he has no authority in the premises and he will have to communicate with the headquarters of the chain 1,000 or 2,000 miles away. The local merchant educates his children in the professions, arts, and sciences, and from this blood we recruit much of our leadership today. He is an outstanding influence not only for civic but for political betterment. He is invariably a useful and constructive citizen. He is frequently called into the public service and acts on the school board or in other municipal activities without pay.

Nor is this the only service of the merchant to community life. There are also certain of the humanities in the picture. Take the case of John Smith, who is taken ill. He has a wife and five small children depending on him for support. The family income stops and he desires credit from the retailer pending his return to health and employment. Based on his record of honesty and payment the merchant extends the credit and John Smith is tided over his adverse days. Financial help is frequently extended by the local retailer to his customers who are in temporary monetary distress. Chain stores are impersonal and no such accommodation is possible there. In many other ways does the local retailer, in direct and indirect matters, serve the community. The local retailer is perhaps a director in the local bank or building association and gives freely of his time in the upbuilding of the community. His profits are invested locally or on deposit in the local bank.

CHAINS WILL DESTROY COMMUNITY LIFE

On the other hand, the receipts of the chain store remains in the town overnight and then are sent on to some distant city. This procedure is draining the communities dry by the withdrawal of profits from circulation. This is one of the most pernicious results of the outside chain. In a recent article on Efforts of Chain Operations on Community Welfare, Lt. Gov. Henry A. Huber, of the State of Wisconsin, states:

> Community life is being robbed of its profits and its industries. Chain stores, chain oil stations, chain drug stores, chain insurance companies, and mail-order houses are taking the profits of the storekeeper and the farmer and the businessman of Wisconsin and distributing outside of the State.
>
> Blind, indeed, is he who cannot decipher these fundamental economic facts. A mere reading of them should convince any person that it is time Wisconsin awoke and protected its own people, its own industries, its own businessmen, and its own profits. It is time that the links of the chain shackle were broken.

EFFECTS ON LABOR

The chain store is equally disastrous in its effect on industrial wages. The chain-store buyer goes to the manufacturer of a standard article and makes him a proposition to take a large portion of his output at a low figure. This is the basis upon which the chain store works; namely, to purchase in mass and distribute in mass. He drives a hard bargain with the manufacturer, and the manufacturer like all mortals thinks of himself first and passes on the decrease in the price to his workmen. This is not a psychological proposition, but an actual fact. As I have heretofore stated, copyrighted and standardized articles which the chain or department stores frequently use as bait, mirror in their low prices a reduced wage to the industrial worker. As the buying power of the chains increases they will more and more vigorously dictate prices to the manufacturer. Failing this, they will build a plant alongside of him and engage in manufacturing the particular articles themselves. In either case it will result in a reduced wage to the industrial group and a consequent reduction in comforts and clothes and food and education for his children. Of what avail will the nominal saving which the industrial worker now makes in the chain stores be to him under such circumstances?

This measure complements existing State law and will make legal what was condemned by the Supreme Court in 1910 in the case of *Dr. Miles Medicine Co.* v. *Parks & Sons Co.* (220 U. S. Rep. 373). The report of the proponent of the bill, Mr. MILLER, calls attention to the opinion of Judge Sutherland, upholding the constitutionality of the Illinois Price Fixing Act. The House will be interested to

know that such price-fixing acts supplemented by this legislation will write into law the minority opinion of Mr. Justice Holmes, filed in the Miles case. Mr. Justice Holmes' language in this dissenting opinion was vigorous and incisive, and the principle laid down in his dissenting opinion is the genesis of this pending measure. Mr. Justice Holmes stated:

I cannot believe that in the long run the public will profit by this Court permitting knaves to cut reasonable prices for some ulterior purpose of their own and thus to impair, if not to destroy, the production and sale of articles which it is assumed to be desirable that the public should be able to get.

We lately hear a good deal about the minority opinion becoming the majority opinion of the Court. This has been the history of our jurisprudence in matters involving social progress and broader definitions of human rights. It has been especially true of the remarkable forensic foresight which has characterized the notable dissents of the late Justice Holmes. In the pending measure is an evidence that these historic dissents amount almost to prophecy of what is certain to finally become the law. In saying this I voice no disrespect or criticism of the majority of the Court but desire to emphasize the psychic ability of this extraordinary man, now passed away, to peer into the future and forecast the social and economic needs of the Nation. At the time the Kelly-Capper bill was pending in 1930, I had the temerity to write to Judge Holmes and send him a copy of my speech. You can imagine my delight when, a few days later, I received an autographic letter from him, which I ask permission to read to the House:

BEVERLY FARMS, MASS.,
June 17, 1930.

HON. FRANCIS D. CULKIN,
House of Representatives,
Washington, D. C.

MY DEAR SIR: Please accept my thanks for your kind letter and very interesting speech. Of course I am gratified by the generous expressions concerning myself. I do not feel competent to express an opinion upon what if any legislation is desirable, although I see no reason to change that expressed in the Dr. Miles Medicine Co. case.

Very truly yours,

O. W. HOLMES.

My opinion in 1930 was that the principle of this legislation was sound and meritorious. My opinion was that the legislation was in the interest of the manufacturer and laborer working in industry. My opinion was that this legislation would be an aid to the efficient independent retailer who was playing an important part in community life in America. I stated then that this legislation in nowise would foster monopoly. I have not changed my mind on any of these conclusions. I am vigorously for this legislation and trust the House and Senate will write it into law.

Mr. O'CONNELL of Montana. Mr. Speaker, will the gentleman yield?

Mr. PALMISANO. I yield.

Mr. O'CONNELL of Montana. Is there any provision to prohibit picketing in the District of Columbia in this bill?

Mr. PALMISANO. No.

MILLER-TYDINGS FAIR TRADE ACT

Mr. McLAUGHLIN. The adoption of the conference report now before the House will result in the enactment of the Miller-Tydings bill. That bill, H. R. 1611, has been acted on favorably by the Committee on the Judiciary and by the Rules Committee.

In these remarks I shall refer to the Miller-Tydings amendment, which is included in the conference report, as H. R. 1611.

House bill 1611 is known as the Fair Trade Enabling Act because it is an act which enables fair-trade legislation passed by individual State legislatures to become effective and to be fully operative within the respective States. It is not legislation which puts into effect a new national policy originating in Congress. Rather it is legislation which helps the States to put into effect a policy originating within the States themselves. It constitutes a method through which States are enabled to enforce their laws through the cooperation of the Federal Government. It lends to the States the assistance of national legislation making effective fair-trade practice acts passed in the State legislatures.

Lengthy and exhaustive hearings on this proposed law were conducted before subcommittee no. III of the Committee on the Judiciary, of which subcommittee, Mr. MILLER, the introducer of the bill is chairman and upon which subcommittee I have the honor to serve. Many witnesses for and against the bill were heard. Briefs and printed statements in support of the bill and in opposition to it were filed and made a part of the printed record of the hearings. Oral arguments were made upon the bill pro and con. The subcommittee considered the testimony. After long study and discussion I was commissioned to report the bill favorably to the full Committee on the Judiciary, and it was so reported. The full committee held executive sessions on the bill and the Chairman and General Counsel of the Federal Trade Commission accepted the committee's invitation to attend one of these meetings and to discuss the bill with the committee. Finally the Judiciary Committee voted unanimously to report the bill to the House with approval. Objections to parts of the bill were made by one member of the committee. These objections will be answered later in these remarks. A hearing was had on the bill before the Rules Committee and the committee passed a resolution for a rule. The bill has passed through the conventional course of procedure and the standing committee who have thoroughly considered it recommend to the House that it be enacted into law, in order that the fair-trade practice acts passed by so many of the States of the Union may become vital laws, fully operative and capable of performing the great service which they are designed to perform.

The State laws cannot function completely and satisfactorily without the enactment by Congress of a fair-trade enabling act.

Forty-two States of the Union have enacted fair-trade legislation. These States are California, Arizona, Wyoming, Iowa, Louisiana, Illinois, Kentucky, West Virginia, Maryland, New York, North Carolina, Oregon, Maine, Connecticut, Rhode Island, New Mexico, Utah, Idaho, Washington, Montana, South Dakota, Kansas, Arkansas, Wisconsin, Minnesota, South Carolina, Michigan, Florida, Oklahoma, Ohio, Tennessee, Virginia, Pennsylvania, New Jersey, North Dakota, Georgia, Colorado, Indiana, Nevada, Nebraska, Massachusetts, and New Hampshire.

The State acts are substantially identical. They were enacted by the individual State legislatures and represent the wishes of the people of the respective States. The wisdom and soundness of the legislation has been passed upon by 42 State legislative bodies. H. R. 1611 will in effect confirm and ratify the judgment of the State legislatures which have passed State fair-trade practice acts.

What is a State fair-trade practice act and what is its purpose? A State fair-trade practice act is a legislative act which provides that contracts for the resale of a commodity which bears, or the label or container of which bears, the trade-mark, brand, or name of the producer or distributor of such commodity and which is in free and open competition with commodities of the same general class produced or distributed by others, are valid contracts where the parties thereto agree therein that the buyer will not sell the article below the minimum price stated in the contract. The act applies only to articles or commodities which are in free and open competition with other articles or commodities of the same general class.

In other words, a State fair-trade practice act is an act which allows a seller of a trade-marked or identified commodity and the purchaser of such commodity to agree that the purchaser of that commodity shall not sell the commodity at less than the price agreed upon between the buyer and the seller where the commodity is one which is in open competition with commodities of similar character. The State fair-trade practice acts in the respective States practically uniformly provide that any retailer selling a trade-marked commodity which comes within the provisions of the act,

knowing that the owner of the commodity has provided by contract that the article shall not be sold at less than a certain price, is bound by that contract although he may not be a party to it, and is liable for the penalties set up in the act against those who sell the trade-marked article at a price less than the price named as the selling price by the owner. So much for the definition and description of a State fair-trade practice act. Now, as to the purpose and effect.

The purpose of the State fair-trade practice acts is to eliminate an evil which has resulted in untold hardship to the small merchant and the independent merchant seeking to conduct a business in a fair, honorable, and reasonable way. The evil to which I refer is the evil of price cutting and this evil normally manifests itself in the practice known as the loss leader. The loss-leader practice is the practice of the advertising and selling of well-known, reputable, trade-marked articles of merchandise for which a demand has been created, at a price less than the cost price of the article to the retailer. It is obvious that the sale of an article by a merchant at less than its cost to him is an unprofitable sale in itself. It has all the earmarks of the Greek bearing gifts. Its purpose is not to give the customer something for nothing but on the contrary is intended to get something from the customer by creating in the customer's mind the belief that he is getting something for less than its real and actual cost. Wherever the loss-leader practice is made use of the loss on the individual article sold below cost is made up by the increased price of other articles. Thus the customer is lured into the store of the loss-leader retailer by the belief that he will be able to buy goods cheap, only to find that the goods, other than the loss leaders, are purchased at a price sufficiently high to make up for the loss taken by the merchant in the sale of the loss leader. The loss-leader practice is a form of unfair competition which was exposed by witnesses before the committee and which has been condemned by legitimate trade associations as an outstanding evil in the retail merchandising.

The effects of the State acts may be judged by the experience in California, and this experience is being duplicated, so far as can be determined at this time, in the States which have since enacted fair-trade laws except that the full operation of the laws is handicapped by the provisions of the existing Federal statutes which H. R. 1611 is designed to correct.

The experiences under the California and other State fair-trade acts show that the level of prices for the products coming under their provisions has not advanced and the indications are that they will be reduced as floor levels are established. The cost of living has not increased following the enactment of these laws, and, so far, there has been no consumer resistance, as is shown by the fact that the legislatures of about 25 States have adopted the laws since January 1 of this year and after public hearings on the merits of the legislation.

Having examined the State fair-trade practice acts, let us consider the bill before Congress.

What is the fair-trade practice enabling act now pending before us, and how does it operate?

H. R. 1611, known as the Miller-Tydings Fair Trade Practice Enabling Act, is simple in its mechanics. It is a recognition of the sovereign rights of the individual States, respectively, to govern themselves in matters of commerce within their respective State borders. The act merely amends the existing Federal law—the Sherman Act—so as to provide that goods shipped from one State to another may be subject to the fair-trade practice act of the State into which the goods are shipped and that the contracts covering the resale of such goods in accordance with that State law are valid contracts.

H. R. 1611 is in no sense a price-fixing statute. No prices are fixed by the act. It is entirely a permissive act. It merely allows the seller and buyer of trade-marked or identified goods, sold in free open competition with similar goods, to contract for resale of goods according to the State law, if they want to do so. It does not compel the buyer and seller to enter into the contract but only authorizes them to do so if they so desire. It removes the existing barrier which now prevents the free execution of such contracts.

It is to be particularly noted that the act makes valid, as to goods flowing in interstate commerce, only those contracts in which the goods included therein are sold in open competition with other goods of similar character. Thus the act is in no sense a measure which will sanction contracts creating monopolies or combinations in restraint of trade. The provisions of the Sherman Act specifically prohibiting such contracts are not changed by this act but continue to remain in force. The act does not legalize contracts to maintain prices between manufacturers or sellers of different trade-marked articles of the same class or character. It only authorizes or permits contracts between the seller and the buyer, regarding resale price, as to a particular article, and then only provided that article is in free and open competition with articles of a similar character produced or distributed by others, and further provided only that the contract is authorized under the laws of the State in which it is to be carried out. The act, as amended in the Senate, and as now before the House in the conference report, specifically provides that the act shall not make lawful any contract or agreement providing for establishment or maintenance of minimum resale prices on any commodity covered by the act, between manufacturers, or between producers, or between wholesalers, or between brokers, or between factors, or between retailers, or between persons, firms, or corporations in competition with each other. As an example, the act would not allow two manufacturers of similar trade-marked articles, as, for instance, articles of food or drugs or clothing or soap or fountain pens, or any other competing articles of similar kind, to agree between themselves as to the price at which their respective articles shall be sold. The act does not alter the provisions nor the effect of the Sherman Act as to such contracts. In other words, it simply authorizes contracts, permitted by the States, between the seller and buyer of one article—contracts known as vertical contracts. It does not permit contracts between seller and seller of different articles—contracts known as horizontal contracts. The latter contracts, if violative of the Sherman Act now, will still be violative of that act if H. R. 1611 becomes a law.

State fair-trade practice acts have been declared constitutional and valid by a number of the courts of last resort of the States. Notable among these cases is the case of Old Dearborn against Seagram, in the State of Illinois, later upheld by the Supreme Court of the United States, to which case I shall presently refer more particularly, and the recent case of Doubleday, Doran Co. against R. H. Macy & Co., in the State of New York—Two hundred and Seventy-third New York Reports, page 167.

The Supreme Court of the United States, in the case of *Old Dearborn Distributing Co.* v. *Seagram Distillers Corporation* (299 U. S. 178), decided on December 7, 1936, held that the State Fair Trade Practice Act of the State of Illinois was constitutional and valid. The United States Supreme Court, in its decision of that case, made a statement with reference to the wisdom of the State acts which is pertinent to the discussion of this bill in Congress today. The Supreme Court of the United States examined the constitutionality of the State statute and declared that the statute was constitutional. It was argued before the Court that the legislature of the State should not have enacted the law because it was an unwise law. The Supreme Court of the United States in handing down its opinion said:

> There is a great body of fact and opinion tending to show that price cutting by retail dealers is not only injurious to the good-will and business of the producer and distributor of identified goods but injurious to the general public as well. The evidence to that effect is voluminous, but it would serve no useful purpose to review the evidence or to enlarge further upon this subject. True, there is evidence, opinion, and argument to the contrary; but it does not concern us to determine where the weight lies.

We need say no more than that the question may be regarded as fairly open to differences of opinion. The legislation here in question proceeds upon the former and not the latter view; and the legislative determination in that respect, in the circumstances here disclosed, is conclusive so far as this Court is concerned. Where the question of what the facts establish is a fairly debatable one, we accept and carry into effect the opinion of the legislature (*Radice* v. *New York*, 264 U. S. 292, 294; *Zahn* v. *Board of Public Works*, 274 U. S. 325, 328; and cases cited).

The same situation exists here today. The legislatures of 42 States of this Union have solemnly declared that in the exercise of their wisdom and judgment they desire that certain contracts be made valid within their State borders. We are today discussing a law which, if enacted, will enable those States to carry out the wishes of their respective people as expressed by their legislative acts. The wisdom of the respective State acts has been passed upon by 42 individual legislatures.

The unicameral Legislature of my own State of Nebraska enacted a State fair-trade practice act by an almost unanimous vote. In voting for H. R. 1611 we are voting to permit these States to enforce their own fair-trade laws—to carry out their express desire. If we vote against it, we vote to prevent the State laws from operating effectively. Although 42 States have passed fair-trade acts governing contracts for the sale of trade-marked or identified goods within their respective State borders, these State statutes cannot function fully and freely and satisfactorily unless we pass this act. There exists grave doubt whether goods transported from an outside State into a State having a fair-trade act can be legally made the subject of the type of contract permitted by the State act. The enactment of this bill (H. R. 1611) would so amend the existing Federal law—the Sherman Act—as to allow these goods shipped in interstate commerce legally to become the subject of a State fair-trade contract. The enactment of this bill into law will remove the only existing barrier to the complete functioning of the State fair-trade acts in those States which have passed such acts.

Are we going to deny these States their rights? Surely not. Are we going to say to 42 of our sovereign States which have passed a fair trade practice act—and every one of the 48 States will eventually pass the act—are we going to say to the States, "You want an effective fair-trade act, but we will not let you have it?" That is what we will say in effect if we do not enact this legislation. Rather, shall we say to the States, "A barrier exists which prevents you from receiving the full benefit of your own fair-trade law within your own State borders. It lies in our power to remove that barrier. We will remove it. We recognize your right to govern yourself. We will cooperate with you to that legitimate end." H. R. 1611, which we have under discussion today, would remove that barrier and thus enable the States to have the benefit of the legislation which they have enacted for their own welfare.

In the hearings before the committee and in the debates upon the bill in the committee itself, it was suggested that there are two points which may be considered in the nature of objections to the bill. The committee discussed these points and considered that they did not constitute valid objections. However, in order to present the matter fully to the House, these objections should be referred to. These objections are:

First. That H. R. 1611, if enacted, would impose a penalty upon a seller of merchandise for selling such merchandise below the minimum price agreed upon in a contract to which he is not a party.

Second. Objection is made that no allowance is made in the contract of resale authorized by the respective State laws for difference in cost of doing business between different individual businesses, and that a resale price which might be fair to one concern might not be fair resale price to another concern because of the difference in the overhead or the cost of doing business existing between the two firms.

The objections were overruled by the committee after a consideration of the testimony bearing upon them and after full discussion of the objections.

The first objection, namely, that H. R. 1611, if enacted, will permit resale contracts to be binding upon parties other than the parties to the contract itself, is fully answered by the statement that the respective State laws make provision that the contract shall be binding upon all those who sell the trade-marked article which is the subject of the resale contract whenever the person selling the article below the contract resale price does so willfully and knowingly. This argument is well answered by the controlling opinion of the Supreme Court of the United States in the case of Old Dearborn against Seagram, supra, upholding the validity and constitutionality of the Illinois State Fair Trade Practice Act, where the Court says:

A challenge is directed against section 2, which provides that willfully and knowingly advertising, offering for sale or selling any commodity at less than the price stipulated in any contract made under section 1, whether the person doing so is or is not a party to the contract, shall constitute unfair competition, giving rise to a right of action in favor of anyone damaged thereby.

It is first to be observed that paragraph 2 reaches not the mere advertising, offering for sale or selling at less than the stipulated price, but the doing of any of these things willfully and knowingly. We are not called upon to determine the case of one who has made his purchase in ignorance of the contractual restriction upon the selling price, but of a purchaser who has had definite information respecting such contractual restriction and who, with such knowledge, nevertheless proceeds willfully to resell in disregard of it.

Appellants here acquired the commodity in question with full knowledge of the then-existing restriction in respect of price which the producer and wholesale dealer had imposed, and, of course, with presumptive if not actual knowledge of the law which authorized the restriction. Appellants were not obliged to buy; and their voluntary acquisition of the property with such knowledge carried with it, upon every principle of fair dealing, assent to the protective restriction, with consequent liability under paragraph 2 of the law by which such acquisition was contained.

Further complete answer to this objection is that the respective States in the exercise of their wisdom and judgment imposed the penalties provided in the respective State acts. The bill before us today, if enacted, merely makes effective the law which has been enacted by the respective State legislatures to govern transactions within their own borders.

The second objection that no allowance has been made for difference in cost of doing business between different firms engaged in sale of trade-marked articles which are subject to price resale contracts, is again answered by the statement that no such allowance is set forth in the State acts and that the bill which we have before us for consideration merely makes effective the State acts and does not attempt to legislate substantively on the subject of resale price maintenance. However, this question was considered so seriously by the committee that members of the Federal Trade Commission were called into the conference by the committee in executive session and after a full discussion and consideration of the question the committee accepted the conclusions expressed by the representative of the Federal Trade Commission. They pointed out that the plan of attempting through the Federal Trade Commission, or through any other body, of fixing a specific resale price for each merchant for each commodity upon which resale contracts have been entered into, would be a task so gigantic and stupendous as to be an utter impossibility. The opponents of this bill urge as their strongest objection the claim that this is a price-fixing bill. This claim is untrue. However, the very ones who oppose this bill as a price-fixing measure bring forth a suggestion that the bill be so amended as to require price fixing of commodities in every case in which a State authorized price resale contract is entered into. The full and complete answer to this, as in the case of the first objection, is that the State acts authorize the price resale contracts in which it is agreed between the manufacturer, the producer, and the seller that the commodity shall be sold at a price agreed upon between the parties to the contract. H. R. 1611 merely makes possible the full and complete operation of these State acts.

In conclusion, I repeat that the purpose of H. R. 1611 is merely to allow the people of the respective States to carry out a public policy which they have determined for themselves. It removes an existing Federal barrier which prevents the operation of State laws within the borders of the

States which have enacted these laws. It merely validates contracts operative within the respective States as to goods transported into those States in interstate commerce. The States have enacted their fair-trade practice laws for the benefit of the producer, the distributor, and the consumer, and for the protection and continuance in business of the independent merchant.

The States in which the acts have operated are satisfied with them. The other States which have recently enacted them based their enactment upon the beneficial results shown in the States where they have been in operation. However, State fair-trade practice acts have never had an opportunity to function fully, and they never will operate with complete effectiveness, nor produce the full benefit which they are capable of producing until the removal of the existing Federal barrier by the passage of the Miller-Tydings Fair Trade Practice Act, H. R. 1611. That act is now before us as an amendment to the conference report under consideration.

Forty-two States of the Union today look to the House of Representatives to pass this law which will remove the barrier now standing in the way of the full and complete operation of the respective State fair-trade practice acts.

Mr. PALMISANO. Mr. Speaker, I move the adoption of the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent in connection with the conference report on the District of Columbia tax bill to extend my own remarks at that point in the RECORD.

The SPEAKER. Did the gentleman make some remarks in the House?

Mr. DIRKSEN. Just briefly; yes, sir.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MILLARD. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a communication from a prominent constitutent.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BLAND for today on account of official business.

BRIDGES ON FEDERAL-AID HIGHWAYS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7373) to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

The Clerk read the title of the bill.

Mr. MAPES. Mr. Speaker, reserving the right to object, will the gentleman from Alabama tell us what committee reported this bill?

Mr. HOBBS. It comes with a unanimous report from the Committee on Roads. I may say to the gentleman from Michigan that some days ago I took the matter up with the gentleman from Massachusetts [Mr. MARTIN] and gave him a copy of last year's report of the committee containing an approving letter of the Secretary of Agriculture. This bill was passed last year after the favorable and unanimous report of the Roads Committee of the House. The bill passed both branches of Congress last year, but was vetoed by the President because:

> The effect of this bill would be to divert funds appropriated for carrying forward our system of Federal-aid highways through the construction of new roads and new bridges to the payment of one-half of the construction cost of bridges already built.

This objection, quoted from the memorandum of disapproval, has been eliminated. The Department of Agriculture has written an approving letter stating that the Bureau of the Budget had advised that this legislation would not be in conflict with the program of the President. So we are asking of you today simply a reenactment of substantially the same bill that was passed last year.

The pending measure affects no State whatsoever except those which have freed toll bridges at their own expense, without any Federal aid. It could not cut down any allotment of Federal-aid road funds to any other State.

Mr. MAPES. Is the gentleman from Alabama a member of the Committee on Roads?

Mr. HOBBS. No, sir; I am not; but the able and honored chairman of that committee filed their report recommending that the bill, as amended, be passed, and he and many of the members of that fine committee are here pulling for the speedy passage of this bill.

Mr. MAPES. Do the member of the Committee on Roads know that this bill is being called up now?

Mr. HOBBS. Yes, sir; they reported it unanimously and several of the distinguished members of that great committee are now on the floor of the House.

Mr. MAPES. I think it very poor practice to bring up matters in this way on special calendar days when the Members generally have the right to expect that only calendar business will be transacted.

Mr. HOBBS. I may say to the gentleman from Michigan that I spoke to the acting minority leader some days ago and gave him a copy of last year's report.

Mr. MAPES. There are 435 Members of the House, and they have the right to feel that special matters will not be called up under unanimous consent on a Private Calendar Day.

Mr. HOBBS. The gentleman from Michigan, for whose opinion I have the highest regard, is correct as a general proposition. This would not have been done in this instance had it not been for the fact that the same identical bill, to all practical intents and purposes, was passed by both Houses of Congress last year.

Mr. MAPES. I do not think the gentleman himself would favor this practice generally.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Yes, sir.

Mr. RICH. What is the purpose of the bill. As I understand, it is a road bill, but will the gentleman state its purpose?

Mr. HOBBS. Under the act of March 3, 1927, Congress authorized the Secretary of Agriculture to allocate to any State a Federal contribution of 50 percent of the cost of any bridge that might be built under its provisions. Very few States took advantage of the provisions of the act of March 3, 1927. Many States did not even know it had been passed. As I understand it, only 11 States have defrayed all of the cost of toll-bridge construction or acquisition and qualified themselves to receive the benefits proposed in this bill.

This bill provides that not one cent shall be made available by the Secretary of Agriculture until his engineers have approved the construction and quality of every bridge claiming money under this authority.

The bill provides that where any State had the right to a Federal contribution of 50 percent of the cost of the bridge, exclusive of all charges in connection with financing, exclusive of all rights-of-way, property damages, and things of that kind—just the actual honest-to-goodness cost of the bridge itself—if of standard quality and approved by the engineers of the Bureau of Public Roads, then, I repeat, where the State could have obtained it, but did not, and now has freed that bridge from toll charges, so that it is open to the public traveling these Federal-aid highways, the same allocation may be made now that could have been made then.

Mr. RICH. There are 14 States interested in this?

Mr. HOBBS. Eleven.

Mr. RICH. Where are they located?

Mr. HOBBS. They are scattered all over the Union. One State is Alabama, which is very vitally interested in this matter. Another State is West Virginia, another Kentucky, and I think the State of Pennsylvania has a bridge or two that may come under it. There are, I believe, 11 States in all, but I am not advised accurately.

Mr. RICH. Is this going to be applicable to any bridge to be built in the future; that is, the highway department will pay 50 percent of the cost of the bridge?

Mr. HOBBS. The bill applies only to those bridges that have been completed since March 3, 1927—the date of the passage of the act to which I referred—and which have been freed or will be made free between now and July 1, 1938.

Mr. RICH. We come in here with a lot of legislation and everything seems to be based on an effort to get money out of the Federal Treasury. If we pass this bill, how many more bridges are going to be constructed and can the gentleman tell me where the Federal Treasury is going to get the money to pay for them?

Mr. HOBBS. I am glad to. There can be very few, if any, constructed under our policy now, because it is diametrically opposed to the thought of the Bureau of Roads and of this Congress to permit the construction of additional toll bridges on Federal-aid highways. The passage of this bill will not take one dime out of the Federal Treasury that has not already been appropriated. It simply makes available, in the discretion of the Secretary of Agriculture, money that has already been appropriated for this very purpose.

Mr. RICH. Already where?

Mr. HOBBS. In the Federal Treasury.

Mr. RICH. The Federal Treasury has not any money. It is threadbare now. The bottom is out of the barrel. The bunghole is open and the top is off. The whole thing is wrecked. The gentleman states he is going to get it out of the Federal Treasury, but that is a ridiculous statement. Let me give him a Federal Treasury statement. Let him look at the Federal Treasury statement and show me where they have any money that is in there and not appropriated. If so, I would be willing to go along with all these bills; but you are breaking the Federal Treasury, and it is time to stop.

Mr. HOBBS. I appreciate the suggestion of the distinguished gentleman from Pennsylvania. I may say to him that if his contention were correct, then no harm can come to the American people by virtue of the passage of this bill, since it would prove fruitless. [Laughter.] We will assume the risk of getting the money, however, and we thank the gentleman in anticipation of his support of this pending bill, since I have relieved him of his anxiety about where the money is coming from. [Laughter.]

Mr. ROBSION of Kentucky. Mr. Speaker, reserving the right to object, if I understand the bill correctly, the act of March 3, 1927, provides that the States may take advantage of that law and get a 50-percent contribution to the cost of a bridge?

Mr. HOBBS. Yes, sir; that is right, substantially.

Mr. ROBSION of Kentucky. Some 14 States have built bridges. This bill gives them the right now to take advantage of that law, provided the Secretary of Agriculture and the Director of the Bureau of Roads agree to do so?

Mr. HOBBS. Yes, sir; that is right.

Mr. ROBSION of Kentucky. But that comes out of the road funds that have already been allocated to the States through appropriations already made by the Congress?

Mr. HOBBS. Yes, sir; out of Federal-aid road funds.

Mr. ROBSION of Kentucky. Would the gentleman indicate, if he can, how much money this would involve in the 11 or 14 States affected?

Mr. HOBBS. There again, sir; I can only refer you to the response of the Secretary of Agriculture under date of May 28, 1936, to the letter of the chairman of the committee, in which he states: "There are not many States where this condition exists and there are not a great many such toll bridges, nor would the amount of Federal funds involved be large. No new appropriation would be involved."

Mr. ROBSION of Kentucky. Other States did take advantage of it?

Mr. HOBBS. Yes, sir.

Mr. ROBSION of Kentucky. And received the money?

Mr. HOBBS. Yes, sir. The 11 to benefit hereunder are the ones that through poverty, or inadvertence, or for some other reason, did not take advantage of the 1927 act.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the case of any State which, prior to the date of approval of this act, shall have constructed and shall have, or have had in operation any toll bridges on the approved system of Federal-aid highways within such State and which has caused or shall, prior to July 1, 1938, cause, any such toll bridge, or toll bridges, to be made free, the Secretary of Agriculture shall be, and he is hereby, authorized to pay out of the Federal-aid road funds apportioned to the State not to exceed 50 percent of such amount as may be approved by the Secretary of Agriculture as the reasonable construction cost of any such toll bridge: *Provided*, That no payment of Federal funds shall be made on account of any such bridge which was not constructed in accordance with plans and specifications which would meet the standards required by the Secretary of Agriculture at the time such bridge was constructed, nor on account of any bridge the construction of which was commenced or completed prior to March 3, 1927: *And provided further*, That no such payment shall be made which will exceed 50 percent of the reasonable cost of the labor and materials which were actually incorporated in the construction of such bridge, excluding all costs of rights-of-way, property damages, and financing costs, and any amount so paid on account of any such bridge shall be used by the highway department of such State for matching unobligated Federal-aid road funds available to the State for expenditure in the improvement of highways on the system of Federal-aid highways.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That in the case of each and every State, or political subdivision or subdivisions thereof, which, prior to the date of approval of this act, shall have constructed or acquired any toll bridges on the approved system of Federal-aid highways, and which has caused or shall, prior to July 1, 1938, cause any such toll bridge, or toll bridges, to be made free, the Secretary of Agriculture shall be, and he is hereby, authorized to pay out of the Federal-aid road funds apportioned to such State not to exceed 50 percent of such amount as may be approved by the Secretary of Agriculture as the reasonable value or construction cost of any such bridge, whichever shall be least: *Provided*, That no payment of Federal funds shall be made on account of any such bridge which was not constructed in accordance with plans and specifications which would meet the standards required by the Secretary of Agriculture at the time such bridge was constructed, nor on account of any bridge the construction of which was completed prior to March 3, 1927: *And provided further*, That no such payment shall be made which will exceed 50 percent of the reasonable value or cost of the labor and materials which were actually incorporated in the construction of such bridge, excluding all costs of rights-of-way, property damages, and financing costs, whichever, value or cost, shall be least, and any amount so paid on account of any such bridge shall be used by the highway department of such State for matching unobligated Federal-aid road funds available to the State, for expenditure in the improvement of highways on the system of Federal-aid highways."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Under the previous order of the House, the gentleman from Missouri [Mr. CANNON] is recognized for 15 minutes. Is the gentleman from Missouri [Mr. CANNON] present?

Under a previous special order, the gentleman from New York [Mr. DICKSTEIN] is recognized for 15 minutes.

UN-AMERICAN ACTIVITIES

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a number of names of people whom I designate as alien agitators, spies, and propagandists in the United States. Most of these people are aliens.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I hope the Members of the House will bear with me. As I have stated before, I think we are reaching a serious condition in this country. I have no malice toward any person or individual who is an American and who loves his country and his Constitution. My whole aim in addressing the House today is to call particular attention to some matters which I think the Members of the House and the country ought to know.

A week ago I stated I had the names of an additional hundred men, but that I was not going to mention their names, and I am not going to do so because these people ought to be subpenaed and put under oath. If a subpena is authorized by this House, I think we can once and for all clean up this situation with respect to all the "isms" in the United States and at the same time prepare some laws which will give us a better opportunity to know what we are trying to legislate.

In the present chaotic conditions in the United States we will be charged with trying to curb the rights of free speech, free press, and free assembly, whatever law we may try to pass. It is humanly impossible to present any proper legislation on this subject without having taken the testimony under oath under a proper subpena of certain agitators, most of whom are of foreign origin, who seek to substitute their form of government for the Constitution of the United States. It is impossible to pass the necessary laws when you know millions of dollars are being brought into this country by various groups to spread un-American propaganda. It is impossible to present any such law to the loyal American people, in all honesty and in all fairness, without a thorough study by a committee. As I stated some time ago, I do not care of whom the committee is composed. The Speaker can close his eyes and appoint seven Members at random, and still the documents I shall turn over to the committee will startle the country.

It has been asked on this floor, "Well, why do you not present some laws?" I was happy to see one measure passed yesterday to register with the Department of State all agents who represent foreign governments. This was a bill introduced by my former chairman, the gentleman from Massachusetts [Mr. McCORMACK]. It is a step in the right direction, and should be followed up with a proper study and investigation by a committee. The public in every section of the country have offered assistance so far as money is concerned if money is necessary to find out what is going on in this country.

Oh, I have had people in this House tell me I have been exaggerating a lot. I hope you have changed your minds since the last statement which was made 2 or 3 months ago.

Let us get down to cases. I speak to you now because I feel that as Americans and as Members of this body you ought to know exactly what is happening in this country. We are just sitting idly by and saying nothing. In the State of New Jersey today is the worst hotbed of Nazis and Fascists that you and I could ever dream of. Yes; I have their names. I know what they are trying to do. I would like to follow up this matter with a subpena, because certain people have certain documents which, if we can have them produced, will show sabotage against the United States of America. I have heard Members of Congress in the last week say, "Well, whom do you have in my district? What are their names?" Mr. Speaker, I have covered at least half of the United States in telling these Members whom they have in their districts, and who the agitators are.

Let me cite a telegram which has just come in, and this is very authentic.

MILWAUKEE, WIS.—Milwaukee's chapter of Nazi German-American Volksebund to hold a Nazi day in the Washington Bowl at Kensico, Wis., on August 8.

These people are going to open at this place a camp called Camp Hindenburg, and this will be a Nazi camp in the State of Wisconsin, 20 miles north of Milwaukee. Groups from Chicago are coming, as well as groups from South Bend, Ind. The leader has directed all Nazis from South Bend, Milwaukee, and Chicago to make sure that they are at the camp in time and in their uniforms, and that they do the necessary dirty work in swearing allegiance to Hitler.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I will yield in just a minute.

When I addressed the House on Monday, July 26, I named a man called William Peterson, alias William Mueller, alias Ernst Imhoff. This man is a member of the Nazi groups. He has cheated the German people in this country out of over $400,000 by going to the German groups in this country and telling them the German Government needs money. In that way in a few years he has fleeced honest-to-goodness American people out of their money for bonds which are not worth the paper they are written on. This man, of Aryan stock, who has been condemning the Catholics, the Jews, and the Masons in speeches he has made all over the country, has robbed the American people of almost $400,000. I have his criminal record and his photograph here and also his print from the police department of the city of New York.

Mr. LUCAS. Mr. Speaker, will the gentleman yield for a question?

Mr. DICKSTEIN. I yield to the gentleman from Illinois.

Mr. LUCAS. Do I understand that the type of man to whom the gentleman is now referring is the type of which the leaders in this Nazi movement are composed?

Mr. DICKSTEIN. He is one of the leaders in this group.

Mr. LUCAS. Does the gentleman think this type of leader will be able to get very far with any kind of an organization, in view of what the gentleman has said about him?

Mr. DICKSTEIN. No, I agree with the gentleman thoroughly. I am simply calling attention to what is going on. They have a racket here. Some of these men have come in here and they participate in the leadership of this German Bund, this alien system of espionage. They are taking advantage of their presence in this country and more or less boycotting American people into buying this worthless paper, and they are getting from these people millions of dollars and fleeing with them. I am not basing this argument on the fact he can get very far in this transaction, but I am calling the attention of the House to what is really happening in this country.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. O'MALLEY. I did not hear the gentleman mention the name of the party who sent him the telegram about this big Nazi camp they are going to have near Milwaukee.

Mr. DICKSTEIN. If the gentleman will excuse me, I do not feel like putting that in the RECORD.

Mr. O'MALLEY. I may say to the gentleman that during the course of his argument he has mentioned and insinuated that there are a lot of people around Milwaukee——

Mr. DICKSTEIN. Oh, no.

Mr. O'MALLEY. Who are Nazis and are going to have a Nazi camp. I would like to know the name of the man who sent the telegram, because I want to say to the gentleman that I occasionally go back to Milwaukee, in spite of the length of this session, and in the first place, I may say, I have never heard of the place where this camp is supposed to be established, and I have heard nothing about the camp.

I want to say one thing more. In Wisconsin we have managed to have little or no agitation and no marches and no picketing and no espionage and no foreigners, Germans or others, are going to organize our people, and we also do not need any help from New York City in telling us how to keep these fellows out of Wisconsin. [Laughter.]

Mr. DICKSTEIN. The gentleman made a very fine speech and I enjoyed it myself.

Mr. O'MALLEY. And I also want to say to the gentleman that when he reads a telegram like the one he referred to here, he ought to put the name of the party who sent it in the RECORD, because anybody can send a telegram.

Mr. DICKSTEIN. I am not here for criticism by the gentleman or anybody else.

Mr. O'MALLEY. I am not criticizing the gentleman.

Mr. DICKSTEIN. I want to be addressed properly, and the gentleman has addressed me and asked me a question.

Mr. O'MALLEY. I ask the gentleman for the name of the party who sent the telegram.

Mr. DICKSTEIN. And I have politely told the gentleman that I do not propose at this time to give the name, but I wish to assure the gentleman from Wisconsin that what I have told him is a fact, that a new camp is being baptized on the 8th of August.

Mr. O'MALLEY. What kind of camp?

Mr. DICKSTEIN. A Nazi alien camp, to spread more propaganda against the Government of the United States and its people.

Mr. O'MALLEY. Does the gentleman know that from his own information or from that telegram?

Mr. DICKSTEIN. I have some other files on that question.

Mr. O'MALLEY. A camp of aliens?

Mr. DICKSTEIN. Yes; and in conclusion, I shall be pleased to have the gentleman come over to my office and I will give him the name, and I will give him all the information I have.

Mr. O'MALLEY. When the gentleman reads a telegram and purports to tell the House that something is a fact, the gentleman should give the name of the man who sent it.

Mr. DICKSTEIN. I think the gentleman is a little unreasonable when he asks me to disclose the name of the writer among his own people, who is giving me some information.

Mr. O'MALLEY. I see.

Mr. DICKSTEIN. I do not think it is fair.

Mr. O'MALLEY. Then it is all mysterious and cannot be disclosed.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. RICH. I will say to the gentleman that I think he is doing a splendid service, coming from New York and being in a position to know about these things, when he gives this information to us, and if there are any such men in my State I want to know about it, and I shall be pleased to help the gentleman from New York, and I believe if the gentleman continues the service which he is trying to render, we will be pleased to support him in every possible way.

Mr. O'MALLEY. I want to say that the only way I could find out that this is going on would be to find out the name of the gentleman who sent the telegram, so I could verify it.

Mr. DICKSTEIN. I think this is a job for all of us. This is not a one-man job, and I am not seeking credit for it as a one-man job. I have stated before, and will repeat, that the doors of my office, as well as my files, are open, and I am willing to consult and convince my worst opponent with respect to this resolution or this investigation, and I will give him exhibit no. 1, which I have here, and I defy the gentleman, after looking at these exhibits—look at them now, if you do not mind.

Mr. O'MALLEY. I may say to the gentleman that I do not mind looking at them, and I have looked at them.

Mr. DICKSTEIN. You have not seen them at all.

Mr. O'MALLEY. But I would like to verify the fact that this is going on all over the United States, as the gentleman states, because I would like to help him do something about it.

Mr. DICKSTEIN. If the gentleman wants to help me, please cooperate, and there is no use of criticizing.

Mr. O'MALLEY. I am not criticizing the gentleman, but I would like to get the source of his information.

Mr. DICKSTEIN. I will be pleased to help you in every way I can.

Mr. O'MALLEY. All the gentleman has to do to help me is to give me the name of the party who knows about it.

Mr. DICKSTEIN. I told the gentleman a moment ago that I would be pleased to give it to him in confidence.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. McCORMACK. Some months ago some people doubted the gentleman's statement about camps being in existence. Everything since that time has confirmed what the gentleman stated.

Mr. DICKSTEIN. I thank the gentleman from Massachusetts.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. STEFAN. I have been listening to many of the speeches made by the distinguished gentleman on this particular subject. In the gentleman's files does he have any evidence of the fact that these people are spreading propaganda against the United States Government?

Mr. DICKSTEIN. Yes.

Mr. STEFAN. Why does not the gentleman carry out his duty as a citizen of the United States and turn that evidence over to the State Department or the Department of Justice?

Mr. McCORMACK. Mr. Speaker, will the gentleman yield at that point?

Mr. DICKSTEIN. Yes.

Mr. McCORMACK. The answer to that question is very simple. The Department of Justice will not investigate anything unless a law of the Federal Government has been violated, and that is only natural.

Mr. STEFAN. But the gentleman claims that the law has been violated.

Mr. McCORMACK. Oh, no. There can be subversive activity without a violation of a law, and the Department of Justice has no authority to make an investigation unless it is alleged that there has been a violation of a Federal law.

Mr. STEFAN. What are these subversive activities?

Mr. McCORMACK. Take, for instance, communism. They cannot investigate communistic activities, because the only law on the Federal statute books is one respecting conspiracy, where two or more people conspire to do or not to do certain unlawful acts. One has first to establish a conspiracy, and, second, show an overt act. The only law on the statute books is one in respect to conspiracy, and the Department of Justice will not investigate communistic activities in this country, because it is practically impossible to show a conspiracy. This law is for all practical purposes dead.

Mr. STEFAN. Is there any evidence that the gentleman has in his possession which shows that any of these organizations are plotting to overthrow our Government?

Mr. DICKSTEIN. There is definite evidence that by their actions they are seeking to array one American against another American. They come directly within the statement made by the gentleman from Massachusetts [Mr. McCORMACK] when he spoke about the new religion that has been created in Germany and which the National Socialist Party is trying to spread in this country. There is evidence also that they are seeking, and more or less demanding, that all Germans in this country join this movement in backing up the German Government for the purpose of carrying out the principles mentioned in the book Mein Kampf, a Hitler publication which has been spread around here by Hitler and his agents, and there is so much evidence that I have not a large enough staff to open the mail for information, and I am behind in opening mail almost 2 weeks—mail from Americans giving me definite information, and I have checked up part of it and find that everything they tell me is true. By their talk and by their action they are bound to create trouble from within; and God forbid, if

we should ever be dragged into any war, that we should have to fight enemies from within.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes.

Mr. RICH. In this Nazi camp in New Jersey, what is the attitude of the people forming a camp of that kind within one of our own States, and what is their object in doing that, and whom do they salute and hail as their chief?

Mr. DICKSTEIN. I am really glad that the gentleman asked me that question, and I hope the gentleman will give me more time, for that is the first definite question that I have been asked to answer.

Mr. RICH. I think the gentleman ought to have all the time that he needs.

Mr. DICKSTEIN. Mr. Speaker, in the first place in respect to this Nazi camp the gentleman is talking about, that is 1 of the 21 camps—and there will be 22 this month—about a year ago Hitler and Goering called upon all Germans wherever they are to fill out a war-draft questionnaire, and they were ordered, whether born in this country or not, to report to the labor camp in Germany for 1 year's training. Some people could not get away, and so they concocted the scheme to build camps in this country, to give every man an opportunity who is in sympathy with this madman of Germany to join these camps and do the necessary, which is drilling, goose-stepping, and the like, and sort of putting himself in position where he is ready to go out and shed more blood in this world. Some of these people are citizens of the United States and some of them are aliens. Of course, they are no more citizens of the United States than I am of Turkey, because they claim a dual nationality. These men are brought to this camp and they have to take an oath of allegiance and the oath of allegiance is to the fuehrer, which means the ruler, Fritz Kuhn, who is now in this country—and by the way he was elected for 4 years more, and there is going to be 4 years more of this program of agitation in this country; and then you must pledge allegiance to Hitler. I have definite proof of documentary evidence that says that they are bound to Germany, that their duty is to Germany, and that "we must not forget that we are American citizens at the same time." That is definite. Two weeks ago in that camp there were 15,000 people. You could not get within 5 miles of that camp. The police were helpless, because the Nazi storm troops were handling traffic.

In that parade 2 weeks ago there were almost 1,000 men in uniform, and they joined with the Black Shirts, who are organized in this country. There were 500 Black Shirts, and all the Black Shirts were hailing Mr. Hitler and the Hitlerites were hailing Mussolini, and there was not a thing said about the United States except a few speeches of criticism, when they told us, "Well, the President of the United States, he just comes and goes; but Mr. Hitler, we waited for him for 2,000 years." Yes, we waited for him for 2,000 years to create more trouble, not only amongst our American people, decent German 100-percent Americans, but against all other races of Americans in the United States, by arraying one against the other with the most vicious kind of propaganda.

I wish you gentlemen could come in and see some of that stuff. It would make you sick at the stomach to read it. That is smuggled in—tons and tons of it every day.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. McCORMACK. The gentleman spoke of Fritz Kuhn having stated that he believes in the idea and ideals of national German socialism, which is nazi-ism, and at the same time the ideals of American democracy. How can anybody believe in the ideals of nazi-ism, which is destructive of free speech, freedom of religion, destructive of everything which constitutes personal liberty, and at the same time believe in the ideals for which our country stands?

Mr. DICKSTEIN. That is the very point I have been trying to bring to the attention of this Congress. This very man, Fritz Kuhn, was decorated about 4 months ago by Mr. Hitler for the good and dirty work he has performed in this country by organizing a group that started with 75 people in 1933, and which today constitutes a strong army of 350,000. How can I get the records without a subpena?

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. RICH. Who furnished these camps with these uniforms? Does the gentleman have any knowledge of that?

Mr. DICKSTEIN. I need a subpena for that, but I have my suspicions that if I had a subpena—and it does not require much money—I could definitely go to two or three banks and show you that the money came in from the other side and that the camps were bought with foreign money; that this whole movement is financed and well financed by the Minister of Propaganda in Germany, and millions of dollars were spent in this country for that purpose.

The SPEAKER pro tempore. The time of the gentleman from New York has again expired.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 6 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, a week ago Thursday I mentioned a man by the name of Emil Ebner. Ebner is in charge of the youth camp as well as the adult camp in New Jersey. He is also in charge of the children. They have hundreds of little children clicking their heels and pledging allegiance every day. I showed you a picture outside that camp, and if anybody can find an American flag there I will buy you a suit of clothes with a silk hat. I showed you a picture of another camp, documentary evidence, and if you find an American flag there I will buy you anything you want me to buy you. There is not an American flag in any of these camps. The only time they have an American flag is when they go out on a parade, outside their own camp, to protect themselves, so that they can holler "America, I love you."

This man I have exposed was convicted in 1935 of a moral charge. This man was convicted on March 26, 1935—Newark, N. J.—of immorality with a colored woman, whose name I do not care to mention.

This Aryan, an alien, is in charge of little children between the ages 4 and 6, and you are sitting back here saying, "Oh, it can't happen here", and you sit down and do nothing.

I call upon this House. I call upon the American people. I call upon the Speaker of this House and the Rules Committee. They will have to account for it, because if I had time I have a list of more criminals that I could put into the RECORD; men who have been convicted of immorality, and in charge of these camps. Then we have propaganda by these very men attacking the Catholics, attacking my race, attacking the Masons, and every other race in the world, and we are sitting back here saying, "Well, it can't happen here."

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. LUCAS. If the gentleman's statements are true, in that criminals of the worst type are in control of these various camps, I again ask the gentleman whether he feels there is very serious danger of a movement of that kind ever having any vital effect upon the people of this country?

Mr. DICKSTEIN. I would say yes, when you go back to the final analysis. If we had a subpena, we could show you that millions of dollars are coming in here for that purpose. When we show you that men and women are coming in here under the guise of diplomats, who are nothing but out and out propagandists, with instructions to do certain things which are inimical to our form of government, if we can show you that those kind of people are mixing in with our populace and are preaching something that is

not for the best interest of this country, I say they ought to be exposed and we ought to rid this country of them at the earliest possible moment.

Mr. McCORMACK. The gentleman from Illinois asked a question because he seeks information. I might say to my friend that personally I have no fear of any ultimate success in the overthrow of our Government, but the fact is that these movements should be exposed to the pitiless light of American public opinion. Who, 17 years ago when we first heard about the Ku Klux Klan, did anything but laugh at this vicious movement; and yet, overnight, it came upon the American public as a menace, and it came very near putting a President into the White House. It was only by exposing to the American public the interests and purposes of that movement that we were able to bring about its disintegration and removal as a menace to our domestic welfare.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. O'MALLEY. If the gentleman has all the facts that he says he has, why does he not write remedial legislation so that we can pass laws that will stop these things?

Mr. DICKSTEIN. The gentleman has asked a fair question. I am trying to do it, but I find that I have not all the facts. I would like to know how many millions of dollars are being shipped into this country, and who is shipping the money in.

Mr. O'MALLEY. What difference would it make whether he knows there was $10 or $10,000,000 shipped in, if he has the facts upon which to write a bill?

Mr. DICKSTEIN. I know lots of things to my own satisfaction, but I am not going to appeal to my friends and say that I know definitely and positively about it unless I have definite and positive proof, unless I have subpenaed many people and established my case to the satisfaction of every Member of Congress and to the American people.

[Here the gavel fell.]

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 5 additional minutes, and I shall expect him to yield to me for a question.

Mr. McCORMACK. Mr. Speaker, the gentleman is making a very powerful exposition and the Members are interested. I ask unanimous consent that the gentleman's time may be extended for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. KNUTSON. Has the gentleman laid his information before the proper officials of this administration or the Government; and if so, whom?

Mr. DICKSTEIN. The gentleman was not with me on the last issue, but I am glad he is now interested enough to ask me that question. We have, during the course of time, taken matters up with the Department of Justice; and, as was so ably explained by the gentleman from Massachusetts, the Department of Justice has not the power to subpena or compel information from banks unless some Federal law has been violated. The Department of Justice is composed of the finest body of men in the world, capable men, and the director of this Department is a splendid man, who I know is in sympathy with this situation, but the Congress has given him no right to go into all these questions.

Mr. KNUTSON. Did the Department of Justice tell the gentleman that they were powerless to meet the situation the gentleman is exposing?

Mr. DICKSTEIN. They did not.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. McCORMACK. The gentleman has asked a question, and I shall give him a frank answer based on information in my possession. When the Special Committee on Un-American Activities was functioning, of which committee I was chairman, the Department of Justice had no authority even to assign any of their special agents to help us. They cooperate in every way they possibly can, but they are powerless to act unless it is alleged that a Federal law has been violated or there is Federal legislation that will permit them to investigate these activities.

Mr. KNUTSON. It would seem to me a very simple matter to bring in a bill prohibiting subversive measures, policies, or programs from being carried on.

Mr. McCORMACK. We passed a bill yesterday that will go a long way in this direction, and I say this not because I am the author of the bill, but it would require that all foreign political propagandists in this country, or any person who is a citizen of this country employed by any foreign State, political party, or corporation for political propaganda herein to register with the Secretary of State. If this becomes a law, the Department of Justice will then have legislation upon the statute books that will permit an investigation to be made. The greatest influence of all toward breaking up such things is the powerful voice of public opinion. In a democracy public opinion is the source of all power; and in the final analysis it is the greatest power that can be employed to break up subversive activities and movements.

Mr. DICKSTEIN. I want to conclude my statement by saying, in addition to what the gentleman from Massachusetts has stated, that there is a certain oath of allegiance that these men in this country have been taking. If I could definitely establish that is the oath by order of Chancelor Hitler or by order of anybody, if I could have that definitely established, and I have a copy of the oath in the German language and they tell me that is the oath, but I have no proof of it, I could cancel the citizenship of thousands of so-called Americans who are holding a dual nationality.

Mr. KNUTSON. Speaking of oaths, I recall a Member of this House before we got into the World War charging that a certain fraternal organization had an oath that was entirely un-American. It later developed it was without foundation, but he got up before this House and stated he had positive evidence of it. When he was called upon to produce it, he fell flatter than a pancake.

Mr. DICKSTEIN. I can give the gentleman the oath in a few minutes. If he will read the RECORD of the 25th he will find the oath there. But I have no definite proof establishing that is the oath that this foreign government compels these Nazis or American National Party members to take. I know they take it. I just put a picture on the bulletin board out there showing 300 men taking that oath, but I cannot prove that is the oath that comes from the German Government. It is an oath of allegiance to the leadership of the German Government regardless of the fact one may be a citizen of the United States.

Mr. KNUTSON. The gentleman has been publishing the names of a number of alleged leaders of the alleged Nazi movement in this country. Did the gentleman get those names out of the Brown Net?

Mr. DICKSTEIN. No. The names I got, I agree with the gentleman, included names in the Brown Network. I have a number of names from the Brown Network which correspond with my files, but I give them the credit for it. The list I put in on Thursday no one has, and the list I am putting in today no one has, because it took us almost a year and a half by voluntary investigation, made by a number of American citizens who have not received one dollar of compensation, to secure this information.

Mr. KNUTSON. The Washington Post of Monday, on page 8, contains this paragraph:

> Representative SAMUEL DICKSTEIN made all the front pages last week by revealing to Congress a list of Nazi spies in America * * * It may be pure coincidence, of course, but DICKSTEIN'S list is almost a copy of the appendix to the Brown Net, published by Knight 4 years ago. That list is contained in pages 300 to 303.

Mr. DICKSTEIN. May I say in answer to the gentleman's question, and I do not want a misunderstanding, on

the 8th of March 1933, Hitler forced himself upon the German people and became Chancelor. I have been watching him every day, because I was in Germany in 1932 and I saw what was going on. I had the names before the Brown Book, the Blue Book, or any other book had them, because we all watched him. We knew what was going on in Germany. In 1932 even they had armies walking through the streets, while there was no Nazi Party and Von Hindenburg was President, but these armies were developing right then within the German Government.

Mr. KNUTSON. The gentleman says he has had this information since 1932, yet he has waited all this time before making it public.

Mr. DICKSTEIN. It was made public by the last committee.

Mr. MICHENER. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Michigan.

Mr. MICHENER. I want to make an observation that was possibly a bit more pertinent earlier in the discussion than now. There have been many charges made in this country about foreign activities. For instance, there came to our desk 2 or 3 weeks ago a letter, signed by someone from California, purporting to be a copy of a letter addressed to the President, to which no reply had been received. In that letter it was stated that Mr. Lewis, of the C. I. O., had received $750,000 from Moscow. Wanting to get at the facts and not the publicity, I took the matter up immediately by letter with the Department of Justice. That was at least 3 weeks ago. I stated the facts and sent a copy of the letter, and asked the Department if they had any information. I stated I was not giving this to the press but was looking for information, and that I would appreciate the facts. They immediately wrote back that they had no such information as charged in the quotation and that they knew nothing about the matter. So some of these things might possibly be investigated before we give publicity.

Mr. DICKSTEIN. I may say to the gentleman, in answer to his question, that I have not brought out one name on this floor nor have I made any statement on this floor on any question dealing with naziism and communism—and you know how much love I have for them—without having the matter checked and rechecked to satisfy myself, as any reasonable man would, that my answer to this whole situation is the correct one.

Mr. HOFFMAN. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. In part answer to the gentleman from Michigan [Mr. MICHENER], with reference to the statement he just made, we all received that printed letter and apparently the statement that the checks were in possession of the Department of Justice was an error of the Associated Press. The checks were supposed to be in possession of the International Association of Machinists and the charge was made by E. H. Dowell, district organizer of the American Federation of Labor. As has been suggested, when charges are made affecting the welfare of our Government and are of such a serious nature as that, why should we not learn whether they are true or false, and I understood that to be the gentleman's object.

Mr. MICHENER. That is what I tried to do.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Colorado.

Mr. MARTIN of Colorado. I want to ask the gentleman if he knows the authorship of the letter that was sent to Members of Congress threatening them with death if they supported the President's Supreme Court reorganization?

Mr. DICKSTEIN. I wish I knew.

Mr. MARTIN of Colorado. The gentleman does not suppose that was a Nazi or a Fascist organization, does he?

Mr. DICKSTEIN. I want the gentleman to draw that conclusion. If I stated what is in your mind, and I know what is in your mind, and I know what you are talking about, and if I answered the question, the gentleman would say that I was trying to build up another case, that I was trying to scare somebody.

Mr. MARTIN of Colorado. I think the organization originated probably a little closer to home than Germany, Italy, or Russia.

Mr. McGROARTY. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from California.

Mr. McGROARTY. As I understand the gentleman, he is helpless because he has not the power of subpena. Is that so?

Mr. DICKSTEIN. Yes.

Mr. McGROARTY. Has anything been done in the House to give you or your committee or any committee the power of subpena?

Mr. DICKSTEIN. There is a resolution now before the Committee on Rules, introduced by our distinguished colleague, the gentleman from Texas [Mr. DIES]. The gentleman has rather modified his resolution, after having completely withdrawn it, and has given the matter some study. I can state to the House that I am willing to support the gentleman's resolution, or any other resolution, whether it is from this side or that side.

Mr. McGROARTY. We do not seem to be getting anywhere.

Mr. DICKSTEIN. The Committee on Rules can settle that question.

[Here the gavel fell.]

Mr. LUCAS. Mr. Speaker, I ask unanimous consent that the gentleman from New York may proceed for an additional seven minutes.

Mr. MAPES. Mr. Speaker, reserving the right to object, the gentleman's time has been extended 2 or 3 times already. How much more time does the gentleman want?

Mr. DICKSTEIN. I want only 5 minutes.

Mr. HOFFMAN. If the gentleman will yield, it is not a question of how much the gentleman wants, but how long we want to hear him. I for one want to hear the gentleman unless there is some other business. Of course, if we have business of more importance, we should proceed to its consideration.

Mr. MAPES. Does the gentleman think he will get any additional information?

Mr. HOFFMAN. Yes; I still think I am capable of receiving information, and I think the gentleman is capable of giving it.

Mr. DICKSTEIN. Does the gentleman think the gentleman is capable of giving information?

Mr. HOFFMAN. I certainly do; yes.

Mr. DICKSTEIN. I thank the gentleman.

Mr. HOFFMAN. Being a Member of this body, I supposed the certificate of election was some evidence of it, anyway.

Mr. DICKSTEIN. That is the assumption, anyhow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Illinois.

Mr. LUCAS. Am I correct in my understanding that what the gentleman would like to do is have the Speaker of the House appoint a select committee for the purpose of making a complete investigation of nazi-ism in this country?

Mr. DICKSTEIN. All isms.

Mr. LUCAS. Everything but Americanism?

Mr. DICKSTEIN. That is the point. That is all I am asking.

Mr. LUCAS. Will the gentleman explain to the House just how broad a field that would cover?

Mr. DICKSTEIN. I may say the resolution I sponsored, which was laid on the table by the House on the 8th of April—and I am not quarreling with that action at this time—was a little too broad. The resolution now before the House deals with un-American activities.

Mr. LUCAS. The gentleman's trend of thought in all of his speeches I have heard, however, deals chiefly with the Nazis.

Mr. DICKSTEIN. No.

Mr. LUCAS. Then I have not heard all of the gentleman's speeches.

Mr. DICKSTEIN. Then the gentleman should read them, and he will probably get some pretty good information.

Mr. LUCAS. I shall read them and shall probably learn something, because I know the gentleman is very much interested in this question. However, what the gentleman is chiefly attempting to do, as I gather from the speech the gentleman has made today, is to destroy nazi-ism in this country.

Mr. DICKSTEIN. All "isms."

Mr. LUCAS. All right; all "isms", including nazi-ism.

Mr. DICKSTEIN. Yes.

Mr. LUCAS. Does the gentleman believe that if there is anything good in nazi-ism—and I, for one, do not believe there is—an investigation, regardless of how broad a field it may cover, will destroy it?

Mr. DICKSTEIN. There is nothing good in foreign uniforms, foreign boots, foreign ideologies, foreign goose-steps, foreign allegiance, foreign speeches, and making martyrs out of foreign dictators who are trying to drag this whole world into a war.

Mr. LUCAS. Our distinguished colleague the gentleman from Massachusetts [Mr. McCORMACK], states that we ought to turn the pitiless light of publicity upon this particular movement, and he cited the destruction of the Klan as an illustration. My observation upon matters of this kind is that if there is anything worth while in the Ku-Klux Klan or in nazi-ism or in any other "ism", which I deny, such movements will live in this country, regardless of how much publicity is turned upon them. I contend that what the gentleman is doing here is simply furthering the interests of the Nazis by attempting to publicize them throughout the country with this kind of an investigation. They will not get to first base in America, and you can just bet your life on that, regardless of what the gentleman or anybody else may do. I think the gentleman is unduly alarmed.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. In just a moment. I want to answer the gentleman from Illinois, and then I will yield to the gentleman from Massachusetts.

The evidence so far seems to disagree with the gentleman completely. His own State is infested with isms. His own State has camps in it. His own State has alien boots and boots and boots, and goose steps and more goose steps. Nazis are all goosey down there. [Laughter.]

Mr. McCORMACK. If the gentleman will permit, I may say to my friend, the gentleman from Illinois [Mr. LUCAS], that special investigating committees have done a great deal of good. The La Follette committee showed what is going on in Harlan County, Ky., and if it did nothing more than that it has rendered a great service to the American people. We had the Townsend investigating committee. Why was that committee created? The gentleman from Illinois was a member of it.

Mr. DICKSTEIN. That is different.

Mr. McCORMACK. The House created that special committee for some purpose. If we follow the reasoning of the gentleman, there was no necessity for the creation of that committee. We should have said, "Let Townsend proceed with his campaign, and not have the committee formed to acquaint the American public with the story of that movement."

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I do not have the floor.

Mr. LUCAS. May I answer the gentleman from Massachusetts by saying that the comparison is not analogous, and furthermore I was not responsible for the investigation of Townsend. I merely performed my duty as a member appointed on the select committee.

Mr. SACKS. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Pennsylvania.

Mr. SACKS. May I call the attention of the gentleman from Illinois to the fact that in a democracy the only way to get the people to understand "isms" of any kind is to throw light upon them and give them publicity, and they will fall of their own weight.

Mr. DICKSTEIN. It is again my duty to call the attention of this House to the seriousness of the situation which is the result of the unchecked and unbridled propagandists and other activities by Nazis in this country.

Within the past two weeks more than 90 German youths, both boys and girls, as well as 18 teachers came to this country, apparently for a vacation. Now, this vacation is spent by having these boys and girls as well as the teachers stay as guests 1 week at a time at the various locals of the German-American Bund, the official Nazi organ in this country, and spending 1 week on a sightseeing tour of the United States. These boys and girls are chosen from the most intelligent groups in Germany, and are given for distribution quantities of propaganda material, with instructions how best to employ it in the best interests of their masters.

One of the purposes of this activity is to inculcate among young German men and women the consciousness of the fact that they are Germans first, and in an emergency should go back to Germany to defend their country with arms, if necessary. They are under the leadership of Dr. Wilhelm, a professor in the political department of the University of Frankfort in Germany. They are also being guided by a Dr. Degener, who is the attorney for the German-American Chamber of Commerce in New York, and who is employed, or under a retainer with the General Dye Stuff Corporation of America, which is a branch of the I. G. Dye Trust in Germany.

The male members of the party are at the present time staying at the Young Men's Christian Association at Sixty-third Street and Central Park West, New York City, while the girls are distributed in private homes in and around the city of New York.

Of the other leaders of the group, Dr. Hans Sass, who was formerly the local leader of the bund in Trenton, but who apparently changes his name to Van Narre, is the educational director of the Young Men's Christian Association, West Side Branch. He is apparently responsible for the young men being placed in that institution, and while they are staying there speeches are being made daily in support of Nazi doctrines and anti-Semitism. The other young men and women, who are now being distributed around and making visits to German camps, have occasion to hear from Edwin Emerson, the American gentleman whom I listed a few days ago as one of the Nazi propagandists in the United States. The printing for this propaganda is done by Grof & Breuninger Press, of Philadelphia, Pa.

I have before me also an appeal for German youths to join the German summer camps asking that applications be sent to Theodore Dinkelacker at 9239 Lamont Avenue, Elmhurst, Long Island.

The proclamation of the so-called youth leaders calls upon young boys and girls to join the camps with this stipulation:

> We accept into our camps boys and girls of German parentage 8 years of age and over. They must oblige themselves, in case they do not happen to be members of the A. V., to become members of that organization before they can join the camp.

A. V. is an abbreviation of America-Deutsche Volksbund, the German abbreviation of the so-called "bund", the Nazi organ in this country.

Information also reached me to the effect that a lively traffic of smuggling aliens is in progress around Hoboken, N. J. It seems that one Gustav Elmer, a laundry salesman of Hoboken, N. J., is conducting such a traffic with the aid and assistance of the so-called Bernstein Line, which took over the Red Star Line, and now sails under the swastika flag. This line is being used to smuggle aliens, in violation of our immigration laws, and of course the smugglers know better than I how they do it and what means they employ

to circumvent our immigration laws. I suppose the usual method would be to ship the men as sailors and have them lose themselves when the ship docks in port. The large German liners apparently are easily supervised but the small line is able to escape attention on the part of our immigration officials.

I have before me some correspondence between Franz Schulze, who was formerly an attorney in Chicago and now is an attaché of the German Embassy and a contact man between the Nazi bund and Washington. This man wrote a letter to Fritz Gissibl, whom I have previously mentioned as the leader of the Friends of New Germany, as to how to go about getting incorporation papers for German organizations and how to obtain local charters in the various States of the Union.

Another name which I would like to bring to the attention of the House at this time is Frank Sonnenschein, of 634 South Eleventh Street, Newark, N. J., one of the lieutenants of the Nazi Party in this vicinity and an active organizer for Camp Nordland. I have definite information that this man is in this country illegally, although he is a member of the National Guard of New Jersey and otherwise extremely active in the public life of the State.

Following is a further list of citizens and aliens who are spreading un-American propaganda throughout our country. They are prominent members of the bund in the State of New Jersey.

Mr. Max Koenig, treasurer of the Hudson County local, born in the United States, has not worked for the past 4 years, yet is always able to spend freely, a good speaker, violently anti-Semetic, and an advocate of fascism in the United States, a frequent contributor to a Chicago anti-Semetic weekly (American Gentile).

Martin Spaeth, a W. P. A. foreman, who directs the uniformed group of the bund in Hudson County.

Werner Jueterowsky, voting representative for the local on national matters, former Communistic Party member in Germany, but not a converted Nazi; not a citizen.

Gustav Flach, new leader of the Trenton local, not a citizen, owner of a refreshment stand, is the representative of propaganda films for the State of New Jersey; while his children run the stand, he travels from local to local showing these films, which are furnished by the German consulate.

Waldemar Othmer, director of the Trenton Y. M. C. A., a good lecturer, who has a complete list of alien speakers that come to the United States. He was secretary and treasurer of Trenton local in 1936.

John Fitting, pastor of the Presbyterian Church in Trenton, speaker and lecturer of the bund, who tried to support Hauptmann at the trial. Is the composer of pamphlets for the defense of Hauptmann, violently anti-Semetic; deserted wife and two girls.

Willie Luedtke, D. K. V. director for New York and New Jersey, and also leader of the Passaic County local, a citizen, member of the New Jersey National Guard.

Walter Luedtke, brother of Willie, owner of a shooting range in Passaic, where the uniformed members practice with guard-owned rifles, practice every night. Range at 527 (or 529) Passaic Avenue, Passaic.

Bruno Trix, press agent for the New Jersey district, not a citizen, very intelligent, writer of propaganda material and also a reporter for the West Beobachter in Hanover, Germany.

Kurt Schumacher, American born, Secretary for the Passaic local, a good speaker with connection in the ranks of the Veterans of Foreign Wars.

Eduard Mathias, treasurer of the Passaic local, a citizen, who gets a monthly allowance by the General Dye Stuff Corporation of America, apparently because of his activities in the Du Pont works, where he is employed.

At this time I wish to present for publication in the RECORD a list of firms dealing in German securities without a permit either from the State or from the Securities Exchange Commission. These firms sell securities mostly to people of German extraction, and I dare say securities of a type which will be frowned upon by the authorities if the truth were known.

Bull & Co., 40 Exchange Place, New York City; F. R. Lushes & Co., 50 Broadway, New York City; Kurt Schurig, 50 Broadway, New York City; Papsdorf, 1432 Myrtle Avenue, Brooklyn, N. Y.; Charles Martin, 218 East Eighty-sixth Street, New York City; Herbert Schmidt, 157 West Seventy-second Street, New York City; Schreiber, 60–89 Myrtle Avenue, Brooklyn, N. Y.; Joseph Zimmerman, 550 Elizabeth Avenue, Elizabeth, N. J.; John Wimmersperg & Hopfe, 17 Battery Place, New York City.

I have given the situation more or less at random without any effort to be either systematic or exhaustive.

These are days fraught with danger to the country, and we cannot stultify ourselves by closing our eyes to it. Action is needed to eradicate this pernicious weed from our midst.

[Here the gavel fell.]

Mr. COLLINS. Mr. Speaker, I ask unanimous consent to address the House for 20 minutes.

Mr. LAMBERTSON. Mr. Speaker, reserving the right to object——

Mr. RICH. Mr. Speaker, reserving the right to object, we would like to know whether there is any business coming before the House today.

Mr. LAMBERTSON. Mr. Speaker, I have reserved the right to object.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to address the House for 20 minutes. Is there objection?

Mr. LAMBERTSON. Mr. Speaker, reserving the right to object, and I am not sure that I shall object, but I would like for the gentleman to withhold that while I submit a unanimous-consent request.

Mr. COLLINS. I withhold it, Mr. Speaker.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent that at the end of the 20 minutes, the House consider the resolution I introduced this morning looking to the appointment of a committee by the Speaker to investigate the Jefferson Memorial at St. Louis.

The SPEAKER. The Chair may have something to say about that.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I think this resolution ought to take the regular course and therefore I object.

The SPEAKER. Did the gentleman from Kansas submit his statement as a unanimous-consent request?

Mr. LAMBERTSON. Yes, Mr. Speaker. I make the request and withhold my consent to the request of the gentleman from Mississippi.

The SPEAKER. Let the Chair submit the request of the gentleman from Kansas [Mr. LAMBERTSON] for the purpose of the RECORD.

The gentleman from Kansas asks unanimous consent that at the conclusion of the remarks of the gentleman from Mississippi, if made, that the resolution the gentleman offered this morning with reference to an investigation of the Jefferson Memorial at St. Louis be in order. Is there objection?

Mr. RAYBURN. For the reason stated, Mr. Speaker, I object.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. COLLINS] to address the House for 20 minutes?

Mr. LAMBERTSON. I am reserving the right to object, Mr. Speaker. Would it be proper for me to state that I did not get the reasons the floor leader gave for his objection?

The SPEAKER. The gentleman from Texas [Mr. RAYBURN] stated "for reasons heretofore stated."

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the majority leader what business is coming before the House following the remarks of the gentleman from Mississippi if unanimous consent is granted.

Mr. RAYBURN. I know of nothing further coming up today.

Mr. LAMBERTSON. Mr. Speaker, I am reserving the right to object, and I believe the floor leader attempted to answer me and state why he objected to the consideration of the resolution, but was interrupted.

Mr. RAYBURN. I do not want the resolution considered this afternoon.

Mr. LAMBERTSON. I thank the gentleman and withdraw my objection, Mr. Speaker.

WASHINGTON AIRPORT

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend and revise my remarks at this point concerning the airport here and, on account of its great importance, to include a report made by the gentleman from Florida [Mr. WILCOX], who is on our committee; and I hope no one will object, because it is of considerable importance, and everyone ought to read it.

The SPEAKER. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD at this point as indicated. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I may say that the minority leader the other day voiced his opposition to such procedure, stating he thought it was not the proper thing to do, and consequently I must object.

Mr. MAVERICK. Mr. Speaker, will not the gentleman withdraw his objection? This matter of an airport for Washington, D. C., is one of the most important things we have before us. This is not a request of a political leader to put a speech in the RECORD.

Mr. MARTIN of Massachusetts. But it puts the RECORD in a false light. If the gentleman wants to extend his remarks, there is a place to do that.

Mr. MAVERICK. All right. Mr. Speaker, I ask unanimous consent to put it in the Appendix.

The SPEAKER. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the Appendix of the RECORD. Is there objection?

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman states this is in reference to an airport here. Washington is "up in the air" and has been for the last 2 or 3 years and I think if someone can give us a little enlightenment on the subject and get Washington out of the air and on good terra firma, it would be a very fine thing to do.

Mr. MAVERICK. If the gentleman reads this tomorrow he will be thoroughly enlightened.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi to address the House for 20 minutes?

There was no objection.

REVISION OF THE COPYRIGHT LAW AND ESTABLISHMENT OF FIVE SUBSIDIARY NATIONAL LIBRARIES

Mr. COLLINS. Mr. Speaker, so far the Federal Government has interested itself very little in the maintenance of institutions on which depend the enlightenment of the people and the intellectual attainments of the Nation. The library field is practically the sole exception, and it began with the creation of a repository for the needs of the Congress and other Federal governmental agencies. Consequently it was only gradually and as a matter of necessity that from a restricted function the Library of Congress expanded into becoming the repository of the Nation and guardian for posterity of the products of human knowledge in all fields.

There is no denying the fact that if the Library of Congress has grown so well that at present it occupies practically the first place among the libraries of the other great nations insofar as the collections of modern books are concerned, this has been primarily due to the fact that it was created and maintained as a Federal institution. Although the Library of Congress is far from possessing adequately representative collections in all fields, especially as far as early literature is concerned, it still is an achievement of which Congress may justly be proud.

The Library of Congress has also been of great service to the development of the library field in this country. Practically all libraries in this country enjoy the benefits of the Library of Congress printed cards, the Union Catalog, and other bibliographical facilities now made available by that great library institution. However, all those that are in touch with things and the statesmen who have at heart the development of the intellectual facilities of the Nation are keenly aware of the fact that the time has come when the single national library established in the Capital should be expanded into a system of national libraries, calculated to make available the sources of research and bibliographical facilities in a number of centers of our vast country, coordinating its functions with those of the existing libraries in these regions.

The establishment of the five subsidiary national libraries, as proposed by the bill under consideration, will be welcomed by all who appreciate the fact that the future of the Nation depends on the degree of enlightenment and knowledge attained. There is hardly any more constructive way of promoting the common welfare than to provide the foundation of intellectual development. Many a scholar living within the confines of our country, whose occupation, time, and means do not allow him to travel all the way from his home or residence—which may be thousands of miles away—to the National Capital, the location of the Library of Congress, must go without the desired information because it is not at his disposal or not available in the library of the place where he is carrying on his research. To be sure, there is an interlibrary loan service, but it is hardly adequate for the purposes of scholarship. As a rule, the important libraries—including the Library of Congress—do not lend valuable items or collections of source materials because they are expensive to collect and difficult to replace in case of damage or loss. Furthermore, it is one thing for a scholar to work at a small library and another to have at his disposal the bibliographical facilities of a national library which affords up-to-date indications as to the contributions in his field.

The present political instability and social unrest have demonstrated the wisdom of facilitating penetrating studies in the social and economic fields. The contributions of knowledge are our guarantees for the future development of the Nation on the basis of solidarity and for the welfare and prosperity of our people. No matter what the immediate and future expenditures may be, the benefits to be derived from the proposed system of national libraries are well worth it. Furthermore, an amendment of the existing copyright legislation is capable not only of curtailing the expenditures for the acquisition of books but also of insuring the better collection and preservation of the literary output of our own country.

Coordination in the collection of copyright deposits, cataloging, classifying, card-catalog service, and other bibliographical facilities will result in considerable economies as well as a perfection of the work. Every taxpayer knows that nations in the past have spent untold fortunes for the prosecution of warfare and for the production of vast armaments, and that they have done so "without stint or limit." At this very moment our Government is spending hundreds of millions—nay, even billions—for national defense, because it realizes that without proper security the lives of American citizens will be jeopardized. Narrow selfishness, misinformation, and lack of proper education among the peoples of the various nations, of course, have made such expenditures necessary.

At present battleships are being constructed, a single one of which will call for the expenditure of $50,000,000, a unit which may be wiped out in a few minutes by a single well-aimed torpedo or a bomb from the air. The amount of money spent on the construction of a single battleship will provide not only for the erection of the five proposed subsidi-

ary national library buildings but also for the necessary reference books, equipment, and other expenditures incident to receiving, cataloging, and classifying the copyright deposits and other accessions. Not too much emphasis can be put upon the fact that the money thus employed and expended will create permanent values which will be of a constructive character as well as of a highly desirable nature; for that nation is best prepared to survive which is founded upon the rock of knowledge. Money spent for these purposes, outlined above, is an investment which our country surely can no longer afford to neglect.

Addressing recently the District of Columbia Library Association, Mrs. Franklin D. Roosevelt sagely remarked that—

> We know that without libraries, without education, which is based largely on libraries, we cannot have an educated people who will carry on successfully our form of government.

Mrs. Roosevelt's speech was so timely and so appropriate that I shall take the liberty of quoting it at some length. Our philanthropic, beloved First Lady said further:

> I have lived a great deal in the country, in a State which prides itself in spending much money on education, and I am quite sure that some people think there is no lack of education and no lack of library facilities, and sometimes I long to take people and let them see some of the back-country districts that I know in New York State.
>
> I know one place in the northern part of the State where I camped for a while in the summer, and I went to the school and talked to the teachers. They are using school books which have been passed down from one child to another. They have practically no books outside of the textbooks. The children in the district are so poor and some of them so pathetic that I suppose the struggle to live has been so great you could not think much about what you fed the mind, but I came away feeling that right there, in one of the biggest and richest States in the country, we had a big area that needed books, and needed libraries to help these schools in the education of the children, and, even more, to help the whole community to learn to live through their minds. Now, we are doing a tremendous amount through the home-economics colleges to help people to learn how to live in their homes, to better their standards of material living. We have got to think in exactly the same way about helping them to live mentally and to attain better standards, and we cannot do it only through the children. We can do ground work with the children; we must begin with them; but we have got to do a tremendous amount with the older people.
>
> I had a letter the other day which was pathetic. It was from a man who said he was 74 years old. He wrote to ask me to see that the adult-education classes in that particular community were not stopped, because it had meant so much to him to learn to read. He did not think that I could understand what it meant never to have been able to understand a word on the printed page. He said, "I am not the only one. My next door neighbor is 81, and he learned to read last winter, and it has just made life over for us." It gave you the feeling that there is a good deal of education that is not being done in this country in spite of all that is done.
>
> We have come a long way. We have done a great deal, but we still have a lot that can be done to improve our educational system, and we still have a tremendous amount to do with our libraries. We have got to make our libraries the center of a new life in the mind, because people are hungry to use their minds.

Dr. James Ingersoll Wyer, director of the New York State Library, in an address delivered before the New York Library Association in February 1928 pointed out that—

> even considered as a means of protection against foreign enemies, books are more effective than battleships, for the real strength of a nation in war as in peace is in the intelligence, inventiveness, and steadfastness of its people, and not in the obsolete weapons which generals and admirals so much stress.

The need of a greater extension of the library service, and the importance of our Government's interest in this service, is recognized and emphasized by librarians and scholars from all parts of the country. Says Elizabeth Robinson, secretary of the State library commission, Jackson, Miss.:

> The need everywhere is for books. The thousands of volumes and countless thousands of magazines that have been made available do not in any way meet the opportunity that has opened (Library Journal, v. 60, p. 98).

Carleton B. Joeckel, professor of library science, University of Michigan, in an article dealing with the Federal Relations to Libraries, expresses his satisfaction with the National Government's awakened interest in libraries and believes that it has assumed "a position of major importance in our plans for the development of library service, throughout the country" (ibid., p. 99). A good library, exclaims Milton J. Ferguson, chief librarian of the Brooklyn Public Library, is "a great power, a master influence" (ibid., v. 61, p. 873). No one doubts the truth of the statements cited above, which were made usually with reference to general readers or students throughout the country. That the needs in respect to material and facilities are infinitely greater in the case of students and professional men who are engaged in serious scientific research work must be patent to anyone who seriously reflects upon this most important matter.

Under the provisions of the present Copyright Act, passed by Congress more than a quarter of a century ago, the deposit of two copies, as is generally known, is required for the registration of all works published in the United States. The Register of Copyrights then turns over these registered copies to the Library of Congress, which selects from among them the copies needed for its own use. For the purposes of registration there seems to be no sufficient reason why two copies should be required by the statute rather than one or three. By the bill under consideration it is proposed that the present copyright law be amended to the effect that 12 copies be deposited with the Register of Copyrights instead of two of any publications, as hitherto required in conformity with section 5, paragraphs (a) and (b) of the said Copyright Act of 1909. It is provided, however—

> That no deposit need be made for the benefit of the said regional national libraries if the number of copies of the published edition of said copyrighted work shall not exceed 300 copies and the published price of each volume exceed $50; that upon the receipt of such copyright deposits by the Register of Copyrights, two copies shall be immediately turned over to each of the librarians of the regional national libraries for the benefit and use of such libraries; and that no action or proceeding shall be maintained for infringement of copyright of any work until the provisions of this act with respect to the deposit of copies and registration of such work shall have been complied with.

Under the proposed law the five regional national libraries are to be established at the great centers of population, easily accessible to the people of the United States; that is, at New York City, Memphis, Tenn., Chicago, Ill., Denver, Colo., and San Francisco, Calif. There may be the need of say two other regional libraries, but certainly these, if five are to be considered, are the places, in my judgment, where they should be located. These sites were selected not only because they may be easily reached, but also because they are located in great centers of population and thus will benefit the greatest number of people. Persons not familiar with the needs of scientific research workers may object that in the cities selected there are located large and splendid libraries. Such objections, however, do not take into account that complete sets of Government documents are rarely available in public or private libraries whose main object in nearly all instances is to entertain and to enlighten rather than to provide facilities for serious legal, economic, and other scientific research work.

With these objectives in mind the new law (sec. 3) is to provide that "In order to insure the better preservation of United States journals and documents, and to increase their availability in the various regions of the country, each of the said regional libraries is hereby constituted a depository of Government publications", and that the Superintendent of Documents shall supply to each of the five regional libraries two copies of such Government publications, similarly as this is being done at the present time in the case of the Library of Congress in the National Capital. It will be noted that this article stresses the need of "better preservation of United States journals and documents." Hostile invasion, civil war, earthquakes, floods, deterioration, theft, fire, and other causes have in the past done irreparable damage to the great libraries of the world. Untold literary treasures vanished with the barbarous burning of the famous Alexandrian libraries, and through the destruction of the Louvain Library. Even our own Congressional Library during the War of 1812 was largely destroyed, but the restored Library of Congress suffered a far greater loss in the Capitol fire of 1851. Many rare books and manuscripts, and many priceless documents have been destroyed

and wiped out of existence. If copies of such documents had been deposited in various parts of the world or in different sections of a large country like ours, the chance of their total destruction would, of course, have been greatly minimized. The deposition of Government documents with the regional national libraries is a safeguard against the emergencies indicated above. That it will also preserve books from damage, loss, and destruction in the mails must not be overlooked. It is quite evident that even the books and documents sent through the mails at the present time by the library-exchange service are sometimes scarce and valuable items and that the damage done to them, or their loss, is a matter of vital importance.

It may be of interest to note in this connection that the usefulness of depositing copies of published works not in one, but in several of their libraries has long been recognized in various other countries, and is required by their respective laws. Thus, for instance, the British statutes[1] require that the publishers of any works published in the United Kingdom must deposit within 1 month after publication one copy with the trustees of the British Museum; and they also must deliver, if written demand to that effect is made within a year after publication, one copy each to the five following libraries: The Bodleian Library, Oxford; the University Library, Cambridge; the Library of the Faculty of Advocates at Edinburgh; the Library of Trinity College, Dublin; and the National Library of Wales. Similarly, the law in the Irish Free State[2] provides that six copies must be delivered to various libraries, that is, one copy of the book to the trustees of the National Library of Ireland, one copy to the authority having control of the Library of Trinity College, Dublin, three copies to the proper authorities of the National University of Ireland, and one copy to the trustees of the British Museum. Four additional copies are to be delivered, if written demand is made to that effect within a year after publication of the book to various other libraries, that is, one copy to the authorities having control of the following libraries: the Bodleian Library, Oxford; the University Library, Cambridge; the National Library of Scotland; and the National Library of Wales.

The statutes of the Union of South Africa[3] make provision for the delivery of one copy to the trustees of the British Museum and one copy each to the four principal libraries in different sections of the Union of South Africa. In India, section 15 of the Indian Copyright Act, 1914,[4] which is identical with section 15 of the British Copyright Act, 1911, also calls for the delivery of one copy to the trustees of the British Museum, and of one copy each to the libraries at Oxford, Cambridge, Edinburgh, Dublin, and Wales. In Australia one copy must be deposited with the register and one with the librarian of Parliament. At the same time the Australian Copyright Act provides that—

> Nothing in this act[5] shall be deemed to affect the existing provisions of any act of Parliament of a State which require or relate to the delivery to any specified public and other library of the State of copies of books published in the State or to affect the power of the Parliament of a State to make laws requiring or relating to such delivery.

The New Zealand copyright law[6] prescribes that three copies must be deposited. Of these, one goes to the registrar and two to the librarian of the New Zealand General Assembly Library. Aside from these English-speaking countries there are a number of other countries where a deposit of three or more copies is required. Among them are the following, the number of copies required being given in parenthesis:[7] Albania (3), Argentina (3), Colombia (3), Costa Rica (3), Ecuador (3), Greece (4), Guatemala (4), Haiti (5), Nicaragua (6), Panama (3), Russia, R. S. F. S. R.[8] (45), Siam (3), Spain (3), Turkey (3), and Venezuela (5).

Considering the facts outlined above, that the establishment of the five regional national libraries at the principal centers of population will greatly lessen the necessity of thousands of people making expensive and time-consuming journeys to Washington as they must do now; that their establishment will curtail considerably the number of interlibrary loans of valuable books, and thus serve to save them from wear and tear in transit and avoid the loss of their use while being sent and returned; that their establishment will greatly lessen the loss of valuable copyright deposits and Government documents by fire, theft, hostile invasion, civil war, earthquakes, floods, and other causes, since such calamities are not likely to occur at all the five regional national libraries at the same time; that the danger of the loss of valuable books and documents, also the convenience to their citizens of having suitably located depositories, have long been recognized by the governments of many other countries, and that for this reason laws have been passed by them for the deposit of copyrighted copies in depositories conveniently located in various sections of such countries; that the cost of the establishment of five regional national libraries would be no more than that of one modern battleship; that the value of the proposed book depositories will increase constantly from year to year, while the battleship will be practically obsolete by the time it is put in commission; that the benefit ensuing from the erection of the said regional national libraries will be of incalculable benefit to this entire Nation; and, furthermore, considering that the money expended for the establishment and upkeep of the said proposed libraries will be one of the best investments ever engaged in by the Government of this country, no time should be lost in the realization of this proposal, namely, that the five regional national libraries shall be constructed as soon as possible and maintained at New York, Memphis, Chicago, Denver, and San Francisco, as proposed by the bill (H. R. 3699) under consideration.

LAWS OF GREAT BRITAIN, IRELAND, SOUTH AFRICA, INDIA, AUSTRALIA, AND NEW ZEALAND RESPECTING DELIVERY OF COPIES OF COPYRIGHTED WORKS

I. GREAT BRITAIN

Copyright Act, 1911, section 15

SECTION 15. (1) The publisher of every book published in the United Kingdom shall within 1 month after the publication, deliver, at his own expense, a copy of the book to the trustees of the British Museum, who shall give a written receipt for it.

(2) He shall also, if written demand is made before the expiration of 12 months after publication, deliver within 1 month after receipt of that written demand or, if the demand was made before the publication, within 1 month after publication, to some depot in London named in the demand a copy of the book for, or in accordance with the directions of, the authority having the control of each of the following libraries, namely: The Bodleian Library, Oxford; the University Library, Cambridge; the Library of the Faculty of Advocates at Edinburgh, and the Library of Trinity College, Dublin, and subject to the provisions of this section the National Library of Wales. In the case of an encyclopedia, newspaper, review, magazine, or work published in a series of numbers or parts, the written demand may include all numbers or parts of the work which may be subsequently published.

(3) The copy delivered to the trustees of the British Museum shall be a copy of the whole work with all maps and illustrations belonging thereto, finished and colored in the same manner as the best copies of the book are published, and shall be bound, sewed, or stitched together, and on the best paper on which the book is printed.

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[1] Copyright Act, 1911, ch. 46, sec. 15.

[2] Industrial and Commercial Property (Protection) Act, 1927 (no. 16 of 1927), sec. 178.

[3] Patents, Designs, Trade-Marks, and Copyright Act, 1916 (no. 9 of 1916), sec. 150.

[4] The Indian Copyright Act, 1914 (III of 1914), sec. 15.

[5] The Copyright Act, 1912 (no. 20 of 1912), sec. 41; see also ibid., secs. 38 and 40.

[6] The Copyright Act, 1913 (no. 4 of 1913), secs. 50 and 52.

[7] See Roethlisberger, E., Schutz des Urheberrechts, 4 ed., 1931, p. 44 ff.

[8] Law of Nov. 20, 1933, concerning the obligatory number of copies to be supplied to the authorities (in conformity with the national law of Sept. 13, 1933) requires that printers must deposit with the "book chamber" 45 copies of all publications exceeding 2 pages, provided that the edition of such publications exceeds 500 copies. If it is less than 500 copies, only 20 copies need to be deposited. The items thus deposited are distributed among the various libraries of the country. See Fogelevich, L., Basic principles and legislation concerning the Russian press, 5 ed., 1935, p. 133 ff.

(4) The copy delivered for the other authorities mentioned in this section shall be in the paper on which the largest number of copies of the book is printed for sale, and shall be in the like condition as the books prepared for sale.

(5) The books of which copies are to be delivered to the National Library of Wales shall not include books of such classes as may be specified in regulations to be made by the Board of Trade.

(6) If a publisher fails to comply with this section, he shall be liable on summary conviction to a fine not exceeding £5 and the value of the book, and the fine shall be paid to the trustees or authority to whom the book ought to have been delivered.

(7) For the purposes of this section, the expression "book" includes every part or division of a book, pamphlet, sheet of letterpress, sheet of music, map, plan, chart, or table separately published, but shall not include any second or subsequent edition of a book unless such edition contains additions or alterations either in the letterpress or in the maps, prints, and other engravings belonging thereto.

II. IRISH FREE STATE

Industrial and Commercial Property (Protection) Act, 1927, Section 178

SECTION 178. (1) The publisher of every book first published in Saorstat Eireann shall, within 1 month after the publication, deliver, at his own expense, a copy of the book to the trustees of the National Library, of Ireland, a copy of the book to the authority having control of the Library of Trinity College, Dublin, three copies of the book for or in accordance with the directions of the authority having control of the National University of Ireland for the use of the respective libraries of the three constituent colleges of that university, and a copy of the book to the trustees of the British Museum, and such trustees and authority respectively shall give a written receipt for every book so delivered to them:

Provided that the minister may, on the application of the trustees of the National Library of Ireland, or of the authority having control of the library of Trinity College, Dublin, or of any of the respective authorities having control of the three constituent colleges of the National University of Ireland, or of the trustees of the British Museum, make regulations excepting from the provisions of this subsection in regard to the trustees or authority making the application, publications wholly or mainly in the nature of trade advertisements, or such classes of such publications as may be specified in the regulations, and thereupon it shall not be necessary for the publisher of any publication so excepted to deliver the publication to the trustees or the authority or for such trustees or authority to give a receipt therefor, unless as respects any particular publication a written demand for the delivery thereof is made by such trustees or authority.

(2) He shall also, if written demand is made before the expiration of 12 months after publication, deliver within 1 month after receipt of that written demand or if the demand was made before publication, within 1 month after publication, to some address in Dublin named in the demand a copy of the book for, or in accordance with the directions of, the authority having the control of each of the following libraries, namely: the Bodleian Library, Oxford, the University Library, Cambridge, the National Library of Scotland, and the National Library of Wales. In the case of an encyclopedia, newspaper, review, magazine, or work published in a series of numbers or parts, the written demand may include all numbers or parts of the work which may be subsequently published.

(3)–(6) * * * These subsections are identical with subsections (3), (4), (6), and (7) of the British Copyright Act, 1911, section 15, cited above, with the exception of subsection (5) which is omitted in section 178 of the Industrial and Commercial Property (Protection) Act, 1927, of the Irish Free State.

III. UNION OF SOUTH AFRICA

Patents, Designs, Trade-Marks, and Copyright Act, 1916, section 150

SECTION 150. (1) The publishers of every book first published in the Union and whether printed therein or not, shall, within 1 month after the day on which such book is first delivered out of the press for issue, deliver free of any charge, bound, sewed, or stitched on the best paper and in the best manner in which such book is issued, one copy to the trustees of the British Museum, and one copy each to the authority having control of each of the following libraries, namely: the South African Public Library, Cape Town; the Library of the Natal Society, Pietermaritaburg; the State Library, Pretoria; and the Bloemfontein Public Library. In the case of an encyclopedia, newspaper, review, magazine, or work published in series of numbers or parts, the delivery prescribed by this section includes all numbers or parts of the work which may be subsequently published.

(2) Any publisher who fails to comply with this section shall be liable on conviction to a fine not exceeding £5 and the value of the book, and the fine shall be paid to the trustees or authority to whom the book ought to have been delivered.

(3) For the purpose of this section, a certificate given under the hand of the librarian of a benefiting library that a book has not been received shall be sufficient evidence of the facts stated in the certificate.

(4) For the purposes of this section the expression "book" includes every part or division of a book, pamphlet, sheet of letterpress, sheet of music, map, plan, chart, or table separately published, but shall not include any second or subsequent edition of a book unless such edition contains additions or alterations either in the letterpress or in maps, prints, or other engravings belonging thereto.

IV. INDIA

Indian Copyright Act, 1914, section 15

This section of the act is identical with section 15 of the British Copyright Act, 1911, cited above.

V. AUSTRALIA

Copyright Act, 1912, sections 38–42

SECTION 38. (1) Every person who makes application for the registration of the copyright in a book shall deliver to the registrar one copy of the whole book with maps and illustrations belonging thereto, finished and colored in the same manner as the best copies of the book are published, and bound, sewed, stitched together, and on the best paper on which the book is printed.

(2) Every person who makes application for the legislation of the copyright in a work of art shall deliver to the registrar one copy of the work of art or a representation of it.

(3) The registrar shall refuse to register the copyright in any book until subsection (1) of this section has been complied with, or the copyright in a work of art until subsection (2) of this section has been complied with.

(4) Each copy of representation relivered to the registrar in pursuance of this section shall be retained at the Copyright Office.

SEC. 39. A person who willfully makes any false statement or representation to deceive the registrar or any officer in the execution of this part of this act, or to procure or to influence the doing or omission of anything in relation to this part of this act, or any matter thereunder, shall be guilty of an indictable offense.

Penalty: Imprisonment for 3 years.

SEC. 40. (1) The publisher of every book which is first published in the Commonwealth after the commencement of this section, and in which copyright subsists under this act, shall within 1 month after the publication deliver, at his own expense, a copy of the book to the librarian of the Parliament, who shall give a written receipt for it.

(2) The copy delivered to the librarian of the Parliament shall be a copy of the whole book, with all maps and illustrations belonging thereto, published, and bound, sewed, or stitched together, and on the best paper on which the book is printed.

(3) If a publisher fails to comply with this section, he shall be liable on summary conviction to a fine not exceeding £5 and the value of the book.

(4) For the purpose of this section the expression "book" includes every part or division of a book, pamphlet, sheet of letterpress, map, plan, chart, or table, but shall not include any second or subsequent edition of a book unless that edition contains additions or alterations either in the letter press or in the maps, prints, or other engravings belonging thereto or any book published by any state or any authority of a state.

SEC. 41. Nothing in this act shall be deemed to affect the existing provisions of any act of the parliament of a state which require or relate to the delivery to any specified public or other library of the state of copies of books published in the state or to affect the power of the parliament of a state to make laws requiring or relating to such delivery.

SEC. 42. The Governor General may make regulations, not inconsistent with this act, prescribing all matters which by this act are required or permitted to be prescribed or which are necessary or convenient to be prescribed for giving effect to this act or for the conduct of any business relating to the Copyright Office.

VI. NEW ZEALAND

Copyright Act, 1913, sections 50–53

SECTION 50. (1) Every person who makes application for the registration of a copyright in a book shall deliver to the registrar one copy of the whole book with all maps and illustrations belonging thereto, finished and colored in the same manner as the best copies of the book are published and bound, sewed, or stitched together, and on the best paper on which the book is printed.

(2) Every person who makes an application for the registration of the copyright in a work of art shall deliver to the registrar one copy of the work of art or a representation of it.

(3a) The registrar shall refuse to register the copyright in any book until subsection 1 of this section has been complied with, or the copyright in a work of art until subsection 2 of this section has been complied with.

(4) Each copy or representation delivered to the registrar in pursuance of this section shall be retained at the Copyright Office.

SEC. 51. (1) The publisher of every book which is first published in New Zealand after the commencement of this act, and in which copyright subsists under this act, shall within 1 month after the publication deliver, at his own expense, two copies of the book to the librarian of the general assembly library, who shall give a written receipt for them.

(2) The copies delivered to the librarian of the general assembly library shall be copies of the whole book, with all maps and illustrations belonging thereto, finished and colored in the same manner as the best copies of the book are published and bound, sewed, or stitched together and on the best paper on which the book is printed.

(3) If a publisher fails to comply with this section, he shall be liable on summary conviction to a fine not exceeding £5 and the value of the copies.

(4) For the purpose of this section the expression "book" includes every part or division of a book, pamphlet, sheet of letterpress, map, plan, chart, or table, but shall not include any second or subsequent edition of a book unless that edition contains additions or alterations either in the letterpress or in the maps, prints, or other engravings belonging thereto.

SEC. 53. The governor in council may make regulations, not inconsistent with this act, prescribing all matters which by this act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed, for giving effect to this act or for the conduct of any business relating to the copyright office.

ENLISTMENT IN FOREIGN SERVICE

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to address the House for 7 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, I hold in my hand the current issue of Time magazine, and I direct attention to an article on page 19 of that magazine. With the permission of the House, I shall read excerpts from it. This refers to an American citizen who enlisted to fight in the Spanish war, and here is what the first paragraph of the article says:

Into the Washington embassy of the Spanish Leftists stepped one time United States Army Pilot Harold Dahl. A secretary offered him a contract at $1,500 per week to act as an instructor of Leftists fliers in Spain. The contract provided that Pilot Dahl's wages be paid outside of Spain directly to his bride, Mrs. Edith Rogers Dahl, who used to appear with "Crooner" Rudy Vallee's band. After signing, Pilot Dahl was sent to Mexico, provided there with a passport showing him to be a Spaniard by the name of Hernandez Diaz.

Then the article tells of his going to fight as a flier with the Leftist forces in Spain. I read further, now, giving the language of Mr. Dahl, who is quoted in the article as saying:

I was flying alone in a biplane of Russian make, similar to the Curtiss Hawk pursuit. My parachute landed me in the midst of a company of Moors we had been bombing the daylights out of for 2 or 3 days.

Then it goes on to tell how his life was spared; and further he says, speaking of the Leftist forces:

When I flew with them, which was most of the time, I never knew where I was going or what might happen. I was merely told on short notice when to take off, and then took my place in formation until we landed.

Further on in the article Pilot Dahl is quoted as saying:

I am not a Communist and never was, but I had no job, and I heard I could get plenty of money for flying in Spain.

Mr. Speaker, I now call attention to section 5282 of the Revised Statutes of the United States, which reads as follows:

Every person who, within the territory or jurisdiction of the United States, enlists or enters himself, or hires or retains another person to enlist or enter himself, or to go beyond the limits or jurisdiction of the United States with intent to be enlisted or entered in the service of any foreign prince, state, colony, district, or people, as a soldier, or as a marine or seaman, on board of any vessel of war, letter of marque, or privateer, shall be deemed guilty of high misdemeanor, and shall be fined not more than $1,000, and imprisoned not more than 3 years.

If this article in this magazine is correct, then according to the law of the land it is certainly time that the authorities took action against anyone in the Spanish Embassy or anywhere else who is guilty of enlisting anybody to go abroad to fight any war in Spain, because under the provisions of this statute which I have just quoted it is definitely illegal. I intend to make it my purpose and to act to bring this article and this action on the part of those breaking the law to the attention of the prosecuting authorities of the United States Government, to the end that the enlistment of American citizens to fight in foreign wars shall be stopped. I will do this because in my opinion it is not only illegal, but because also in the opinion of a great many people in this country, the more Americans take part in foreign wars the nearer we are to being dragged into a foreign war ourselves.

THE CHINESE SITUATION

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I listened with much interest to the gentleman from Connecticut [Mr. PHILLIPS], who has just spoken; and I think he has touched on a very important matter, not so much as it affects Spain but as it affects the policy of this Nation. I can readily see a situation that may develop in a short time that could involve this country in war, when we are unanimous for peace—not in Spain but in China. I have read in the newspapers the proposal to enlist American airmen by the hundreds to fight in the Chinese air force against the Japanese. If that is permitted, knowing how intensely nationalistic and patriotic the Japanese are and how easy it is to offend and inflame them, we are faced with a serious situation. If hundreds of Americans should enlist and fight in the Chinese air force against the Japanese within the next few months, assuming that the war lasts that long, then we would immediately be in danger of being involved in that war ourselves. "A stitch in time often saves nine." Is it not the duty of the Congress of the United States to see that the law against foreign enlistments is enforced and even to write new laws to prohibit American citizens fighting in the air forces of any foreign nation? We are complacent and quiescent when it comes to the question of a few Americans fighting in the armed forces of some nation which will not involve us in war, whether it is in Spain or Mexico or South America, but when it comes to involving us in war with a powerful nation, then that is an entirely different matter.

I see sitting before me the gentleman from Indiana [Mr. LUDLOW]. He has a petition on the desk to discharge the committee on a resolution providing for a constitutional amendment to give the American people the right to declare war in the future or to determine by referendum whether they want to declare war. I also have a petition on the desk to discharge a committee of a resolution which I would like to see passed. That is on a resolution prohibiting the sale of arms, ammunition, and implements of war in time of peace as well as in time of war. Look at the situation in China today. Actually there is a war going on in China without a declaration of war, and we are permitted to send all kinds of arms, ammunition, and implements of war to both sides to kill and maim and destroy property. I think that is against the wishes and intent of the peace-loving American people. No one knows how long the armed conflict will continue in China without a declaration of war, and as long as no declaration is made, we can continue to ship arms and ammunition to kill people with whom we are at peace, for sake of blood money and for sake of war profits.

I have taken these few minutes to make certain observations on the Chinese situation and in regard to the American policy in connection with China. This administration claims it is operating under the "good neighbor" policy, yet we have in China, a nation with whom we are at peace, and one of the oldest nations in the world, an entire American infantry regiment, the Fifteenth United States Infantry Regiment, stationed at Tientsien, 702 men and 40 officers. We have over 1,500 marines stationed in China at Peiping and Shanghai. We have 10 gunboats. For what purpose? I defy any single Member of Congress to point out for what good or needful purpose. Ten American gunboats to patrol Chinese rivers; the rivers of a nation with whom we are at profound peace.

There are only 12,000 Americans in all of China, yet we have 2,500 soldiers and marines stationed there permanently. In addition to that, we have set up a system of courts with extraterritorial rights. We are spending approximately $10,000,000 of American money on our armed forces in China including our naval vessels and yet we only do some-

thing like $50,000,000 worth of export trade to China. Is this a "good neighbor" policy? Why should we maintain any extraterritorial rights in China? We secured them away back in 1906 after the Boxer Rebellion, but what good does it do us? What good purpose does it serve? Does it make for friendship with China to intrude and invade our influence on her soil? Certainly not. We have withdrawn our armed forces from Haiti, Nicaragua, and from Cuba. Why do we not withdraw them from China? I would like to know the answer. For years I have been opposed to our maintaining extraterritorial rights in China or in any other nation. Due to the World War Germany lost her extraterritorial rights; so did Austria and Hungary. I spoke to a high representative of the German Embassy today, and he told me that they were better off without them because of developing more friendly relations with China; as they were not intruding upon Chinese rights, on their sovereignty, or upon their integrity as a nation.

So I point out today when the Chinese situation is uppermost in the thoughts of our people that the Congress of the United States ought to consider what our policy should be, whether we should continue to maintain these extraterritorial rights, and for what purpose, or whether we should call back every single soldier, sailor, and marine out of China.

The French also maintain certain armed forces in Tientsin. Just the other day two French soldiers were wounded there. This might have involved them in war with Japan. If a few American soldiers were wounded by Japanese in China, we would be more than apt to be in difficulty overnight with Japan because of the bad blood that unfortunately exists due to certain restrictions in this country on immigration from Japan. This is the time for Congress to consider these issues, and not when it is too late.

I ask the Members on the Democratic side, those who uphold the good-neighbor policy, Why should we maintain an infantry regiment in China; why should we keep 1,500 marines there; why should we have 10 gunboats, at a cost of $1,300,000 annually, on peaceful Chinese rivers? These are some of the questions we are entitled to have answered, situations for which the administration will be responsible if we become involved. Congress, likewise, has its responsibilities.

In addition to that, we have a whole fleet of naval vessels in Chinese waters, a fleet composed of 1 heavy cruiser, 13 destroyers, 1 submarine tender, 1 destroyer tender, 1 submarine rescue vessel, 1 mine sweeper, 1 seaplane tender, 1 oil tanker, and 6 seaplanes. These vessels are all in Chinese waters at the present time, costing the American taxpayers large sums of money.

Mr. COLLINS. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. COLLINS. The gentleman knows that there is not anything new about this; it has been going on for 20 years.

Mr. FISH. Yes. I think it has been going on since 1906. It has been going on just about 30 years too long, and for no purpose. Does anybody claim that it does? That is what I want to have answered. I want to know why we have to spend $10,000,000 of American money in China to protect our vested interests and maintain an armed force of 2,500 to protect the interests of 12,000 Americans living in China or engaged in business there.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. RANDOLPH. Without entering into the argument of the gentleman from New York, does the gentleman contend that the removal of these ships would cause our relations with China to be any more friendly than they are at the present time?

Mr. FISH. I should think they would be. Would it not be natural if circumstances were reversed and we had foreign troops on our soil that we would like to have them removed?

Mr. RANDOLPH. Let me ask the question in another way: Is there any unfriendly attitude between China and the United States?

Mr. FISH. No. I would say the relationship between the two countries is very friendly, as the Chinese appreciate that we seek no conquered territories or have any imperialistic aims. However, they naturally resent any foreign troops being stationed in their country.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Certainly, no nation likes foreign troops to remain upon her sovereign soil; and why should we keep such a large force of infantry and marines in China when there are only 10,000 or 12,000 American citizens there, and we do only $50,000,000 of export business? We are spending this year approximately $10,000,000 in China out of the Treasury of the United States to keep our armed forces, including naval detachments, there. This seems to me to be a very large sum of money for this purpose and an unnecessary expenditure and not in harmony with the avowed good-neighbor policy of the administration.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. KELLER. Do I understand the gentleman to say that if we did not spend that money there that we would not spend it at some other place?

Mr. FISH. We would not spend that much. The entire expenditure is increased by having them there. Take for instance the 10 gunboats, they would not be used anywhere else.

Mr. KELLER. They might be used here, might they not?

Mr. FISH. No; they would not be used here. I think they were built over there for a specific purpose.

Mr. COFFEE of Washington. They are the Chinese river gunboats?

Mr. FISH. Yes; they are Chinese river gunboats, and there are from 30 to 35 Americans on each boat. It takes a lot of good American dollars to keep these gunboats on peaceful Chinese rivers.

Mr. KELLER. But other nations are there.

Mr. FISH. I do not know or care about the activities of other nations in foreign lands.

Mr. COFFEE of Washington. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. COFFEE of Washington. As I recall, Gen. Smedley D. Butler on numerous occasions has voiced the same sentiments as those uttered by the gentleman from New York. We are keeping the American gunboats on the Yangtze Kiang River to protect American oil interests which have heavy investments along that river.

Mr. FISH. I am glad the gentleman brought that out. I cannot imagine any legitimate reason for these gunboats of ours being on this river in China. Now is the time to find out the facts when American public opinion is aroused and to withdraw our armed forces, gunboats, and to give up voluntarily our extraterritorial rights. If there is a big war over there, we might become involved as a result of maintaining armed forces in a foreign country.

[Here the gavel fell.]

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. FISH. Mr. Speaker, I have just one interest in this whole matter, the same as every other Member of the Congress, whether he be a Democrat or a Republican, and the same as the gentleman from Connecticut who just spoke—and that is to prevent Americans going over to China and involving us in a war. If the old nations of the world want

to arm to the teeth, like Japan, and go to war, it is their war and not our war. The way to keep out of the war is to keep American troops away from the war zone and keep American citizens from fighting in the combat units of any warring nations. That should be self-evident.

We, as Members of the Congress, are the only ones, beside the President, who have the authority to recall our armed forces. These troops may be recalled by an act of Congress. We can prevent our citizens from serving in the armed forces of any nation in time of war by depriving them of citizenship.

I submit the resolution offered by the gentleman from Indiana [Mr. LUDLOW] should be passed. This resolution gives the people the right to declare war, if they want to, or to refuse to declare war. We should adopt also the resolution which I have offered prohibiting the sale of arms, ammunition, and implements of war to all nations, whether in time of peace or in time of war.

Mr. LUDLOW. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Indiana.

Mr. LUDLOW. Will the gentleman state the number of the discharge petition he has filed?

Mr. FISH. It is no. 18. The gentleman has on his petition something like 170 signatures. It needs 218 signatures to bring his resolution to amend the Constitution before the House of Representatives for consideration.

Mr. Speaker, why not give the people the right to vote on that proposition? Why not give them the right to declare war or not declare war? Let the American people decide these issues. Why not initiate that kind of a constitutional amendment and let the people decide if they want to have control in the future of the question of peace or war. [Applause.]

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that on tomorrow, after the address of the gentleman from Michigan [Mr. HOFFMAN], I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial on the Pure Food and Drugs Act.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at the point where I spoke earlier this afternoon, and to include therein copy of a resolution which I have today introduced.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. MAVERICK. I think the gentleman from Massachusetts [Mr. MARTIN] should object to that.

Mr. MARTIN of Massachusetts. I may say the gentleman from Kansas made an address today.

Mr. MAVERICK. Did I not say something?

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

PROVIDING FOR THE ESCHEAT TO THE UNITED STATES OF CERTAIN AMOUNTS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill, H. R. 7741, to amend the Adjusted Compensation Payment Act, 1936, to provide for the escheat to the United States of certain amounts.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, and I do not know that I shall object, I would like to know what this bill does.

Mr. DOUGHTON. Mr. Speaker, this bill amends the Adjusted Compensation Payment Act of 1936, and provides that where a veteran dies without heirs and is entitled to compensation, as the law now stands there seems to be some doubt as to whether the money goes back to the Federal Treasury or to the State. It might perhaps go to the State. This amends the act so that the money goes into the Federal Treasury.

Under the present law when a veteran dies, the administrator of the veteran's affairs certifies to the Secretary of the Treasury and he issues the bonds necessary for payment of the bonus certificate. Under the present law there is some doubt whether that money will go back to the Treasury of the United States or to the State. We think it should go into the Treasury of the United States from whence it came. This bill comes in with a unanimous report from the Committee on Ways and Means.

Mr. RICH. The gentleman says the money should go back into the Treasury. There is no one in the House of Representatives who knows more than does the chairman of the Ways and Means Committee that we ought to get some money back into the Treasury of the United States.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4 of the Adjusted Compensation Payment Act, 1936, as amended, is hereby further amended by striking out the period at the end of the first sentence added by the act approved June 26, 1936 (49 Stat. 1982), and inserting a colon and the following: "*Provided*, That the amount of any such payment (including any payment heretofore made) which, under the law of the State or country pursuant to which the estate of the deceased veteran would be distributed, would otherwise escheat to such State or country, shall escheat to the United States and shall be covered into the general fund of the Treasury."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted, as follows:

To Mr. MOSER of Pennsylvania, for 1 day, on account of important business.

To Mr. MITCHELL of Illinois, indefinitely, on account of illness in family.

EXTENSION OF REMARKS

Mr. BERNARD. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein the Mohawk Valley plan.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PHILLIPS. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a copy of a letter I wrote to the President on the subject of the New England Flood Control Compact.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 114. An act to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 81. An act to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama;

S. 607. An act to authorize improvement of navigation facilities on the Columbia River, and for other purposes;

S. 774. An act to incorporate the Marine Corps League;

S. 1115. An act to amend section 22 of the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes";

S. 1278. An act to authorize exchange of lands at military reservations, and for other purposes;

S. 1281. An act to authorize the sale of surplus War Department real property;

S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.;

S. 2147. An act to amend provisions of the Agricultural Marketing Agreement Act of 1937;

S. 2157. An act authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations; and

S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 4, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet Wednesday, August 4, 1937, at 10 a. m., for the purpose of hearings on House Joint Resolution 458, providing for the participation of the United States in the continuing international exposition to be known as Pacific Mercado, to be held in the city of Los Angeles, Calif., commencing in the year 1940, and in the year 1942 commemorating the landing of Cabrillo, and for other reasons.

COMMITTEE ON NAVAL AFFAIRS

Special Subcommittee on Naval Affairs appointed by Chairman CARL VINSON will hold open hearings on H. R. 7777, to further amend section 3 of the act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limit prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934 (48 Stat. 505), as amended by the act of June 25, 1936 (49 Stat. 1926; 34 U. S. C., sec. 496), Thursday, August 5, 1937, at 10:30 a. m.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in Room 219, House Office Building, Washington, D. C., Tuesday, August 10, 1937, at 10 a. m., on H. R. 8080, a bill "to establish a fund for the insurance of mortgages securing loans for the construction or reconditioning of floating property used for commercial purposes."

Persons desiring to testify are requested to notify the clerk of the committee. Parties who do not intend to testify, but who wish to submit a statement for the record, are requested to file such statement with the clerk of the committee not later than the date of the hearing.

For the information of those persons who intend to testify, it is the desire of the committee that amendments to be proposed during the hearing be submitted in writing to the clerk of the committee prior to the date of the hearing.

It is very important that notice of intention to testify—even though doubtful of fulfillment—be communicated to the clerk of the committee at least 1 day in advance of the hearing. Otherwise unnecessary confusion and delay might arise, resulting in a reduction of the time available for presentation of testimony by witnesses.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

769. A letter from the Attorney General, transmitting a report showing the special assistants employed under an appropriation entitled "Pay of special assistant attorneys"; to the Committee on Expenditures in the Executive Departments.

770. A letter from the Secretary of War, transmitting the draft of a bill to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes"; to the Committee on Military Affairs.

771. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year ending June 30, 1938, for the Department of Agriculture, for dry-land agriculture, amounting to $76,000 (H. Doc. No. 333); to the Committee on Appropriations and ordered to be printed.

772. A letter from the Attorney General, transmitting recommendation of a proposed bill to confer jurisdiction upon certain United States commissioners to try certain civil suits wherein the United States is plaintiff; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CULLEN: Committee on Ways and Means. H. R. 8099. A bill to amend certain administrative provisions of the Tariff Act of 1930, and for other purposes; without amendment (Rept. No. 1429). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Connecticut: Committee on Military Affairs. S. 2401. An act for the relief of sergeant-instructors, National Guard, and for other purposes; without amendment (Rept. No. 1430). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILCOX: Committee on Military Affairs. H. R. 7985. A bill to promote air commerce by providing for the enlargement of Washington Airport; with amendment (Rept. No. 1431). Referred to the Committee of the Whole House on the state of the Union.

Mr. THURSTON: Committee on Coinage, Weights, and Measures. H. R. 7983. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the founding of Iowa Territory; with amendment (Rept. No. 1432). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Georgia: Committee on the Public Lands. H. R. 6748. A bill to establish a national land policy, and to provide homesteads free of debt for actual farm families; without amendment (Rept. No. 1433). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. House Joint Resolution 473. Joint resolution to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes; without amendment (Rept. No. 1434). Referred to the House Calendar.

Mr. CARTWRIGHT: Committee on Roads. H. R. 7373. A bill to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid

highways free bridges, and for other purposes; with amendment (Rept. No. 1435). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEEN: A bill (H. R. 8125) to amend section 77 of the judicial code, as amended, to create a Brunswick division in the southern district of Georgia, with terms of court to be held at Brunswick; to the Committee on the Judiciary.

By Mr. FORAND: A bill (H. R. 8126) to classify certain positions in the Railway Mail Service; to the Committee on the Post Office and Post Roads.

By Mr. HENDRICKS: A bill (H. R. 8127) to allow moving expenses to employees in the Railway Mail Service; to the Committee on the Post Office and Post Roads.

By Mr. KENNEDY of Maryland: A bill (H. R. 8128) requiring the deposit in a secure place ashore of the names and addresses of passengers sailing on vessels plying the inland or coastal waters of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. KENNEY: A bill (H. R. 8129) to amend the Interstate Commerce Act (pt. II); to the Committee on Interstate and Foreign Commerce.

By Mr. SABATH: A bill (H. R. 8130) conferring certain duties and powers upon the Attorney General in receivership, bankruptcy, and reorganization proceedings in the Federal courts; to the Committee on the Judiciary.

By Mr. TERRY: A bill (H. R. 8131) to provide for tuberculosis hospitals and their operation; to the Committee on Interstate and Foreign Commerce.

By Mr. McGRANERY: A bill (H. R. 8132) to establish a Division of Fine Arts in the Office of Education, Department of the Interior; to the Committee on Education.

By Mr. SMITH of Virginia: A bill (H. R. 8133) to establish a commercial airport in the vicinity of the National Capital; to the Committee on Public Buildings and Grounds.

By Mr. SPARKMAN: A bill (H. R. 8134) to quiet title and possession to certain lands in the Tennessee River, in the counties of Colbert and Lauderdale, Ala.; to the Committee on the Public Lands.

By Mr. MILLS: A bill (H. R. 8135) to provide relief for the American farmers for the fiscal year ending June 30, 1938; to the Committee on Appropriations.

By Mr. KELLER: A bill (H. R. 8136) authorizing retirement annuities for certain Librarians of Congress; to the Committee of the Library.

By Mr. SOMERS of New York: Resolution (H. Res. 294) creating a select committee of the House of Representatives to investigate and study the air-transport industry; to the Committee on Rules.

By Mr. LAMBERTSON: Resolution (H. Res. 295) to appoint a select committee of three Members of the House to investigate the construction of the proposed memorial to Thomas Jefferson at St. Louis, Mo.; to the Committee on Rules.

By Mr. CHANDLER: Resolution (H. Res. 296) to make H. R. 6963, a bill to establish a uniform system of bankruptcy throughout the United States, a special order of business; to the Committee on Rules.

By Mr. LEMKE: Joint resolution (H. J. Res. 474) making provisions for the refund of the processing tax on hogs marketed for slaughter by the raisers and producers who in fact bore all or part of the burden of such tax; to the Committee on Agriculture.

By Mr. JOHNSON of Minnesota: Joint resolution (H. J. Res. 475) proposing decentralization of building construction by the United States and immediate cessation of building construction for the United States Government in the District of Columbia and adjacent territory; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND: A bill (H. R. 8137) for the relief of Stuart Bastow; to the Committee on Claims.

By Mr. HOPE: A bill (H. R. 8138) granting a pension to Addaline Collins; to the Committee on Pensions.

By Mr. KITCHENS: A bill (H. R. 8139) for the relief of William L. Foster; to the Committee on Claims.

By Mr. LAMNECK: A bill (H. R. 8140) granting an increase of pension to Annie I. McCoy; to the Committee on Invalid Pensions.

By Mr. LEMKE: A bill (H. R. 8141) to pay to M. F. Gubrud, of Ambrose, N. Dak., $261.75, money erroneously collected under protest, as duty on frozen wheat imported from Canada as feed for livestock, under the tariff act; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3097. By Mr. COFFEE of Washington: Petition of the Workers Alliance of Pierce County, Richard M. Cross, president, wherein 500 people, gathered at Pierce County courthouse, endorse the Schwellenbach-Allen joint resolution (S. J. Res. 176 and H. J. Res. 440) as a measure providing a minimum of justice to the unemployed, as a protection to organized labor, and as a means of community betterment and urge the passage of this bill by the Congress; to the Committee on Appropriations.

3098. By Mr. COLDEN: Petition of the Gardena Valley Milling Co., Inc., with 32 signatures, favoring the enactment of House bill 3144, for protection against the increasing flood of foreign egg products; to the Committee on Ways and Means.

3099. By Mr. LUTHER A. JOHNSON: Petition of George G. Chance, president, Bryan and Brazos County Chamber of Commerce, Bryan, Tex., opposing the Black-Connery labor bill; to the Committee on Labor.

3100. Also, petition of L. F. Barnhardt, Farmers Gin Co., Palmer, Tex., and J. Webb Howell, president and manager of the Bryan Cotton Oil & Fertilizer Co., of Bryan, Tex., opposing the Black-Connery wage and hour bill; to the Committee on Labor.

3101. Also, petition of Hon. Ed B. Hamilton, of Hillsboro, and Henry W. Flagg, president, Texas Wildlife Federation, Galveston, Tex., favoring House bill 7681, to provide that the United States shall aid the States in wildlife-restoration projects; to the Committee on Agriculture.

3102. By Mr. KEOGH: Petition of the Interstate Airways Committee, Washington, D. C., concerning the McCarran-Lea bill for air transport regulation; to the Committee on Interstate and Foreign Commerce.

3103. Also, petition of the Electrolux, Inc., New York City, concerning the Black-Connery wage and hour bill; to the Committee on Labor.

3104. Also, petition of the National Customs Service Association, George L. Connell, president, New York City, urging passage of the McCormack bills (H. R. 3 and 7948); to the Committee on Ways and Means.

3105. Also, petition of the Artists Union of New York, concerning the Schwellenbach-Allen resolution; to the Committee on Banking and Currency.

3106. By Mr. PFEIFER: Telegram of the Wholesale Clothing Clerks Union, Local 158, Amalgamated Clothing Workers of America, New York City, urging support of the wages-and-hours bill; to the Committee on Labor.

3107. Also, telegram of 35,000 members of the Amalgamated Clothing Workers in Greater New York, urging support of the Black-Connery bill; to the Committee on Labor.

3108. Also, telegram of the New York Clothing Cutters Union, Local 4, Amalgamated Clothing Workers of America,

New York City, urging support of the wage and hour bill; to the Committee on Labor.

3109. Also, petition of the Artists Union of New York, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3110. Also, petition of the Electrolux, Inc., New York City, concerning the Black-Connery wage and hour bill; to the Committee on Labor.

SENATE

WEDNESDAY, AUGUST 4, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, August 3, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum, and ask that the roll be called.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Pittman
Andrews	Copeland	La Follette	Radcliffe
Ashurst	Davis	Lee	Reynolds
Austin	Dieterich	Lewis	Schwartz
Bailey	Donahey	Lodge	Schwellenbach
Barkley	Ellender	Logan	Sheppard
Berry	Frazier	Lonergan	Shipstead
Bilbo	George	Lundeen	Smathers
Black	Gerry	McAdoo	Smith
Bone	Gillette	McCarran	Steiwer
Borah	Glass	McGill	Thomas, Okla.
Bridges	Green	McKellar	Thomas, Utah
Brown, Mich.	Guffey	McNary	Townsend
Brown, N. H.	Hale	Maloney	Truman
Bulkley	Harrison	Minton	Tydings
Bulow	Hatch	Moore	Vandenberg
Burke	Herring	Murray	Van Nuys
Byrd	Hitchcock	Neely	Wagner
Byrnes	Holt	Nye	Walsh
Capper	Hughes	O'Mahoney	Wheeler
Chavez	Johnson, Calif.	Overton	White
Clark	Johnson, Colo.	Pepper	

Mr. LEWIS. I again announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent from the Senate on official business as members of the committee appointed to attend the dedication of the battle monuments in France.

I further announce that the Senator from Arkansas [Mrs. CARAWAY] is unavoidably detained from the Senate, and the Senator from Idaho [Mr. POPE] is detained on official business.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in connection with his duty as a member of the committee to attend the dedication of the battle monuments in France.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following acts:

On July 30, 1937:

S. 2193. An act to authorize the construction of certain auxiliary vessels for the Navy.

On August 2, 1937:

S. 455. An act for the relief of J. R. Collie and Eleanor Y. Collie;

S. 534. An act granting the consent of Congress to the States of Montana and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River; and

S. 2086. An act to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico.

On August 3, 1937:

S. 1067. An act for the relief of Asa J. Hunter;

S. 1143. An act for the relief of G. L. Tarlton; and

S. 1144. An act for the relief of the Frazier-Davis Construction Co.

TIFFANY CONSTRUCTION CO.

The VICE PRESIDENT laid before the Senate a letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation on the claim of the Tiffany Construction Co. against the United States, which, with the accompanying paper, was referred to the Committee on Claims.

PETITIONS AND MEMORIAL

The VICE PRESIDENT laid before the Senate a resolution adopted by United Lodge, No. 4, of the International Order of Odd Fellows, of Denver, Colo., protesting against the imposition of certain taxes under the social security law upon lodges of the I. O. O. F. and other similar lodges in the United States, which was referred to the Committee on Finance.

Mr. LODGE presented petitions of sundry citizens of the State of Massachusetts, praying for the enactment of legislation to abolish the Federal Reserve System as at present constituted, and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which were referred to the Committee on Banking and Currency.

Mr. COPELAND presented a petition of sundry citizens of Rochester and Stanley, N. Y., praying for the enactment of the joint resolution (S. J. Res. 10) proposing an amendment to the Constitution relating to the power of the Congress to declare war, which was referred to the Committee on the Judiciary.

WITHDRAWALS OF LAND IN SOUTHWESTERN ARIZONA

Mr. ASHURST. Mr. President, it has been the practice of the Senate for many years, when the request is made, to read from the desk any resolution agreed to by the legislature of a State and any communication from the Governor of a State. Therefore, following the practice of the Senate, I ask unanimous consent that the Secretary read from the desk a copy of a resolution unanimously agreed to by the Legislature of the State of Arizona, and I also ask that there be read a telegram from the Governor of the State of Arizona. These telegrams relate to a matter of such vital and transcendent importance that I wish here and now to make known to the Senate and the country the harmful results that would flow from a proposal alleged to be contemplated which would, if consummated, inflict a deadly wound on the State of Arizona.

The VICE PRESIDENT. Without objection, the clerk will read the telegrams.

The Chief Clerk read as follows:

PHOENIX, ARIZ., *August 3, 1937.*

Senator ASHURST,
Washington, D. C.

HONORABLE SIR: The following memorial was unanimously passed by the Legislature of the State of Arizona, a house memorial protesting against the proposed withdrawal of land in southwest Arizona as game refuge. To the Secretary of the Interior and the Chief of the Bureau of Biological Survey of the United States of America your memorialist respectfully represents: The total area of land within the State of Arizona is 72,838,400 acres. Of this area Indian reservations occupy 19,566,339 acres; national forests, 11,203,438 acres; national parks and monuments, 671,610 acres, military reservations, 72,008 acres. The public domain consists of something less than 13,000,000 acres. Two-thirds of the State's area is controlled by Federal bureaus. Less than one-fourth is subject to taxation. It is understood that the Bureau of Biological Survey has requested the Department of the Interior to have withdrawn

from entry two large bodies of land in the southwestern portion of the State, totaling approximately 3,400,000 acres, for the use and propagation of mountain sheep and goats and as game refuges. A large portion of the area which it is proposed to have placed in these two game refuges is grazing land, and being used by local stockmen, while other portions thereof will soon be irrigated by water from the Colorado River under the Gila project. These proposed withdrawals if made will work undue hardships on the users of said lands, especially those persons engaged in the livestock business, which is one of the biggest industries of the State, and will also greatly retard the development of the State and in a large measure prevent these lands from being developed and improved and placed upon the tax rolls. It is overwhelmingly the public sentiment of the people of Arizona that these proposed game refuges be not established. Wherefore, your memorialist, the House of Representatives of the State of Arizona urgently requests that the proposed withdrawal of public lands in southwestern Arizona for the purposes above stated be not made.

VERNON G. DAVIS,
Speaker of the House of Representatives, State of Arizona.

PHOENIX, ARIZ., *August 3, 1937.*

Hon. HENRY F. ASHURST,
Washington, D. C.:

Following telegram sent to President Roosevelt today: "The Arizona-Colorado River Commission, acting through its chairman, R. C. Stanford, Governor of Arizona, and Donald C. Scott, its secretary, protests against proposed withdrawal of 3,400,000 acres in southwestern Arizona by Department of Interior at request of Bureau of Biological Survey for use and propagation of mountain sheep and goats and as game refuge. As the area proposed to be withdrawn contains highly fertile lands contiguous to and economically irrigable by gravity and pumping from the Colorado River and its tributaries, including Gila project and many other projects, such withdrawal would prevent homestead entry, settlement, and development of these lands which, when irrigated will add vast wealth to Arizona and Nation, and conserve American soil and water resources, agriculture, and food supply.

"Flat areas of such lands are not valuable for grazing, and while upland areas thereof may be so at certain seasons they are more valuable for reclamation by pumping and gravity and development as unit with other irrigable lands below. We object to this proposed withdrawal which would be disastrous to Arizona's present and future growth. Unless these and other Arizona lands are irrigated by diverting Arizona's Colorado River waters thereto above and below Boulder Dam and elsewhere, the waters would be forced to Mexico at the low and wrong end of the river to desolate Arizona and build up an irrigated foreign food supply and military base to compete with our present industry, agriculture and labor, menace national defense and ruin Arizona and proper development of entire Colorado River system, which would be the result of the Colorado River compact which Arizona has rejected for 18 years, and would leave the power in the Colorado River and tributaries and Grand Canyon and side canyons alone to be monopolized by separating irrigation from power. Such withdrawal would in addition interfere with development of several times as much land in Arizona and the Nation in projects of which these lands proposed to be withdrawn are an indispensable part. Your remarkable stand and efforts for conservation of the Nation's land and water resources impel me to urge abandonment of such proposed withdrawal which would be detrimental to Arizona's projects, including Gila project, and to the existence, homes, property values, and prosperity of this State and people, and contrary to proper national river planning which requires development beginning upstream, and subversive of our basic resources, general welfare, and national defense."

ARIZONA COLORADO RIVER COMMISSION,
R. C. STANFORD, *Governor of Arizona, Chairman.*
DONALD C. SCOTT, *Secretary.*

REPORTS OF COMMITTEES

Mr. CHAVEZ, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 6628) to permit the further extension of the Air Mail Service, reported it without amendment and submitted a report (No. 1050) thereon.

Mr. DIETERICH, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 169. A bill to provide for a term of court at Benton, Ill. (Rept. No. 1053); and

H. R. 3217. A bill for the relief of Vincent Chicco (Rept. No. 1054).

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (H. R. 7433) to advance a program of national safety and accident prevention, reported it without amendment and submitted a report (No. 1051) thereon.

He also, from the same committee, to which was referred the bill (S. 992) to make electricians licensed officers after an examination, reported it with an amendment and submitted a report (No. 1070) thereon.

He also, from the same committee, to which was referred the bill (S. 2650) to authorize the completion, maintenance, and operation of the Fort Peck project for navigation, and for other purposes, reported it with amendments and submitted a report (No. 1074) thereon.

Mr. RADCLIFFE, from the Committee on Commerce, to which was referred the bill (H. R. 7807) authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Cambridge Creek, in or near Cambridge, Dorchester County, Md., to replace a bridge already in existence, reported it without amendment and submitted a report (No. 1057) thereon.

Mr. BILBO, from the Committee on Commerce, to which was referred the bill (S. 2206) to provide for the transfer of enlisted men of the Coast Guard to the Fleet Naval Reserve, reported it without amendment and submitted a report (No. 1058) thereon.

Mr. CLARK, from the Committee on Commerce, to which was referred the bill (H. R. 6975) granting the consent of Congress to the county court of Saline County, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Arrow Rock, Mo., reported it without amendment and submitted a report (No. 1059) thereon.

Mr. OVERTON, from the Committee on Commerce, to which was referred the bill (H. R. 7440) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La., reported it without amendment and submitted a report (No. 1062) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 6979. A bill to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex. (Rept. No. 1060);

H. R. 7266. A bill authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown (Rept. No. 1063);

H. R. 7278. A bill to authorize the Secretary of Commerce to grant and convey to the State of Washington fee title to certain lands of the United States in Jefferson County, Wash., for highway purposes (Rept. No. 1061); and

H. R. 7767. A bill creating the Owensboro Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky. (Rept. No. 1064).

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (S. 2307) to provide for the establishment, operation, and maintenance of one or more fish-cultural stations in each of the States of Oregon, Washington, and Idaho, reported it with amendments and submitted a report (No. 1077) thereon.

Mr. HATCH, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1889) authorizing the Secretary of the Interior to convey all right, title, and interest of the United States in certain lands to the State of New Mexico, and for other purposes, reported it with an amendment and submitted a report (No. 1055) thereon.

He also, from the same committee, to which was referred the bill (S. 2614) authorizing the Secretary of the Interior to patent certain tracts of land to the State of New Mexico and Cordy Bramlet, reported it with amendments and submitted a report (No. 1056) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 1075) to establish the Pipestone Indian Shrine in the State of Minnesota,

reported it with amendments and submitted a report (No. 1065) thereon.

He also, from the same committee, to which was referred the bill (H. R. 1995) to add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes, reported it with an amendment and submitted a report (No. 1066) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2583. A bill to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and for other purposes (Rept. No. 1067);

H. R. 827. A bill for the relief of Fred P. Halbert (Rept. No. 1068); and

H. R. 3866. A bill to add certain lands to the Columbia National Forest in the State of Washington (Rept. No. 1069).

Mr. PITTMAN, from the Committee on Public Lands and Surveys, to which was referred the resolution (S. Res. 148) extending the time for submittal of a report of an investigation of the domestic potash industry and matters relating thereto, reported it without amendment and submitted a report (No. 1071) thereon.

He also, from the Committee on Foreign Relations, to which was referred the joint resolution (S. J. Res. 191) to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes, reported it with amendments and submitted a report (No. 1072) thereon.

He also, from the same committee, to which was referred the bill (S. 2901) to amend subsection (e) of section 9 of the Trading With the Enemy Act, as amended, reported it without amendment and submitted a report (No. 1076) thereon.

Mr. PEPPER, from the Committee on Foreign Relations, to which was referred the joint resolution (S. J. Res. 166) providing for participation by the United States in the Pan American Exposition to be held in Tampa, Fla., in the year 1939 in commemoration of the four hundredth anniversary of the landing of Hernando De Soto in Tampa Bay, and for other purposes, reported it with an amendment and submitted a report (No. 1075) thereon.

He also, from the Committee on Education and Labor, to which was referred the bill (H. R. 7274) to enable the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices and to cooperate with the States in the promotion of such standards, reported it without amendment and submitted a report (No. 1078) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 1451) for the relief of Presly Holliday, quartermaster sergeant, Quartermaster Corps, on the retired list, and for other purposes, reported it with an amendment and submitted a report (No. 1073) thereon.

SAFETY AT SEA—REPORT OF THE COMMITTEE ON COMMERCE

Mr. COPELAND, from the Committee on Commerce, submitted a report to accompany the bill (S. 2580) to amend existing laws so as to promote safety at sea by requiring the proper design, construction, maintenance, inspection, and operation of ships; to give effect to the Convention for Promoting Safety of Life at Sea, 1929; and for other purposes, heretofore reported by him from that committee, with amendments, which was ordered to be printed as Senate Report No. 1052.

ENROLLED JOINT RESOLUTIONS AND BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled joint resolutions and bills:

On August 3, 1937:

S. J. Res. 57. Joint resolution to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric-power resources, water and soil conservation, and for other purposes; and

S. J. Res. 183. Joint resolution consenting to an interstate oil compact to conserve oil and gas.

On August 4, 1937:

S. 81. An act to provide retirement annuities for certain former employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama;

S. 607. An act to authorize improvement of navigation facilities on the Columbia River, and for other purposes;

S. 774. An act to incorporate the Marine Corps League;

S. 1115. An act to amend section 22 of the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes";

S. 1278. An act to authorize exchange of lands at military reservations, and for other purposes;

S. 1281. An act to authorize the sale of surplus War Department real property;

S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.;

S. 2147. An act to amend provisions of the Agricultural Marketing Agreement Act of 1937;

S. 2157. An act authorizing credits to disbursing officers for expenses incident to the creation of subsistence homesteads corporations; and

S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

A bill (S. 2902) for the relief of Edward F. Cassidy; to the Committee on Claims:

By Mr. DAVIS:

A bill (S. 2903) granting a pension to Anna M. Plank and John W. Plank; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 2904) for the relief of the heirs of John Morgan; to the Committee on Claims.

A bill (S. 2905) granting a pension to Ella Adkins; and

A bill (S. 2906) granting a pension to George M. Fisher; to the Committee on Pensions.

By Mr. REYNOLDS:

A bill (S. 2907) to provide for advisory referenda in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. LEWIS:

A bill (S. 2908) for the relief of James A. Crotty as administrator of the estate of Elbert R. Robinson, deceased; to the Committee on Patents.

By Mr. O'MAHONEY:

A bill (S. 2909) to amend an act of Congress approved June 17, 1870, entitled, "An act to establish a Police Court for the District of Columbia, and for other purposes"; to the Committee on the Judiciary.

By Mr. SHEPPARD:

A bill (S. 2910) relative to the military record of Capt. John W. Eckles, deceased; to the Committee on Military Affairs.

REPEAL OF SILVER PURCHASE ACT OF 1934

Mr. TOWNSEND. Mr. President, I ask consent to introduce a joint resolution for reference to the Committee on Banking and Currency. I also request that the resolution may be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 194) to repeal the Silver Purchase Act of 1934 was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Joint resolution to repeal the Silver Purchase Act of 1934

Whereas the Silver Purchase Act of 1934 declares it "to be the policy of the United States that the proportion of silver to gold in

the monetary stocks of the United States should be increased, with the ultimate objective of having and maintaining, one-fourth of the monetary value of such stocks in silver"; and

Whereas the Secretary of the Treasury purchased between June 30, 1934, and January 31, 1937, an amount of silver of a monetary value of approximately $1,524,000,000, and despite these heavy purchases the purchase of an additional $1,364,000,000 of silver would have been required in 1937, due to the simultaneous huge increase in gold stocks, to carry out the policy declared in the Silver Purchase Act of 1934; and

Whereas the total world production of silver for the calendar year 1934 was only 215,949,585 ounces, or less than one-fifth of the additional supply required in 1937; and

Whereas the total supply of silver required on January 31, 1937 ($3,785,900,000), would have amounted to approximately 66 percent of the total stock of silver in the world's banks and treasuries in 1935 ($5,706,529,000); and

Whereas the only measurable results of the Silver Purchase Act of 1934 have assumed the form not of general public benefit (one of its alleged purposes), but of a subsidy to silver producers at the expense of the general public and an unwarranted profit chiefly to Chinese and Japanese smugglers and speculators in silver, to Mexican, Indian, South American, and other foreign producers and hoarders of silver, to holders of shares in producing companies, and to speculators in silver the world over; and

Whereas the silver-purchase program tends to weaken the effectiveness of the concerted drive being made by the administration to counteract inflationary forces resulting from its fiscal policies by increasing the currency supply of the Nation at a time when strenuous efforts are being made by the administration to reduce excess reserves in banks and the dangers of credit inflation based upon the huge accumulation of gold; and

Whereas the silver being accumulated under the Silver Purchase Act of 1934 has a present bullion market value far below its cost and in all probability can be disposed of only at a great loss; and

Whereas the present artificial stimulation of silver production which results in taking vast hoards of silver from the ground only to be reburied in the ground will jeopardize the future stability of the silver industry; and

Whereas another alleged purpose of the Silver Purchase Act of 1934 is "to do something for China" and increase Chinese purchases of the products of American farms and factories, when in fact it forced China to close all its banks, suspend the silver standard, and suffer a drastic defiaton, thereby crippling its purchasing power: Therefore be it

Resolved, etc., That the Silver Purchase Act of 1934 is hereby repealed.

WEIGHT OF SILVER DOLLAR AND UNLIMITED COINAGE OF SILVER

Mr. TOWNSEND. I also ask consent to introduce a joint resolution for reference to the Committee on Banking and Currency, and I ask that the resolution may be printed in full in the RECORD.

There being no objection, the joint resolution (S. J. Res. 195) terminating the authority of the President and the Secretary of the Treasury with respect to fixing the weight of the silver dollar and providing for the unlimited coinage of silver was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Joint resolution terminating the authority of the President and the Secretary of the Treasury with respect to fixing the weight of the silver dollar and providing for the unlimited coinage of silver

Whereas the President has been granted the unprecedented power to change the weight and fineness of silver coins of the United States and to expand the circulation of silver coins, and particularly silver certificates; and

Whereas future expansion of silver coins and silver certificates by the devaluation of silver would counteract the attempts being made by the Board of Governors of the Federal Reserve System and the Secretary of the Treasury to minimize inflationary tendencies; and

Whereas the supply of silver now accumulated in this country has already reached dangerous proportions; and

Whereas the provision on our statute books which permits the President at his discretion to authorize the free coinage of silver at such ratio to gold as he may determine disregards all past experience of the world with the bimetallic currency system: Therefore be it

Resolved, etc., That all power and authority with respect to fixing the weight of the silver dollar and providing for the unlimited coinage of silver conferred upon the President and the Secretary of the Treasury, or either of them, by any act of Congress enacted subsequent to May 11, 1933, shall cease and terminate on the date of enactment of this joint resolution; and all proclamations, orders, rules, regulations, and other action promulgated, made, issued, or taken by the President and the Secretary of the Treasury, or either of them, subsequent to May 11, 1933, with respect to fixing the weight of the silver dollar and providing for the unlimited coinage of silver shall cease to be effective on and after the date of enactment of this joint resolution.

IMPROVEMENT OF RIVERS AND HARBORS—AMENDMENTS

Mr. McADOO submitted two amendments intended to be proposed by him to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which were ordered to lie on the table and to be printed.

He also submitted an amendment intended to be proposed by him to the bill (H. R. 7646) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, which was ordered to lie on the table and to be printed.

INVESTIGATION RELATIVE TO SILVER

Mr. TOWNSEND submitted the following resolution (S. Res. 166), which was referred to the Committee on Banking and Currency:

Whereas the great increase in the gold supply of the United States, resulting from devaluation of the standard gold dollar and the influx of gold, has been a most important consideration in the explanation of the fact that the Secretary of the Treasury has not fulfilled, and has not been able to fulfill, the requirements of section 3 of the Silver Purchase Act of 1934, which in effect authorized and directed him to purchase silver at home or abroad at not to exceed $1.29 an ounce "whenever and so long as the proportion of silver in the stocks of gold and silver of the United States is less than one-fourth of the monetary value of such stocks", or one-third of the monetary value of the gold supply; and

Whereas it appears that several factors have arisen, since the passage of the Silver Purchase Act of 1934, which justify the question as to whether the reasons originally advanced in defense of the provisions of that act are now applicable; and

Whereas charges have been printed of such seriousness with respect to silver legislation, purchases, and speculation as to warrant an investigation in order to determine the facts, to acquaint the public with them, and to remove any stigma unjustly placed upon persons mentioned in these charges: Therefore be it

Resolved, That a special committee of five Senators who are members of the Committee on Banking and Currency, to be appointed by the President of the Senate, is authorized and directed to make a full and complete investigation (1) of all matters relating to the purchase of silver under the Silver Purchase Act of 1934, (2) of all matters having a bearing upon the use of silver as currency and as bullion in the United States, and (3) of all the measures taken by the Government with respect to silver preceding the Silver Purchase Act of 1934, and particularly the authority of the President to fix, by his proclamation of December 21, 1933, the price of newly mined domestic silver at 64.5 cents an ounce, and the legal value of the opinion of the Attorney General of November 8, 1933, on which such proclamation by the President appears to have been based. The committee so appointed shall report to the Senate as soon as practicable the results of its investigation, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

INVESTIGATION PERTAINING TO FLAXSEED—TAXES AND TARIFFS ON FLAXSEED, PERILLA OIL, ETC.

Mr. NYE submitted the following resolution (S. Res. 167), which was referred to the Committee on Agriculture and Forestry:

Whereas the Soil Conservation and Domestic Allotment Act of February 29, 1936, declared it to be the purpose of Congress—

"(A) To reestablish, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909 to July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture and the maintenance of such a ratio"; and

Whereas according to the United States Department of Agriculture the price of wheat has been higher than parity price as

determined by the Department of Agriculture since July 1936 and in June 1937 the price of wheat at Minneapolis was 11 cents higher than parity; and

Whereas for a period of years the price of flaxseed has generally been just about twice the price of wheat per bushel at Minneapolis; and

Whereas the price of flaxseed at Minneapolis was 26 cents per bushel below parity price, as established by the Department of Agriculture, in January 1936, and has been consistently lower since that time; and that in June 1937 the price of flaxseed in Minneapolis was 41 cents below parity; and

Whereas the Department of Agriculture in its statement "Average Prices Received by Farmers for Farm Products July 15, 1937, With Comparisons", issued July 29, 1937, reveals under the heading "Price Relatives" (p. 13) that using the index figure 100 (based on actual prices received by farmers 1909–14) wheat increased from the index figure of 107 on July 15, 1936, to 128 on July 15, 1937; and during the same period corn increased from 125 to 184; oats from 88 to 107; barley from 91 to 104; rye from 85 to 112; cottonseed from 138 to 157; while flaxseed gained but 1 point, from 109 to 110; and

Whereas the two products of flaxseed are linseed oil and linseed meal, and, according to the United States Department of Labor, the price of linseed oil in January 1936 was 10.1 cents per pound, and in June 1937, 11.1 cents per pound (an increase of 10 percent), and the price of linseed meal in January 1936 was $30 per ton, and $35.63 per ton in June 1937 (an increase of 18.2 percent), while the United States Department of Agriculture gives the Minneapolis price of flaxseed in January 1936 at $1.87 per bushel, and in June 1937, $1.91 per bushel (an increase of 0.02 percent): Therefore be it

Resolved, That the Secretary of Agriculture is hereby requested and directed to make a thorough investigation of the influence and factors keeping the price of flaxseed under parity, and to report to the Senate the results thereof.

In particular, but not to the exclusion of other matters, the Secretary of Agriculture is requested and directed to make and report to the Senate the results of an investigation and study of—

(1) The effectiveness of the existing tariff on flaxseed.

(2) The effectiveness of the existing tariff on linseed oil.

(3) The compensatory relationship between the existing tariff on flaxseed and the existing tariff on linseed oil.

(4) The effectiveness of the existing tariffs or excise taxes on perilla oil and other oils entering into competition with linseed oil, as well as the effectiveness of the existing tariffs and excise taxes on oil-bearing seeds entering into competition with flaxseed; and be it further

Resolved, That the United States Tariff Commission is hereby requested and directed to render such assistance and cooperation as the Secretary of Agriculture may request to enable him to make this report to the Senate.

LOSS OF STATE REVENUES BY TAX EXEMPTION OF INDIAN LANDS

Mr. THOMAS of Oklahoma submitted the following resolution (S. Res. 168), which was referred to the Committee on Indian Affairs:

Resolution authorizing Committee on Indian Affairs, or subcommittee thereof, to hold hearings to determine alleged loss of revenues sustained by certain States due to exemption from taxation of Indian lands, and oil and gas and other minerals from such lands; prescribing the duties of said committee, and authorizing said committee to determine the amount of such loss sustained by such States

Whereas the State of Oklahoma and other States under the terms of the enabling act by which such Territories were admitted to statehood, as interpreted by the courts of last resort, the State of Oklahoma and other States have been deprived of the right to tax Indian lands within such States, and oil and gas and other minerals from such Indian lands (including the oil producers' share as well as the Indians' share) under the supervision and regulation of the Department of the Interior of the United States, resulting in a loss of revenue by such exemption from taxation of the lands and minerals located within the State of Oklahoma and other States; and

Whereas as a result of such immunity extended to the Indians and the lessees of Indian lands the State of Oklahoma and other States have sustained a loss of substantial revenues which was required to be compensated by increased taxes on the remaining property belonging to the taxable citizens of such States for the support and maintenance of the State government; and

Whereas the State of Oklahoma and other States have provided school facilities, police protection, highways, maintained courts of justice, recording offices, and other facilities of government which have been available to the Indians as well as to the other citizens of such States, all at the expense of the taxpayers of the respective States; and

Whereas the Indian is a ward of the United States and is not a ward of the State of Oklahoma or other States, and all of the immunities, privileges, and exemptions which the United States has deemed proper to accord the Indian should be a charge upon and borne by all of the States or the General Government, and not by the property of the taxable citizens of any given State; and

Whereas by depriving the State of Oklahoma and other States of the right to tax such exempted property such States have been deprived of an inalienable sovereign power: Therefore be it

Resolved, That the Committee on Indian Affairs, or any duly authorized subcommittee thereof, is authorized to make an investigation of the relationship between the Federal Government and the governments of the several States and political subdivisions thereof in which there are located Indian reservations or unallotted Indian tribal lands, or any other Indian lands which have not been subject to taxation by such States or political subdivisions, with a view to a fair and equitable reimbursement to said States and/or political subdivisions.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Seventy-fifth and succeeding Congresses until the final report is submitted, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable; and at the conclusion of such hearings said committee shall make a report of its findings to the Congress: *Provided, however*, The cost of presenting evidence and testimony to such committee incident to the establishment of the amount of loss sustained by any State shall be borne by such State without expense to the United States.

RECESS APPOINTMENTS

Mr. VANDENBERG. Mr. President, on the question of the precedents and proprieties involved in Presidential recess appointments, I ask that an article by Mr. David Lawrence, published in the Washington Star of last evening, may be printed in the RECORD. I particularly wish to call attention to the final paragraph, which describes a pertinent Colorado case in which the Colorado Supreme Court concluded, under like circumstances to those which may confront the Senate, as follows:

It cannot be disputed that it is a Governor's constitutional duty to nominate to the senate when it is in session and upon their consent to appoint to fill every vacant office. It follows that the Governor cannot make an ad-interim appointment in the present case, but must await the session of the senate or call a special session.

I ask that the entire article be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The article referred to is as follows:

[From the Washington Evening Star of Aug. 3, 1937]

COURT TANGLE CREATES NEW ISSUE—LAWS HINT JUSTICE SHOULD BE NAMED FOR CONFIRMATION

(By David Lawrence)

President Roosevelt has been advised that he can defeat the will of the United States Senate and appoint a member of the Supreme Court after Congress adjourns for its present session and that the appointment will hold good until the end of the next session, which might be until the summer of 1938.

Thus without allowing the Senate to express its advice and consent, as required by the Constitution, the President is being told a Justice can serve on the Supreme Court for a whole term of the Court, which runs from October to June.

The precise point at issue—when a vacancy must be filled—has never been passed upon by the Supreme Court itself and there are as many good legal grounds for arguing that Attorney General Cummings has rendered the wrong advice as to suggest that his opinion is conclusive.

The Constitution's language is as follows:

"The President shall have power to fill up vacancies that may happen during the recess of the Senate by granting commissions which shall expire at the end of their next session."

HINGES ON WORD "HAPPEN"

The question is, What does the word "happen" really mean? It is insisted by the administration that the word may be construed to mean all vacancies "that may happen to exist during the recess of the Senate."

This interpretation, however, arises from a peculiar set of circumstances in a given case which in reality does not apply at all to the present situation. Back in 1880 a vacancy occurred in the office of United States district attorney, and in those days the circuit judges had power to fill the vacancies. Henry Farrow was the incumbent. When his term expired a circuit judge appointed him to fill the vacancy. Then the President came along with another appointment, namely, John Bigby, and the nomination was sent to the Senate while that body was in session, but failed of action. A dispute arose as to the power of the President to make a recess appointment for Mr. Bigby. Clearly this is different from the circumstances existing today with respect to Justice Van Devanter, who retired from the Supreme Court on June 2, during a session of the Senate, and no nomination has been made by the President.

Yet in the Farrow case, which was decided by Judge Woods for the circuit court, northern district of Georgia, constituting really the highest Federal court ruling available, the opinion of the court, instead of supporting, really rejects the reasoning of those who insist that "happen" means in all cases "happens to exist" during a recess of the Senate.

OPINION CITED

Judge Woods quoted with approval the opinion of William Wirt, Attorney General under President Monroe. Said Mr. Wirt:

"The Constitution does not look to the moment of origin of the vacancy but to the state of things at the point of time at which the President is called upon to act. Is the Senate in session? Then he must make a nomination to that body. Is it in recess? Then the President must fill the vacancy by a temporary commission. This seems to me to be the only construction of the Constitution which is compatible with its spirit, reason, and purpose, while at the same time it offers no violence to its language, and these are, I think, the governing points to which all sound construction looks."

Judge Woods pointed out that this opinion was concurred in by Roger Taney when he was Attorney General under President Jackson, the same man who was later Chief Justice. But Mr. Taney used the idea of "happen to exist" to cover an entirely different set of circumstances than prevail today. He declared that the clause in the Constitution was intended to provide "for those vacancies which might arise from accident and the contingencies to which human affairs must always be liable." Mr. Taney's point was that if by some mischance a nomination was omitted by a President through no deliberate intention, then a vacancy might be said to happen to exist. He added:

"If it falls out that from death, inadvertence, or mistake an office required by the law to be filled is in recess, found to be vacant, then a vacancy has happened during the recess, and the President may fill it."

NEW ISSUE INVOLVED

This reasoning was tied closely to the notion that a nomination sent to the Senate might fail of confirmation and that a recess appointment would then be in order. This power is not questioned now, but the new issue is whether a President, fully cognizant of the existence of a vacancy, refuses to send a nomination to the Senate, makes a recess appointment and then refuses to withdraw the appointment if it is not confirmed by the Senate and keeps his appointee on the Supreme Court throughout a full term of the Court.

Incidentally, Congress itself has by law indicated that it does not approve of persons taking office who are not confirmed when there has been a chance for them to win confirmation. The Revised Statutes of the United States ever since 1869 have provided:

"No money shall be paid from the Treasury as a salary to any person appointed during the recess of the Senate to fill a vacancy in any existing office, if the vacancy existed while the Senate was in session, and was by law required to be filled by and with the advice and consent of the Senate, until such appointee has been confirmed by the Senate."

The most important Court decision of recent years bearing on the point at issue was in Colorado in 1925 when a clause in the State constitution virtually the same as that in the Federal Constitution was construed by the Supreme Court of Colorado to mean that once a vacancy occurs during a session of the upper house of the legislature a nomination must then be made or else a recess appointment is barred. The Colorado Legislature met on January 7, 1925, and sat in continuous session till April 17, 1925. But notwithstanding that a vacancy occurred in the State board of land commissioners on January 13, 1925, the Governor waited until April 16, 1925, the very day the senate was preparing to adjourn, and the nomination was left unacted upon for lack of time. The Supreme Court of Colorado refused to recognize a recess appointment, saying:

"It cannot be disputed that it is the Governor's constitutional duty to nominate to the senate when it is in session and upon their consent to appoint to fill every vacant office. It follows that the Governor cannot make an ad-interim appointment in the present case, but must await the session of the senate or call a special session."

RECREATIONAL FACILITIES AT PIERRE, S. DAK.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1047) to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes, which were, on page 2, line 14, to strike out all after "South" down to and including "island", in line 19, and to insert:

Dakota; *Provided*, That this authorization shall be effective only when the city of Pierre or the State legislature shall enact and maintain regulatory provisions of the kind set out in sections 2, 3, 4, and 5 of this act, in modification of the conditions contained in the act of March 2, 1889 (25 Stat. L. 888, 897), relating to the purposes for which the said Farm Island may be used; and that until such enactment is certified to the Secretary of the Interior, no part of this act shall be in effect.

SEC. 2. The carriage, sale, or gift on such island of any alcoholic beverages other than beer is hereby prohibited, and such city is further authorized, for the purposes of detecting and preventing the carriage of such beverages, to provide for the reasonable inspection of persons and vehicles on such island.

On page 2, line 20, to strike out "2" and insert "3"; on page 3, line 1, to strike out "3" and insert "4"; and on page 3, line 15, to strike out "4" and insert "5."

Mr. BULOW. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

RECREATIONAL FACILITIES AT CHAMBERLAIN, S. DAK.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1266) to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and for other purposes, which was, on page 2, line 17, after "island", to insert:

Provided further, That this act shall become effective only after the city of Chamberlain makes regulatory provision to carry out the terms of the act and after such regulations have been certified to the Secretary of the Interior.

Mr. BULOW. I move that the Senate concur in the House amendment.

The motion was agreed to.

DISTRICT OF COLUMBIA TAXES—CONFERENCE REPORT

Mr. KING submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 7472) to provide additional revenue for the District of Columbia, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 12, 29, 30, 31, and 32.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, and 33, and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"TITLE II—TAXES ON INSURANCE COMPANIES

"SECTION 1. On and after the 1st day of September 1937, every domestic, foreign, or alien company organized as a stock, mutual, reciprocal, Lloyd's, fraternal, or any other type of insurance company or association, before issuing contracts of insurance against loss of life or health, or by fire, marine, accident, casualty, fidelity and surety, title guaranty, or other hazard not contrary to public policy, shall obtain from the superintendent of insurance of the District of Columbia an annual license or certificate of authority, upon payment of a fee of $25 to the collector of taxes of the District of Columbia. All licenses for insurance companies who may apply for permission to do business in the District of Columbia shall date from the first of the month in which application is made, and expire on the 30th day of April following, and payment shall be made in proportion.

"SEC. 2. Any such company issuing contracts of insurance in the District of Columbia, without first having obtained license or certificate of authority from the superintendent of insurance so to do, shall upon conviction be subject to a fine of $100 per day for each day it shall engage in business without such license or certificate of authority.

"SEC. 3. All prosecutions for violations of this title shall be in the police court of the District of Columbia by the corporation counsel of the District of Columbia or any of his assistants.

"SEC. 4. Each of such companies shall file an annual statement, in the form prescribed by the superintendent of insurance, before March 1 of each year, of its operations for the year ending December 31 immediately preceding. Such statement shall be verified by the oath of the president and secretary or in their absence by two other principal officers. The fee for filing said statement shall be $20 and payment therefor shall be made to the collector of taxes of the District of Columbia.

"SEC. 5. If any such company shall fail to file the annual statement herein required, the superintendent of insurance may thereupon revoke its license or certificate of authority to transact business in the District of Columbia.

"SEC. 6. All such companies shall also pay to the collector of taxes of the District of Columbia a sum of money as taxes equal to 2 per centum of its policy and membership fees and net premium receipts on all insurance contracts on risks in the District of Columbia, said taxes to be paid before the 1st day of March of each year on the amount of income for the year ending December 31 next preceding. Such tax shall be in lieu of all other taxes except (1) taxes upon real estate, and (2) fees and charges provided for by the insurance laws of the District including amendments made to such laws by this title.

" 'Net premium receipts' means gross premiums received less the sum of the following:

"1. Premiums returned on policies canceled or not taken;

"2. Premiums paid for reinsurance where the same are paid to companies duly licensed to do business in the District; and

"3. Dividends paid in cash or used by policyholders in payment of renewal premiums.

"Nothing contained in this section or in sections 1 or 7 of this title shall apply with respect to marine insurance written within the said District and reported, taxed, and licensed under the provisions of the act entitled 'An act to regulate marine insurance in the District of Columbia, and for other purposes', approved March 4, 1922, as amended.

"SEC. 7. If any such company shall fail to pay the tax herein required, it shall be liable to the District of Columbia for the amount thereof, and in addition thereof a penalty of 8 per centum per month thereafter until paid.

"SEC. 8. Nothing contained in this title shall apply to any relief association, not conducted for profit, composed solely of officers and enlisted men of the United States Army or Navy, or solely of employees of any other branch of the United States Government service or solely of employees of the District of Columbia government, or solely of employees of any individual, company, firm, or corporation or to any fraternal organization which issues contracts of insurance exclusively to its own members.

"SEC. 9. Any act or part of any act insofar as it is inconsistent with the provisions of this title is hereby repealed."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with amendments, as follows: Restore the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the Senate amendment, on page 11 of the House bill, line 16, after "fuel" insert "to be used by him or"; and on page 12 of the House bill, line 19, after "fuel" insert "to be used by him or"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"TITLE VI—TAX ON PRIVILEGE OF DOING BUSINESS

"SECTION 1. Where used in this title—

"(a) The term 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, receiver, or any other group or combination acting as a unit, but shall not include railroad or railroad express companies which report to and are subject to regulation by the Interstate Commerce Commission under the provisions of the Interstate Commerce Act of 1887, as amended.

"(b) The term 'taxpayer' means any person liable for any tax hereunder.

"(c) The term 'Commissioners' means the Commissioners of the District of Columbia or their duly authorized representative or representatives.

"(d) The term 'business' shall include the carrying on or exercising for gain or economic benefit, either direct or indirect, any trade, business, profession, vocation, or commercial activity in or on privately owned property and in or on property owned by the United States Government in the District of Columbia, not including, however, labor or services rendered by any individual as an employee for wages, salary, or commission.

"(e) The term 'gross receipts' means the gross receipts received from any business in the District of Columbia, including cash, credits, and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials, labor, or services or other costs, interest, or discount paid, or any other expenses whatsoever: *Provided*, That the term 'gross receipts' when used in connection with or in respect of financial transactions involving the sale of notes, stocks, bonds, and other securities, or the loan, collection, or advance of money, or the discounting of notes, bills, or other evidences of debt, shall be deemed to mean the gross interest, discount, commission, or other gross income earned by means of or resulting from said financial transactions: *Provided further*, That in connection with commission merchants, attorneys or other agents, the term 'gross receipts' shall be deemed to mean the gross amount of such commissions or gross fees received by them, and, as to stock and bond brokers, the term 'gross receipts' shall be deemed to mean gross amount of commissions or gross fees received, the gross trading profit on securities bought and sold, and the gross interest income on marginal accounts from business done or arising in the District of Columbia: *Provided further*, That with respect to contractors the term 'gross receipts' shall mean their total receipts less money paid by them to subcontractors for work and labor performed and material furnished by such subcontractors in connection with such work and labor.

"(f) The term 'fiscal year' means a year beginning on the 1st day of July and ending on the 30th day of the June following.

"SEC. 2. No person shall engage in or carry on any business in the District of Columbia after 60 days from the approval of this act and until July 1, 1938, without first having obtained a license so to do from the Commissioners, except that no license shall be required of any person selling newspapers, magazines, or periodicals, whose sales are not made from a fixed location and which sales do not exceed the annual sum of $2,000. All licenses issued under this title shall expire on June 30, 1938, and no license may be transferred to any other person.

"All licenses granted under this title must be conspicuously posted on the premises of the licensee and said license shall be accessible at all times for inspection by the police or other officers duly authorized to make such inspection. Licensees having no located place of business shall exhibit their licenses when requested to do so by any of the officers above named.

"Licenses shall be good only for the location designated thereon, except in the case of licenses issued hereunder for businesses which in their nature are carried on at large and not at a fixed place of business, and no license shall be issued for more than one place of business without a payment of a separate fee for each.

"The Commissioners may, after hearing, revoke any license issued hereunder for failure of the licensee to file a return or corrected return within the time required by this title or to pay any installment of the tax when due.

"SEC. 3. Each application for license shall be accompanied by a filing fee of $10: *Provided, however*, That no license fee shall be required of any person if he shall certify under oath that his gross receipts during the year immediately preceding his application, if he was engaged in business during all of such period of time, or his gross receipts as computed in the manner provided in section 5 of this title, if he was engaged in business for less than 1 year immediately preceding his application, was not more than $2,000. Such application shall be upon a form prescribed and furnished by the Commissioners.

"SEC. 4. Every person subject to the tax hereunder shall, within 30 days after the approval of this act, furnish to the assessor, on a form prescribed by the Commissioners, a statement under oath showing the gross receipts of the taxpayer during the preceding calendar year, which said return shall contain such other information as the Commissioners may deem necessary for the proper administration of this title.

"The Commissioners, for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return where none has been made, are authorized to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return and may summon any person to appear and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then, and in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

"The Commissioners are authorized and empowered to extend for cause shown the time for filing a return for a period not exceeding 30 days.

"SEC. 5. For the privilege of engaging in business in the District of Columbia, each person so engaged shall pay to the collector of taxes of the District of Columbia for the fiscal year 1937–38 a tax equal to two-fifths of 1 per centum of the gross receipts in excess of $2,000 derived from such business for the calendar year 1936: *Provided, however*, That the tax imposed by this section shall be payable only upon the gross commissions of any person engaged in the business of a broker or agent, and shall not be payable upon the funds of his principal, of which he is a mere conduit.

"If a taxpayer was not engaged in business during the whole of the calendar year 1936 he shall pay the tax imposed by this title measured by his gross receipts during the period of 1 year from the date when he became so engaged; and if such taxpayer shall not have been so engaged for an entire year prior to the approval of this act, then the tax imposed shall be measured by his gross receipts for the period during which he was so engaged, multiplied by a fraction, the numerator of which shall be 365 and the denominator of which shall be the number of days during which he was so engaged.

"If a person liable for the tax during any year or portion of a year for which the tax is computed acquires the assets or franchises of or merges or consolidates his business with the business of any other person or persons, such person liable for the tax shall report, as his gross receipts by which the tax is to be measured, the gross receipts for such year of such other person or persons together with his own gross receipts during such year.

"SEC. 6. National banks and all other incorporated banks and trust companies, street railroad, gas, electric lighting and telephone companies, companies incorporated or otherwise, who guarantee the fidelity of any individual or individuals, such as bonding companies, companies who furnish abstracts of titles, savings banks, and building and loan associations which pay taxes under existing laws of the District of Columbia upon gross receipts or gross earnings, and insurance companies which pay a tax upon premiums shall be exempt from the provisions of this title. Any tax levied by the District of Columbia upon tangible personal property (other than motor vehicles) for the fiscal year 1937–38

and paid by such taxpayer shall be credited upon the tax due under this title.

"SEC. 7. The taxes imposed hereby shall be due 30 days after the approval of this act and may be paid without penalty to the collector of taxes of the District of Columbia in equal semiannual installments in the months of September and March following. If either of said installments shall not be paid within the month when the same is due, said installment shall thereupon be in arrears and delinquent and there shall be added and collected to said tax a penalty of 1 per centum per month upon the amount thereof for the period of such delinquency, and said installment with the penalties thereon shall constitute a delinquent tax.

"SEC. 8. If a return required by this title is not filed, or if a return when filed is incorrect or insufficient and the maker fails to file a corrected or sufficient return within 20 days after the same is required by notice from the assessor, the assessor shall determine the amount of tax due from such information as he may be able to obtain, and, if necessary, may estimate the tax on the basis of external indices such as number of employees of the person concerned, rentals paid by him, stock on hand, and other factors. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed shall within 15 days after the giving of notice of such determination apply to the Board of Equalization and Review of the District for hearing and review, and the burden of proving the incorrectness of the assessor's determination shall be upon the taxpayer. After such hearing said Board shall give notice of its decision to the person liable for the tax. The decision of said Board may be reviewed by application to the District Court of the United States for the District of Columbia, if the said application be filed within 20 days after said notice: *Provided, however,* That the amount of any tax sought to be reviewed shall, with interest and penalties thereon, if any, be first deposited with the clerk of said court.

"SEC. 9. Any person failing to file a return or corrected return within the time required by this title shall be subject to a penalty of 10 per centum of the tax due plus 5 per centum of such tax for each month of delay or fraction thereof.

"SEC. 10. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended by registered mail addressed to such person at the address given in the return filed by him pursuant to the provisions of this title, or if no return has been filed then to his last-known address. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing such notice.

"SEC. 11. The taxes levied hereunder and penalties may be collected by the collector of taxes of the District of Columbia in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection.

"SEC. 12. Any person engaging in or carrying on business without first having obtained a license so to do, or failing or refusing to file a sworn report as required herein, or to comply with any rule or regulation of the Commissioners for the administration and enforcement of the provisions of this title shall, upon conviction thereof, be fined not more than $1,000 for each and every failure, refusal, or violation, and each and every day that such failure, refusal, or violation continues shall constitute a separate and distinct offense. All prosecutions under this title shall be brought in the police court of the District of Columbia on information by the corporation counsel or his assistant in the name of the District of Columbia.

"SEC. 13. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

"SEC. 14. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner the receipts or any other information relating to the business of a taxpayer contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the United States or the District of Columbia, or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby, as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District of Columbia, or any of his assistants, of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for 3 years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be subject to the punishment provided by section 12 of this title.

"SEC. 15. This title shall not be deemed to repeal or in any way affect any existing act or regulation under which taxes are now levied."

And the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out by the Senate amendment insert the following:

"TITLE VII—RATE OF TAXATION ON TANGIBLE PROPERTY AND MISCELLANEOUS PROVISIONS

"SECTION 1. (a) For the fiscal year ending June 30, 1938, the rate of taxation imposed for the District of Columbia on real and tangible personal property shall not be less than 1.75 per centum on the assessed value of such property.

"(b) The Commissioners of the District of Columbia are authorized to extend for not to exceed 60 days the time for payment of any installment of taxes on real property, tangible and intangible personal property, and other taxes, payable in September 1937.

"AUTHORIZATION FOR ADVANCE OF FUNDS

"SEC. 2. Until and including June 30, 1938, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary, from time to time, during said fiscal year to meet the general expenses of said District, as authorized by Congress, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of the taxes and revenue collected for the support of the government of the said District of Columbia.

"SURVEY OF TAX STRUCTURE OF THE DISTRICT

"SEC. 3. There is hereby authorized to be appropriated out of the revenues of the District of Columbia the sum of $5,000, for the employment of clerical services in connection with a survey and study of the entire tax structure of the District of Columbia to be made under the direction of the Commissioners of said District. Such sum shall be available for expenditure for personal services without regard to the civil-service laws or the Classification Act of 1923, as amended. A report of such survey, with recommendations, shall be made by the Commissioners to Congress not later than January 15, 1938.

"REGULATIONS

"SEC. 4. The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

"SEPARABILITY OF PROVISIONS

"SEC. 5. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby."

And the Senate agree to the same.

WILLIAM H. KING,
PAT MCCARRAN,
MILLARD E. TYDINGS,
ARTHUR CAPPER,
WARREN R. AUSTIN,
Managers on the part of the Senate.

VINCENT L. PALMISANO,
AMBROSE J. KENNEDY,
JACK NICHOLS,
EVERETT M. DIRKSEN,
DEWEY SHORT,
Managers on the part of the House.

The report was agreed to.

CONNECTICUT RIVER FLOOD CONTROL—COMPACT BETWEEN STATES

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD a statement by the commissioners on the part of Vermont with respect to Senate Joint Resolution 177, granting the consent of Congress to the compact between the Commonwealth of Massachusetts and the States of Connecticut, New Hampshire, and Vermont relating to flood control in the basin of the Connecticut River, which appears in the Appendix.]

STORY OF PATRICK TRACY—ARTICLE BY WESTBY NORTH

[Mr. LODGE asked and obtained leave to have printed in the RECORD an article by Westby North, entitled "Real Story of Patrick Tracy", published in the Boston Post of August 1, 1937, which appears in the Appendix.]

THE GOVERNMENT DEBT

[Mr. DAVIS asked and obtained leave to have printed in the RECORD the recommendations of the Committee on Gov-

ernment Credit of the Twentieth Century Fund with reference to the Government debt, which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 176. An act for the relief of George Smith and Ketha Smith;

S. 184. An act for the relief of Josephine M. Scott;

S. 1044. An act for the relief of Thomas W. Seay;

S. 1822. An act for the relief of Harry Burnett;

S. 1881. An act for the relief of the Consolidated Aircraft Corporation;

S. 2334. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; and

S. 2399. An act for the relief of R. L. McLachlan.

The message also announced that the House had passed the following bills and joint resolution of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 972. An act for the relief of Ethel Smith McDaniel;

S. 1160. An act for the relief of Troup Miller and Harvey D. Higley;

S. 1637. An act for the relief of Mrs. Charles T. Warner; and

S. J. Res. 171. Joint resolution relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission.

The message further announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 191. An act for the relief of Orson Thomas;

S. 449. An act for the relief of the estate of Charles Pratt;

S. 792. An act for the relief of Sam Larson, guardian of Margaret Larson, a minor;

S. 826. An act for the relief of the estates of H. Lee Shelton and Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson;

S. 854. An act for the relief of James O. Cook;

S. 893. An act for the relief of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor;

S. 1219. An act for the relief of Pauline McKinney;

S. 1401. An act for the relief of Willard Collins;

S. 1453. An act for the relief of Maude P. Gresham; and

S. 1640. An act for the relief of Harry Bryan and Alda Duffield Mullins, and others.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 345. An act for the relief of Genevieve E. Daley;

H. R. 459. An act for the relief of the Derby Oil Co.;

H. R. 1233. An act for the relief of employees of the Indian Service for destruction by fire of personally owned property in Government quarters at the Pierre Indian School, South Dakota;

H. R. 1251. An act for the relief of Anna L. Andreas and Anita Andreas;

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 2192. An act for the relief of Paul and A. B. Johnson;

H. R. 2195. An act for the relief of Oliver Z. Hoge;

H. R. 2215. An act for the relief of Gallup's, Inc.;

H. R. 2451. An act for the relief of Jerome H. Howard;

H. R. 2455. An act for the relief of Bertha L. Frank;

H. R. 2649. An act for the relief of Elva T. Shuey;

H. R. 2860. An act for the relief of Walter W. Johnston;

H. R. 2994. An act for the relief of Lamar Snipes and Luther S. Snipes;

H. R. 3372. An act for the relief of Luke Francis Brennan;

H. R. 3723. An act for the relief of Milton S. Merrill;

H. R. 3757. An act for the relief of Rellie Dodgen and Anah Webb Lavery;

H. R. 3776. An act for the relief of T. T. East and the Cassidy Southwestern Commisson Co., citizens of the State of Texas;

H. R. 3960. An act for the relief of the Southern Overall Co.;

H. R. 4138. An act for the relief of George Miller, Jr., a minor;

H. R. 4229. An act for the relief of Clifford Belcher;

H. R. 4489. An act for the relief of Stella Van Dewerker;

H. R. 4493. An act for the relief of Charles N. Robinson;

H. R. 4506. An act for the relief of Norman E. Sherman and Banks W. Smith;

H. R. 4571. An act for the relief of Helen Mahar Johnson;

H. R. 4583. An act for the relief of Arthur T. Worley;

H. R. 5161. An act for the relief of the Puget Sound Bridge & Dredging Co.;

H. R. 5260. An act for the relief of Col. William H. Noble;

H. R. 5431. An act for the relief of Cyrus M. Lasher;

H. R. 5568. An act for the relief of Maj. William W. McCaw;

H. R. 5639. An act for the relief of Henrietta Wills;

H. R. 5768. An act for the relief of Mary Louise Chambers, a minor;

H. R. 5846. An act for the relief of Carolina Maldonado;

H. R. 5871. An act for the relief of Ralph B. Sessoms;

H. R. 5912. An act for the relief of Judd & Detweiler, Inc.;

H. R. 5927. An act for the relief of Walter G. Anderson;

H. R. 5989. An act for the relief of J. L. Myers;

H. R. 6135. An act for the relief of R. E. Rainer, R. H. Alderman, and John Harmon;

H. R. 6155. An act for the relief of Sadie N. Pike and Edward W. Pike;

H. R. 6271. An act conferring jurisdiction upon the United States District Court for the Northern District of Georgia to hear, determine, and render judgment, upon the claims of George Perdue, O. B. Ross, Sadie Washington, and the estate of Larry W. Fleming;

H. R. 6316. An act for the relief of Helen Niehaus;

H. R. 6469. An act conferring jurisdiction upon the United States District Court for the State of Massachusetts to hear, determine, and render judgment upon the claim of Anthony Caramagno;

H. R. 7172. An act for the relief of Jesse A. LaRue;

H. R. 7430. An act for the relief of Mary Lucia Haven;

H. R. 7716. An act to provide for admission into the United States of Clarence Joseph Ferguson, an alien;

H. R. 7458. An act for the relief of John E. T. Clark;

H. R. 7679. An act for the relief of Livvie V. Rowe; and

H. R. 7741. An act to amend the Adjusted Compensation Payment Act, 1936, to provide for the escheat to the United States of certain amounts.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 345. An act for the relief of Genevieve E. Daley;

H. R. 459. An act for the relief of the Derby Oil Co.;

H. R. 1233. An act for the relief of employees of the Indian Service for destruction by fire of personally-owned property in Government quarters at the Pierre Indian School, South Dakota;

H. R. 1251. An act for the relief of Anna L. Andreas and Anita Andreas;

H. R. 1872. An act for the relief of Martin Bridges;

H. R. 2192. An act for the relief of Paul and A. B. Johnson;

H. R. 2195. An act for the relief of Oliver Z. Hoge;

H. R. 2215. An act for the relief of Gallup's, Inc.;

H. R. 2451. An act for the relief of Jerome H. Howard;

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H. R. 2649. An act for the relief of Elva T. Shuey;

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H. R. 3757. An act for the relief of Rellie Dodgen and Anah Webb Lavery;

H. R. 3776. An act for the relief of T. T. East and the Cassidy Southwestern Commission Co., citizens of the State of Texas;

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H. R. 4138. An act for the relief of George Miller, Jr., a minor;

H. R. 4229. An act for the relief of Clifford Belcher;

H. R. 4489. An act for the relief of Stella Van Dewerker;

H. R. 4493. An act for the relief of Charles N. Robinson;

H. R. 4506. An act for the relief of Norman E. Sherman and Banks W. Smith;

H. R. 4571. An act for the relief of Helen Mahar Johnson;

H. R. 4583. An act for the relief of Arthur T. Worley;

H. R. 5161. An act for the relief of the Puget Sound Bridge & Dredging Co.;

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H. R. 5639. An act for the relief of Henrietta Wills;

H. R. 5768. An act for the relief of Mary Louise Chambers, a minor;

H. R. 5846. An act for the relief of Carolina Maldonado;

H. R. 5871. An act for the relief of Ralph B. Sessoms;

H. R. 5912. An act for the relief of Judd & Detweiler, Inc.;

H. R. 5927. An act for the relief of Walter G. Anderson;

H. R. 5989. An act for the relief of J. L. Myers;

H. R. 6135. An act for the relief of R. E. Rainer, R. H. Alderman, and John Harmon;

H. R. 6155. An act for the relief of Sadie N. Pike and Edward W. Pike;

H. R. 6271. An act conferring jurisdiction upon the United States District Court for the Northern District of Georgia to hear, determine, and render judgment upon the claims of George Perdue, O. B. Ross, Sadie Washington, and the estate of Larry W. Fleming;

H. R. 6316. An act for the relief of Helen Niehaus;

H. R. 6469. An act conferring jurisdiction upon the United States District Court for the State of Massachusetts to hear, determine, and render judgment upon the claim of Anthony Caramagno;

H. R. 7172. An act for the relief of Jesse A. LaRue;

H. R. 7458. An act for the relief of John E. T. Clark; and

H. R. 7679. An act for the relief of Livvie V. Rowe; to the Committee on Claims.

H. R. 3372. An act for the relief of Luke Francis Brennan; to the Committee on Naval Affairs.

H. R. 7430. An act for the relief of Mary Lucia Haven; to the Committee on Foreign Relations.

H. R. 7716. An act to provide for admission into the United States of Clarence Joseph Ferguson, an alien; to the Committee on Immigration.

H. R. 7741. An act to amend the Adjusted Compensation Payment Act, 1936, to provide for the escheat to the United States of certain amounts; to the Committee on Finance.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States housing authority, and for other purposes.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from New York [Mr. WAGNER] to the amendment of the committee in the nature of a substitute, striking out lines 11 to 25, on page 38, and in lieu thereof substituting new matter.

Mr. McNARY. Mr. President, I believe the amendment of the Senator from New York has reference to a diminution in the membership of the board. If that is the amendment now pending, it is my desire to offer an amendment to it. I ask that the clerk may report the pending amendment.

The VICE PRESIDENT. The pending amendment will be reported as offered by the Senator from New York.

The CHIEF CLERK. In the committee amendment on page 38, it is proposed to strike out line 11 through and including line 25, and in lieu thereof to insert the following:

(b) The powers of the Authority shall be vested in a board of directors (hereinafter referred to as the board) composed of an administrator and two directors. The administrator and the two directors shall be appointed by the President, by and with the advice and consent of the Senate, and shall be removable by the President upon notice and hearing for neglect of duty or malfeasance, but for no other cause. One of the three original members of the board shall serve for a term of 1 year, one for a term of 3 years, and one for a term of 5 years, but their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed.

On page 39, line 17, strike out "three" and insert "two."

Mr. McNARY. Mr. President, Congress has an almost unbroken record in the enactment of legislation of this character with reference to providing for the appointment of bipartisan commissions. I note from a reading of the amendment proposed by the Senator from New York that the President could select all the appointees from one political party. I remember in a number of instances, while the language of the statute called for a bipartisan commission, that the President seemingly took no notice of that requirement and the desire of Congress as indicated in its enactment of the legislation. Nevertheless, I desire to offer at the proper place in the amendment the language which I take from the Social Security Act, and which I shall read, as follows:

Not more than two members of the board shall be members of the same political party.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. In the amendment of the Senator from New York, on page 1, line 3, after the word "directors" and the period, it is proposed to insert "Not more than two members of the board shall be members of the same political party", so as to read:

(b) the powers of the Authority shall be vested in a board of directors (hereinafter referred to as the Board) composed of an Administrator and two directors. Not more than two members of the board shall be members of the same political party. The Administrator and the two directors shall be appointed by the President, by and with the advice and consent of the Senate, and shall be removable by the President upon notice and hearing for neglect of duty or malfeasance in office but for no other cause. One of the three original members of the board shall serve for a term of 1 year, one for a term of 3 years, and one for a term of 5 years, but their successors shall be appointed for terms of 5 years each, except that any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed.

On page 39, line 17, strike out "three" and insert "two."

Mr. WAGNER. Mr. President, that question was raised during the hearings, and I have no fault to find with the suggestion. I have no objection to the modification.

The VICE PRESIDENT. The Senator from New York modifies his amendment by incorporating in it the language suggested by the Senator from Oregon [Mr. McNARY]. The question is on the amendment, as modified, of the Senator from New York to the amendment reported by the committee.

Mr. AUSTIN. Mr. President, I have on the table an amendment, which I desire to call up at this time.

The VICE PRESIDENT. The Chair is advised that the amendment of the Senator from Vermont is not an amendment to the amendment proposed by the Senator from New York. The amendment of the Senator from New York to the amendment of the committee must be acted upon first.

Mr. AUSTIN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. AUSTIN. I should like to know whether the pending amendment of the Senator from New York to the amendment of the committee is one which would strike out lines 19 to 25, on page 42?

The VICE PRESIDENT. It is not. The question is on agreeing to the amendment offered by the Senator from New York, as modified, to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. VANDENBERG. May I inquire whether section 12 on page 50 has been deleted from the bill?

The VICE PRESIDENT. The Chair is informed by the clerk that it has been amended, but has not been stricken out.

Mr. AUSTIN. I now offer the amendment which I have lying on the table.

The VICE PRESIDENT. The Senator from Vermont offers an amendment to the amendment of the committee, which will be stated.

The CHIEF CLERK. On page 42, beginning with line 11, it is proposed to strike out down to and through line 7, on page 43, and insert in lieu thereof the following:

SEC. 6. (a) The Authority may make such expenditures for the acquisition and maintenance of adequate administrative agencies, offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing and binding, for attendance at meetings, for instruction, for traveling expenses, and for such other facilities and services as it may from time to time find necessary for the proper administration of this act. The Authority shall determine and prescribe the manner in which its obligations and expenses for any of the foregoing purposes shall be incurred, allowed, and paid, and the manner in which accounts shall be audited, and vouchers approved by the administrator for such expenditures of the funds of the Authority shall be final and conclusive upon all officers of the Government. All financial transactions of the Authority with respect to (1) the making of loans, contributions, and grants under this act; (2) the use of money borrowed by the Authority and the sale or exchange by it of securities and obligations; (3) the acquisition, sale, exchange, lease, or other disposition of real and personal property either in connection with low-rent housing and slum-clearance demonstration projects or otherwise; (4) the reimbursement of States and political subdivisions thereof for expenses incurred in the acquisition of property to be conveyed to the Authority; and (5) the payments to States and political subdivisions thereof in lieu of taxes, shall be examined by the General Accounting Office at such times and in such manner as the Comptroller General of the United States may by regulation prescribe, and all claims and demands by the Authority or against it, and all accounts in which the Authority is concerned, either as debtor or creditor, relating to any such financial transactions, shall be settled and adjusted in the General Accounting Office.

Mr. AUSTIN. Mr. President, the amendment would change section 6 (a) in respect of all the expenditures under the provisions relating to loans, contributions, grants, agreements to reimburse States, payments in lieu of taxes, and use of proceeds or loans, which are more fully described in the amendment. It would change the section by permitting and, indeed, requiring a preaudit of such expenditures by the Comptroller General or the Accounting Office of the United States.

The bill as presented to us does away with the general statute which requires that kind of settlement of accounts before they may be paid, and carries us into the revolutionary proposal which is contained in the reorganization of government plan, of abolishing a preaudit in the expenditure of public money.

Of course, this is a fundamental question. If the change is going to be made, it ought to be made upon consideration of that sole point, a fundamental point of government. It ought not to be hacked away in little attacks here and there in separate pieces of legislation until gradually we shall have whittled or chopped away entirely the auditing process by means of the special statutes. Such an experiment was made under the Agricultural Adjustment Act. Under that law a huge sum of easy money was expended in a spendthrift way without any preauditing. The only provision made in the A. A. A. for any examination at all by the Comptroller General was for a subsequent examination, which amounted to nothing except an opportunity to discover whether the agency of government had unlawfully expended the money. No provision was made as to what should be done in the event there were unlawful expenditures; no preventive or remedial measure was provided in the A. A. A. precedent. It is largely because of that precedent and the huge waste of money and careless psychology which has grown up under it that I offer the amendment in order to block and stop similar things being done under this bill, which also involves large sums of money.

We can never hope to recover the position of a thrifty and strong and economically sound government if we continue the practice of allowing agencies to spend public money without any check, any preaudit, and with only the kind of an audit mentioned in this bill. Let me read it.

On page 43, at line 3, we find these very significant words:

Such examination shall be for the sole purpose of making a report to the Congress and to the Authority of expenditures in violation of law, together with such recommendations thereon as the Comptroller General deems advisable.

With the horse stolen, what is the use of shutting the barn door? With these huge sums of money, assume—to make it ridiculous—that every dollar is spent in violation of law and is a diversion from the real use to which the Congress appropriates the money, what can Congress do about it? Congress will be dealing with an instrumentality of government. Can it make itself pay back to itself money that it itself has diverted? This is not a case where any remedy whatever could arise out of a recommendation by the Comptroller General to the Congress that, inasmuch as every dollar of the money had been wasted or diverted, the Congress ought to pass legislation to seek a recovery from the United States of such wasteful and extravagant diversions or expenditures.

In this amendment I have not undertaken to require a preaudit of the expenses of administration of the authority; and it will be found on examination that all that part of section 6 (a) between lines 11 and 24 is unchanged, save for the words which specifically show that the kind of vouchers referred to there relate solely to administration expense. That is—

Vouchers approved by the administrator for expenditures of the funds of the Authority shall be final and conclusive upon all officers of the Government—

Only as to the expenditures above mentioned, and they are the administrative expenditures. As to all the huge sums of money which are to be expended by the authority, nothing more is required in the amendment than what has been the law in the United States for a long time. This law was the basis of the creation of an accounting agency which was expected to be free from the influence of any department of government, with a man appointed at the head of it with a long term of office who could not be removed save by the Congress of the United States. Listen to this:

All claims and demands whatever by the Government of the United States or against it, and all accounts whatever in which the Government of the United States is concerned, either as debtor or creditor, shall be settled and adjusted in the General Accounting Office.

That has been the law since June 10, 1921. What justification was there when we changed that method of accounting? It was claimed, and with some justification, that an emergency existed, one of those things called a crisis which would not brook delay. Those who took that position could not wait long enough to have the contracts examined in advance to see whether the use to which the money was to be applied was lawful or unlawful. They could not wait for a preaudit at all. Because of the great emergency and the great crisis, they must remove from the jurisdiction of the Comptroller General any preaudit or control over the expenditure of the people's money.

Now we are reaping what we then sowed. Mr. President, you will soon see a Senator rise on this floor and hear him

refer to the acts in which we made this exception as precedents for our doing the same thing now, and doing even worse than we did then, for there is no occasion at all for speeding up the expenditure of this money. There is no emergency at all existing today, in spite of the fact that we have heard it said that there is. Everyone knows that we are moving forward; that we are making progress toward recovery. It may be made slowly, but we are not in a decline. We are not in a depression. Today we do not need to reform and reorganize the Government because of any emergency. We can spend the people's money plenty fast enough under the law as it was adopted in 1921, and there will be a day of reckoning if we continue the emergency method.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. AUSTIN. Yes; I yield.

Mr. VANDENBERG. Even though the emergency plea were still urged at this moment—and I agree that it would be specious—even if it were, let us remember that this bill runs for 60 years; and, my God, we are not going to have 60 years of emergency, are we?

Mr. AUSTIN. I feel as badly about it as does the Senator from Michigan. If this bill could be terminated at some time, if there could be a peg stuck down where the trial and error that will grow out of its approval could be corrected. I should not feel so badly about it; but the duration of this bill represents an enormous burden upon the taxpayers of the country. I say that when we are handling other people's money—and that is what we are doing—we ought to see to it that our acts are accounted for to the people by a method which will, if possible, protect them from harm. I admit that so long as human beings possess the frailties which are well recognized, we probably cannot avoid some waste, some loss; but we can adhere to the well-understood plan of having all these expenditures settled through the Comptroller General's office before the payment is made, and thus minimize the unlawful use and diversion of the people's money.

I hope no substitute which would break down this audit will be accepted by the Senate. I see such a substitute lying on my desk. I know that up to this morning the Senator from New York [Mr. WAGNER] had not indicated that he would accept my amendment. The amendment is not a partisan move. It is in the interest of the people of the United States. It ought to be accepted without any contest; but, in any event, I appeal to all Senators who are interested in restoring thrift to this Government of ours to support the amendment.

Mr. WAGNER. Mr. President, I am going to offer certain perfecting amendments to section 6 of the committee amendment. The first amendment I offer is exactly the language of some of the statutes we have passed in recent years. It provides that so far as current expenditures for equipment and the like are concerned, there shall be a preaudit before the expenditures may be made; but as to contracts and obligations and business transactions between the board and a municipality, the examination should come after the contract has been entered into, for the purpose of reporting to Congress its exact provisions.

Later in the day I propose to offer an amendment providing that the contracts in which loans are made to municipalities or other public authorities shall not become valid until the President approves them, so that we shall have first the responsibility of the organization itself which enters into the contract after negotiation; and second, a provision that that contract shall not become valid until the President approves it.

Of course, I am not opposed to an audit, and the Accounting Office will audit every expenditure and every contract made by this public authority. I am merely complying with the acts of Congress which have been heretofore passed, some of them by unanimous vote, in which has been provided the method of audit which is provided in my substitute.

I fear, and I am sure those who have studied this subject fear, that the effect of the amendment of the Senator from Vermont will be, although it is not so intended, of course, to hamstring the board in a way so as to make their work ineffective.

I offer an amendment as a substitute.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 42, line 12, after the word "expenditures", to insert a comma and the words "subject to audit in the General Accounting Office", and on page 42, to strike out the sentence beginning on line 18 and all of lines 19 through 25, inclusive, and to insert "Such financial transactions of the Authority as the making of loans, annual contributions, and capital grants, and the acquisition, sale, exchange, lease, or other disposition of real and personal property, and vouchers approved by the Administrator in connection with such financial transactions, shall be final and conclusive upon all officers of the Government; except that all such financial transactions of the Authority shall be examined by the General."

Mr. LEWIS. Mr. President, I seek information from the Senator from New York. Is it intended, by the suggestion as now given in the name of a substitute, or by any other provision of the bill, to take from the jurisdiction of the present Administrator, the Secretary of the Interior, Mr. Ickes, all power of making contracts, supervising the loans, controlling the accounts, and assuming the responsibility while he is compelled to exercise the authority?

Mr. WAGNER. I may say to the Senator that that is an entirely different question. This amendment does not deal with the question as to whether or not the Secretary of the Interior shall have supervision over the acts of the board. That is coming up at a later time in an amendment which the majority leader and myself and some others interested are attempting to draft. This amendment does not deal with that subject.

Mr. LEWIS. I thank the Senator. Then I shall wait for that amendment to add any other observations I may care to make.

Mr. WAGNER. I also wish to say to the Senator that I have already stated that the contracts made are not to be valid, as provided in another amendment to be proposed, until the President of the United States shall approve them.

Mr. VANDENBERG. Mr. President, it seems to me the argument the able Senator from New York makes for his substitute and against the original amendment submitted by the Senator from Vermont is chiefly, if not solely, that we did the same thing in the case of our previous emergency establishments when we created them. I think that is begging the question, or, to put it differently, I think that emphasizes the precise reason why the Senator from Vermont is justified in his position. Of course, we had to do things swiftly and in an emergent fashion when we were dealing with emergency instrumentalities. The board proposed to be set up by the pending bill is not an emergency instrumentality, it is not to be temporary. This program will live for 60 years. If we are not going to move out of emergent necessities in 60 years, we are going to fold up anyway. It seems to me utterly unreasonable to suppose that a 60-year program can be built on our emergency formula instead of on the general law. The Senator from Vermont offers the general law. The general law ought to apply in a 60-year program. The Senator from New York offers an emergency formula, which ought not to apply in a 60-year program.

Mr. AUSTIN. Mr. President, I call attention to the language of the substitute proposed by the Senator from New York, because the language to which I shall advert is the guillotine that has cut off the head of the Comptroller General heretofore, and the language is here for that purpose now. I refer to the provision on page 2, starting in line 2, as follows:

and vouchers approved by the administrator in connection with such financial transactions, shall be final and conclusive upon all officers of the Government; except that all such financial transactions of the Authority shall be examined by the General.

This is just another effort to revolutionize our Government and to take away from the people a check upon the expenditure of their money which would be effectual. This is the Government against the people, and the people will see it some day, if they do not see it now. This money does not belong to the administration; it is not its money; it is the people's money that is about to be expended, and the people are entitled to an audit. No administration of an authority that can spend billions of dollars of the people's money should go unaudited and have the right to have its own auditor and its own vouchers bind all officers of the Government, except that the transactions of the authority shall be examined by the General Accounting Office. What boy's play that is; how absurd and ridiculous, when an authority represents the United States Government against the people, so far as an opposing interest goes.

I do not think by any fair and well-considered action the Senate could adopt this amendment, because it is nothing more than writing into the bill a reform and reorganization of the Government pro tanto. We have done that to a certain extent heretofore under the claim that it was necessary to do it because of an emergency. There is not any excuse; there is not any justification for it today.

I ask for the yeas and nays on this question.

Mr. BARKLEY and Mr. O'MAHONEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. BARKLEY. Mr. President, I wish to say only a few words on the amendment of the Senator from New York.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Wyoming?

Mr. O'MAHONEY. Has the Senator from Kentucky the floor?

Mr. BARKLEY. I was recognized.

Mr. O'MAHONEY. I desire to make some comments on the amendment.

Mr. BARKLEY. That is what I am trying to do.

Mr. O'MAHONEY. I will follow the Senator.

Mr. BARKLEY. I wish only to say that the amendment offered by the Senator from Vermont [Mr. AUSTIN] has in it the potentiality of holding up all contracts, all loans, all projects, which might be worked out by the Board in its effort to make the proposed law effective. In the enactment of all the emergency laws by which we have made loans to home owners, and farmers, and banks, insurance companies, railroads, and industries, we have never required a preaudit on the part of the General Accounting Office in order that the authority created might be exercised.

There has been no abuse of that authority on the part of any of the lending agencies. There has been no general complaint on the part of the public or on the part of Congress because we did not require the General Accounting Office to audit all the loans and grants and the authority granted to these different agencies, and, because of that, the work which we outlined in the acts has been promptly done; relief has been promptly granted, and without any injustice being done to the Government.

We are embarking on a new field, I grant, in which we are undertaking to deal with the housing problem by the creation of slum-clearance districts and areas under the general jurisdiction and supervision of an authority which we create. If the amendment offered by the Senator from Vermont shall be agreed to, it will bring about a situation which we refused to create in connection with all these other agencies, and will thereby delay activity and delay the coordination between the Federal Government and the local authorities in the carrying out of the purposes of the proposed act. Therefore, I hope the amendment will not be agreed to.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. ADAMS. I find a clause in the amendment offered by the Senator from Vermont, and also in the original bill, and I am wondering whether the Senator from Kentucky, our leader, approves it. It provides that the vouchers approved by the administrator for such expenditures of the funds of the authority shall be final and conclusive upon all officers of the Government. How far is an audit to avail us if the vouchers shall be conclusive upon all officers of the Government, including the General Accounting Office?

Mr. BARKLEY. Does the Senator mean by the original bill, the bill as introduced?

Mr. ADAMS. The language to which I refer appears on page 42 in the committee amendment. It appears on page 2 of the amendment of the Senator from Vermont [Mr. AUSTIN], in lines 7, 8, and 9.

Mr. BARKLEY. It is not necessary to include that language in the amendment of the Senator from Vermont if it is already in the bill. What I am talking about is the requirement of a preaudit by the General Accounting Office before the authority created by the bill may go forward with its work.

Mr. ADAMS. Does the Senator think we ought to make any voucher issued by an administrator final and conclusive upon all officers of the Government, regardless of the facts underlying the issuance of the voucher?

Mr. BARKLEY. I should, of course, yield to the Senator from New York [Mr. WAGNER] to interpret that language, because the bill under discussion is his bill; but I presume that language means that in a preliminary sense, before the expenditure of the money is made, the vouchers issued by the administrator shall be binding upon the officers of the Government and shall be honored and recognized by those officers. I do not interpret that to mean that there shall not finally be a final audit of the accounts under the authority of the law, just as it is now the custom under the regulations and the law.

Mr. ADAMS. I am making the inquiry. That is why I directed my question to the Senator from Kentucky [Mr. BARKLEY], because I knew I would get the last word from him.

Mr. BARKLEY. Mr. President, the Senator has presumed upon his great friendship for me. I should not claim such final authority.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRNES. Does the Senator believe it would be wise to strike out of the bill the language referred to by the Senator from Colorado [Mr. ADAMS], so that any expenditure will be subject to whatever is required to be done under the general law applicable to all audits?

Mr. BARKLEY. So far as I am concerned, I should not insist upon the retention of that language; but I defer to the Senator from New York.

Mr. WAGNER. Mr. President, I may say that I have taken this language from the other statutes which we have passed.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BYRNES. Is that language the same language that is contained in the bill authorizing the soil-conservation expenditures? It seems to me the language now under consideration is much stronger than that language.

Mr. WAGNER. I may say that I think that language is contained in similar statutes.

Mr. President, I have no qualms with regard to this language. An impression seems to have been created that there is to be no audit or examination of these contracts. There is to be an audit and examination of these contracts for the purpose of making reports to Congress.

Mr. BYRNES. All that the Senator from New York wants is that the contract shall be subject to the same law that is applicable to loans provided for in similar legislation?

Mr. WAGNER. Yes.

Mr. BYRNES. There will be no difficulty in arriving at language to bring that about.

Mr. WAGNER. Is that not what this language means?

Mr. AUSTIN. Mr. President will the Senator yield?

Mr. WAGNER. I yield.

Mr. AUSTIN. On page 2, lines 4 and 5, of my amendment, will be found the words—

Obligations and expenses for any of the foregoing purposes.

The word "vouchers" refers to vouchers connected with expenditures and obligations "for the foregoing purposes."

For my part, I should like to accept the suggestion of the Senator from South Carolina [Mr. BYRNES]. I think it would be much more sensible to strike out that phrase entirely instead of limiting it as I tried to limit it by my amendment.

Mr. KING. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. KING. I understood the Senator, in his opening remarks upon this amendment, to say that he had taken, if not verbatim, the language contained in the Social Security Act, or, at any rate, the substance of it; and that act, as I understood him, contained the provision that there must be a pre-audit as well as a subsequent audit.

Mr. AUSTIN. I think the Senator from Utah must have misunderstood what I said. I did not intend to say that. I took the first part of section 6 (a) contained in this bill, and inserted in it limiting words as follows:

In which its obligations and expenses for any of the foregoing purposes—

So that there would be a limitation upon this absolute power to spend the money. That is, they could expend it as they see fit on their own voucher, and their voucher would be final upon all officers of the Government with respect to those things that are mentioned in the first part, namely:

Administrative agencies, offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing and binding, for attendance at meetings, for instruction, for traveling expenses, and for such other facilities and services as it may from time to time find necessary for the proper administration of this act.

The general law now requires an audit as to all expenditures of major sums. Of course, I should prefer to have an audit provided for in the case of all these expenditures; but I had an idea, which did not prove to be correct, that my amendment would be accepted if I allowed that freedom of expenditure with respect to the administration of the offices. That did not succeed, evidently.

Mr. O'MAHONEY. Mr. President, I should like to call the attention of the Senator from New York [Mr. WAGNER] and the Senator from Vermont [Mr. AUSTIN] to the amendment which I am about to ask the Senator from New York to accept as part of his substitute.

During the discussion yesterday, Mr. President, I gave notice, which will be found on page 10489 of the RECORD of yesterday, of my intention to offer an amendment to this section today. The amendment which I propose is to add in line 18, on page 42, at the end of the first sentence, the following proviso:

Provided, That a showing of necessity therefor shall first be made to the Bureau of the Budget and to the Congress.

The effect of that amendment is to retain in the Appropriations Committees of the House and the Senate the power to pass upon the detailed expenditures of this authority, as they now have the power to pass upon the expenditures of all other branches of the Government.

The bill as it was originally drafted, which the Senator from New York is now amending, would have given to the housing authority the power to spend its entire appropriation without question by any other official of the Government. The amendment offered by the Senator from Vermonth [Mr. AUSTIN], while it would exempt from the provisions of the general law the general administrative expenditures, would require a preaudit of the loans and grants which are made by the housing authority.

Mr. President, it seems to me that exactly the reverse should be the case. I believe that the amendment offered by the Senator from New York, if perfected by the suggestion I now make, would be preferable to that offered by the Senator from Vermont.

Mr. WAGNER. Mr. President, I think the amendment the Senator suggests is very appropriate. I want to do everything possible to be sure that these expenditures are made for proper purposes, and I am quite willing to accept provision for any kind of an examination that may be suggested. I am going to accept the Senator's amendment for that reason. I am sure, however, the Senator will agree with me that a preaudit of all these loans and contracts for loans may tie up the activities of this board.

Mr. O'MAHONEY. I quite agree with the Senator; and I am suggesting this amendment now because if it is inserted here it will be in the nature of perfecting the substitute which the Senator is offering for the provision in the committee amendment.

Mr. WAGNER. I think it is a very useful amendment. I am quite willing to perfect my substitute accordingly.

Mr. O'MAHONEY. Then, Mr. President, may it be understood that the substitute which is now being offered by the Senator from New York includes not only the two provisions printed in his amendment, but the additional suggestion I have made?

Mr. WAGNER. Yes.

The PRESIDING OFFICER (Mr. LOGAN in the chair). The Senator from New York has perfected his amendment by accepting the amendment to his amendment suggested by the Senator from Wyoming [Mr. O'MAHONEY]. The Chair may call attention to the parliamentary situation by saying that the Senator from Vermont [Mr. AUSTIN] offered an amendment which is a substitute for section 6 of the committee amendment. The Senator from New York [Mr. WAGNER] has offered a perfecting amendment, which is now modified by the change suggested by the Senator from Wyoming [Mr. O'MAHONEY].

The question is on the perfecting amendment of the Senator from New York [Mr. WAGNER]; and after that shall have been disposed of the question will be on the amendment of the Senator from Vermont [Mr. AUSTIN] as a substitute for section 6 of the committee amendment.

Mr. WAGNER. Mr. President, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. WAGNER. If my so-called perfecting amendment should be adopted, then the question would come on the amendment offered by the Senator from Vermont as perfected?

The PRESIDING OFFICER. The Senator from Vermont has offered a substitute for section 6. The Senator from New York has offered a perfecting amendment to section 6, along with the Senator from Wyoming.

So, after section 6 of the committee amendment is perfected, then the vote would come on the substitute offered by the Senator from Vermont, as the Chair is advised.

Mr. WAGNER. I am sorry to be so poorly informed as to the rules; but does that mean that there will be anything left to be voted upon after my perfecting amendment is adopted, if it should be adopted?

The PRESIDING OFFICER. If the Senator's amendment should be accepted, then section 6 of the committee amendment would be perfected, and the vote would then be on the amendment of the Senator from Vermont as a substitute for section 6 of the committee amendment as perfected. The Senate would have a choice, as the Chair is advised, between the committee amendment as perfected and the amendment of the Senator from Vermont, which also would be subject to amendment.

Mr. BARKLEY. Mr. President, I wish merely to state that I have an amendment to section 6 which I wish to offer before a vote is taken on the proposed substitute.

The PRESIDING OFFICER. The amendment of the Senator from Kentucky will have to be offered before a vote is taken on the substitute proposed by the Senator from Vermont.

Mr. WAGNER. Mr. President, may I make a further parliamentary inquiry, because I am not very clear as to the situation? Assume, for the sake of argument, that the

perfecting amendment which I have offered to the committee amendment shall be adopted, will it absolutely replace the amendment of the Senator from Vermont, or will there be something additional?

The PRESIDING OFFICER. It will not replace it; it is a perfecting amendment, and all perfecting amendments to section 6 will have to be disposed of before the vote may be taken on the substitute offered by the Senator from Vermont.

Mr. O'MAHONEY. Mr. President, I have the floor. I think I understand what the Senator from New York has in mind. May I state that the purpose I have in mind in offering at this time the addition is to aid the Senator from New York in perfecting the amendment, which is section 6 (a), as it appears in the reported bill. If the substitute shall be adopted, it will be for us to vote down the amendment offered by the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Wyoming has correctly stated the situation, and the question is on the amendment proposed by the Senator from New York, as modified.

Mr. GERRY. Mr. President——

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I desire to yield first to the Senator from Rhode Island, who has been trying to ask me a question for the last 5 minutes.

Mr. GERRY. I should like to ask the Senator from Wyoming if he considers that his amendment would change the policy of existing law?

Mr. O'MAHONEY. Not at all. The amendment which I have proposed will preserve the principle of existing law with respect to all expenditures of the housing authority which is to be created. It will require that authority to make a showing before the Bureau of the Budget and a showing to the Appropriations Committees of the House and the Senate before any expenditures are made; but, added to what the Senator from New York has proposed, it will exempt preaudit in certain instances, such as loans to borrowers and grants.

Mr. GERRY. Does not existing law require preaudits?

Mr. O'MAHONEY. It does. The amendment of the Senator from Vermont would exempt from the preaudit all the general expenditures of the housing authority, and I am sure he did not intend it to have that effect.

Mr. GERRY. Does the Senator's amendment exempt preaudits?

Mr. O'MAHONEY. It does. So far as my amendment accords with that offered by the Senator from New York, who has greatly improved the section as it came from the committee.

I think I can explain it best by reading the amendment of the Senator from New York. It provides that "such financial transactions of the authority as the making of loans, annual contributions, and capital grants, and the acquisition, sale, exchange, lease, or other disposition of real and personal property" shall be exempt from preaudit.

I may say to the Senator that if the housing authority is going to function, in my opinion that exemption should be granted.

Mr. GERRY. What I am trying to ascertain is whether the amendment proposes a change in the general policy that has been pursued heretofore in the case of similar boards?

Mr. O'MAHONEY. No; it is the same policy which has been followed with respect to certain other boards. It is the policy which was followed in the case of the Farm Tenancy Corporation bill which, when it came before the Senate some days ago, I succeeded in perfecting in much the same way as is proposed by the amendment I have offered to perfect the amendment of the Senator from New York.

Mr. AUSTIN. Mr. President, will the Senator yield for a question? I should like to understand the Senator's interpretation of the amendment.

Mr. O'MAHONEY. I yield.

Mr. AUSTIN. Mr. President, I ask the Senator if he understands his amendment would require a showing before the Bureau of the Budget and the Congress of necessity for the following expenditures, namely:

> Administrative agencies, offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing and binding, for attendance at meetings, for instruction, for traveling expenses, and for such other facilities and services as may from time to time be found necessary for the proper administration of this act.

Mr. O'MAHONEY. Exactly. It would require that.

Mr. AUSTIN. Now, if the Senator will yield further, I ask if he understands that his amendment would apply to the following things:

> (1) The making of loans, contributions, and grants under this act; (2) the use of money borrowed by the Authority and the sale or exchange by it of securities and obligations; (3) the acquisition, sale, exchange, lease, or other disposition of real and personal property either in connection with low-rent housing and slum-clearance demonstration projects or otherwise; (4) the reimbursement of States and political subdivisions thereof for expenses incurred in the acquisition of property to be conveyed to the Authority; and (5) the payments to States and political subdivisions thereof in lieu of taxes.

Does he intend that his amendment shall apply to those matters?

Mr. O'MAHONEY. The Senator is now reading from his amendment, is he not?

Mr. AUSTIN. I am.

Mr. O'MAHONEY. May I ask the Senator whether the words he has read are taken from any part of the bill?

Mr. AUSTIN. Yes; the language contained in clause 1, as found on line 10, page 2, of my amendment, was taken from page 44 of the bill as to loans; from page 45, as to contributions; and from page 48, as to grants.

In the second bracket, beginning with line 12, the words "the use of money borrowed by the authority and the sale or exchange by it of securities and obligations" come from page 63 of the bill; the language in bracket 3 comes from page 54; that in bracket 4 from page 53; that in bracket 5 from page 54.

They all refer to the power to spend money contained in the bill and directly refer to the sum of $750,000,000 and the $26,000,000 in addition and to other sums that may be appropriated or contributed in the many years the proposed law is intended to be operative.

The question is, as to those larger sums of money, those greater expenditures, does the Senator believe that his amendment——

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired on the amendment. He has 10 minutes on the bill.

Mr. O'MAHONEY. Then I will take my time on the bill.

Mr. AUSTIN. I would be glad to give my time to the Senator on his amendment.

Mr. O'MAHONEY. I understood that the Senator from Vermont was speaking in his own time.

The PRESIDING OFFICER. The time of the Senator from Vermont has all been consumed.

Mr. AUSTIN. Mr. President, a parliamentary inquiry. Is not time given on each one of these amendments?

The PRESIDING OFFICER. The Senator from Vermont has exhausted his time on his amendment and also on the amendment offered by the Senator from New York.

Mr. AUSTIN. But I am inquiring now of the Senator from Wyoming as to his amendment to the amendment of the Senator from New York.

The PRESIDING OFFICER. But, as the Chair understands, the amendment of the Senator from Wyoming has been accepted by the Senator from New York; the Senator from Wyoming has the floor, and the Senator from Vermont has been asking some questions.

Mr. AUSTIN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. Has the Senate no interest in these amendments? Has no Senator a right save the Senator from New York? Can the Senator from New York bar other Senators from discussing this amendment?

The PRESIDING OFFICER. Not at all, but the Senate agreed that beginning today no Senator should speak longer than 10 minutes on the bill and 15 minutes on any amendment. The Senator from Wyoming has spoken for 15 minutes on the amendment.

Mr. O'MAHONEY. On what amendment did I speak?

The PRESIDING OFFICER. On the amendment of the Senator from New York.

Mr. O'MAHONEY. I am speaking on my own amendment.

The PRESIDING OFFICER. The amendment of the Senator from New York is the one pending before the Senate, and the only one pending at this time.

Mr. O'MAHONEY. I will take my time on my own amendment.

The PRESIDING OFFICER. The Senator has already taken his time on the amendment pending before the Senate.

Mr. O'MAHONEY. Then, I will take my time on the amendment of the Senator from Vermont. May I speak upon the amendment of the Senator from Vermont?

The PRESIDING OFFICER. The amendment of the Senator from Vermont is not pending. The Senator from Wyoming has 10 minutes on the bill. He has exhausted his time on the pending amendment.

Mr. O'MAHONEY. I was trying to obtain a little more time. I shall take my time upon the bill. If I cannot talk upon the amendment of the Senator from Vermont, nor upon my own amendment, I shall take my time upon the bill.

Mr. AUSTIN. Mr. President, I am not——

Mr. O'MAHONEY. The Senator from Vermont is talking in my time.

Mr. AUSTIN. Does the Senator understand his amendment applies to those matters described in the provisions to which I called attention?

Mr. O'MAHONEY. It is my understanding that it does not apply to those provisions. If the Senator from New York [Mr. WAGNER] will agree with me, I will change the suggestion which I asked him to incorporate in his substitute and which he so graciously did. I shall restate it in this manner:

Provided, That a showing of necessity therefor and of the necessity for all other expenditures shall first be made to the Bureau of the Budget and to the Congress.

The PRESIDING OFFICER. Does the Senator from New York accept the modification proposed by the Senator from Wyoming?

Mr. WAGNER. What effect would it have upon the amendment?

Mr. O'MAHONEY. The only effect would be that before appropriations are made the authority shall make the same character of representations to the Bureau of the Budget and to the Congress that are required of all other governmental agencies.

Mr. WAGNER. It does not deal with the subject of contracts?

Mr. O'MAHONEY. No; it does not deal with the subject of loans or contracts.

Mr. WAGNER. Very well. I accept the modification.

The PRESIDING OFFICER. The question is on the amendment, as modified, offered by the Senator from New York to the amendment of the committee.

Mr. KING. Mr. President, may the amendment as modified and accepted by the Senator from New York and the Senator from Wyoming be read so we will understand what it is we are voting on?

The PRESIDING OFFICER. The amendment, as modified, will be read.

Mr. BYRD. Mr. President, will the Senator permit me to make a suggestion first? I suggest to the Senator from New York that in line 6 of his amendment, after the word "examination", he add the words "for postaudit", thus making it clear that these transactions, after they are made, shall be subject to a postaudit.

Mr. WAGNER. That is the intent and I have no objection to adding those words.

Mr. BYRD. In other words, it should provide for a preaudit and a postaudit.

Mr. WAGNER. If there is a preaudit, is a postaudit needed?

Mr. BYRD. A preaudit does not always apply to the completed transaction.

Mr. BYRNES. Mr. President, will the Senator from New York yield?

The PRESIDING OFFICER. The Senator from New York does not have the floor.

Mr. BARKLEY. Mr. President, if it is necessary for some one to take the floor in order that Senators may ask questions, I will take the floor myself.

The PRESIDING OFFICER. The Senator from New York has exhausted his time.

Mr. BARKLEY. I ask recognition in my own right in order that Senators may ask questions.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. BARKLEY. I yield to the Senator from South Carolina to ask the Senator from New York a question.

Mr. BYRNES. I wish to ask the Senator from New York whether he has agreed to the modification having reference to a preaudit of all expenditures? I will say to the Senator that the suggestion I made a few moments ago was that that question should be left to the determination of general law. There is an issue in the reorganization discussion at this time as to preaudits and postaudits. I think the provisions of this bill should be applicable as the general law shall provide as hereafter determined, and that we should not at this time in this bill commit the Congress to the preaudit suggested when that is a question to be determined hereafter in the reorganization bill. The pending bill should merely provide that expenditures by the authority shall be subject to whatever audit shall be hereinafter provided as to all other agencies, because there is a controversy about the matter at the present time.

Mr. BARKLEY. I hope the Senator from New York will not agree to the suggested modification about a preaudit. That is the very point I made against the amendment of the Senator from Vermont [Mr. AUSTIN] a while ago.

Mr. WAGNER. The amendment does not provide a preaudit of contracts.

Mr. BARKLEY. We cannot tell as to whether it may require a preaudit.

Mr. WAGNER. Not being an expert on these matters, I submit to the advice of experts. I am informed it would probably complicate the situation somewhat, so I decline to accept the modification proposed by the Senator from Virginia.

Mr. KING. I renew my request that the amendment of the Senator from New York, as modified, may be read so we shall know what it is we are to vote on.

The PRESIDING OFFICER. The amendment, as modified, of the Senator from New York will be read for the information of Senators.

The CHIEF CLERK. In the committee amendment, on page 42, beginning with line 11, it is proposed to strike out through line 7, page 43, and insert in lieu thereof the following:

SEC. 6. (a) The Authority may make such general expenditures, subject to audit in the General Accounting Office, for the acquisition and maintenance of adequate administrative agencies, offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing and binding, for attendance at meetings, for instruction, for traveling expenses and for such other facilities and services as it may from time to time find necessary for the proper administration of this act: *Provided*, That a showing of necessity therefor and of necessity for all other expenditures shall first be made to the Bureau of the Budget and to the Congress. Such financial transactions of the Authority as the making of loans, annual contributions and capital grants, and the acquisition, sale, exchange, lease, or other disposition of real and personal property, and vouchers approved by the administrator in connection with such financial transactions, shall be final and conclusive upon all officers of the Government; except that all such financial transactions of the Authority shall be examined

by the General Accounting Office at such times and in such manner as the Comptroller General of the United States may by regulation prescribe. Such examination shall be for the sole purpose of making a report to the Congress and to the Authority of expenditures in violation of law, together with such recommendations thereon as the Comptroller General deems advisable.

Mr. AUSTIN. Mr. President, that does not include the modification offered by the Senator from Virginia [Mr. BYRD].

The PRESIDING OFFICER. The Senator from Virginia has offered an amendment, which is now the pending question. The question is on the amendment offered by the Senator from Virginia to the amendment of the Senator from New York, which will be stated.

The LEGISLATIVE CLERK. In the amendment of the committee on page 42, lines 11 and 12, after the word "expenditures", it is proposed to insert "subject to preaudit and postaudit in the General Accounting Office."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia to the amendment of the Senator from New York.

Mr. WAGNER. I cannot accept that as a modification. It will have to be offered as a separate amendment.

The PRESIDING OFFICER. Does the Senator from Virginia desire to discuss his amendment?

Mr. BYRD. Mr. President, the amendment would simply carry out exactly what the Senator from New York says the bill means. It would subject all expenditures to a preaudit and a postaudit. I want to make it clear and definite that expenditures shall be subject both to a preaudit and to a postaudit. The Senator from New York has said that is what he wants. So I cannot see why he objects to the amendment.

Mr. WAGNER. That raises another question altogether.

Mr. BYRD. No; it does not raise another question. It makes clear that instead of merely an audit, there shall be a preaudit and a postaudit. If the Senator understands his amendment to include a preaudit and a postaudit, and he has stated to the Senate that it does, I cannot see why he should have any objection to the adoption of my amendment.

Mr. BARKLEY. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. BARKLEY. That means that before any money could be expended under the terms of the bill, insofar as the Senator's amendment would affect it, it would have to be preaudited, and then after it had been expended it would have to be postaudited to see whether it had been spent in accordance with the preaudit.

Mr. BYRD. That is the present law, which applies to all expenditures of the Government.

Mr. BARKLEY. The Senate is not quite accurate in saying it is the present law. So far as I am concerned, there is no objection to making the expenditure of the fund provided by the bill subject to the general law in effect; but under the Senator's proposal it would be mandatory that there should be a preaudit of every expenditure before it could be made, and then it would be subject to a postaudit after the expenditure had been made.

Mr. BYRNES. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. BYRNES. I know that the Senator from Virginia has very strong views on this particular subject; but I desire to ask the Senator whether he would not be willing to accept the suggestion of the Senator from Kentucky that the audit required of vouchers under this appropriation shall be in accordance with the general law, and not specify a preaudit, when the question of preaudit and postaudit is one as to which there is such controversy at this time?

Mr. BYRD. In reply to the Senator from South Carolina I will say that the amendment of the Senator from New York does not provide that the auditing shall be done in accordance with the general law.

Mr. BYRNES. I ask the Senator whether it would not be satisfactory to him if it were provided that the auditing should be in accordance with the general law. Then if the law provides for a preaudit it will be all right, and if it does not the matter will be settled, and we shall not have that controversy at this time.

Mr. BYRD. I should be willing to modify my amendment to provide that the vouchers shall be subject to audit in accordance with the general law.

Mr. BARKLEY. That is all right.

Mr. BYRNES. I think that is the best way to solve this problem.

The PRESIDING OFFICER. The Senator from New York accepts the modification of the Senator from Virginia. The question is on the amendment of the Senator from New York as modified by the language suggested by the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Virgina [Mr. BYRD].

Mr. BYRD. Mr. President, I have offered another amendment on page 2, line 6, which provides that the transactions shall be examined and postaudited.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. I inquire whether the amendment of the Senator from Virginia was offered.

The PRESIDING OFFICER. The Chair is informed that the Senator from Virginia had offered an amendment to the amendment offered by the Senator from New York; that the Senator from Virginia then modified his amendment, and that his modified amendment was accepted by the Senator from New York.

Mr. WAGNER. The modified amendment being simply that the audit shall be according to the general law?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Then, Mr. President, I offer another amendment on page 2, line 6, adding the words "for postaudit", so that it shall read "shall be examined for postaudit." Will the Senator from New York accept that?

Mr. BARKLEY. Mr. President, I desire to ask the Senator a question in that connection. If the auditing is to be done under the general law, is there any need for that language? The audit would include that anyway.

Mr. BYRD. Mr. President, the amendment of the Senator from New York says "shall be examined." Frankly, I do not know what the word "examined" means; and I desire to give to the Comptroller General power to examine and postaudit the loans and grants.

Mr. BARKLEY. I had reference to the language already agreed to, suggested by the Senator from Virginia, about auditing the accounts under the general law. Does not that cover the point?

Mr. BYRD. But that applies only to the expenditures, I will say to the Senator from Kentucky. I am now referring to the loans and grants. If the Senator will examine the language on page 2——

Mr. BARKLEY. I have examined it. I will say to the Senator that I propose to offer an amendment at another place in the bill covering all the loans and grants, and contracts for them, providing that they must be approved by the President before they shall be executed.

Mr. BYRD. All I am asking is that after the word "examined", which may not necessarily mean an audit, the words "for postaudit" be inserted. The Senator from New York has said that that is the intent of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD] to the amendment offered by the Senator from New York [Mr. WAGNER].

Mr. WAGNER. Mr. President, I suggest that in place of the word "examined", if the Senator desires, the word "audited" be inserted.

Mr. BYRD. That will be satisfactory.

The PRESIDING OFFICER. If that modification is accepted by the Senator from New York, the question now is on

agreeing to the amendment of the Senator from New York, as modified, to the amendment reported by the committee.

The modified amendment to the amendment of the committee was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment in the nature of a substitute offered by the Senator from Vermont [Mr. AUSTIN] to section 6 of the amendment reported by the committee.

Mr. AUSTIN. Mr. President, may we have the present status of this section read? I may wish to withdraw my amendment.

The PRESIDING OFFICER. The clerk will read the section as amended.

The LEGISLATIVE CLERK. As amended, the section now reads as follows:

Mr. DAVIS. On what page?

The LEGISLATIVE CLERK. Page 42. [Reading:]

SEC. 6 (a). The Authority may make such expenditures, subject to audit under the general law, for the acquisition and maintenance of adequate administrative agencies, offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing and binding, for attendance at meetings, for instruction, for traveling expenses, and for such other facilities and services as it may from time to time find necessary for the proper administration of this act: *Provided*, That a showing of necessity therefor, and of necessity for all other expenditures, shall first be made to the Bureau of the Budget and to the Congress. Such financial transactions of the Authority as the making of loans, annual contributions, and capital grants, and the acquisition, sale, exchange, lease, or other disposition of real and personal property, and vouchers approved by the administrator in connection with such financial transactions, shall be final and conclusive upon all officers of the Government; except that all such financial transactions of the Authority shall be audited by the General Accounting Office at such times and in such manner as the Comptroller General of the United States may by regulation prescribe.

Mr. WALSH. Mr. President, I suggest to the Senator from Vermont that as the objective which he has been seeking has largely been accomplished by the amendments adopted, it might be fitting for the Senator to withdraw his amendment.

Mr. AUSTIN. Mr. President, under the circumstances I think it is expedient for me to withdraw the amendment I have offered, if I may be permitted to do so.

The PRESIDING OFFICER. The Senator from Vermont has the right to withdraw his amendment.

Mr. AUSTIN. I withdraw the amendment.

Mr. MOORE. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 60, line 8, after the word "involved", it is proposed to insert a colon and the following:

Provided, That any such contract for a loan, annual contribution, capital grant, sale, lease, or mortgage shall contain a condition requiring the maintenance of adequate playground facilities in connection with the housing project involved.

Mr. MOORE. Mr. President, I wish to make only a brief comment on this amendment. I am very sure it requires no comment, but it is a matter which has long had my interest.

Senators will notice that on these exhibits "Before and After" of the alley dwelling authorities, after the alleys have all been taken away we are shown a beautiful space, filled with automobiles. We are not shown what happened to the children who played in those alleys. We are not shown where they went. We are not told that they are now surrounded on all sides by automobiles.

This amendment should appeal to those of us who come from districts where there are slums, and who see children, as I see them in my own city, coming out of teeming tenements—little white-faced kids whose only knowledge of a rushing brook is the water-filled gutter after the rain, whose only knowledge of a green field is a cemetery to which they have followed some little white coffin whose inmate has been crushed to death by an automobile. Take up the Washington Post, and there is a headline and a picture of a handsome little 4-year-old boy who, the newspaper tells us, was killed by a bus while playing in the streets. In my own newspaper published in Hudson County, N. J., the Hudson Dispatch, there is another, a little girl, 4 years old, killed while playing in the street.

Mr. President, my amendment provides that play spaces shall be provided. In my own State since 1913, 38,526 minors have been permanently maimed by automobiles. During the past 4 years 1,100 children have been killed on the streets of my State; and yet my State has been praised for reducing the number of accidents. In New York 582 children were killed in the one year, 1935.

What does a playground cost? Here is the catalog of one of the large playground equipment manufacturers. For $500 a park playground outfit can be obtained. Add $2,500 for a 500-unit slum clearance, and you have a playground that will take care of 1,500 children. I know I do not have to convince Senators as to the importance of this amendment. I simply ask the Senate, in the name of the children of the United States, to give them a place in which to play and consider them in connection with the question of housing.

Mr. WAGNER. Mr. President, I believe this is a very creditable amendment and one which I heartily endorse. I hope it will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. MOORE] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

WITHDRAWAL OF AMERICAN TROOPS FROM CHINA

Mr. LEWIS. Mr. President, I beseech the Senate to allow me for a moment to divert the subject. The morning newspapers bring us intelligence that certain Americans in China have been greatly imperiled. I see the prospect of danger ahead of us and take the liberty to bring to the attention of the Senate a matter which I feel should be promptly acted upon.

We cannot be unmindful of the fact that a few days ago French troops advanced and, through some error or by some form of collision, became involved with the troops of the Orient, and some of the French officers and their men were killed. We find that American women stepped out from their homes in Peiping and, out of a spirit, perchance, of humanity—we hope not curiosity—wandered behind the bags that were serving as a fortress or buttress, and risked themselves in a manner wherein they would have been killed but for the very sudden and efficient action of the watchers near by.

Mr. President, so long as the United States continues to maintain a regiment of soldiers at Peiping and at Tientsin the prospect of collision between those soldiers of America and the soldiers of Japan is very evident. A clash may occur, which may result in some of our soldiers being killed and some of our citizens being greatly injured, and thus a controversy in some form may ensue between our country and Japan. Inquiry might be made as to who was to blame, and, if the blame happened to rest on us, then demand would be made for the payment of a proper penalty to Japan.

I respectfully urge upon this honorable body that the time has come when our Government should withdraw that regiment from China and bring it home or direct it to some place where necessity justifies, in order that it may no longer remain in a position where it may cause the friction and the conflict.

Mr. President, when the Boxer Rebellion broke out some years ago, and after there had been an adjudication, or adjustment, by which some sum of money was allowed the United States as a penalty, which afterward, through our generosity, was returned to China for educational purposes there, we still continued to maintain an army of occupation

in China, upon the theory that from Peiping to Tientsin, which is like going from here to Baltimore, there should be a thoroughfare and there should be an army behind it to support that avenue in the event of obstruction. But now a new China has developed; it is not the same China or the same government. Again, with aerial navigation, and the railroad which has been built, the reasons for maintaining those troops in China, as in the past, no longer exists.

It may be that the State Department has conceived that the old treaty still prevails. It is evident to us all that the arrangement, as there never was a treaty, by which we kept those soldiers there, has ceased to have a reason. So I respectfully urge that the duty of the United States is now to do as it did in Mexico, and has lately done in Spain, advise American citizens to leave, and aid them, wherever it can, to leave with security, but not to leave ourselves in such a position that at any time there may come an embroilment and confusion that could lead us into a conflict more serious than any other, barring war.

For these reasons I take the liberty of bringing the situation to the attention of this honorable body, and I say now that at the appropriate moment I shall offer a resolution embodying my views as thus outlined, and ask the expression of the Senate. For the present I will not occupy further time, but will yield to the Senator from Kentucky, who wishes to offer an amendment touching the measure now before the Senate.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provisions of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. BARKLEY. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 43, at the end of line 19, it is proposed to add the following:

Provided, That no expenditure, grant or loan, or contract for the expenditure, grant, or loan of funds under this act shall be undertaken by the Authority except with the approval of the President.

Mr. BARKLEY. Mr. President, I have discussed the amendment with the Senator from New York, the author of the bill. I will say, in a word, that the object of the amendment is to allow the President to have some check upon contracts for the expenditure of money and the making of loans and grants under the proposed act. The bill authorizes obligations on the part of the Government to the extent of $700,000,000 or more but does not provide that the President shall sit in or be consulted or have any jurisdiction over the entering into of the contracts. Therefore, I think the amendment ought to be agreed to.

Mr. WALSH. Mr. President, I am in hearty accord with the sentiment expressed by the Senator from Kentucky. I think the amendment is in every way admirable. It would assure a responsible check upon the expenditures and the grant of loans by the board. I think it is a very excellent amendment.

Mr. BARKLEY. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. KING. Mr. President, I am sure that the able chairman of the committee will not disagree with the motion I am about to make. I move to strike out section 12, beginning on page 50, relating to demonstration projects.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, it is proposed to strike out section 12, beginning in line 13, page 50, as follows:

DEMONSTRATION PROJECTS

SEC. 12. (a) The Authority may develop and administer low-rent-housing and slum-clearance demonstration projects in order to demonstrate to localities the benefits to be derived therefrom. No such projects shall be commenced in any locality without the consent of a governing body having jurisdiction over such locality: *Provided*, That not more than one demonstration project shall be commenced hereafter in any one locality and that the total estimated development cost of all such projects commenced in any one fiscal year shall not exceed $25,000,000.

(b) As soon as practicable the Authority shall sell its demonstration projects or divest itself of their management through leases.

(c) The Authority may sell a low-rent housing demonstration project only to a public housing agency. Any such sale shall be for a consideration, in whatever form may be satisfactory to the Authority, equal at least to the amount which the Authority determines to be the fair value of the project for housing purposes, less such allowance for depreciation as the Authority shall fix. Such project shall then become eligible for loans pursuant to section 9, and either annual contributions pursuant to section 10 or a capital grant pursuant to section 11. Any obligation of the purchaser accepted by the Authority as part of the consideration for the sale of such project shall be deemed a loan pursuant to section 9.

(d) The Authority may lease any low-rent-housing demonstration project, in whole or in part, to a public housing agency or a consumers' housing society: *Provided*, That the tenant eligibility for a project leased to a consumers' housing society shall not be limited to the members of such society. The lessee of any project, pursuant to this paragraph, shall assume and pay all management, operation, and maintenance costs, together with payments, if any, in lieu of taxes, and shall pay to the Authority such annual sums as the Authority shall determine are consistent with maintaining the low-rent character of such project. The provisions of section 321 of the act of June 30, 1932 (U. S. C., Supp. VIII, title 40, sec. 303 (b)), shall not apply to any lease pursuant to this act.

(e) In the administartion of any low-rent-housing demonstration project pending sale or lease, the Authority shall fix the rentals at the amounts necessary to pay all management, operation, and maintenance costs, together with payments, if any, in lieu of taxes, plus such additional amounts as the Authority shall determine are consistent with maintaining the low-rent character of such project.

Mr. WAGNER. Mr. President, I desire to understand clearly the amendment. It merely strikes from the bill the authority of the Federal housing board to build demonstration projects?

Mr. KING. Exactly. As a part of my remarks, in connection with this amendment, I offer a statement by Secretary Ickes respecting the matter, and I ask to have it printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

V. DECENTRALIZATION OF THE HOUSING PROGRAM

I believe that the construction and operation of housing projects can be carried on most effectively by State and local public agencies and that the Federal Government should encourage the decentralization of the housing program. The authorization of a purely non-Federal housing program would make it necessary for States and local public agencies to assume their share of the responsibility in the solution of the housing problem.

I therefore recommend the omission of section 12, which provides for construction by the Federal Government of so-called demonstration projects. I am convinced that the program will be more successful if it is undertaken solely on a non-Federal basis, except for Federal financial and technical assistance. Projects undertaken by local housing authorities will, in my opinion, be given much greater local cooperation and financial assistance because of the local responsibility for the success of the projects and for the establishment of low rentals. I have already referred to the enactment of housing legislation in 27 States and to the pendency of similar legislation in other States. A Federal program consisting solely of loans and grants to State public agencies would stimulate the passage of such legislation in the States where it is needed and would also stimulate the creation of local housing authorities.

With respect to the low-rent housing projects heretofore undertaken by the Federal Government, the bill properly provides that these should be completed and disposed of, as soon as practicable, by sale or lease to local public housing agencies.

HAROLD L. ICKES, *Administrator.*

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. TYDINGS. Mr. President, I am about to send a proposed amendment to the desk, but before sending it forward, I should like to ask the Senator from New York what he would consider the maximum rent per room per month that could be paid by those of the lowest incomes?

Mr. WAGNER. Mr. President, that is a very difficult question to answer, because it depends entirely on what section of the country is involved.

Mr. TYDINGS. In New York, for example, where the highest rent would be paid?

Mr. WAGNER. I cannot say.

Mr. TYDINGS. Would it be $5 per month per room?

Mr. WAGNER. The lowest income group may not be able to pay $5 a month, or they may be. It is a matter as to which we will really have to trust the board, to some extent, to determine a rent which the low-income group may be able to pay and live in decent quarters.

Mr. TYDINGS. Before offering my amendment, I shall read it, and I should like to have the attention of Senators, because I believe the amendment has some merit. The amendment deals with the rent subsidy provision and provides:

Provided, That the Authority shall make no loan until it is demonstrated that the revenue to be derived from rent of the building at not more than $5 per month per room shall be exclusive of interest on the loan equal to a net return of 3 percent of the estimated total cost of said building including demolition of slum building, development, construction, and other costs incidental to the capital outlay.

Mr. President, I will state the philosophy of the amendment. The Government is going to lend $700,000,000 at around 3-percent interest. It is going to guarantee the repayment of the bonds issued, and I do not feel that the board ought to make loans and guarantee loans unless it can be reasonably demonstrated that the rent at not more than $5 per month per room will furnish sufficient net income, exclusive of interest on the loan, to equal 3 percent of the capital outlay. If the project cannot earn the interest on the loan which the Government is making, then the loan ought not to be made. Certainly it ought to be demonstrated before the loan is made that the project can earn at least sufficient to pay the interest on the loan which the Government has guaranteed.

If this amendment should be adopted and be inserted at the end of section 10, it is my intention to offer it for insertion at the end of section 11, which sections provide the two ways in which the Government may subsidize rents.

Mr. McCARRAN. Mr. President, would the Senator's amendment spell profit to the Government?

Mr. TYDINGS. No.

Mr. McCARRAN. If it would, naturally we would be opposed to it.

Mr. TYDINGS. Let me answer a little more in detail. The bill assumes that the Government will borrow money at 3 percent or less. Therefore I have made the requirement that the net revenue from rentals, exclusive of interest on the loan, shall be 3 percent as a condition to making the loan. Three percent would barely furnish enough to pay the interest, without any provision whatsoever for a sinking fund.

Mr. McCARRAN. Mr. President, I will say to the Senator from Maryland that I have no desire to interrupt him, but I do have a desire to express myself to the effect that what is proposed should not be considered a profit-making project; and, furthermore, my idea is that this is a Nation-making project.

Mr. TYDINGS. The Senator is right.

Mr. McCARRAN. In other words, we can best go forward by taking care of the lowly and the humble, those who have no ability to take care of themselves. I think the Government can well afford to subsidize to a large extent this project, because by doing so we shall build a nation from the standpoint of building for those who are unable to build for themselves. That is my view, and that is the reason why I asked the question of the Senator.

Mr. TYDINGS. I appreciate what the Senator has said; but, as I understand the amendment, it would not, even if its provisions were administered in the best of faith, effect the objectives to which the Senator addresses himself, and to which the Senator from New York [Mr. WAGNER] has addressed himself, or to which he will address himself.

What does the amendment provide? It provides only that the board, when acting upon a request for a loan, shall have it reasonably demonstrated, first, that when the building is completed and its total cost ascertained or estimated, sufficient revenue shall be derived, by charging not more than $5 per month per room, at least to pay the interest on the loan, without any provision being made for a sinking fund.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WALSH. Will the Senator give an illustration? Let us say that the local authority has applied for a $10,000,000 loan, and has submitted its plan for building houses.

Mr. TYDINGS. I will use that as an illustration. I will consider the city of Baltimore, and make the illustration apply to that case. The city has men who are capable of making a survey of the area to be cleared. It has men capable of designing buildings, with a courtyard or a park, or whatever plan may be adopted. Finally the plans are complete for the demolition of the old building and the construction of the new building, either on the same site or at some other place, so that when the plan is completed the administrator in Washington has it before him. If I could do so, I should provide that as part of the operation of making the loan the lowest possible bid for doing the work should accompany the application. The city should advertise for bids, and the lowest bidder should be selected, and the low bid should accompany the application filed with the board. The board should know for what amount the contractor would agree to do the completed job.

Mr. WALSH. The local board does all this. It submits the estimates.

Mr. TYDINGS. Just a moment. I am talking about borrowing the money from the Federal Government.

Mr. WALSH. Under the bill, all that the Federal board does is to look over the plan, look over the bids, look over the estimates, and say, "Here is your loan."

Mr. TYDINGS. Exactly. In other words, the Federal Government is not concerned one iota as to whether or not it is going to have returned to it even the interest on $700,000,000 of the money of the people of the country which is handed over to the local boards. I say, if we are going to give $700,000,000 to these local boards, let us give it to them; but if we are going to lend it to them, let us lend it to them under such conditions that at least we shall know we are going to get back the interest on the loans.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. McCARRAN. I do not want to interrupt the Senator. I am very much in accord with the Senator's views in many respects. I regard this proposal as a national project. I do not regard it really as a loan. I think this a nation-building project. I think public moneys are going to be expended in this building project for building the Nation from the ground up. When we speak of interest I think we are speaking in harsh terms, because I do not believe that the Government eventually will get any interest from these loans. If it gets its principal back, it will be very much more than I expect, and I think more than the Congress of the United States can expect. So, for that reason, I think perhaps the Senator's amendment may be just a little harsh.

Mr. TYDINGS. Mr. President, let me interrupt the Senator to say that if the Senator fully understood what I have in mind I believe he would consider my view a tenable one.

I wish the Senator to understand that I have not provided in the amendment that there must be sufficient funds for interest and sinking fund. I have not provided in the amendment that the loan must be repaid. I present it only to keep out propositions which are not economically sound, even from a slum-clearance standpoint.

Mr. McCARRAN. With that I am entirely in accord.

Mr. TYDINGS. I believe the Senator is.

Mr. McCARRAN. Because I believe the Senator's mind is running along with mine, that it should not be subject to——

Mr. TYDINGS. Grab-bag stuff.

Mr. McCARRAN. That is correct. I would use the term "grab-bag stuff" advisedly.

Mr. TYDINGS. Let me have the attention of the Senator from New York [Mr. WAGNER] and the Senator from Massachusetts [Mr. WALSH] with respect to a practical proposition.

Here is $700,000,000 for slum-clearance projects all over the country. The minute it is assumed that the Federal Government is simply going to lend for the objective, without any idea as to whether or not eventually there will be houses built, for which we will furnish loans to the lowest income group, without any idea that the Federal Government is seeking any check on the cost, the net result will be an urge for every municipality to come down to the Federal authority and take home all the money it can get, and build these projects, because no provision is made in the loan for the liquidation of the loan or for the payment of the interest on the loan.

Mr. WALSH. Mr. President, will the Senator give an illustration of what, under his plan, may be done with a loan of $10,000,000?

Mr. WAGNER. Mr. President, does the Senator from Maryland say there is no provision for repayment?

Mr. TYDINGS. If the Senator will allow me to finish, I think I can maintain that statement and not contradict what the Senator has in mind.

Of course, it is supposed that the loans will be paid. If it is supposed that the loans will be paid, why, then, complain against a condition precedent to the contract which, at least, will provide that sufficient revenue shall be furnished to pay the interest? All I am asking is that when the plans are submitted to the Federal authority, the estimated revenue shall be at least 3 percent of the estimated cost of the finished project, interest excluded. In other words, if the estimated revenue at $5 per month per room is not sufficient to pay the interest on the bonds issued for the 80 percent advanced by the Government, then I say the proposition probably ought to be reexamined in the light of good business administration.

There is nothing in the amendment that would destroy the operation of the Senator's philosophy. What I am trying to do is to throw sufficient safeguards around the measure so that it will stand up in the light of public scrutiny as being a humane measure, to meet a condition where money is not the prime consideration, but where money is considered, insofar as it can reasonably be considered, in the interest of good administration, and so that the program will have sound public support in the long run.

Now, let me consider the illustration that the Senator from Massachusetts asked me to use.

Mr. WALSH. Mr. President, does the Senator realize that the bill presupposes that no loan will yield in rentals, without a subsidy, sufficient money to meet the capital and interest obligations on the loan?

Mr. TYDINGS. The Senator realizes that the amendment does not ask for any capital amortization fund whatsoever. I am dealing with the project before it is built. I am dealing with the application that comes before the board. I am trying to compel the board to cause the local authority to see to it that the Federal money will go as far as possible in order to meet the needs of the situation.

Mr. WALSH. Mr. President, how can that be done when the whole theory of this bill is—and it would not be here otherwise—that we shall provide capital because local authorities cannot build housing profitably, nor can they do it without a subsidy or grant from the Federal Government?

Mr. TYDINGS. I am not questioning that at all.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. McCARRAN. I think the Senator's amendment comes to this—and it is with that in mind that I would support the Senator's amendment—that this program shall not be made the subject of a promotion scheme.

Mr. TYDINGS. Nor shall projects be initiated by town criers.

Mr. McCARRAN. Nor shall such things be started by town criers.

Mr. TYDINGS. This proposition does not touch slum-clearance and buildings. It is preliminary. When an application comes in to the central authority, it is accompanied by such data that the central authority may know whether or not, for the amount of money which it is asked to advance as necessary to complete the project, there is a probability that the revenues derived from the rents on a low-rental basis will at least pay the interest on the loan and nothing more. That is all.

Mr. WALSH. So the Senator's proposition is that the United States housing authority, before taking favorable action on an application from a local authority, must be assured that the rental will meet the requirement of 3-percent interest on the capital loan?

Mr. TYDINGS. That is all. It does not provide $1 for a sinking fund. It simply provides the minimum, as to whether or not the project can at least pay the interest when the building is new, when there is a great demand for its rooms, and when, as shall be provided, the rooms will rent for not more than $5 per month per room.

Mr. WALSH. That is another condition.

Mr. TYDINGS. It may be that it ought to be $6 or $4.

Mr. WALSH. The rent must not be more than $5 per room for the total number of rooms rented, and the income from those rooms must indicate a 3-percent return on the investment?

Mr. TYDINGS. That is correct.

Mr. WALSH. I think I now understand the Senator's proposition.

Mr. WAGNER. Mr. President, I am trying to understand the amendment of the Senator from Maryland. Is he proposing, when the loan is made——

Mr. TYDINGS. Before the loan is made.

Mr. WAGNER. Or before the loan is made, as a condition precedent to making the loan, that the local authority which constructs the building must give assurance that there will be at least a 3-percent return upon the money loaned?

Mr. TYDINGS. Exclusive of interest.

Mr. WAGNER. Three percent exclusive of interest? Does the Senator mean 3 percent upon the principal.

Mr. TYDINGS. Three percent exclusive of interest.

Mr. WAGNER. Then the Senator means upon the principal loan?

Mr. TYDINGS. That is correct.

Mr. WAGNER. Upon that basis it would mean that the rent charged would have to be high enough without any subsidy to bring a return of at least 3 percent. Am I correct about that?

Mr. TYDINGS. No; the Senator is not correct, because we do not lend the full amount of the cost of the project; we only lend a percentage of it, do we not?

Mr. WAGNER. A hundred percent on the cost of the project may be borrowed.

Mr. WALSH. Mr. President, may I develop my illustration to see if I can make a little clearer what I understand to be the Senator's plan?

Mr. TYDINGS. Certainly.

Mr. WALSH. The local authority asks for $1,000,000. The interest at 3 percent on that amount is $30,000.

Mr. TYDINGS. That is correct.

Mr. WALSH. Very well. It must be shown that the houses are going to be rented for approximately $5 a room.

Mr. TYDINGS. Not more than that.

Mr. WALSH. Not more than that. So that they must present a project comprising approximately 600 rooms. For 600 rooms at $5 a room the rental would be $3,000 a month, which would be approximately 3 percent on $1,000,000.

Mr. TYDINGS. That is not quite it, but the Senator is "getting warm."

The PRESIDING OFFICER. The time of the Senator from Maryland on his amendment has expired.

Mr. TYDINGS. I ask for time on the bill.

The PRESIDING OFFICER. The Senator has 10 minutes on the bill, and may proceed.

Mr. TYDINGS. Let me start out with the application under this amendment and trace it all the way through. The city of Boston wants to engage in a slum-clearance campaign. The cost of demolishing the slums and building the new slum-clearance buildings will be $1,000,000. Before the authorities of Boston come to Washington they have the plans all completed for demolishing the old slums and plans are all completed for erecting the new building.

Before the application is filed with the central authority bids are asked covering the cost of demolishing the old buildings and the erection of the new ones. The lowest possible bidder is tentatively awarded the contract, which, for the purpose of my illustration, we will assume is for a million dollars. Appended to the application to borrow a million dollars are the bids showing what the work can be done for in accordance with the plans and specifications, which likewise come with the application. The local authority looks it over and at not more than $5 a room estimates what the gross income would be if all the rooms were rented. Then it estimates what the operating expenses, repairs, and what not, would be and subtracts that from the gross income. The only thing that is not subtracted is the interest on the loan. When those expenses are taken from the gross income, that leaves a net income, except that the interest on the loan is not a part of the gross expense. If the amount of money remaining equals 3 percent of a million dollars, or $30,000, to be exact, then the proposition comes within the limit. If, on the contrary, it equals only 1 percent of the amount they ask for, it stands to reason that they cannot construct a building and give low rents and pay even the interest on the million dollars which they are borrowing from the Federal Government. Do I make myself plain?

Mr. WALSH. I think I now understand the Senator's proposal.

Mr. TYDINGS. Does the Senator from New York understand me now?

Mr. WAGNER. I do not quite understand the proposal as yet.

Mr. TYDINGS. The Senator was not listening.

Mr. WAGNER. I was listening.

Mr. TYDINGS. I know it was not the fault of the Senator from New York, because he was answering questions.

Mr. WAGNER. The Senator turned his back on me, but I listened as best I could. I know he cannot talk to everyone at the same time. Let me see if I understand it clearly now.

Mr. TYDINGS. I will ask the Senator not to be long, because my time is limited.

Mr. WAGNER. I have some time left, and the Senator can use that.

The Senator takes the cost of the whole project, which may include the loan from the Federal Government. The local authority may make, say, a 30- or 40- or 50-percent contribution toward the construction of the project. Nevertheless, although the Federal Government may only have loaned 50 percent of the cost of the project——

Mr. TYDINGS. I see the Senator's point, and I will be glad to modify the amendment and make it 3 percent on the amount the Federal loan is contributing toward the project.

Mr. WAGNER. That would be an improvement.

Mr. TYDINGS. This amendment probably, in the light of further study, might need additional modification, although, for the time being, I do not see that it does, but I do not want to be captious about it. Will not the Senator accept the amendment in the spirit in which I tender it?

Mr. WAGNER. Not in the form in which it is now.

Mr. TYDINGS. I will make the correction the Senator suggests, and will he not then accept it and take it to conference? All I ask is that reasonable safeguards be thrown around the money which is loaned, so that there will be a reasonable expectancy that at least the interest will be returned. It seems to me that is a fair request.

Mr. WAGNER. I do not want to have anything put into this measure which I think is not in accordance with its objective, but at the same time I wish to be generous. I think I have been generous during the last 3 days in accepting amendments, particularly as to the financial features of the bill.

There is a provision, however, I may say to the Senator, on page 45 which reads:

> Such loans shall bear interest at such rate, not less than the going Federal rate at the time the loan is made——

Mr. TYDINGS. I am familiar with that.

Mr. WAGNER. And—

> be secured in such manner, and be repaid within such period, not exceeding 60 years, as may be deemed advisable by the authority.

Mr. TYDINGS. That is just what I want to point out to the Senator. Here we are requiring that these loans be secured and be repaid with interest. All I am trying to do is to make sure that the board which will make the loans will appreciate the fact that that particular provision means approximately what it says, and that the board will carefully go over the plans and specifications and costs and the intended revenue and what not, and at least make certain that there will be enough in the project to pay the interest.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. McCARRAN. I think what the Senator from Maryland really wants is that the board which is to lend the money shall appreciate the fact they are dealing with Federal money and that Federal money cannot be frittered away.

Mr. TYDINGS. That we are not willing to give away money, but we want to know that it is being handled with all reasonable care.

Mr. McCARRAN. And we want those who are deserving to have the benefit of the money which is to be expended.

Mr. TYDINGS. The Senator from New York himself has properly said that this is only the beginning of what he hopes will be a continuing plan. I wish to point out to the Senator that there is no better way to get public approval for this plan, public support for it, than to have it reasonably safeguarded at the beginning when it is in an experimental stage; and if such safeguards as I have suggested were thrown around it, I predict that, in the long run, it would aid the project rather than bring it into disrepute.

Mr. WAGNER. I wish to study the amendment for a moment, Mr. President. The Senator, as I understand, has agreed to limit it to loans made by the Government. I want to be sure, however, that it does not in any way interfere with the provision giving subsidies. What I have in mind is that we all agree that the low-income groups should not be made to pay more than they can afford to pay.

Mr. TYDINGS. That is the reason I put in the words "not more than $5 per room per month." Perhaps it should be $6, or perhaps it should be more. I took the figure suggested by the Senator, so that I would give the Senator "a break", not only because of the idea of revenue, but it would be more likely that the building would be self-sustaining.

Mr. WAGNER. The Senator does not mean, of course, to say that the building shall earn 3 percent exclusive of the subsidy which is given?

Mr. TYDINGS. Of course not. What I am trying to do is to get the board before it lends the money to know what is doing; that is all.

The PRESIDING OFFICER. The time of the Senator from Maryland has expired. The question is on the amendment offered by the Senator from Maryland [Mr. TYDINGS] to the amendment of the committee.

Mr. WAGNER. Mr. President, the Senator from Maryland, I think, has agreed temporarily to withdraw the amendment, so that it may be given further study.

Mr. TYDINGS. I temporarily withdraw it.

The PRESIDING OFFICER. The Senator from Maryland temporarily withdraws his amendment. The bill is still before the Senate and open to amendment.

Mr. KING. Mr. President, a few moments ago I offered an amendment which was agreed to on page 55, section 15, line 22. The following words ought to be eliminated because they are superfluous in view of the elimination of section 12. The words I move to strike out are "or in undertaking any demonstration project pursuant to section 12."

The PRESIDING OFFICER. The amendment offered by the Senator from Utah to the amendment reported by the committee will be stated.

The CHIEF CLERK. In the amendment of the committee, in section 15, page 55, lines 22 and 23, it is proposed to strike out the words "or in undertaking any demonstration project pursuant to section 12."

Mr. WALSH. There is merely a perfecting amendment, in view of the other amendment which has been agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. WAGNER. Mr. President, my colleague was concerned as to whether the District of Columbia is included in the bill so as to secure the benefits of it. I invite his attention to page 36, line 23, where it is provided:

> The term "public housing agency" means any State, county, municipality, or other governmental entity or public body.

Turning to page 38, line 1, we find this statement:

> The term "State" includes the States of the United States, the District of Columbia, and the Territories, dependencies, and possessions of the United States.

Mr. COPELAND. I think that is entirely satisfactory. I want to be sure that this fine work which was explained yesterday by the Senator from Massachusetts [Mr. WALSH], which has been carried on in the District of Columbia, should not be disturbed.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. COPELAND. Certainly.

Mr. WALSH. The District of Columbia authorities informed me that their attorney has advised them that the language in the bill is not sufficient to include the District of Columbia.

Mr. COPELAND. I had the same information.

Mr. WALSH. I have some doubt about it myself, but I see no reason why it should not be harmonized and the language suggested by the Senator substituted for the language of the bill.

Mr. COPELAND. Mr. President, since my colleague is so certain, and I think he is doubtless right, that the District of Columbia authority is fully protected, there should be no reason why we should not make assurance doubly sure by adopting the amendment which I have suggested.

Mr. WAGNER. I assure the Senator there can be no doubt about it because we include those who are to be benefited, among others the States of the United States, and then on page 38 we say that "The term 'State' includes the District of Columbia." I am sure that is as clear as it can be made.

Mr. COPELAND. I assume that it is.

Mr. WAGNER. I hope the Senator will take my word for it.

Mr. COPELAND. I know that the record now is so perfect that we do not need to be disturbed about what the courts may say, but I have had such an intimate relationship with the alley-clearance project in the District of Columbia from the time that it was first mentioned that I should want to be very certain indeed that it would not be interfered with. I am going to accept the assurance of my colleague.

I want to ask my colleague once more about the advisory committee which I mentioned yesterday, a national housing advisory committee. I want to extend a little bit the argument I made yesterday, and I hope I may induce my colleague to accept an amendment in that regard. As a matter of general policy where broad discretion and large powers are delegated to bureaus and boards, we should establish some orderly way in which they may receive the advice and counsel of a representative group of citizens. This is only a logical working out of the checks and balances theory of the Government. As bureaus and boards become powerful they themselves and the Congress and the public can unquestionably benefit by the receiving, in an orderly way, of the judgment of especially qualified citizens regarding policies, practices, and objectives.

I mentioned yesterday and repeat today that the British Government has a long record of effectively utilizing commissions created by the Parliament, appointed by the respective ministers concerned, and drawing to their membership a variety of eminent personalities from private walks of life. These are not salaried commissions. They are voluntary commissions. They make their reports to the departments of government and sometimes to the Parliament. The example which is familiar to everyone is the famous McMillan Commission, which dealt with financial policies and problems. Several commissions have been used in connection with the development of the British housing policy. In 1935 Parliament arranged with a permanent central housing advisory committee. That is found in the British Housing Act of 1935, part II. This advisory group was selected by the Minister of Health and is representative of the leading interests concerned with housing. It includes such figures as Sir Raymond Unwin, probably the most eminent name in city planning and housing.

Mr. WAGNER. Mr. President, I may say that Sir Raymond Unwin has been in this country. He heartily approves such legislation.

Mr. COPELAND. Yes; I know that. What I am saying, as, of course, my colleague knows, is not any evidence of lack of appreciation of the legislation, because I have in my heart a very urgent desire to have this bill enacted into law. My judgment is that, with all the fine record he has made in the past, my colleague has never done any finer thing than to sponsor the proposal now pending before the Senate.

Sir Raymond Unwin is well known and would naturally support this kind of legislation. Then, too, there is Sir Harold Bellman, head of the Abbey Road Building Society, which has a capital of over $200,000,000.

I am not going to quote at length from the British hearings, although I have them, indicating the importance of these bodies. I shall quote briefly from the British hearings:

> The main reason for appointing an independent board was to protect the Government departments from political pressure by would-be borrowers, and to enable Parliament to enact general laws without authorizing public money to be advanced to borrowers in particular cases where such advances were not obviously justified in the public interest.

It seems to me that if we had such a statutory advisory body it would do much to coordinate the activity and program of the United States Housing Authority and make it properly supplement or complement the work of private enterprise. In the absence of such statutory bodies, the only advice sought by bureaus or boards is largely from their own employees or from persons either in agreement with

them or presumptuous enough to present opinions and suggestions. A statutory body, composed of eminent citizens serving without any compensation whatsoever and representative of the various interests concerned, could do a substantial public service and their recommendations would be of interest to Congress.

I call attention again to the fact that when Secretary Ickes appeared before the Committee on Education and Labor he said:

> I believe that the management and control of the affairs of the Authority should be vested in one executive. An advisory board can be created to provide opportunities for the expression of different points of view if it is felt that this would be helpful in shaping the policies of the Authority.

Then Mr. Howard A. Gray, Director of Housing in the Department of the Interior, under Secretary Ickes, at page 16 of the 1937 Senate committee hearings, said:

> With respect to the formulation of policies, an advisory board should be created to provide an opportunity for the expression of different points of view.

There is ample precedent for what I am suggesting. In the original Federal Reserve Act there was included a Federal Reserve Advisory Council, which has functioned right down to the present time. The Federal Home Loan Bank Board's activities are surveyed and assisted by the Federal Savings and Loan Advisory Council, created by Congress in 1935.

In conclusion let me suggest that the establishment of such a council or committee by statute would give to it an importance not felt by simply an appointive committee, and through such a body the interest and support of substantial groups would be encouraged and enlisted for an appropriate public housing program pointed clearly to the underprivileged.

Incidentally, the financial grants made in connection with public housing in Great Britain clear through a body composed of bankers and influential men in London, known as the public works loan commissioners. This is not exactly an advisory group, but has been used in properly protecting the Government in connection with advances or loans to local authorities for housing purposes.

Mr. President, I will now state what I am proposing. I ask the clerk to read the amendment I offered yesterday. It is found near the top of page 8109 of the CONGRESSIONAL RECORD of yesterday.

The PRESIDING OFFICER (Mr. TRUMAN in the chair). The clerk will read the amendment.

The Chief Clerk read as follows:

> SEC. 23. There is hereby created a national housing advisory committee which shall consist of 16 members, 8 to be appointed by the Authority, and 8 to be named from organizations designated by the Authority, having due regard to a representation of public housing, mortgage credit, labor, and construction interests upon such advisory council. Each organization shall name its representative and all members of the committee shall serve without compensation, but shall be entitled to reimbursement from the Authority for traveling expenses incurred in attendance at meetings of such committee. The committee shall meet at Washington at least twice a year and oftener if requested by the Authority. The committee may select its own chairman, vice chairman, and secretary, and adopt methods of procedure and shall have power:
>
> (1) To confer with the Authority and other public officials on any matter which may be referred by the Authority to the committee, dealing with the housing question, public or private, and any matters arising in connection with the execution of laws relating to housing.
>
> (2) To request information and to make recommendations with respect to matters within the jurisdiction of the Authority and also to consider the operation of enactments relating to housing and make to the Authority such recommendations with respect to these matters as the committee thinks desirable. The recommendations here directed shall be printed as a part of the annual reports to Congress of the Authority.

Mr. COPELAND. Mr. President, it will be seen that this committee has no authority beyond simply giving advice. I assume that there will be a housing problem in this country so long as we have human beings, certainly so long as we have cities. There are in the country agencies that are active in building houses, notably the building and loan associations. What they have done through 100 years has meant more to the poor, or to those in humble circumstances, in the way of gaining homes than the work of all other lending bodies in existence. We ought to have the advice of the building and loan associations, of the savings banks, of real-estate boards, of all who have an interest, philanthropic or selfish, in building homes.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from New York yield to the Senator from Nevada?

Mr. COPELAND. I yield.

Mr. McCARRAN. Did the Senator from New York ever know of a building and loan association which did not exist for mutual gain, for profit? Shall we take the advice of building and loan associations so that mutual gains or profits shall creep into this bill?

Mr. COPELAND. Oh, no; oh, no! What I have in mind is that there shall be an advisory board to call attention all the time to what private enterprise may be doing, or what church enterprise or philanthropic or racial enterprise may be doing, in the way of providing homes. I would not have any profit creep into this question. I would not have any provision in it that might, directly or indirectly, seek to benefit the others; but I believe there is virtue in the amendment, and I hope my colleague [Mr. WAGNER] will give it consideration.

The PRESIDING OFFICER. The time of the Senator from New York on the amendment has expired.

Mr. McCARRAN. Mr. President, I wish to draw the attention of both the able junior Senator from New York and the able senior Senator from New York to that which, to my mind, is ever present in this bill—the opportunity for promoting projects for personal or political gain or advantage. If we are going into a great national philanthropic scheme, then I am for it 100 percent; but if we are going into something out of which there may be a direct or indirect personal profit or personal advantage, or advantage to some group, due to the fact that that group may have control over the votes of the lowly and the humble who may be subjected to their will to gain housing in these projects, then I say it is time to pause, time to consider, time to investigate.

I believe both the senior Senator from New York and the junior Senator from New York are interested in the broad expanse of this subject, that which will bring benefit to the needy, the lowly and the humble; but I see an avenue whereby those who, seeing the opportunity, may take advantage of it to promote these schemes, using Federal money for their promotion, using the lowly and the humble as their agency through the medium of their votes to gain advantage, and thus put over a scheme which may have financial gain to some group, though inadvertently so far as the Federal agency is concerned.

Mr. WAGNER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from New York?

Mr. McCARRAN. I do.

Mr. WAGNER. The Senator says there may be financial gain to some particular group. It must all be done by public authorities—Federal, State, and local. We shall have to trust them.

Mr. McCARRAN. I know the Senator believes in what he says; but is not that the very thing we should safeguard by our expressions here?

Mr. WAGNER. I think the matter is very well safeguarded by the bill itself, as well as it can be safeguarded.

Mr. COPELAND. Mr. President, may I ask the Senator a question?

Mr. McCARRAN. I shall be very glad to answer the question of the Senator from New York

Mr. COPELAND. The proposal I have in mind is definitely set out. There are to be 16 members, 8 of them to be appointed directly by the Authority; so at least half of them, 50 percent, are to be appointed by the Authority.

The other eight are to be named from organizations designated by the Authority—perhaps one from the building and loan associations, perhaps one from the savings banks, perhaps one from, we will say, the Baron Hirsh organization in New York, which has done a great deal of work.

Mr. McCARRAN. I am not familiar with that organization. I do not know about it.

Mr. COPELAND. And so there are other organizations which are nonprofit making, which are purely philanthropic.

The thought I had in mind was that there might be the possibility, through this committee, of coordinated effort. They might not bring any helpful advice to the authority, but, on the other hand, they might bring very helpful suggestions. Furthermore, the authority could make use of such advisory committee to present various problems. Is it wise for us to go into smaller cities? Is it wise for us to go too much into the rural districts? Is it wise for us to concentrate in the great centers of population? That is what I had in mind.

Take the case of an authority such as this, which is dealing with large financial and business problems. It seems to me they would be glad to have the advice of such a committee. In my own experience as an administrator I brought into existence certain civic bodies, organizations, and advisory committees, and I found them most helpful.

Mr. McCARRAN. Mr. President, I wish to answer the inquiry of the Senator from New York in two ways.

First of all, if he is going to deal with building and loan associations or with savings associations, each one of those associations has, as a primary object, something for its members or stockholders; and that is out of this question. This is not a problem in which personal gain or Federal gain or community gain should be considered, save and except the advantage that will be given to someone who has no housing, no shelter, so that he may be sheltered. That is the object and aim and purpose of the proposed legislation. But I do see an advantage in the Senator's suggestion that those who have had to deal with this subject through the years might have a fund of valuable information which they could supply to the authority which is to initiate this great project.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BARKLEY. Of course, the information which they have could be volunteered to the authority without making them officials of the Government. The amendment provides for the creation of a committee of 16, 8 of whom are not to be appointed by any agency of the Government, but are to be selected by a private organization. In addition to the question of whether or not we have any authority under the Constitution to authorize private organizations to appoint officers of the United States, even though they are of an advisory character, and draw money out of the Treasury for their expenses, I myself have serious doubt whether or not building and loan associations and savings banks are sufficiently concerned with slum clearance to be of any value even on an advisory committee.

If they had been very much interested in the matter, they would not have waited until we passed a law making Government money available for that purpose. These organizations are not primarily interested in clearing out unlivable houses and substituting houses that are livable, as the Senator will recognize, and I am afraid that we would be inviting trouble if we should attempt to surround this authority with a board of 16 men, half of them selected by the authority and the other half by private organizations, who would all the time be on the neck of the authority requesting or demanding some action in which they themselves might be interested.

Mr. McCARRAN. Mr. President, in answer to the inquiry of the Senator from Kentucky, the leader of the majority, I should like to say that my view is that what could be gained out of advice—and that is all that could come out of it—could be gained without any legislation, perhaps. The advice might be very valuable, because those from whom it would come would have gone through a long period of experience, and naturally any agency should call upon those who have had the experience for advice. But that advice would always be couched in terms of profit, because those organizations have existed for profit. Had they not existed for profit, they would have gone into these great housing projects without regard to profit, and out of this project with which we are dealing now there should be no profit, not even profit to the extent of interest to the Federal Government. That is about as broad an expression as one could make.

Mr. LA FOLLETTE. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LA FOLLETTE. What is the pending amendment?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from New York [Mr. COPELAND].

Mr. LA FOLLETTE. Are any copies of it available? There is none at the desk.

The PRESIDING OFFICER. The Chair is advised that during his absence from the chair the amendment was reported from the desk.

Mr. LA FOLLETTE. The written copy of it is not available at the desk.

The PRESIDING OFFICER. The Senator from Wisconsin is undoubtedly familiar with the fact that a great many amendments are offered from the floor of which written copies are not available.

Mr. LA FOLLETTE. Am I in order in asking to have it read again?

The PRESIDING OFFICER. The Senator is undoubtedly in order. Without objection, the amendment will be stated again.

Mr. COPELAND. Mr. President, before that is done, may I call the attention of the Senator from Wisconsin to the fact that the amendment is found printed in the RECORD near the top of page 8109?

The PRESIDING OFFICER. Without objection, the amendment will again be reported.

The CHIEF CLERK. In the committee amendment, at the appropriate place, it is proposed to insert the following:

SEC. 23. There is hereby created a national housing advisory committee which shall consist of 16 members, 8 to be appointed by the Authority and 8 to be named from organizations designated by the Authority, having due regard to a representation of public-housing, mortgage-credit, labor, and construction interests upon such advisory council. Each organization shall name its representative and all members of the committee shall serve without compensation, but shall be entitled to reimbursement from the Authority for traveling expenses incurred in attendance at meetings of such committee. The committee shall meet at Washington at least twice a year and oftener if requested by the Authority. The committee may select its own chairman, vice chairman, and secretary, and adopt methods of procedure and shall have power:

(1) To confer with the Authority and other public officials on any matter which may be referred by the Authority to the committee, dealing with the housing question, public or private, and any matters arising in connection with the execution of laws relating to housing.

(2) To request information and to make recommendations with respect to matters within the jurisdiction of the Authority and also to consider the operation of enactments relating to housing and make to the Authority such recommendations with respect to these matters as the committee thinks desirable. The recommendations here directed shall be printed as a part of the annual reports to Congress of the Authority.

Mr. BARKLEY obtained the floor.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. COPELAND. Would the Senator feel any differently if the amendment were made so broad that all of the members of the proposed committee should be appointed by the authority, omitting the reference to other organizations and the delegation of power to them?

Mr. BARKLEY. Mr. President, I will say frankly to the Senator from New York that I believe the pending bill contains every safeguard that is necessary in order to guarantee the interests of the public, and also the interests of those for whom the measure is intended, and I do not believe it is wise

to complicate the legislation by setting up a big advisory committee drawn from any source, even though they were all appointed by the authority, or even by the President. I do not see the necessity for it. The information referred to can be obtained, and the experience of men can be drawn upon by the authority, and undoubtedly will be drawn upon; but to complicate the matter by having a large or even a medium-sized committee of this kind acting in a sort of quasi-official capacity I think would confuse and complicate the situation rather than clarify it.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. COPELAND. The British experience indicated that an authoritative committee of the kind proposed did have a useful function to perform. The very fact that it was statutory gave it a dignity and standing. But from what my leader and my colleagues have said—and my colleague tells me he would prefer not to have the amendment in the bill—I am not sufficiently interested in it to press it, for I do not want to embarrass the authors of the bill. I do not in any way whatever wish to add to the bill any features which might be regarded as embarrassing to those who have worked hard to formulate the measure. Therefore, so far as I am concerned, I am perfectly willing to withdraw the amendment.

Mr. BARKLEY. The Senator from New York withdraws the amendment.

The PRESIDING OFFICER. Does the Chair understand the Senator from New York to withdraw his amendment?

Mr. COPELAND. Yes, Mr. President, reluctantly; but I defer to my colleague in the matter.

Mr. BLACK. Mr. President, I send two amendments to the desk, and ask to have them stated.

The PRESIDING OFFICER. The clerk will state the amendments.

The CHIEF CLERK. In the committee amendment it is proposed to strike out all of section 5 (b) after the word "named", on page 41, line 16, and to substitute in lieu of the stricken matter "and shall be represented in all litigated matters by the Attorney General or such attorney or attorneys as he may designate."

It is also proposed to strike out the second sentence of section 13 (a), beginning with the word "In", on page 52, line 15, and ending with the word "title", in line 20, as follows:

> In the acquisition of any land or site the provisions of section 355 of the Revised Statutes, as amended, shall not apply, but the Authority may avail itself of the services of the Attorney General acting in accord with his powers under such section to procure information relating to the state of title.

Mr. BLACK. Mr. President, I am authorized by the Senator from New York [Mr. WAGNER] to state that these amendments are satisfactory to him.

The PRESIDING OFFICER. Does the Senator make the offer as one amendment, or as two amendments?

Mr. BLACK. They are offered as two amendments. In order that Senators may understand what the object is, I can state it in about half a minute.

The bill, as written, does not give to the Attorney General of the United States control over litigation. The first amendment would leave the control over litigation to the Attorney General instead of leaving the control to attorneys specially appointed by the board.

The second amendment merely puts into effect the general law which now exists, which requires that the Attorney General shall approve all titles to property before a purchase is completed. That is the sole purpose and object of the amendment.

Mr. COPELAND. Mr. President, I take advantage of the opportunity to get the floor for a moment.

This morning I received a letter, as perhaps my colleague did, from the real-estate board of New York, and they make two criticisms, or the same criticism in a double way. I quote this statement:

> The bill in its new form makes a gesture in the direction of slum clearance, but contains an exception which would permit construction of any number of projects without the removal of a single slum building.

That is the first criticism. The other is like it.

Mr. WAGNER. Does not the Senator think the questions should be answered one at a time?

Mr. COPELAND. Yes.

Mr. WAGNER. I may say, in answer to my colleague, that the bill is just as clear in its terms as it can be in providing that no project may be undertaken under this legislation unless it involves the clearing of slums and the building of a substantial number of units equal to those that are demolished in the slums. Apparently, those writing the letter have been misinformed.

Mr. COPELAND. I was sure of that, but I wanted to have it a matter of record, because I understood that, on the one hand, the slums that are wiped out are to be replaced by worthy buildings.

Mr. WAGNER. Yes.

Mr. COPELAND. The second criticism is:

> Paragraph 3 declares that new construction must be accompanied by the "elimination" of a substantially equivalent number of slum dwelling units—

As suggested now by my colleague—

> but kills the effect of the provision by stating that such elimination may be deferred in case of a shortage.

Mr. WAGNER. That has been eliminated.

Mr. COPELAND. It has been eliminated?

Mr. WAGNER. Yes.

Mr. COPELAND. So our friends in New York have been misinformed?

Mr. WAGNER. Our friends in New York have been misinformed.

Mr. COPELAND. Yes.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on agreeing to the amendment of the Senator from Alabama [Mr. BLACK], on page 41 of the committee amendment.

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question is now on agreeing to the other amendment of the Senator from Alabama on page 52 of the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. BYRD. Mr. President, I offer an amendment to the committee amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 60, between lines 8 and 9, it is proposed to insert the following:

> (6) No contract for loans, annual contributions, capital grants, sale, lease, mortgage, or any other agreement or instrument made pursuant to this act shall be entered into by the Authority with respect to any project costing more than $4,000 per family unit or more than $1,000 per room.

Mr. BYRD. Mr. President, the purpose of that amendment is to prevent the extravagance which has occurred in other homestead projects built throughout the country. I asked the Senator from New York [Mr. WAGNER] what he estimated would be the average cost of these family units. He said $4,000, or $1,000 per room. My amendment is presented for the purpose of preventing the expenditure of more than $4,000 per family unit.

Mr. President, I think the Senate will be somewhat interested in hearing something about the extravagance and the waste of public money that has occurred. I make the statement without fear of successful contradiction that in the homestead projects, and especially at Tugwelltown, there has been a willful waste such as has, perhaps, never occurred before in any civilized country. I make that statement advisedly, upon the basis of the investigations I have conducted.

At Tugwelltown, not far from the city of Washington, the sum of $14,239,951 has been spent for the construction of

880 home units, at an average cost of $16,182 each. Those are supposed to be for the low-income group of the country.

Mr. DAVIS. Mr. President, did I correctly understand the Senator to say that the cost was $16,000 a unit?

Mr. BYRD. Sixteen thousand one hundred and eighty-two dollars per family unit. I should like the Senator from Pennsylvania to go out and see what the United States Government has received for the expenditure of this money. He will see poorly constructed buildings, built of cement block. Some of the buildings have porches which are no wider than two or three of these desks.

Mr. President, let me tell the Senate of some few expenditures that have been made in this resettlement project. The sum of $456,000 has been spent at Tugwelltown for landscaping, for the beautification of the grounds. An amount equivalent to $5,000 for each family unit has been spent for landscaping under the inspiration of Dr. Tugwell, who conceived these projects several years ago.

I call attention to the overhead expense—and excessive overhead expense is what I think we should attempt carefully to safeguard against. At Tugwelltown $120,000 has been spent just for surveying the land, and $198,000 has been spent for land preparation, although no farming is done at Tugwelltown. Notwithstanding that fact, the Resettlement Administration purchased 12,000 acres of land for the construction of city dwellings.

Mr. DAVIS. Mr. President, in what State was that land purchased?

Mr. BYRD. In the great State of Maryland.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. TYDINGS. We in Maryland call it Greenbelt, having local pride; and I hope the Senator will not change the name of it.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. CLARK. Do the figures of overhead contain any part of the $2,600,000 spent for traveling expenses for the Resettlement Administration and $2,400,000 spent for telephone and telegraph tolls?

Mr. BYRD. I will say to the Senator that only a small part of that expenditure is included in these figures.

Let us now see what the overhead expense was for Tugwelltown. I am not including the survey.

Mr. LEWIS. Mr. President, with the consent of the Senate, will the Senator please inform me and others interested under whose administration and by whose direction this money was spent?

Mr. BYRD. This money was spent by the direction of the President of the United States, sir, who visited Tugwelltown not long ago and gave his public approbation to it.

Mr. President, the administrative expenses at Tugwelltown were $531,000. That is, before one dollar was spent on construction, $531,000 was spent for overhead on the grounds. That does not include the overhead in the Washington office. These figures come from the General Accounting Office of the United States Government. They are not the figures from the Resettlement Administration. So long, Mr. President, as the General Accounting Office remains an independent branch of the Government, we may depend upon getting unbiased information as to the financial affairs of the Government; but if the bill now pending in the Congress, with the approval of the President, shall be passed, the General Accounting Office will cease to be an independent branch of our Government, and no longer will Members of Congress be able to go to the financial documents of this country with any assurance that they will obtain truthful and accurate information as to the financial affairs of our country.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. TYDINGS. I wonder if the Senator would mind, in his remarks, describing the average size of the houses which cost $16,000 each?

Mr. BYRD. I will say to the Senator that there were different types of houses. Some were four-room houses; some were five-room houses. A great many of them were built jointly in the form of apartment houses. Many are not single houses.

I hope Senators will take a half hour some Saturday afternoon and go out to Tugwelltown; and if they do I think they will then agree with me that never in the history of this country or any other country has there been such a willful and deliberate waste of public money as has occurred there, and as has been duplicated at the other 232 projects that are being built throughout the country.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. VANDENBERG. I desire to enter a rival for the high honor the Senator has nominated. I think if he will look at Matanuska, Alaska, where 200 farms of an average of 40 acres apiece have now cost $25,000 a farm, there will be rivalry for the brass washer that the Senator is passing out for the championship.

Mr. BYRD. I am glad to have that information; and the committee of which I am chairman will investigate it.

A spokesman for the administration said a short while ago that this was an experiment, and that all experiments were costly.

Why is it necessary to conduct 232 costly experiments, that being the number of homestead projects now being built? Why, may I ask, is the building of a house an experiment? People have built houses from the beginning of time. That is the only explanation that has been made by those in authority as to this gross waste and extravagance in the spending of public money—saying that it is an experiment, although 232 of these costly experiments are going forward throughout the country today.

I have mentioned the overhead on the property at Tugwelltown. There is another item of overhead, and that is the cost of the overhead here in the city of Washington in the office of the Resettlement Administration; $1,921,000 was spent for overhead here in Washington.

I do not want to take up too much of the time of the Senate in the discussion of these matters, but I desire to refer to another project as reported by the General Accounting Office, and that is the project at Hightstown, N. J. There, $20,163 was spent per home unit; and the overhead expense on that proposition——

Mr. DAVIS. How many rooms are there in one of those units costing $20,000?

Mr. BYRD. The number of rooms varies, I will say in answer to the Senator. I am not exactly familiar with the number of rooms, but the units vary from four to five rooms.

Mr. DAVIS. And the cost is $4,000 a room?

Mr. BYRD. There are from four to five rooms to each family unit. Remember, Senators, that these are not in all cases individual buildings. Sometimes buildings are constructed adjacent to each other, constructed as are apartment houses. The overhead expense at Hightstown was even greater than at Tugwelltown; $947,000 was spent at Hightstown, N. J., on the ground for overhead expense, and in addition to that $522,000 was spent in the city of Washington. In addition to that, $24,000 was spent for management, and $27,000 for inspection. On that project 40 percent was spent for overhead. Forty cents out of every dollar of that appropriation went for the payment of supervisors, of surveyors, of people traveling around the country, which expense did not contribute to laying one brick or placing a single stone.

Then down in my own State, at Newport News, Va., a homestead was built for the occupancy of 200 colored families at an expense of $9,233 per family unit. It is intended, Mr. President, to rent to people in low-income groups houses costing from $9,000 to $16,000 and $20,000, and exact from them a rental based, I assume, on the value and the cost of the construction of the units.

I now desire to tell the Senate what aroused my interest in this proposition. I live in the Shenandoah Valley in

Virginia; and last summer I saw homesteads there built for the use of the mountain people. I assumed, of course, that those homesteads were costing about $1,500 to $2,000 apiece. I investigated the matter and found they were costing from seven to eight thousand dollars per unit. They were costing that sum mainly because of the overhead expenses, for foremen, surveyors, supervisors, and endless other employees engaged on the work. Just think of it, Mr. President, $8,000 for the construction of a mountain shack—for that is all it is—not even plastered, not even painted.

I said to Mr. Wallace, "I wish you would investigate this extravagance, because this project is near my home, and I do not care to see the Government's money wasted and squandered under my nose." I said, "Will you be kind enough to investigate it, and, if my charge is correct, not proceed with the construction of those projects that have not as yet been begun?" Mr. Wallace refused to investigate it; he refused to discontinue the construction of such projects, although I, as Senator from Virginia, was willing to assume full responsibility before my constituents for suspending the expenditure of over a million dollars of Federal money in my own State. He refused to do it. So that expenditure is going merrily on. Eight thousand dollars are being expended for the construction of these mountain shacks, which, by the way, will not be occupied by the mountain people, because everyone familiar with the habits and environment of the people from the mountains know they are unwilling to live in close proximity to others. And as yet not one contract has been made for the occupancy of a single one of these 175 houses. When I made the complaint at least one-half of the houses had not been started, and nearly a million dollars could have been salvaged and returned to the United States Government if Mr. Wallace had seen fit to make an investigation, and then if my charge was correct to discontinue the waste of the Government's money.

So, Mr. President, in the Shenandoah Valley these seven homestead projects for the supposed occupancy of mountain people are being built in the form of little villages, although it is contrary to every instinct and every inheritance of these splendid people to live in close proximity to others.

This project will stand as a monument so long as these shacks may last—and they will not last long, because of their flimsy construction—to the gross extravagance and willful waste of public money by the Resettlement Administration.

I am not going to take up more of the time of the Senate but I want to urge the Senate to limit the expenditure of this fund, because, Mr. President, the Government, under this bill, is embarking on a program that is eventually going to cost not $700,000,000, but perhaps many billion dollars.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Kentucky?

Mr. BYRD. I yield.

Mr. BARKLEY. What the Senator says about Tugwelltown—about which I know nothing, because I have never been there—is interesting, and also as to these other towns or projects. Does the Senator, however, not recognize the difference between the policy affecting the expenditure of money under the Resettlement Administration, where the fund was made available out of the Public Treasury and controlled by officers of the United States Government, and the policy under the provisions of this bill, which places all these building-construction projects under local authorities, the Federal Government merely furnishing money by loans and grants? My understanding is that the cost of the houses and the size of the houses will be under the control of the local housing authorities, set up by the States and the localities, to which loans are to be made by the agency proposed to be created by the bill. So I think the Senator should realize that, although the extravagance, waste, and all that he says about the Resettlement Administration may be true, for the sake of argument, as to which I do not know, it is quite a different proposition that we now have before us. I should like to have the Senator state whether he thinks that a limitation of $4,000 for the whole United States would afford sufficient leeway for the construction of houses worthy of inhabitance by persons in the low-income groups who have never really had a break in life but for whom we are now undertaking to provide some respite. Does the Senator think that a thousand dollars per room, which not only includes the cost of construction of the house itself but also the land and the entire project, is sufficient to guarantee a house worthy of the sponsorship of the United States Government through the agency of local housing authorities referred to in the bill?

Mr. BYRD. I will say to the Senator that the Federal Government, as I understand the explanation made by the Senator from New York, guarantees 75 percent of the loans that are to be made.

Mr. TYDINGS. It may provide a hundred percent.

Mr. WAGNER. Mr. President, there is no fixed guaranty. The Senator means a guaranty as to what?

Mr. BYRD. As to repayment.

Mr. WAGNER. No. Every dollar that is loaned is to be repaid at the going rate of interest, plus one-half of 1 percent with which to take care of the expense.

Mr. BYRD. The Senator said yesterday, as he will find if he will look in the RECORD, that the Government guaranteed 75 percent.

Mr. WAGNER. I never intended to say that, for there is no such provision in the bill.

Mr. TYDINGS. The Government may furnish a hundred percent.

Mr. BYRD. The Senator from Maryland says the Government may furnish a hundred percent.

Mr. WAGNER. In the form of a loan the Government may furnish a hundred percent, but probably in very few cases will it be called upon to do so, for the local authorities will make their contributions.

Mr. BYRD. Then I understand also that the Federal Government pays a subsidy. Therefore, no matter what the houses cost, those who put up the houses will not lose because the Government guarantees a subsidy? Am I correct about that?

Mr. BARKLEY. Mr. President, the subsidy comes in relation to the rent. The subsidy, as I understand, is the difference between the rentability of the particular project and the amount that would be justified as rent based upon the cost of the project.

Mr. BYRD. That is exactly correct. As I understand the process, the buildings will be valued and then the Federal Government will pay a direct subsidy representing the difference between what the rental should be to include all costs and the rental that is to be paid by the tenant.

Mr. WAGNER. What does the Senator mean by what the rental should be? I am sure the Senator does not mean what his remarks would seem to indicate.

The PRESIDENT pro tempore. The time of the Senator from Virginia has expired on the amendment.

Mr. BYRD. I will take time on the bill.

Mr. WAGNER. The Senator from Virginia certainly sympathizes with our object in endeavoring to take care of the low-income group whom private industry cannot serve and who cannot afford to pay the rent required to make even very small decent living quarters possible. We are dealing with unfortunate human beings, and the subsidy represents the difference between what the rents would be to carry all the charges, including amortization and everything else, and what the low-income group can afford to pay for rent.

Mr. BYRD. That is what I said.

Mr. WAGNER. That is entirely different from what may be implied by the Senator's remarks.

Mr. BYRD. That is what I said, namely, that the Federal Government will pay a subsidy, and that those who borrowed the money with which to build the houses would not suffer any loss, because the Federal Government would pay a sufficient subsidy to make sure that they earned interest on their investment and paid all other costs.

Mr. KING. Mr. President——

Mr. BYRD. I yield to the Senator from Utah.

Mr. KING. My understanding is that the Government is to loan $700,000,000, and that it is to provide a subsidy which will amount during the 60 years to more than $1,200,000,000, for which the Government will get no return whatever.

Mr. BYRD. The Senator is undoubtedly correct. So if the Government should not lose the principal—and I expect it to lose a larger part of it—it will certainly pay the subsidy out of the Treasury; and that makes it all the more imperative why we should restrict the cost of the buildings, in view of the experience we have had under the Resettlement Administration.

The Senate adopted an amendment a little while ago providing that the grants and loans shall be approved by the President of the United States. I ask the Senate what protection has been given the expenditure of the Resettlement money by the approval of the President of the United States, who allocated the money out of the lump-sum appropriation?

Mr. President, perhaps it is an unpopular thing for a man to speak along business lines in the Senate, but I, for one, believe $4,000 per unit is sufficient. I think a good house can be built for $4,000. I built one the other day on my farm for $2,000 and it has plumbing, water, and light. I stand here upon my responsibility as a Senator and say that if we want to clean up the slums of this country, if we want to provide houses for those of the low-income groups, we should not spend more than $4,000 on any house.

Those who are in the low-income group could not pay rental on $4,000 if charged in the ordinary course of business. In the ordinary course of business the charge would be 10 percent, 4 percent being for taxes and insurance and repairs, and 6 percent for interest. If that were charged in this case it would mean an average annual rental of $400.

I say to the Senator from New York that the best thing he can do to make a success of this scheme, of this plan—and I am willing to concede that it represents a sincere effort on his part to improve the condition of the underprivileged people in the slums—is to safeguard the expenditure of the money so that it will not be wasted and squandered, as is being now done, as shown by the figures that I have presented to the Senate.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. BARKLEY. The Senator realizes, of course, that the local authorities that are to be in charge of slum clearance projects and the reconstruction of houses in slum areas must clear away the slums before they can begin building houses? Do the Senator's $4,000 limitation and $1,000 per room limitation mean that the cost of the demolition of the slum areas, the clearing of the ground, and the building of new houses must be included in the amount that may be loaned, and which is to be limited to $4,000 per house and $1,000 per room?

Mr. BYRD. No doubt some salvage will be realized in clearing away these properties.

Mr. BARKLEY. Aside from the salvage, would $4,000 cover the clearance of the slum areas before construction of the houses could be begun?

Mr. BYRD. I stand upon my proposition that $4,000 is sufficient, $1,000 per room, which is what the amendment provides. The average value of all the houses in the cities of the United States, according to statistics given me, is $4,400, and that is for houses built by the industry, the perseverance, and self-denial of the average citizen who owns his own home and who does not come to the Government and ask the Government to build a home for him and then subsidize the rent. If we are going to subsidize the rent to the extent of 75 or 80 percent, why not give these homes rent free? What is the material difference between subsidizing at 75 percent and subsidizing at 100 percent, and will not the demand ultimately come upon the Congress, if this bill shall be enacted into law, to do what has been done in many other instances—ask the Government to give the buildings completely free to the people, free of cost, and free of any rent? Who can guarantee that that would not occur?

Yes, Mr. President, it may be unpopular to do so in this atmosphere, but I assert again that $4,000 is enough for a home for the man who wants to get out of the slums where he is probably occupying a home now worth not more than $500 or $1,000. The homes which it is proposed to construct will not be individual houses. They will be built in rows. The wall of one will be the wall of another. There is no reason to spend more than $1,000 per room for them.

I do not desire to take any more of the time of the Senate. I simply ask the privilege of having a yea-and-nay vote on my amendment, because I believe the time has come for the United States Senate to do what it can to prevent the further wasting of public money by the different bureaus in Washington, bureaus that seem to think they own the Government, bureaus that pay no taxes themselves, but that seem to think they have a divine right to waste and squander the money of the people of the United States as they see fit.

Mr. President, I think the Senate should understand that we are embarking on one of the most costly ventures ever undertaken in the history of our country. We are doing it with little consideration. I venture the assertion that aside from the Senator from New York [Mr. WAGNER] and the Senator from Massachusetts [Mr. WALSH], no two other Members of this body understand the complicated provisions of the bill. I dislike to make that assertion, but I have sat here and attempted to understand it myself, I have read the RECORD, I have read the statements of the Senator from New York, and I repeat we are about to pass a bill involving the Government in the expenditure of possibly billions of dollars in future years without a clear understanding on the part of the Members of the Senate.

No emergency is involved. What reason exists for passing the bill now so hurriedly? The conditions which are complained of have existed for a long time and will probably continue to exist for a long time to come.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. TYDINGS. I should like to point out to the Senator that the same humane arguments were made to support the Resettlement Administration that are now made to support slum clearance.

Mr. BYRD. The Senator is correct. The same arguments were made then that are being made now.

Mr. President, I shall take no further time except to say that it is my desire that we shall have a yea-and-nay vote on my amendment.

Mr. BONE. Mr. President, before the Senator yields the floor, may I make an inquiry concerning one matter?

The PRESIDENT pro tempore. It will have to be in the time of the Senator from Washington, because the time of the Senator from Virginia on the amendment and on the bill has expired.

Mr. BONE. Very well. I have before me section 9 of the bill, in which it is clearly declared to be the purpose to authorize the agency set up under the bill—that is to say, the local authority—to acquire property on which to erect the new slum-clearance projects. The acquisition of land in a city like New York or Philadelphia or Chicago would probably involve the expenditure of a good deal of money because of the value of the land there. As the Senator from Virginia was speaking, I was wondering if it was within the limits of possibility to acquire that type of land, if it was to be acquired by some local governmental subdivision, build houses or dwellings or apartment houses for $4,000 per unit. It might be built for $4,000 per unit conceivedly, but I am wondering in my own mind whether it would be possible to acquire the land upon which to build and then construct an apartment house for $4,000 per apartment or unit. That is a very practical question. I seriously doubt that it could be done in many very large American cities.

The PRESIDENT pro tempore. The Senator from Virginia may answer the question in the time of the Senator from Washington.

Mr. BYRD. Of course, that would necessitate a very careful investigation all over the country, but I am so anxious to have some limitation placed upon the expenditure that, if the Senator from Washington is willing to support my amendment, I will include cost of land.

Mr. WAGNER. Mr. President, I am in entire sympathy with the efforts of the Senator from Virginia [Mr. BYRD] to reduce governmental expenditures. I am not informed as to the particular subject to which he has referred, but, knowing his conscientiousness, I am willing to accept his word as to the extravagance involved in the projects to which he has referred.

But that is not the question involved here. As the Senator from Kentucky [Mr. BARKLEY] pointed out, here the money is to be spent by the local authority, and certainly the local authority will be astute enough to see that, consistent with decent housing, these projects are built as cheaply as possible, because they are obligated to pay back every cent of the money which they borrow, with interest at the going rate plus one-half of 1 percent.

Mr. BYRD. Mr. President, will the Senator make clear to the Senate and to me exactly what is meant by his statement? Are not the local authorities specifically guaranteed adequate interest by subsidy from the Government?

Mr. WAGNER. Of course, those who are not in sympathy with our efforts to do something for the one-third of the people of the United States who are ill-housed, to give those unfortunate people who have not sufficient income to enable them to live in decent quarters a chance for life, will feel that the amendment of the Senator from Virginia ought to be adopted and the bill ought to be defeated. I say very candidly to the Senate that if the amendment of the Senator from Virginia is adopted it will kill the bill.

Mr. BYRD. Mr. President, yesterday the Senator from New York——

Mr. WAGNER. Is the Senator going to ask me about my own estimate?

Mr. BYRD. Yes.

Mr. WAGNER. I was just coming to that point. A Senator asked the other day what was my average estimate of the cost of construction per room. I said my estimate is $1,000 average. That does not mean $1,000 maximum. I say now that would mean an average of figures ranging from $1,500 to $500. If we limit the expenditure to $1,000 per room, it would mean that only very small areas of the United States could have slum-clearance projects. Some of the projects are going to be quite expensive, because we will have to acquire the property, clear the slums, and demolish the buildings before we can begin the construction of houses.

While I am in sympathy with the efforts of the Senator from Virginia to bring governmental costs as low as possible, I see a certain danger in fixing a maximum, because if it is too low it would mean that our efforts to help this low-income group would be absolutely frustrated, and the board, in its efforts to carry out the provisions of the bill, would be absolutely paralyzed.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. WAGNER. Yes.

Mr. BARKLEY. And if a maximum should be fixed, in an effort to comply with the maximum it might be necessary to build cheap, shoddy houses that would really be of no avail in trying to work out these slum problems.

Mr. WAGNER. Houses that would be absolutely worthless.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. WAGNER. Yes.

Mr. O'MAHONEY. I understand the Senator to say that the average cost in New York City is $1,000 a room.

Mr. WAGNER. Oh, no; I beg the Senator's pardon. I said that was the average throughout the country.

Mr. O'MAHONEY. The average throughout the country is $1,000 a room?

Mr. WAGNER. Yes.

Mr. O'MAHONEY. What would be the average in New York?

Mr. WAGNER. I have been informed that just for the construction of the rooms the average would be around $1,500 or $1,600 per room. I do not know how authoritative the information is.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. McCARRAN. Would not that largely depend upon the price fixed in condemnation, for instance?

Mr. WAGNER. It would be dependent upon all those circumstances—the price fixed in condemnation, the cost of demolition, and the cost of construction of the new building. It is provided in the bill that whenever a project is constructed, slums must be cleared at the same time.

Some of these slum areas, frankly, are not cheap property, for the reason that three or four families live in an apartment which should be occupied by one, all of them contributing to the rent.

Mr. O'MAHONEY. Mr. President, may I ask the Senator another question at that point?

Mr. WAGNER. Yes.

Mr. O'MAHONEY. Bearing in mind that in response to a query from the Senator from Washington the Senator from Virginia [Mr. BYRD] said that he would be willing to exclude the cost of the land, I ask the Senator from New York whether it might not be desirable to fix such a maximum cost per room as the Senator and his experts would feel to be proper, so that we should have the assurance of going before the country with the knowledge that there was a maximum which would not be exceeded.

Mr. WAGNER. Of course, I am talking about the cost of construction of the room. I have not included in that amount the cost of the land and the cost of demolition, because those are separate subjects.

Mr. O'MAHONEY. Exactly. Suppose the amendment were redrafted so as to read that exclusive of the cost of the land, no project should cost more than $1,600 per room, or $6,400 per building.

Mr. WAGNER. Of course, that would be an improvement on the amendment in its present form; but I doubt whether the Senate at this time can afford to put on a limitation which might deprive some communities entirely of any slum clearance. That is my fear. I understand that the Senator from Wyoming is for economy; but a moment ago the Senator spoke of assuring the country that we should not exceed a certain maximum expenditure.

Of all the legislation before us, this has the universal approval of the people of our country. I have collected editorials on the subject from all the leading newspapers in the country. Whether they are the most conservative newspapers that have been pleading for economy, or otherwise, they have approved and are pleading for the passage of this proposed legislation, because they recognize in it not only the solution of a social problem—of course, all of us, as humanitarians, are primarily interested in the matter from that standpoint—but they see a great saving to the Nation through taking these unfortunate persons out of places where disease and crime are generated and spread into other quarters of the country. That is a matter of statistics.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. O'MAHONEY. So far as the objectives of the measure go, I do not believe it will be possible to object to what the Senator is saying. Certainly I do not.

Mr. WAGNER. I know that is true.

Mr. O'MAHONEY. I sympathize with the objective which the Senator has in mind. I am asking these questions merely in an effort to find out if there is not a ceiling that we can establish in the bill, believing that if the Senator agrees to

some maximum limitation he will be serving his own cost best by so doing.

Mr. WAGNER. If we could fix a reasonable ceiling, while I doubt whether it would satisfy everybody, no doubt it would satisfy a great many persons. The difficulty is in arriving at a reasonable ceiling. After all, this is a bill for a period of 3 years. Each year Congress is to be informed as to exactly what the board does. I mean, it is under the constant supervision of Congress; and I think the Senator from Wyoming will agree with me that since the money is now being decentralized, and is to be spent by the local authorities, the local authorities are going to be astute. The money will not be wasted; and I will say to the Senator that the municipalities have a wonderful record in their relationship to the Federal Government. There has not been a single case where the loan made has not been repaid when due; and, as I said yesterday, the Federal Government has actually made a profit on the enterprise, because the Government went into the market and sold the bonds and securities at a profit to the Federal Government.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. BYRD. I wish the Senator would tell the Senate frankly—I know he wants to be entirely frank—exactly what guaranty is made to these localities by the corporation which the bill establishes as to subsidizing rents.

Mr. WAGNER. We are adopting exactly the same system that every other country has.

Mr. BYRD. I am not asking that. I should like to know what the proposition is.

Mr. WAGNER. I will say to the Senator that I am going to answer his question in my own way.

Mr. BYRD. The Senator has not answerd it. I have asked him the same question at least six times, and it has not been answered yet.

Mr. WAGNER. I am going to try to answer it for the Senator. I wanted to preface my answer by referring to the successful experience of other countries, because it ought, in some way, to guide us in a new enterprise, as it has guided us in other directions.

In England and in the other countries it has been found economically wise to clear the slums; and it has been discovered there, as, of course, all of us know who have studied the subject and have been sufficiently interested in the underprivileged to study it, that these unfortunate people do not earn enough to pay a rent which would give a profit to private enterprise. Therefore, there are two alternatives. Either we must allow them to stay in the slums and continue not only their sad and tragic environment but also continue the generation of crime and disease, or the public must make a contribution toward lifting them out of the slum areas, and thus make a great contribution toward the welfare of our country in addition to the social problem which will be solved.

So what must we do? Since private enterprise admits that it cannot serve these people, and since the slum area is so unfit for human habitation that no citizen should be asked to live therein, I think the country has decided, and I feel confident the Congress will approve, that we, together with the local authorities, must make a contribution toward the rent of these individuals; and I will state the way in which it is determined. This, I say, is the system adopted by all of the other countries:

A loan is made. It is not going to be 100 percent in all cases. In the case of many municipalities, the municipality will make a contribution for the cost, in addition to tax-exemptions; but, whatever the loan may be, it is made to the housing authority. Upon that loan—that is, of course, after going all through the examination of the standards, and all that sort of thing—the project is constructed. We have a mandate in the bill that these projects shall be built for the lowest-income group; so we first ascertain what rent is necessary to meet all the carrying expenses, the amortization of the loan, and all the other expenses that go into the operation of the building. We then discover, say, that the rent necessary to be charged is $6 per month per room.

Mr. BYRD. Do the carrying charges include interest?

Mr. WAGNER. They include everything that goes into the liquidation of the debt and the carrying charges of the building. So we determine that, say, $6 is the monthly amount we must charge if we are to meet all carrying charges.

Mr. BYRD. The Senator says "we." He is speaking of the locality, I assume.

Mr. WAGNER. I am speaking of the locality, plus the Federal board. They, together, determine that amount as the result of careful calculation. Let us assume that the low-income group in this particular area can afford to pay no more than $5 per month per room. Then, in order to reach the low-income group in which I am interested, and in which I think other Senators are interested, and in which I am sure the Senator from Virginia is interested, we add $1 per month so as to bring that room within the reach of this low-income group; and that $1 per month represents the subsidy.

Mr. BYRD. But what I am endeavoring to get clear in my mind—and I hope the Senator will be patient with me—is this——

The PRESIDENT pro tempore. The time of the Senator from New York on the amendment has expired.

Mr. BYRD. Mr. President, I have a very important question which I should like to ask the Senator from New York.

The PRESIDENT pro tempore. The time of the Senator from New York on the amendment has expired. He may speak on the bill.

Mr. TYDINGS. Mr. President——

Mr. WAGNER. I will speak on the bill long enough to——

Mr. TYDINGS. Mr. President, I think I was recognized by the Chair. I shall be glad to yield to these two Senators.

Mr. BYRD. What I have been trying to get clear in my own mind is this——

Mr. WAGNER. One minute. I am going to be very particular. I am not going to be lectured again by the Chair. Have I the floor?

The PRESIDENT pro tempore. The Chair stated that the Senator from New York might continue on the bill.

Mr. WAGNER. I thank the Chair. Then I will yield to the Senator from Virginia.

Mr. BYRD. Mr. President, it seems to me this whole proposition depends on the extent to which the Federal Government guarantees to the locality, by reason of these subsidies, the repayment of interest and amortization in the construction of the buildings. Now, just one second. If the Federal Government——

Mr. WAGNER. Did the Senator ask me a question?

Mr. BYRD. I want to make myself clear. The Senator from New York took plenty of time to make himself clear.

Mr. WAGNER. Very well.

Mr. BYRD. If the Federal Government guarantees a sufficient rental by way of subsidy to pay the interest on the buildings that are built by the localities, then it does not make much difference to the localities what the buildings cost, because the localities are guaranteed the payment of their interest and their rental and their amortization.

Mr. WAGNER. Of course, the two subjects are dealt with entirely differently; but I shall have to concede to the Senator that the question which the Senate must determine is whether we are to serve this low-income group. If we are not to try to shelter in decent homes this low-income group, then we need not discuss the bill any further.

Mr. BYRD. I am not arguing that question with the Senator. I only asked the direct question whether or not the statement I have made—namely, that the Federal Government is to pay to the locality a sufficient subsidy to take care of the cost and the interest—is correct.

Mr. WAGNER. It may not be. Let me say to the Senator that the contributions each year have this advantage: There

may come a time when no subsidy at all is paid, when the low-income group——

Mr. BYRD. All right.

Mr. WAGNER. I am half through. The Senator is getting very impatient.

Mr. BYRD. Go ahead. I am not impatient.

Mr. WAGNER. There may come a time in this revision period when the low-income group will have improved its condition so that it could afford to pay a higher rent. Under those circumstances the subsidy would be reduced. This is an automatic thing, and it has helped in every country which has undertaken it.

Mr. BYRD. What I am trying to bring out is that the localities erect the buildings, and if the tenant is unable to pay an adequate rental to take care of the interest and the carrying charges, then the Federal Government steps in and pays a sufficient rental. Therefore the unit, whether it is a city, or a county, or whatever it may be, that constructs the building, is not going to lose; the Federal Government is the one that is going to lose.

Mr. WAGNER. Not at all. They have to repay the entire loan.

Mr. BYRD. Oh, yes, they do; by means of a subsidy from the Federal Government.

Mr. WAGNER. We do not know how much that subsidy may be. It may be very small. It may repay only one-half the interest.

Mr. BYRD. Does the Senator think this low-income group about which he is talking—and I am thoroughly in accord with that——

Mr. WAGNER. If the Senator is, he should not suggest this amendment, because he may be able to do in Virginia what he suggests, but there will be very few areas in the United States where a room can be built for a thousand dollars, and under the Senator's amendment this benefit would be limited to a few localities, and I am sure the Senator does not want to do that.

Mr. BYRD. The Senator told me this morning that he would agree to $1,300.

Mr. WAGNER. No; I said fifteen hundred. I have inquired since, and I have been told that I am making a serious mistake, that in the larger sections of the country I may be doing them an injustice. I want to reach a limit somewhere. I am sorry I cannot agree with the Senator in this. But the Senator must not get angry with me for that.

Mr. BYRD. I never get angry with the Senator from New York. I am simply trying to obtain information.

Mr. WAGNER. My desire is that as little as possible, under the circumstances, shall be expended, but at the same time I want to help the low-income group, and I do not want by indirection to kill the legislation, and it can be done in that way.

Mr. KING. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. KING. The Senator postulates his view with respect to the big cities upon the theory that the slums must be taken over.

Mr. WAGNER. Must be cleared.

Mr. KING. Is it necessary to house these underprivileged people in the slums? Why may we not insist that the cities and States, under their police power, get rid of these unsanitary conditions and then get suitable land, not in the slums, upon which to construct houses for occupancy by these people?

Mr. WAGNER. In order to make this absolutely a slum-clearance bill—and it is proper, and it is one of the fine contributions of the Senator from Massachusetts—whenever we build houses for the underprivileged we absolutely must remove slums; and we ought to do that. I am in absolute sympathy with that, and under the provision suggested I am afraid slum clearance would not in all instances take place.

Mr. BONE. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. I yield.

Mr. BONE. Can the Senator from New York advise us of the approximate cost of the new buildings erected by the British Government in London under their slum-clearance program, something near the average cost translated into American money?

Mr. WAGNER. I am sorry I am not informed as to that, but the British Government—where the statute has no limitation, and is very flexible—they have adopted the system which I just described, that is, that the Government lends to the municipality for the purpose of constructing the building, and that loan with interest must be repaid. The Government determines what rent the low-income group shall pay, and what rent is sufficient to amortize the bonds and pay the other expenses, and the difference the Government contributes.

Mr. BONE. That may answer my question. Does the British Government make any grants by way of a subsidy on the construction cost?

Mr. WAGNER. No; it grants loans for the purpose of constructing a project, and, of course, there also must be a slum clearance in connection with the project. After that is all done, then the local authorities determine what rent they would have to charge if they had to pay all of the running expenses plus the interest and amortization, the installment payments upon the loans. That, say, is £2, or £1. Then they will find that the low-income group they house can afford to pay. That, of course, is always lower, and the difference the British Government contributes.

Mr. BONE. That is an outright contribution?

Mr. WAGNER. Yes; just as is provided here.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. TYDINGS. May I ask the Senator as to whether he has any figures as to the cost of a room in one of these slum-clearance projects?

Mr. WAGNER. I have not any figures on hand as to that, but I have been told that the average throughout the country is about $1,000 per room for the construction of the room only, not taking into consideration the value of the land. I am sorry I have not the figures.

Let me say, also, that while I have no criticism to make of the housing division of the Interior Department, who have done well under the circumstances, except in a few instances where they were granted a larger subsidy, they have not reached the low-income group, and unless we reach that class all of these efforts will be of no avail.

Mr. TYDINGS. I wonder what, for example, some of these projects with which we were entertained would cost per unit. Has anyone the cost per unit of any of the projects illustrated on the wall of the Senate?

Mr. WAGNER. The Senator may call that entertainment; I call it a tragic story.

Mr. TYDINGS. I am talking about the improved buildings, not the slums. I am talking about the cost of putting up the improved buildings.

Mr. WAGNER. I am sorry I cannot inform the Senator.

Mr. TYDINGS. Let me ask the Senator whether he would have any objection to compelling municipalities which want this Federal money to put up at least 10 percent of it before they come to Washington? Why give them 100 percent of the money?

Mr. WAGNER. We do not give them 100 percent of the money.

Mr. TYDINGS. Oh, yes; we do.

Mr. WAGNER. We lend it to them, and it is an indictment of our municipalities for the Senator to suggest that they would not repay the obligation. They have repaid on every occasion.

Mr. TYDINGS. I think I can prove instantly that they will not pay the obligation. The proof is that if it costs $1,500 a room and there are four rooms, that makes $6,000; 10 percent of $6,000 is $600, and $600 divided into 12 monthly payments amounts to practically $50 a month, in round numbers. None of these low-income groups can pay $50 a month rent. That is just plain arithmetic, and does

not need any argument to back it up. Certainly, if the Senator's own statement that it takes $1,500 a room——

Mr. WAGNER. It does in some cases, I am told.

Mr. TYDINGS. Let us figure $1,000 a room. If there are four rooms in a house that makes $4,000, and 10 percent of $4,000 is $400, and $400 divided into 12 monthly installments makes $33.33 a month. According to the testimony, the people who are to be taken care of are people making $50 to $60 a month, and how in the name of common sense can a house renting for $33.33 a month be rented to a person who is making $50 a month unless the Federal Government makes up the difference? That is just plain arithmetic.

Mr. WAGNER. Does not the Senator agree that the Federal Government ought to make up——

Mr. TYDINGS. Mr. President, am I speaking in my own time? I ask to be recognized on the amendment.

The PRESIDENT pro tempore. The Senator is recognized.

Mr. TYDINGS. Here is a bill which does not require New York City or Baltimore to put up a dime, not a cent. Here is a bill which its sponsors claim is for the purpose of providing housing for people who make $50 or $60 a month.

Mr. WAGNER. Will the Senator yield?

Mr. TYDINGS. Just a moment. Let me build the case. Here is a bill where the type of houses to be constructed cost $4,000, about, and more; $4,000 is the bottom price. By every rule of arithmetic a person making $50 or $60 a month could not pay $33 a month rent. Now let us face the facts.

The community is not compelled, by the pending bill, to put up one red cent, and when I offered an amendment, 10 times as mild as that offered by the Senator from Virginia, to compel the authority before making any of these loans to ascertain whether or not the prospective rent would yield, exclusive of interest, 3 percent on the loan, the Senator from New York would not accept it.

Mr. WAGNER. Mr. President——

Mr. TYDINGS. If the finished product cannot earn at least enough to pay the interest on the Government loan, how in the name of common sense is it going to furnish sufficient revenue to amortize $700,000,000?

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. WAGNER. The Senator said a moment ago that these municipalities were getting their money from the Federal Government for nothing.

Mr. TYDINGS. That is correct.

Mr. WAGNER. The municipality will in the first place have to put up its bonds as collateral for the loan which is made. Whatever the Senator may think of the municipalities of the country, let me tell him again, and repeat it again and again for his benefit, that they have never defaulted on their loans.

Mr. TYDINGS. Mr. President, we had in this very body, and the Senator from New York voted for it, a measure to permit municipal bankruptcies, to let municipalities forestall all their obligations. That was acted on right in this body.

Mr. WAGNER. Whatever I voted for by way of legislation permitting something to be done, let me tell the Senator what the record is in the R. F. C. and the P. W. A., that the municipalities have repaid all of their debts. And, more than that——

Mr. TYDINGS. I cannot yield further.

Mr. WAGNER. I do not like these indictments of municipalities.

Mr. TYDINGS. In the P. W. A. we require the municipality to furnish 40 percent at least of the amount of money it gets from the Federal Government. In the pending bill we do not require the municipality to furnish one single, red cent.

Mr. WAGNER. There is a provision in the bill——

Mr. TYDINGS. Where is it?

Mr. WAGNER. That when a loan is arranged for they may take into consideration the question of tax exemptions.

Mr. TYDINGS. I maintain, Mr. President—and I have read the bill from beginning to end—that there is not one line in it that compels the municipality to put up as much as 1 percent of the cost of a project, 2 percent of the cost of a project, or any other percentage of the cost of a project.

Mr. WAGNER. But they are going to repay the loan, are they not?

Mr. TYDINGS. How can they repay the loan when the Senator's own figures show that the families which are going to be put into these buildings will not earn more than twice the amount of the rent which the Government charges?

Mr. WAGNER. That does not answer the question. The Senator charges that the municipalities in this country and the housing authorities are not going to repay to the Government this loan.

Mr. TYDINGS. Yes; I charge that.

Mr. WAGNER. That is an indictment which I have never heard uttered here before.

Mr. TYDINGS. Just a moment. I say that because there is a provision in the bill, in two forms, that we shall pay an annual subsidy to each one of these municipalities which will furnish them sufficient of our money to pay us back their loans. That is in the bill. We are to give these respective cities a subsidy sufficient to allow low-income persons to occupy these buildings, and the subsidy is sufficient so that there will be enough money added to what the tenant pays to repay the Government the interest and the sinking fund on the loan; and it is our money that the municipality pays back to us.

Let us face the facts. I am not particularly opposed to that, if the Senate wants to do it; but I am sick and tired of hearing that these municipalities are going to repay these loans when there is not a bit of wording in the proposed legislation which will require that to be done. There is not a line which provides that New York City shall be made to put up one cent in order to get $50,000,000, perhaps, to build a slum-clearance project. There is not a single line to that effect in the bill; and if persons making $50 or $60 a month are going to live in houses that cost $6,000, every person in America knows that they have not sufficient income to pay the rent of that sort of quarters, provide for amortization of the loan, and pay the interest and the running charges.

Before this bill is completed I think we should not only adopt an amendment limiting the cost of these quarters, but I think we should have an amendment at least to make the municipalities put up 25 percent of the money. Why? Because if we do not do that there will be a mad rush to Washington. All this money is going to be loaned. "We do not have to put up any of it" will be the cry. Civic and local responsibility will be entirely absent, and every mayor in America, with just pride, will want to tell his people of the fine slum clearance he provided during his administration with money that came from Washington, with money that his successor may or may not pay back. If the cost of it is questioned, he will say, "Of course, the people who are living in those homes make only twice as much as the monthly rent; but, gentlemen, there was a provision in the national law which required the Government to pay sufficient subsidy to furnish your city with enough money with which to pay back the loan to the Government."

This bill, with all due respect, in my opinion—and I do not wish this statement to reflect upon its sponsors—has never been honestly presented to this body. The supposition that these loans are going to be repaid is absolutely fallacious, so far as the bill is concerned. If they are repaid, it will result only as a matter of municipal honor, if you please. There is nothing in the bill to compel the repayment of the loans; and my prediction is that if the bill passes in its present form, a subsequent Senate will pass a bill to make the payment of the bonds on the part of the municipality absolutely unnecessary.

I furthermore predict that New York will receive practically all the money that this bill contains. [Laughter.] I make the prediction that with the bill in its present form, at least half of the money will find its way into New York City or the immediately surrounding area and that the municipality will not put up a red penny.

Mr. President, I have no more to contribute, except to say that I think the amendment of the Senator from Virginia [Mr. BYRD] is liberal; that the cost per family ought not to be more than $4,000. If these people cannot be rehabilitated at $4,000 per family, then we had better give up slum-clearance, because there is not enough money in the country to carry it on upon a big scale.

In addition to that, I will say that I can take the Senator from New York to the countryside of America and show him people who work on farms who live under even worse conditions than some of those whom the Senator hopes to rehabilitate. True, they live in a healthier atmosphere and their living quarters are not so congested; but so far as the living quarters are concerned the average farm hand does not live in a $4,000 or $6,000 house by any means. He is lucky if he has one costing $1,000 or $1,500. If the Senator doubts that statement, I will provide him with physical proof within an hour after the session closes as to how the people in the country live.

Mr. President, this program cannot be carried on if houses are to be constructed requiring an annual rental of $600 per family for persons making $50 to $60 a month.

The Senator from New York the other day said that persons who made no more than $50 a month or $60 at the outset would occupy these houses. Since the Senator from New York said that the houses must cost at least $6,000 apiece, in the name of common sense, I should like to know how a person making $50 a month can pay the rent.

Mr. WAGNER. Mr. President, I am not going to answer anything more than the suggestion, which I did not expect even the Senator from Maryland would utter here, that I am offering this legislation with the insincere purpose of getting all this money for the city of New York.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. In spite of what has been said on the floor, the city of New York in all of these expenditures has received no greater share than any other section of the country.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. No; not just now.

Mr. TYDINGS. I thank the Senator.

Mr. WAGNER. Not just now. The Senator refused to yield to me. When I shall have finished I shall be glad to yield to the Senator.

Mr. TYDINGS. I did not refuse to yield to the Senator, except to refuse to allow the Senator to make a speech in my time.

Mr. WAGNER. If an examination is made of the fifty-odd projects constructed throughout the country, only two will be found in the city of New York. There have been several heated statements made with reference to my activities, and I have not been happy under that challenge; but I shall have to rely, not upon what the Senator says, but upon the record I have made in this body.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

The PRESIDENT pro tempore. The Senator from Maryland [Mr. TYDINGS] has the floor. His time is not quite up.

Mr. TYDINGS. Mr. President, I had no idea of reflecting personally on the Senator by assuming that his interest was confined solely to New York. I reiterate the statement that I am sure his interest in the bill springs primarily from his interest in New York, and I further reiterate that it will be remarkable if over 50 percent of these funds are not spent in New York. On that statement I stand, and I shall wait for the proof thereof if this bill shall pass.

To continue, I ask the Senator to answer a question, if he will be so kind. Will the Senator tell me how a house can be built costing $6,000 and rented to a person who makes $50 a month, and who has to pay $33.33 a month, and how that person can live in those quarters on that salary?

Mr. WAGNER. The answer is that I do not agree with the Senator's figures at all.

Mr. TYDINGS. They are just plain arithmetic.

Mr. WAGNER. The Senator is very good at figures, no doubt; but I cannot agree with that.

Mr. TYDINGS. Mr. President, have I any time left?

The PRESIDENT pro tempore. Yes; the Senator has some time left.

Mr. TYDINGS. Mr. President, I reiterate that one would not need to be farther along than in the second grade, and he would not have to be very good at figures to answer that question. If a building costs $6,000, and the rental of the building is $600 a year, it certainly stands to reason that $50 a month rental has to come from some place in order to pay the rent, the carrying charges, the interest, the fire insurance, and so on. If a person makes $50 a month, it stands to reason that his entire income would be needed to pay the rent. I submit that the Senator has not shown how a person making $50 a month can live in a house costing $6,000 and pay $50 a month rent and continue to live.

Mr. WAGNER. I should just like to ask the Senator one question.

Mr. McNARY. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McNARY. The Senate is working under a unanimous-consent agreement, and I insist on adherence to it, that no Senator shall speak more than 15 minutes on any amendment or more than twice on the bill and an amendment.

The PRESIDENT pro tempore. The point of order is sustained. The question is on agreeing to the amendment of the Senator from Virginia [Mr. BYRD] to the committee amendment.

Mr. BYRD. Mr. President, I ask consent to present a modification of my amendment, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The Senator has the right to modify his amendment. The language modifying the Senator's amendment will be stated.

The CHIEF CLERK. On page 1, line 5, after "$4,000", it is proposed to insert "exclusive of the cost of the land and cost of removing old buildings, less value of salvage."

Mr. KING. Mr. President, I have been very much interested in the observations made by the Senator from Maryland [Mr. TYDINGS], as well as the very able address delivered by the Senator from Virginia [Mr. BYRD]. I recall that in many of the contributions which have been made by the Federal Government a requirement has been made that the municipality, the county, or the State should make an adequate and substantial contribution. I will say in all frankness to my friend from New York [Mr. WAGNER] that I do not see any reason why the bill should not have contained a provision requiring at least 25 percent of the loan which will be made by the Federal Government for the removal of the slums to be contributed by the States.

It is an advantage to the city to get rid of the slums. The Senator has emphasized very properly, doubtless, the importance of getting rid of crime and insanitary conditions. Those are responsibilities resting upon the local government. If the city of New York, the city of Boston, or the city of Chicago have slum-clearance projects, if they can get a 75-percent subsidy from the Federal Government, they should be perfectly willing to put up at least 25 percent.

If the bill had not reached the stage in its development which it has now attained, I should recommend that it be recommitted for the purpose of having included in it an amendment under the terms of which 25 percent of all subsidies, particularly where contribution is made in cities that have slum clearances, should be provided by the cities themselves.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Virginia [Mr. BYRD]

to the amendment reported by the committee. The amendment will be stated.

The CHIEF CLERK. On page 60, between lines 8 and 9, it is proposed to insert:

(6) No contract for loans, annual contributions, capital grants, sale, lease, mortgage, or any other agreement or instrument made pursuant to this act shall be entered into by the Authority with respect to any project costing more than $4,000 exclusive of the cost of the land and cost of removing old buildings, less value of salvage, per family unit or more than $1,000 per room.

Mr. TYDINGS. On the amendment I ask for the yeas and nays.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Pittman
Andrews	Copeland	La Follette	Radcliffe
Ashurst	Davis	Lee	Reynolds
Austin	Dieterich	Lewis	Schwartz
Bailey	Donahey	Lodge	Schwellenbach
Barkley	Ellender	Logan	Sheppard
Berry	Frazier	Lonergan	Shipstead
Bilbo	George	Lundeen	Smathers
Black	Gerry	McAdoo	Smith
Bone	Gillette	McCarran	Steiwer
Borah	Glass	McGill	Thomas, Okla.
Bridges	Green	McKellar	Thomas, Utah
Brown, Mich.	Guffey	McNary	Townsend
Brown, N. H.	Hale	Maloney	Truman
Bulkley	Harrison	Minton	Tydings
Bulow	Hatch	Moore	Vandenberg
Burke	Herring	Murray	Van Nuys
Byrd	Hitchcock	Neely	Wagner
Byrnes	Holt	Nye	Walsh
Capper	Hughes	O'Mahoney	Wheeler
Chavez	Johnson, Calif.	Overton	White
Clark	Johnson, Colo.	Pepper	

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from Virginia [Mr. BYRD], on which the yeas and nays have been demanded. Is the demand seconded?

The yeas and nays were ordered.

Mr. LA FOLLETTE. Mr. President, I desire to speak briefly on the amendment offered by the Senator from Virginia [Mr. BYRD]. The Senator has made a very plausible argument for the adoption of his amendment, but I fear the consequences to the entire program if the amendment should prevail.

In the first place, I contend that there are absolutely no data upon which the Senate can determine the cost per room or per family of the projects to be undertaken under the bill. If there are such data in existence, they have not been presented to the Senate. The statement of the author of the amendment was to the effect that he had taken the average of the figures given to him in the debate a day or two ago by the Senator from New York. Of course, as everyone knows, the average represents a figure between the extremes, which may be as much as 50 percent above and 50 percent below the number fixed. Considering fluctuating building costs, for the Senate to write into a program which is to extend over a period of years a flat limitation of this character, in my opinion, would serve to frustrate and wholly defeat the objective which this bill has in mind. If that is what the Senate desires, I contend that it would be much better for a majority of the Senate to vote down the bill rather than to pass a measure which ostensibly is to inaugurate a long-range housing program, but which will contain in it a limitation that will prevent its achievement.

Mr. McCARRAN. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Nevada.

Mr. McCARRAN. Does the Senator not recognize the fact that in this bill and others of its kind we are converting a democracy into a patrimony?

Mr. LA FOLLETTE. No; I do not recognize that any such issue is involved in the measure.

Mr. McCARRAN. One more question. Does the Senator not realize that by the passage of this bill, for which I will vote, we are appropriating public money that we do not hope to get back, but out of which we hope to build a nation from the foundation up?

Mr. LA FOLLETTE. Mr. President, in the limited time that is available on this amendment, I cannot discuss all the fundamental problems which are involved in the subject of housing. I will say, however, that, in my judgment, an adequate housing program is absolutely essential, and I do not believe, as suggested by the Senator from Nevada, that it involves any change in the fundamental character or concept of this Government or its objectives. I think that it is perfectly proper, under our traditional policy, for the Federal Government, in cooperation with municipalities, counties, and States, to act jointly to meet a problem of this magnitude.

But, Mr. President, what I am primarily concerned with for the moment is the amendment offered by the Senator from Virginia. I contend that the record will show that there are no data upon which an intelligent determination can be made that the limitation which the Senator from Virginia proposes by his amendment is feasible and that this program can be carried forward if the amendment is adopted.

As every Senator knows, building costs, for example, have been mounting during the last year; they have been going up at a rapid rate. If this bill had passed at the last session of Congress and we had attached to it an amendment—assuming that we had the information and data upon which to base such an amendment—limiting the cost per room and per family, it is perfectly obvious to every Senator that the increased building costs within the last 12 months would have made such an amendment so restrictive that it would have absolutely paralyzed the program.

I am as concerned as is the Senator from Virginia that these housing projects should be built at the lowest possible cost, but I contend that those who believe in this proposed legislation and who desire to see the program made workable and feasible should not vote for amendments which are not calculated to make the program effective.

Mr. McCARRAN. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator.

Mr. McCARRAN. Please understand me. I do not mean to say what I have said captiously.

Mr. LA FOLLETTE. I grant that; I assume it to be so.

Mr. McCARRAN. But we must guide our course in the future by the lights which are given us from the past. We know the Tugwell project has exhibited an example upon which the entire country looks with a frown. Are we going on with that, or are we going on with something that will be safeguarded so that from the very foundation up there will be assurance that Tugwellism will not creep into it?

Mr. LA FOLLETTE. In response to the Senator's question I wish to say I have not made any investigation of the cost of the Greenbelt project, nor have I made any investigation of the cost of the Shenandoah project referred to by the Senator from Virginia; but, so far as this proposed legislation is concerned, I think it has been carefully drafted and is calculated to produce low-cost housing projects. I think the arrangement which has been set up in the bill will achieve that objective.

What I am concerned about is that the amendment offered by the Senator from Virginia is so drawn as to make it impossible for projects to be built as they are designed to be built under this program. The difficulty, as I have suggested, is that in fixing a limitation of this kind, based on the average figure given by the Senator from New York [Mr. WAGNER] in debate, we have not sufficient information upon which to predicate the whole program. So far as I am concerned, I am anxious to see the foundations and fundamentals of the program sound, but I am likewise anxious to see some foundations built in this country upon which low-cost houses may be erected. I contend there are no figures and no information upon which to justify the Senate in writing into the bill the limitation proposed in the amendment offered by the Senator from Virginia.

Mr. VANDENBERG. Mr. President, I wish to comment merely on the argument that there is no information to sustain the amendment of the Senator from Virginia. No

data are necessary for Senators to know that the average homes of their respective constituencies cost less than $4,000, plus cost of land. The average home at $4,000, plus the cost of land, would be a $5,000 property. Two-thirds of the American people live in properties worth less than $5,000. If it is going to ruin the bill to ask those who now live in slums to live on the same plane as two-thirds of the American people live, then I do not understand the merit of the bill.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Virginia [Mr. BYRD] to the amendment reported by the committee, on which the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. I transfer that pair to the senior Senator from Idaho [Mr. BORAH] and vote "yea." If the senior Senator from Idaho [Mr. BORAH] were present, he would vote "yea."

The roll call was concluded.

Mr. HALE (after having voted in the affirmative). I inquire if the junior Senator from South Carolina [Mr. BYRNES] has voted?

The PRESIDENT pro tempore. The Chair is informed that Senator has not voted.

Mr. HALE. I have a pair with the Senator from South Carolina. Not being able to obtain a transfer, I shall have to withdraw my vote.

Mr. LEWIS. The Senator from Arkansas [Mrs. CARAWAY] is necessarily detained.

The Senator from South Carolina [Mr. BYRNES], the Senator from New Mexico [Mr. HATCH], the Senator from Virginia [Mr. GLASS], the Senator from Louisiana [Mr. OVERTON], and the Senator from Mississippi [Mr. HARRISON] are detained on departmental matters.

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official business connected with the Battle Monuments Commission.

The Senator from Idaho [Mr. POPE] is absent on official business. He has a pair with the Senator from Virginia [Mr. GLASS]. If present, the Senator from Idaho [Mr. POPE] would vote "nay", and the Senator from Virginia [Mr. GLASS] would vote "yea."

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON], who is absent in France as a member of the Battle Monuments Commission, has a pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 40, nays 39, as follows:

YEAS—40

Adams	Clark	King	Reynolds
Andrews	Connally	Lodge	Shipstead
Austin	Davis	Lonergan	Smith
Bailey	Donahey	McCarran	Steiwer
Bridges	Frazier	McNary	Townsend
Bulow	George	Maloney	Tydings
Burke	Gerry	Nye	Vandenberg
Byrd	Holt	O'Mahoney	Van Nuys
Capper	Johnson, Calif.	Pittman	Wheeler
Chavez	Johnson, Colo.	Radcliffe	White

NAYS—39

Barkley	Ellender	Logan	Schwartz
Berry	Gillette	Lundeen	Schwellenbach
Bilbo	Green	McAdoo	Sheppard
Black	Guffey	McGill	Smathers
Bone	Herring	McKellar	Thomas, Okla.
Brown, Mich.	Hitchcock	Minton	Thomas, Utah
Brown, N. H.	Hughes	Moore	Truman
Bulkley	La Follette	Murray	Wagner
Copeland	Lee	Neely	Walsh
Dieterich	Lewis	Pepper	

NOT VOTING—16

Ashurst	Caraway	Hale	Norris
Bankhead	Duffy	Harrison	Overton
Borah	Gibson	Hatch	Pope
Byrnes	Glass	Hayden	Russell

So Mr. BYRD's amendment to the amendment reported by the committee was agreed to.

Mr. GEORGE. Mr. President, I offer the amendment which I send to the desk to the amendment of the committee.

The VICE PRESIDENT. The amendment offered by the Senator from Georgia to the committee amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the amendment reported by the committee it is proposed to insert the following:

This act shall expire 3 years after the approval thereof: *Provided, however*, That all contracts entered into and all commitments made by the board shall be carried out by such agency or authority as the Congress may designate.

Mr. GEORGE. Mr. President, I gave notice of this amendment yesterday; and I have elected to modify the amendment by providing for the expiration of the act at the end of 3 years.

This bill provides for the appropriation of some $26,000,000 for the first year but gives to the board of directors the power to issue securities and sell them, the securities, of course, having the full endorsement of the Federal Government. The directors are authorized to sell $200,000,000 of securities immediately after the passage of the act, $250,000,000 after July 1, 1938, and $250,000,000 after July 1, 1939. So all of the money provided for the board will be in its hands 1 year after the termination of the act under the amendment I have offered. Provision is also made in the amendment that all contracts made by the board, and all commitments made by the board, by way of subsidy or otherwise, of course, shall be carried out by such agency as the Congress may designate.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I yield to the Senator from Texas.

Mr. CONNALLY. Does that include the rent subsidies which the bill authorizes to be paid forever?

Mr. GEORGE. I think so.

Mr. CONNALLY. Does the Senator's amendment contemplate that they shall continue to be paid?

Mr. GEORGE. All rent contracts made prior to the expiration of the law would be faithfully executed under the amendment. I think no other amendment would be fair.

Mr. President, this bill is founded upon the philosophy that there is in this country a group of low-income producers who cannot live in sanitary and reasonably comfortable houses unless the Government subsidizes them. That is the doctrine. It is plainly stated in the bill. There cannot be any controversy about it. I desire to repeat that the bill proceeds upon the theory that the low-income producers in this country can never live in fair homes, in comfortable homes, in decent homes, unless the Government subsidizes the rent; in other words, unless it helps to pay the rent through some form of subsidy. The amendment proposes that when we embark upon a program founded upon that philosophy, we shall certainly limit the operation of the act to a period of 3 years, which will give the act full opportunity to demonstrate whether or not the philosophy is sound, and whether or not the Government ought to commit itself to that doctrine.

Mr. President, for another reason the amendment ought to be adopted. If it is not adopted there will not hereafter go into housing any private capital. It will be the end of a private program for building houses in America. Private capital will withdraw from the field. The bill will end it, and we shall have state socialism now and forever if we do not limit the operations of this measure. I want to see the people properly housed. I want to see them have the opportunity of living under decent, sanitary, wholesome conditions; but we have generally done that in America. Throughout all of our history we have generally done so. We now say, however, that we have reached a time when our low-income producers cannot possibly do so relying upon their own means. Mr. President, you and I know and all people know that when we adopt the policy written in this measure private capital perforce will stay out of the field, and it ought to stay out of the field, and if it has good judgment it will stay out of the field, because it cannot enter the field in competition with a Government housing program such as is presented in this bill.

A great deal has been said about this program providing for the return of the money. It does not provide for the return of the money. There is not a municipality in the United States that will borrow this money that would ever expect a creditor, with the judgment we are now called upon to display, even to require them to repay the money.

The bill provides for the furnishing of every dollar of money to build these houses, every dollar of the three-quarters of a billion which they can expend within the next 3 years, without even requiring the municipality or the public housing authority to match a penny of the money put up against it.

The authority would not only be spending public money, Mr. President, but one public agency would be spending the money of another public agency, and since the beginning of time, economy never has been exercised under any such program as that. The man who spends another man's money will waste it, and when one public agency is spending the money of another public agency, the money of the taxpayers, there is double waste, no check, no restriction.

Mr. President, the Government can, in the first instance, make an outright grant of not exceeding 25 percent, and 25 percent of the money is going before any of it leaves the Treasury. The Government is going to make the loan to the municipality, and the power exists to make the grant, and that is lost, given away, before the transaction is ever made.

The Administrator of Public Works has engaged in housing enterprises, and good physical properties have been built, but down in the city of Atlanta, where a unit was constructed for those in the low-income group, the Government in actual practice, as a businessman would call it, wrote off 40 percent of the actual investment before they could get any renters in the houses on the basis required by the legislation which authorized the renting of the houses. Forty percent of the project in the city of Atlanta was given away to start with before they could get anyone actually in the low-income producing groups to qualify as renters.

Mr. President, the bill not only provides for an outright expenditure by the board of approximately three-quarters of a billion dollars, but it gives the board the power to commit the Federal Government to the payment of an annual subsidy to the amount of $20,000,000, or, during the life of the bill, to the payment of a billion two hundred million dollars. Yet there is only the pledged word of a city, or of a housing authority created by a State legislature, or by some political subdivision, and that pledged word is given under conditions that should lead anyone to know that there will be no repayment to the Federal Treasury of the money save the subsidy, and the subsidy alone, which the Federal Government has granted.

The proponent of the bill says that the municipalities in the United States have lived up to their obligations. The Reconstruction Finance Corporation is held up as an example. Jesse Jones is a businessman. He made the loans of the Reconstruction Finance Corporation on a business basis. Jesse Jones would no more think of advancing a single dime under the conditions of the pending bill than he would undertake a solo flight to heaven. Loans made to municipalities were never for a hundred percent of the project which the city desired to enter into or to complete, and very great caution was taken in the execution of all those loans.

The amendment merely proposes that the act shall expire 3 years after its approval, more than 13 months after the date when the board can have realized the last penny it is at present authorized to borrow upon the credit of the United States. It also takes care of the contracts made by the board during the life of the board throughout the full period of 20 years, or 60 years, as the case may be, through some agency created by the Congress.

There is every reason, Mr. President, why the amendment should be agreed to. Are we in any position to say or to know that this program is not experimental, and can we close our eyes to the obvious fact that, entering the field, we must occupy the whole of it, so far as the low-income producers are concerned, in every section of the country? Is not the period of 3 years a sufficiently long time to experiment with this kind of a measure? It seems to me that the amendment would give the legislation ample opportunity to demonstrate its value, and at the same time afford a very weak and a very insufficient check upon legislation of this kind passed to operate indefinitely, and throughout the balance of time, or until at least Congress takes some adverse action upon it.

It may be true that the low-income group in this country can never occupy homes which will be at the same time decent, and wholesome, and presentable, as American homes ought to be, without Government subsidy.

Mr. ADAMS. Mr. President, if the Senator will permit me, I should like to venture a suggestion, as he is commenting on the low-income group. There has been established by amendment to the bill an additional group. There is the low-income group, and then the lowest-income group, and under the amendment adopted yesterday the housing is provided only for the lowest-income group.

Mr. GEORGE. I am aware of that. The Senator from Colorado is correct; but that was done in all good faith, to make certain that the occupants of these houses were people who could not afford to pay what is called an economic rent. So it is proposed to provide a rental which is less than the economic rental by and through the subsidy.

Mr. President, what is the subsidy? The subsidy is or may be 3 percent, practically, upon the total of $700,000,000 which the Housing Corporation or directors are authorized to give by way of loans or by way of grants. Out of that subsidy alone will the Government be able to be partially reimbursed.

Mr. WAGNER. Mr. President, I hope the amendment will not be agreed to. The program itself is only for a period of 3 years, and at the expiration of that time no further commitment can be made—that is, 3 years from the beginning of the program—unless Congress gives further authority to the board. If Congress at the end of that time decides not to give any further authority, as a matter of course the work of the board will terminate, except as to the carrying out of existing contracts.

As I understand the amendment, the Senator provides for the absolute termination of the activities of the board 1 year earlier.

Mr. GEORGE. I modified the amendment so as to make it 3 years from the date of the approval of the act.

Mr. WAGNER. That will permit only 2 years of construction, because surely during the first 6 or 7 months no construction can possibly begin. As I understand it, the Senator is reducing by 1 year the operation of the act, so far as the lending of money and the entering into a contract is concerned.

Mr. GEORGE. No, Mr. President; I am not reducing the period for the expiration of the act. Practically the work might not be completed, but I am providing that all contracts entered into by the board or commitments made by it shall be carried out.

Mr. WAGNER. Exactly. The bill as it is now provides for a program of only 3 years, and I do not see any reason for not giving the board at least 3 years' time in which to carry on its activities; and the country will say whether or not these projects are successful, and it will be seen whether or not public opinion will support them. I am sure public opinion will support them. It seems to me that the time to terminate this legislation or to extend it is for the Congress to decide at the expiration of the 3 years. This amendment is simply another shortening of this program, and, as I said, another limitation placed upon the housing program as originally proposed. In spite of what the Senator said, I think the country is in support of this measure. I also believe that private enterprise is not invaded in any way by this proposed legislation. Witness after witness appeared before our committee representing businessmen who said that private enterprise could not take care of the slum dwellers of the country, the low-income group, and

therefore there is no other way of doing it except with the aid of Government. That is universally conceded.

I express the hope that the amendment will not be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE] to the committee amendment appearing on page 68, between lines 15 and 16.

Mr. GEORGE. On this question I demand the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). I have a pair with the Senator from Mississippi [Mr. HARRISON]. I transfer that pair to the senior Senator from Idaho [Mr. BORAH], and will vote. I vote "yea."

Mr. LEWIS. I announce that the Senator from Arkansas [Mrs. CARAWAY] is unavoidably detained from the Senate.

I also announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent in France in connection with the dedication of battle monuments.

I announce that the Senator from Virginia [Mr. GLASS], the Senator from South Carolina [Mr. BYRNES], the Senator from Mississippi [Mr. HARRISON], and the Senator from Louisiana [Mr. OVERTON] are absent from the Senate upon departmental business.

I further announce that the Senator from Idaho [Mr. POPE] is engaged upon official business and is necessarily detained from the Senate.

I further announce that the Senator from Virginia [Mr. GLASS] is paired with the Senator from Idaho [Mr. POPE]. If present and at liberty to vote on this question, the Senator from Virginia would vote "yea", and the Senator from Idaho would vote "nay."

Mr. AUSTIN. I announce that the Senator from Vermont [Mr. GIBSON] and the Senator from Wisconsin [Mr. DUFFY] are paired on this question.

The result was announced—yeas 33, nays 47, as follows:

YEAS—33

Adams	Clark	Lodge	Steiwer
Andrews	Connally	Lonergan	Townsend
Austin	Donahey	McCarran	Tydings
Bailey	George	McNary	Vandenberg
Bridges	Gerry	Maloney	Van Nuys
Bulow	Hale	Pittman	White
Burke	Holt	Radcliffe	
Byrd	Johnson, Calif.	Reynolds	
Chavez	King	Smith	

NAYS—47

Barkley	Ellender	Lewis	Schwartz
Berry	Frazier	Logan	Schwellenbach
Bilbo	Gillette	Lundeen	Sheppard
Black	Green	McAdoo	Shipstead
Bone	Guffey	McGill	Smathers
Brown, Mich.	Hatch	McKellar	Thomas, Okla.
Brown, N. H.	Herring	Minton	Thomas, Utah
Bulkley	Hitchcock	Moore	Truman
Capper	Hughes	Murray	Wagner
Copeland	Johnson, Colo.	Neely	Walsh
Davis	La Follette	Nye	Wheeler
Dieterich	Lee	Pepper	

NOT VOTING—15

Ashurst	Caraway	Harrison	Overton
Bankhead	Duffy	Hayden	Pope
Borah	Gibson	Norris	Russell
Byrnes	Glass	O'Mahoney	

So Mr. GEORGE's amendment to the committee amendment was rejected.

CHANGE IN NAME OF CHEMICAL WARFARE SERVICE—VETO MESSAGE

The VICE PRESIDENT. The Chair is going to ask the privilege of laying a veto message of the President before the Senate at this time. The reason for this is that the attention of the Chair has been called to the fact that at one time a veto message was sent to the Senate and was not read the day it was received but was read the next day, and now there is a question in the courts as to whether it was received in time. The Chair does not think that a veto message of the President ought to be passed over, and the Chair has been waiting for an opportunity to lay this veto message before the Senate and is taking the liberty of doing so at this time. The clerk will read the veto message.

The Chief Clerk read as follows:

To the Senate:

I return herewith, without my approval, Senate bill 1284, entitled "An act to change the name of the Chemical Warfare Service."

The bill proposes to call the present Chemical Warfare Service the Chemical Corps.

It is my thought that the major functions of the Chemical Warfare Service are those of a "service" rather than a "corps." It is desirable to designate as a corps only those supply branches of the Army which are included in the line of the Army. To have changed the name to the "Chemical Service" would have been more in keeping with its functions than to designate it as the "Chemical Corps."

I have a far more important objection to this change of name. It has been, and is, the policy of this Government to do everything in its power to outlaw the use of chemicals in warfare. Such use is inhuman and contrary to what modern civilization should stand for.

I am doing everything in my power to discourage the use of gases and other chemicals in any war between nations. While, unfortunately, the defensive necessities of the United States call for study of the use of chemicals in warfare, I do not want the Government of the United States to do anything to aggrandize or make permanent any special bureau of the Army or the Navy engaged in these studies. I hope the time will come when the Chemical Warfare Service can be entirely abolished.

To dignify this Service by calling it the "Chemical Corps" is, in my judgment, contrary to a sound public policy.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 4, 1937.*

The VICE PRESIDENT. The veto message, with the accompanying bill, will be referred to the Committee on Military Affairs and be printed.

EXPENSES OF PARTICIPATION IN EIGHTH INTERNATIONAL ROAD CONGRESS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that legislation may be enacted authorizing an appropriation of the sum of $5,000, or so much thereof as may be necessary, for the expenses of participation by the United States in the Eighth International Road Congress, to be held at The Hague in June 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 4, 1937.*

[Enclosure: Report.]

HARRY BRYAN AND ALDA DUFFIELD MULLINS ET AL.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1640) for the relief of Harry Bryan and Alda Duffield Mullins and others.

Mr. NEELY. I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. SCHWELLENBACH, Mr. LOGAN, and Mr. CAPPER conferees on the part of the Senate.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political

subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. ADAMS. Mr. President, I have been very much impressed by the statement of the Senator from New York [Mr. WAGNER] that this is not a measure for the benefit of the great cities, particularly the great city of New York, but is a national program, and that we have need for low-cost housing in all parts of the country. Consequently, I am offering an amendment which I hope the Senator from New York will accept, as it will bear out his theory.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 66, after line 16, it is proposed to insert the following paragraph:

(d) That the Authority shall not expend or lend or contract to expend in any State a greater proportion of the total funds available to it by appropriation or loan than the proportion which the population of such State bears to the total population of the United States.

Mr. ADAMS. Mr. President, I am trying to insure that there will be a fair and equitable distribution of the benefits of the bill. The amount provided is, of course, entirely inadequate to meet the great problem upon the basis of the $4,000 limit fixed by a recently adopted amendment. Upon the theory which has been advocated that at least one-third of the population of the United States are without adequate housing, it would require over $40,000,000,000 adequately to house them. It seems to me when we are dealing with only $1,000,000,000 we ought to distribute it equally. I am quite sure the Senator from New York does not want to lay himself open to the accusation that it is the great cities which will monopolize the funds.

Mr. WAGNER. Mr. President, if I were as provincial as the Senator seems to intimate and thought of New York alone, I would favor the amendment because New York State has 10 percent of the population of the entire country, so that under the Senator's amendment it would get at least 10 percent.

Mr. ADAMS. A statement was made on the floor that New York City would get about 50 percent of the fund and I wanted to repudiate any such idea as that. [Laughter.]

Mr. WAGNER. That statement was made, I suppose, to prejudice the legislation. There is no doubt about that, but I am not concerned with such statements. We have to amuse one another occasionally.

Here is the difficulty with the proposal of the Senator from Colorado. We are proposing to clear the slums wherever they are found. There may be States which have no slums at all. Does the Senator contend some part of the money should be expended there? There may be small States which need more than their share under a measurement by population, because they have a great many slums that ought to be cleared. In other words, is this carrying out the purpose of the bill, which is to clear slums and aid the low-income group wherever they may be?

Under the amendment proposed by the Senator from Colorado the funds would be limited to the States according to their population. I think the amendment really would be to the disadvantage of the less populated States of the Union. It would not carry out a national purpose. I hope the amendment will not be adopted, even though my State would get an advantage under it.

Mr. TYDINGS. Mr. President, I should like to offer a substitute for the amendment of the Senator from Colorado to read as follows:

Provided, That no State, either in the form of a loan or a grant or a subsidy, shall receive more than 10 percent of the funds included in this act.

The VICE PRESIDENT. Does the Senator from Maryland offer that as a substitute for the amendment of the Senator from Colorado?

Mr. TYDINGS. That is my purpose.

Mr. WAGNER. Mr. President, I have not had time to consider the amendment, but it seems to me under the circumstances the Senator would freeze some of the funds. If some of the States should make no application the board might take the view that an application might come sometime during the period of 3 years, but if no application should come then part of the money would be frozen and not used. It seems to me that would be the effect of the Senator's amendment. I am willing to accept the judgment of the Senate.

Mr. TYDINGS. I have no idea of freezing any of the funds, but it seems to me if we incorporate a precautionary provision that no State shall get more than 10 percent of the funds we do what the Senator from New York has said he wants to do, namely, let the slums be cleared, but at the same time provide that they shall be cleared to some extent all over the country wherever they exist. It seems to me by allowing not to exceed 10 percent to any one State we have protected the States where the most slums exist and at the same time have prevented a larger sum being expended there which all the people of the United States must pay in the long run.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TYDINGS. Certainly.

Mr. BARKLEY. We all know that slums, in the ordinary sense in which we understand the term, exist more numerously in proportion to the population of the States. In the agricultural sections there are no slums as we ordinarily understand slums. We know there is inadequate housing in sections even in the rural districts. We all have those experiences, and probably most of us have lived in houses that would not be regarded as the best for human habitation. I myself have lived in such houses.

Ordinarily slums are regarded as congested, undesirable sections in large centers of population where crime may be encouraged or where disease may prevail because the conditions are almost intolerable for human habitation. If the amendment of the Senator from Maryland should be adopted, and no State could get more than 10 percent of the funds, in States where the population is sparse and scattered and where there are no congested regions and therefore no need for what we call slum clearance, no application would be made and no local authority would be set up for that purpose, so no portion of the fund would go to them. Then where would that part of the fund go that was left unused?

Mr. TYDINGS. Does the Senator from Kentucky concede that there are at least, perhaps, 20 States in the Union where there are some slums?

Mr. BARKLEY. Yes.

Mr. TYDINGS. The point is that it is perfectly possible under the bill for 50 percent of this money to go to one State or 30 percent to go to one State, although slum conditions prevail in many States. The only purpose of my amendment is to provide, insofar as we have the money and wherever slums are found, for such a division of the money that no one section would receive all the benefits while another section would receive none. Perhaps my figures are too low.

Mr. BARKLEY. The Senator knows I do not want to favor one State or a half dozen States, and yet in order for any State to avail itself of the privileges of the bill it must organize a local housing authority and must initiate projects itself; it must come to Washington and ask for a loan or grant of the funds necessary to carry forward those projects.

Of course, in the administration of the program of making the loans and the grants the board has discretion, and under an amendment which was adopted today none of the applications could be effectuated except with the approval of the President—not the present President alone but any President who happens to be in office at the time.

Does not the Senator think that affords sufficient safeguards against the concentration of the expenditure of this money in any locality?

Mr. TYDINGS. I will say to the Senator that if I thought that I would not have offered the amendment. I

could take the Senator to small towns in Maryland or Kentucky, not places where there are great congested areas with millions of people, but I could take him, for instance, to the town where I was born and spent all my life, and I could show him some alleys and other places where disease is rampant. Indeed, I could show him from the criminal statistics of small towns that a great deal of crime comes from those small areas. I could show him places where people in my own home town—Havre de Grace, Md.—would be glad to live in a house that cost $1,000 in exchange for the one in which they are living.

I admit that there are slums in New York City and in Chicago and in many other places in the country; but I am somewhat of the opinion that because of the magnitude of the problem we are apt to focus all our attention on it where it exists in the worst form, and not spread our solution of it equitably over the country.

The Senator from New York very properly said that he did not think the amendment of the Senator from Colorado was altogether fair, because if it were applied to every State of the Union there might be a State with no slums in it. I do not know whether that is true or not.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. TYDINGS. Let me finish my sentence. The Senator from New York said that if we divided the funds on the basis of population, we might award a portion of this slum-clearance money to a State having no slums. I have proposed to modify the amendment of the Senator from Colorado so as to provide that no State shall receive more than 10 percent of the total amount.

Mr. REYNOLDS. Mr. President——

Mr. WAGNER. Mr. President, I do not think the Senator from Marylands wants to do me an injustice.

Mr. TYDINGS. I did not mean to do so.

Mr. WAGNER. What I said was that there might be some States which would not get any of this money——

Mr. TYDINGS. That is what I said.

Mr. WAGNER. But that the authority might feel obligated, because application might come in, to set aside that money.

Mr. TYDINGS. That is what the Senator said; and I wanted to accept his argument and viewpoint, and fix the matter so that the money will be spent where the slums exist, but no one State will get all of it, or half of it, or even a third of it.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. TYDINGS. Yes.

Mr. BARKLEY. Does the Senator's amendment contemplate that this limitation shall apply from year to year, or over the entire life of the proposed act?

Mr. TYDINGS. It contemplates that whatever money is to be expended, no State shall get more than 10 percent of it.

Mr. BARKLEY. Of course the Senator knows that the amount of money that may be expended depends upon how much Congress appropriates.

Mr. TYDINGS. That is true.

Mr. BARKLEY. The appropriations will be made from year to year.

Mr. TYDINGS. I am talking about the $700,000,000 we are going to lend.

Mr. BARKLEY. That has to come out of an appropriation.

Mr. TYDINGS. That is true.

Mr. BARKLEY. We authorize the obligation, but we do not appropriate the money.

Mr. TYDINGS. But I propose that it shall be authorized under restrictions.

Mr. BARKLEY. From year to year we will appropriate the money. Does the Senator mean that in any one year no State shall receive more than 10 percent of the total, or that that shall be the case over the entire period?

Mr. TYDINGS. That is very technical, Mr. President.

Mr. BARKLEY. No; it is not.

Mr. TYDINGS. Let me answer it, then. The Senator has asked me the question, and I say that what I propose is that the line shall read that no State shall receive more than 10 percent of these funds. If we should appropriate only $70,000,000, no State would get more than $7,000,000.

Mr. BARKLEY. That would mean, then, that in any year when one State was further advanced than the others and prepared to go forward with this program, it would get only one-tenth of the amount.

Mr. TYDINGS. Of the total appropriation.

Mr. BARKLEY. And the next year some other State might be prepared to go forward, but in that year no State could get more than 10 percent. All of the States cannot move forward simultaneously.

Mr. TYDINGS. No; but this is the money we are authorizing to be loaned, which amounts to $700,000,000.

Mr. BARKLEY. Loaned and granted and otherwise disposed of.

Mr. TYDINGS. My proposal is that no State shall get more than $70,000,000 of the $700,000,000 which is authorized in the bill.

Mr. BARKLEY. By the adoption of that amendment I am afraid we should hamstring and halter this whole program. If we should assume that 6 States would be ready to go forward with a program next year, and that the other 42 States would not be ready, under the amendment no State out of the 6 could get more than one-tenth of the amount available for that year.

Mr. TYDINGS. That is correct. As I understand the Senator from Kentucky, if possible, he wants to leave the matter so that the board may give 90 percent of the total amount to a certain State in 1 year if it is ready to go ahead.

Mr. BARKLEY. No; I do not want the board to give 90 percent of the total amount to one State; but, assuming that Congress is going to appropriate each year the amount necessary to carry out the program, no State that is ready to go forward ought to be held back simply because the other 47 States do not happen to be ready.

Mr. TYDINGS. Congress does not have to appropriate. Under the provisions of the bill $700,000,000 is authorized to be loaned.

Mr. BARKLEY. Authorized, yes; but it will never be paid out unless it is appropriated.

Mr. TYDINGS. There will be a guaranty fund. It will not come out of the Federal Treasury in the way of money.

Mr. ADAMS. Mr. President, I find that my colleague [Mr. JOHNSON of Colorado] has upon the table an amendment having the same purpose as the one I offered which is in much better form, and happens to be in print, whereas mine was difficult to read. I should like, therefore, to perfect my amendment by substituting the one heretofore offered by my colleague.

The VICE PRESIDENT. The Senator from Colorado [Mr. ADAMS] modifies his amendment of the committee amendment in the form which will be read by the Clerk.

The CHIEF CLERK. In the committee amendment, on page 66, line 14, it is proposed to insert the following:

SEC. —. (a) All amounts made available pursuant to this act for each fiscal year for loans, annual contributions, or capital grants by the Authority to public housing agencies shall be apportioned by the Authority among the several States in the ratio which the population of each State bears to the total population of all the States as shown by the latest available Federal census. The first such apportionment shall be made and certified to the Secretary of the Treasury within 30 days after the date of enactment of this act, and thereafter each such apportionment shall be made and certified to the Secretary of the Treasury at the beginning of each fiscal year.

(b) So much of the amounts so apportioned to any State for any fiscal year as remains unexpended at the close thereof shall be available for expenditure in that State until the close of the succeeding fiscal year. Any amount so apportioned to any State which is unexpended at the end of the period during which it is available for expenditure as herein provided shall be reapportioned, within 60 days thereafter, to all the States in the same manner and on the same basis, and certified to the Secretary of the Treasury in the same way, as if it were being apportioned under this section for the first time.

Mr. TYDINGS. Mr. President, may I now offer my substitute amendment to the improved amendment? My amendment proposed as a substitute reads:

That no State, either in the form of a loan or grant or subsidy, shall receive more than 10 percent of the funds included in this act.

The VICE PRESIDENT. That substitute is pending.

Mr. SCHWELLENBACH. Mr. President, I should like to discuss for a minute the amendment of the Senator from Colorado [Mr. ADAMS] and the substitute amendment of the Senator from Maryland [Mr. TYDINGS].

I think I can discuss this particular bill and these particular amendments without any claim that I may be actuated by selfish motives. I take pride in the fact that the State which I in part represent has no slums, and probably we shall not receive any money as the result of the enactment of this legislation.

Mr. ADAMS. Mr. President, will the Senator yield for a question?

Mr. SCHWELLENBACH. I shall be glad to yield.

Mr. ADAMS. I wish to inquire of the Senator if he understands that the bill is strictly limited to what he and I know as slums, or whether it has a broader meaning and is intended to provide housing for persons in circumstances that are not sanitary, not wholesome, and not adequate, even though not what I think of as slums. I think a slum is a place congested with many persons gathered together. There are in my State numbers of persons who ought to have, and I should like to have them have, better housing; but we have no slums, though we have a need for better housing.

Mr. SCHWELLENBACH. That is precisely the point which I wish to discuss; and the precise question which the Senator from Colorado submits is to my mind the most effective argument against the amendment which he offers.

It is interesting to me to note, and it is a little difficult for me to understand, that the Members of this body who have most consistently objected to Federal expenditures, who have with all sincerity contended that Federal expenditures should be limited, are the ones who are presenting this amendment and this substitute, which, in my opinion, would result in more Federal expenditures than any other possible measure which might be enacted by this session of Congress.

What does the substitute propose, and what does the amendment propose? Instead of this being a slum-clearance proposal, an activity upon the part of the Federal Government to try to solve the problem of slums in this country, if this amendment or this substitute is adopted it will mean that the Federal Government is going to accept the responsibility for housing in the United States. I do not believe the Federal Government should accept the responsibility of taking out of the Federal Treasury money with which to provide housing in all parts of the United States. I believe the reason why this bill is justified, the reason why the Federal Government as a Federal organization is justified in putting money into the housing problem, is the fact that in certain parts of the United States we have, as a result of inadequate housing, a further problem of crime, a further problem of disease; and it is perfectly proper for the Federal Government, recognizing that the results of such crime and the results of disease spread throughout the country, to spend money in particular localities to solve the housing problem when that problem results in the creation of slums, which, in turn, results in crime and disease.

If this amendment or the substitute shall be adopted, it will mean that the Federal Government will say that it is the problem of the Federal Government to provide adequate housing for everybody in the United States. If the amendment or the substitute shall be adopted, it will happen that next year or the year after and in the future years the Members of this body will say, "We have not adequate houses in our communities. The Federal Government says it is its problem to take care of the housing of the people of the country, and we want our share."

In the consideration of this problem we cannot be provincial. On the Pacific coast we are interested in the crime problem in the city of New York. I had the feeling a number of years ago, when we had the problem of the enforcement of the prohibition law, that we would not have difficulty in my State in enforcing the prohibition law to nearly so great an extent as we did have it, had it not been for the examples of lack of enforcement and the impossibility of enforcement in the city of Chicago, say, or in the city of New York.

When crime is bred in any part of the country, the results of that crime spread throughout the entire Nation, and it is upon that basis and that basis alone that we are justified in the adoption and the enactment of the pending bill.

I ask the Members of this body not to be provincial. I ask the Members of this body to recognize the fact that if the Federal Government is to participate in the solution of this problem, it may be that the city of New York will get a large proportion of the money. Some of us representing farming districts asked the Federal Government to assist agriculture in its difficulties, and I have not heard the Representatives from the State of New York and the city of New York objecting to the expenditure of Federal funds for agriculture.

I realize that it might be popular for me to go back home and say, "I stopped the city of New York from getting all of this money." But I call to the attention of the Members of this body who favor the balancing of the Budget, and who favor the limitation of Federal expenditures, the fact that the precedents they are now making would open the door to greater Federal expenditures than probably any other act we might pass.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. BURKE. Would the Senator have us understand that it is his judgment that if the pending bill shall be enacted without including either the amendment offered by the Senator from Colorado or the substitute offered by the Senator from Maryland, we will go through the coming year, or any year while the act is in force, without paying the full amount that is authorized under the law?

Mr. SCHWELLENBACH. I do not understand that anything I have said would so indicate. It certainly was not intended.

Mr. BURKE. I understand, then, that the Senator agrees that the full amount authorized will be paid. How, then, does the amendment or the substitute offered have anything to do with increasing the drain on the Treasury? If we are to pay the full amount anyway, it would seem to me that the amendment and the substitute have to do only with the distribution of the funds over the country, rather than with the total amount to be paid out of the Treasury.

Mr. SCHWELLENBACH. If we adopt the substitute, and thereby have the Federal Government assume the responsibility for housing people, when the Senator from Nebraska goes back to Nebraska he is going to be called upon by his constituents in Nebraska to come here next year and not merely have this program extended to Nebraska, but to have the amount doubled, or trebled, or quadrupled.

Mr. BURKE. Mr. President, will the Senator yield further?

Mr. SCHWELLENBACH. I yield.

Mr. BURKE. One reason why I have been inclined to favor the bill is that we have been assured by the sponsors of the legislation from the start that this was not only a slum-clearance measure, but was in aid of agricultural areas, and that the benefit was to be spread all over the country. I did not know we were dealing here merely with the slums of New York City and Chicago, and those that I saw in Seattle when I was there a couple of years ago. [Laughter.]

Mr. SCHWELLENBACH. Mr. President, I hope the Senator has not been as inaccurate in the rest of his statements and questions as he was in the last portion of his remarks,

in reference to the city of Seattle, because while the Senator was in Seattle he saw no slums there. He saw the beautiful shores of Lake Washington. The junior Senator from North Carolina [Mr. REYNOLDS] is in the Chamber, and possibly at this time he could rise and describe what the Senator saw while he was in Seattle. He could do it much more adequately than I could.

Mr. REYNOLDS. Mr. President, in answer to what has been stated by the able Senator from Washington [Mr. SCHWELLENBACH], I wish to avail myself of this opportunity to say in his presence that in all my life and in all my travels I have never witnessed a more beautiful spot upon the face of this earth than the home city of the Senator from Washington, the city of Seattle, with one exception, and that exception is the little gem city of the mountains, my home town, Asheville, N. C. [Laughter.]

Mr. President, I dislike very much to disagree with my able colleague from the State of Washington, because I recognize in him a most friendly feeling, and it is ever a disappointment, I may say, to have to disagree with any of my colleagues. But in this particular instance, upon the subject on which he has just spoken, I am forced to take an opposite position, for the reason that I must look after the interests of North Carolina to the best of my ability, and if $700,000,000 of the people's money is to be expended, I want North Carolina—God bless her!—to have her part [laughter], although she does not need it particularly.

My fellow Senators know there is no more progressive State in the Union than the great Commonwealth of North Carolina. There is no State that has less slums and fewer poor people than my State. But we are not dealing alone with the slums in this instance. Under the pending bill, every State in the Union will be entitled to make application for a part and a portion of the $700,000,000. I respectfully call attention to that provision of the bill appearing on page 54, line 14:

> The Authority may dedicate land for parks, playgrounds, and other recreational facilities, for sewers, for the opening or widening of streets, for incidental improvements, or for any other public purpose, and may grant licenses and easements upon such terms as it deems reasonable.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. McKELLAR. I wish to say to the Senator that as soon as I can catch the eye of the Vice President I intend to offer an amendment right at that point. I shall now read the amendment, because of the Senator's reference to that portion of the bill.

The amendment is on page 54, line 18, to strike out the period after the word "reasonable" and to insert the following:

> *Provided*, That upon the certification of the Secretary of the Interior that persons owning lands not suitable for agricultural purposes within existing and authorized national parks or national forests have tendered satisfactory options for their sale to the United States for national-park purposes, the Authority may allocate to the said Secretary not to exceed $1,000,000 for their acquisition so the vendors may rehabilitate themselves on other lands more suitable for agricultural purposes.

I submitted that amendment to the Senator in charge of the bill [Mr. WAGNER], and I am very hopeful that he will accept it. That will in small measure tend to distribute the funds to the extent mentioned, and, in my judgment, will add greatly to the benefits of the bill.

Mr. REYNOLDS. Mr. President, if the Senator from New York should accept the amendment which will be offered by the Senator from Tennessee, the State of the Senator from Tennessee will perhaps be provided an opportunity to procure a few hundred thousand dollars for one purpose or another, and so we shall find——

Mr. McKELLAR. No; I did not mean it that way. My proposed amendment will not instruct the Authority as to what it shall do; it is not binding on the controlling body; but it will authorize the Authority to do just what the bill in subsection (f) on page 54 provides. It lodges with us the benefits of that section, and will apply to any portion of the country—not to the Senator's State particularly, not to my State particularly, not to the State of New York particularly, but to any portion of the country.

Mr. REYNOLDS. Exactly.

Mr. McKELLAR. I hope the Senator from New York [Mr. WAGNER] will accept it.

Mr. REYNOLDS. Mr. President, in order that every Senator here may be placed in the position of procuring for his State a part and portion of the $700,000,000—which, of course, he will want to do—I hope the amendment which has been offered by the Senator from Tennessee [Mr. McKELLAR] will be accepted by the Senator from New York.

Mr. KING. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. KING. Let me suggest that we strike out the title and call this a "pork barrel" bill, so that $700,000,000 may be distributed to the States. Of course, however, I am opposed to the amendment suggested by my friend the Senator from Tennessee [Mr. McKELLAR], or to any amendment that would result in the bill being characterized as a "pork barrel" bill.

Mr. McKELLAR. Mr. President, the amendment would not cause the bill to be characterized as such at all. It merely provides that all portions of our country may have an opportunity to present their claims under the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. TYDINGS] in the nature of a substitute for the amendment offered by the Senator from Colorado [Mr. ADAMS] to the committee amendment.

Mr. SCHWARTZ. Mr. President, I am wondering whether in this connection we may be informed as to what the pending amendment is.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. Mr. TYDINGS' amendment, offered as a substitute for Mr. ADAMS' amendment to the committee amendment, is as follows:

> That no State, either in the form of a loan or grant or subsidy, shall receive more than 10 percent of the funds included in this act.

ESTATE OF CHARLES PRATT

Mr. AUSTIN. Mr. President, on behalf of my colleague [Mr. GIBSON], who is absent on senatorial duties, I ask unanimous consent that there be laid before the Senate the action of the House on Senate bill 449.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 449) for the relief of the estate of Charles Pratt, which were, on page 1, line 6, to strike out all after "Corps," down to and including all of line 7 and insert "to the administrator of the estate of Charles Pratt, deceased, formerly of Chittenden County, Vt., the sum of $2,500 in full settlement of all claims against the United States", and on page 1, line 11, after "1934", to insert a comma and "which injuries contributed to his death a few months thereafter."

Mr. AUSTIN. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, it is obvious that we cannot conclude the consideration of the bill tonight. I therefore move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore, as chairman of the Commitee on Foreign Relations, reported favorably from that committee the following nominations:

George D. Hopper, of Kentucky, now a Foreign Service officer of class 4 and a consul, to be a consul general.

Robert Frazer, of Pennsylvania, now a Foreign Service officer of class 1 and consul general at London, England, to be Envoy Extraordinary and Minister Plenipotentiary to El Salvador, vice Frank P. Corrigan;

Frank P. Corrigan, of Ohio, now Envoy Extraordinary and Minister Plenipotentiary to El Salvador, to be Envoy Extraordinary and Minister Plenipotentiary to Panama, vice George T. Summerlin;

Frederick A. Sterling, of Texas, now Envoy Extraordinary and Minister Plenipotentiary to Bulgaria, to be Envoy Extraordinary and Minister Plenipotentiary to Estonia and Latvia; and

Arthur Bliss Lane, of New York, now Envoy Extraordinary and Minister Plenipotentiary to Estonia, Latvia, and Lithuania, to be Envoy Extraordinary and Minister Plenipotentiary to Yugoslavia, vice Charles S. Wilson.

Mr. WHITE, from the Committee on Foreign Relations, reported favorably Executive U, Seventy-fifth Congress, first session, being an international agreement for the regulation of whaling, signed at London, June 8, 1937, and submitted a report (Ex. Rept. No. 18) thereon.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

SOCIAL SECURITY BOARD

The legislative clerk read the nomination of Agnes Van Driel, of Illinois, to be Chief, Division of Technical Training.

Mr. McKELLAR. Mr. President, the Senator from Illinois [Mr. LEWIS] yesterday asked me to allow that nomination to go over. Today he has asked me to let it go back to the committee. I have no objection; and the Senator from Illinois now will speak for himself.

Mr. LEWIS. Mr. President, I desire to have it understood in the Senate that proceedings have taken place in connection with this nomination which the Senate ought to understand and fully disapprove.

Here is a nomination sent to the Senate in connection with the Social Security Board and charged to the State of Illinois. It develops upon investigation that my colleague [Mr. DIETERICH] does not know the lady, nor has the Representative from her district ever heard that she ever lived in the district. I have never been honored even by having been asked to present her name to the Senate. An investigation develops, however, that one of the heads of the Department had known the lady sometime ago. The lady is now in Europe, and he finds her name agreeable to be sent in here and nominated as a member of the Board and charged to the State of Illinois, because it develops that once she attended the University of Chicago.

I beseech the Senate that this nomination be returned to the appropriate committee, and I join the Senator from Tennessee [Mr. McKELLAR] in requesting that investigation then be made as to how this lady came to be named and charged to the State of Illinois, and that the official who is responsible for this kind of conduct be brought before the committee for appropriate examination.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois? The Chair hears none, and the nomination is recommitted to the Committee on Appropriations.

DEPARTMENT OF LABOR

The legislative clerk read the nomination of James L. Houghteling, of Illinois, to be Commissioner of Immigration and Naturalization.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters on the calendar.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

That completes the Executive Calendar.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Thursday, August 5, 1937, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 4 (legislative day of July 22), 1937

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS, WITH RANK FROM JULY 1, 1937

Lt. Col. Charles Kleber Wing, Coast Artillery Corps.
Lt. Col. Charles Elting Coates, Infantry.
Lt. Col. Edward Postell King, Jr., Field Artillery.
Lt. Col. Martin Conrad Shallenberger, Infantry, subject to examination required by law.
Lt. Col. John Henry Pirie, Air Corps (temporary colonel, Air Corps).
Lt. Col. Kenneth Sheild Perkins, Field Artillery.
Lt. Col. Eugene Reybold, Corps of Engineers.

TO BE COLONEL, WITH RANK FROM JULY 19, 1937

Lt. Col. Robert George Kirkwood, Field Artillery.

TO BE COLONELS, WITH RANK FROM AUGUST 1, 1937

Lt. Col. Harold Everett Marr, Field Artillery.
Lt. Col. Hugo Ernest Pitz, Quartermaster Corps.
Lt. Col. Thomas Clair Cook, Coast Artillery Corps.

TO BE LIEUTENANT COLONELS, WITH RANK FROM JULY 1, 1937

Maj. Notley Young DuHamel, Corps of Engineers.
Maj. Dean Hudnutt, Field Artillery.
Maj. Louis Emerson Hibbs, Field Artillery.
Maj. Ludson Dixon Worsham, Corps of Engineers.
Maj. Horace Logan McBride, Field Artillery.
Maj. Ralph Gillett Barrows, Corps of Engineers.
Maj. Holland Luley Robb, Corps of Engineers.
Maj. Hamilton Ewing Maguire, Field Artillery.
Maj. Ray Corrigan Rutherford, Field Artillery, subject to examination required by law.
Maj. William Morris Hoge, Corps of Engineers.
Maj. William Roscoe Woodward, Field Artillery.
Maj. Stanley Lonzo Scott, Corps of Engineers.
Maj. Tattnall Daniell Simkins, Corps of Engineers.
Maj. Henry Crampton Jones, Field Artillery.
Maj. Carl Lee Marriott, Chemical Warfare Service.
Maj. James Arthur Pickering, Field Artillery.
Maj. James Knox Cockrell, Cavalry.
Maj. William Spence, Field Artillery.

TO BE LIEUTENANT COLONEL, WITH RANK FROM JULY 19, 1937

Maj. Willis McDonald Chapin, Coast Artillery Corps.

TO BE LIEUTENANT COLONELS, WITH RANK FROM AUGUST 1, 1937

Maj. Fred Beeler Inglis, Field Artillery.
Maj. Robert Bruce McBride, Jr., Field Artillery.
Maj. Paul Vincent Kane, Field Artillery.
Maj. DeRosey Carroll Cabell, Ordnance Department.
Maj. Ralph Irvine Sasse, Cavalry.

TO BE MAJORS, WITH RANK FROM JULY 1, 1937

Capt. Elijah Garrett Arnold, Infantry.
Capt. Benjamin Witwer Pelton, Infantry.
Capt. Farlow Burt, Infantry.
Capt. James Henry Howe, Infantry.
Capt. Robert Artel Case, Infantry.
Capt. John Russell Deane, Infantry.

Capt. Richard Zeigler Crane, Ordnance Department.
Capt. Paul Carson Febiger, Cavalry.
Capt. Leslie Walter Jefferson, Coast Artillery Corps.
Capt. John Reigel Embich, Chemical Warfare Service.
Capt. Fred William Koester, Cavalry.
Capt. William Neely Todd, Jr., Cavalry.
Capt. Thomas Reed Taber, Ordnance Department.
Capt. Harry William Lins, Coast Artillery Corps.
Capt. Harold Paul Stewart, Cavalry.
Capt. Darrow Menoher, Cavalry.
Capt. Mark Andrew Devine, Jr., Cavalry.
Capt. Robb Steere MacKie, Infantry.
Capt. Boniface Campbell, Field Artillery.
Capt. Lloyd Marlowe Hanna, Field Artillery.
Capt. James Willard Walters, Ordnance Department.
Capt. Richard Cox Coupland, Ordnance Department.
Capt. Walter Alfred Elliott, Infantry.
Capt. George William Brent, Coast Artillery Corps.
Capt. Samuel Francis Cohn, Infantry.
Capt. John Augustus Rodgers, Infantry.
Capt. Ward Edwin Becker, Ordnance Department.
Capt. William Wayne Murphey, Field Artillery.
Capt. Timothy Sapia-Bosch, Infantry.
Capt. Edward Garrett Cowen, Coast Artillery Corps.
Capt. Kenyon Putnam Flagg, Coast Artillery Corps.
Capt. Joseph Burske Hafer, Coast Artillery Corps.
Capt. Edward Lucien Supple, Coast Artillery Corps.
Capt. Samuel McCullough, Coast Artillery Corps.
Capt. Mahlon Milton Read, Coast Artillery Corps.
Capt. Allen Ferdinand Grum, Ordnance Department.
Capt. Bernard Clark Dailey, Coast Artillery Corps.
Capt. Eduardo Andino, Infantry.
Capt. Robert Elwyn DeMerritt, Coast Artillery Corps.
Capt. James Franklin Powell, Air Corps (temporary major, Air Corps).
Capt. William Dalton Hohenthal, Coast Artillery Corps, subject to examination required by law.
Capt. James Ralph Lowder, Coast Artillery Corps.
Capt. Willard Warren Scott, Coast Artillery Corps.
Capt. Leonard Louis Davis, Coast Artillery Corps.
Capt. Webster Fletcher Putnam, Jr., Coast Artillery Corps.

TO BE MAJOR, WITH RANK FROM JULY 19, 1937

Capt. Merle Halsey Davis, Ordnance Department.

TO BE MAJORS, WITH RANK FROM AUGUST 1, 1937

Capt. Henry Devries Cassard, Coast Artillery Corps.
Capt. Will Rainwater White, Quartermaster Corps.
Capt. George Albert Bentley, Quartermaster Corps.
Capt. Edward Hanson Connor, Jr., Infantry.
Capt. Norris Whitlock Osborn, Ordnance Department.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO THE FIELD ARTILLERY

Capt. John Prame Kaylor, Infantry, with rank from June 14, 1937.

POSTMASTERS

ALABAMA

Edward O. Mann to be postmaster at Stevenson, Ala., in place of Alice Armstrong, resigned.

ARKANSAS

William F. Nelson to be postmaster at Mountain Home, Ark., in place of B. F. Love, deceased.

CALIFORNIA

Doris Welsh Folsom to be postmaster at Walkermine, Calif. Office became Presidential July 1, 1937.

COLORADO

Edgar I. Crutchfield to be postmaster at Akron, Colo., in place of F. J. Keicher, removed.

GEORGIA

Troy Howard Vickers to be postmaster at Crawfordville, Ga., in place of R. B. Edwards, deceased.

ILLINOIS

Clifford L. Neely to be postmaster at Hines, Ill., in place of I. M. Hanson. Incumbent's commission expired September 18, 1933.

Minnie D. Davis to be postmaster at Mooseheart, Ill., in place of S. J. Davis, deceased.

LOUISIANA

Virgil N. McNeely to be postmaster at Colfax, La., in place of V. N. McNeely. Incumbent's commission expired February 6, 1935.

Lewis L. Morgan, Jr., to be postmaster at Covington, La., in place of R. N. Menetre. Incumbent's commission expired January 28, 1936.

Oscar Ross Lang to be postmaster at Montgomery, La., in place of L. L. Thompson. Incumbent's commission expired May 20, 1934.

Charles William Wilson to be postmaster at New Roads, La., in place of A. B. Garrett. Incumbent's commission expired April 27, 1936.

Houston R. Reitzell to be postmaster at Olla, La., in place of J. L. Love. Incumbent's commission expired February 6, 1935.

Ernest S. Jemison to be postmaster at Slidell, La., in place of A. E. Harding. Incumbent's commission expired January 22, 1935.

MARYLAND

Samuel Gilbert Townshend, Jr., to be postmaster at Brandywine, Md. Office became Presidential July 1, 1936.

James Albert Roney to be postmaster at North East, Md., in place of C. A. Stewart, deceased.

MICHIGAN

Howard F. Beach to be postmaster at Cedarville, Mich., in place of H. P. Hossack. Incumbent's commission expired December 16, 1933.

MISSOURI

William O. Vinson to be postmaster at Lilbourn, Mo., in place of F. B. Pollock, removed.

NEVADA

Ferris Mack Doolittle to be postmaster at Boulder City, Nev., in place of J. I. J. Lee, removed.

NEW JERSEY

James Joseph Allen to be postmaster at Teaneck, N. J. Office established.

NORTH CAROLINA

Bonnie E. Henderson to be postmaster at Huntersville, N. C., in place of T. N. Kerns, deceased.

OKLAHOMA

James Travis Watson to be postmaster at Wetumka, Okla., in place of Bryan Nicks, transferred.

PENNSYLVANIA

Sara J. Leonard to be postmaster at Groveton, Pa. Office became Presidential July 1, 1936.

John E. Pennel to be postmaster at Rydal, Pa., in place of J. E. Pennel. Incumbent's commission expired January 9, 1935.

James K. Morrison to be postmaster at Williamsburg, Pa., in place of J. R. Detwiler, resigned.

TENNESSEE

Bessie T. Queener to be postmaster at Jacksboro, Tenn., in place of R. L. Queener, deceased.

TEXAS

Clara S. Hitt to be postmaster at Pyote, Tex., in place of C. S. Hitt. Incumbent's commission expired June 10, 1936.

Rose Bluhm to be postmaster at Runge, Tex., in place of E. H. Duerr, resigned.

WEST VIRGINIA

Nona G. Marcum to be postmaster at Ceredo, W. Va., in place of L. F. Marcum, deceased.

WISCONSIN

Alma O. Showers to be postmaster at Mazomanie, Wis., in place of G. L. Barrett, removed.

Arthur B. Roemer to be postmaster at Tigerton, Wis., in place of M. V. Griswold, removed.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 4 (legislative day of July 22), 1937

DEPARTMENT OF LABOR

James L. Houghteling to be Commissioner of Immigration and Naturalization for the Department of Labor.

POSTMASTERS

NEW JERSEY

Kemp C. Wetmore, Tuckerton.
William Guy Weaver, Woodbridge.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 4, 1937

The House met at 12 o'clock noon.

Rev. Albert P. Shirkey, pastor of the Francis Asbury Methodist Episcopal Church South, Washington, D. C., offered the following prayer:

Eternal God, our Father, in whom alone is peace and victory, grant us in this hour the consciousness of Thy presence. In humble gratitude we turn to Thee as a people. Thy mercies have been without number. In Thy strength, and Thy strength alone, have we met our overwhelming trials. It is Thy hand that has guided us when the path was dark and the way was steep. "Lord God of Hosts be with us yet, lest we forget."

We thank Thee that we still believe that Thy kingdom can come and Thy will be done in earth as it is in heaven. In this task we bless Thee that we have Thy grace to assist us. We thank Thee for this ideal that leaps the barriers of race and creed and girds us in the common task to make known to the unfortunate that we are not only our brother's keeper but our brother's brother.

Bless Thou the President of our United States. We are grateful that Thou hast seen fit to raise him up as our national leader. We thank Thee for the work he has done. Comfort his heart. Give him peace of mind. Grant unto him the spirit of wisdom and understanding in all things.

We thank Thee for our national leaders, for their consecration of time, and talents, and means. We thank Thee for this same spirit of unselfishness, through them, that has taken hold of the heart of the Nation. We thank Thee for their leadership that has brought abundance of life to little children, strength and courage to men and women, and that has safeguarded the lives of youth. God grant that when they stand at the throne of Thy judgment they shall not have reason to be ashamed but in confidence shall expect "Well done."

O Lord, this is a day that is trying the souls of men. We pray that those who lead us and represent us may prove themselves men of God. May the spirit of the lowly Nazarene be theirs—"I came not to be ministered unto but to minister." We know not what the future holds of marvel or surprise, but grant that it shall find written upon our minds and hearts "In God we trust."

In our own security we cannot help but feel the pain of other peoples. We thank Thee for peace within our own borders. Hear our prayer for peace throughout the whole wide earth. In the name of the Prince of Peace we ask it. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

ANALYSIS OF THE WAGE-HOUR-CHILD-LABOR BILL

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. MARTIN of Colorado. Mr. Speaker, I have prepared a brief analysis of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, including minimum wages, maximum hours, and child labor, and for other purposes. This analysis contains no comment whatever, but is only a naked, boiled-down analysis of the bill. I think this will be the most important measure to come before the first session of the Seventy-fifth Congress. I know from contacting many Members that they have not had and probably will not have time to read this rather lengthy bill. Therefore, Mr. Speaker, I ask unanimous consent to insert this analysis in the RECORD at this point.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, the gentleman has suggested we are going to pass the most important bill of this session and that the Members of Congress will not even have time to read it. I hope the gentleman is wrong, because we certainly should at least have time to read the bill before we are compelled to vote upon it. Which bill does the gentleman mean?

Mr. MARTIN of Colorado. I am referring now to the bill S. 2475, which has passed the Senate and is now before the House Committee on Labor.

Mr. MICHENER. I shall not object, but I hope the gentleman will intercede with somebody in authority, so we shall at least have time enough to read the bill before we are compelled to vote upon it.

Mr. MARTIN of Colorado. I may say that I shall take pleasure in furnishing a copy of the bill to the gentleman as soon as I get off the floor.

Mr. RICH. Mr. Speaker, reserving the right to object, is this a request to bring up the labor bill at this time?

Mr. MARTIN of Colorado. No; this is just a request to insert in the RECORD a brief analysis of the major provisions of the bill.

Mr. RICH. I want the gentleman to know we are not going to let that bill be brought up here by surprise.

Mr. MARTIN of Colorado. I want to print the analysis for the benefit of my dear friend the gentleman from Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ANALYSIS OF MAJOR PROVISIONS OF S. 2475, THE WAGE-HOUR-CHILD-LABOR BILL

LEGISLATIVE DECLARATION

Section 1: Declares that the employment of workers under substandard labor conditions in occupations in interstate commerce, in the production of goods for interstate commerce, (1) causes interstate commerce and the channels and instrumentalities thereof to be used to spread substandard working and living conditions; (2) directly burdens interstate commerce in the free flow of goods; (3) constitutes an unfair method of competition in interstate commerce; (4) leads to labor disputes affecting interstate commerce; (5) directly interferes with the orderly and fair marketing of goods in interstate commerce. Requires remedial legislation.

Definitions: Interstate commerce, employer, employee, etc.

CLASSES OF EMPLOYEES EXEMPTED FROM THE ACT

Section 2: List of exemptions from the word "employee", which means exemption from the act. The exact words are set out: Executive, administrative, professional, local retailing capacity, seaman, railroad employee, employee common carrier by motor vehicle, air-transport employee, express company, taking of fish, sea foods or sponges, agriculture, farming in all its branches, cultivation and tillage of the soil, dairying, forestry, horticulture, market gardening, cultivation and growing of fruits, vegetables, nuts, nursery products, ferns, flowers, bulbs, livestock, bees, poultry. (Also includes definitions in the Agricultural Marketing Act.)

Any other agricultural or horticultural commodity.

Any practices ordinarily performed by a farmer or on a farm as an incident to such farming operations, including delivery to market.

LABOR STANDARDS BOARD

Section 3 sets up a Labor Standards Board, composed of five members, appointed by the President with the consent of the Senate. Consideration to be given to industrial and geographic regions. The term of office is 5 years and the salary $10,000 per year. The Board may employ certain skilled personnel without regard to the provisions of the civil service. All other employees are subject to the civil-service laws. This section vests the Board with the usual administrative powers of boards and commissions.

MINIMUM WAGES, MAXIMUM HOURS

Section 4 gives tthe Board power to establish minimum wages, not more than 40 cents per hour, and maximum hours, not less than 40 hours per week.

SEASONAL EXEMPTIONS FROM HOURS

When the services are seasonal, section 4 exempts certain activities from the hour provisions of the act, leaving them subject to the wage provisions of the act. They are as follows:

Ginning and baling of cotton.

Canning, packing, packaging of fish, sea foods, sponges.

Picking, canning, processing of fruits, vegetables.

Processing beets, cane, maple into sugar and sirup.

Plant located in dairy production areas in which milk, cream, butterfat are processed, shipped, or manufactured if owned by a cooperative as defined in the Farm Credit Act.

Processing or packing perishable agricultural products during harvesting season.

CONSIDERATIONS IN FIXING WAGES

Section 4 provides that in fixing minimum wages the Board shall consider:

The cost of living.

Transportation costs and freight rates where discriminatory.

Local economic conditions.

Value of services which would be relevant in a lawsuit where services are rendered without contract.

Wages established for like work by collective labor agreements under collective bargaining.

Wages paid for like work by employers who voluntarily maintain minimum-wage standards.

CONSIDERATIONS IN FIXING HOURS

The section also provides that in fixing the maximum workweek the board shall consider—

Relation of the work to physical and economical health, efficiency, and well-being of employee;

Number of persons available for employment in the occupation;

Hours of employment for like work by collective labor agreements under collective bargaining;

Hours of employment for like work maintained by employers who voluntarily maintain a maximum workweek.

COLLECTIVE-BARGAINING AGREEMENTS PROTECTED

Section 5: Provides that nothing in the act shall be construed to interfere with, impede, or diminish the right of employees to bargain collectively, to obtain a wage in excess of the minimum, or a shorter workweek than the maximum, or otherwise to obtain benefits and advantages not required by the act.

This section also provides that a minimum wage shall not be deemed illegal or unfair because it is in excess of the minimum of the act, and the maximum workweek will not be deemed illegal or unfair because it is shorter than the maximum under the act.

EXEMPTIONS FROM LABOR STANDARDS WITH RESPECT TO WAGES AND HOURS—OVERTIME—APPRENTICES—DISABLED EMPLOYEES

Section 6: Where necessary, and under regulations, employees may work overtime, at time-and-a-half pay.

Where the board finds that the special character of the employment or limited qualifications of employees makes such employment justifiable, it may permit employment at a wage lower or for a workweek longer than the standards of the act.

Apprentices may by order work at a lower wage than the minimum, subject to time limitations fixed by the act.

The board may also license the employment of persons impaired by age, physical or mental deficiency, or injury at wages lower than the standard.

The board may permit overtime employment in seasonal or peak activities, maintenance, repair, or other emergency work at pay not exceeding time and a half.

PROHIBITION OF SHIPMENT IN INTERSTATE COMMERCE

Section 7: Prohibits the transportation, delivery, or sale in interstate commerce of goods produced in violation of the labor standards of the act, or to employ under substandard labor conditions any employee engaged in interstate commerce or in production of goods intended for such transportation and sale.

PROTECTION OF STATES FROM SUBSTANDARD LABOR CONDITIONS IN OTHER STATES

Section 8: Empowers the Board to require the elimination of substandard labor conditions and maintenance of standard conditions in States producing goods which compete with other States having standard labor conditions.

TARIFF STUDIES ON COST OF PRODUCTION

The section provides for the study of differences in cost of production at home and abroad with a view to determining whether tariff changes should be made to equalize such differences.

CLASSIFICATION OF AND DIFFERENTIATIONS BETWEEN EMPLOYERS, EMPLOYEES, AND LOCALITIES WITHIN AN OCCUPATION

Section 9: Provides that the Board may classify employers, employees, and employments within an occupation according to (1) localities, (2) population of communities, (3) number of employees, (4) nature and volume of goods, (5) such other differentiating circumstances as the Board finds necessary.

It is declared the policy of the Board to avoid the adoption of any classification which effects an unreasonable discrimination against any person or locality.

This section also declares it to be "the policy of the Board to establish such minimum-wage standards as will affect only those employees in need of legislative protection, without interfering with the voluntary establishment of appropriate differentials and higher standards for other employees in the occupation."

It also provides for restrictions or prohibition of industrial home work as the Board may find necessary to prevent circumventions or evasions.

HEARINGS

Section 10: Provides that labor standard orders shall be made, modified, or rescinded only after a hearing.

Notice of the hearing must be given by publication in the Federal Register not less than 10 days before the hearing. The hearing shall be public and records kept.

ADVISORY COMMITTEE

Section 11: Provides that before making an order establishing a minimum wage or a maximum week for employees in any occupation, an advisory committee shall be appointed by the Board, composed of an equal number of persons representing the employers and the employees in such occupation and not more than three disinterested persons representing the public.

The committee shall investigate and report information necessary to a fair determination. The Board may accept or reject in whole or in part the recommendations of the committee or resubmit the matter to a new committee.

INVESTIGATIONS

Section 12: Empowers the Board to make investigations and gather data, subpena witnesses, compel attendance, take testimony, require production of records, and invoke the jurisdiction of the Federal courts thereon.

ENFORCEMENT

Section 13: Authorizes the Board to bring an action in the proper district court of the United States to enforce compliance.

RECORDS—LABELS

Section 14: Requires the keeping by employers of wage and hour records and the posting of orders issued by the Board. The section empowers the Board to require that goods subject to the act shall be labeled with information deemed necessary to assure compliance. No person other than the producer shall be prosecuted for transportation or sale of unfair goods who has secured a representation in writing from the consignor that the goods are not produced in violation of the act.

BOARD MAY UTILIZE DEPARTMENT OF LABOR

Section 15: Empowers the Board to utilize the Department of Labor in making investigations and inspections. Authorizes the Secretary of Labor to cooperate with State agencies, with the consent of the State agency.

BOARD MAY ISSUE, CHANGE ORDERS

Section 16: Authorizes the Board to issue, amend, and rescind regulations and orders when necessary; and relates to other usual procedure.

VALIDITY OF CONTRACT

Section 17: Declares invalid any contract or understanding in violation of the act.

RECOVERY FOR UNDERPAY AND OVERWORK

Section 18: Authorizes recovery by employees for underpay or overwork, by a civil action, together with costs and attorneys' fees.

RELATION TO OTHER LAWS

Section 19: No provision of the act shall justify noncompliance with any Federal, State, or local law establishing a higher minimum wage or a lower maximum week than established by the act.

COMMON CARRIERS EXEMPT

Section 20: Exempts from liability or penalty any common carrier transporting goods in the regular course of its business.

COURT REVIEW OF ORDERS

Section 21: Provides for review in the United States Circuit Court of Appeals by any person aggrieved to by any order of the Board.

JURISDICTION OF OFFENSES AND SUITS

Section 22: Vests jurisdiction in district courts of the United States of violations of the act, and, concurrently with State courts, of all suits and actions at law to enforce any liability or duty under the act.

PENALTIES

Section 23: Fixes the penalties at a fine of not more than $500 or imprisonment for not more than 6 months, or both. The case of each employee constitutes a separate offense. The discharge of the employee for filing a complaint or testifying in an investi-

gation is within the penalty clause. The making of false statements and refusals to testify are also within it.

CHILD LABOR

Section 24: (A) Provides that all goods produced after January 1, 1938, wholly or in part through the use of child labor, and transported in interstate commerce, shall upon arrival and delivery in any State be subject to the operation and effect of the laws of such State as though produced therein.

(B) Makes it unlawful to transport or aid or assist in transporting any goods produced after January 1, 1938, wholly or in part through the use of child labor, from one State to another in violation of any law of such State.

(C) Makes it unlawful to transport or aid or assist in transporting any goods produced on or after January 1, 1938, wholly or in part through the use of child labor, unless the goods are conspicuously labeled as set forth in the section, including on the label the name and address of the shipper and consignee, the nature of the goods, and a summary statement of the kind of work in which child labor was utilized.

(D) Makes it unlawful for any person who has produced goods wholly or in part through the use of child labor, on or after January 1, 1938, to knowingly transport such goods in interstate commerce.

This furnishes a three-way approach to the constitutional question.

CHILD LABOR DEFINED

(E) Defines child labor as employment of a person under the age of 16 years and as employment of a person under 18 years at extra hazardous work.

(F) Carries a penalty by fine of not more than $1,000 and forfeiture of the goods to the United States.

In any proceeding under the section a showing that "the goods" were produced wholly or in part by child labor subsequent to January 1, 1938, and within 6 months after the date of the alleged violation, at a place of employment where "said goods" were so produced, would be prima-facie evidence that the goods were produced through the use of child labor.

The Secretary of Labor, through the Children's Bureau, is charged with the enforcement of the child-labor section.

Section 25: Separability clause.

Section 26: Effective 120 days after enactment.

EXTENSION OF REMARKS

Mr. COCHRAN asked and was given permission to extend his own remarks in the RECORD.

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief editorial from a Virginia paper with respect to the provisions of the bill (H. R. 7681) to provide grants in aid to the States for conservation purposes.

Mr. RICH. Mr. Speaker, reserving the right to object, I suppose the gentlemen on this side of the aisle all know that putting newspaper editorials in the RECORD is contrary to the rules of the House of Representatives.

Mr. MAVERICK. No; it is not.

Mr. RICH. I said it was. Yet you let them go in. Are you going to continue this policy? If you are, all right; but it is wrong.

Mr. RAYBURN. Mr. Speaker, I take the responsibility, and I am not going to object to the request of the gentleman from Virginia. However, I do want to reserve the right to object to make this statement:

I think the insertion in the RECORD of newspaper articles and newspaper editorials is a bad practice. I think it is a practice which is and will be embarrassing to us all if it is continued. I trust Members will not in the future ask permission to insert newspaper editorials in the RECORD.

Mr. WOODRUM. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I am not objecting to the request of the gentleman from Virginia, and I stated in the beginning I was not going to object to his request. I have been put on this kind of a spot many times myself but have never inserted one such article in the RECORD in my life. The situation is that some friend may see an editorial in some paper in my district and think it ought to go into the CONGRESSIONAL RECORD. I am not going to insert such an editorial in the RECORD, but it makes it embarrassing for some of us who do not insert such matters to have editorials from papers in other districts in other States go into the RECORD.

I now yield to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Speaker, I am in sympathy with what the gentleman from Texas has stated. It does seem to me there should be some way an understanding could be reached between the two bodies on the subject of the CONGRESSIONAL RECORD. I have seen periods—and we do it periodically over here—in which the House scrupulously tries to protect the RECORD. What happens? Some constituent sends an article or an editorial to a Member of the House and asks him to place it in the RECORD. The Member writes back and tells the constituent he is sorry he cannot do it because we are trying to protect the RECORD. The constituent sends the article to a Senator, and the Senator jams it into the RECORD.

So far as I am concerned, I believe the RECORD ought to be protected against all kinds of articles and a lot of other stuff which goes into the RECORD that is both needless and expensive, and does not raise the House in the estimation of the people of the country who read the RECORD. However, as long as the other body is going to put such material in the RECORD at random, I do not think the rule ought to be invoked against the Members of this body.

Mr. RAYBURN. Frankly, I think the two committees on printing, or the Joint Committee on Printing, might make some arrangement by which the RECORD would be protected in the House and in the Senate. It is pretty hard to have the RECORD protected here, and then, as the gentleman from Virginia [Mr. WOODRUM] has stated, have the material go into the RECORD through another body.

Mr. RICH. Mr. Speaker, reserving the right to object, may I say that I agree with the majority leader. The chairman of the Joint Committee on Printing [Mr. LAMBETH] and the late Speaker Byrns made complete statements to the House last year regarding this matter, and the House at that time agreed with them.

I may say that the record of the House is better than that of the Senate with regard to inserting extraneous material in the RECORD. I wrote Senator HAYDEN earlier this year and asked if the Senate would desist from this practice, and he stated he thought it could be accomplished. However, if Senator HAYDEN, who is a member of the Joint Committee on Printing, has taken the matter up with the Senate the Senate has not acted upon it to my knowledge. It is a shame they have not done so. I claim it is the fault of the Senate that they are not taking some action so that the Joint Committee on Printing has not come in here with a definite rule. I am pleased that the majority leader is trying to hold this down. If we do our duty, then it is up to the Senate, and they will be responsible for the extraneous matter which goes into the RECORD. The RECORD is not the proceeding of Congress; it is a journal of everybody's thoughts throughout the Nation.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. ROBERTSON]?

There was no objection.

Mr. COLDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an editorial on the Dust Bowl situation and its effect on California, a very constructive and illuminating article.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, I want to take issue with the statements that have been made with reference to the CONGRESSIONAL RECORD. There is a great deal said on the floor about the extra cost of these insertions into the RECORD. As a matter of fact, there is practically no extra cost. We already have the Government Printing Office, we have the employees on the roll, and we have the machinery. The only extra cost is simply the cost of the ink and the paper.

There are a great many of these editorials, let me say to the gentleman from Pennsylvania [Mr. RICH] and other Members of the House, that discuss questions before the Congress in a specific way and in a better way, perhaps, than the Member could do it himself, and he wants the rest of the membership to have the advantage of it and therefore asks that it be put in the CONGRESSIONAL RECORD. Not only this, but I know there has been constant opposition to the CONGRESSIONAL RECORD from certain publications throughout the country, but the CONGRESSIONAL RECORD is the greatest editorial publication in the world. It is the only one where the material that goes into it is scrutinized

before it is ever printed, not by one man but by 434 Members. It gives people information that is stated on the floor under cross-examination or under the most careful scrutiny. I do not agree with the gentleman from Pennsylvania, and I do not agree with my other colleagues who contend that we are piling an additional burden upon the American people by liberalizing the CONGRESSIONAL RECORD and making it a real, live publication.

Mr. COLDEN. Mr. Speaker, if the gentleman will permit, I may say that I have never asked this privilege before and I would not ask it now except that this editorial deals with a problem in which every person in the United States is interested.

Mr. RANKIN. Why, of course.

Mr. COLDEN. And it contains a great deal of interesting information.

Mr. RANKIN. Instead of making an ironclad rule here to try to exclude material from the CONGRESSIONAL RECORD, let every article that is proposed stand on its own merits, and if Members think that someone is trying to put something in the RECORD that is improper, then object to that; but I believe in liberalizing the RECORD for the purpose of giving the Congress and the country information.

Mr. COLDEN. I may also say to the gentleman that there is no partisanship in this article.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. Is the CONGRESSIONAL RECORD to be a record of the happenings of Congress or is it to be a publication that anything can be put into, including editorials from California to New York, or if anyone in this country wants to say something, he can have it put into the RECORD? Many people think it contains the facts with respect to proceedings, but when you add a lot of editorials there is about as much bunk as facts.

Mr. RANKIN. You can object to them individually if you care to do so, but a great many of the articles ought to go into the RECORD, because they are informative.

I withdraw my reservation of objection, Mr. Speaker.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, the majority leader has just made a statement as to what he considers wise procedure for the House to take in this matter, and then we find that a Member immediately rises and asks unanimous consent to do away with what the majority leader has suggested.

I believe there ought to be one rule for all Members, and that there should not be any discrimination. If one Member is going to have the right to extend editorials and newspaper articles in the RECORD, every other Member in the House must have the same right. I think while the gentleman is now making his request we should establish the policy, and if his request is granted, then the same procedure should be followed with respect to other Members of the House.

Mr. COLDEN. Mr. Speaker, let me say to the gentleman from Massachusetts that a number of such requests have come from his side of the House, and I have never objected.

Mr. MARTIN of Massachusetts. I am not going to object to the gentleman's request, either. I am simply saying that if the gentleman is permitted to put in the editorial after the statement of the majority leader, then every other Member of the House must have the same right.

Mr. COLDEN. The majority leader probably would not have objected if he had read the editorial.

Mr. RAYBURN. I have not objected to the gentleman's request.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

(Mr. MAVERICK asked and was given permission to extend his own remarks in the RECORD.)

FARM LEGISLATION

Mr. PACE. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

Mr. Speaker, it seems that the farmers of this Nation are about to be crushed between two stones.

Due to the great difference of opinion between the representatives of the several organized farm groups, said to include less than 20 percent of the farmers of the Nation, and the inability to determine the wishes and what is for the best interest of the remaining 80 percent, the committees on Agriculture of the House and Senate have announced that they will not be able to report a bill for permanent farm legislation at the present session of the Congress.

Then last night the President is reported as stating that he has no intention of asking Congress to authorize loans on this year's crop or exercising the loaning powers now vested in the Commodity Credit Corporation, unless and until crop control legislation is enacted.

In the meantime the price of farm products is rapidly declining, and I am fearful that this statement by the President will accelerate the fall in price. We have this year the most expensive cotton crop ever produced in the South and already the price is below the cost of production.

On top of this we are told that we must enact at this session the pending wage and hour bill and the pending slum-clearance bill, both of which will add considerably to the cost of every necessity the farmer must buy.

Such a program is unfair to the millions who labor from daylight to dark and produce the food and clothing for this Nation. I appeal to the Committees on Agriculture to help us in this hour of distress. I appeal to the President to authorize loans to bolster the rapidly declining market, and I appeal to the Rules Committee of this House not to place on the calendar this other class legislation until the farmers, the greatest class on earth, are properly provided for.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a table, not very long.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Chicago Tribune.

The SPEAKER. Is there objection?

There was no objection.

SUGAR

Mr. O'CONNOR of New York, from the Committee on Rules, reported the following resolution for printing under the rule, which was referred to the House Calendar:

Resolution 297

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7667, a bill to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

LEAVE TO ADDRESS THE HOUSE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent that at the conclusion of the business of today, and the special orders heretofore granted, I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

EIGHTH INTERNATIONAL ROAD CONGRESS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State, to the end that legislation may be enacted authorizing an appropriation of the sum of $5,000, or so much thereof as may be necessary, for the expenses of participation by the United States in the Eighth International Road Congress, to be held at The Hague in June 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *August 4, 1937.*

[Enclosure: Report.]

CALENDAR WEDNESDAY

The SPEAKER. Today is Calendar Wednesday.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point of order that there is no quorum present. Evidently there is not a quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 134]

Allen, Del.	Doxey	Hook	Pfeifer
Allen, La.	Drewry, Va.	Jacobsen	Phillips
Binderup	Eaton	Jarman	Plumley
Brewster	Farley	Jenckes, Ind.	Quinn
Buckley, N. Y.	Fernandez	Jenks, N. H.	Reece, Tenn.
Bulwinkle	Fitzgerald	Johnson, Minn.	Reed, N. Y.
Cannon, Wis.	Fitzpatrick	Johnson, Okla.	Romjue
Carter	Flannagan	Kelly, N. Y.	Sirovich
Celler	Ford, Calif.	Kloeb	Smith, Maine
Chapman	Fulmer	Luckey, Nebr.	Smith, W. Va.
Collins	Gavagan	McClellan	Snell
Cooley	Gilchrist	McFarlane	Starnes
Cravens	Goldsborough	Maas	Sullivan
Crowe	Gray, Ind.	Meeks	Sutphin
Cummings	Hamilton	Mitchell, Ill.	Taylor, Colo.
DeMuth	Harter	Moser, Pa.	Thomas, N. J.
Dingell	Hartley	Murdock, Ariz.	Wene
Ditter	Healey	O'Connell, Mont.	Wood
Douglas	Hill, Ala.	Peyser	

The SPEAKER. Three hundred and fifty-four Members are present, a quorum.

On motion of Mr. COCHRAN further proceedings under the call were dispensed with.

The motion was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7373. An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1047. An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes;

S. 1129. An act to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes;

S. 1266. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and for other purposes; and

S. 1379. An act to authorize the Five Civilized Tribes, in suits heretofore filed under their original jurisdictional acts, to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and to authorize the said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original jurisdictional acts.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7472) entitled "An act to provide additional revenue for the District of Columbia, and for other purposes."

CALENDAR WEDNESDAY

The SPEAKER. This is Calendar Wednesday. The Clerk will call the committees.

ALLOWING CREDIT FOR OUTSTANDING DISALLOWANCES AND SUSPENSIONS IN ACCOUNTS OF DISBURSING OFFICERS OF THE GOVERNMENT

Mr. COCHRAN (when the Committee on Expenditures in the Executive Departments was called). Mr. Speaker, by direction of the Committee on Expenditures in the Executive Departments, I call up the bill (S. 1935) to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees.

The Clerk read the title of the bill.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

Mr. GIFFORD. Mr. Speaker, I object.

Mr. COCHRAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 1935; and, pending that motion, I want to ask the gentleman from Massachusetts if we can agree on time?

The SPEAKER. The Chair thinks it is proper to state to the gentleman that under the rules the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of this bill, inasmuch as it is on the Union Calendar. The rules also provide for 1 hour of debate on each side.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to make a request of the gentleman.

I had understood that Union Calendar No. 5015, the C. W. A. bill, was to be called up first. Is that correct?

Mr. COCHRAN. The Committee acted on Senate 1935 first, and I think it is only proper that we call up that bill first.

Mr. GIFFORD. Under the requests I have, I shall have to demand time for this side. I wanted it on the other bill. If the gentleman would present the other bill first, it might be I would be willing to agree on the other bill.

Mr. COCHRAN. Why not present this bill in the House as in Committee of the Whole and dispose of it, and then call up the other bill immediately? That will expedite matters.

The SPEAKER. The House automatically resolves itself into the Committee of the Whole House on the state of the Union for the consideration of S. 1935.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 1935, with Mr. THOMPSON of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

The CHAIRMAN. The gentleman from Missouri [Mr. COCHRAN] is recognized for 1 hour.

Mr. COCHRAN. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, this is a bill against which we hope nobody in the House will vote. This is merely a matter of bookkeeping. It will call for no voting of money out of the Treasury. None of the gentlemen on the left will have to ask, Where will the money come from? The money has already come and has already gone.

It involves quite a number of items and harks back to the newest day of the New Deal. It is recommended by the Department of the Interior.

You heard the reading of the bill. This is the reason this law has to be written on the books. In fact, it has already passed the Senate and it passed the committee of the House without a dissenting vote. The committee voted unanimously recommending the passage of the bill. Not a voice was raised against it in committee.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. I only have 10 minutes. If the gentleman will wait about 5 minutes, I will yield.

Now, this has come in this shape: The new measures for disbursing moneys were really arms of the old departments. When the New Deal was voted and the C. W. A. and the C. C. C. and the P. W. A. and those departments came in, it necessitated a jumping up of salaries and involved some lightning bookkeeping. In some cases they would report a man's salary for a slight increase under Executive order that the Attorney General had allowed and had ruled legal. In some of the other departments there was a clash of opinion between the Comptroller's department and the Attorney General. The Attorney General wrote an opinion allowing the President to jump up some of these men who were at work in a new department, up to, say, $1,000 a year or $3,000 a year. Lord knows they were getting little enough, but acting on that, this was done under Executive order which ran until July 1, 1935. So Congress, in passing the New Deal laws, did not prevent this dual method of bookkeeping. It is just as though you made a trough for a pig pen. The first time you put water or food in it it will always leak a little somewhere. It is amazing that the leaks were no greater in size and in number.

This report shows something over 12,000,000 items. The shortage is less than one-half of 1 percent up to that date, July 1, 1935. The whole thing will run now to about $200,000. Remember, that the money has already been paid out. What we want to do today is to charge it off as bookkeeping. We think that no more just law was ever passed or ever will be passed. It is not as though we had to reach down into Uncle Sam's long jeans for more money; it is merely a matter of adjustment. The Senate report shows actual items aggregating something like $172,000. This lacks just a little of being all of it.

I now yield to the gentleman from New York.

Mr. TABER. Would the gentleman kindly give us an illustration of one of these items and tell us how the items accrued and why?

Mr. PATRICK. The Attorney General wrote an opinion in which he stated that he believed an Executive order under which this was paid would allow the salaries of those working under these departments to be increased, and that it was justified.

Mr. TABER. But at the same time he knew that the Comptroller General had ruled that these salaries were being paid at an excessive figure.

Mr. PATRICK. The Attorney General had written his opinion. The Comptroller General disagreed. That difference of opinion is still outstanding; there is still disagreement between these two departments.

Mr. TABER. On the 4th of April 1934, according to the report, the Attorney General rendered his opinion, stating that the situation was as the gentleman said. On the 19th of April, in the report accompanying the bill, is another letter from the Attorney General indicating that he knew the Comptroller General had already ruled that the act was illegal and that the salaries that could be paid under the rulings of the Comptroller General were much less than the ones he advised could be paid.

Mr. PATRICK. There had been communications between the Attorney General and the legal department. The Attorney General disagreed and stated that in his opinion he did not think the Department was in error. He still stands by that statement, and the opinion of the Attorney General still stands on record. To ease everybody's pain, however, why should we not pass this bill and charge the whole thing off, properly?

Mr. TABER. Why should we pass a bill when an outfit has deliberately gone contrary to the ruling of the Comptroller General as to the expenditure of money?

Mr. PATRICK. What does the gentleman mean by "an outfit"?

Mr. TABER. For instance, this P. W. A. outfit.

Mr. PATRICK. P. W. A. did not do it; and Mr. Ickes paid what he was asked to pay P. W. A., like all others.

Mr. TABER. They paid a rate of salary which the Comptroller General had ruled was illegal, and which they knew the Comptroller General had ruled was illegal.

Mr. PATRICK. Under an opinion of the Attorney General and under the Executive order of the President of the United States. What more authority could they want?

Mr. KELLER. Which is the higher authority?

Mr. TABER. The Comptroller General, under the budgetary law, has the authority to fix the accounts of all the officers of this Government.

Mr. PATRICK. But there was an Executive order from the President of the United States on this very subject.

Mr. TABER. The Comptroller General had the authority to do that.

Mr. PATRICK. The Attorney General said the President had that authority and the money was paid under his opinion. We are now seeking to pass a law to make it right, so that there cannot be any dispute between the Attorney General and anybody else, even a Republican. If any mistake was made, it was an initial mistake of Congress in not making proper provision. I was not a Member at that time. I just came here in January, but, being here, I am just as much a part of Congress as any other Member. I say had the law been properly framed this mistake would not have arisen at all. It is nothing short of the duty of Congress now to rectify the mistake and to write off these disallowances. It will do no good to let them stand on the books, for certainly Uncle Sam is not going out into every little town and hamlet in the United States and try to collect this money. It would cost $50 for every 50 cents that could be collected.

Mr. CHURCH. It will not cost anybody a cent.

Mr. PATRICK. No.

Mr. CHURCH. What would happen if we did not pass this bill?

Mr. PATRICK. It would remain as it is now, a disallowance charged as a deficit.

Mr. CHURCH. Then this bill is not needed.

Mr. PATRICK. The gentleman says we do not need it. Let us pass it anyhow. It will not do any harm, even according to the gentleman's construction of the matter.

Mr. STEFAN. As I understand, this $200,000 had already been paid out?

Mr. PATRICK. Certainly; every dime of it. It was paid out before July 1, 1935, and it is carried as a disallowance against the departments, against the War Department, under which came the C. C. C.; against the Interior Department, the Department of Labor, the Department of Commerce, one item against the Civil Works Administration, and one item of $3 against the Department of Commerce, all running to and already accounted for $172,000, and it will not run over $200,000.

[Here the gavel fell.]

Mr. GIFFORD rose.

The CHAIRMAN. Is the gentleman from Massachusetts [Mr. GIFFORD] opposed to the bill?

Mr. GIFFORD. I am, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for 1 hour.

Mr. GIFFORD. Mr. Chairman, I trust the House will not be too impatient. I have had many requests for time on this side of the aisle. Personally I do not wish to be blamed for insisting on the time properly allowable to our side for discussion of this bill. It is small wonder that the Members on that side of the aisle do not want to discuss these bills. We did not expect that. Theirs can only be a defense. I hope that some constructive criticism may be advanced during the debate. It would seem that both of these bills might be considered together.

I call attention to the fact these letters in the reports are dated 1934. In this bill, however, they ask forgiveness for all that happened in the year 1935. The experience they had the first year of getting into trouble did not seem to prevent repetition. They see but little risk in its continuation. Here is a case involving the advice of the President's own Attorney General. Has not the Attorney General got him into trouble enough already? Is it not to be expected that an administration which has Executive orders would be backed by its own Attorney General? With our experiences of the law, we know it is easy to find ways and loopholes to render favorable decisions. The Attorney General may find ways to back up his President, although the said Attorney General has led him badly astray on some matters lately. We have, therefore, the duty to scrutinize the opinions of the Attorney General when he differs from our own authority, the Comptroller General of the United States.

The Comptroller General says, in effect, in these reports, that we might as well throw up our hands; we cannot collect such small amount of money, although wrongfully spent, and why hold a few innocent disbursing officers, who should not be harassed for their obedience to those higher up? Some of these amounts are small amounts; but although small, cannot be recovered from the fellow who got the money. Certainly it will be difficult to get enough out of it to make it worth while to bring suits. So he practically admits that we might as well let them do anything they wish, and after 3 or 4 years come in here and be granted relief and absolution.

The gentleman who just spoke stated this bill was unanimously agreed to by the committee. I did not happen to be in the room when the committee finally agreed to report the bill, but even 2 years ago I would probably have voted in committee to have the bill considered on the floor of this House because it would have given us a splendid opportunity to discuss the situation. We are not now to let you forget the situation existing at the time.

I regret I have not an address I made on the subject in 1934. I hoped it was in this book that I have here. It has been misplaced. It contained some facts bearing on this matter. I want to remind you that the gay Mr. Hopkins, as we called him in those days, himself made statements about the rank frauds of the C. W. A. Yes, he made more emphatic statements about them than we did. Do you not remember those ejaculations of his about the C. W. A.?

Mr. PATRICK. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Alabama.

Mr. PATRICK. Is there any evidence in all these myriad of cases of one slightest tinge of fraud in connection with all of these disbursements?

Mr. GIFFORD. No evidence was allowed to be presented. When the Executive issued these orders it was interpreted to mean, "Hire any lawyer you want. Pay him any wages you desire, no matter what the Classification Act says, and no matter what the law says." And we know in many cases who were hired. We had it shown in many instances the many relatives and friends who were put on the pay roll. Why, it would be a shameful recording here if it were shown how politics were played with funds granted to relieve human misery.

Mr. PATRICK. Will the gentleman yield further?

Mr. GIFFORD. I yield to the gentleman from Alabama.

Mr. PATRICK. In referring to the favoritism shown in this matter, what does the gentleman refer to as favoritism here in these little items where a man was getting $35 or $36 a month? There is not a salary in here that runs over two or three thousand dollars a year.

Mr. GIFFORD. Mr. Chairman, no wonder the gentleman wants to divert my attention from what I was saying. If you will look on page 7, you will see 5,000 disallowances in this bill, and the amounts run from a small amount of money to $400. Multiply 5,000 by 400, and it would not be so little.

I wish to bring to your attention that back in 1933 I voted for $3,300,000,000 for public works. We were anxious to let the President grant relief. The funds remained idle nearly up to Christmas, as they could not devise ways to spend the money. They could not get the plans ready to undertake projects of public works. I had the tables here one day, and I showed that in the whole of the State of California, where the need was very great, scarcely 100 men were allotted work even after 9 months. Christmas was coming on. So they suddenly thought of the C. W. A. Mr. Hopkins was told, "Get the money into the hands of our people before Christmas." They sent to even the wealthiest towns in the country that did not need money—yes; even wealthy towns in Massachusetts—half of the amount they were spending for relief and another sum to pay for putting people at any kind of work. All over the United States it was reported that men were getting checks and wondering why the checks were being received. They had not done a bit of work. It was probably the worst phase of political manipulation of funds that has ever been recited in American history. That is why we ask for an hour, and later still another hour, to comment on such conditions and perhaps take to heart the lesson to be learned from it.

We had our friend Harry Hopkins before the committee one morning only. I wanted him to explain these things. The majority would not let us have him except for that one morning, and at that meeting many members of the committee alighted on me. I had but time to discuss matters with Harry Hopkins. How they did protect him; and not another day would they give us. They would not let Tugwell come before the committee in order that we might investigate his expenditures. We have had to be content with such opportunities as are granted on this floor in order to get any attention. Only a few peanut bills have been allowed to be considered in that committee, supposed to watch expenditures. Perhaps I ought not to criticize the committee. They evidently worked with the leadership of the House, as perhaps they should. I have never claimed that the Republicans might attempt the same procedure, although they would not succeed if I were the chairman of the committee, and I do think you will believe that.

Now we have an opportunity, if desired, to recite the story of those days. The checks did get into the hands of the people before Christmas, and in many instances for doing nothing. When we opened that discussion with Mr. Hopkins, I went before the committee with a heavy folder filled with charges and complaints from all over the country. Sometimes you can get the facts. How can you get information? Make a little trouble and you will get plenty of information. I started to make trouble by criticizing C. W. A. I received plenty of facts and suggestions. I wrote Mr. Hopkins two very polite letters. He is the only head of a department who in my 16 years of experience here has refused to answer my letters. I simply asked him why he gave those checks to wealthy towns that did not need the money, whose tax rate was low, and which were looking after their poor people all right, but I received no answer.

We know the wages paid by Mr. Hopkins to the southern workers and how their Governors finally went to the President and said, "Do not pay $3.20. You have ruined our agriculture." They finally made Mr. Hopkins change some of his socialistic views and agree that in future he would

pay only the local wage. However, he had about ruined southern agriculture by paying three or four times as much for labor in certain grades as those workers had ever received.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. They belonged to the party and they could not too openly criticize. As soon as they could they formulated another method, F. E. R. A., under which Washington took supreme authority. The State and local authorities had to have approval from Washington before they could get a little hole dug in the ground anywhere in the country unless it had been carefully inspected and approved by Federal men and quintuplet statements of all sorts filed before they could start work.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Kentucky.

Mr. MAY. I have been reading this bill, which is rather short, and also the report of the committee. I think the sum involved in all of these discrepancies in accounts is approximately $250,000.

Mr. GIFFORD. That is the other bill.

Mr. MAY. I heard the gentleman state, I think, that he voted for the appropriation of $3,880,000,000. It was $4,880,000,000 for which the gentleman and I voted.

Mr. GIFFORD. I said I hoped I did.

Mr. MAY. Laying aside every question of political interest, partiality, or prejudice, does the gentleman now think that a discrepancy of $250,000 in the expenditure of that vast sum, with the other appropriations, is unusual, and ought not to be expected in the accounts of this Government?

Mr. GIFFORD. I have explained fully to the gentleman that this is not a large amount, but 2 years ago I said I would vote for it so as to get it on the floor in order to have an opportunity to talk about it, and they withdrew it, and the committee said they wanted none of that backhanded support.

Mr. MAY. Does not the gentleman think that inasmuch as the amount is so small it would probably be cheaper to charge it off by some bookkeeping method than to try to collect it?

Mr. GIFFORD. I am against the bill simply because I have to be, or else make a precedent of great importance. I know how hopeless it is to collect it. You cannot remedy any of these frauds which have been perpetrated in the last few years. However, it is not necessary to legalize it.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman used the word "fraud", which is absolutely unfair.

Mr. GIFFORD. I perhaps should reserve that until the C. W. A. bill comes up.

Mr. COCHRAN. There is nothing here to show there was fraud of any kind in connection with this matter.

Mr. GIFFORD. I withdraw it and shall apply it to the next bill that is to come up.

Mr. ARNOLD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Illinois.

Mr. ARNOLD. The gentleman has told the House he has requests from many Members on his side to make speeches on this bill. I want to know if the gentleman has anyone over there with the courage and the fairness, as Charley Dawes had on an occasion such as this in connection with another famous inquisition, to get up and tell the truth, that this money was spent to "lick" the depression.

Mr. GIFFORD. I do not think the gentleman need have any compunctions about the people on this side lacking courage. Personally, I think I have shown enough of that, although not perhaps good judgment in doing so.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. GIFFORD. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman think that paying employees $400 or $500 apiece more than the Classification Act allowed, in violation of the law, was helping to "lick" the depression?

Mr. GIFFORD. They claim that in this report, but the Comptroller General himself says, "It is no use; it is all wrong; but you cannot collect it, and it would be expensive to try to do so." He thinks we might as well get it off the books. It may cause us trouble in audits in the future.

I voted for the $3,300,000,000 because our President was the only President I had. It was the only relief bill I could vote up or down, and I have done the same on other occasions. I had tried to subtract, to amend, and to make constructive criticisms, but when I have been faced with the fact that that was the only bill I could vote up or down and that he was the only President I had, I sometimes have had to yield and vote for it.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. When House Joint Resolution 117 came up authorizing the President to spend $4,880,000,000 it had section 6 in it, which was to the effect that "anyone criticizing this bill will be imprisoned for 2 years or be fined $5,000." I came to the conclusion when the President of the United States sent that bill up to the floor of the House that he was not fit to administer anything, and from that time on I have had no confidence in him.

Mr. GIFFORD. Mr. Chairman, I recognize the gentleman's viewpoint, and I reiterate that for 2 long years they have not dared face the effect of reporting this bill, while we have been waiting for this opportunity to at least get time to talk about these expenditures of the Government. We are asking for this time, therefore, that we may have such an opportunity, and it is perfectly in order, Mr. Chairman, to discuss expenditures. There is much that should be said on this subject.

Mr. Chairman, the other bill that is coming before us has a much worse odor to it, and I probably shall not take much further time, as I may wish later to speak on that particular subject, but these things do have an unpleasant odor. I wish it understood by this House that I have not been against everything done by this administration. My job has been to criticize expenditures and I want to appeal to you that I am not quite in the same class as indicated in this illustration. Once a man said to a lady, "That child of yours is spoiled", and she said, "'Taint so; all my children smell that way." [Laughter.] I do not want you to apply it to me although you feel like doing it. I try to recognize much of the good that has been accomplished, and I say again that he is the only President I have, I wish him well, but we on this side must curb you in your extravagances and remind you of many grievous errors.

Some of us are busy at this moment trying to look into a housing bill calling for a billion dollars to be given away, with no treasury whatever to take it from. Yet you are still pursuing these rainbows with no funds and with absolute fear to place more taxes on the people. We wonder where you are going! Do not begrudge us our opportunity to take 2 hours to criticize these important matters.

Mr. Chairman, I reserve the balance of my time.

Mr. COCHRAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is an ideal opportunity for our Republican friends to take advantage of an unfortunate situation and inject politics into this debate, and, as the previous speaker has indicated, not say a word in reference to the merits of the bill.

Now, where does this legislation come from? The bill came to the House of Representatives and to the Senate in a letter from the executive branch of the Government calling attention to a situation that it asked to have corrected by passing legislation to relieve disbursing agents of what you might term liabilities brought about due to conflicting opinions between the Comptroller General's office and the Attorney General of the United States. That is how the legislation happens to be here today.

The Attorney General held in an official opinion that the President of the United States had the right to issue an Executive order to adjust the salaries of what might be

called temporary or emergency employees. The Comptroller General's views were in conflict with the views of the Attorney General. Acting on the advice of his legal adviser, the President issued the Executive order and his Cabinet officers and other administrative officers adjusted the salaries in keeping with the Executive order.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Not right now. Let me follow my line of thought.

It so happened during this emergency that disbursing officers through which to clear these expenditures were borrowed, you might say, from various departments.

Strange to say, in this instance most of the disbursing officers who are holding the bag are disbursing officers of the War Department, borrowed to clear the expenditures that were made as a result of the emergency appropriations of the Congress. Every unanimous-consent day, every Private Calendar day, we pass bills here relieving disbursing officers, and I challenge any Member to recall during the present Congress when anyone rose in his seat and objected to those bills. They passed without objection. But here comes a bill that has to do with some of the emergency expenditures, and so my good friends on the Republican side, especially the ranking member of the committee [Mr. GIFFORD]—whom I am pleased to call my friend—see an opportunity to talk a little politics.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. In just a moment. The great majority of the employees who were benefited as a result of this Executive order have left the service. There is no opportunity to collect the money. As the gentleman from Alabama [Mr. PATRICK] said, the money is gone. What is the procedure under which the money could be collected? I wish you gentlemen would pay special attention to this explanation. The Comptroller General of the United States says to enter suit against the disbursing agents on their bond. That sounds good—let us say we will make the insurance company, the bonding company, the goat. Then the Government will be reimbursed. But when you do that, who is going to represent the Comptroller General of the United States in the courts? There is only one person who can represent the Comptroller General of the United States in such suits to recover under the bonds of the disbursing agents, and that happens to be the Attorney General. So the man who has said that the Comptroller General is wrong is the man who will have to go into the court and attempt to recover the money from the bonding company.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. In just a moment. Naturally if that be true, certainly the attorney for the bonding company will immediately call attention of the court to the fact that the attorney for the Government, the Attorney General, has issued an order which he will present as exhibit no. 1, in which he had notified the President of the United States that the Executive order which the President was about to issue was legal in every way, and, therefore, the attorney for the defendant will ask the court to dismiss the case, and what else can the court do? Therefore, how will you ever collect the money that has been paid to the temporary and emergency employees, probably seven-tenths or even nine-tenths of whom are no longer with the Government? This is nothing more than a bookkeeping transaction. No money has to be appropriated.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Not just now. I desire to proceed for a moment and will then yield. It brings about a situation which your special committee on reorganization is confronted with and that is the constant dispute between the executive departments of the Govenment, the Attorney General, and the Comptroller General over the question of control of Government expenditures. It so happens that I have read considerable in reference to the right of a legislative body, be it the Congress of the United States or a State legislature, to control an appropriation after it has once been made. I have read a decision concurred in by a present Justice of our Supreme Court in a New York case, where the court held that the Legislature of New York did not have the power to control money after once the legislature has made the appropriation. The legisfature and the Congress could demand an accounting, but the question is, Can it exercise control after appropriating money?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. COCHRAN. Mr. Chairman, I yield myself 5 additional minutes. I repeat the Congress no doubt can demand an accounting from the officials of the Government but there are numerous decisions where the right to control is denied. As I say, that is one of the important questions confronting your reorganization committee, at the present time, and it has given us no little concern. We have spent many, many hours discussing it. I do not know what conclusion we will eventually reach, but we are working on it, and do not be surprised if a bill does not come in here at this session of Congress upon the subject.

Getting back to this legislation, it is simply a matter of bookkeeping. The bill has already passed the Senate. There was no discussion in the Senate. The executive branch of the Government sent the bill to the Congress. What are we going to do? Shall we talk politics all afternoon about a measure that we are asked to pass to clear disbursing agents who are absolutely not responsible for the opinion of the Attorney General nor for the executive order issued by the President of the United States? I yield now to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, if this is a matter of bookkeeping, as the gentleman says, let me ask this question. If you have paymasters who are bonded by bonding companies, in which the insurance premium is paid for the purpose of having the paymasters make a distribution of Government funds according to law, then why should you exempt the bonding companies and make the taxpayers pay the bill?

Mr. COCHRAN. I say to the gentleman if there was any fraud whatsoever in connection with this matter I would not be on the floor of the House speaking in support of the bill. The money is gone, and as I just explained, if you sue the disbursing agent on the bond, the only man who can enter suit for the Government of the United States is the man who has already decided that the Comptroller General of the United States is wrong in his interpretation of the law.

Mr. RICH. Then it is not a question of bookkeeping, but it is a question of good common-sense business methods; and if you have not got paymasters in the service capable of doing a thing and doing it right, you ought to get rid of them.

Mr. COCHRAN. Let me ask the gentleman a question in reply to his question. The gentleman is a big-business man. He has a big manufacturing plant in Pennsylvania. If he gave his paymaster orders to do something and his paymaster refused to objey him, what would he do? He would kick him out of the building. That is what he would do; and that is what would have happened to the disbursing agents of the Government if they had not followed the orders of their superiors.

Mr. RICH. If the laws you inculcated are wrong, you are asking the administration to do something that was not right, and then you are at fault. You and I, as Members of Congress, and this Congress, are at fault for passing such laws. There is no excuse for such business as that. It is contrary to all good, sound principles of business.

Mr. COCHRAN. I thought the gentlemen on that side of the aisle would go very far today, but I did not think there

was any Member on that side who would get up and say that I am at fault in connection with this matter. I yield now to the gentleman from Colorado [Mr. LEWIS].

Mr. LEWIS of Colorado. Were these opinions to which the gentleman has referred rendered before the disbursements were made? I refer to the opinions by the Comptroller General.

Mr. COCHRAN. That I cannot say, but there was a question at issue. There was a controversy between the executive department and the Comptroller General. Then the legal adviser of the executive branch of the Government—the Attorney General—rendered an opinion to the President of the United States. Based on that opinion the President issued an Executive order and the President's subordinates carried out the Executive order.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. COCHRAN. I yield myself 3 additional minutes in order that I may yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to ask the gentleman a question, his answer being extremely important to me. The gentleman is chairman of the committee. I am the ranking Member on this side on that committee. My question is, because of the recent ruling of the Comptroller General, with a certain trip to Europe to study cooperative methods from the money of the Commodity Credit Corporation, used at the express invitation of the President of the United States, and now the Comptroller General having ruled that each member of that expedition must make good; I ask the chairman of my committee now what attitude he is going to take when forgiveness is asked of our committee?

Mr. COCHRAN. When I have evidence presented to me and understand both sides of the question, I will be able to speak on the subject, and not until then.

Mr. GIFFORD. May I further ask if he thinks there would be any more chance of recovering it in any way?

Mr. COCHRAN. I will not discuss the question until I understand exactly what is involved. I do not have any knowledge that would warrant me in speaking on the subject. When I have the facts I will be perfectly willing to discuss it, but not until then.

Mr. GIFFORD. Did I not send the gentleman a complete abstract——

Mr. COCHRAN. I am not going to become involved about a controversy that has absolutely nothing to do with this legislation.

Mr. GIFFORD. Oh, it is exactly on all fours with this.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. CASE of South Dakota. The gentleman said he challenged anyone to point to any objection on the Consent Calendar to these bills for the relief of disbursing officers. I would like the RECORD to show that the Claims Committee has objected to some of these bills and some of the bills have never come to the floor, because they have been objected to in the Claims Committee. There we have considered these bills on their merits. Where we thought they were meritorious bills we have recommended them to the House, but many bills have been stopped in the committee.

Mr. COCHRAN. I will say to the gentleman that the committee of which I am chairman has likewise refused to report a great many bills of that character. I asked about bills that have been reported.

Now, in conclusion, let me impress upon the Members of this House that the representative of the Acting Comptroller General of the United States came before the committee, your committee, and recommended to the committee that this bill be passed. That is the recommendation of the Acting Comptroller General of the United States that was made to your committee on last Thursday. In the last Congress Comptroller General McCarl recommended to our committee that the bill be passed.

As I said, there is absolutely no politics in this legislation. This is a clear-cut matter. There is absolutely no chance whatever to recover the money. If you want to relieve the disbursing agents and clear the record, the way to do it is to pass this bill. If you do not, it is your responsibility and not mine.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. GIFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I want to talk about this bill, and I want to talk about the kind of a bill it is and the purposes it accomplishes and the situation out of which it grows, so that when the Members of the House come to vote upon the bill they may know just the kind of methods they are asked to forgive.

After the $3,300,000,000 appropriation was passed in 1933 and after the $950,000,000 appropriation was passed for the C. W. A. in 1934, and after certain funds were authorized to be spent, amounting to upward of $500,000,000, at that time by the Reconstruction Finance Corporation for so-called relief purposes, ruling were made by the Attorney General of the United States as to the amount of salary that could be paid to individual employees of the P. W. A. and affiliated organizations.

Under the budgetary law it is the absolute duty and power of the Comptroller General of the United States to fix the balances of all of the officers of the Government. He is the one who has the responsibility of determining the effects of the laws which relate to those disbursements. That is his responsibility. The Attorney General, after the Comptroller General had made the ruling that these salaries should not exceed the amount that is provided by Congress in the Classification Act, after the Comptroller General ruled that the act of Congress—that is, the Classification Act—fixing salaries applied to those employees who were working under P. W. A. and kindred organizations, the Attorney General makes a ruling that the salaries may be fixed by the President; so that every one of these disbursing officers whose acts you are asked to condone performed those acts deliberately after the decision of the Comptroller General as to their invalidity. Does the Congress want to go back upon the action of its own Comptroller General, who under the law has the power to do these things? Does Congress want to condone deliberate violations of the law? This is the point at issue.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PATRICK. Does the gentleman make the statement that this was all done after the Comptroller General's ruling had been made?

Mr. TABER. Yes.

Mr. PATRICK. Where does the gentleman get authority for that statement?

Mr. TABER. I hold in my hand a report by Mr. PATRICK, from the Committee on Expenditures in the Executive Departments, Report No. 1414, to accompany S. 1935. This is the authority for my statement. Let me call the gentleman's attention to what is stated in that report and then I shall be willing to take an explanation.

I find from the report that on April 4, 1934, the Attorney General made this ruling. On April 19 of the same year, 2 weeks later, he wrote another letter, which appears on pages 2 and 3, in which in the second paragraph on page 3 appears the statement that the Comptroller General had on February 20, 1934, ruled that these officers were subject to the Classification Act. I do not see how the gentleman can get away from his own report.

Mr. PATRICK. Does the gentleman hold that all of these payments were made after that?

Mr. TABER. Almost all of them were. Very few were made before that date.

Mr. PATRICK. But the Attorney General had then held that it could be done, had he not?

Mr. TABER. He ruled on April 9 that it could be done, but that was almost 2 months after the ruling of the Comptroller General which held that it could not be done; and the Comptroller General is the man charged by law under

the authority of this Congress with the power, right, and duty of fixing the balances of the different officers of this Government. When a disbursing officer by mistake spends money in a way which might raise a question as to his authority for the expenditure, there might be doubt as to what should be done and that might be a case in which Congress should square his accounts; but when an officer deliberately, after the accounting officer who has the duty of fixing the balances goes ahead and spends money in violation of law and in violation of the law as fixed by the authority which has the right to fix those balances, I do not think that this Congress ought to pass a bill legalizing deliberate illegal acts. That is the way this bill appears to me. I do not look at it from any standpoint except the standpoint of the facts and the way the bill and the laws stand.

If we expect disbursing officers of the Government departments to respect the law as we lay it down, if we expect them to keep their disbursements within the provisions of the law, we must refuse to condone deliberate violations of the law and deliberate expenditures of funds which are not authorized by law. I hope that the House will consider this bill upon its merits, upon the facts that appear clear and undisputed, and that it will not put its stamp of approval upon expenditures by disbursing officers that are illegal. If we do not adopt this kind of policy there is no hope for representative government in the United States; and I hope that when the Members act on these questions they will vote for the law and not against the law.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman's time has expired.

Mr. GIFFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, addressing myself first to the gentleman from Missouri [Mr. COCHRAN], I may say that when I said that he was responsible I did not mean that he personally was responsible. I meant the Members who passed the House joint resolution giving the President of the United States power to expend $4,880,000,000 without putting any strings to it were responsible. God forbid that I should say anything detrimental to the gentleman from St. Louis, because he is my friend, and I think he is a pretty good fellow. Why, I like him immensely.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. COCHRAN. The gentleman belongs to that group, I think, because he voted for that bill.

Mr. RICH. No; I did not vote for it.

Mr. COCHRAN. The gentleman does not say he has voted against all relief appropriations. I am sure he does not want to convey that impression.

Mr. RICH. When I saw that House Joint Resolution 117, sent here by the President, contained a provision that anyone who disagreed with him would be fined $5,000 or imprisoned for 2 years, I made up my mind that anyone who asked that power of Congress was not responsible, and I broke with the President right there.

Mr. COCHRAN. But the President of the United States——

Mr. RICH. Mr. Chairman, I decline to yield further. If the gentleman will be for me, I will be for him, and I will be for him on the outside, too. [Laughter.]

The objection I make to this legislation is that by law we require paymasters to be bonded and the Government pays bonding companies premiums to protect the Federal Treasury, so that the money will be expended as it should be according to law.

Then we come in here with a bill exonerating these bonding companies to the tune of $250,000. I say that is not good business.

If I were accused of being a businessman and voted for a resolution like this, I would think there was something wrong. If you people vote for it, you can form your own opinion.

Mr. Chairman, this bill is not nearly as bad as the one that will follow. That bill provides for the exoneration of paymasters to the extent of over $900,000. I think the Members of Congress ought to give a lot of consideration to these two bills before they are passed.

Of course, there is a difference between the Attorney General and the Comptroller General of the United States; but why is it that the President of the United States has not appointed a Comptroller General to look after the funds of the Federal Government? Why has he not appointed a man months and months ago, when the term of Mr. McCarl expired? I want to say there is something wrong. The President should have appointed that man a long time ago, but he has permitted this condition to continue. We do not know how much money has been loopholed out of the Federal Treasury on which we do not have a proper accounting.

Mr. COCHRAN. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Missouri.

Mr. COCHRAN. Does the gentleman object to the former Republican Member of the House who is now Acting Comptroller General?

Mr. RICH. I do not care who the man may be who is Acting Comptroller General, if he does not do his duty according to law, whether he be Republican or Democrat. I hold no brief for Republicans and I hold no brief for Democrats when they do the wrong thing. The question I want to bring up here is that right is right and wrong is wrong.

Mr. COCHRAN. Will the gentleman yield?

Mr. RICH. If the gentleman will give me some more time, I will.

Mr. COCHRAN. The former Comptroller General of the United States was Mr. McCarl, a Republican. The present Acting Comptroller General of the United States is a former Member of this body whom we all like, Dick Elliott. McCarl in the last Congress and the other in this Congress, through their representatives, appeared before the House committee and asked that committee to pass this bill. If the gentleman cannot follow a former secretary of the Republican congressional committee, Mr. McCarl, and a former Republican Member of this House, who is he going to follow?

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. RICH. Mr. Chairman, if the President of the United States had done his duty he would have appointed a good, sound Democrat to succeed Mr. McCarl if he did not want Mr. McCarl, a Republican, in that office. No; he left it vacant; and for why? Well, I have my own opinion.

Mr. COCHRAN. Is that an indication the gentleman does not approve of Mr. Elliott?

Mr. RICH. No; I am not questioning the veracity of the gentleman or anybody else. Why does he not give him a permanent appointment? But I claim the President does wrong when he permits this thing to go on and not make an appointment. You do not know where the end is. You do not know whether they have stopped now in misappropriations. You may come in here later on with similar legislation. We have given the President of the United States these large sums of money without any rules or regulations to govern the expenditure thereof. You have given him unlimited power, when, as a matter of fact, that power should have been retained in the Congress of the United States. This money should have been expended back in the States, where the people know who this money is going to, where the people know who should receive the money so it will be spent honestly and wisely. The people would then have known it was properly expended. But now you come back here and want the Federal Government to raise additional revenue in order that these bills may be paid off or charged off the books forever. It is not the proper course to pursue, but on account of poor Government management it may be the only thing you can do. This bill is one of the prices we must pay for inefficient Government administration.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, this is a most interesting thing that comes before us today. We are being called all sorts of things by the Republicans and allusions are being made to fraud under the confession that not a single item of fraud has been discovered.

Mr. Chairman, when this matter first came up the United States was a nation of hungry people. We had in office a President just before that time who said, prior to his election, that he would give us 4 years of prosperity—gave us a little coin on which it stated, "Good for 4 years' prosperity." What did we find at the expiration of his term? Smokestacks were standing lonely and no smoke coming therefrom. The road was full of hitchhikers. You could not get anything for your farm or your farm products. There were the biggest failures by the smallest banks and the most absolute failures by the biggest banks, and people hitchhiking. The wolf was standing at the back door and the stork coming down the chimney, and this all under the supposed head of good times and the accepted program for prosperity. Now we hear these Republican gentlemen get up here and say how we smell to them. The gentleman from Massachusetts says "all nigger babies smell that way." May I say, however, I am afraid a Republican does not smell much better to a Democrat than a Democrat does to a Republican.

Let us think of the Teapot Dome. Let us think of the actual frauds that were committed during previous administrations. Now we have a little deficit of less than one-half of 1 percent involving 13,206 items. Boiled down it totals some $200,000 in the 13,000 items. They jump up here and yell and wail. This is just a little natural leakage that came about and yet they try to tell you about some sort of difficulty between the Attorney General and the Comptroller General. May I say, Mr. Chairman, the Comptroller General is for this bill, the Attorney General is for this bill, and the Department of the Interior is for this bill. They all want it. The money has been spent. How are we going to get it? If Uncle Sam were to undertake to follow up 13,206 items it would involve an expenditure of $50 for every 50 cents collected.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman talks about Teapot Dome, but the men concerned with that were put in prison when they did wrong.

Mr. PATRICK. Yes.

Mr. RICH. That is what they ought to do with every fellow in this administration who does wrong. If they did do that, we would have to build so many prisons in this country that all the Public Works money from now on could be spent in building prisons in which to put Democrats who are doing wrong.

Mr. PATRICK. Will the gentleman please realize that in all these cases there is not even the slightest taint of fraud? The gentleman from Massachusetts [Mr. GIFFORD] referred to favoritism. This $200,000 is distributed over 13,206 cases. This is hot favoritism. Believe me, when the Republican boys put on a little steam for favoritism, they really do it. Why, do you remember under the Mellon administration when Mr. Hoover was, as some of them said, a member of the Mellon cabinet here, good money was paid into the Treasury, but after it was properly paid, and when the Nation was suffering, when hands were out and folks were in rags and starving, and banks were breaking on every hand, then we saw it paid right out of the United States Treasury back to them? To the rich boys. This was a little error, of course, but in favor of the wealthy population—no effort was ever made to correct it. Now Congress made this error and Congress is trying to correct it. Have we found at last that even if a mistake is made it can be made in favor of the poor fellow? All the mistakes the other boys have made seem to have been made in favor of the rich baby. Well, then, if we can make a mistake we can make a few little mistakes in favor of the poor boys, 13,206 of them, cumulating to the appalling sum of $200,000. Now we are asking to set them off. It is already charged off, as far as that is concerned. You will never get a dime of it back, no matter how much you vote against this bill. Therefore, let us vote it up, get rid of it, have it done with, and charge it off.

Mr. MILLARD. Mr. Chairman, will the gentleman yield for a question?

Mr. PATRICK. I yield to the gentleman from New York.

Mr. MILLARD. Will the gentleman admit that Comptroller McCarl did a wonderful job and saved the Nation millions of dollars?

Mr. PATRICK. Yes; and he is for this bill. What are you griping about? He is not griping.

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That notwithstanding any provision of section 7 of the act of March 3, 1933, as amended and extended, the Comptroller General of the United States is hereby authorized and directed to allow credit for all outstanding disallowances and suspensions in the accounts of any disbursing officer or agent for payments made pursuant to adjustments and increases in compensation of officers and employees of any executive department, independent establishment, or other agency of the United States made or granted during or for the fiscal years ended June 30, 1934, and June 30, 1935, pursuant to the provisions of Executive Order No. 6746 of June 21, 1934, and Executive orders which that order superseded, in all cases in which the compensation of such officers or employees was paid out of emergency appropriations; and no amounts so paid and not heretofore recovered shall be charged against the payees on account of said payments.

Mr. COCHRAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (S. 1935) to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees, had directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. COCHRAN. Mr. Speaker, I move the previous question on the passage of the bill.

The previous question was ordered.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON LABOR

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that the Committee on Labor may have permission to sit during the sessions of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

THE LATE HONORABLE FREDERICK R. LEHLBACH

Mr. SEGER. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SEGER. Mr. Speaker, it is with profound sorrow that I announce the death of our former colleague and friend, Frederick R. Lehlbach, who, with the closing of the Seventy-fourth Congress, completed 22 years of service in this body. He was known as an authority on parliamentary procedure, was often called on to preside over our deliberations, and his rulings on complex questions are frequently recalled and praised.

One of New Jersey's most distinguished citizens, Mr. Lehlbach was born in New York City, but he came to Newark as a boy. He was graduated from Yale, studied law in New

York Law School, and became a member of the New Jersey bar. For 3 years he was a member of the State assembly, and later he became assistant prosecutor of Essex County. Appreciating his devotion to the public service, his sense of patriotism, his keen legal insight, his constituents sent him to Congress in 1914, and he served all during the trying times of the World War and the post-war depression. His committee assignments included Rules, Civil Service, and Merchant Marine.

All who knew Fred Lehlbach will feel a deep sense of personal loss in his passing. My State knows it has lost one of its greatest friends.

ACCOUNTS OF DISBURSING OFFICERS ON CIVIL WORKS ADMINISTRATION PROJECTS

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Expenditures in the Executive Departments, I call up the bill (H. R. 8081) authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 8081, with Mr. THOMPSON of Illinois in the chair.

The Clerk read the title of the bill.

Mr. COCHRAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is a bill which I expect to hear discussed at length by our Republican friends, because it has to do with the C. W. A.

You all recall that at the outset of the Roosevelt administration the President decided he was not going to follow the policy of his predecessor and tell the starving people of this country that recovery was just around the corner. Instead he immediately took action. He appealed to Congress for money. The Congress responded and appropriated money to help the starving people. For a period we had what was called the direct dole. No one approved of the direct dole, not even those who were receiving it. Therefore in order that the unfortunate people of this country who were unable to secure employment and earn sufficient money at least to give their wives and children something to eat might have some relief, there was created what was known as the Civil Works Administration. No one attempted then and no one attempts now to state that the projects which were inaugurated under the C. W. A., as it was known, provided for any lasting improvement. The thought was to give these poor, unfortunate people a little work to do in order that they might be able to hold up their heads and say, "I earned this money which I am using to feed my wife and children", rather than have them say, "This money was handed to me."

Some method had to be found to disburse the money. In an emergency of this character the President thought it best to use a permanent organization, and he issued the necessary Executive order, which provided that the disbursing agents of the Veterans' Bureau would clear the pay rolls of the C. W. A.

There were millions of men on the C. W. A. rolls, and these men all had wives and children who were looking to them for support. It was an outstanding emergency, such as we had never experienced before. You could not pay them every 15 days or every 30 days, but it was therefore necessary to pay them every week. Now, stop for a moment to realize the work that was necessary to prepare the pay rolls for millions of people. What did they do? If the unfortunate people had not received their money on Saturday night, you would have had a riot in every large city in the United States. You could not wait until Saturday to make up your pay rolls. It was necessary to make up the pay roll on Wednesday or Thursday, and those who were employed on Thursday received pay for the full week. You all know what the pay was—$1, $1.50, or $1.75, and in a few instances, $2 for those who were in charge of squads. By fixing up the pay rolls on Wednesday or Thursday the C. W. A. employees received their checks on Saturday. That was absolutely necessary.

Several years afterward it was discovered that a large number of people—the number being small in comparison with the total number employed—had been fortunate enough to secure other work on Friday or Saturday and did not complete the week but were paid for a full week. In other words, overpaid for a day or two.

The testimony before the committee shows that there was approximately $800,000,000 spent on C. W. A. work. There is probably $500,000 or $600,000 of overpayments to 300,000 or 400,000 men, each involving a dollar or a dollar and a half or $2. You can see the small percentage of the men who were employed who were overpaid and you can realize the small percentage of the total amount that is involved in the overpayments.

As I have said, the disbursing agents of the Veterans' Administration were called upon in this emergency to clear the pay rolls, and when the Comptroller General found some of the overpayments, naturally he notified the disbursing agents of the Veterans' Administration. These men had never gone over these pay rolls. It was impossible for them to do so, because there were millions of names on the pay rolls every week. There is a charge against these disbursing agents on account of this shortage, and this bill is to grant the Comptroller General of the United States the privilege of allowing credits in their accounts.

Someone may get up here and ask, Why not collect the money? Do you figure that anybody can collect $1 or a dollar and a half or $2 or $3 from three or four hundred thousand people who were on the relief rolls? It would be absolutely impossible to collect it, and if you attempted to collect it, the cost of collection would far exceed the amount of the overpayments.

This bill, like the one just passed, was sent to the Congress by the executive branch of the Government. In the last Congress, when Mr. McCarl was Comptroller General, he sent his administrative assistant, Mr. Frank Yates, to the committee, and Mr. Yates recommended that the bill be passed. Last week, when the committee considered this bill again, Mr. Yates again came before the committee, representing the present Acting Comptroller General of the United States, Mr. Elliott, a former Member of the House, and recommended to the committee that the bill be passed.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield myself 2 additional minutes.

Now, that is all there is to the legislation. Undoubtedly this afternoon you are going to hear a great deal in reference to C. W. A. Some of them might talk about P. W. A. and W. P. A., but I have told you just exactly what the situation is in reference to this legislation. There is no fraud involved. Our Republican friends are entitled to 1 hour. I do not know how much time they will want to use, but when they get through, remember that this money is spent, and there is not one single word of evidence before the committee to indicate that there is any fraud whatsoever involved in these overpayments and that no appropriation is necessary. This measure is to clear the accounts of the disbursing agents of the Veterans' Administration who were borrowed in this instance and acted as a result of an Executive order issued by the President of the United States.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York.

Mr. MEAD. May I ask the gentleman how much money is involved in this legislation?

Mr. COCHRAN. Somewhere between $500,000 and $600,000; might be a little more. They have not checked up on all of the rolls, and I may say that the Comptroller General of the United States figures that at the rate they have audited the accounts it will run up to $600,000 or, perhaps,

$50,000 more than that. They have not audited all the accounts, and, as a matter of fact, they expect the Congress of the United States to relieve these disbursing agents, because they know the money cannot be collected, and if the Congress does take such action, then the Comptroller General's Office will be saved the expense of auditing these accounts. In that way you save money.

Mr. MEAD. Has the Comptroller General approved the bill?

Mr. COCHRAN. Not only has the present Acting Comptroller General approved the bill but General McCarl, when he was Comptroller General, urged the committee to pass the bill.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Massachusetts [Mr. GIFFORD], being opposed to the bill, is recognized for 1 hour.

Mr. GIFFORD. Mr. Chairman, I yield myself 5 minutes. As I said before about the other bill, it was presented to the committee in 1934. The happenings were during the latter part of 1933 and the early part of 1934—and noticed, not several years afterward, as suggested by the last speaker, but brought to our attention early in 1934. The committee took the matter up and decided not to bring it to the floor at that time for discussion. As time goes by we forget things, we misplace things. My notebooks have been misplaced. Probably the records of the Controller are hidden down in Alexandria or some other place, as they are scattered about in different places, for there is not room in Washington for them. They do not know how much is really involved here. The public knew at the time that these mistakes, so-called, were prevalent all over the country where pay rolls were O. K.'d, although no work whatever was performed. It was talked about enough at that time, and if this bill had been brought on the floor at that period, certainly you would have heard much about fraudulent transactions. Of course, the Attorney General says it is wise to pass the bill and forget it, but the danger is that it is a precedent for other similar situations. What is the use of my trying to dig up wrongfully spent funds if all we can do is to come here and say that we will forget it and forgive not only the disbursing officers but even those who got the money? We do not know how much these transactions amounted to in this bill, but there are a great many involved, although each one, of course, was fairly small.

Mr. Chairman, I know that we are not interested particularly in this or any other legislation that can be brought forward here during this month in this Congress. Everybody is tired out; you are out of patience, and Members are unwilling to listen to a sober serious talk on the condition of the Treasury of the United States.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. PATRICK. To ask the gentleman whether refusing to pass this bill will help one penny in respect to the condition of the Treasury of the United States?

Mr. GIFFORD. No. Mr. Chairman, the money has all been spent, like the matter of the junket over to Europe, to study cooperatives, where it has been ruled it should not be spent. Yet it has been spent, and you will forgive them, and all that has been useless work. No one seems to care anything about it. You seem willing to excuse anything over there on the majority side. You want no constructive criticism such as we gave you on the C. C. C. camps and many other bills, although you like to say that we offer nothing constructive. We are simply taking the opportunity to remind you of these things, lest you forget; that is all.

Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, the chairman of the committee, the gentleman from Missouri [Mr. COCHRAN] is an able legislator and one of the hardest working Members of the House, popular with the Members on both sides, and he has done his best to defend this legislation, to cover up the mistakes and financial blunders of the administration. All he has done actually is to show the need for the General Accounting Office, the necessity for having an independent General Accounting Office that is not afraid to be independent and take a firm stand against illegal expenditures, and to uphold and protect the acts of Congress and the intent of those acts as passed upon by the Members in both the Senate and the House. This is probably the first time that the Committee on Expenditures in the Executive Departments has brought in legislation at this session and I think, therefore, it is the proper and the opportune time to discuss in a general way the expenditures in the executive departments of the Government. Charity, it is said, begins at home. Economy likewise, should begin at home.

Therefore, if you want to find out if this administration is practicing economy, all we have to do is to analyze the Executive Office appropriations, the appropriations for the White House under the New Deal and prior to the New Deal. In 1928 the expenditures were $337,560. In 1937 they were $500,130. In addition to that the House of Representatives has just adopted a bill giving the President six Executive administrators with a salary of $10,000 each, or a total of $60,000. You may easily add on another $60,000 for extra secretaries for those administrators, for stenographers, for maintenance of quarters, and above all for traveling expenses. No one can foresee what the traveling expenses of those six Executive assistants will amount to in 1 year, but judging from the President's fishing trips at the expense of the Government it will be a considerable sum.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. McCORMACK. In connection with the six assistants provided for in the bill just passed by the House, it is my recollection that that was an integral part of the reorganization recommendations, and it is my personal opinion that that bill should have been the last bill to pass. In my opinion, the President, if the bill should become a law, would not appoint the six unless the general reorganization plans go through, because there will be no necessity for them.

Mr. FISH. I agree thoroughly with the gentleman, and actually took the floor at that time to make identically the same argument—that they were putting the cart before the horse, that the six assisant administrators were supposed to be coordinators for the proposed reorganization of the various departments and the bureaus of the Government. But in spite of that fact, and so stated in the committee report, the first bill to be brought in was a bill to create these six new jobs at $10,000, and it passed the House of Representatives in spite of the argument of the gentleman from Massachusetts and myself that they were not needed and would serve no useful purpose.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. SHORT. Does the gentleman feel that the President needs those six chamber boys any more than the Supreme Court needs six wet nurses? [Laughter.]

Mr. FISH. Well, having lost on one I suppose he would like to win out on the other. I stated at the time that if we had a reorganization bill, which we will not have at this session of Congress, we could well afford to give the President one or two cordinators to coordinate the reorganization of the departments and bureaus of the Government. But, as the gentleman well said, there is no need now for these six Executive administrators. What is the reason for them? What have they got to do? Are they to be a sort of Russian Ogpu, a secret service, to act as snoopers and spies for the Chief Executive upon the Members of Congress and the Senate and even upon the departments of the Government? Are they to form a reprisal staff and carry tales to the President? Are they to serve as secret agents to crack down on foes and critics of

the administration and to compile up-to-date blacklists? The gentleman from Massachusetts [Mr. McCORMACK] is quite right.

This bill providing for six executive assistants should not have gone through, and it only shows the inefficiency and the ineptitude of the House of Representatives in jamming through legislation of that kind by a party vote, when it is not needed. It will probably be killed in the Senate, where finally word will be brought that a mistake has been made in the hurry to jam through legislation before adjournment. The House of Representatives or its Democratic Members, acting like a lot of rubber stamps, has turned over the legislative powers to the Executive and passed the bill for six executive assistants, and now we find out that we have just been made fools of; that there is no need for the legislation and that it will die unmourned in the Senate.

Nevertheless, these figures show a tremendous increase in expenditures for the White House, $337,560 in 1928 and $500,100 in 1937, without taking into consideration the proposed six assistant administrators, which will add another $120,000, if not more, when additional secretarial and traveling expenses are taken into consideration.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes; I yield.

Mr. McCORMACK. Of course, if the reorganization goes through, the gentleman sees the need for some extra assistants?

Mr. FISH. I do.

Mr. McCORMACK. Whether it should be six or four?

Mr. FISH. One or two coordinators ought to be sufficient.

Mr. McCORMACK. One or two or six. With reference to the increased appropriation, the gentleman has made his investigation and I accept his figures as correct. However, will the gentleman not, in all honesty, recognize the fact that the expenses in 1937, no matter who may be President of the United States, whether Mr. Landon had been elected—and I am speaking purely impersonally—the expenses would have been much higher, no matter who was President? Even though the gentleman from New York [Mr. FISH] had been nominated and elected, the expenses would have been much higher in 1937 than they were in 1928?

Mr. FISH. Oh, I will admit they would have been somewhat higher, but at the same time I insist that economy begins at home. The way to practice economy is to practice it at home. The way to cut down appropriations is to cut down your own appropriations. According to the press this morning the first month's Treasury deficit, that is, for the month of July just passed, amounts to $249,384,405, twice that of a year ago, despite the fact that receipts have increased. The Social Security tax brought in $53,000,000. This tax only went into effect this year. Where does the increase come primarily, in arriving at the factors that caused the deficit? The statement shows that in nearly every item of departmental expenditures the amounts last month exceeded July 1936. That is in departmental expenditures—not for recovery, not for relief, but in the permanent departments of the Government the increase has taken place.

Naturally, if that is so, there is no chance whatever of balancing the Budget. Six months ago the President said that the total national debt would not exceed $35,000,000,000. That, he predicted, will be the all-time peak. Today it is $36,700,000,000, or $1,700,000,000 more than the highest peak set by the President only 6 months ago. I know it is dangerous for any politician to predict anything, but I think I would be perfectly safe to stand here and predict that by the end of the next fiscal year we will have a national debt of over $38,000,000,000.

Mr. PATRICK. Mr. Chairman, will the gentleman yield right there?

Mr. FISH. Certainly.

Mr. PATRICK. Would voting for this bill or refusing to vote for this bill help one dime in adjusting the national debt or financing the deficit that we have?

Mr. FISH. I am leaving it to the other Members on my side to make the arguments on the merits or demerits of this particular legislation. The gentleman from Missouri [Mr. COCHRAN] unfortunately was out of the room when I paid tribute to him for his ability and his industry as a Member of this House, and his popularity, but he can read that in the RECORD and send it to his constituents later on. [Laughter.]

I propose to offer an amendment and I cannot see how the gentleman from Missouri, in view of what I have said about him, can possibly make a point of order against it. [Laughter.] We are considering a bill emanating from a committee which has to do with the expenditures in the executive departments. This is the amendment that I propose to offer to the bill. When you hear it perhaps you will understand why I praised my good friend from Missouri so highly, but even at that it was deserved praise.

Resolved, That it is the sense of the House of Representatives that the precedent established by Washington and other Presidents of the United States in retiring from the Presidential office after their second term has become, by universal concurrence, a part of our republican system of government, and that any departure from this time-honored custom would be unwise, unpatriotic, and fraught with peril to our free institutions; and be it further

Resolved, That the House of Representatives commends the observance of this precedent.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. COCHRAN. The gentleman's amendment comes so close to the border line that I suggest that he give it to the Parliamentarian now so he can be studying it to see whether or not it is germane.

Mr. FISH. I knew the gentleman would not object himself; I did not see how he could.

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. GRAY of Pennsylvania. The gentleman from New York does not mean that any attention will be paid to that sort of amendment even though he proposes it.

Mr. FISH. I do not claim that it amends the Constitution of the United States, if the gentleman means that; but I hope that the gentleman has more regard for the Members of the House of Representatives than to think that if this resolution were passed and the President would ignore it or that the people back home would not approve the action of the House.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes; I yield to my friend from Massachusetts.

Mr. McCORMACK. Will the gentleman advise the House whether he has any precedents for such an amendment or for such action on the part of the House?

Mr. FISH. I am glad that my friend from Massachusetts asked that question, because there are some actual precedents. In 1875 an identical resolution was introduced in the House of Representatives and passed by the overwhelming majority of 234 to 18. That was under the Grant regime. In 1928, at the end of the Coolidge administration, a practically identical resolution was introduced in the other body by Senator LA FOLLETTE and after considerable debate it was adopted by a 2-to-1 majority. This resolution is identical except that it refers to the House of Representatives instead of to the Senate.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield further?

Mr. FISH. I yield.

Mr. McCORMACK. Were those resolutions introduced as original bills or as riders to some harmless bill like this?

Mr. FISH. I am not sure how it was introduced in 1875 because I was not here then. [Laughter.] And I do not know about the rules of procedure at that time. They seem to change a little from year to year. As far as the La Follette resolution is concerned, I think it stood on its own bottom. I do not think it was a rider, but I am not quite sure. The debate was quite extensive on it at the time. There is one thing certain, I may say to the gentleman from Massachusetts, this resolution is in line with the cardinal principle of the Democratic Party. It is almost interwoven into the political faith of all Democrats. Not only does this resolution carry out the precept laid down by George Washington, but more than that, it carries out the example set by such great Democrats as Thomas Jefferson, Madison, Monroe, and Jackson; so that no Democrat who believes in the old Democratic Party principles and has faith in the political philosophy of his party for the last 100 years could find any very good reason for voting against it. I introduce it and offer it in good faith and in all sincerity, because I believe that it is more needed, far more needed, today than at any other time in the history of our Republic.

Whether we have a good, bad, or an indifferent President makes no difference in this case. We all know, whether we are Republicans or Democrats, that we have concentrated and centralized vast power in the Chief Executive and set up a one-man government, and that day by day we are giving him more and more power; so that he could if he wanted to exert the power, the influence, and the prestige he has together with his control of a huge amount of patronage and of lump-sum appropriations, renominate himself—through the very powers that this Congress has given him. For this reason, therefore, not questioning the qualifications or the record of President Roosevelt, the time has come if we are to continue to delegate and surrender our legislative power to the President together with control of the pursestrings, that we should at least protect our representative and constitutional form of government by passing a resolution of this kind. We should make it very clear that it is the determined wish of Congress, of Members on both sides of the aisle, that no President should serve for more than 8 years, and that no President should renominate himself more than once through the use of the patronage and the power that we ourselves have conferred upon him. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, this debate has very naturally turned into a political discussion. For this I am sorry, because we should be directing our attention toward the purposes of the legislation, the consideration given to it by the committee, and the action taken by the Comptroller.

The chairman of the committee deserves our praise, not only for his energetic work in connection with this legislation, but for his accomplishments in this and previous sessions of Congress.

The committee deserves credit for the meticulous care exercised by it in the presentation of this bill. Both the former and present Comptrollers General, both Republicans, merit the nonpartisan tribute of Members on both sides of the aisle for recommending the adoption of this measure.

Mr. Chairman, there is one phase of the question that has completely missed our attention. This covers an expenditure of public money during the darkest period of the Republic's history, and, in addition to the sustenance gained thereby by the impoverished workers of America and the contribution to the improvement of the physical properties of our communities, it made a mighty contribution to the saving of the Nation and the preservation of our democratic ideals.

Not so far back there was a different philosophy exhorted by certain Members of the House, but in each successive month the spiral of deflation accelerated to a degree that America could no longer stand without ruin coming to us industrially, financially, and even politically. So, early in this administration we tried a new philosophy, and within a short period of time we basked again in the sunshine of a new and more secured prosperity.

Mr. McCORMACK. Will the gentleman yield?

Mr. MEAD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It is rather interesting when we listen to some of these critical speeches to note that during the World War our national debt increased $20,000,000,000 for the purpose of killing human beings and during the depression the increase in our national debt has been for the purpose of saving human beings.

Mr. MEAD. I am indebted to my distinguished colleague for the contribution he makes. I want to add the statement that since the coming of the day of the modern power machine we have enjoyed three periods of prosperity in America; namely, the one he mentioned, the period of prosperity that resulted in the destruction of life and property during the World War. The second period occurred when this country lent billions of dollars to the nations of the world for public works improvements abroad. When we stopped lending money to the foreign nations, and asked for repayment of our loans our market became stagnated and was cleared only when we passed these appropriations for relief in America, such as contained in the bill that is being discussed on the floor of the House this afternoon.

That brings to my mind the thought that if we are going to have giant power machinery we are not going to have a balanced Budget until there is a balance in the budget of the farmers and the wage earners of America. They alone, by their buying power, must clear the American market or else we must doom the machine and consider it a failure. America's power to produce has claimed too much attention in the past. Let us give heed to America's power to consume. We must have a balance between the available jobs and workers. We must have a balance between production and consumption. We must have a balance between wage levels and prices. We must then have a balance in the Federal revenues and expenditures. Unless we have a complete balance there is no virtue in a balanced Budget. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr, Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I was very much interested in the statement made by the Chairman of the Committee on Expenditures [Mr. COCHRAN] a few moments ago when he said that there were no politics in this bill. Then he went on to explain how the Hoover administration had promised that prosperity was just around the corner. If anybody tried to inject politics into this bill, it was the genial chairman of the Committee on Expenditures [Mr. COCHRAN].

Mr. McCORMACK. Will the gentleman yield?

Mr. RICH. After awhile I will yield.

The gentleman from Missouri [Mr. COCHRAN] did not explain this bill and let the membership of the House and the people of the country at large know what it is intended to cover.

When the Congress passed House Joint Resolution 117, giving the President of the United States the power to spend $4,880,000,000, the Congress went beyond its jurisdiction and gave up powers to an individual that really belonged to the Congress. That was the first mistake.

Section 4 of that House joint resolution stated:

> In carrying out the provisions of this joint resolution the President is authorized to establish and prescribe the duties and functions of the necessary agencies within the Government.

We gave the President of the United States by that resolution the power to make laws. This is contrary to the Constitution. We put all of that power into his hands.

What did we do when Mr. Hoover was in office? The Congress of the United States did not do anything. They would not give him any power, no legislation, nor would it give him

any money. That put the country in the condition it was in at that time, and still you on that side accuse President Hoover of bringing about this depression.

Any man who says that has not any brains. Any man who says that has not any common sense. Any man who says that does not know what he is talking about. If there ever was a man in this country who worked hard for the United States it was President Hoover. [Applause.] He was one of the finest and most conscientious Presidents this Nation ever had. Why, when there was a catastrophe during a Democratic administration on the Mississippi River, or over in China, or any place in the world, and they wanted somebody to go and take charge of the work, every Democratic President in power since that man was 20 years of age sent for him and put him in charge of the mission. They knew him, they knew his ability, and had confidence in him.

Mr. McCORMACK. Will the gentleman yield?

Mr. RICH. If the gentleman will secure more time for me I will yield to him. You know it is awfully hard to get time. You yield to these genial Democrats and they use up all your time and will not give me the opportunity to say what I want to say.

Mr. Chairman, let us look at this bill. After the paymasters have spent this money, contrary to law, contrary to the Constitution, and after they paid out more than they should have paid, and they were bonded by the Federal Government, we want to clear the insurance companies. This overpayment is attributable to mismanagement, inefficiency in Government administration. Now, you want to relieve those insurance companies of the payment of $800,000 or more. You do not know how much is embodied in this bill. There is not a Member of the House or a member of the committee who knows. It may be up in the millions of dollars, way up into the millions of dollars. Where will you get the money?

We Members of the House of Representatives all took an oath and an obligation to support the Constitution of the United States. Every man who becomes a Member takes that oath. When we voted for that bill and granted the power contained in it, those of you who voted for the bill disobeyed your oath and obligation. Now you want to come in here and put the Federal Treasury further in the hole. You want to release these bonding companies when they should pay the bill. You relieve them of their obligation after you have paid the premium. I have never heard of anything so dumb or so asinine in my life. I leave it to my friend, the gentleman from Pennsylvania [Mr. HAINES], if any businessman were to do anything like that he would think there was something wrong with him.

Mr. HAINES. Mr. Chairman, will the gentleman yield to me, inasmuch as he has referred to me as a businessman?

Mr. RICH. I yield to the gentleman from Pennsylvania.

Mr. HAINES. May I ask the gentleman if the committee held hearings on this proposal?

Mr. RICH. I was on the committee last year when it held hearings.

Mr. HAINES. They reported this bill unanimously to the House?

Mr. RICH. No; I do not think there was a unanimous report on it.

Mr. HAINES. I understood this bill was reported unanimously to the House by the committee.

Mr. RICH. I do not believe it was unanimously reported.

Mr. KNUTSON. I do not think it was unanimous. Those who were against the bill were asleep.

Mr. COCHRAN. The gentleman from Pennsylvania was a member of the committee, and, while he had a good laugh in the committee, he realized the necessity of relieving these disbursing agents.

Mr. RICH. Is the gentleman going to give me more time?

Mr. COCHRAN. The gentleman offered no objection, but stated he wanted to have a little fun when the matter came onto the floor. That is the whole story, and the gentleman will recall it.

Mr. RICH. I do not recall ever saying I wanted to have some fun with this. I like to have fun. I think it is a fine thing for everybody to have fun, but I think it is a fine thing for Members of the House of Representatives to have a little good common sense with their fun. We ought to be careful that it is not all fun in here, because sometimes I think we are having more fun than doing a good business job in the laws we are passing. We ought to be very careful that we stop this fun making and get down to good common sense, get onto solid terra firma, and do things in the right way and in a businesslike way.

Mr. KNUTSON. Of course, the entire membership knows that the gentleman from Missouri does not recall any such conversation as he has just indicated. The gentleman from Missouri also likes to have his fun.

Mr. RICH. Well, he is a good fellow. We like to have fun with him, too.

Mr. COCHRAN. If the gentleman will yield, the gentleman from Pennsylvania likes to have fun at the expense of the Democrats, and I like to have fun at the expense of the Republicans.

Mr. RICH. Now, you know what he does. He likes to have fun at the expense of the Republicans.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Most of this Democratic fun is at the expense of the taxpayers, is it not?

Mr. RICH. You said something; I agree with you. Expense! We have had nothing but expense ever since we have been in here under this Democratic administration. The people of this country realize it. Let me read now the Treasury statement of the United States, showing that on July 30 we were $36,709,916,635.50 in the red. Why, never in the history of this country has our Nation been in such a precarious position. You have increased this debt $16,500,000,000 since this administration came into power.

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. ENGEL. It seems to me I read something some time ago about the Democratic administration hiring a fan dancer by the name of Ruby Bae, of Minneapolis, in order to have a little fun at Government expense.

Mr. RICH. The Democratic administration has been fan dancing a long time. I think the people of this country are about sick and tired of fan dancing. They are going to make this Democratic administration accountable for the things it is doing. They are not going to permit it to go on and cause this Nation to be engulfed in financial disaster.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RICH. They are not going to allow it to continue to increase expenditures. Why, the chairman of the Rules Committee knows what this Treasury statement is, and he does not like it.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield?

Mr. RICH. I must yield to the chairman of the Committee on Rules, because the chairman of the Committee on Rules does not like to see this Treasury statement in this condition, and he knows we are increasing the expenditures daily this year over what they were last year, to the 30th of this month, $2,537,500 a day more than the expenditures of a year ago. More, I say. Why, it is wrong, and nobody knows it better than the chairman of the Committee on Rules.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania.

Mr. RICH. Now I must yield to the chairman of the Committee on Rules.

Mr. O'CONNOR of New York. The gentleman is one of the most successful businessmen of this country.

Mr. RICH. The gentleman does not mean me.

Mr. O'CONNOR of New York. The gentleman has probably profited more by what has happened in the Government in the last 4 years than most businessmen. The gentleman will admit that the resources of this country are worth at least $350,000,000,000, with a national debt of only $35,000,000,000, roughly?

Mr. RICH. Thirty-six billion seven hundred million dollars.

Mr. O'CONNOR of New York. All right, we will take the extra billion.

Mr. RICH. The gentleman made a mistake.

Mr. O'CONNOR of New York. Will the gentleman show us any business in America, whether it is his own business, United States Steel, a railroad, or any other business in this country, whose funded debt is as low as 10 percent of its assets?

Mr. RICH. Well, I will say to my colleague from New York, the chairman of the Rules Committee, in the first place he has me in the wrong category when he refers to the United States Steel Corporation and some of the other organizations.

Mr. O'CONNOR of New York. Well, applying it only to the other organizations, does the gentleman know of any business that can show such a statement?

Mr. RICH. However, I do know something about business and I do know that when we permit this country to do the things that are being done now, when the President said that in 1938 we were going to have a balanced Budget, and when we are spending more money and going into the red faster this year than we did last year, at the end of this year, Mr. Chairman of the Rules Committee, you will find that instead of having a balanced Budget, we will be in the red $2,000,000,000 more and you cannot help yourself, if you do not stop this ridiculous, extravagant spending spree.

Mr. O'CONNOR of New York. Now, just answer the question.

Mr. RICH. Because the President of the United States does not know how to economize. He does not know what the word means. His father had to give him his money in trust, because he knew he was not responsible. Now, you men here in Congress must not put all the power in his hands when he is not responsible. You should guard him and protect him and defend him and help him and aid him and assist him.

Mr. O'CONNOR of New York. Of course, I have no gas mask [laughter], but if the gentleman will get down to brass tacks and answer my question, whether his business or any other business in this country has ever been able to do business with a debt of about 10 percent of its assets——

Mr. RICH. Well, I will answer that question in this way. I see what the gentleman is driving at. You know last year we passed a bill providing a tax on undistributed incomes. When they passed that bill they wanted to have every business in this country go into the red. They wanted them to pay out their income and use up their surplus so they would have nothing in case they ever had another rainy day. When they passed that law, may I say to my friend, the gentleman from Georgia [Mr. COX], they did it for the purpose of trying to put the business interests of this country in a precarious condition, because the chairman of the committee and his assistants said they were afraid to pass such a law and apply it to banks and insurance companies for fear they would wreck them, but they wanted, definitely, to wreck the business interests of the country and put them in the position that the chairman of the Rules Committee would like to have them, and they will all be there very soon if we do not watch out and change that law, and I know the chairman will do everything he can to help change that law.

Mr. O'CONNOR of New York. Has the gentleman now expired? [Laughter.]

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RICH. I will have to yield first to the gentleman from New York.

Mr. O'CONNOR of New York. Will the gentleman tell the House and the country whether there is any danger to our people in only owing 10 percent of our assets?

Mr. RICH. Well, I will say to the chairman of the Rules Committee that when the Congress and the people in the country today have to spend twice as much as they receive, when they are going to pass this debt on to your children and your children's children and to children yet unborn, and you are not able to solve the problem yourself, you are just doing what people in business do who do not know anything about business, and you are going to wreck this Nation.

Mr. O'CONNOR of New York. We are passing on to our children $350,000,000,000 of assets with only a debt against those assets of $35,000,000,000, and that is not a bad balance sheet. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield the gentleman 2 more minutes.

Will the gentleman yield to me?

Mr. RICH. Yes; I yield to the gentleman.

Mr. GIFFORD. I want to remind the gentleman that he should tell the gentleman from New York that the assets of the people of the United States are not to be compared with any business. The gentleman well knows it and well knows how foolish it is. The liabilities of any business can be turned into money readily and the obligations of business can be satisfied, while we have only the method of taxation to take it away from the people, and if you dare tax our people a very little more, you will wonder what the assets are.

Mr. O'CONNOR of New York. The gentleman's palatial mansion on Cape Cod and the clothes on his back are the assets of the United States.

Mr. GIFFORD. That is just what I thought—the clothes on our backs. That is just what they are, assets of the United States, and I commend the gentleman for his illustration.

Mr. RICH. Now that the gentleman has used up my 2 minutes, will the gentleman yield me 5 minutes more?

Mr. GIFFORD. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. RICH. Now, we are getting at the idea back of all this. It is the idea of some Members of Congress to take the homes of people who have tried to save money, whom they call capitalists because they own a home, and to take the clothes off a man's back and do everything they can to bring them all down to a common level, when we have some people in this country who are industrious and thrifty and want to save and try to get ahead and do something to give employment to other people. We are wrecking that moral fiber in mankind that is represented by the words "work and thrift."

They want to break those people down and not give manufacturers an opportunity to go out and employ people. Jim Farley said last week that the depression is over. The American Federation of Labor says that there are 8,000,000 people still out of work. If 8,000,000 people are out of work, and you are spending money at the rate you are now, I can see no salvation for this country unless we change the course of things and obey the Constitution——

Mr. COX rose.

Mr. RICH. And here is one of the strongest defenders of the Constitution that we have in the House, and I take my hat off to him and am very glad to yield to him.

Mr. COX. The gentleman from New York [Mr. O'CONNOR] speaks of passing on to coming generations an institution of the value of $350,000,000,000 that owes only $35,000,000,000. What would the indebtedness amount to if you added to the $35,000,000,000 the private indebtedness of the

country and that of the States and of the counties and other subdivisions of government? In other words, would it not mean that we would pass on to the coming generation an institution that owed as much as it was worth?

Mr. RICH. I thank the gentleman for that contribution.

Mr. COX. I agree with the gentleman.

Mr. RICH. I think the debts of the municipalities and the States and various subdivisions of government would be equal to or more than what we have in the Federal Government. I think it is something that needs the most serious consideration that we as Members of Congress can give to it.

Mr. COX. As for myself, I applaud the gentleman from Pennsylvania [Mr. RICH] for the fine service that he is performing in this House, because I agree that it is perfectly insane to continue to spend beyond our income.

Mr. RICH. I thank the gentleman.

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes.

Mr. ENGEL. C. F. Childs & Co., of New York, in their investment bulletin for July 1937, give the total estimated private and public indebtedness in 1935 at $118,537,000,000. That indebtedness has increased since 1935 to approximately $125,000,000,000.

I recently looked up the amount of State and municipal or local indebtedness, and it was $19,000,000,000. Our national debt is approximately $37,000,000,000, making a total public debt of $56,000,000,000, leaving $69,000,000,000 private indebtedness. In other words, our public debt is within $13,000,000,000 as large as the total private debts in this country. For every dollar the people owe privately they owe nearly another dollar publicly. The people of America, whether individually or as businessmen, must not only pay the interest on the $69,000,000,000 they owe privately but also on the $56,000,000,000 public debt.

Mr. O'CONNOR of New York. Mr. Chairman, will the gentleman yield to me?

Mr. RICH. Yes.

Mr. O'CONNOR of New York. Outside of any debts we owe abroad, will the gentleman tell us what difference it makes among citizens in this country owing each other?

Mr. ENGEL. I answer the gentleman in the words of President Franklin Delano Roosevelt when, in his first message to Congress in March 1933, he said:

> For 3 long years the Federal Government has been on the road to bankruptcy. With profound seriousness I point out to the Congress the profound effect of this fact on our national economy. Too often in recent history liberal governments have been wrecked on the rock of loose fiscal policy. We must avoid this danger.

When President Roosevelt spoke, the national debt was $20,000,000,000. Today it is $36,000,000,000.

On October 19, 1932, at Pittsburgh, Candidate Roosevelt said:

> Taxes are paid in the sweat of every man who labors. If excessive, they are reflected in idle factories, tax-sold farms, and, hence, in hordes of hungry tramping the streets and seeking jobs in vain. Our people and our business cannot carry its excessive burden of taxation.

In the last fiscal year of the Republican administration ending June 30, 1933, the Government collected $1,855,174,208 in taxes. The first year of the present administration the Government collected $2,954,038,131; the second year, $3,621,043,062; the third year, $3,899,663,202; and last year they collected nearly five and a half billion dollars, passing 14 revenue measures in 3 years.

On September 29, 1932, at Sioux City, Iowa, Candidate Roosevelt said:

> I accuse the present administration of being the greatest spending administration in peacetime in all our history.

Despite the fact that the present Democratic administration has collected nearly $16,000,000,000 in revenues in 4 years, they ran the country in debt $16,000,000,000. I think these facts ought to convince the gentleman from New York as to what difference our public and private debts make regardless as to whom they are due.

Mr. RICH. Read the statements of President Roosevelt made in 1932 about Government expenditures and economy in government, and then think what the man is doing today. It is almost unbelievable. To me it is one of the most serious things that confront this Government, and I hope the Members of Congress, after they pass this bill, because they are set to do it, will take these matters into consideration. From what I have learned of this bill the matter was wrongly handled. We should never have permitted these paymasters to go on and do this. Inefficiency in government. That matter should have been handled by the States and the municipalities, and I am sure the gentleman from Missouri [Mr. COCHRAN] will agree with me on that. If we had carried it out in that way, probably we would not have to wipe off another million or more of debt. We have learned our lesson. You are going to be asked to pass another relief appropriation of about a billion dollars. Remember, when that time comes, that you ought to say how the money is to be spent, where it is to be spent, and who is to administer the expenditure of that fund; and if you will do that, then we will get on common ground and be doing the right thing; and I will say to the chairman of the Committee on Expenditures that rather than go out and try to spend a million dollars to collect this we better pass this bill today. We will term it "inefficiency in government by this administration."

Mr. GIFFORD. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I ask this recognition in order that I may ask the gentleman from Massachusetts [Mr. MCCORMACK] a question, to see if I understood him correctly, whether he made the statement as I have it—and I have gotten it from the reporter—that during the World War our debt increased over $20,000,000,000 for the purpose of killing human beings. Did the gentleman mean that?

Mr. McCORMACK. The money was spent for war purposes in which the lives of human beings were involved.

Mr. HOFFMAN. I thought the gentleman did not mean the other.

Mr. McCORMACK. Of course, that is the construction to be placed on the remark. I am glad the gentleman made the inquiry, inasmuch as he misunderstood me.

Mr. GIFFORD. Mr. Chairman, I yield myself 1 minute. I cannot let this debate go by with the suggestion of the distinguished chairman of the Committee on Rules [Mr. O'CONNOR of New York] that a debt of only $36,000,000,000 is not to be worried about.

Just add five billion more than we are spending this year and attempt to assess it by taxes this same year and you will find out very quickly how serious that little percentage would be to the American people. We have gone now to the limit of the patience of our people whose Government it is. We have gone way beyond our proper right in spending their money. Even though our debt is only 10 percent of our wealth of $350,000,000,000, it is vastly different than a private corporation that can sell its assets. We can only tax and an unreasonable tax would be resisted. The comparison is so bad it is odious.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. PATRICK].

Mr. PATRICK. Mr. Chairman, let us hark back for a second and see what this is all about. This is merely a bill to write off in this case the sum of about $500,000, which is less than one-half of 1 percent of the expenditures that were directly connected with the enterprises under which it arose.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. I yield.

Mr. GIFFORD. How does the gentleman know that?

Mr. PATRICK. That was the testimony before our committee and it was not even challenged.

Mr. GIFFORD. Exactly, but that testimony goes only as far as it goes. It does not show what the possibility or probability of fraud might have been.

Mr. PATRICK. If you were to embrace those in which no mistake at all was found it would be more tremendous than that. It is remarkable, speaking for itself. The idea is that the gentleman from New York and the gentleman from Pennsylvania find in this a great invasion of the constitutional rights of the people. They get up as Republicans, defenders of the faith. Gentlemen, did you ever think of what irony there is in the Republicans defending the Constitution and saying they are the defenders of the faith? The Republican Party was organized at Jackson, Mich., on July 6, 1854, and dedicated to the principle that the Constitution of the United States was a "covenant with Death and an agreement with Hell", and they said, "There is a higher law than the Constitution. Let us tear it up and throw it out of the window." Thus came the Republican Party. Whenever they get up defending the Constitution they give me a pain where I would rather have pleasure. [Laughter.]

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. PATRICK. No. I mean by that, it gives me a pain in the neck. [Laughter.]

Do you know what this came out of? Not an item in which anybody gets a scintilla or a hint of fraud, but Uncle Sam was trying to feed hungry men, ragged men, men sleeping in briar patches and on benches in the parks. There was a time when the United States was the blessed land of room enough—farmers could enter all the land they could cultivate. That was a time when all could get along, and the doctrine of America then was "root hog or die." But along about Woodrow Wilson's day we moved up into a newer day. A newer gate, a newer door was opened to folks in the United States, and the doctrine then became not "root hog or die", but it became "live and let live." Too often that proved to be not enough for those with shorter legs, shorter arms, shorter minds, and lesser opportunities in life; and now, gentlemen of the Congress, the doctrine must be not "root hog or die", not "live and let live", but "live and help live"; and in distributing the kindly Christian doctrine of "live and help live", when we were trying to do it, trying to pass out food to the hungry and milk to the starving, naturally a few crumbs fell and a few drops slopped over. It is amazing to me that it is as slight as it is. Now all we are doing is asking the Congress, which could not pass a perfect law, when we are asking you to write it off as good bookkeeping—and it is already written off as far as actual practice is concerned, and there is no possibility of it going any further—they see red and go to hollering about the Constitution of the United States and that we are invading the principles of the Constitution. It is blasphemy when a Republican stands up and tries to say he is defending the Constitution of the United States from a Democrat. It cannot be. It just "ain't" like that. [Laughter and applause.]

Mr. RICH. Will the gentleman yield?

Mr. PATRICK. I yield.

Mr. RICH. We are not trying to defend the Constitution from Jeffersonian Democrats, but we are trying to defend the Constitution from new dealers. The trouble is you do not have any Democrats. They are nothing but new dealers. What we want is good, sound Jeffersonian Democrats and good, sound Republicans.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. COCHRAN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. PATRICK. Then I ask you how in the name of all that is good and holy, or constitutional, is refusing to vote this law invading the constitutional rights of a human being in the United States?

Mr. RICH. Does the gentleman want me to answer?

Mr. PATRICK. Yes; if the gentleman can. I know he cannot.

Mr. RICH. The gentleman speaks of $800,000 or $1,000,000 as crumbs. The gentleman does not know what finance is if he calls that sum of money crumbs; it is a whole lot more than crumbs.

Mr. PATRICK. Where is the constitutional point? The gentleman does not realize what the Constitution is; no Republican, I fear, really does.

Mr. RICH. The constitutional point came up when the new dealers gave the President this power.

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of disbursing officers for any overpayment of wages heretofore made to or on behalf of any person for services rendered in connection with any project under the Federal Civil Works Administration, nothing to suggest fraud appearing, and in such cases where credit is allowed in the accounts of the disbursing officer under this act no recovery shall be required from the person receiving the overpayment.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am always glad to listen to the gentleman from Pennsylvania [Mr. RICH], even when I do not agree with the gentleman personally. I am not flattering the gentleman when I say that I consider him one of the hardest working Members of the House. He is a man for whom I have the most profound respect personally and officially, and in disagreement I respect his right to entertain the views he does. Nothing, however, made me feel more sorry than when I just heard the gentleman express on the floor of the House the cheap, malicious, false piece of rumor.

Mr. RICH. What was it?

Mr. McCORMACK. Wait a minute; take your time. I am sure that upon reflection the gentleman from Pennsylvania will delete from his speech the remarks that he made when he gave credence on the floor of the House to a false rumor about the parent, the late father of the President of the United States, leaving his property in trust because he did not have confidence in his ability to administer the property. That is cheap rumor; it is a falsehood. I never thought I would see the day when any Member of Congress would undertake to dignify on the floor of the House that rumor which we have seen in the scandalmongering columns of some writers.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I will yield to the gentleman if he wants to apologize for having made that statement, but for no further purpose will I yield to the gentleman on this particular occasion.

Mr. RICH. I am going to reply.

Mr. McCORMACK. No, no; I am not yielding for a reply. Does the gentleman apologize?

Mr. RICH. I say——

Mr. McCORMACK. Does the gentleman apologize?

Mr. RICH. If the statement is wrong, certainly I would.

Mr. McCORMACK. The sins of affirmation and of detraction are the worst sins known to mankind. The sin of affirmation is committed when a man circulates something which he knows is false or states something which reasonable inquiry would have shown was false, and of detraction when he states something that is truthful when there is no necessity for stating it other than to hold somebody up to public ridicule and contempt.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. The honorable thing for the gentleman to do, if the remark was made in the heat of extemporaneous debate, unwittingly, as we all make remarks at times—the honorable thing for the gentleman to do is immediately to say that he did not mean it and to express his apology. But if the gentleman does not, the fact remains that he made the statement; that he has without intent given dignity on the floor of the House to a rumor that is a falsehood, to something that only what the knock-down artists, as we call them in politics, put into circulation for the purpose of undermining the leadership of the President of the United States.

I would be here making the statement I am now making if the same thing had been said about any President of the United States, because, Mr. Chairman, the President of the United States is my President. Whether he be Republican or Democrat, he is the President of the United States and is entitled to respect, particularly because of the great position he occupies. Particularly when a rumor is a contemptible lie no such statement should be permitted to be made on the floor of the House by any Member without being challenged; and I challenge the statement recently made by the gentleman from Pennsylvania.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent that all debate on this bill and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. HOFFMAN. Mr. Chairman, I object.

Mr. RICH. Mr. Chairman and my congenial colleague from Massachusetts, I hope and pray that the day will never come when I shall falsely accuse men. I would not want to falsely accuse any individual in the United States, nor make an accusation if I knew that the rumor was false. However, it has been a common rumor on the floor of the House, and I have never heard it denied, that the father of the President of the United States did will to him an estate in trust. If that is wrong, then I apologize to the House of Representatives; I apologize to the American people; I would apologize to the President of the United States himself, if he would permit me to go in and interview him and make the apology.

Mr. McCORMACK. That is not what I am taking issue with. The gentleman went further and said his father did it for certain reasons. That is where I take issue with the gentleman.

Mr. RICH. Then, perhaps because of certain reasons I do not know of, I am in error, and I will apologize. [Applause.]

Mr. McCORMACK. I knew the gentleman was big enough to do that.

Mr. RICH. I was assuming that was the case. Maybe I was wrong in making that statement, and I am glad to apologize [applause], because I do not want any assumption on my part to lead anyone to a wrong impression.

Mr. O'CONNOR of New York. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. O'CONNOR of New York. Will the gentleman accept the assurance of people who might know, that the President has always been a man of moderate means, and that at the expiration of his term he must engage in some business in order to make a livelihood?

Mr. RICH. If the gentleman would tell me that, I would believe him.

Mr. O'CONNOR of New York. Well, I am telling you.

Mr. RICH. I believe it, then. Your word is good enough for me any time, and if you tell me that I believe it. You ought to know. I would not disbelieve it.

If he is in that position, then I hope that someone will offer a bill giving him a pension. I would vote for it. [Laughter and applause.] I think any man who serves as President of the United States ought to be protected and ought to be cared for, even if I do not agree with him all the time.

Mr. Chairman, that is all I have to say in reference to this matter, and I hope that I shall never make a statement in the House of Representatives or any other place that might be construed by anybody to be a false accusation of anyone.

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 8081) authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments, had directed him to report the same back to the House without amendment with the recommendation that the bill do pass.

Mr. COCHRAN. Mr. Speaker, I move the previous question on the passage of the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. The Clerk will continue the call of committees.

LIBERALIZING PROVISIONS OF EXISTING LAWS WITH RESPECT TO WORLD WAR VETERANS AND DEPENDENTS

Mr. RANKIN (when the Committee on World War Veterans' Legislation was called). Mr. Speaker, I call up the bill (H. R. 6384) to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes, and ask unanimous consent, Mr. Speaker, that general debate on the bill be limited to 1 hour, to be equally divided between the ranking minority member of the committee [Mrs. ROGERS] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. Under the rule the House automatically resolves itself into the Committee of the Whole House on the state of the Union.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6384, with Mr. MCCORMACK in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized for 30 minutes.

Mr. RANKIN. Mr. Chairman, this is a bill which liberalizes the provisions of existing laws with reference to World War veterans insofar as they apply to the widows and orphans of disabled veterans and the dependent parents of veterans who died from service-connected disabilities. This is the first time the Congress has really come to the point of doing justice to those mothers and fathers who sent their sons to the war and never saw them again.

I am going to explain briefly what this bill does. In the first place, it increases the compensation of widows of World War veterans who died from service-connected disabilities in several ways. The compensation of widows between 50 and 65 years of age is raised from $35 to $37.50 per month, and for widows above 65 years of age it is raised from $40 to $45 a month.

The bill also provides for taking care of dependent fathers and mothers whose sons died in the war or from service-connected disabilities by raising their compensation to $45 a month where there is one dependent. Where there are two parents living, we make it $25 a month for each. If a parent is drawing $57.50 insurance a month, then, of course, he will not benefit under this law, but if there is only one parent living and he is drawing below $45, we add enough to make it $45 a month and guarantee that the parent shall receive this amount during the remainder of his life. If there are two parents living, as I have stated, we make the amount $25 each.

The reason for this is that it has been more than 20 years now since America entered the World War. The men who were killed in the early days of the war or who died in the early days of the war and left insurance to their parents provided that the money should be paid in monthly installments over a period of 20 years. The 20 years is now expiring. By November 11, 1938, the insurance payments on every veteran who was killed in the war will cease. This bill

prevents the aged fathers and mothers of the veterans from being turned out without any compensation or without any hope of compensation in their declining days. I regard this as one of the most meritorious pieces of legislation we have ever been able to bring from the Committee on World War Veterans' Legislation.

This bill also carries a provision with reference to the disabled war veterans. Under a regulation issued by the Veterans' Administration, veterans with double amputations have been considered as totally and permanently disabled; that is, if a man lost an arm and a leg in the war, or an arm and an eye, he was considered totally and permanently disabled for the purpose of drawing his insurance. However, in the last year or two the court held that this was not necessarily the case. We are writing this provision into law in this bill, providing that under such circumstances the veteran is totally and permanently disabled for the purpose of drawing his insurance.

Another provision concerned with World War veterans applies in cases where a veteran disappears, as a great many of them are doing, such as insane veterans. They cannot be found. Some of them drown themselves, commit suicide, or are lost. We provide that under such circumstances their dependents may draw their compensation. This will not cost anything, because the checks are piling up to be paid to them when they are found.

We also provided in the bill that where a veteran had a service-connected disability of 10 percent or more and died from some other cause, his widow and orphans should be given compensation. There was a controversy over this provision, and it has been agreed that if an amendment is adopted raising that to 20 percent and then confining the payments to widows who have had children by the veteran, the bill would be approved at the other end of the Avenue, provided also that one other amendment is adopted. Under the provisions of this bill, as the law now stands, a veteran's widow comes under the law if she married him prior to 1931. We had provided also that she should come under the provisions of the law if she had lived with him 10 years. This could not apply until 1941. We also provided that if she had children by him, even though she married him after 1931, she could take under the provisions of this bill. We have been asked by the administration to strike out that 10-year provision because of its effect on other veterans' legislation. It could not apply to a single World War veteran until 1941. I took this proposition up with the veterans' organizations and said to them, "If we adopt these two amendments, it will be satisfactory to the administration and the bill will be approved." Without a dissenting vote or a dissenting voice, they urged that we agree to this compromise in order to get the bill passed. I shall offer the two amendments when we reach the consideration of the bill under the 5-minute rule.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am extremely regretful that the administration felt the widows with no dependents were not entitled to compensation.

Mr. RANKIN. The gentlewoman from Massachusetts cannot go any further in that direction than I have gone.

Mrs. ROGERS of Massachusetts. I realize that.

Mr. RANKIN. However, I am getting the best I can get, in order to be sure this bill goes through and takes care of the dependent fathers and mothers who will be left out if this bill does not become law.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. WADSWORTH. Will the gentleman from Mississippi be good enough to state once more the nature of the amendment which he proposes to offer, and which, as I understand it, would be applicable to the first section of the bill relating to the 10-percent disability? This should be made very clear, because that is a very important part of the bill.

Mr. RANKIN. The amendment simply strikes out the figure "10" and inserts the figure "20", and adds—

Provided, That a widow shall not be entitled to compensation under this section unless a child was born of her marriage to the veteran.

This is what the amendment amounts to.

Mr. BIERMANN and Mr. FISH rose.

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. BIERMANN. The widows who get compensation under the section to which the gentleman has just referred, do not get the standard compensation; that is, a widow under 50 years of age, does not get $30.

Mr. RANKIN. No; the compensation provided under 484.

Mr. BIERMANN. About $22 a month.

Mr. RANKIN. Something like that. They do not get as much compensation as the widow of a veteran who died of a service-connected disability.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. FISH. Is there any provision in the bill that takes care of the provisional World War officers and their dependents?

Mr. RANKIN. No.

Mr. FISH. Would it be proper to offer such an amendment to the bill?

Mr. RANKIN. I would not agree to accept any amendment at this time, I will say to the gentleman from New York, for the simple reason that we have agreed to hold this down to its present limitations and to accept the two amendments in order that the bill may be signed at this time.

Mr. FISH. Has the gentleman any assurance from the Chief Executive that he will sign the bill?

Mr. RANKIN. Yes.

Mr. FISH. The gentleman has that assurance?

Mr. RANKIN. Yes.

Mr. FISH. I am not going to embarrass the gentleman by proposing any amendments, but I would like to say to the gentleman, now that he has the floor, that I will at least ask him when his committee meets at the next session to take up the case of the provisional officers and see that justice is done them.

Mr. RANKIN. I will say to the gentleman that I have been trying to get the provisional officers taken care of under the Adjusted Service Compensation Act ever since I have been a Member of the Congress and have failed so far to get them taken care of.

Mr. FISH. The gentleman being chairman of this committee, I am sure, if he takes it up again and puts his heart in it, he can get proper action taken. Will the gentleman give me assurance he will make a fight in that direction?

Mr. RANKIN. Yes. I will talk with the gentleman when that time comes.

Here is a section of the bill to which I failed to refer:

SEC. 5. That notwithstanding any provision of law or veterans' regulation, except as to emergency officers' retirement pay, reenlistment in the military or naval service on or after November 12, 1918, and before July 2, 1921, where there was prior service between April 6, 1917, and November 11, 1918, shall be considered as World War service under the laws providing benefits for World War veterans and their dependents.

I think everybody will agree that this is a reasonable provision and one that should be adopted.

Mr. Chairman, I am going to yield time to other Members, and I may say to the House now that I have tried for years to get these dependent parents taken care of. I had a letter from a gold-star mother today thanking me, as she said, for bringing out a bill which she said could never be of any benefit to me in a political way.

So what we are doing here has no politics in it, but I saw these old parents then, these fathers and mothers during the war, telling their sons good-bye as they sent them to war, never to see them again, and I have seen them dependent on the small amount of insurance that has been allocated to them and the small compensation we have given them. Invariably the insurance went to someone else. The time has

come when they have long passed the days of their earning power. For this reason I have labored throughout this session to get this legislation written in such a manner that we could get it passed by both Houses and signed by the President in order that we might do belated justice to these people who made the supreme sacrifice in the war, because nobody could have suffered more than these fathers and mothers. For this reason I have struggled throughout this session to get this piece of legislation to the floor of the House, and I trust you will go with me on these amendments in order that they may be adopted, the bill passed, and become a law before the Congress adjourns. [Applause.]

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. SHORT. I think the gentleman and his committee are to be congratulated for the fine work they have done, and while they have made some provision for these dependent parents, I trust they will find it possible to give a little more aid to dependent children and orphans.

Mr. RANKIN. The gentleman from Missouri will not go any further in that direction than I will, neither will anybody in the House, but under the circumstances this is the best we could do. This bill as it is written has had the unanimous approval of the members of the committee, and they have agreed to go along with me on these amendments, which have been approved by all the veterans' organizations that are sponsoring this bill.

Mr. TERRY and Mrs. ROGERS of Massachusetts rose.

Mr. RANKIN. I yield to the gentleman from Arkansas.

Mr. TERRY. Section 5, on page 5, refers to service after November 12, 1918, and before July 2, 1921, as being considered as World War service.

You are considering time after the actual war was over as World War service?

Mr. RANKIN. Yes; between the time the armistice was signed and the war was declared to be at an end, which was July 2, 1921.

Mr. Chairman, I reserve the balance of my time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 5 minutes. I think the members of the committee should know how extremely regretful I am that we have not been able to secure a bill which would give the Canadian rate of pay to the World War veterans and dependents of men who died of service-connected disabilities. The Canadians give such service-connected cases, widows and orphans of these people, double what we give them. I know the members of the committee realize how deeply I regret, just as they do, that the administration is not willing to agree to a bill that goes along with the rates provided in the bill we now have under discussion. The chairman of the committee has said that the members of the committee have agreed to go along with the lower rates. Mr. Chairman, I feel that I cannot go along with the provision that bars widows without children from the benefits of the bill. Under proposed amendment of the administration a widow with no child will not get a penny of pension. Many of those widows need the money more than do widows with children, because it is almost impossible for those widows to be placed upon relief. They take widows in the Works Progress Administration who have children. If a woman has a child, she is allowed to go on relief; but a widow without a child is often not taken. I know many of those women are having a desperate time, and I cannot go along with that provision. It is admitted that it will cost only $80,000. I believe it would cost very much less than that. I will not say that I am willing to accept this amendment, but I shall go along with the other amendments.

Mr. SHORT. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. Yes.

Mr. SHORT. We all realize what a good friend the gentlewoman has been of the veterans and their dependents.

Mrs. ROGERS of Massachusetts. Oh, I think we all are.

Mr. SHORT. And while we perhaps favor the position she has outlined, certainly we do not want to endanger the passage of this bill by loading it down with amendments which would cause the President to veto it.

Mrs. ROGERS of Massachusetts. I do not believe that the addition of $80,000 would mean a veto.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. Yes.

Mr. ROBSION of Kentucky. I would like to know just in a word or two the general provisions of the amendment referred to.

Mrs. ROGERS of Massachusetts. I shall go along with the bill, but the chairman's amendment—it is not the amendment of the chairman but it is an administration amendment—provides that a widow without a child is not entitled to a pension under this act.

Mr. RANKIN. If we want to kill this bill, that is the way to do it—vote down all these amendments.

Mr. ROBSION of Kentucky. I am very much for the bill. It does not go as far as I should like. Does the chairman of the committee feel that that would endanger the bill?

Mr. HALLECK. That is without the amendment.

Mr. ROBSION of Kentucky. I mean without the amendment.

Mr. RANKIN. Yes. I said it would endanger the approval of the bill. This amendment has the approval of the administration.

Mr. MICHENER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. Yes.

Mr. MICHENER. As I understand the gentleman from Mississippi [Mr. RANKIN], he has stated that he has taken this matter up with the President and the President has dictated the terms of the bill which he will sign. That being true, I think we have learned particularly by this time to obey orders if we want to get anywhere.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. RANKIN. Mr. Chairman, I yield myself 1 minute in order to correct a misunderstanding under which the gentleman from Michigan [Mr. MICHENER] seems to be laboring. We knew this controversy was coming and we worked this proposition out and laid it before the President, and we have this agreement.

I now yield 1 minute to the gentleman from West Virginia [Mr. EDMISTON].

Mr. EDMISTON. Mr. Chairman, as a veteran of the World War I appeal to the veteran Members of the House to support this bill in the form that the chairman of the committee has outlined it to us. This bill does not go as far as many of us would like to have it go, but sometimes a half loaf is better than no bread. I do not think we should penalize these widows and children of veterans, who gave their all in the service of their country, nor should we penalize the veterans themselves. Many points that have been bugbears to veterans for years are being cleared up in this measure. I believe that this is a good measure and certainly goes part of the way that some of us would like to go. I urge Members to support the bill. I am a member of the American Legion, Veterans of Foreign Wars, and Disabled American Veterans, and I know that these veteran organizations want this legislation passed. I know that it is humane legislation which benefits veterans themselves but particularly benefits the loved ones of our comrades who gave their all for their country.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself an additional minute. I feel sure, Mr. Chairman, that the President would not veto this bill because of $80,000 added for the purpose I have outlined. We are spending billions of dollars in so many other directions for people who have not done anything in the service of this country. I cannot believe that for $80,000 the bill would be vetoed. I want to make my position clear.

Mr. FISH. Mr. Chairman, will the gentlewoman yield to me for a question?

Mrs. ROGERS of Massachusetts. I will yield the gentleman 5 minutes.

Mr. FISH. I do not want time myself, but I want to ask some questions. I am interested to know whether this committee has unanimously reported the bill or whether the bill comes from the White House, one of the "must" bills. Apparently there is some intimation that the bill must be accepted the way it is, without the dotting of an "i" or the crossing of a "t."

What I want to know is whether we are here to legislate or to accept something that we have been told the White House is in favor of? The time has come when we must decide whether we are to legislate ourselves or whether we must accept a "must" bill.

Mrs. ROGERS of Massachusetts. I think the debate thus far has indicated that the amendments are a "must" provision. But on the other hand I do think it is better to accept most of these amendments if we want to get any bill at all.

Mr. FISH. I know the gentleman from Mississippi [Mr. RANKIN], chairman of the committee, and the ranking member of the committee, the gentlewoman from Massachusetts [Mrs. ROGERS], are friends of the veterans, and if they recommend to the House that this is the proper action to take, I suppose I have got to succumb to that kind of action, but I wish committees would bring in bills that we could discuss and amend and try to improve on instead of saying that we must take this bill because the White House approves it.

Mrs. ROGERS of Massachusetts. The chairman of the committee and the members of the committee have done everything under the sun to get a rule for the bill. They have asked for suspension of the rules. Many Members of the House signed a petition to bring the bill onto the floor. So I think it is the administration rather than the Veterans' Committee that is to blame in this matter. We had the bill reported out of the committee early enough to secure action in the House.

Mr. FISH. I yield to the splendid judgment of the gentlewoman from Massachusetts.

Mr. MICHENER. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. MICHENER. As a matter of fact, we want to do what we can for the soldiers and their dependents. What is the use "kicking against the pricks"? We are faced with a condition here. We know what the situation is. Word has come up here and has been given to the House by the chairman of the committee, that it is impossible to enact a bill unless it is first supervised or blue-penciled by the White House. Now, we have the supervised or the blue-penciled copy. We know what the President will do. I hope we will pass the bill and get the best we can.

The CHAIRMAN. The time of the gentlewoman from Massachusetts [Mrs. ROGERS] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 additional minute.

Mr. MOTT. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. MOTT. Is the bill as the committee would like to have it, or does it contain the provision which the President insists on having in it?

Mrs. ROGERS of Massachusetts. The bill does not contain the provision which apparently the President insists upon. The gentleman from Mississippi [Mr. RANKIN] will offer amendments at the proper time, which I understand the President insists upon.

Mr. MOTT. Is not the gentlewoman from Massachusetts of the opinion that if we passed this bill and it is vetoed by the President, we will be able to pass it over the President's veto? We have been able to do that with veterans' legislation thus far and apparently it is the only kind of legislation we can pass over the President's veto. I believe we can pass this over the President's veto and I think we ought to do it and pass the bill as it is.

Mrs. ROGERS of Massachusetts. I think undoubtedly if it were not in the closing days of Congress, that is true, but it is perfectly possible for the President to pocket veto the bill after we adjourn, as the gentleman knows. The bill must still pass the Senate. That is why I am advocating accepting the best we can get. However, I feel we can secure the $80,000 to be paid to the widows without children, that I have mentioned, and still have the bill signed.

Mr. MOTT. I think we ought to pass the bill and if the President vetoes it, come back next session and pass another bill.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. I am glad to vote for this bill to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents.

The bill is not as liberal as I should like, but as I understand from the chairman of the committee [Mr. RANKIN], who is a real friend of the veterans, it is thought that this is the best that can be accomplished at the present time, and as I understand, all veterans' organizations have endorsed the bill.

There is another class of our people who are sorely in need at this time, and of whom I wish to speak briefly. I refer to the cotton farmers of the South, who are just beginning to market their cotton for this year. The counties in my district last week began to receive their first bales, and within another week or so farmers all over Texas will be selling their cotton which they have made this year.

While the crop promises to be good, the price of cotton has been steadily decreasing and has been going down for several days, and is now about 2 cents per pound or $10 a bale lower than it was at this time last year, and if the market continues to decline, it will mean a still greater reduction in the price to be received by the farmers.

The situation is alarming and is causing much apprehension and concern on the part of cotton farmers, and if something is not done to prevent the decline in price, the farmers will be forced to sell at a price much below the cost of production.

Letters and telegrams are coming to me from farmers in my district, calling attention to this distressing situation, and pleading that something may be done to correct it.

One of my constituents from Leon County writes that they made a crop failure in his particular section last year, and that they are now about to begin the picking of cotton, but from the way the price is going down, unless something is done to prevent this decline, they will be ruined again. This letter is typical of many others received by me, and I know that the writers are not alarmists, but are sound, level-headed men, who are not exaggerating conditions in the slightest degree.

This morning about 40 Members of Congress from the Southern States where cotton is produced had a meeting in the caucus room, and the question was thoroughly discussed, and it was the sense of those present that something should be done immediately by the Government, and a committee was appointed to discuss the situation with the President and advise him of the serious condition of the cotton farmers and request his cooperation in preventing the decline of the prices, and to take action that would insure the farmers a price equal, at least, to the cost of production.

While it is too late at this session to pass legislation generally as to cotton, since this year's crop is already being marketed, a very effective way of insuring a fair price for this year would be for the Commodity Credit Corporation to make loans to farmers, and I have today introduced a bill directing the Commodity Credit Corporation to make loans to farmers at the rate of 13 cents per pound on cotton, where such loans are secured by cotton stored in warehouses approved by said Corporation upon such terms and conditions as similar loans have been made by said Corporation during previous years. And my bill provides further that the Reconstruction Finance Corporation be

directed to make available to the Commodity Credit Corporation sufficient funds to carry out this purpose—$450,000,000.

This is not a new or unusual method of dealing with the situation, but in the past has been resorted to, and this method has always tended to stabilize and hold the price so that manipulators and operators could not depress it, and, as a result, the farmers have received a fair price when such action was taken.

Under existing law, the President and the Secretary of Agriculture may have authority to make such loans, without further legislation, and I am hoping that action will be taken upon their part whereby loans can be made, but in order to insure that such loans shall be made and the price stabilized, I have introduced this bill.

The matter is of great importance, and action must be taken at once if the cotton farmers are to be saved and receive a fair price for this year's crop.

Mr. RANKIN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. MICHENER. Mr. Chairman, will the gentleman from California yield for a question?

Mr. VOORHIS. I yield.

Mr. MICHENER. Is not the real trouble the fact that there is no great individual passion on the part of the committee for anonymity?

Mr. RANKIN. Just whatever that is.

Mr. MICHENER. We were told the other day that in order to have things go along smoothly there should be a greater passion for this particular virtue. The committee does not seem to appreciate that. In other words, they want to say something. They want to have something to do with it.

Mr. RANKIN. It seems to me that the one who wants to say something is not on the committee.

Mr. VOORHIS. Mr. Chairman, I have but one point to make. I believe that the most important justification of veteran legislation lies in the tremendous inequalities of sacrifice that every war brings to different groups of the population of a nation. One of the most terrible things about war is the fact that whereas a few people without sacrifice may become immensely wealthy, whereas others may go along in the even tenor of their way as before, there are some who are called upon either to go through the actual experience of fighting at the front or to lose dear ones in the conflict. For that reason, in spite of the fact that I would do anything I could do to keep this Nation at peace, I am convinced that one of the things that will help most to keep and promote peace is to see to it that the Nation deals with generosity with those elements of the population who have been called upon in the past to make the deepest and greatest sacrifice in connection with a war. I believe that it is equitable and just that this should be done. [Applause.] I hope the bill will pass. It is not as generous a bill as I personally should like to vote for. But as the chairman of our committee has so ably explained, it is evidently the best we can do under existing circumstances. After all it does provide better than is now done for many veterans' dependents. For the gold-star mothers and dependent fathers of veterans the bill is absolutely essential.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from South Dakota [Mr. CASE].

CHARGING INSURANCE AGAINST COMPENSATION

Mr. CASE of South Dakota. Mr. Chairman, so far in the discussion or that portion of the discussion that I have heard, nothing has been said with reference to the provision at the top of page 4 of the bill. I consider this a very regrettable provision in the bill. I read:

> The amount of the compensation herein authorized shall be paid in the event the monthly payment of compensation under Veterans' Regulation No. 1 (g) and the monthly payment of yearly renewable term, automatic, or United States Government life (converted) insurance does not aggregate or exceed the amount of compensation herein authorized.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. RANKIN. I explained that in my opening statement.

Mr. CASE of South Dakota. I did not hear, I am sorry to say, the first part of the gentleman's statement. Does this provision stay in the bill?

Mr. RANKIN. Yes.

Mr. CASE of South Dakota. It seems to me that it is unfortunate if it does, because what it states is that despite the sacrifice the veteran made to keep his insurance going, or despite whatever sacrifice the family made so that he could keep his insurance going, that now it is going to be deducted in determining the compensation of these dependents. He bought that insurance and paid for it.

I have always objected to this procedure, and felt that it was unfair to require the veteran to pay for this insurance and then to hold that against his compensation. I know that Government attorneys point to compensation payments and plead that against decisions to pay insurance claims. It is confusing and it is wrong and it is unfair.

There is a distinct difference between compensation and insurance. Compensation is payment in return for the privileges and the opportunities the veteran deprived himself of. He bought this insurance; he has paid cash for it.

Had the veteran bought this insurance from a private firm the Government could not step in and do this, but here it comes in and says to him that although he has sacrificed to keep up his insurance his dependents will not be able to get the benefit of that added protection he paid for. He and his dependents are not put on the same footing as those veterans who bought insurance from private companies or who did not keep up any insurance at all. The widow and dependents of such a veteran will get the full amount of compensation, but if the veteran kept up his insurance the Government is going to charge that up against the compensation payable.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. RANKIN. We had that up with the veterans' organizations and the Gold Star Mothers when they were before us. All we are after, what we are driving at, is to arrive at a solution that will guarantee to these old people a compensation of $45 a month where there is one, or $25 a month each where there are two.

Mr. CASE of South Dakota. What it amounts to, Mr. Chairman, is that the veteran who has bought his insurance for his dependents is losing the added protection that he thought he was buying for them. It should not be taken from them in this way.

Mr. RANKIN. I understand, but in many cases they were not getting any compensation and the insurance was expiring. We discussed that fully.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I yield 1 additional minute to the gentleman from South Dakota.

We discussed it thoroughly in the committee. We were interested in legislation that would save these old people, a good many of whom were drawing only the small pittance that has been allotted to them heretofore as compensation, and whose insurance was expiring. We arrived at this solution, this compromise, in order to take care of them.

Mr. CASE of South Dakota. I know the gentleman is personally not in favor of this provision. I recognize the fact that the gentleman was facing a very difficult situation. He certainly has been one of the best friends the veterans and their dependents have had. He faced a practical difficulty, and, if it was necessary to concede this to get the bill, I do not blame him. But I still say that it is unfortunate that the Government should do this, and whoever insisted on this certainly cannot realize what a small, unfair thing this is. The veterans' dependents are entitled to his insurance without counting it against compensation, especially the veteran who has paid for it and sacrificed in order to be able to pay for it. That amount ought not to be charged against the compensation that goes to his dependents. It is a mean thing for the Government to do.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. WHITE].

Mr. WHITE of Ohio. Mr. Chairman, I would like to direct the attention of the chairman of the committee to section 5, page 5, of the bill, where it is stated:

> That notwithstanding any provision of law or veterans' regulation, except as to emergency officers' retirement pay, reenlistment in the military or naval service on or after November 12, 1918, and before July 2, 1921, where there was prior service between April 6, 1917, and November 11, 1918, shall be considered as World War service under the laws providing benefits for World War veterans and their dependents.

I know a great many cases where service-connected disability has been denied to men simply and solely because of the fact they reenlisted right in that period. The Government uses the fact that these men reenlisted and says, "Well, you could not have reenlisted if that disability had been due to service", when, as a matter of fact, we veterans in the House know that in the confusion at the end of the war and in getting the men out of service, those who reenlisted were not subjected to a physical examination.

Does this bill change the remedy and put these men in a position where that extra term of enlistment will not bar them from the service-connected disability otherwise established?

Mr. RANKIN. It is my understanding it does. This only applies to men who served during the period of the World War and who reenlisted after November 11. Many of them went into Germany and some into other countries. This applies to those who suffered disability as a result of their service.

Mr. WHITE of Ohio. If it eliminates the bar to those men who otherwise have been refused disability, I think that in itself is a splendid improvement.

Mr. RANKIN. That is what it does.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WHITE of Ohio. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. It extends the period of World War service or what is considered World War service after November 11, 1918, provided they reenlisted?

Mr. RANKIN. Yes; and provided they served during the period of the war. I think the gentleman from Ohio will find it does just exactly what he wants done.

Mr. ROBSION of Kentucky. That is very helpful to this bill.

Mr. WHITE of Ohio. Mr. Chairman, I yield back the balance of my time.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. LUCAS].

Mr. LUCAS. Mr. Chairman, in view of the semipolitical discussion which took place on the opposite side of the aisle over a piece of meritorious veterans' legislation, I desire to ask the chairman one question. How long has legislation of this type been considered by the Veterans' Committee of the House?

Mr. RANKIN. I may say to the gentleman from Illinois I began introducing legislation of this kind as far back as 1928 or 1929. I finally succeeded in getting a bill reported out, I believe in 1931, which passed the House by a vote of 316 to 16, but it never got any further. That bill died in the Senate. I have been working on this proposition ever since I have been chairman of the committee and even before I became chairman of the committee.

Mr. LUCAS. In other words, previous administrations have had this same type of legislation to deal with, but there was no legislation passed and the present administration has not seen fit up to this time to favor this kind of legislation, although it now agrees to cooperate with this committee by permitting this bill to become a law.

Mr. RANKIN. That is correct.

Mr. LUCAS. Mr. Chairman, in conclusion I regret that anyone should inject the political aspect into a bill of this kind. This is the type of legislation the veterans throughout the country have been fighting for for a long, long time. It is meritorious, worth while, fair, and equitable. We are doing the right thing toward the dependents of veterans in this country. We are giving aid and comfort to those who cannot care for themselves. Mr. Chairman, the bill should pass the House without a dissenting vote.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Chairman, after the clear discussion of the legislation before us, I want to record myself as being in favor of this bill which has been so ably presented by the Committee on World War Veterans' Legislation.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 3 minutes.

Mr. REED of New York. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New York.

Mr. REED of New York. Have the officials of the veterans' organizations been made aware of the fact this is the best legislation they can obtain, in view of the attitude of the President?

Mrs. ROGERS of Massachusetts. I may say to the gentleman, I spoke to the chairman of the committee [Mr. RANKIN], and he told me he had discussed the matter with various officials of the Veterans' Administration, and they felt that perhaps this was the best that could be done. I talked with an official of one of the organizations today, and he told me, while he regretted very much the amendments that would be offered to the bill and the cuts that will come about as the result of the Administration amendments, in view of the lateness of the session of the Congress and the possibility of a pocket veto, he thought probably it was better to accept the amendments.

Mr. REED of New York. Those of us who really want to help the veterans, then, will have to accept this legislation?

Mrs. ROGERS of Massachusetts. We are in a very awkward position, and I may say in the past we have been placed in an awkward position so far as veterans' legislation is concerned.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 additional minute.

Mr. WADSWORTH. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New York.

Mr. WADSWORTH. Will the gentlewoman from Massachusetts explain the meaning or the interpretation placed upon the word "reenlistment" in line 24, at the bottom of page 5? Under the laws governing the Army the term "reenlistment" has a definite meaning. I am wondering if it has the same meaning when used in this act.

Mr. RANKIN. I understand so.

Mrs. ROGERS of Massachusetts. My understanding is that it has the same meaning.

Mr. RANKIN. My understanding is it does mean the same.

Mr. WADSWORTH. The fact is, a man must have reenlisted within 2 months after the expiration of his first enlistment to come within the term.

Mr. RANKIN. I am not sure, but I think these men did reenlist within 2 months of the expiration of their first enlistment. I think the men reenlisted almost immediately.

Mr. WADSWORTH. I have no doubt the amendment the gentleman has in mind applies to nearly all reenlistments. Most of the men in Europe at the expiration of their regular enlistments stayed on in the Army for another 3 years. However, under a liberal construction of this language, unless we know what the term "reenlistment" means, it might be construed to mean that a man who had served a few months, 10 months, or 2 years in the World War, had taken his discharge at the end of the World War, we will say, on November 11, 1918, for example, had gone back to civil life for 2 years, and then enlisted in the Regular Army before July 2, 1921, should be regarded as having reenlisted. If this man fell ill during that enlistment he would be regarded as suffering from an illness of service connection.

Mr. RANKIN. I think that is pretty farfetched, and would cover so few cases at the outside that the Government would not suffer very much of a shock.

Mr. WADSWORTH. I am glad to have the gentleman's assurance that the word "reenlistment" means reenlistment as usually understood in the Army.

Mr. RANKIN. My understanding is as the gentleman has stated. However, this would probably cover one who reenlisted later, provided he became disabled prior to July 2, 1921.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Chairman, I had not intended to say anything in respect to this bill, but since listening to some of the debate it has occurred to me that it might be well for me to say something regarding the bill, as I was a member of the committee.

I felt at the time the matter was before the committee, and I think you will all agree, that the primary and immediate necessity for this legislation arises out of the fact that the gold-star mothers and fathers, the dependents of veterans who actually lost their lives in the service of their country, are soon to be in want because the insurance which has heretofore been paid them is fast running out. This situation presented a question which the Congress had to meet.

In all my experience in Congress and before I came to Congress I have found very little criticism of the action of the Government which seeks to help the dependents of the veterans who were actually injured or lost their lives in the service. I think the majority of our people believe nothing is too good for those folks. Therefore, I believe this bill as it was originally reported by the committee is justified and deserves the support of the Members of the House.

A question was raised by the gentleman from South Dakota regarding the discrimination against parents who have been heretofore and are now the recipients of insurance payments. I took the position in the committee, as the chairman knows, although I was overruled, that this is in a measure a discrimination against them, for the same reason the gentleman asserted, that the insurance was paid for by the veteran to provide payments to his dependents. Compensation is different from insurance. In this particular bill as it will be applied the fact that insurance payments are being made will operate in some cases to decrease the compensation. However, I recognize the position of the other members of the committee and of the Veterans' Administration that in the interest of economy and in the interest of seeing to it that these people are taken care of without regard to the source of the money the bill as drawn will probably suffice and should be passed.

With regard to the proposed amendment to raise from 10 to 20 percent the degree of disability existing at the time of death, may I say I have no quarrel with that change. I have been accused many times of disagreeing rather violently with the President. I believe you all understand the reason for the present law and the 30-percent disability provision. The reason simply is that although the disability may not be the direct cause of death, it is safe to assume as a medical proposition, as a matter of medical science, that if a veteran was 30 percent disabled by a service-connected disability at the time of his death it is highly probable that such disability in some measure contributed to the cause of his death.

As you begin to reduce the 30 percent and reduce it too much you approach a situation where you probably could not get a good doctor to say it would be safe to assume that the disability did contribute to the cause of death. As the provision was originally written by the committee, at 10 percent, there was much to be said for it on a basis of sound reasoning. However, with the amendment raising the rate to 20 percent, it seems to me the provision is wholly within the realm of reason and within the realm of probability and deserves the support of every Member of the House.

Something has been said about political debate. I have not heard anything that struck me as being particularly partisan in this debate. I think the committee as a whole, without regard to politics, has tried to bring out a bill which would meet the situation as we saw it. I think we have that sort of a bill. I think it will still be that sort of a bill after these amendments are adopted, although I cannot particularly go along with the amendment which seeks to discriminate against the widow who has no children. She may be in just as great want as those widows who do have children. Her necessities in a year or two may be even greater than those of the others. Otherwise I shall be happy to support this bill. [Applause.]

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman and colleagues, we have under consideration H. R. 6384, granting pensions to gold-star mothers, dependent parents, widows, and minor children of World War veterans, and granting relief to World War veterans in certain cases. This bill grants an increase of pension to the dependent mothers and fathers of World War veterans whose deaths were due to disabilities contracted in the service in line of duty. At the present time these dependent parents receive $30 per month—$15 each—if they are both living, and $20 if only one survives. This measure increases the sum to $50 per month to both parents—$25 each—or $45 in case only one parent survives. It grants some increase of pension to widows and children of World War veterans under certain conditions and subject to certain ages. The compensation of widows between 50 and 65 years of age is raised from $30 to $40 per month, and for widows above 65 years of age it is raised from $40 to $45 per month.

Under certain acts the widows and minor children of a World War veteran could not secure a pension unless it could be shown that the death of the veteran was due to disabilities contracted in the service in line of duty. This act was amended and permits widows and minor children to receive a pension if the veteran at the time of his death had permanent disabilities to the extent of 30 percent, which disabilities were contracted in the service.

The bill before us, as reported by the committee, provides that if the veteran had a permanent service-connected disability of 10 percent at the time of his death it will entitle the widow and minor children to a pension. This would have aided thousands of widows and minor children of World War veterans; but the President, we are informed, objected to this and one or two other provisions of the bill and insisted that it be amended and fix the permanent service-connected disability at the time of the death of the veteran at not less than 20 percent, and, as I understand Mr. RANKIN, the chairman of the committee, the bill will be vetoed unless the amendments requested by the President are adopted.

Many of us realize the attitude of the President toward veterans' legislation. While this bill does not meet the necessities of the situation and falls far short of what should be done in the way of legislation for the benefit of disabled veterans of the World War and their dependents, I wish to commend the chairman, Mr. RANKIN, and the ranking Republican member, Mrs. ROGERS of Massachusetts, and each member of the committee for bringing in this bill and giving us an opportunity to do something at least for the gold-star mothers, the dependent parents, the widows, and minor children of World War veterans, and to give to a limited number of veterans some benefits. The Congress, the veterans, and their dependents are confronted with this practical problem—we must take this bill with the amendments suggested by the President or no legislation at all. Even though the bill unamended or a better bill might be forced through the House and Senate, Congress will soon adjourn, and the President could take advantage of his pocket-veto privilege, and Congress would not have an opportunity to override his veto.

We are advised by the chairman of the committee and others that this matter has been taken up with the various World War veterans' organizations, and under the circumstances they urge that the Congress adopt this bill with the President's amendments in order that something may be done at this session for these worthy cases, and I am supporting it because there is no opportunity to vote for and have passed a better bill.

Now, for many years the widows and minor children of Spanish War veterans and Civil War veterans have, and are now being granted, pensions under the law, even though the death of the veteran was not due to service, and there is no requirement that there must be any degree of service-connected disability at the time of death. I now favor, and have for a number of years favored, placing the widows and minor children of World War veterans on the same footing as the widows and minor children of Spanish War and Civil War veterans. It would cost some more money, but the widows and minor children of World War veterans need the money just as much as the widows and minor children of Spanish War and Civil War veterans. Believing in the justice of this position, I have for a number of years been introducing bills placing the widows and minor children of veterans of the World War on an equal footing with the widows and minor children of Spanish War and Civil War veterans. At the beginning of this Congress, on January 5, 1937, I introduced H. R. 1615 to carry out this purpose. I introduced a similar bill while I was a Member of the Senate. I shall continue my efforts along these lines until the discriminations against the widows and minor children of veterans of the World War and other veterans are eliminated.

The bill before us will be very helpful to a lot of most deserving dependents of veterans and to some veterans themselves. This Nation cannot do too much for the widows, minor children, mothers, and fathers of those who actually gave their lives in defense of this country and those who received substantial disabilities in the service in line of duty. This measure is especially necessary now for those dependent parents who have been receiving insurance benefits. These insurance benefits will expire in 1938, and it will leave many dependent mothers and fathers and widows without support.

This bill will help the veterans themselves. A great deal of World War legislation had been passed that was helpful to the World War veterans and their dependents and the World War period was fixed as beginning on April 6, 1917, and ending on July 2, 1921, as the World War officially closed on that date, and legislation for the veterans and their dependents was for the benefit of the veterans who served during that period. The Economy Act fixed the close of the war as November 11, 1918. Now, this bill provides that if a veteran entered the service before November 11, 1918, and reenlisted after November 11, 1918, he would be considered as a World War veteran up to the 2d day of July 1921. In my opinion this will benefit many thousands of World War veterans whose compensation has been cut out and who have been denied benefits.

Referring to the question raised by the gentleman from New York [Mr. WADSWORTH], it seems to me that the 2-month limitation on reenlistment would not apply under this bill because it expressly says that anyone who enlisted prior to November 11, 1918, and reenlisted after that date and before July 2, 1921, would come under the provisions of this law—in other words, the veteran would have any time to reenlist from November 11, 1918, to July 2, 1921, and during that period of time he would then be considered as having served in the World War and be treated and considered as a World War veteran even though he might incur his disabilities after November 11, 1918. I am voting for the bill with the understanding that the provision of 2 months does not apply. May I ask the gentleman from Mississippi [Mr. RANKIN] if my construction of this language is correct?

Mr. RANKIN. Mr. Chairman, I may say to the gentleman from Kentucky that I think the language means just what it states.

SHALL DISABLED VETERANS, WIDOWS, AND ORPHANS BALANCE BUDGET?

Some of our distinguished colleagues today are contending that we cannot afford to give these veterans and these dependents the meager sum that is carried in this bill. There were approximately 5,000,000 enlisted in the World War, and it is estimated that this measure will cost less than $10,000,000 annually. That would be less than $2 for each veteran enlisted in that war.

On January 5, 1937, I introduced H. R. 1532 which called for a repeal of the so-called Economy Act forced through Congress by President Roosevelt on March 19, 1933, and to restore to the World War veterans and their dependents the benefits of the various acts that were in force at that time. I introduced a similar bill early in the Seventy-fourth Congress in 1935. Other Members have introduced similar bills, but there is little hope for favorable action under the present administration. The President forced through Congress in March 1933 the Economy Act on the plea that the Nation must balance its Budget—it must not spend more than it takes in. The salaries of the President, Members of Congress, and others were reduced and there were other cuts made in other directions, but so far as I am able to learn, all of the provisions of the Economy Act that would effect economies and savings have been repealed except those parts affecting compensations, pensions, and other benefits taken from the disabled veterans and their dependents. These disabled veterans and their dependents should be the last group in this country who should be called upon to balance the Budget.

Now, this bill proposes to help the gold-star mothers, fathers, widows, and minor children, yet there are those who would economize by denying relief to these deserving groups and at the same time squander billions by adding more than 300,000 officeholders and in useless and boondoggling projects. We have pointed out many times that while the veterans and their dependents were cut to balance the Budget there was no effort made to balance it; in fact, this administration in a little over 4 years has created additional deficits approximating $16,000,000,000. This administration has spent almost two dollars for every dollar taken in. They have jumped our national debt from around $20,000,000,000 to nearly $37,000,000,000, and it continues to create deficits. For July, the first month of the fiscal year beginning July 1, 1936, the Government spent $123,000,000 more than it took in. For July, the first month of the fiscal year beginning July 1, 1937, it spent $249,000,000 more than it took in; in other words, the deficit for July 1937 is double the deficit for July 1936; yet there are some good new dealers who would deny relief to the dependent widows, minor children, mothers, and fathers of World War veterans—approximately $9,000,000 a year.

I strongly favor a sane, economical policy of administering the Government. The Budget should be balanced and kept balanced. We should not pay out more than we take in. Of course, if we continue the present policy, it means bankruptcy in the end. However, I am unwilling to force the disabled defenders of our country and the poor dependents of the veterans who gave their lives for our country to balance the Budget. For more than 140 years this Nation has taken care of its disabled defenders and their dependents and lived within its income. This is the only administration that has called upon the disabled defenders and their dependents to do the sacrificing in balancing the Budget.

These veterans and their dependents did not unbalance the Budget, and the meager sum carried in this bill will not unbalance the Budget. This is a very modest bill, bringing aid to worthy groups, the justice of whose claims cannot be questioned, and I sincerely hope it will be adopted without a dissenting vote. [Applause.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I shall yield back the balance of my time. I am pleased that the gold-star mothers are partially taken care of by the provision which increases the pension payable to dependent parents. Many of these mothers are of advanced age and are in straightened circumstances. No one here questions the fact that our Government owes them protection in their declining

years after the sacrifice they have made. Many months ago I introduced a bill which would give them this protection. I realize that the Members on this side are thoroughly in accord with the bill, so far as it goes, although they would probably like it to go much further. It does not go as far as we would like to have it go, but I shall not take up the time of the Committee any further. I believe the bill will pass by a tremendous vote.

Mr. RANKIN. Mr. Chairman, I yield myself 5 minutes.

I simply want to say to the Members of the House that under this administration and in this way we have been able to extend veterans' benefits, especially to widows and orphans in order to take care of the widows and orphans of those veterans who had service-connected disabilities but died from other causes.

I am willing, so far as I am concerned, to take full responsibility for these amendments. I worked on them with the veterans' organizations, and I have talked with the members of the committee and the Members of the House before we entered into an agreement and before going to the other end of the avenue, and so far as I am concerned I will sacrifice everything else in the bill in order to take care of these gold-star mothers and dependent fathers. I have no apology to make to anybody. Of course, if I had my way the bill might be different.

I was particularly gratified at the remarks of the distinguished gentleman from Indiana [Mr. HALLECK], who has rendered especially helpful service in working out this problem, but so far as the responsibility is concerned, I am willing to take full responsibility for working out these amendments which, if adopted, will guarantee that these old people will be taken care of and taken care of at an early date and in a proper way.

As to the argument about their insurance, this is a compromise. We are not taking away anybody's insurance. We are doing just exactly what compensation is for. We are relieving these old people who lost their sons in the World War and guaranteeing them that the wolf will be kept away from their doors the rest of their lives.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. ANDREWS. Is the chairman of the committee of the opinion we should vote down any amendments that might be offered?

Mr. RANKIN. I have some amendments I am going to offer to carry out the agreement to which I have referred, and I hope the gentleman from New York will vote for them.

Mr. ANDREWS. I will.

Mr. RANKIN. I thank the gentleman.

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That notwithstanding the provisions of Public Law No. 484, Seventy-third Congress, June 28, 1934 (U. S. C., 1934 ed., title 38, secs. 503–507), as amended by section 1, Public Law No. 844, Seventy-fourth Congress, June 29, 1936 (U. S. C., title 38, sec. 508), in no event shall the widow, child, or children otherwise entitled to compensation under the provisions of that act be denied such compensation if the veteran's death resulted from a disease or disability not service connected, and at the time of the veteran's death he was receiving or entitled to receive compensation, pension, or retirement pay for 10-percent disability or more presumptively or directly incurred in or aggravated by service in the World War: *Provided*, That except as provided in section 6 of this act, compensation authorized by this section shall not be payable effective prior to the receipt of application therefor in the Veterans' Administration in such form as the Administrator of Veterans' Affairs may prescribe, but in no event shall compensation herein authorized be effective prior to the date of enactment of this act.

Mr. RANKIN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 2, line 3, strike out the figures "10" and insert in lieu the figures "20."

Mr. RANKIN. Mr. Chairman, this is one of the amendments to which I referred, which carries out the agreement referred to.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer the following amendment, which I send to the desk:

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 2, line 5, following the colon, insert the following: "*Provided*, That a widow shall not be entitled to compensation under this section unless a child was born of her marriage to the veteran."

Mr. RANKIN. Mr. Chairman, that is one of the amendments to which I referred, embraced in the agreement.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise in opposition to the amendment. As I stated before, the cost of granting this benefit to the widows without children is so small, $80,000, and the good to be derived by these women who are left alone so great that I feel the amendment should be defeated. These women cannot secure any work, and I know whereof I speak. I know the Members of the House have had many experiences of women who are left alone, women who cannot go on relief because they have no children, no dependents, who cannot be taken care of in this way. They, too, must live, Mr. Chairman. Their situation is desperate. I appeal to the Members of the House to vote against this amendment. I feel that its defeat will not cause a Presidential veto.

Mr. GREEN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Florida.

Mr. GREEN. In many instances these stepmothers who stand in the place of a mother to these orphan children do everything possible they can for the children.

Mrs. ROGERS of Massachusetts. That is not the amendment under consideration. This amendment provides that a widow, if she has no children, will not benefit under this act. The widow with a child or children will secure a pension, but the widow without any children will not receive a penny.

Mr. GREEN. But if they are stepchildren?

Mrs. ROGERS of Massachusetts. The stepchildren would.

Mr. GREEN. But she would not?

Mrs. ROGERS of Massachusetts. She would not.

Mr. GREEN. It is obvious in many instances that they do as much as they can for these children, and I think they should share in the benefits of this bill.

Mrs. ROGERS of Massachusetts. I know it is extremely difficult for women to get work at this time, more so than at any other time in our history. I hope the amendment will be voted down.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word. It was necessary to reach this agreement in order to get this bill passed at this session of Congress. For that reason we went over the matter very carefully, and I trust that the amendment will be adopted.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. DOWELL. Does the gentleman believe that if this amendment is not adopted, the bill cannot pass?

Mr. RANKIN. I do. The veterans' organization went over this very carefully. If we want to fritter away this opportunity to do something for these veterans and leave this bill either at the other end of the Capitol or at the other end of the Avenue, the way to do it is to vote down these amendments. If you vote down these amendments it will in all probability kill the bill.

Mr. DOWELL. Mr. Chairman, I know that the gentleman has been very diligent in his efforts to get legislation passed at this session, and I know that for a number of weeks he has been perhaps the most active Member of the House in trying to get this legislation enacted. However, I do not favor this amendment.

I want to compliment the members of the Committee on World War Veterans' Legislation for their splendid work in presenting this legislation. I hope it may pass without a dissenting vote.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mrs. ROGERS of Massachusetts)—there were ayes 106, noes 19.

So the amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 2, line 5, after the word *"Provided"*, insert the word *"further."*

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 2. That section 4 of Public Law No. 484, Seventy-third Congress, June 28, 1934 (48 Stat. 1282; U. S. C., title 38, sec. 506), is hereby amended to read as follows:

"That for the purpose of awarding compensation under the provisions of this act, as amended, service connection of disability and degree thereof at date of death may be determined in any case where claim has been or is filed by the widow, child, or children of a deceased World War veteran, except that proof of 10 percent disability or more at date of death and evidence as to service connection must be filed no later than 3 years after date of enactment of this act, or the date of death, whichever is the later, and evidence required in connection with any claim must be submitted in accordance with regulations prescribed by the Administrator of Veterans' Affairs."

Mr. RANKIN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 2, line 21, strike out the figure "10" and insert in lieu thereof the figure "20."

The amendment was agreed to.

Mr. GREEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to congratulate the Committee on World War Veterans' Affairs for its aggressiveness in getting H. R. 6384 finally before this body.

Mr. Chairman, this bill will carry needed benefits to dependents of service-connected World War veterans after the death of the veteran. The increase for widows and orphans is sorely needed. Also the increase for dependent mother and father from $20 per month to $45 per month, where one survives, is sorely needed. The increase of $50 per month for the two, where two survive, is not at all out of line and is none too liberal. The dependent parents of these veterans in many instances are old and totally unable to earn a living and are without other means of support. I shall vote for passage of the bill.

I take this opportunity to call to the attention of my colleagues H. R. 1991 which I have introduced. It is a bill to reenact the law providing for disability allowances for World War veterans and to restore former service-connected disability status. Under the provisions of this bill the rates of pay begin with 10 percent permanent disability, $12 per month. As disability increases, pension is increased to $60 per month for total disability. This is greater than was payable under the old disability allowance act; however, the veterans are growing older, the cost of living has increased, and the increased amount as carried in H. R. 1991 is none too much. These pension benefits will be paid to the veteran, regardless of the cause of his disability. We have a large number of worthy veterans who have been unable to establish, by sufficient evidence, service connection, while in fact many of these veterans are actually service connected. This bill will give them their pensions on these border-line cases and will also give pension to those who are not service connected. It is meritorious and should pass.

The bill also carries a provision which will make permanent temporary service-connected ratings. Under the present law and regulation of the Veterans' Administration, service-connected veterans are examined at intervals of a year or two by the Veterans' Administration to determine whether or not their temporary disabilities are still in existence. This is a needless expense to the Government and needless worry to the service-connected veteran. Any disability which has endured for a year or more should be given a permanent status and the veteran should have the right to call for examinations any time he feels his disability has increased. He now has this right under existing law. The provision in H. R. 1991 retains this right for him.

I call your attention also to H. R. 2728, which I have introduced. It is a bill to amend the World War Veterans' Act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War. Under the provision of this bill, pension benefits would be accorded to widows and orphans of World War veterans who die without having established service connection of any disability. Regardless of the cause of the veteran's death, the widow and orphans would be entitled to pension. It is important legislation and should by all means be enacted into law. In the past the Congress has accorded such pension benefits to widows and orphans of the veterans of other wars. It is obvious that the Congress will in the future accord these benefits to widows and orphans of our World War veterans.

It is time for us to do it now. I urge my colleagues to give careful and favorable consideration to these bills and to join in my efforts for their passage at this session or surely early in the next session.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 3. That effective on the first day of the month next following the date of enactment of this act, the rates of death compensation payable under the provisions of existing laws or veterans' regulations to a surviving widow, child, or children, and/or dependent mother or father now on the rolls or hereafter to be placed on the rolls as a surviving widow, child, or children, and/or dependent mother or father of any World War veteran who died as the result of injury or disease incurred in or aggravated by active military or naval service in the World War, shall be as follows:

Widow, age under 50 years, $30; widow, age 50 to 65 years, $37.50; widow, age 65 years or over, $45; widow with one child, $10 additional for such child up to 10 years of age, increased to $15 from age 10 (with $8 for each additional child up to 10 years of age, increased to $13 from age 10) (subject to apportionment regulations); no widow but one child, $20; no widow but two children, $33 (equally divided); no widow but three children, $46 (equally divided); (with $8 for each additional child; total amount to be equally divided); dependent mother or father, $45 (or both) $25 each. As to the widow, child, or children, the total compensation payable under this paragraph shall not exceed $75. The amount of the compensation herein authorized shall be paid in the event the monthly payment of compensation under Veterans' Regulation No. 1 (g) and the monthly payment of yearly renewable term, automatic, or United States Government life (converted) insurance does not aggregate or exceed the amount of compensation herein authorized.

As to the surviving widow, child, or children, and/or dependent mother or father on the rolls on the date of enactment of this act, any increased award herein authorized shall be effective from the date of enactment of this act and in all other cases, except as provided in section 6 of this act, effective dates of awards shall be governed by the provisions of veterans' regulations promulgated under Public Law, No. 2, Seventy-third Congress, March 20, 1933.

Mr. COSTELLO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 3, line 24, after the words "or father", strike out "$45" and insert in lieu thereof "$40."

Mr. COSTELLO. Mr. Chairman, the amendment which I offer would reduce the amount of money that would be paid monthly to dependent fathers and mothers, from $45 to $40. At the present time it is my understanding that the amount paid to either father or mother who is dependent is the sum of $20. In the event both are dependent they are now receiving $15 each, or a total of $30. Under the terms of this bill that individual amount would be increased from $20 to $45, which, to my mind, is a rather large, and I think excessive, increase.

So far during the entire discussion of this bill on the part of Members of the House there has been no question at all as to the cost of this legislation and the increase in cost of veterans' benefits by reason of the passage of this legislation.

If you will look at the committee report regarding the proposed legislation you will find in the very last item a tabulation of the cost of the various sections.

Two sections are not tabulated, but those that are, show that the increased cost is $8,952,000 annually. At the time this bill was on the Consent Calendar I objected to its consideration. My reason for doing so was that this was too important a piece of legislation to be passed in that manner. I am glad it was not passed at that time, because since then there has been a conference held, which the chairman of the committee has already discussed this afternoon. As a result, one of the provisions to which I particularly objected has been removed, at least to some extent, namely, changing the 30-percent disability requirement. The effect of having that provision changed from 10 percent back to 20 percent means a saving of $761,000 annually.

It also means preventing the bringing in of general pension legislation in the immediate future, pension legislation that will be based not upon disability but simply upon the fact that the dependent is related in some way to a World War veteran, regardless of whether the veteran suffered any disability in service or not. I want to call this one thought to the attention of the House, that although for this present legislation there is ample precedent in the Civil War, Indian wars, and Spanish-American War, we must keep in mind the fact that every time we duplicate for World War veterans what we may have done previously for other classes of veterans we are not doing exactly the same thing because in prior wars the number of veterans was very small. When we do something for the World War veteran we are dealing with a group of over 4,000,000 and the cost is, therefore, exceedingly great.

I simply want again to call to the attention of the House the fact that unless we are very careful and very judicious in the legislation we pass in regard to increasing veterans' benefits we are going to find a demand on the part of the country for economy in regard to veterans' payments; and if that demand should crystallize I would anticipate, I am frank to say, that there would be even greater economies effected than were effected by the recent Economy Act of 1933. I am not calling these matters to the attention of the House because I wish to bring about an economy wave, but because I feel that Congress must not be too generous, for as we increase the cost of veterans' benefits we are the sooner going to reach that ultimate point beyond which we cannot go and at which the demand for economy will set in. This bill before us now is not fixed as to cost; on the contrary, the cost of this legislation will increase annually as more widows and other dependents become eligible.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. COLMER. I would be interested to know, if the gentleman can give me the information, how much economy would be effected by reducing the amount from $45 to $40?

Mr. COSTELLO. Possibly the chairman of the committee can give the gentleman exact figures. It would be dependent upon the number of fathers and mothers who are receiving benefits at this time.

Mr. RANKIN. I will tell the gentleman that we are not going to save anything because we are going to vote down the amendment, but we could not possibly save over $1,000,000 if you penalized these old people by adopting this amendment.

Mr. COLMER. That $5 would not go beyond that amount?

Mr. RANKIN. No. It would amount to only about $1,000,000 at the outside.

Mr. COSTELLO. This section of the bill will cost the first year $5,827,000. I do not know the exact number of dependent parents who would be eligible. It is my understanding that this is one of the matters that was in disagreement between the chairman of the committee and those with whom he conferred, and who were in favor of making this payment $40 a month. It cannot be said that in voting for this amendment you are penalizing the parents, because even if it is reduced to $40, they will still be receiving an increase of 100 percent. You would still be doubling their benefits, as they now receive only $20 a month.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope this amendment is voted down. We cannot balance the Budget at the expense of the aged fathers and mothers whose sons were killed in the World War or died from injuries resulting from the World War. This amendment might save a million dollars, I do not know. It is not going to save anything, because the House will vote down the amendment.

Mr. SHORT. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Missouri.

Mr. SHORT. While I shall vote against the amendment offered by the gentleman from California [Mr. COSTELLO], I am sure the gentleman from Mississippi [Mr. RANKIN] will admit it is quite necessary that we have a few conscientious objectors in this House. The distinguished gentleman from California [Mr. COSTELLO] has rendered a very good service.

Mr. RANKIN. I am not questioning that.

Mr. COLMER. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Mississippi.

Mr. COLMER. Since I raised the question, may I go on record as saying I hope this amendment will be rejected.

[Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have great respect for the gentleman from California [Mr. COSTELLO]. He is thoroughly conscientious and able. I suggest, Mr. Chairman, that he withdraw his amendment. We all know that within recent years the cost of living has increased tremendously. Living today is very expensive for these dependent fathers and mothers. I am wondering if the gentleman from California would not have a change of heart and withdraw his amendment?

Mr. COSTELLO. I may say in reply to the gentlewoman from Massachusetts [Mrs. ROGERS] that another reason for offering the amendment is to keep the parents more or less in line with the widows. The widows receive a varied scale of benefits from $30 to $45 maximum. The parents would receive this maximum uniformly all the way through. Of course, I presume the parents would be of the maximum age. You are also putting a high figure on all of these pensions. You are doing it for the World War veterans. You have done it for the Spanish-American War veterans and all of the others, and while $5 a month per individual is a mere pittance, when you spread it over a wide field, such as one covering veterans' benefits, it assumes alarming proportions. In this instance it is a $5 item monthly to parents; however, the demand would come in from other groups. You are raising the pension of the parent from $20 to $45, which is better than 100 percent. Other groups would come here and say, "Why not raise us from $20 to $45?" As you increase this amount, and you more than double it in this instance, other groups will come in and make the same demand.

Mr. Chairman, I offer the amendment in an attempt to prevent this constant pecking at the Treasury, and I offer the amendment very sincerely.

Mrs. ROGERS of Massachusetts. I know the gentleman does that.

Mr. COSTELLO. The amount provided for in this bill is even a little more generous than the Committee on World War Veterans should grant to the World War veterans' dependents.

Mrs. ROGERS of Massachusetts. I feel the amount paid to the widows is too little also.

Mr. COSTELLO. I may say, in answer to the gentlewoman from Massachusetts [Mrs. ROGERS], that I received a letter after I had objected to the Spanish War veterans' legislation. This letter was to the effect I had done a good piece of work in opposing that bill because the bill was a bad piece of legislation. This man was 75 years of age, and the bill provided

those who were over 65 would receive $60 a month. He was 75 and received the $60 a month already, so it was not doing him any good. Therefore the bill was of no value to him and, so, bad.

Mrs. ROGERS of Massachusetts. I wish the gentleman would help us draw up satisfactory legislation for the veterans.

Mr. COSTELLO. There should probably have been another proviso in that bill that all those over 70 years of age should be paid more. What we do in the case of one group we have to do all the way along the line to take care of all of them, and the cost is absolutely prohibitive.

Mrs. ROGERS of Massachusetts. And we ought to do what we can for every group.

Mr. COSTELLO. We are doing quite a bit for all the groups, and I think we have treated all of them very generously. In order to obtain satisfactory legislation, I introduced House Joint Resolution 442, which would provide for a thorough study of veteran legislation, not for the purpose of causing reductions but to bring about uniformity and fair and equal treatment for all—even to bring about increases for the real needy cases.

[Here the gavel fell.]

The pro-forma amendment was withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. COSTELLO].

The amendment was rejected.

Mr. BIERMANN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I believe this bill is veterans' legislation headed in the right direction. I objected to the bill when it came up for consideration on the Consent Calendar for what I thought was a good reason, but the amendments as submitted by the chairman of the committee have corrected the bill sufficiently so that I shall most heartily support it.

The virtue of this bill is that it seeks to give benefit payments to the dependents of those who have suffered from their war service. I wish that legislation of this character could be devoted exclusively to the soldiers who are suffering from their war service, and to the dependents of soldiers who died of service-connected causes. I think it is a shame that the widow under 50 years of age, of a man who died on a barbed-wire entanglement in the Meuse-Argonne, should receive $30 a month and no more. I think it is a shame that a veteran totally and permanently disabled by his war service should receive only $100 a month. I think it is a shame that one who has lost both hands and one foot or both feet and one hand in the war, or one who lost both eyes while defending his country and has to have an attendant, should receive only $150 a month.

Mr. Chairman, the reason why the deserving receive too little is that this Congress has dumped out money with scoop shovels to veterans who did not deserve a single penny. I think people generally believe that the great bulk of this veterans' money that we vote goes to the deserving. That has not been the fact. Let me read some of the figures from the Budget.

In 1936, the bill for veterans' pensions and compensation was $2,349,000,000. In 1937, $1,152,000,000. In 1938 it will be $587,000,000.

But how much of that goes to men actually suffering from service-connected disabilities, or to the dependents of those who died of service-connected disabilities? This year only $200,000,000, which is one-eleventh of what we dished out in 1936, about one-sixth of what we dished out last year, and about one-third of what we are spending on veterans and their dependents this year.

This country should generously care for every soldier, sailor, and marine who is suffering from an actual war service-connected disability.

Mr. LUCAS. Mr. Chairman, will the gentleman yield for a question?

Mr. BIERMANN. If I have time, I will yield.

The dependents of those who died from service-connected causes should be generously cared for. However, it is financially impossible to do this and at the same time vote the kind of benefits you have insisted on voting in this House, and that the Congress has insisted on voting ever since the war closed. The mere fact that a young man physically fit and foot-loose served his country in time of war does not entitle him to one special monetary privilege. I used to believe that the Democratic Party was opposed to special privileges. I do contend that if a young man goes into the service of his country and suffers a disability, his country should most generously compensate and care for him, and if he dies his dependents should be generously cared for. We can make up our minds, however, to the fact that when we vote 11 times as much money to veterans and their dependents in general in 1 year as we give to the deserving, the deserving are going to suffer. We must make up our minds to one of two things, that either we are going to continue to make our pension system a system of grab, grab, grab, and the greatest sounding board for demagoguery in this country, or we must remodel it on the basis of compensation to those who deserve compensation. [Appause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I rise in opposition to the pro-forma amendment.

May I ask the gentleman from Iowa if the figure he quoted, $500,000,000, does not cover the veterans of all wars?

Mr. BIERMANN. This is a Veterans' Administration figure.

Mr. RANKIN. The veterans of all wars, not the World War veterans. Of course, more than half of that amount goes to the veterans of the War of 1812, the Civil War, and the Spanish-American War.

Mr. BIERMANN. Fortunately, there are only two pensions arising out of the War of 1812, one a widow of a veteran and one a child of a veteran who fought in a war that ended 122 years ago.

Mr. RANKIN. I understand there are only two widows of veterans of that war now on the pension roll, but the gentleman spoke about the figure for 1936 and 1937, which were the years the adjusted-service certificates were paid off. I may say to the gentleman, for whom I have the utmost respect, that it is hardly fair to put such figures into the RECORD without explaining that they cover the payment of the adjusted-service certificates. May I say further that there is not a man in or out of Congress for whom I have a higher regard than I have for the distinguished gentleman from Iowa. However, the gentleman talks about the money that we poured out to these people, but he did not mention the money we poured out not by millions but by the hundreds of millions and by the billions to people who never served in the war, placing upon the pay roll of this Republic—call it relief if you want to—many thousands of people who never served the country in any way.

Mr. BIERMANN. Relief has no connection with this.

Mr. RANKIN. We placed upon relief men who never worked or fought for this country. Many of these people are not even citizens of the country and never will be. Many of them are antagonistic to our form of government, if we want to get at the truth about it. It is hardly fair, when we are spending money on all these people who rendered no service to this Government, to criticize in that way the amounts which are being paid to the men who did serve their country, who were not responsible for the war, but, nevertheless, went overseas and did their best, and to their widows, orphans, and dependent parents.

Mr. BIERMANN. What I am principally criticizing is that those really deserving have been treated in many cases in a niggardly way by this country. The reason is that we have scooped out money to those who have no valid claim on the Government, without any regard for the deserving.

Mr. RANKIN. I regard the adjusted-service certificates as back pay to the men who served.

Let me say further that if we are going to take care of any group in this country which is in need or out of employment, I submit the men who put on the uniform when it was demanded and went to the front and did what they were told to do deserve the first consideration, instead of the great multitude of aliens of people who never fought or served this country in any way. [Applause.]

Mr. BIERMANN. The gentleman is a good lawyer and knows that is not a very logical argument. My contention is that we do not pay enough to the men and their heirs who deserve this money. The reason is that we pay too much to those who came out of the Army better, many times, than they went in.

Mr. RANKIN. There is not a disabled veteran who would not be for this bill as it is written, in my opinion.

Mr. BIERMANN. I am for it.

Mr. RANKIN. There is not a disabled veteran who does not want these dependent parents taken care of.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. LUCAS. Does the gentleman know of a single able-bodied individual who served in the late war who at the present time is receiving compensation from the Government unless he has some disability that can be traced to the service?

Mr. BIERMANN. I can answer that question. There are 40,960 of them according to a letter I have before me from the Veterans' Administration.

Mr. RANKIN. No; except the totally disabled, who get $30 a month.

Mr. LUCAS. In view of what I consider the unfair statement made by the gentleman from Iowa in connection with the service men of this country, I hope the chairman of the committee will take the time to break down the figures which were submitted by the gentleman from Iowa in order that the House of Representatives and the country may know exactly what the veterans of this country who are physically fit, so to speak, the ones about whom the gentleman is complaining, actually receive at the present time from the Government.

Mr. BIERMANN. I am not complaining so much about the veterans as I am complaining about the action of this House.

Mr. RANKIN. May I say again to the gentleman from Iowa that during the trying times through which we are passing, the most stabilizing influence in this country is the World War veterans, the men who wore the uniform in 1917 and 1918. At this time, when we need stabilizing influences, they are the greatest assets this Government has.

Mr. WHITE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. WHITE of Ohio. Is it not a fact that in all the European countries whose forms of government have been changed such changes have been built around the veterans' organizations? In contrast, in this country, as the gentleman states, the veterans have been the stabilizing influence which have kept us in the path of democracy, and we ought to give them credit for it.

Mr. RANKIN. Absolutely.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Texas moves to strike out the last two words and asks unanimous consent to proceed for 10 minutes out of order. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, on yesterday the power of the President to appoint a successor to Mr. Justice Van Devanter was challenged in the Senate by a distinguished Member of that body, for whose legal ability, statesmanship, and patriotism I have the highest regard.

Being the author of the act involved in that discussion, and having had some responsibility for persuading the House to pass the bill, I feel that I should make a brief statement dealing with the question raised.

The act, which is brief, reads as follows:

Justices of the Supreme Court are hereby granted the same rights and privileges with regard to retiring, instead of resigning, granted to judges other than Justices of the Supreme Court by section 260 of the Judicial Code (U. S. C., title 28, sec. 375), and the President shall be authorized to appoint a successor to any such Justice of the Supreme Court so retiring from regular active service on the bench, but such Justice of the Supreme Court so retired may nevertheless be called upon by the Chief Justice and be by him authorized to perform such judicial duties, in any judicial circuit, including those of a circuit justice in such circuit, as such retired Justice may be willing to undertake.

The provisions of the section of the Judicial Code referred to, enacted in 1919, permit district and circuit judges to retire from regular active service on the bench and become subject to lighter duties, and for successors to be appointed to such judges so retiring. It will be observed from the language that Justices of the Supreme Court are specifically excluded from the operation of the law.

At the outset it may be stated as a general proposition that everybody agrees what is proposed by the act referred to is a desirable thing to be accomplished. It affords the privilege to a Justice of the Supreme Court to retire when he has reached the age which existing law with regard to other Federal judges recognizes as an age at which Federal judges ought to be permitted to retire, and permits the appointment of a more vigorous judge to perform the onerous duties of the Supreme Court bench.

In the second place it is not claimed by anybody, as I understand it, that this law violates either the letter or the spirit of the Constitution which attempts to guarantee the independence of the judiciary as a coordinate branch of the Government. It is purely permissive, and in no manner coercive.

On May 18 Mr. Justice Van Devanter wrote the following letter to the President:

WASHINGTON, D. C., *May 18, 1937.*

MY DEAR MR. PRESIDENT: Having held my commission as an Associate Justice of the Supreme Court of the United States and served in that Court for 26 years, and having come to be 78 years of age, I desire to avail myself of the rights, privileges, and judicial service specified in the act of March 1, 1937, entitled "An act to provide for retirement of Justices of the Supreme Court", and to that end I hereby retire from regular active service on the bench—this retirement to be effective on and after the 2d day of June 1937, that being the day next following the adjournment of the present term of the Court.

I have the honor to remain,

Very respectfully yours,

WILLIS VAN DEVANTER.

The President replied:

THE WHITE HOUSE,
May 18, 1937.

MY DEAR MR. JUSTICE VAN DEVANTER: I have received your letter of this morning telling me that you are retiring from regular active service on the bench on June 2, 1937.

May I as one who has had the privilege of knowing you for many years extend to you every good wish.

Before you leave Washington for the summer it would give me great personal pleasure if you would come in to see me.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

The question raised as to what Mr. Justice Van Devanter's status is and what would happen in the event he should demand the right again to sit on the Supreme Court and perform the regular duties of the Court notwithstanding his letter of retirement has nothing to do with the question of the power of the President to make the additional appointment.

Congress has authorized the President upon the doing of what Mr. Justice Van Devanter did to appoint another person to the Supreme Court. The number of Supreme Court Justices is not fixed either by the Constitution or by statutory law. The Constitution only provides that there shall be a Supreme Court. The law provides that:

The Supreme Court of the United States shall consist of a Chief Justice of the United States and eight Associate Justices, any six of whom shall constitute a quorum.

This law has to do with the composition of the Court, but fixes no limitation upon the number of Justices at a given time. This difference between the composition of a Court and Justices of that Court is made clear by another statute which provides that—

There shall be in each circuit a circuit court of appeals, which shall consist of three judges, of whom two shall constitute a quorum, which shall be a court of record, with appellate jurisdiction, as hereinafter limited and established.

That is the composition of the court but in one of the circuits there are now nine circuit judges, though the court remains a court of three judges.

By specific authority of the Congress, as stated, the President is given authority to appoint a new member of the Supreme Court whenever a member of that Court retires. There being no constitutional prohibition and there being specific legislative authority, it seems to me there can be no question as to the power of the President to make the appointment.

It may be observed that under the provisions of the act of 1919 referred to district and circuit judges have from time to time retired and have performed lighter duties, and other judges have been appointed to the places on the bench the retired judges formerly occupied without constitutional or administrative difficulties.

Even if it should be conceded that Mr. Justice Van Devanter, notwithstanding his retirement under the provisions of the act, is a Justice of the Supreme Court in the fullest sense, that fact could have no bearing, it seems clear to me, upon the question of the constitutional power of the President under the authority of the act of this Congress to make an additional appointment with the advice and consent of the Senate to the present personnel of the Supreme Court.

While not pertinent to the inquiry as to constitutional power to appoint, the probability of administrative difficulty may be considered with some interest. After all, what is the probability of a judge who has retired, as did Mr. Justice Van Devanter, ever being asked by the Chief Justice to return to the Supreme Court bench or ever being willing to return to the Supreme Court bench despite his retirement, even though asked by the Chief Justice to return? That possibility is so small as to make it a question only of academic interest. In fact that possibility, practically speaking, is nil.

In the first place, it would be known by such Justice, retired from the regular active duties and having accepted the status permitted under the act, that he would have great difficulty in establishing his legal right to sit again upon the bench from which he had retired.

As a matter of fact, any Justice on the bench who would retire and then try to get back on the bench would be restrained by his family or his friends. If not, there is a place to put people in that mental condition. They would never get anywhere near the Supreme Court Building to bother anybody, and, of course, no Chief Justice would ask such a man so retired to sit again on the Supreme Court Bench. As I see it, there is no constitutional or practical administrative difficulty to be feared with reference to this law which we devoutly hope, and as we believe with full justification, will prove greatly helpful to the public interest permanently and especially now in a very delicate situation.

I want to express, in conclusion, my admiration and appreciation for the restraint, patience, and mutual indulgence of the Members of the House and their kindness to me while we have all been trying to be helpful in this difficult situation. I am deeply grateful to you all.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RANKIN. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

Mr. ANDREWS. Mr. Chairman, I ask unanimous consent that the remainder of the bill may be considered as having been read.

Mr. RANKIN. Mr. Chairman, there are one or two other amendments to be offered, I may say to the gentleman.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

SEC. 4. That on and after the date of enactment of this act, for the purpose of payment of compensation under the laws administered by the Veterans' Administration, the term "widow of a World War veteran" shall mean a woman—

(a) (1) Who was married to the person who served prior to or during the period of service on which the claim is based; or

(2) Who was married to the person who served more than 10 years prior to his death: *Provided*, That in no event will the widow of a World War veteran, if otherwise entitled, be denied compensation if married to the veteran prior to July 3, 1931; or

(3) Who was married to the person who served at any time, provided a child or children were born of such marriage.

(b) No compensation shall be paid to a widow unless there was continuous cohabitation with the person who served from the date of marriage to date of death, except where there was a separation which was due to the misconduct of or procured by the person who served, without the fault of the widow.

(c) All marriages shall be proven as valid marriages according to the law of the place where the parties resided at the time of marriage, or of the law of the place where the ceremony was performed at the time thereof, or the law of the place where the parties resided when the right to pension hereunder accrued.

(d) Compensation shall not be allowed a widow who has remarried either once or more than once, and where compensation is properly discontinued by reason of remarriage it shall not thereafter be recommenced.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 4, lines 23 to 25, strike out the following: "more than 10 years prior to his death: *Provided*, That in no event will the widow of a World War veteran, if otherwise."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 5, line 1, strike out the following: "entitled, be denied compensation if married to the veteran."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 5, in line 4, strike out the following: "or children were."

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 5, line 4, insert before the word "born" the word "was."

The amendment was agreed to.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

The gentleman from Iowa [Mr. BIERMANN] has stated he feels that the men with service-connected disabilities and the widows of men dying of service-connected disabilities are not receiving enough pension. Canada pays much more to such cases than does the United States. I heartily agree with him, and I wish the gentleman would join with me and with others in securing a higher amount.

I think the gentleman was not quite fair in his statement, although I know he did not mean to be unfair, about the amount paid to the other veterans and the work they had done.

With many others I have seen the disabled veterans ever since the war began and have worked with veterans' organizations. I have known that very many veterans now are suffering from disabilities that really were of service origin, but they have tried to carry on. Many men who are now getting benefits that perhaps the gentleman has claimed were unwisely given are in that class. Will the gentleman join with me in trying to secure a higher rate of compensation for service-connected cases?

Mr. BIERMANN. I will be very pleased to do that.

Mr. EDMISTON. Mr. Chairman, I ask unanimous consent to revise and extend the remarks I made earlier today.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read as follows:

SEC. 5. That notwithstanding any provision of law or veterans' regulation, except as to emergency officers' retirement pay, reenlistment in the military or naval service on or after November 12, 1918, and before July 2, 1921, where there was prior service between April 6, 1917, and November 11, 1918, shall be considered as World War service under the laws providing benefits for World War veterans and their dependents.

SEC. 6. That notwithstanding any provision of law or veterans' regulation, awards of death compensation shall be effective as of the date of death of the World War veteran if claim is filed within 1 year after the death of such veteran.

SEC. 7. That a new section is hereby added to title III, World War Veterans' Act, 1924, as amended (U. S. C., title 38), to be known as section 312, and to read as follows:

"SEC. 312. Without prejudice to any other cause of disability, the permanent loss of the use of both feet, of both hands, or of both eyes, or of one foot and one hand, or of one foot and one eye, or of one hand and one eye, or the loss of hearing of both ears, or the organic loss of speech, shall be deemed total permanent disability for insurance purposes. This section shall be deemed to be in effect on and after April 6, 1917, and shall apply only to automatic insurance, yearly renewable term insurance, and United States Government life (converted) insurance issued prior to December 15, 1936."

SEC. 8. That where an incompetent World War veteran, receiving disability compensation under title III of the act of March 28, 1934 (Public Law No. 141, 73d Cong.), disappears, the Administrator of Veterans' Affairs, in his discretion, may pay to the dependents of such veteran the amount of compensation payable to dependents of deceased veterans who die from war service-connected disabilities: *Provided*, That in no event shall payment made under this act in any claim exceed the amount of compensation payable at the time of the veteran's disappearance.

Mr. RANKIN. Mr. Chairman, I offer the following amendment which I send to the desk, to go to the last of the bill. It merely brings this legislation in line with other legislation.

The CHAIRMAN. The gentleman from Mississippi offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 7, after line 7, insert a new section, as follows:

"SEC. 9. The penal and forfeiture provisions relating to pensions and compensation contained in Public Law No. 2 (73d Cong.) shall be applicable to claims for compensation under Public Law No. 484 (73d Cong.) as amended by Public Law No. 844 (74th Cong.) and this act."

Mr. RANKIN. Mr. Chairman, I discussed this amendment with General Hines. He is very anxious to have this go in. It would have no particular application to the people in this country, because they are amenable to our courts, but we have a great many in foreign countries who could not be reached in that way. They ask that this provision be offered; and, so far as I am concerned, I am perfectly willing to take the responsibility of saying to the House that it will not hurt the legislation.

Mrs. ROGERS of Massachusetts. The gentleman is willing to go along with General Hines?

Mr. RANKIN. Yes.

Mr. MAY. Does it in any sense revise the provisions of the Economy Act, Law No. 2, referred to?

Mr. RANKIN. No.

Mr. MARTIN of Colorado. What would be the status of a widow who had a child by a soldier who has now attained maturity, if they apply the usual definition of a child in veterans' legislation?

Mr. RANKIN. The widow would be taken care of. It is the birth of a child that makes her eligible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was agreed to.

Mr. RANKIN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 6384) to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. RANKIN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. RANKIN. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from Mississippi demands the yeas and nays. Those in favor of taking the vote by the yeas and nays will rise and stand until counted. [After counting.] Thirty-six Members have risen, not a sufficient number. The Chair has counted the House.

Mr. PATMAN. Mr. Speaker, I demand a division upon the vote.

The SPEAKER. The gentleman from Texas demands a division on the passage of the bill.

The House divided; and there were—ayes 205, noes 0.

Mr. ELLENBOGEN. Mr. Speaker, I make the point of order that there is no quorum present, and I object to the vote upon that ground.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-three Members present, a quorum.

So the bill was passed.

On motion of Mr. RANKIN, a motion to reconsider the vote by which the bill was passed was laid on the table.

GENERAL LEAVE TO PRINT

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, I move to lay on the table House Resolution 292, which was a rule for the consideration of the bill just pasesd.

The SPEAKER. Without objection, it is so ordered.

There was no objection .

TOLL BRIDGES UNDER SYSTEM OF FEDERAL-AID HIGHWAY FREE BRIDGES

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7373) to aid the several States in making, or for having made, certain toll bridges under system of Federal-aid highways free bridges, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "1938" and insert "1939."

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO FILE REPORT

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent that the Committee on Irrigation and Reclamation may have until midnight tonight to file a report on the bill, S. 413,

to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

THE LATE FREDERICK R. LEHLBACH

Mr. O'NEILL of New Jersey. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'NEILL of New Jersey. Mr. Speaker, I was deeply shocked to hear the announcement made this afternoon by my colleague from New Jersey [Mr. SEGER] of the death of a former Member of this House, the late Honorable Frederick R. Lehlbach, who served in this body for 22 years. We were warm friends for many years and it became my lot as the nominee of my party in a district adjoining his to speak with him on public questions from the same platform. Of itself that was an honor.

The tribute delivered by my colleague was indeed a fitting one.

His home city and State and the Nation have lost a citizen who had served them honorably and well.

EXTENSION OF REMARKS

(By unanimous consent, Mr. BOREN was granted permission to revise and extend his own remarks.)

The SPEAKER. Under previous order of the House the gentleman from Michigan [Mr. HOFFMAN] is entitled to be recognized for 20 minutes.

THE ROAD TO HELL—FOREWARNED IS FOREARMED

Mr. HOFFMAN. Mr. Speaker, history, experience, and our own common sense all teach us that to be forewarned is, if we are intelligent and act upon the information, to be forearmed.

Likewise we know that the advice "In time of peace prepare for war", is sound. It was the foolish virgins who failed to fill their lamps with oil.

It is folly to shut our eyes to events, to ignore facts, and place reliance upon statements of good intentions. Hell, it is rumored, is paved with good intentions; and many who loudly announce their desire to serve have by their acts brought suffering, and sometimes worse, not only to individuals but to nations.

In an editorial in this morning's Washington Post, referring to a difference of opinion between Senator BYRD and Dr. Merriam as to the effect of the President's reorganization plan, the following is found. The caption is "The Road to Hell." The article continues:

> One of the greatest obstacles to constructive analysis of reform measures is the unwillingness of the average man to see beyond well advertised good intentions.
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> * * * * * *
>
> If Congress always recognized the vital distinction between admirable intentions and probable performance, bad legislation would have much less chance of slipping through under the attractive guise of reform.

Hence it behooves us to look at fairly, face squarely and with understanding, present-day facts and proposed legislation, and prepare for the logical result.

Some have intimated that I am conjuring up visions of disaster which have no substance; seeing an ulterior purpose where none exists; in short, that I am an alarmist.

Quite willing am I to be classed with those geese on Capitol Hill in Rome, who in the olden days, by the flapping of their wings and their cackling, aroused and alarmed the citizens and saved the city from destruction, if by a warning I can call on guard those who love our Government and our country and are charged with its defense.

Regardless of the announcement of high purposes, of the statements of a desire to protect the many from the greed and selfishness of the few; of the anxiety to aid those who lack capacity or opportunity or who, by force of circumstances, have been unable to enjoy a fair share of the blessings of this world; in spite of the willingness to ignore the lessons of experience, and of the attempt to, by social, political, and economic formulas, wipe out the suffering and the inequality which today is less prevalent than ever before and the existence of which is due in large measure to envy, discontent, and undue ambition—the fact remains that there are today certain very definite forces at work which, in the past experience of the peoples of the world have in the end brought disaster.

Harking back to the Post's editorial, let me very briefly, but as earnestly as I may, call your attention to certain acts and certain legislation which have brought us a long, long way on the road toward centralization of power and which, if followed to the logical end, can only result in the destruction of our form of government, the deprivation of our liberties, and the establishment of a dictatorship.

We all know why, in our form of government, the three departments were created and separate powers given to each. We all know, notwithstanding our faultfinding and our criticism, that so far in the history of the world our form of government, measured by results, has proven itself—if judged by the extent of the liberty of its individual citizens, their material prosperity, and the opportunity given them—to be the best yet devised.

This being true, and conceding the proposition that improvement may be made, what excuse is there for destroying it?

Nevertheless, there has been a determined and, to a large extent, a successful effort to take from the Congress the power to originate and enact its own form of legislation. About this proposition there is no doubt. Every man here knows that it is true.

I but cite the fact that bill after bill, over which committees have worked for days and for weeks at times, are in the end rewritten to conform to the ideas of some department.

May I cite the proposed sugar legislation? The members of the Agriculture Committee know its history. Doubtless there is before every committee a similar situation.

The drive of the executive department to subjugate the judicial department is known to all. It has not been abandoned; it is but laid aside for the moment, and, while preparations for a renewed direct assault upon the Supreme Court are being made, flank attacks which tend toward the same purpose—the centralization of power—are being driven home.

The Wagner Act, with the National Labor Relations Board and its vast horde of spies, undercover men, special investigators, prosecutors, and judges, which are being sent into every nook and corner of the country, is being used, not for the purpose of securing justice for the worker but to oppress industry; to force those who in the past have created the jobs and given employment, to acknowledge that they have "met their master" and to convince the independent worker that he may pay tribute to the C. I. O. and to advance the ambitions and the power of John L. Lewis and his associates.

The National Labor Relations Board, if its actions be criterion of its capacity, has no knowledge of fair dealing or of justice. It has neither eyes nor ears, if the sights and the sounds which are presented to it are in conflict with its own preconceived notions.

It sends out its investigators. It selects the statements it wishes to present. By leading and suggestive questions, that information is brought out at a hearing, and it renders a decision finding some employer guilty of some unfair labor practice.

It is the mouthpiece of John L. Lewis and the C. I. O.

It proceeds on the same theory and with the same, although more refined, methods of those who conducted hearings in the torture chambers of old. It functions as did those who formerly advocated the burning and the drowning of witches.

It neither creates jobs nor meets a pay roll, nor assists in so doing, but as an engine of destruction it has not yet

been surpassed. It is a disgrace to our civilization, and the day will come when we will wonder why we were so thoughtless as to give it life or permit it to live.

There is another body, the La Follette Senate Civil Liberties Committee, which is presenting a biased and untrue picture of conditions as they exist.

I cite but one instance, and upon that I will enlarge later. I refer to the Chicago riot, where the committee, which had or which should have had in its possession—for it had as a witness the man who took the pictures—pictures showing that the assault grew out of an attack by the rioters upon the police, deliberately led the public to believe that the Chicago police were guilty of brutality and staged an unprovoked assault upon peaceful women and men. If it did not conceal, at least it did not present, the pictures showing the inception of the riot; nor did it bring out all the testimony showing how the riot began.

The Senate committee has probably done as much to increase the membership of the C. I. O. as any one body. It has been freely charged and, so far as I know, never denied, that its investigators were with C. I. O. organizers in its campaign for membership, and its hearings have demonstrated beyond argument that it cares for but one side of the controversy.

So far as I know it has not yet produced a witness or a word of testimony to show coercion, violence, intimidation on the part of members of the C. I. O. toward workers who did not wish to join or to strike. It has made no inquiry into the destruction of personal property at the Apex plant at Philadelphia or in the sit-down strikes at Flint. So far it has said nothing about the violence used to drive hundreds of thousands of workers from their tasks.

The Senate Civil Liberties Committee should be given a dose of its own medicine, and there should be spread upon the public records, so that all may read, a history of its inquisition.

The reorganization plan of the President, as everyone who is familiar with the situation will acknowledge, takes power from the legislative and the judicial branches of our Government and vests it in the executive department.

The fact, as brought out in the Washington Post editorial, that this is under the guise of bettering our situation does not alter the purpose and, as the editorial hints, hell is paved with good intentions.

So we have this taking from Congress of its power to legislate; the attempt to take the judicial power which, for the moment, has been thwarted; this assault upon the independence and the liberty, not only of the industrialists, but of the independent worker, through the Wagner Act, the National Labor Relations Board, and the La Follette committee; not only the renewed attempt, under the guise of reorganization, to deprive the judicial and the legislative departments of their authority—but, in addition to all this, we have the tacit approval of the C. I. O. and its attempt to bring all labor under its rule, forcing it to pay tribute in order that men may work.

One further step has been taken and, if it succeeds, our Government is at the mercy of these organizations. I refer now to the organization of municipal, State, and Federal employees.

To combat this movement, I have offered a bill which would automatically separate from his employment each and every Government employee who takes steps to bring about a strike to paralyze the activities of the Government.

We all know how those seeking Government positions beseech us and solicit our aid to secure their jobs. These individuals who seek these positions know the compensation which they will receive and they know, or they could, if they wished, ascertain the conditions under which they must work.

They are in a class separate and apart from all other workers. They enjoy privileges and benefits which no other class of workers can enjoy. Their employer never goes into bankruptcy; pay day never fails to arrive and, ordinarily, there is no cut in the amount of their compensation, whether business be poor or otherwise.

They are serving not another citizen of the country—they are serving the Government itself. They owe allegiance and loyalty to that Government and the very fact that they constitute a privileged class and that their services are absolutely necessary, if Government is to continue to function, precludes all thought of strike.

So, too, should their position prevent them from attempting, by lobbying or otherwise, to coerce the legislative branch, either as to wages or working conditions. The right of petition remains, but the right of coercion never existed.

If we sit here and permit Government employees to organize for the purpose of enforcing their demands, permit them to join the C. I. O., permit them to strike, we have betrayed our trust and failed our Government in its time of need.

Now, today, at our doors is knocking for answer this question as to whether we, the representatives of the people, will be faithful to our trust and will perform our duty and turn back at the beginning this movement, which, if it be successful, will shortly be demanding that none but those who owe allegiance to its leadership can work for the Government or hold office under it, in short the "closed shop" applied to the Government.

Then, when that day arrives, we will have—not a government of, by, and for the people, but a government by the C. I. O. and its affiliates, or by whatever union may supplant it.

In January of this year, in this well, I begged of you Members from the South to come to our aid and to stop then the drive of the C. I. O., attempting to warn you that it would come to your communities.

To my regret I learn that it has gone South, and in the home town of that gentleman whom I admire so much, Mr. RANKIN, of Mississippi, it has closed a factory and threatens others.

Let us now, before it is too late, assert ourselves and, before we adjourn, pass the needed legislation which will put a stop to this Communist activity within the Government forces themselves.

In this instance there is no call upon Democratic Members to go contrary to the will of the President, for he has expressed the thought that Government employees have no right to strike and I am only asking that that thought be enacted into law.

The SPEAKER. The gentleman from Missouri [Mr. SHANNON] is entitled to be recognized under special order of the House. The gentleman does not appear to be present.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BOYER, for 2 weeks, on account of important business.

To Mr. GREGORY, for the balance of the week, on account of important official business.

To Mr. ELLENBOGEN, on account of official business.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 7373. An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways, free bridges, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 176. An act for the relief of George Smith and Ketha Smith;

S. 184. An act for the relief of Josephine M. Scott;

S. 1044. An act for the relief of Thomas W. Seay;

S. 1129. An act to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes;

S. 1266. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American

Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and for other purposes;

S. 1822. An act for the relief of Harry Burnett;

S. 1881. An act for the relief of the Consolidated Aircraft Corporation;

S. 2334. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; and

S. 2399. An act for the relief of R. L. Lachlan.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Thursday, August 5, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

Special Subcommittee on Naval Affairs appointed by Chairman CARL VINSON will hold open hearings on H. R. 7777, to further amend section 3 of the act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limit prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934 (48 Stat. 505), as amended by the act of June 25, 1936 (49 Stat. 1926; 34 U. S. C., sec. 496), Thursday, August 5, 1937, at 10: 30 a. m.

COMMITTEE ON THE DISTRICT OF COLUMBIA

The subcommittee appointed by the Committee on the District of Columbia to consider the following bills: H. R. 2344, David R. Thompson; H. R. 4302, Ralph S. Warner; H. R. 5645, James F. Day; H. R. 5916, Davis B. Cole; all relating to reinstatement of former members of the Metropolitan Police force, will meet Thursday, August 5, 1937, at 10 a. m. in room 345, House Office Building.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Tuesday, August 10, 1937, at 10 a. m., on H. R. 8080, a bill to establish a fund for the insurance of mortgages securing loans for the construction or reconditioning of floating property used for commercial purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

773. A letter from the President of the United States, transmitting deficiency estimates of appropriations for the District of Columbia for the fiscal year 1937 and prior fiscal years amounting to $6,807.51, and a draft of a proposed provision pertaining to existing appropriations (H. Doc. No. 336); to the Committee on Appropriations and ordered to be printed.

774. A letter from the President of the United States, transmitting a draft of a proposed provision pertaining to existing appropriations for the Treasury Department, fiscal year 1938 (H. Doc. No. 335); to the Committee on Appropriations and ordered to be printed.

775. A letter from the President of the United States, transmitting a draft of a proposed provision pertaining to the Emergency Relief Appropriation Act, 1937, and the National Park Service, Department of the Interior, fiscal year 1938 (H. Doc. No. 334); to the Committee on Appropriations and ordered to be printed.

776. A letter from the Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claim of the Tiffany Construction Co. against the United States; to the Committee on Claims.

777. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated August 3, 1937, submitting a report, together with accompanying papers, on a preliminary examination of St. Louis River, Minn., authorized by the Flood Control Act approved June 22, 1936; to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 297. Resolution providing for the consideration of H. R. 7667; without amendment (Rept. No. 1436). Referred to the House Calendar.

Mr. MAY: Committee on Military Affairs. H. R. 8104. A bill for the protection of certain enlisted men of the Army; without amendment (Rept. No. 1437). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDREWS: Committee on Military Affairs. S. 1516. An act to authorize certain payments to the American War Mothers, Inc.; the Veterans of Foreign Wars of the United States, Inc.; and the Disabled American Veterans of the World War, Inc.; with amendment (Rept. No. 1438). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE of Idaho: Committee on Irrigation and Reclamation. S. 413. An act to create a commission and to extend further relief to water users on United States reclamation projects and on Indian irrigation projects; with amendment (Rept. No. 1440). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 6087. A bill to amend an act entitled "An act authorizing the Court of Claims to hear, consider, adjudicate, and enter judgment upon the claims against the United States of J. A. Tippit, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. McCallib, J. J. Beckham, and John Toles", approved June 28, 1934; without amendment (Rept. No. 1439). Referred to the Committee of the Whole House.

Mr. JACOBSEN: Committee on Claims. H. R. 6682. A bill for the relief of Merchants National Bank & Trust Co.; with amendment (Rept. No. 1441). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CULKIN: A bill (H. R. 8142) to provide relief for certain alien noncommissioned officers in the military and naval service of the United States; to the Committee on Military Affairs.

By Mr. DORSEY: A bill (H. R. 8143) to authorize the appropriation of funds for the development of the autogiro; to the Committee on Military Affairs.

By Mr. GRAY of Pennsylvania: A bill (H. R. 8144) to amend the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936; to the Committee on Flood Control.

By Mr. KRAMER: A bill (H. R. 8145) to amend the first paragraph of subsection (a) of the first section of the act entitled "An act to supplement the naturalization laws, and for other purposes", approved March 2, 1929, as amended; to the Committee on Immigration and Naturalization.

By Mr. PALMISANO (by request): A bill (H. R. 8146) to provide for advisory referenda in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 8147) to amend section 798 of the Code of Law for the District of Columbia, relating to murder in the first degree; to the Committee on the District of Columbia.

By Mr. WALTER: A bill (H. R. 8148) to amend Public Law No. 692, Seventy-fourth Congress, second session; to the Committee on the Judiciary.

By Mr. ENGLEBRIGHT: A bill (H. R. 8149) to amend section 2 of the act of May 23, 1930 (46 Stat. 375); to the Committee on Naval Affairs.

By Mr. HILDEBRANDT: A bill (H. R. 8150) providing for the purchase by the United States of air-navigation facilities established, with the approval of the Secretary of Commerce, by air-mail contractors on their contract routes; to the Committee on Interstate and Foreign Commerce.

By Mr. LUTHER A. JOHNSON: A bill (H. R. 8151) to provide relief for the American farmers for the fiscal year ending June 30, 1938; to the Committee on Appropriations.

By Mr. CALDWELL: A bill (H. R. 8152) authorizing more complete development of that portion of Santa Rosa Island conveyed to the county of Escambia, State of Florida, by the Secretary of War; to the Committee on Military Affairs.

By Mr. MAY (by request): A bill (H. R. 8153) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended by the act of June 4, 1920; to the Committee on Military Affairs.

By Mr. HARRINGTON: Resolution (H. Res. 298) directing the Secretary of State to supply the House of Representatives with certain information pertaining to reciprocal trade agreements; to the Committee on Ways and Means.

By Mr. FISH: Resolution (H. Res. 299) favoring the custom of retirement by Presidents from office after two terms; to the Committee on the Judiciary.

By Mr. McREYNOLDS, Joint resolution (H. J. Res. 476) authorizing participation by the United States in the Inter-American Radio Conference to convene at Habana, Cuba, November 1, 1937; to the Committee on Foreign Affairs.

By Mr. STACK: Joint resolution (H. J. Res. 477) staying mortgage foreclosure by the Home Owners' Loan Corporation and the reduction of interest rates; to the Committee on Banking and Currency.

By Mr. HILL of Oklahoma: Joint resolution (H. J. Res. 478) authorizing the Committee on Indian Affairs or a subcommittee thereof, to hold hearings to determine alleged loss of revenues sustained by certain States due to exemption from taxation of Indian lands and oil and gas and other minerals from such lands; prescribing the duties of said committee and authorizing said committee to determine the amount of such loss sustained by such States; to the Committee on Rules.

By Mr. CELLER: Joint resolution (H. J. Res. 479) to make available to the Federal Government the facilities of the Council of State Governments, and for other purposes; to the Committee on the Judiciary.

By Mr. ROMJUE: Joint resolution (H. J. Res. 480) to stabilize the price of corn; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND of Pennsylvania: A bill (H. R. 8154) for the relief of Frank A. Adamus, Scranton, Pa.; to the Committee on Pensions.

By Mr. HAVENNER: A bill (H. R. 8155) granting an increase of pension to Mrs. Thomas H. Jackson; to the Committee on Pensions.

By Mr. HOFFMAN: A bill (H. R. 8156) granting an increase of pension to Samanthy J. Shyer; to the Committee on Invalid Pensions.

By Mr. MAHON of South Carolina: A bill (H. R. 8157) granting a pension to Cornelius J. Phillips; to the Committee on Pensions.

By Mr. POLK: A bill (H. R. 8158) granting an increase of pension to Jerucia S. Platter; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 8159) granting a pension to Ida M. Hoyt; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3111. By Mr. CURLEY: Petition of the Malden Local Home Loan Defense Association, Malden, Mass., urging enactment of the Copeland-Curley bill for the relief of distressed home owners; to the Committee on Banking and Currency.

3112. Also, petition of the New York State Credit Union League, New York City, urging favorable action on Senate bill 2675, introduced by Senator SHEPPARD; to the Committee on Banking and Currency.

3113. Also, petition of the New York County Lawyers Association, recommending disapproval of Senate bill 2352 in relation to the appointment of Federal judges to the Supreme Court and lower courts; to the Committee on the Judiciary.

3114. Also, petition of the New York County Lawyers Association, urging disapproval of Senate Joint Resolution 86, proposing an amendment to the Constitution in relation to tenure of office and compensation of judges of the Supreme Court and the inferior courts; to the Committee on the Judiciary.

3115. Also, petition of the American Federation of State, County, and Municipal Employees of New York State, urging that the financial provisions of the Wagner-Steagall Act be doubled and the bill passed; to the Committee on Banking and Currency.

3116. By Mr. GUYER: Petition of citizens of Wyandotte County, Kans., expressing interest in House bill 2257, to grant old-age assistance; to the Committee on Ways and Means.

3117. Also, petition of citizens of Johnson County, Kans., expressing interest in House bill 4199, the General Welfare Act of 1937 (Townsend plan); to the Committee on Ways and Means.

3118. By Mr. HART: Petition of the Trenton Bartenders' Union, Local No. 124, of Trenton, N. J., urging the enactment of the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

3119. By Mr. LUTHER A. JOHNSON: Petition of J. A. Fuston, secretary, Ellis County Ginners Association, Italy, Tex., opposing the Black-Connery wage and hour bill; to the Committee on Labor.

3120. By Mr. KEOGH: Petition of the Federation of Architects, Engineers, Chemists, and Technicians, New York City, concerning the Schwellenbach-Allen joint resolution; to the Committee on Banking and Currency.

3121. Also, petition of 35,000 members of the Amalgamated Clothing Workers in Greater New York, concerning the Black-Connery wage and hour bill; to the Committee on Labor.

3122. Also, telegram of the New York Clothing Cutters Union, Local 4, A. C. W. of A., New York City, concerning the wage and hour bill; to the Committee on Labor.

3123. Also, telegram of the Wholesale Clothing Clerks Union, Local 158, A. C. W. of A., New York City, concerning the wage and hour bill; to the Committee on Labor.

3124. Also, petition of the office of the City Council of the City of Cleveland, Ohio, concerning the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

3125. By Mr. O'NEILL of New Jersey: Petition of the Brewers Union, Local No. 2, Newark, N. J., International Union of United Brewery, Flour, Cereal, and Soft Drink Workers of America, praying passage of House Joint Resolution 390; to the Committee on Foreign Affairs.

3126. By the SPEAKER: Petition of the National Organization of Masters, Mates, and Pilots of America, San Francisco, Calif., with reference to the abolishing of all State nautical school ships; to the Committee on Naval Affairs.

SENATE

THURSDAY, AUGUST 5, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, August 4, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1935) to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7373) to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6384. An act to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes; and

H. R. 8081. An act authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 176. An act for the relief of George Smith and Ketha Smith;

S. 184. An act for the relief of Josephine M. Scott;

S. 1044. An act for the relief of Thomas W. Seay;

S. 1129. An act to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu hereof, and for other purposes;

S. 1266. An act to authorize the city of Chamberlain, S. Dak., to construct, equip, and maintain tourist cabins on American Island, S. Dak., to operate and maintain a tourist camp and certain amusement and recreational facilities on such island, to make charges in connection therewith, and for other purposes;

S. 1822. An act for the relief of Harry Burnett;

S. 1881. An act for the relief of the Consolidated Aircraft Corporation;

S. 2334. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 2399. An act for the relief of R. L. McLachlan; and

H. R. 7373. An act to aid the several States in making, or for having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

CALL OF THE ROLL

Mr. LEWIS. In view of the fact that votes are to be taken on amendments that are pending to the bill before the Senate, a quorum is needed, and I ask for a roll call in order to secure one.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Pittman
Andrews	Copeland	La Follette	Radcliffe
Ashurst	Davis	Lee	Reynolds
Austin	Dieterich	Lewis	Schwartz
Bailey	Donahey	Lodge	Schwellenbach
Barkley	Ellender	Logan	Sheppard
Berry	Frazier	Lonergan	Shipstead
Bilbo	George	Lundeen	Smith
Black	Gerry	McAdoo	Steiwer
Bone	Gillette	McCarran	Thomas, Okla.
Borah	Glass	McGill	Thomas, Utah
Bridges	Green	McKellar	Townsend
Brown, Mich.	Guffey	McNary	Truman
Brown, N. H.	Hale	Maloney	Tydings
Bulkley	Harrison	Minton	Vandenberg
Bulow	Hatch	Moore	Van Nuys
Burke	Herring	Murray	Wagner
Byrd	Hitchcock	Neely	Walsh
Byrnes	Holt	Nye	Wheeler
Capper	Hughes	O'Mahoney	White
Chavez	Johnson, Calif.	Overton	
Clark	Johnson, Colo.	Pepper	

Mr. LEWIS. I again announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official duty as members of the committee to attend the dedication of the battle monuments in France.

I further announce that the Senator from Arkansas [Mrs. CARAWAY] is unavoidably detained; that the Senator from Idaho [Mr. POPE] is detained on official business; and that the Senator from New Jersey [Mr. SMATHERS] is absent because of illness in his family.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the performance of official duty as a member of the committee to attend the dedication of the battle monuments in France.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

VIRGINIA DARE CELEBRATION, ROANOKE ISLAND, N. C.

The VICE PRESIDENT. Under authority of House Concurrent Resolution 17, agreed to June 16, 1937, the Chair appoints the Senator from Kentucky [Mr. BARKLEY], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Oregon [Mr. MCNARY], and the Senator from Massachusetts [Mr. LODGE] as members, on the part of the Senate of the joint committee to represent Congress at the celebration of the three hundred and fiftieth anniversary of the birth of Virginia Dare, to be held at Roanoke Island, N. C., on August 18, 1937.

HOME MORTGAGES IN PENNSYLVANIA (S. DOC. NO. 92)

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Home Loan Bank Board, transmitting, in response to Senate Resolution 157, agreed to July 27, 1937, a preliminary report on the total of home mortgages and other obligations acquired by the Home Owners' Loan Corporation in the State of Pennsylvania, the number of foreclosures made by the Corporation in such State, and other similar information, for the fiscal years ended 1934, 1935, and 1936, which, with the accompanying report, was ordered to lie on the table and be printed.

PETITIONS AND MEMORIAL

The VICE PRESIDENT laid before the Senate the petition of Mr. and Mrs. J. M. Hutcheson, of Huntington, W. Va., praying for the prompt adoption of the general legislative objectives of the President of the United States, which was ordered to lie on the table.

Mr. WALSH presented a resolution adopted by the United Shoe Workers of America, C. I. O., in the State of Massachusetts, urging the enactment of Senate Joint Resolution 176, favoring the employment by the Works Progress Administration of persons unable to find employment in private industry, which was referred to the Committee on Education and Labor.

Mr. TYDINGS presented a resolution adopted at Denton, Md., by women members of the Church of the Brethren of the Eastern District of Maryland, favoring the enactment of

legislation to prohibit the export of implements of war from the United States in peacetime as well as in time of war, which was referred to the Committee on Foreign Relations.

Mr. LODGE presented a petition of sundry citizens of Dorchester, Mass., praying for the enactment of legislation to abolish the Federal Reserve System as at present constituted, and also praying that Congress exercise its constitutional right to coin money and regulate the value thereof, which was referred to the Committee on Banking and Currency.

REPORTS OF COMMITTEES

Mr. WHITE, from the Committee on Commerce, submitted a report (No. 1079) to accompany the bill (S. 1273) to adopt regulations for preventing collisions at sea, heretofore reported by him from that committee with an amendment.

Mr. GEORGE, from the Committee on Finance, to which was referred the bill (H. R. 7741) to amend the Adjusted Compensation Payment Act, 1936, to provide for the escheat to the United States of certain amounts, reported it without amendment and submitted a report (No. 1080) thereon.

Mr. KING, from the Committee on Finance, to which was referred the joint resolution (H. J. Res. 288) to permit articles imported from foreign countries for the purpose of exhibition at the New York World's Fair, 1939, New York City, N. Y., to be admitted without payment of tariff, and for other purposes, reported it without amendment and submitted a report (No. 1082) thereon.

Mr. WALSH, from the Committee on Finance, to which was referred the bill (H. R. 4543) to amend the Tariff Act of 1930 to exempt vessels arriving for the purpose of taking on ship's stores and certain sea stores from the requirement of formal entry, reported it without amendment and submitted a report (No. 1083) thereon.

Mr. GUFFEY, from the Committee on Finance, to which was referred the bill (H. R. 7949) to exempt State liquor-dispensing systems from the requirement of keeping certain records and rendering transcripts and summaries of entries with respect to distilled spirits, reported it without amendment and submitted a report (No. 1084) thereon.

Mr. WAGNER, from the Committee on Banking and Currency, to which was referred the bill (H. R. 8025) to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States, reported it without amendment.

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 854. A bill for the relief of Robert Coates (Rept. No. 1085);

H. R. 2740. A bill for the relief of John N. Brooks (Rept. No. 1086);

H. R. 3058. A bill for the relief of former employees of the Federal Subsistence Homesteads Corporation (Rept. No. 1087); and

H. R. 4526. A bill for the relief of Lake Spence (Rept. No. 1088).

Mr. SCHWARTZ also, from the Committee on Claims, to which was referred the bill (S. 2644) for the relief of Sherm Sletholm, Loneata Sletholm, Lulu Yates, Madeline Yates, and the estate of Ella A. Morris, reported it with an amendment and submitted a report (No. 1089) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (H. R. 3426) for the relief of Rose McGirr, reported it without amendment and submitted a report (No. 1090) thereon.

He also, from the same committee, to which was referred the bill (H. R. 615) for the relief of Margaret Voorhees, a minor, reported it with an amendment and submitted a report (No. 1091) thereon.

He also, from the Committee on the Judiciary, to which was referred the bill (S. 1816) to amend section 77 of the Judicial Code, as amended, to create a Brunswick division in the southern district of Georgia, with terms of court to be held at Brunswick, reported it without amendment and submitted a report (No. 1120) thereon.

Mr. HUGHES, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 1375. A bill for the relief of Wayne M. Cotner (Rept. No. 1092); and

H. R. 4156. A bill for the relief of George R. Brown (Rept. No. 1093).

Mr. HUGHES also, from the Committee on the Judiciary, to which was referred the bill (H. R. 5963) providing for the establishment of a term of the District Court of the United States for the Northern District of New York at Malone, N. Y., reported it without amendment and submitted a report (No. 1122) thereon.

Mr. ELLENDER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 1869. A bill for the relief of J. Roy Workman, Adelaide W. Workman, and J. Roy Workman, Jr., a minor (Rept. No. 1094); and

H. R. 3987. A bill for the relief of the estate of Col. C. J. Bartlett, United States Army (Rept. No. 1095).

Mr. SCHWELLENBACH, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2866. A bill for the relief of Vincent Ford (Rept. No. 1096);

H. R. 1207. A bill conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claims of the estates of Marshall Campbell and Raymond O'Neal (Rept. No. 1097);

H. R. 1734. A bill for the relief of Sam Romack (Rept. No. 1098); and

H. R. 6059. A bill for the relief of Edith Jordan (Rept. No. 1099).

Mr. SCHWELLENBACH also, from the Committee on Claims, to which was referred the bill (S. 283) for the relief of Mrs. J. H. McClary, reported it with an amendment and submitted a report (No. 1100) thereon.

He also, from the same committee, to which was referred the bill (S. 2699) for the relief of Max D. Ordmann, reported it with amendments and submitted a report (No. 1101) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 420. A bill for the relief of Marjorie L. Baxter (Rept. No. 1102);

H. R. 1355. A bill for the relief of Lawrence E. Thomas (Rept. No. 1103);

H. R. 1794. A bill for the relief of the estate of Marcellino M. Gilmette (Rept. No. 1104);

H. R. 3503. A bill for the relief of George O. Claypool (Rept. No. 1105);

H. R. 3745. A bill for the relief of W. H. Lenneville (Rept. No. 1106); and

H. R. 3750. A bill for the relief of Jack C. Allen (Rept. No. 1107).

Mr. BURKE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 1767. A bill for the relief of the Rowesville Oil Co. (Rept. No. 1108);

H. R. 1770. A bill for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C. (Rept. No. 1109);

H. R. 1915. A bill for the relief of Charles Tabit (Rept. No. 1110);

H. R. 2488. A bill for the relief of A. H. Sphar (Rept. No. 1111); and

H. R. 3395. A bill for the relief of J. H. Knott (Rept. No. 1112).

Mr. BROWN of Michigan, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 886. A bill for the relief of Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin (Rept. No. 1113);

H. R. 1690. A bill for the relief of Ralph Reisler (Rept. No. 1114);

H. R. 5229. A bill for the relief of Carson Bradford (Rept. No. 1115); and

H. R. 5622. A bill for the relief of Marian Malik (Rept. No. 1116).

Mr. BROWN of Michigan also, from the Committee on Claims, to which was referred the bill (S. 1346) for the relief of Stillwell Bros., Inc., reported it with an amendment and submitted a report (No. 1117) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 5859. A bill authorizing the Territory of Alaska to transfer a certain tract of land to Sitka Cold Storage Co., a corporation (Rept. No. 1118); and

H. R. 7727. A bill to authorize the administration of oaths by the chief clerk and the assistant chief clerk of the office of the United States High Commissioner to the Philippine Islands, and for other purposes (Rept. No. 1081).

Mr. DIETERICH, from the Committee on the Judiciary, to which was referred the joint resolution (H. J. Res. 284) authorizing the President of the United States of America to proclaim the 13th day of April of each year Thomas Jefferson's Birthday, reported it without amendment and submitted a report (No. 1119) thereon.

Mr. McGILL, from the Committee on the Judiciary, to which was referred the bill (S. 483) to provide for the confiscation of firearms in possession of persons convicted of felony and disposition thereof, reported it without amendment and submitted a report (No. 1121) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 2253) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render final judgment on any and all claims of whatsoever nature which the Indians of the Fort Hall Indian Reservation, in the State of Idaho, or any tribe, band, or group having members living thereon, may have against the United States, and for other purposes, reported it with amendments and submitted a report (No. 1123) thereon.

Mr. STEIWER, from the Committee on Indian Affairs, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 2053. A bill authorizing the establishment of a revolving loan fund for the Klamath Indians of Oregon, and for other purposes (Rept. No. 1124); and

S. 2054. A bill establishing per-diem payments in lieu of compensation and expenses for members of Klamath business committee and official Klamath delegates to Washington (Rept. No. 1125).

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 2594) authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes, reported it without amendment and submitted a report (No. 1126) thereon.

REPORT ON TAX EVASION AND AVOIDANCE

Mr. HARRISON. Mr. President, pursuant to section 2 of Public Resolution No. 40 of the present Congress, I have the honor to submit a report from the Joint Committee on Tax Evasion and Avoidance. This report is quite voluminous. I may say that it is being presented to the House of Representatives today, and the Committee on Ways and Means of that body will take up immediately the report, with a bill, for consideration, expecting to pass the proposed legislation before the close of the present session of Congress. Of course, the Committee on Finance will seek immediately to take up the bill after it shall have passed the House. I am going to ask unanimous consent that the report be printed in the body of the CONGRESSIONAL RECORD, so that all may read it, and that it be referred to the Committee on Finance.

There being no objection, the report was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

LETTER OF SUBMITTAL

JOINT COMMITTEE ON TAX EVASION AND AVOIDANCE,
Washington, August 5, 1937.

The PRESIDENT OF THE SENATE.

SIR: Pursuant to section 2 of Public Resolution No. 40, Seventy-fifth Congress, I have the honor to submit a report by the Joint Committee on Tax Evasion and Avoidance.

Yours respectfully,

R. L. DOUGHTON,
Chairman, Joint Committee on Tax Evasion and Avoidance.

REPORT OF THE JOINT COMMITTEE ON TAX EVASION AND AVOIDANCE

To the Senate and House of Representatives of the United States of America in Congress assembled:

FOREWORD

On June 1, 1937, the President of the United States transmitted the following message to the Congress:

To the Congress of the United States:

A condition has been developing during the past few months so serious to the Nation that the Congress and the people are entitled to information about it.

The Secretary of the Treasury has given me a report of a preliminary study of income-tax returns for the calendar year 1936. This report reveals efforts at avoidance and evasion of tax liability so widespread and so amazing both in their boldness and their ingenuity that further action without delay seems imperative.

We face a challenge to the power of the Government to collect, uniformly, fairly, and without discrimination, taxes based on statutes adopted by the Congress.

Mr. Justice Holmes said, "Taxes are what we pay for civilized society." Too many individuals, however, want the civilization at a discount.

Methods of escape or intended escape from tax liability are many. Some are instances of avoidance which appear to have the color of legality; others are on the border line of legality; others are plainly contrary even to the letter of the law.

All are alike in that they are definitely contrary to the spirit of the law. All are alike in that tney represent a determined effort on the part of those who use them to dodge the payment of taxes which Congress based on ability to pay. All are alike in that failure to pay results in shifting the tax load to the shoulders of others less able to pay, and in mulcting the Treasury of the Government's just due.

I commend to your attention the following letter from the Secretary of the Treasury:

THE SECRETARY OF THE TREASURY,
Washington, May 29, 1937.

MY DEAR MR. PRESIDENT: As you know, the Treasury was surprised and disturbed by the failure of the receipts from the income tax on March 15 to measure up to the Budget estimates. Therefore, we undertook an immediate investigation. Only a preliminary report can be made at this time, because the complete investigation covering all the income-tax returns filed will require the balance of this year. Furthermore, since many of the returns of large manufacturing corporations have not yet been filed, the present report is confined almost wholly to data disclosed by the individual tax returns.

But even this preliminary report discloses conditions so serious that immediate action is called for. More than the usual examination and audit by the Treasury are needed. It seems clear that if tax evasion and tax avoidance can be promptly stopped through legislation and regulations resulting from a special investigation a very large portion of the deficiency in revenues will be restored to the Treasury.

I herewith enumerate some of the principal devices now being employed by taxpayers with large incomes for the purpose of defeating the income taxes which would normally be payable by them. As we continue our preliminary examination other devices are being disclosed.

1. THE DEVICE OF EVADING TAXES BY SETTING OF FOREIGN PERSONAL HOLDING CORPORATIONS IN THE BAHAMAS, PANAMA, NEWFOUNDLAND, AND OTHER PLACES WHERE TAXES ARE LOW AND CORPORATION LAWS LAX

Americans have formed 64 such companies in the Bahamas alone in 1935 and 1936, and 22 more were organized by Americans in the Bahamas during the past 2 months. Panama and Newfoundland seem to be even more fertile territory, since their corporation laws make it more difficult to ascertain who the actual stockholders are. Moreover, the stockholders have resorted to all manner of devices to prevent the acquisition of information regarding their companies. The companies are frequently organized through foreign lawyers, with dummy incorporators and dummy directors, so that the names of the real parties in interest do not appear.

One American citizen with a $3,000,000 Bahamas corporation has apparently attempted to prevent the Bureau of Internal Revenue

from catching up with him by filing his individual tax returns in successive years from towns in New Brunswick, British Columbia, and Jamaica.

Another individual believes that he has been so successful in removing his assets from the United States to the Bahamas that he is defying the Treasury to collect a tax upon a $250,000 fee he has received; and by way of insult, he has offered to compromise his admitted tax liability of $33,000 for past years by a payment of $1,700.

Still another individual showed a large net loss on his personal return for 1936. In considerable part the loss was due to the large deduction he claims for interest on a loan made to him by his personal holding company. But the man in question is no object of charity, for his personal holding company, organized in Canada, had an income of over $1,500,000 from American dividends in 1936, though it has not yet filed a return.

Perhaps the most flagrant case of this character is that of a retired American Army officer with a large income from valuable American securities which he desires to sell at a very large profit. To escape our income- and inheritance-tax laws, he used the device of becoming a naturalized Canadian citizen, and 6 days later organized four Bahamas corporations to hold his securities. He and his lawyers apparently think that he can now sell his securities free from any taxes on his profits, since there are no income taxes in the Bahamas, and that he has adroitly escaped American taxes.

2. THE DEVICE OF FOREIGN INSURANCE COMPANIES

Two New York insurance agents have caused the organization of insurance companies in the Bahamas with a view to enabling taxpayers to secure spurious deductions for interest through an ingenious scheme for the issuance of life-insurance policies. Americans who went into the scheme purported to pay a large single premium for their policies, but immediately borrowed back practically the entire sum. Under the plan the so-called policyholders sought to obtain a large deduction for interest on this loan, although the fact was that no interest was really paid. By this means five prominent Americans sought to evade nearly $550,000 in income taxes in the years 1932 to 1936. This fraud was discovered by the Treasury's investigators and all of the taxpayers have now submitted offers to pay the full amount of taxes evaded, plus interest. Until our investigation is completed, we do not know how many similar companies may have been organized in other countries, and utilized by our citizens; nor do we yet know whether this newly invented type of fraud has other ramifications.

3. THE DEVICE OF DOMESTIC PERSONAL HOLDING COMPANIES

The rates of tax applicable to personal holding companies were reduced in 1936 at the time of the enactment of the undistributed-profits tax. It was believed at that time that the combined rates of the two taxes would be sufficient to insure the distribution of the entire incomes of these companies, and the consequent imposition of surtaxes upon their owners. This expectation has not been realized.

Thus, the single stockholder of one large personal holding company saved himself $322,000 by causing his company to distribute none of its income to him.

In another case, a man and his wife saved $791,000 through the use of personal holding companies in 1936.

In a third case, the personal holding company reported over $500,000 of net income but the total taxes paid by the two stockholders, husband and wife, were less than $60,000, due principally to credits for payments on indebtedness the holding company prudently incurred in accumulating properties for its owners. If the personal holding company had not been in existence, the stockholders would have paid over $200,000 additional income taxes.

Another favorite device is to organize a considerable number of personal holding companies, not only for the sake of reducing the tax but of increasing the Treasury's difficulties in auditing transactions between companies. At last accounts one man had caused to be set up some 96 companies scattered all over the country. Two other individuals were utilizing 23 personal holding companies.

4. THE DEVICE OF INCORPORATING YACHTS AND COUNTRY ESTATES

Many wealthy taxpayers today are dodging the express provisions of the law denying deductions for personal expenses by incorporating their yachts or their country estates, turning over to the yacht or to the estate securities yielding an income just sufficient to pay the entire expenses of operation. Hundreds of thousands of dollars in income taxes are annually avoided in this way.

Thus, one man's yacht is owned by his personal holding company, along with $3,000,000 in securities. He rents the yacht from his company for a sum far less than the cost of upkeep, and the company uses its income from the securities to pay the wages of the captain and crew, the expenses of operating the yacht, and an annual depreciation allowance. None of these items would be deductible if this individual owned the yacht personally.

A great many wealthy taxpayers are utilizing a similar arrangement for the operation of their country places and town houses.

One man has placed his $5,000,000 city residence in such a corporation; another, his racing stable, whose losses last year were nearly $200,000. The tax savings he thus sought to obtain through the use of the holding company were $140,000.

One wealthy woman has improved on the general plan of evasion by causing her personal holding company, which owns her country place, to employ her husband at a salary to manage it. She can thereby supply him with pocket money, and in effect claims a tax deduction for the expense of maintaining him.

5. THE DEVICE OF ARTIFICIAL DEDUCTIONS FOR INTEREST, LOSSES, ETC.

Taxpayers are seeking greatly to reduce their personal income taxes by claiming deductions for interest on loans to them by their personal holding companies, or on loans to them by their family trusts. These transactions normally have no business purpose but are merely an artificial means of shifting income from one member of the family subject to high surtax rates to another member of the family subject to lower rates.

Thus, one woman claims a large annual deduction for interest on a loan made to her by her husband as trustee of a trust which she created for their children. The mother thereby seeks to secure a deduction for her contribution to the children's support, and, since the trust is revocable by her husband, the parents still have the desired control over the property and its income.

In the same category are losses deducted by taxpayers who claim that their racing stables or hobby farms were operated for profit, even though a profit is never realized. Thus, a prominent manufacturer seeks a deduction of over $125,000 against his income from his business on account of his losses in operating a chicken farm.

6. THE DEVICE OF THE CREATION OF MULTIPLE TRUSTS FOR RELATIVES AND DEPENDENTS

Splitting income two ways, between husband and wife, reduces income taxes and leaves the family income intact. Splitting the family income many ways by means of many trusts, all for the same beneficiaries, may effect a much greater saving, while leaving the money actually in the same hands. For the creator of the trust often constitutes himself or his wife as trustee, and thus retains full control over the investment and disposition of the fund itself and of its income.

One thrifty taxpayer has formed 64 trusts for the benefit of four members of his immediate family, and thereby claims to have saved them over $485,000 in 1 year in taxes.

Another thrifty pair have constituted 40 trusts for their relatives, and a prominent lawyer and his wife utilize 16 trusts for the same purpose. The first pair maintains numbered brokerage accounts, and only at the end of the year are the beneficial owners identified. In this way innumerable transactions are carried on, often between accounts, which do not actually affect the beneficial interests of their owners but which are designed solely to reduce tax liability.

7. THE DEVICE OF HUSBAND AND WIFE OR FATHER AND CHILDREN PARTNERSHIPS

The purpose of these partnerships, like the multiple trusts, is to split the family income artificially into two parts; or, if the children are taken in, into still smaller fractions.

There are many instances of this kind; but to illustrate the point it is sufficient to cite the case of a New York brokerage firm which late in 1935 admitted into partnership the four minor children, two boys and two girls, of one of the partners. The tax saving he sought thereby in 1936 amounted to over $50,000.

8. THE DEVICE OF PENSION TRUSTS

For 10 years the revenue acts have sought to encourage pension trusts for aged employees by providing corporations with a special deduction on account of contributions thereto and exempting the trust itself from tax. Recently this exemption has been twisted into a means of tax avoidance by the creation of pension trusts which include as beneficiaries only small groups of officers and directors who are in the high-income brackets. In this fashion high-salaried officers seek to provide themselves with generous retiring allowances, while at the same time the corporation claims a deduction therefor, in the hope that the fund may accumulate income free from tax.

Thus, in one case $43,000 is annually appropriated by the corporation to a pension trust for the benefit of its two chief owners. One of the co-owners will retire at the age of 65 with a monthly pension of $1,725, and the other will retire at 60 with a monthly pension of $1,425.

These eight types of tax avoidance are sufficient to show that there is a well-defined purpose and practice on the part of some taxpayers to defeat the intent of Congress to tax incomes in accordance with ability to pay. In some cases the Bureau of Internal Revenue under existing law can establish a liability or, indeed, proceed on the ground of fraud; but many of these cases fall in the category of a legal though highly immoral avoidance of the intent of the law. It seems, therefore, that legislation should be passed at this session of the Congress in order to eliminate these loopholes which our preliminary investigation has proved, and that as a result of the further investigation this summer and autumn the next session of the Congress should finally close any further loopholes which may be discovered.

In addition to these cases of moral fraud, there are three other major instances in which the law itself permits individuals and corporations to avoid their equitable share of the tax burden.

1. PERCENTAGE DEPLETION

This is perhaps the most glaring loophole in our present revenue law. Since 1928 large oil and mining corporations have been entitled to deduct from 5 to 27½ percent of their gross income as an

allowance for the depletion of their mines or wells, and the deduction may be taken even though the cost of the property has been completely recovered. Thus, in 1936, one mining company deducted nearly $3,000,000 under this provision, although it had already completely recovered the cost of its property. The amount of the deduction was a sheer gift from the United States to this taxpayer and its stockholders, and the revenue that we lost thereby was $818,000. Similar annual losses of revenue in the cases of a few other typical companies are $584,000, $557,000, $512,000, $272,000, $267,000, $202,000, and $152,000. The estimated annual loss of revenue due to this source alone is about $75,000,000. I recommended in 1933 that this provision be eliminated, but nothing was done at that time; and it has since remained unchanged.

2. THE DIVISION OF INCOME BETWEEN HUSBAND AND WIFE IN THE EIGHT COMMUNITY-PROPERTY STATES

This is another major cause of revenue loss, which is unjustifiable because obtained at the expense of taxpayers in the 40 States which do not have community-property laws. A New York resident with a salary of $100,000 pays about $32,525 Federal income tax; a Californian with the same salary may cause one-half to be reported by his wife and the Federal income taxes payable by the two will be only $18,626. The total loss of revenue due to this unjustifiable discrimination against the residents of 40 States runs into the millions.

3. TAXATION OF NONRESIDENT ALIENS

The 1936 act eliminated the requirement that a nonresident alien (without United States office or business) should file a return; fixed the withholding rate for individuals at 10 percent; and freed the nonresident alien from taxation on American capital gains. Since the total Federal tax upon a citizen or resident amounts to 10 percent of his total net income at about $25,000 (in the case of a married individual with no dependents), the withholding rate has proved in practice to be too low as applied to wealthy nonresident alien individuals. There are a number of cases of nonresident aliens with large incomes from American trusts or with large American investments whose taxes have been cut to one-third or one-fifth of what they paid under the prior act.

Thus, one American woman who married an Englishman had an income from this country in 1935 of nearly $300,000. Her tax for 1936 will, therefore, be approximately $30,000 as against over $160,000 under the prior law.

Another American woman who married a Frenchman has an income of over $150,000 from American trusts, on which she paid a tax of about $55,000 in 1935. Her tax is reduced to about $15,000 by the 1936 law. Although the tightening of the withholding provisions in 1936 will tend to insure more revenue from nonresident aliens in the lower-income brackets, the present taxing provisions are not satisfactory as applied to nonresident aliens with incomes in the higher brackets.

The problem of tax avoidance is not new. The Congress devoted particular attention to it in 1933 and 1934, and by legislation effectively put a stop to many evasive devices discovered then as having been in use. The practices outlined above can and should be stopped in the same way.

In conclusion, I have two observations to make from the evidence before me. In the first place, the instances I have given above are disclosed by a quick check of comparatively few individual returns. As I have said before, most of the large corporation returns have not yet been filed. The general audit of 1936 returns is just beginning. Nevertheless, it is likely that the cases I have digested above are symptomatic of a large number of others, which will be disclosed by the usual careful audit.

In the second place, the ordinary salaried man and the small merchant does not resort to these or similar devices. The great bulk of our 5,500,000 returns are honestly made. Legalized avoidance or evasion by the so-called leaders of the business community is not only demoralizing to the revenues; it is demoralizing to those who practice it as well. It throws an additional burden of taxation upon the other members of the community who are less able to bear it, and who are already cheerfully bearing their fair share. The success of our revenue system depends equally upon fair administration by the Treasury, and upon completely honest returns by the taxpayer.

The disclosures are so serious that I recommend that authority be given to the Treasury Department with an adequate appropriation in order that a complete and immediate investigation may be conducted. The cost of such an investigation will be returned many times over to the Treasury of the United States.

Faithfully,

HENRY MORGENTHAU, Jr.

The PRESIDENT,
The White House.

A feeling of indignation on reading this letter will, I am confident, be yours, as it was mine.

What the facts set forth mean to me is that we have reached another major difficulty in the maintenance of the normal processes of our Government. We are trying harder than ever before to relieve suffering and want, to protect the weak, to curb avarice, to prevent booms and depressions, and to balance the Budget. Taxation necessary to these ends is the foundation of sound governmental finance. When our legitimate revenues are attacked, the whole structure of our Government is attacked. "Clever little schemes" are not admirable when they undermine the foundations of society.

The three great branches of the Government have a joint concern in this situation. First, it is the duty of the Congress to remove new loopholes devised by attorneys for clients willing to take an unethical advantage of society and their own Government. Second, it is the duty of the executive branch of the Government to collect taxes, to investigate fully all questionable cases, to prosecute where wrong has been done, and to make recommendations for closing loopholes. Third, it is the duty of the courts to give full consideration to the intent of the Congress in passing tax laws and to give full consideration to all evidence which points to an objective of evasion on the part of the taxpayer.

Very definitely, the issue immediately before us is the single one relating to the evasion or unethical avoidance of existing laws. That should be kept clearly in mind by the Congress and the public. Already efforts to befog this issue appear. Already certain newspaper publishers are seeking to make it appear, first, that if an individual can devise unanticipated methods to avoid taxes which the Congress intended him to pay, he is doing nothing unpatriotic or unethical; and, second, that because certain individuals do not approve of high income-tax brackets, or the undistributed-earnings tax, or the capital-gains tax, the first duty of the Congress should be the repeal or reduction of those taxes. In other words, not one but many red herrings are in preparation.

But it seems to me that the first duty of the Congress is to empower the Government to stop these evil practices, and that legislation to this end should not be confused with legislation to revise tax schedules. That is a wholly different subject.

In regard to that subject, I have already suggested to the Congress that at this session there should be no new taxes and no changes of rates. And I have indicated to the Congress that the Treasury will be prepared by next November to present to the appropriate committees information on the basis of which the Congress may, if it chooses, undertake revisions of the tax structure.

The long-term problem of tax policy is wholly separate from the immediate problem of glaring evasion and avoidance of existing law.

In this immediate problem the decency of American morals is involved.

The example of successful tax dodging by a minority of very rich individuals breeds efforts by other people to dodge other laws as well as tax laws.

It is also a matter of deep regret to know that lawyers of high standing at the bar not only have advised and are advising their clients to utilize tax-avoidance devices, but are actively using these devices in their own personal affairs. We hear too often from lawyers, as well as from their clients, the sentiment, "It is all right to do it if you can get away with it."

I am confident that the Congress will wish to enact legislation at this session specifically and exclusively aimed at making the present tax structure evasion-proof.

I am confident also that the Congress will give to the Treasury all authority necessary to expand and complete the present preliminary investigation, including, of course, full authority to summon witnesses and compel their testimony. The ramifications and the geographical scope of a complete investigation make it necessary to utilize every power of Government which can contribute to the end desired.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 1, 1937.*

In order promptly to consider and investigate the matters brought to the attention of the Congress by the above message, a joint resolution was introduced providing for the creation of a Joint Committee on Tax Evasion and Avoidance. This joint resolution became law on June 11, 1937. It provided for a joint committee to be composed of six Members of the Senate who are members of the Committee on Finance, and six Members of the House of Representatives who are members of the Committee on Ways and Means. The requisite powers were given the joint committee to hold hearings, to examine documents, and to take testimony. Power was also given the joint committee to examine income-tax returns and related matters. Section 2 of the joint resolution referred to makes it the duty of the joint committee "to investigate the methods of evasion and avoidance of income, estate, and gift taxes, pointed out in the message of the President transmitted to Congress on June 1, 1937, and other methods of tax evasion and avoidance, and to report to the Senate and the House, at the earliest practicable date, and from time to time thereafter, but not later than February 1, 1938, its recommendation as to remedies for the evils disclosed by such investigation."

The joint committee having considered the subject matter submitted to it submits the following report:

The committee has held public hearings, beginning on June 17, 1937. Since that date it has been almost continuously engaged in holding such hearings, or in considering the subject of tax evasion and avoidance in executive session. Because of lack of time, the committee has confined itself for the present to those subjects which may be directly classified under the head of evasion or avoidance, leaving out of account subjects such as community property or percentage depletion which will receive further consideration by the joint committee.

The committee, as a result of its investigations, believe it is imperative at this time that legislation should be enacted in regard to the following subjects, with respect to which it has been shown that certain serious loopholes exist:

1. Domestic personal holding companies.
2. Incorporated yachts, country estates, etc.
3. Incorporated talents.
4. Artificial deductions for losses from sales or exchanges of property.
5. Artificial deductions for interest and business expense.
6. Multiple trusts.
7. Foreign personal holding companies.
8. Nonresident aliens.

Detailed recommendations are made on these subjects in the body of this report. The committee has examined the problem of certain alleged tax-saving devices based on single premium life insurance policies issued by fake foreign insurance companies. The committee believes the existing law is adequate to reach these cases. The subject of pension trusts has been passed over for the present, because it does not appear to have resulted in much loss of revenue to date. However, this matter will be reported on later.

The printed record of the public hearings held by the committee amply sustains the statements made by the President of the United States in his message. The committee strongly urges that legislation along the lines recommended be enacted at the earliest possible moment in order to protect the revenue, and in order that all may bear their fair share of the tax burden. The detailed recommendations of the committee follow.

1. DOMESTIC PERSONAL HOLDING COMPANIES

The problem of the personal holding company has been one requiring the continued attention of the Congress beginning with the Revenue Act of 1913. All of the earlier revenue acts as well as the existing law contain provisions imposing additional taxes upon corporations organized or availed of for the purpose of preventing the imposition of the surtax upon the shareholders thereof. These provisions have proved difficult of enforcement due to the fact that it is necessary to prove a purpose to avoid the imposition of the surtax upon the shareholders.

In the Revenue Act of 1934 a limited class of companies, known as personal holding companies, were singled out for a special surtax on undistributed profits. Under that act, personal holding companies were defined as corporations, 80 percent of whose gross income for the taxable year was derived from royalties, dividends, interest, annuities, and gains from the sale of stock or securities, and whose stock to the extent of more than 50 percent in value was owned by not more than five individuals during the last half of the taxable year. In computing the number of individuals who owned such majority stock the act counted as one all members of the family in the direct line, as well as the spouse and brothers and sisters. The provisions of the Revenue Act of 1934 were continued in section 351 of the Revenue Act of 1936 with certain changes, the main change being in the rate structure. The advantage of this provision is that it is not necessary to prove a purpose to avoid surtaxes; if a corporation comes within the definition, the surtax automatically applies.

The provisions of section 351 have not entirely closed the loophole of accumulating surplus for the purpose of avoiding surtax. There are still a good many cases in which it is cheaper for an individual to accumulate income in a personal holding company, with no or very little distribution, than to cause a distribution of such income and pay surtaxes upon it. This is due mainly to the graduated rate schedule and the allowance of special cushions not granted to individuals or ordinary corporations. In an analysis of 4,457 personal holding companies' returns filed for the calendar year 1934 and the period from January to June 1935, an aggregate personal holding company net income of $53,000,000 was shown. Of the number of personal holding company returns filed only 374, or less than 9 percent, show taxable income under the surtax provisions of section 351. These 374 returns show a taxable income of only $5,000,000, or less than 10 percent of the total net income of the personal holding company group, and the taxes paid amounted to only $1,695,000, or about 3 percent of their aggregate net income. The remafning 4,083 personal holding companies paid no tax under section 351. However, the Treasury has made the following estimate as to the revenue yield of the present section 351, when dividend distributions are taken into account:

	Calendar-year liabilities	
	1934	1935
Personal holding company surtax	$1,800,000	$3,000,000
Estimated individual income-tax liability from extra dividends paid by personal holding companies	33,900,000	46,100,000
Total estimated tax due to sec. 351	35,700,000	49,100,000

In order that individuals may not take advantage of these personal holding company provisions so as to reduce their taxes, the committee recommends the following changes in section 351 of existing law:

1. It is recommended that the present deduction for taxes imposed by section 102 or a corresponding section of a prior income-tax law be eliminated. This deduction is now allowed under section 351 (b) (3) (A). Under existing law a corporate taxpayer may be subject for 1 year to the provisions of section 102 imposing a surtax on corporations improperly accumulating surplus and for another year to the tax on personal holding companies. It seems contrary to public policy to permit the penalty tax imposed by section 102 on undistributed profits to be allowed as a deduction for the purpose of the tax under section 351. Since the tax under section 102 is computed upon undistributed profits for back years, it is believed that it should be paid out of accumulated earnings and profits rather than out of the current earnings and profits of the corporation for the taxable year.

2. It is recommended that the unlimited deduction allowed under section 351 (b) (3) (B) for charitable and other like contributions be restricted so as not to exceed 15 percent of the net income of the corporation. Under existing law individuals are entitled to a deduction for charitable contributions only up to 15 percent of their companies should be treated more favorably than individuals in this net income, and the committee sees no reason why personal holding respect. However, the committee recommends the retention of the special provision inserted in section 351 (b) (3) (B) of the Revenue Act of 1936, which granted an unlimited deduction, in the case of a corporation organized prior to January 1, 1936, to take over the assets of the estate of a decedent, for amounts paid in liquidation of any liability of the corporation based upon the liability of the decedent to make a contribution or gift to charity, to the extent such liability of the decedent existed prior to January 1, 1934. The committee believes such retention is justified by the fact that this deduction will not inure to the benefit of any private individual.

3. It is recommended that the unlimited deduction for losses from sales or exchanges of capital assets be omitted from section 351. This deduction is contained in section 351 (b) (3) (C). Under existing law personal holding companies may deduct losses from the sale or exchange of capital assets without limitation for purposes of computing the surtax under section 351. If such losses were incurred by an individual, they would be allowable under existing law only to the extent of $2,000, plus the gains from such sales or exchanges. In other words, an individual is less favored in this respect than a personal holding company. The effect of this elimination will be to prevent an individual, by transferring his income-producing investments to a personal holding company, from obtaining the benefit of deducting capital net losses denied to him as an individual.

4. It is also recommended that the 20-percent deduction allowed under section 351 (b) (2) (A) of existing law be eliminated. The existing law allows personal holding companies a special deduction of 20 percent of the excess of the adjusted net income over the amount of dividends received from other personal holding companies. For example, if the adjusted net income of a personal holding company in excess of dividends received from other personal holding companies is $20,000,000, 20 percent or one-fifth of this amount, namely, $4,000,000, may be accumulated without the payment of any personal holding company surtax whatever. The committee sees no reason for continuing this discrimination in favor of personal holding companies.

5. The committee also recommends the elimination of the deduction allowed personal holding companies for amounts used or set aside to retire indebtedness incurred prior to January 1, 1934. This deduction is contained in section 351 (b) (2) (B) of the Revenue Act of 1936. As a result of this deduction many personal holding companies have been able to escape the surtax under section 351 altogether. The committee is of the opinion that this special relief granted to personal holding corporations and denied to individuals should no longer be continued in the statute.

In referring to the deductions for capital losses, for debt retirement, and the 20-percent exemption mentioned above, the Treasury estimates that these three items alone resulted in a loss of revenue for the year 1936 of $9,237,000.

6. In order for a corporation to be a personal holding company, one of the conditions imposed by existing law is that at least 80 percent of its gross income for the taxable year must be derived from royalties, dividends, interest, annuities, and, except in the case of regular dealers in securities, gains upon the sale of stocks or securities. The existing law excluded from this classification rents, mainly for the reason that it was not desired to interfere with bona fide and legitimate operating companies whose business consisted of the ownership and operation of office buildings, apartment houses, etc. However, it is believed that the entire exemption of rents from this classification has permitted certain personal holding companies which are not bona-fide operating companies to escape their just share of the tax burden. To prevent certain holding companies which are not bona-fide operating companies from taking advantage of this exception and to protect legitimate operating companies, the committee recommends that rents be included for the purpose of this classification unless they constitute 50 percent or more of the gross income of the corporation. This will prevent a corporation from getting out of section 351 by investing just enough in rents, say, 21 percent, and still deriving the remainder of its income from dividends, interest, etc. On the other hand, it will protect the bona-fide real-estate corporation and other corporations renting property and deriving 50 percent or more of their gross income from rents.

7. The next recommendation of the committee is to include in gross income, for the purpose of determining whether a corporation should be classified as a personal holding company, income received by a corporation from an estate or trust, as well as gains from the sale or other disposition of any interest of the corporation in an estate or trust. It is possible that the existing law might be circumvented by interposing trusts between the payer of the

investment income and the personal holding company. Under such circumstances it might be contended that the personal holding company was not receiving income from dividends, interest, etc., but was receiving distributions as the beneficiary of the trust, and that such income lost its identity as interest, dividends, etc., in the hands of the corporate beneficiary. The committee, in order to overcome this contention, recommends that such income, including gains from the sale or other disposition of any interest of a corporation in an estate or trust, should be included in determining whether the corporate beneficiary is a personal holding company.

8. The next change suggested by the committee is purely a clarifying one. In classifying the sources of income for the purpose of determining whether a corporation is a personal holding company the law includes gains from the sale of stocks or securities. It is believed that this provision should be amended so as to make it clear that such language also embraces the gains from the exchange of stocks and securities as well as gains from the sale of stocks and securities.

9. In classifying the sources of income for the purpose of determining whether a corporation is a personal holding company the committee also believes that there should be included gains from futures transactions in commodities on boards of trade, and exchanges, with an exemption of gains on bona-fide hedging transactions in the case of corporations engaged in good faith in producing, processing, merchandising, or handling such commodities. In a case brought to the attention of the committee it was shown that a corporation had attempted to avoid this section by deriving 23 percent of its gross income from gains from speculations in commodities and still derive the remainder of its income, namely, 77 percent, from investment sources. The recommendation of the committee would remove this loophole.

10. The committee recommends that section 351 be amended to provide that if in any taxable year the gross income derived from interest, dividends, etc., equals 80 percent or more of the total gross income of the personal holding company, the gross-income test under section 351 for subsequent years shall be 70 percent of such investment income, instead of 80 percent, until a year for which the stock-ownership test does not exist, or until for each of 3 consecutive years, such investment income falls below the 70-percent mark. The reason for this amendment is that it is believed that if a corporation once becomes a personal holding company it should stay in that class until there has been a sufficient change in the sources of its gross income to warrant taking it out or until it ceases to satisfy the stock-ownership test.

11. The committee also recommends that convertible securities be included for the purpose of determining whether the stock of a corporation is owned by five or less individuals. It appears that the real owners of certain of these incorporated pocketbooks may own bonds or debentures which contain provisions under which the obligations may be converted into stock. In such cases it might be possible for the stock to be held by more than five individuals and at the same time have the interest of the real owner represented by convertible securities. It is believed that this existing loophole in section 351 should be closed in the manner recommended above and that the suggested provision should be applied in such manner as to produce the smallest possible number of individuals owning directly or indirectly more than 50 percent in value of the outstanding stock.

12. A similar situation exists in the case of options. The record ownership of the stock may be split up among more than five individuals, but less than five individuals may have an option to acquire the stock at any time they desire. The committee believes that this situation should also be corrected by providing that in the case of an option to acquire stock such stock may be considered as being owned exclusively by the holder of the option or the owner of the stock, and this rule likewise should be applied in such manner as to produce the smallest possible number of individuals owning directly or indirectly more than 50 percent in value of the outstanding stock.

13. The committee also recommends that in determining the ownership of stock by an individual there should be included the stock owned by a partner of such individual. Cases have been presented wherein five individuals may own 46 percent in value of the stock of the corporation and a partner of one of these individuals owns 5 percent. Under existing law, a corporation of this type would not be classed as a personal holding company. The committee believes the close business relationship existing between members of a partnership justifies adding partners to the class of individuals mentioned.

14. The graduated rates of existing law open two serious loopholes. First, the fact that graduated rates are less severe than the graduated rates applicable to wealthy individuals enables such persons to effect substantial savings by use of the personal holding-company device. Second, the graduated rates in the low brackets permit further saving through organization of multiple personal holding companies. The committee believes that the rates should be such as would encourage distribution in all cases. To overcome this tax advantage enjoyed through the formation of multiple personal holding companies, the committee recommends that the rates under existing law, which range from 8 percent on the first $2,000 up to 48 percent, be changed so as to provide a 65-percent rate upon the amount of the undistributed adjusted net income not in excess of $2,000 and 75 percent of the amount in excess of $2,000. No low minimum rate can be provided without enabling wealthy individuals to escape substantial taxes through the formation of multiple personal holding companies.

2. INCORPORATION OF YACHTS, COUNTRY ESTATES, ETC.

Increased use is being made of the device of incorporating yachts, city residences, country estates, etc., in order to avoid taxation of income at the rates prescribed in the higher individual surtax brackets or to obtain the benefit of deducting as corporation expenditures items not allowed to individuals, or both. The cases presented to the committee indicate that the plan in general consists of the transfer of the yacht or the real estate to a corporation for stock, or as paid-in surplus, or the yacht or real estate is purchased with cash provided by the stockholders. Securities, producing sufficient income to absorb corporate expenditures, are then turned over to the corporation for stock or as paid-in surplus. To lend color to the alleged business activity and to bring the corporation's gross income outside of the provisions of section 351 of the existing law, the corporation charges its principal stockholder some rent for the use of the yacht or real estate. The rent paid is usually much below the cost of the operation of the property and much below the amount which would be charged in an arm's length transaction. Since all expenses and losses of the corporation are claimed as deductions in computing the income of the corporation, a large part of the investment income is absorbed by expenses and losses incurred in the operation of the yacht or the real property. Since rents are not now included for the purpose of determining whether or not a corporation is a personal holding company, the taxpayer may also fix the amount of the rent for the yacht or real estate in an amount sufficient to bring his other investment income below the 80-percent test required under section 351 of existing law.

The committee finds no justification for permitting such tax advantage to these self-incorporated individuals. It is, therefore, suggested that the definition of personal holding company be so framed as to include in the 80-percent test the full amount received as rent or other compensation for the use of property by a corporation from any individual (whether a shareholder or not), who, together with his family and partners owns (directly or indirectly) 25 percent or more in the value of the securities which constitute "outstanding stock."

The committee also recommend that there should be disallowed as a deduction from gross income, the expenses of operation and maintenance (including depreciation) of property owned or operated by a personal holding company to the extent that expenses exceed the rent or other compensation for the use of such property, unless it is established to the satisfaction of the Commissioner.

(A) That the rent or other compensation received is the highest obtainable;

(B) That the property was held in the course of business carried on bona fide for profit; and

(C) That there was reasonable expectation that the operation of the property would result in a profit, or that such property was necessary to the conduct of the business.

To prevent a personal holding company from charging expenses in excess of its income for the operation and maintenance of property, such as yachts, city residences, and country estates, etc., against its investment income, such expenses should be disallowed unless the corporation can meet the conditions outlined above. This has the effect of placing the personal holding company on the same basis, in this respect, as an individual who cannot offset his personal expenses against his income. If the corporation establishes to the satisfaction of the commissioner that the second test is satisfied and that the property was necessary to the conduct of such business, it will not be necessary to prove there was reasonable expectation that the operation of the property would result in a profit, in order to obtain a full deduction.

This provision would not apply to a farm or a racing stable operated by the corporation itself where more than 20 percent of the gross income of such corporation came from such operations. This is because the corporation must first be a personal holding company before this provision will apply. Moreover, even if such a corporation is a personal holding company because more than 80 percent of its income comes from investment sources, it will still have the opportunity of escaping this provision by establishing that the property was held in the course of a bona-fide business carried on for profit and that such property was necessary for the conduct of the business. Even where an investment corporation is running a yacht, city residence, or country estate on the side, it is, nevertheless, recognized that certain property may be necessary for the conduct of its investment business, such as typewriters, office furniture, automobiles, and the like. Expenses attributable to such property would satisfy the third test.

3. INCORPORATED TALENTS

Cases presented to the committee showed that individuals organized corporations for the purpose of hiring out their personal services at a substantial increase over the amount of compensation such principal stockholders contracted for with their corporations. Since such corporations do not come within section 351 of the existing law, the excess compensation retained by the corporation is taxed at lower rates than would be applicable to such excess income in the hands of the individuals who performed the services. The committee believes this device constitutes a serious loophole in the existing law and recommends that the definition of "personal holding company" in section 351 of the existing law be amended so as to include, in applying the 80-percent test, the full amount

received by the corporation from contracts for personal services (including gain from the sale or other disposition thereof) of any individual (whether or not a shareholder), who, together with his family and partner, owns (directly or indirectly) 25 percent or more in value of the securities which constitute "outstanding stock." The definition of the term "contract for personal services" should include the condition that a party other than the personal corporation has the right to designate the individual who is to perform the services. Someone, for example, such as an actor or artist, with more or less unique talents, incorporates himself and draws a salary from the corporation. The corporation contracts out his service with a third party and the difference between the amount paid to the individual as salary and the amount received from the third party is accumulated by the corporation.

Because of the condition in the contract for personal services that a party other than the corporation must have the right to designate the individual who is to perform the services, in order for this provision to apply, it would not apply to all cases where the corporation is hiring out its employees to third parties. Its application would be limited to cases in which such other party has the right under the contract to designate the individual who is to perform the service and where the individual so designated, with members of his family, own 25 percent or more in value of the securities which constitute "outstanding stock."

4. ARTIFICIAL DEDUCTIONS FOR LOSSES FROM SALES OR EXCHANGES OF PROPERTY, SECTION 24 (a) (6)

(a) There is a provision in existing law which denies losses in the case of sales or exchanges of property between members of a family or between a shareholder and a corporation in which such shareholder owns more than 50 percent in value of the outstanding stock. However, the existing law permits losses to be established through the sale or exchange of capital assets between a personal holding corporation and another corporation, even where both corporations are under common control, thereby permitting an advantage to be taken of any adverse change in the market price without an actual transfer of the assets into other hands. To correct this situation the committee recommends that losses be disallowed between two corporations if more than 50 percent in value of the outstanding stock of both is owned by the same individual (or members of his family) and if either one of the corporations for the preceding taxable year met the gross income test of a domestic personal holding company and during the last half of such taxable year met the stock ownership test of a domestic personal holding company, or either one of the corporations for the preceding taxable year met the gross income test of a foreign personal holding company and at any time during such year met the stock ownership test of a foreign personal holding company.

(b) Under existing law losses on sales and exchanges between an individual and his partner's corporation are allowed as deductions even though the individual himself may own some stock in the corporation. Because of the close relationship existing between partners, your committee recommends that losses should be disallowed between an individual and his partner's corporation if such individual owns stock in such corporation.

(c) The committee recommends that the existing law be clarified to confirm the Treasury's position that losses, for example, between a husband and his wife's corporation, or vice versa, whether or not he owns any stock in such corporation should not be deductible.

(d) The committee also recommends that losses between the settlor of a trust and the fiduciary of any trust created by the settlor should be disallowed. It has been the practice even in the case of irrevocable trusts for settlors of the trusts to shuffle back and forth between themselves and the trustees securities to establish losses even though they retained practical control over the trust.

(e) For the same reasons, the committee also recommends that losses should be disallowed between fiduciaries of any trusts created by a common settlor.

(f) The committee also recommends that losses should be disallowed between a fiduciary of a trust and any beneficiary thereof. In some cases it has developed that the trustee has sold securities to the beneficiary at a loss. The trustee has then taken advantage of this loss to offset the gain from other securities which has resulted to the direct benefit of the beneficiary, notwithstanding the fact that he still retains the securities in his possession.

(g) The committee also recommends that an individual owning stock in a corporation should be considered as owning, to the exclusion of any other individual, the stock owned by his partner for the purpose of denying losses from sales or exchanges of property. For instance, A may own 45 percent of the stock of a corporation and his partner own 6 percent of that stock. Although together they own more than 50 percent of the stock of the corporation, the existing law would permit A to take a loss for the securities transferred to the corporation. The committee's recommendation would prevent the deduction of a loss in such a case.

(h) The committee also recommends that section 24 (a) (6) of existing law be amended to include a provision similar to that contained in section 351 providing that the stock owned by a corporation, partnership, estate, or trust shall be considered as being owned proportionately by its shareholders, partners, or other beneficiaries. For example, A, who owns 45 percent of the stock of corporation X, may also own 50 percent of the stock of corporation Y, which in turn owns 25 percent of the stock of corporation X. If you look through corporation Y, you find that A, through his ownership of stock in corporation Y, really owns indirectly 12½ percent of the stock of corporation X, in addition to his direct ownership of 45 percent of stock in corporation X. Adding A's direct as well as his indirect ownership in corporation X together, we find that he owns more than 51 percent of the stock of corporation X. Therefore, under the committee's recommendation, A would not be allowed to deduct a loss on the sale or exchange of property to corporation X.

5. ARTIFICIAL DEDUCTIONS FOR INTEREST AND BUSINESS EXPENSE

The committee had presented to it certain cases wherein individuals were indebted to each other or corporations were indebted to the principal stockholders. In fact, it was pointed out that personal holding companies were being utilized for the purpose of establishing artificial deductions. The sole stockholder (or a member of his family) of a personal holding corporation borrowed all or a major part of its annual net income and paid interest thereon. In such cases the debtor kept his books and tax returns on the accrual basis and claimed as deductions the accrued interest. On the other hand, the creditor who was entitled to such payments, if he were on the cash-receipts basis, would not be required to report for income-tax purposes the amount owing to him until actual receipt of the money. Under such circumstances the discharge of the debt may be postponed for an unreasonable length of time with the result that the Government is delayed in getting its tax and in many cases the payments fall in a year of no income, with the result that little or no tax is paid. The committee believes that such practices between individuals of a family or between corporations under common control should be dealt with in such a manner as to encourage reasonably prompt discharge of such obligations.

It is, therefore, recommended that in the case of a transaction between persons, who under section 24 (a) (6) are not permitted a deduction for loss from sale or exchange of property, where the debtor makes his return on the accrual basis and the creditor makes his return on the cash basis, deductions under section 23 (a) (expenses) and under section 23 (b) (interest) accrued by the debtor within the taxable year but not paid within 2½ months after the close of the taxable year should be disallowed.

This proposal should serve to stimulate reasonably prompt payment of such accrued expenses in order that the debtor may secure the allowance of the deduction. No hardship should result from the requirement that the amount be paid within 2½ months after the close of the year of accrual, since expenses of this nature usually should be paid within that time in the ordinary course of business. While this restriction would be applicable only to individuals and corporations in relationships covered by section 24 (a) (6), this class represents the worst offenders in the use of this loophole.

6. MULTIPLE TRUSTS

The committee has given careful consideration to the question of avoidance of taxes through the use of multiple trusts to accumulate income. It is recommended that in the case of all trusts for accumulation, the $1,000 exemption granted under existing law be repealed. This will prevent many of these trusts from escaping tax entirely. For example, if an individual forms 50 trusts each of which has an income of $1,000 a year to be accumulated, under existing law no income tax is paid. Under the committee's proposal, the whole $50,000 would be subject to some tax. This may not be the best remedy for the situation, and this question will receive further consideration by the committee. It should be noted that the elimination of the $1,000 exemption would not affect trusts which distribute their income, since such trusts are not taxable and the beneficiaries have the right to a personal exemption under existing law.

7. FOREIGN PERSONAL HOLDING COMPANIES

The testimony taken by the committee has shown that foreign personal holding companies are being utilized by citizens and residents of the United States as a device for tax-avoidance purposes. Income which otherwise would be subjected to the Federal income taxes is being diverted to, and accumulated by, such companies in order that the American shareholders may escape being taxed thereon. Because of the jurisdictional difficulties and the difficulties of collection of taxes involved in reaching these foreign entities, they present a distinct problem. While the provisions of sections 351 and 102 of the present law, which impose surtaxes on the undistributed profits of corporations, by their terms apply to foreign as well as to domestic corporations, it appears necessary for the protection of the revenue that a separate method of taxation be provided for with respect to certain types of foreign personal holding companies.

Although in most cases the foreign personal holding company is effectively beyond the jurisdiction of the United States, the shareholders of such corporation who are American citizens or residents are within such jurisdiction. Consequently it has been concluded by the committee that a method of handling this situation should be devised whereby the income of foreign personal holding companies might be taxed to the shareholders pro rata whether such income was actually distributed to them or not. The fiscal authorities in other countries where income taxes are imposed have been faced with a similar problem as to the taxation of foreign personal holding companies and Canada has now in effect a provision which in principle accords with the committee's proposal.

The committee's recommendation in general is that the undistributed part of a foreign personal holding company's net income should be included in the gross income of the American citizen or resident, just as if such undistributed income had actually been distributed. Provision has been made so that such income would not be again subject to tax when actually distributed.

This proposal recommends a method of taxation which is a departure from any previously used with respect to corporate income. The committee feels, however, that this innovation is necessary to protect the revenue and prevent further use of one of the most glaring loopholes now existing. The proposal would affect only foreign corporations which are owned 50 percent or more by five American citizens or residents (including members of their families) and which have the same type of investment income which makes a domestic corporation subject to tax as a personal holding company. Real foreign operating companies or widely held holding companies are not included. However, it should be observed that a few foreign corporations, not subject to these recommendations in respect to foreign personal holding companies, may fall under section 102 or section 351. The committee believes that the recommendation is not any more drastic than the situation requires. The detailed recommendations of the committee follow:

1. The undistributed adjusted net income of the foreign personal holding company for its entire taxable year should be included in the gross income of the American shareholders, (that is, United States citizens, resident aliens, resident estates or trusts, domestic partnerships, and domestic corporations) to the following extent:

(A) If the corporation constitutes a foreign personal holding company on the last day of its taxable year, then each American shareholder should include in his gross income the amount he would have received if the entire undistributed adjusted net income had been distributed by the corporation on such day; but

(B) If the last day on which the corporation constitutes a foreign personal holding company falls within and not at the end of its taxable year, then only that proportion of the undistributed adjusted net income for the entire taxable year equal to the portion of the taxable year up to such last day should be included in their gross income by the American shareholders as though distributed by the corporation on such last day.

In every case the American shareholder should include his distributive share of the undistributed adjusted net income of the corporation in his gross income for his taxable year in which or with which the taxable year of the corporation ends.

2. The undistributed adjusted net income should be computed by deducting from the adjusted net income the dividends-paid credit allowed under section 27 of the Revenue Act of 1936, computed, however, without the benefit of subsection (b) thereof, which relates to the dividend carry-over.

3. The adjusted net income should be computed by deducting from the net-income Federal income taxes paid or accrued under section 231 of the present law with respect to the taxable year.

4. The net income of a foreign personal holding company should be computed, not in the manner provided for in supplement "I" relating to foreign corporations, but in the same manner, and on the same basis, as the net income of a domestic corporation except that:

(A) The gross income should include the distributive share of the undistributed adjusted net income of any other foreign personal holding company in which the corporation owns stock. This provision is necessary in order to reach income being accumulated by a chain of two or more foreign personal holding companies.

(B) The deductions permitted under section 23 (d) (relating to taxes of a shareholder paid by a corporation) and section 23 (p) (relating to pension trusts) should not apply.

(C) Deductions for the maintenance and operation of yachts, residences, and country estates should be limited as proposed in respect to domestic personal holding companies.

It should be noted that the effect of recommendation number 4 would be to include in the net income of foreign personal holding companies interest received by them on obligations of the United States.

5. The entire undistributed adjusted net income of a foreign personal holding company for a taxable year with respect to which the American shareholders are required to return their distributive shares should be treated as paid-in surplus of the corporation. This rule is necessary to permit tax-free distribution of amounts returned by the shareholders as constructive dividends. By treating such income as paid-in surplus the subsequent distribution is not made out of earnings and profits so as to constitute a taxable dividend. Since the present law provides that all distributions are made out of earnings and profits to the extent available, the recommended rule would operate to require the corporation to distribute all of its accumulated earnings before it can make a tax-free distribution to the shareholders of the undistributed adjusted net income previously included in their returns.

6. The American shareholders should not be allowed any credit against their Federal income taxes for foreign income taxes, if any, paid by the foreign personal holding company in respect to the undistributed adjusted net income returned by them. The allowance of such credit is not administratively feasible although it might seem equitable under the circumstances. However, it should be noted that in computing the net income of the corporation a deduction for foreign taxes will be allowed to the same extent as in the case of a domestic corporation which claims no foreign tax credit.

7. It is recommended that a foreign personal holding company be defined in substantially the same manner as a domestic personal holding company is defined in section 351 of the existing law, with the following changes:

(A) Eliminate the exemption of banks, life-insurance companies, and surety companies, and provide that the five or less individuals must be American citizens or residents.

(B) In the gross-income test: (1) Change the minimum requirement to 60 percent; (2) do not limit gross income to gross income from sources within the United States; (3) include rents the same as proposed in the case of domestic personal holding companies; (4) include the same provisions with respect to incorporated yachts, country estates, etc., and incorporated talents as proposed in the case of domestic personal holding companies; (5) include income from estates or trusts and gains from the exchange of stock or securities the same as proposed in the case of domestic personal holding companies; (6) include gains from future transactions on boards of trade or commodity exchanges as proposed in the case of domestic personal holding companies; (7) include in the gross income of the corporation its pro-rata share of the undistributed net income of any other foreign personal holding company in which it holds stock; (8) provide that, if in any taxable year the gross income from the items mentioned equals 60 percent or more of the total gross income of the corporation, the gross-income test for subsequent years should be 50 percent until for each of 3 consecutive years it falls below 50 percent, or the corporation ceases to qualify under the stock-ownership test.

(C) In the stock-ownership test: (1) Include convertible securities and options the same as proposed in the case of domestic personal holding companies; (2) provide that in determining ownership of stock owned by an individual stock owned by a partner of such individual should be included; (3) make the test apply to any time during the taxable year.

8. It is further recommended that a 7-year statute of limitations on assessment and collection without assessment be provided to apply where the American shareholder fails to include in his gross income his distributive share of the undistributed adjusted net income of the corporation.

OBTAINING INFORMATION RELATING TO FOREIGN PERSONAL HOLDING COMPANIES

It is difficult to secure complete information with respect to foreign personal holding companies formed by American citizens or residents due to the lack of effective jurisdiction over such companies. In order to make the new method of taxation in respect of foreign personal holding companies effective, it is necessary to give the Treasury the power to require certain information from American citizens, residents, and other American entities, with respect to the formation, organization, or reorganization of foreign corporations generally and also information as to the income, stock holdings, etc., of foreign corporations which are personal holding companies. It is the understanding of the committee that under the authority contained in sections 51, 52, 142, and 187 of the Revenue Act of 1936 the Treasury will require each person filing income-tax returns to set forth his ownership of stock in foreign corporations. Additional statutory authority is believed necessary, and the committee makes the following recommendations:

1. It is recommended that every person who, on or after the enactment of the proposed act, is an officer or director of a foreign personal holding company and every American shareholder who owns 50 percent or more of its stock, directly or indirectly (including, in the case of an individual, the members of his family), should, under regulations prescribed by the Commissioner with the approval of the Secretary, and with respect to the period he holds such office, or retains such ownership, be required to file returns under oath monthly or at such other times as may be required by regulations, showing the name and address of each shareholder and class and number of shares held by each in such foreign personal holding company, together with any changes in stock holdings during such period, and the name and address of each holder of a security convertible into stock of such company, which the Commissioner under regulations approved by the Secretary of the Treasury prescribes as necessary for carrying out the provisions of the proposed legislation. It is recommended that this information be required if the company would have been a foreign personal holding company for the preceding year or for the taxable year beginning in 1936, if the proposed act had then been in force and effect, or if such person has reason to believe it will be a foreign personal holding company at any time during the current taxable year.

2. It is recommended that criminal penalties be imposed for willful failure to file the statement required in the preceding paragraph of a fine of $2,000 or imprisonment for 1 year or both.

3. It is recommended that an American shareholder owning 5 percent or more of the stock of a foreign personal holding company be required to set forth in complete detail in his tax return the gross income, deductions and credits, net income, adjusted net income and undistributed adjusted net income of such company.

4. It is recommended that, under rules and regulations prescribed by the Commissioner with the approval of the Secretary, returns under oath be required to be filed by any persons who, after the enactment of the proposed act, aid, assist, counsel, or

advise in, or with respect to, the formation, organization, or reorganization of any foreign corporation, which returns should contain such information as the Commissioner with the approval of the Secretary by rules and regulations prescribes as necessary for carrying out the provisions of the act. Such returns should be required to be filed monthly or at such other times as the Commissioner with the approval of the Secretary may by rules and regulations prescribe. This information is essential in order to ascertain those persons seeking to utilize the device of the foreign personal holding company. For obvious reasons, however, the requirement should not be limited to cases of foreign personal holding companies.

5. It is recommended that, under rules and regulations prescribed by the Commissioner with the approval of the Secretary, a return under oath be required to be filed within 90 days after the enactment of the proposed act by every person who, since January 1, 1934, and prior to 90 days after the enactment of the act, has aided, assisted, counseled, or advised in the formation, organization, or reorganization of a foreign corporation, which return should contain such information as the Commissioner with the approval of the Secretary, by rules and regulations, prescribes as necessary for carrying out the provisions of the act.

This information is necessary to ascertain those persons who have actually utilized the device of the foreign personal holding company. For obvious reasons, however, it should not be limited to the case of foreign personal holding companies. The date of January 1, 1934, is taken because it coincides with the effective date of the original provision imposing a surtax on personal holding companies.

6. It is recommended that criminal penalties be imposed for willful failure to file complete and accurate returns required by the two preceding paragraphs of a fine of $2,000 or imprisonment for 1 year or both.

ADDITIONAL LEGISLATION RELATING TO FOREIGN PERSONAL HOLDING COMPANIES

There appears to be no justification for the continued existence of foreign personal holding companies owned by American citizens or residents and it is believed that practically all of such companies have been created with the sole purpose of avoiding or evading the imposition of the surtax on their shareholders. It is believed as a matter of fiscal policy that the dissolution of such companies should be effected as promptly as possible and the committee accordingly makes the following additional recommendations to encourage such dissolution:

1. It is recommended that in the case of liquidation of any foreign personal holding company wherein the distribution of assets and dissolution of the corporation is not completed on or before December 31, 1937, notwithstanding the provisions of section 117 (a), 100 percent of the gains recognized on such liquidation should be taken into account in computing net income except that if evidence is submitted to the Commissioner prior to January 1, 1938, which establishes to his satisfaction that due to the laws of the foreign country in which it is incorporated, or for other reason, it is impossible to distribute the assets and complete the dissolution on or before December 31, 1937, the Commissioner should be authorized to extend such period to not later than June 30, 1938. Under existing law it is possible for as little as 30 percent of the gain to be taken into account in computing net income.

2. It is recommended that in the case of any person dying after the enactment of this proposed act owning stock or securities of any corporation which for its taxable year preceding his death met the gross-income test of a foreign personal holding company and at any time during such year met the stock-ownership test of a foreign personal holding company, the basis of the stock or securities acquired by the decedent's estate from the decedent or acquired by others from the decedent by bequest, devise, or inheritance should, notwithstanding the provisions of sections 113 (a), be (1) the fair market value of such stock or securities at the time of such acquisition or (2) the same as it would be in the hands of the decedent, whichever is lower.

3. It is the intention of the committee to consider measures for the treatment in the case of sale or exchange after December 31, 1937, of stock or securities of such corporations as foreign personal holding companies in such manner as to obviate the possibility of such sale or exchange under such circumstances or through such devices as to obtain the advantage of section 117 (a), and to recommend thereon at a later date.

4. The committee has made the recommendations above for additional legislation to prevent the use of foreign personal holding companies by American citizens and residents as devices for the evasion and avoidance of Federal income taxes and to encourage the prompt dissolution of existing companies of this type. The committee believes that these recommendations, if adopted, will contribute greatly to the attainment of these ends. It also recognizes the complex character of the problem and the difficulty of framing a tax law which is proof against all the varied and complicated devices involving the use of foreign entities which legal ingenuity may evolve in the future. The committee is therefore of the view that it should continue its study of this problem and should consider other and additional measures which may be feasible for preventing the use of spurious foreign entities to thwart the intent and purposes of the revenue laws. Accordingly, it is the intention of the committee to consider possible measures for the creation of administrative and judicial procedure, including criminal penalties, to prevent the formation and compel the dissolution of artificial foreign entities availed of by American citizens or residents to evade or avoid Federal income taxes and to make recommendations at a later date with respect thereto.

NONRESIDENT ALIENS

Section 211 (a) of the Revenue Act of 1936 imposes a tax on nonresident aliens not engaged in trade or business in the United States and not having an office or place of business therein at the rate of 10 percent upon their income from interest, dividends, rents, wages, and salaries, and other fixed and determinable income from sources within the United States, with no allowance for the deductions from gross income and credits against net income allowed to individuals subject to normal and surtax on net income. In the case of a resident of a contiguous country the existing law provides that such rate may be reduced to not less than 5 percent, as may be provided by treaty with such country. This flat tax, which is in effect imposed upon gross income, is in the usual case collected at the source by means of withholding, and has worked well, both from an administrative and revenue standpoint. The additional revenue derived is estimated to be not less than $15,000,000 per annum. However, evidence presented to the committee discloses that certain wealthy nonresident aliens have had their Federal income taxes substantially reduced by this new system. In fact, it has permitted certain former citizens of the United States who have now become citizens of other countries, but who derive a large amount of income from American sources within the United States, either directly or through an American trust, greatly to reduce their taxes. This is due in the main to the fact that if these individuals were subject to both normal and surtaxes the effective rate of tax on their income from American sources would be much higher than the 10-percent rate applicable to such income under existing law. To remedy this situation the committee makes the following recommendations:

1. Subject to the normal and surtax on net incomes from the sources mentioned in section 211 (a) of existing law, nonresident aliens (now taxable under that section) whose net income from such sources is more than $21,600, which is the approximate point at which the effective rate becomes 10 percent. It may be possible that some nonresident aliens may pay less tax under this proposal than they do under existing law. To remedy this the committee recommends that the tax under the proposal shall not be less than the tax which would be payable under existing law on the gross income from such sources. In order that this new rule may not unduly increase the tax on nonresident aliens whose net income is just sufficient to bring them within this proposal, the committee also recommends that the tax shall not be increased by more than the amount of net income in excess of $21,600. Nonresident aliens subject to this proposal will still be subject to the withholding provisions at the rates imposed under existing law but they will be entitled to a credit for the amount of tax which has been withheld at the source on such income in computing their tax on the income from the sources specified in section 211 (a). They will be entitled to the same deductions applicable to such income, and to the same credits, as in the case of nonresident aliens taxable under section 211 (b) of existing law, that is, nonresident aliens engaged in trade or business in the United States or having an office or place of business therein.

2. For the purpose of administering this proposal, the committee recommends that all nonresident aliens whose gross income from the sources specified amounts in the aggregate to $21,600 or more be required to file annual returns with the collector at Baltimore, Md.

ROBERT L. DOUGHTON, *Chairman.*
PAT HARRISON, *Vice Chairman.*
WALTER F. GEORGE.
DAVID I. WALSH.
ROBERT M. LA FOLLETTE, JR.
ARTHUR CAPPER.
THOMAS H. CULLEN.
FRED M. VINSON.
JERE COOPER.
ALLEN T. TREADWAY.
FRANK CROWTHER.

CREATION OF THE JUDICIARY (S. DOC. NO. 91)

Mr. WALSH. Mr. President, from the Committee on Printing, I report a resolution which is of a routine nature, and ask that it may be given immediate consideration by the Senate.

Mr. McKELLAR. Let it be read.

Mr. WALSH. I ask that the resolution may be read.

The VICE PRESIDENT. The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 169), as follows:

Resolved, That the manuscript entitled "Creation of the Judiciary", prepared by Dr. George J. Schulz, Director of the Legislative Reference Service, Library of Congress, be printed as a Senate document.

Mr. WALSH. Mr. President, it would not be necessary to get the consent of the Committee on Printing for the approval of the publication of a Senate document were it not

for the fact that the document will require when printed more than 50 pages. When a Senate document to be printed is under 50 pages it is necessary merely to get the approval of the Senate. Therefore, I ask the approval of the Senate to the resolution, because the document exceeds the number of pages allowed, and in addition is in the opinion of the committee a most valuable and informative review of the subject, Creation of the Judiciary.

The VICE PRESIDENT. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

CLAIMS OF NEW BRUNSWICK, N. J.—REPORT OF COMMITTEE ON CLAIMS

Mr. BURKE, from the Committee on Claims, to which was referred the resolution (S. Res. 165) authorizing an investigation of the claims of the city of New Brunswick, N. J., for compensation for municipal services furnished to purchasers of lands from the United States Housing Corporation (submitted by Mr. MOORE on the 3d instant), reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEE:

A bill (S. 2911) to promote peace and the national defense through a more equal distribution of the burdens of war by drafting the use of money according to ability to lend to the Government; to the Committee on Military Affairs.

By Mr. SCHWELLENBACH:

A bill (S. 2912) to authorize the city of Ketchikan, Alaska, to issue bonds for street improvements, and for other purposes; to the Committee on Territories and Insular Affairs.

By Mr. DAVIS:

A bill (S. 2913) granting an increase in pension to John W. Earhart; to the Committee on Pensions.

By Mr. McGILL:

A bill (S. 2914) granting an increase of pension to Phoebe Hoss; to the Committee on Pensions.

By Mr. LOGAN:

A bill (S. 2915) to amend and reenact section 215 of the Judicial Code of the United States; to the Committee on the Judiciary.

By Mr. McADOO:

A bill (S. 2916) to add certain lands to the Trinity National Forest, Calif.; to the Committee on Public Lands and Surveys.

By Mr. GUFFEY:

A bill (S. 2917) to amend Public Law No. 692, Seventy-fourth Congress, second session; to the Committee on the Judiciary.

By Mr. LEWIS:

A bill (S. 2918) to authorize the striking of an appropriate medal in commemoration of the one hundredth anniversary of the establishment of Chicago, Ill., as a city; to the Committee on Banking and Currency.

By Mr. BULKLEY:

A bill (S. 2919) for the relief of The E. F. Hauserman Co.; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 2920) for the relief of J. Harry Walker; to the Committee on Indian Affairs.

By Mr. KING:

A bill (S. 2921) to provide for the incorporation, regulation, merger, consolidation, and dissolution of certain corporations for profit in the District of Columbia; and

A bill (S. 2922) to amend the act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real-estate brokers in the District of Columbia", approved February 4, 1913; to the Committee on the District of Columbia.

By Mr. MINTON:

A joint resolution (S. J. Res. 196) to establish the Gen. Casimir Pulaski Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 197) authorizing an appropriation for the expenses of participation by the United States in the Inter-American Radio Conference to be held in 1937 at Habana, Cuba; to the Committee on Foreign Relations.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 6384. An act to liberalize the provisions of existing laws governing service-connected benefits for World War veterans and their dependents, and for other purposes; to the Committee on Finance.

H. R. 8081. An act authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments; to the Committee on Claims.

LOW-COST HOUSING—AMENDMENTS

Mr. KING submitted three amendments intended to be proposed by him to Senate bill 1685, the so-called low-cost housing bill, which were ordered to lie on the table and to be printed.

IMPROVEMENTS ON RIVERS AND HARBORS—AMENDMENTS

Mr. WHEELER submitted an amendment intended to be proposed by him to the bill (H. R. 7646) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, which was ordered to lie on the table and to be printed.

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

At the proper place in the survey section to insert:
"Channel or channels across Padre Island, Tex., from Laguna Madre to the Gulf of Mexico."

FAIR LABOR STANDARDS IN INTERSTATE COMMERCE—ARTICLE BY SENATOR WALSH

[Mr. GERRY asked and obtained leave to have printed in the RECORD an article by Senator WALSH published in the Boston Traveler of Aug. 3, 1937, relative to the so-called Federal wage and hour bill, which appears in the Appendix.]

CONNECTICUT AND THE FIRST TEN AMENDMENTS TO THE FEDERAL CONSTITUTION—ARTICLE BY THOMAS H. LE DUC

[Mr. LONERGAN asked and obtained leave to have printed in the RECORD an article by Thomas H. Le Duc, of Yale University, entitled "Connecticut and the First Ten Amendments to the Federal Constitution", which appears in the Appendix.]

CONTRIBUTIONS TO DEMOCRATIC NATIONAL COMMITTEE

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article from the Washington Post of today relative to contributions to the Democratic National Committee, which appears in the Appendix.]

PARTITION OF PALESTINE

Mr. WALSH. Mr. President, I have received several communications requesting a public statement with respect to the partitioning of Palestine. I ask that a telegram from the mayor of Fitchburg and a statement which I recently gave to the newspapers may be printed in the RECORD at this point.

There being no objection, the telegram and statement were ordered to be printed in the RECORD, as follows:

FITCHBURG, MASS., *August 2, 1937.*

United States Senator DAVID I. WALSH,
Senate Office Building:

At the request of the Zionist Organization of America, I am suggesting that you make a public statement demanding that Britain fulfill its pledges to the Jewish people.

ROBERT GREENWOOD.

STATEMENT OF HON. DAVID I. WALSH, OF MASSACHUSETTS

The British policy for the further partitioning of Palestine carries with it a direct menace to United States' interests in the welfare of the Jewish people.

The present attitude of Great Britain in proposing the partitioning of Palestine and further restricting Jewish immigration into that country, would appear to be a violation of her treaty with the United States, entered into December 3, 1924.

The famous Balfour declaration at the time of the World War was a pledge in behalf of the British Government that in the event of a successful outcome, the Jews would be given a national home in Palestine.

The United States gave enthusiastic approval to this measure and by unanimous vote ratified, confirmed, and repeated the Balfour resolutions, embodying the identical language of the British mandate.

To partition the Holy Land and deny the Jews who have settled there the rights to which they are entitled under both the mandate of the League of Nations and the treaty between the United States and Great Britain would be a deliberate breach of good faith.

Intimation that recent disturbances in Palestine were caused by the forcible attempt of grasping Jews to take land and work away from the Arabs has been vehemently contradicted. It will be recalled that half of the Jews of the world live in abject poverty and are the victims of unceasing persecution. For these European Jews, the promised land of Palestine is their only hope.

In my opinion, a protest against a breaking of faith with the Jews in Palestine should be voiced by our Nation in behalf of a long-suffering people.

ORSON THOMAS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 191) for the relief of Orson Thomas, which were, on page 1, line 4, to strike out "to Orson Thomas", and on page 1, line 5, after "appropriated", to insert "to Orson Thomas, of Salt Lake City, Utah."

Mr. KING. I move that the Senate concur in the House amendments.

The motion was agreed to.

SAM LARSON, GUARDIAN OF MARGARET LARSON

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 792) for the relief of Sam Larson, guardian of Margaret Larson, a minor, which were, on page 1, lines 5 and 6, to strike out "Sam Larson, guardian of Margaret Larson, a minor" and to insert "the legal guardian of Margaret Larson, a minor, of Ephrata, Wash."; on page 1, line 11, to strike out "Fisheries" and insert "commerce on the highway between Soap Lake and Ephrata, Wash."; and to amend the title so as to read: "An act for the relief of Margaret Larson, a minor."

Mr. SCHWELLENBACH. I move that the Senate concur in the House amendments.

The motion was agreed to.

ETHEL SMITH M'DANIEL

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 972) for the relief of Ethel Smith McDaniel, which was, on page 2, line 4, to strike out "1 year" and insert "6 months."

Mr. TYDINGS. I move that the Senate concur in the House amendment.

The motion was agreed to.

CHARLES CARROLL OF CARROLLTON BICENTENARY COMMISSION

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 171) relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission, which was, on page 2, line 3, to strike out all after "funds" down to and including "agencies", in line 6.

Mr. TYDINGS. I move that the Senate concur in the House amendment.

The motion was agreed to.

MAUDE P. GRESHAM

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1453) for the relief of Maude P. Gresham, which were, on page 1, line 6, to strike out "$8,750" and insert "$8,690.55"; on page 1, line 11, after "Gresham", to insert "and Agnes M. Driscoll"; and to amend the title so as to read: "An act for the relief of Maude P. Gresham and Agnes M. Driscoll."

Mr. WALSH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

JACK WADE AND OTHERS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 893) for the relief of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor, which were, on page 1, line 4, after "judgment", to insert "as if the United States were suable in tort"; on page 1, line 6, to strike out "respectively" and insert "all of Mancos, Colo."; on page 1, line 7, to strike out all after "damages" down to and including "by", in line 8, and insert "resulting from personal injuries sustained by them in"; and to amend the title so as to read: "An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor."

Mr. ADAMS. I move that the Senate concur in the House amendments.

The motion was agreed to.

MRS. CHARLES T. WARNER

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1637) for the relief of Mrs. Charles T. Warner.

Mr. LEE. I move that the Senate disagree to the amendment of the House, ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. LOGAN, Mr. BLACK, and Mr. CAPPER conferees on the part of the Senate.

WILLARD COLLINS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1401) for the relief of Willard Collins, which were, on page 1, line 7, after "Collins", insert "of Tipler, Wis."; on page 1, line 7, to strike out "$10,000" and insert "$7,500"; and on page 1, lines 9 and 10, to strike out "who were killed" and insert "and personal injuries to himself, suffered on."

Mr. LA FOLLETTE. I move the Senate concur in the amendments of the House.

The motion was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provisions of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. TYDINGS. Mr. President, I wish to correct the form of the amendment which I offered yesterday, so that it will read as follows:

That not more than 10 percent of the funds provided for in this act, either in the form of a loan, grant, or subsidy, shall be expended within any one State.

The PRESIDENT pro tempore. The Senator has the right to modify his amendment. The question is on the amendment in the nature of a substitute offered by the Senator from Maryland to the amendment of the Senator from Colorado [Mr. ADAMS].

Mr. LEE. Mr. President, I rise in opposition to the amendment of the Senator from Colorado [Mr. ADAMS] and the substitute therefor offered by the Senator from Maryland [Mr. TYDINGS].

As I understand we are asked to enact a law dealing with an evil in this country. It is my understanding that the bill was brought to the floor of the Senate in good faith and for the purpose of removing slums and slum conditions. Population is no criterion for determining the existence of slums. It would be more in line with correctness and fairness to put the amendment on the basis of slum population and, as I understand it, that is what the bill does. It puts it on the basis of the slums and leaves it to the constituted authorities to determine where slums exist. To put it on the basis of population might be an appeal to Senators to vote to get some of the money for their States, when in some of the States there are no slums and that portion of the money would, of course, be tied up.

I am taking it for granted that the purpose of the bill is in all good faith to remove the existence of slums.

If this is a "gravy" proposal, the Senator from Colorado ought to modify his amendment to provide for expenditure of the money on the basis of square miles so that Oklahoma and Colorado could get more of it. If it is the purpose to remove slums, why not spend the money where the need exists? When we grease a wagon we put the grease where the squeak is.

Polygamy touched only one State, nevertheless it was declared a national evil and was abolished. Slavery affected only 10 States, but was abolished as a national evil. When bills were introduced in the Congress asking for relief from drought conditions I did not hear Senators from the thickly populated cities of the East endeavoring to attach amendments which would perhaps have the effect of destroying the purpose of the legislation. I did not notice that any amendments were offered providing that the relief appropriation in that case should be expended on the basis of population instead of being expended where the drought existed.

When bills were introduced asking for money for the control of grasshoppers which were so destructive in Colorado and Oklahoma, no Senators representing the thickly populated districts of the East came forward with amendments to hobble and hamstring and string-halt that appropriation. They supported the bill because they wanted the money to go where the evil existed. When bills were introduced asking for money to eradicate the fruitfly and the fever tick and the hoof-and-mouth disease, it was understood that the money should go to the places affected.

As I understand, the evil and the disease of the slums is even more dangerous than the disease brought on by the existence of the fever tick, so far as the Nation is concerned. The condition exists to a greater extent in the large cities and should be eliminated and eradicated, and I understand it is the purpose of the bill to do that.

I oppose the amendment because I believe population is no fair criterion or basis for the distribution of the fund. I believe the proposal for a 10-percent allotment is purely arbitrary. If all the slums are to be found in a few large cities, then all the money should go to those particular areas where the condition exists.

I am confident no one believes a good citizen can be produced under conditions which we have heard described as existing in the slum areas where several families are crowded together in the limits of a few small feet of space, where they exist under the most insanitary and immoral conditions. It may be the fiend who murdered the three little girls in California is the product of the slums of New York City. It may have been that he grew up without the benefit of any moral surroundings. Therefore this evil while local in its existence is national in its effects and should be eliminated.

I should like to see a slum-clearance bill passed that would permit the expenditure of money where the slums exist. For that reason I am going to oppose the amendment. I want to have the slum areas wiped out. There may be a few of the larger cities in my own State of Oklahoma which are affected in this respect. If so, as I understand, the bill provides that a proportionate fair share of money shall be used to eliminate the slum conditions which exist there. I want to have a bill passed without all these hindrances which would prevent the constituted authorities from carrying out the purpose and intent of the bill.

The slums are a seedbed for radical propaganda. The slum population are the people most subject to the subversive doctrines brought to this country from abroad, which would destroy our Nation and our form of government. These are the places where radicals can best plant the seeds of anarchy. They constitute spawning grounds for communism. For that reason, among others, I hope to see them wiped out. It is my purpose to oppose all amendments to the bill that tend to interfere with carrying out the purposes of the bill.

I have listened carefully to the junior Senator from New York [Mr. WAGNER]. He has been most generous in accepting all amendments or suggestions that would improve the bill. But these two amendments, in my opinion, would greatly limit the effectiveness of the bill. Therefore I am opposed to these and all other amendments which seem to restrict the free operation of the purposes of the bill.

Mr. JOHNSON of Colorado. Mr. President, the amendment which was offered by me, and which the senior Senator from Colorado [Mr. ADAMS] substituted for his amendment which was offered yesterday, has for its purpose the equitable distribution of the benefits accruing under the bill to all of the States in the United States.

In that connection I want to perfect my amendment by modifying it, if I may do so at this time.

The PRESIDENT pro tempore. The Senator from Colorado has the right to modify his amendment.

Mr. JOHNSON of Colorado. I ask to modify my amendment, on page 1, line 5, after the word "States", by inserting the words "and the District of Columbia"; and in the same line, after the word "State", "or the District of Columbia"; in line 6, after the word "States", by inserting the words "and the District of Columbia"; on page 2, line 9, after the word "State", by inserting the words "or the District of Columbia"; in line 11, after the word "State", by inserting the words "or the District of Columbia"; and in line 14, after the word "States", by inserting the words "and the District of Columbia."

I think there is some misunderstanding of just what my amendment proposes to do. It would not tie up the funds, and it would not freeze the funds. It would simply give each State an opportunity to accept the benefit of the funds. It does not permanently tie them up.

I should like to have the attention of the Senator from New York [Mr. WAGNER] to what I am about to say with reference to a part of my amendment which I think has been overlooked entirely by Senators.

The amendment proposes to earmark the funds provided in this bill, and to give the various States and the District of Columbia an equal opportunity to come here and apply for them. If their applications are accepted, the money, of course, goes to them. If their applications are rejected, the money goes back into the fund and is redistributed in accordance with the first distribution.

Mr. WAGNER. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Colorado. Yes; gladly.

Mr. WAGNER. For how long does the Senator intend that the funds shall remain earmarked? By what procedure would he bring this about?

Mr. JOHNSON of Colorado. They are to be earmarked 30 days after the taking effect of the act in the first year, and the States will have until the next year to make the

funds available in their States, to get their applications in and have them perfected; and then at the end of that time the funds are to be redistributed as though they had never been earmarked.

It seems to me that is absolutely fair. I heard the Senator from Maryland [Mr. TYDINGS] yesterday say that as soon as this measure is passed we shall have a regular deluge of mayors from all over the country coming into Washington, applying for these funds.

Mr. WAGNER. If my recollection is correct, I think the Senator from Maryland said that New York would at once get 50 percent of the fund. I think the Senator from Colorado will agree that there was no basis for that statement.

As a matter of principle, Mr. President, I do not believe in amendments of this nature. I agree with what the Senator from Oklahoma [Mr. LEE] has stated; but I am not going to stand here and make a controversial matter out of the amendment. If the Senator from Colorado feels that the funds ought to be frozen and allocated to the different States, I am tired of quarreling about matters of that kind. I do not want anybody to get the impression that I am seeking to have New York get a disproportionately large part of these funds. I am sure New York will get no more than its share, and I should be opposed to its getting any more than its share. But, as the Senator will recall, when the appropriation of funds for agriculture was before the Senate, not only did I vote for the measure, but in addition I made no suggestion that the funds should be allocated among the different States. Out of I do not know how many million dollars New York State got altogether only $700,000. I made no complaint about that, however, because under the act New York was not entitled to any more. I thought the agricultural States were entitled to the larger funds.

Mr. JOHNSON of Colorado. I am glad to hear the Senator from New York say that, because there is no purpose on our part of freezing these funds. All we want to do is to give the States an equal opportunity to come here and get these funds.

This is not something new. I went back to the laws of 1916 for the precedents for it. That is the way the funds were allocated in the highway law, and I used not only the principle of the highway law but the exact language of that early law for this amendment. When the highway funds were not accepted by the States the law provided that they should go back and be redistributed, and that is the objective of this amendment.

Under the earmarking that we propose here 13 States of this Nation would have 6 percent of the funds earmarked to them. That is $42,000,000. Ten States would have 9 percent, or $63,000,000. A total of $105,000,000 would be earmarked for 23 States. Fifteen States would have earmarked for them 25 percent, or $175,000,000.

In other words, 38 States would have 40 percent of the benefits under this act earmarked to them, or $280,000,000, and 10 States would have 60 percent earmarked to them, or $420,000,000.

I cannot see anything unfair about this proposal. It will give all the States an equal opportunity. If the mayors do come to Washington, as the Senator from Maryland has indicated, I do not want my mayor from Denver to come here and be told, "We have no funds. We cannot do anything for you. The funds are all gone. A rush has been on, and the first to come in has received the money, and you will just have to go home empty-handed." I do not want that sort of thing. If we are going to have that kind of a rush, we ought to have some sort of an orderly formula worked out to receive that kind of a rush, and that is the objective of the amendment.

Referring to what the Senator from Oklahoma [Mr. LEE] has said, What is this question? Is this a national question, or is it a local question? I should like to have Senators turn to page 33 of the bill and find out. This is what it says, under the head of "Findings and Policy", right at the beginning of the bill:

> There exist in urban and rural communities throughout the United States slums, blighted areas, or unsafe, insanitary, or overcrowded dwellings, or a combination of these conditions, accompanied and aggravated by an acute shortage of decent, safe, and sanitary dwellings within the financial reach of families of low income.

The bill says "throughout the United States." It does not say anything about the slums being in New York or in New England or in Pennsylvania. It says "throughout the United States." So I take it from the bill itself that it is not a bill to correct some local difficulty but it is a bill to correct a general difficulty that exists throughout the whole country.

Let us find out what a slum is according to the bill itself. Under the heading of "Definitions", on page 35, the bill says:

> The term "slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health, or morals.

That is what a slum is under the bill. That is the thing we are attempting to correct. I hold that there are slums throughout this whole Nation. There is not a village, however small it may be, in the whole country, from one end of it to the other, which under this definition does not have slums.

All of us have heard about one-third of the Nation being ill-housed, ill-clothed, and ill-nourished. If that be the case, I have not heard anything about the one-third of ill-housing all being in one section of the United States. We are starting in on a new problem. We are beginning at the very bottom of a big problem, and a new problem, so far as the Federal Government is concerned; and if the bill is passed, all of the country should be entitled to come under it for such benefits as it has to offer.

There is one thing that I fear the junior Senator from Washington [Mr. SCHWELLENBACH] has overlooked. In speaking here yesterday he said that there were no slums in Seattle, in his home city. Under the definition—and I have visited Seattle—I beg to differ with him. But there is one thing that the junior Senator from Washington has overlooked.

One of the first objectives of the bill is to promote economic recovery. Turn to the report, and what does the report say? On page 2 of the report submitted by the committee it says:

> The first objective of the bill is to provide opportunities for reemployment in a preeminently useful type of enterprise.

That is the first objective. Turn to page 33 of the bill as amended by the committee, and what do we find? It says there:

> The failure to remedy this acute dwelling shortage has also produced stagnation of business activity in the construction, durable goods, and allied industries, thus impeding business activity throughout the Nation and resulting in widespread, prolonged, and recurring unemployment with its injurious effects upon the general welfare of the Nation.

That is an economic question. In Denver, when we cure our slum districts, we will go to the State of Washington to buy lumber; and when we buy lumber in the State of Washington it will relieve unemployment, which we have repeatedly heard the Senator from Washington say on the floor of the Senate was one of the great difficulties in his State. This is an economic question, and the Senator from Washington has entirely overlooked it. When the States around Wyoming start clearing away their slums, they will go to the State of Wyoming to buy cement and other material. We hope they will come to Colorado to buy such structural iron as they need.

On page 34 the bill says:

> It is hereby declared to be the policy of the United States to promote the general welfare of the Nation by employing its funds and credit, as provided in this act, to assist the several States and their political subdivisions—

To do what?—

> to alleviate present and recurring unemployment.

According to the report of the committee, that is the first objective of the bill. According to the bill itself, it is not a local problem that we are attacking; it is a national problem.

For our own protection, I sincerely hope that when we turn this money over to this Bureau we shall safeguard our States and give all of our States an opportunity to come here and get part of this fund. It is not making the bill a "pork barrel" measure to handle the fund in that way. What do the States have to do when they do come here? Do they come and say, "Give us so many million dollars"? No; they do not. They come here with their applications, and they prove their own situations. They have to satisfy the board that they have slum areas that should be eradicated. The board passes upon the value of their proposed projects under the bill. The board has to decide the whole matter. States are not going to get away with anything. If we have slums in Colorado, under this amendment Colorado will have an opportunity to wipe out those slums with the funds provided in the bill, if her authorities can comply with the requirements laid down by the board for them to meet.

I sincerely hope the Senate will seriously consider the amendment and its provisions and give every State its day in court.

Mr. CLARK. Mr. President, I desire to propound a parliamentary inquiry. I should like to ask the Chair whether there is any authority under the rules of the Senate for the machinery and employees of the Senate to be used in passing out on the floor of the Senate propaganda from private sources with regard to legislation pending at the moment before the Senate?

I ask that question in all good faith, Mr. President, because this morning since the meeting of the Senate the employees of the Senate have been engaged in passing out a letter with enclosure from a Mr. Langdon Post, president of the American Federation of Housing Authorities, with regard to an amendment adopted by the Senate on yesterday. He is engaged in propagandizing for its reconsideration.

If I may be permitted to say so in connection with the parliamentary inquiry, I have no desire whatever to reflect on Mr. Post, but it seems to me that this occurrence affords one of the most dangerous precedents that could possibly be had in connection with the business of the Senate. This is for the reason that if Mr. Post, a private citizen, has authority to pass out through Senate machinery propaganda with regard to pending legislation, we may expect to see the proponents and the opponents of the antilynching bill, the proponents and the opponents of the gasoline tax or any other particular tax measure which may be suggested, the proponents and the opponents of various provisions of the sugar bill and the various interests therein, the proponents and the opponents of almost any possible matter that may come before the Senate, employing the machinery of the Senate for the purpose of covering the desks of Senators with propaganda and literature seeking to influence the action of the United States Senate.

I should like to inquire from the Chair whether there is any authority under the rules of the Senate for such a practice.

The PRESIDENT pro tempore. The Chair is not advised of any rule regarding the subject or any precedent covering it. However, it is the opinion of the Chair that an employee of the Senate would be subject to reprimand or other action by the Senate if he committed such acts on behalf of anyone except a Senator. Of course, if a Senator should ask the pages or any other employees to distribute anything, it would be their duty to do so, and the responsibility then would be upon the Senator.

Mr. CLARK. Mr. President, I have no desire to criticize the page boys who passed the letter around; indeed, I have no desire to criticize anyone in connection with the matter. I call attention to the fact, however, because I think the circulation of propaganda on pending legislation from private sources is an extremely dangerous practice to be initiated in this body, and one calculated to bring the Senate and its procedure into disrepute.

Mr. WAGNER. Mr. President, if that was improper, I take the full responsibility for it, and do not desire to have employees blamed. Perhaps I was wrong, but I thought that any kind of enlightenment on the subject we were considering was perfectly proper, and I suggested that the Senators be given this particular information. If the action has no precedent, if it is wrong, I am the person who must be subjected to criticism, and no one else.

Mr. McNARY. Mr. President, the statement of the distinguished Senator from New York does not cover this case. This is the boldest attempt to influence legislation I have seen in 20 years in the Senate. Doubtless the responsibility lies with the organization that is opposing the limitation on the cost of housing. It is supposed to be a reputable institution, with headquarters in Washington. I assume they inspired this propaganda for purposes of profit, because that is the line of business in which they are engaged. I think it is an insult to every Member of the Senate that this federation should frame a letter in this form to influence legislation in the Senate, and particularly that it should advocate the method of procedure which it thinks we should follow, namely, a motion should be made to reconsider the vote by which the particular amendment with which it is displeased was carried yesterday.

I absolve the Senator from New York, because he has not had many years of experience in this body, from causing the propaganda to be distributed. The trouble with the whole thing, however, and that about which I complain, is the audacity of this organization in attempting to influence legislation in this fashion.

Mr. President, if there is no rule to cover this matter, then the Committee on Rules should see to it that an amendment is properly prepared that will bring about a penalty for an organization attempting to do a thing of this astounding nature.

Mr. ADAMS. Mr. President, I really wish to take a moment's time to express a degree of disappointment at the lack of appreciation of the Senator from New York of the efforts made yesterday to help him. I understood that he had become somewhat engaged in a difference of opinion with the Senator from Maryland, who had indicated that if the bill were enacted, the city of New York would receive not less than 50 percent of the funds to be appropriated and expended, and the Senator from New York assured the Senate that that could not be the case, that this was a national problem.

No doubt the Senator had in mind section 1 of the bill, which, as the preamble, recites that "There exist in urban and rural communities throughout the United States" these problems. So I thought the Senator from New York would be delighted to have incorporated in the bill the very assurances which he was giving, that New York had no intention, no expectation, of having more than a fair share of the moneys which were to be expended. I had no desire at all to seek to reach out and, as the Senator from Washington indicated, attempt to make a "pork barrel" measure of this bill. My object was merely to protect the Senator from New York from any charge that he was actuated by selfish or provincial motives. I thought he would, of course, accept the amendment. So I really am expressing my disappointment at the lack of appreciation of our earnest effort.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. WAGNER. I am sorry the Senator is disappointed in my attitude toward his amendment. I said a moment ago that I would not make it a matter of controversy. I did express the thought, however, that in legislation of this character it is wrong in principle to freeze the funds and keep them inactive, waiting for applications which, perhaps, may never come. This work ought to be done where the evil

exists, and I pointed out that when the leigslation involving the A. A. A. came before us I not only voted for it, but I would have considered myself unpatriotic in that case had I suggested that there should be a distribution according to population.

However, if it will assuage the apprehension of the Senator that New York might get a larger share than the Senator thinks it ought to get, I am quite willing that the limitation be imposed upon New York, for instance.

Mr. ADAMS. Of course, I was not willing to assume the accuracy of what the Senator said had been stated, that the conditions which he sought to correct were productive of crime, and that they were being charged against New York. I took it for granted that in proportion to population there was no more crime being developed in New York City than elsewhere.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. WAGNER. I know this controversy is always interesting and entertaining.

Mr. ADAMS. I am not having any controversy.

Mr. WAGNER. No; but I do not want to have my attitude misunderstood. If the Senator desires to limit these funds according to population, or in any other way, so as to be sure that New York does not get more than its share, I am willing.

Mr. ADAMS. Naturally, we think of the Senator from New York first, and we think of New York first. It is the Empire State, and we naturally think of New York first. The Senator should be complimented, rather than offended.

Mr. WAGNER. I am very much complimented. I was speaking in general terms. I think just the same rule should be applied that we have applied to every relief measure. I do not recall that we allocated according to population under the relief acts. We took the position that wherever relief was needed, wherever there was suffering or hunger, we should supply the funds.

Mr. BONE. Mr. President, will the Senator from Colorado yield to me?

Mr. ADAMS. I yield.

Mr. BONE. I think if there is any piece of legislation in which there ought to be breadth of view exhibited it is in the handling of and the approach to a measure such as the one before us. I look on a slum district as a social evil—and I take it the Senator from Colorado agrees to the statement—that slums are breeders of crime and social immorality. If we were going to expend Government funds to control a physical disease, not naming any, but a disease that was ravaging the human family, I take it the Senator from Colorado and all other Members of the Senate would want to apply the money in attempting to cure the victims of the disease wherever they were, whether they were in New York, or in California, or in Colorado, or in the State of Washington. So the money employed to get rid of a social menace should be used to get rid of the menace where it exists. Obviously, if we were going to try to stamp out tuberculosis, we would not allocate money to a State where there was no tuberculosis. We would attempt to stamp out the disease by expending money on the victims of the disease, no matter where they were, if the disease itself constituted a social challenge.

I have not heard it suggested on the floor of this body that slums are not a menace to the social welfare, and probably the whole political welfare of the United States. It is because they are such a menace that I have felt impelled to follow the suggestions of the Senator from New York in attempting to apply the money for the eradication of a social disease wherever it may exist. If slums are a menace and a social disease, as has been suggested here a thousand times, it would seem obvious that we ought to apply the money to the eradication of that disease where it exists. Of course, that has been suggested here so many times that it probably is a work of supererogation to repeat it. What we are trying to get rid of is slums; and if there are more in New York City than anywhere else, then we lose sight of the real objective of this sort of legislation if we do not apply the remedy where it ought to be applied. It seems to me the logic of that statement is inescapable.

Mr. ADAMS. Mr. President, I am not at all in disagreement with the Senator from Washington; but if slums exist in San Francisco which are the source of infection which spreads to the State of Washington, I should think the Senator from Washington would wish to have those slum conditions in his neighborhood cured.

Mr. BONE. Mr. President, will the Senator again yield?

Mr. ADAMS. I yield.

Mr. BONE. That is precisely the point I am making. If there is an arbitrary allocation upon a population basis——

Mr. ADAMS. Mr. President, I will say that I do not believe in that. I offered my amendment for the purpose of aiding the Senator from New York in maintaining his position against the charges that were made. I really thought I was coming to his support by offering my amendment.

Mr. President, I do not think the money to be made available under this bill should be allocated strictly upon a population basis. However, the bill in its preamble recites, as has been pointed out by my colleague [Mr. JOHNSON], that these conditions exist throughout the United States; and the preamble also recites that it is necessary to assist the several States inasmuch as the slums are widespread.

Mr. BONE. Mr. President, will the Senator yield so that I may ask one question?

Mr. ADAMS. I yield.

Mr. BONE. Is there anything in the present language of the bill that suggests to the able Senator from Colorado that any State would be barred from making application for this money? Under the terms of the bill the fund is made available to and for the benefit of any State or any political subdivision of any State that wants to enter into a slum-clearance operation. That is the provision of the bill as I read it.

Mr. ADAMS. Mr. President, if the Senator will let me state some figures, I think he will see the basis for my apprehension.

The bill provides for the authorization of the expenditure, by appropriation, of $20,000,000 per year for 3 years. The bill authorizes the borrowing of $700,000,000. The Senator from New York and other Senators who agree with him have objected to a limitation which was put upon the bill of $4,000 per unit. It is suggested that a $6,000 expenditure per unit would be justified. If we take the $700,000,000, how many units at $6,000 apiece will that amount of money construct? It will construct 116,666 units. If the units are built on the $4,000 basis, only 175,000 units can be built. According to the statement made by the Senator from New York at least one-third of the population of the United States is in need of this assistance; at least, there are great numbers of our people, running up into the millions, who are in need of it. I venture to say there are several times the number of 175,000 who are in need of such assistance in the city of New York. There is need for such assistance also in other States. If we were to appropriate and provide money adequately to take care of slum clearance, we should then say that it should be appropriated in proportion to need.

Mr. President, I shall now go beyond that point. We are providing $20,000,000 a year as a contribution to make up the rent payments which the lowest economic group is unable to pay. If persons in that group are to get houses costing $4,000 each, exclusive of the land, it must fairly be assumed that the interest charge, at the low rate of interest, the allocation for taxes which is to be made, the repairs, the upkeep and the rent which the individual family can pay will be between $30 and $35 per month. If a $4,000 house is built a lower income than that should not be received from it. If a $6,000 house is built the income from the house must go beyond the figures of $30 to $35 per month. Then if we take the lower economic group and put them into houses built on the $4,000 basis we cannot figure upon a contribution of less than $15 per month on the part of the Federal Government. In other words the Federal

Government out of these funds will contribute to each case on an average of $180 per year. That will take care of only 111,000 cases.

Mr. President, that is not all. These people are to be put into the houses not for 1 year. They are put in for a longer period.

So the first year we use the $20,000,000 in taking care of the 111,000 families, and the second year we take the $20,000,000 then appropriated to take care of the same 111,000 families. The work of slum clearance is not extended and spread because all the money provided by the bill to be appropriated will be consumed in taking care of those taken care of the first year. In other words, we are getting nowhere. All we are going to take care of under the provisions of this bill, even on the basis of the limitation which is complained of by the sponsors, will be a mere trifle in the great economic problem.

Mr. President, this morning's newspaper carries an item which is of interest to some of us, that the Treasury Department wound up the first month of the new fiscal year with a deficit of $249,384,000.

The PRESIDENT pro tempore. The Senator's time on the amendment has expired. Does the Senator from Colorado desire to continue speaking on the bill?

Mr. ADAMS. I desire to discuss the substitute offered by the Senator from Maryland [Mr. TYDINGS].

The PRESIDENT pro tempore. The Senator has discussed the substitute.

Mr. ADAMS. Then I will discuss my own amendment.

The PRESIDENT pro tempore. The Senator's amendment is not before the Senate. The Senator's time on the amendment has expired.

Mr. ADAMS. Then I will speak on the bill.

The PRESIDENT pro tempore. The Senator from Colorado is now speaking on the bill.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. OVERTON. I have no desire to take up too much of the time of the Senator from Colorado, but I wish to direct his attention and that of the Senator from New York, in charge of the bill, to a problem which suggests itself to me. This bill as it is presently prepared will go into operation at once. I am thinking about the mechanics of it. The authority will lend money to municipalities and to States. I wish to know whether the Senator from Colorado and the Senator from New York have made any investigation as to whether or not municipalities generally throughout the different States of the Union are authorized by enabling acts to enter upon slum-clearance projects or the elimination of blight areas, and whether or not enabling acts would be required to be enacted by various State legislatures before municipalities may be authorized to do so, and whether providing for enabling acts would not require amendment of State constitutions in order that the legislatures of the different States may go into the projects contemplated by this measure.

I think these remarks concern the amendment proposed by the Senator from Colorado, because his amendment holds in reserve these sums that will be allocated to the different States for the first fiscal year, and they will be held in reserve for the next fiscal year. That will give an opportunity for the States that are now constitutionally unable to go into these projects to have constitutional amendments passed which will authorize them to do so, and when they are constitutionally authorized to enter into the projects their legislatures will be given the opportunity to pass enabling acts authorizing the different municipalities to enter into these projects.

I should like to know if the Senator from New York and the Senator from Colorado have made any investigation of these legal questions.

Mr. ADAMS. Mr. President, I have only 10 minutes, and I should like to save a minute or two. I should like to have the Senator from New York answer that question, and leave me a minute or two.

Mr. WAGNER. Mr. President, I will answer in my time. Will the Senator from Colorado yield, and it may be counted in my time?

Mr. ADAMS. Yes.

Mr. WAGNER. About 30 States have enacted laws creating housing authorities, and have conferred upon them the power of eminent domain. This has been in accord with the constitutions of their States, and therefore no amendments to their constitutions would be necessary. I understand that progress has been made in other States as well, and that as soon as their legislatures meet they will enact similar legislation.

Mr. OVERTON. I thank the Senator from New York.

Mr. ADAMS. Mr. President, I was endeavoring to point out what seemed to me a problem which we must face, disagreeable though it may be. It does not matter how desirable a project may be, it does not matter how much needed something may be, if we are not financially able to accomplish it.

There is no doubt of the need of housing; there is no doubt of the evils that grow out of the slums of the great cities; but there is some doubt as to whether or not this problem is a national one. If the great cities and the States had properly performed their functions, probably the slums would not have come into existence. It has become a national problem by reason of the failures of the cities and the failures of the States. But we are entering upon a program involving the Government in tremendous expenditures. We may jeopardize our credit; we may wreck our credit; and then all the programs which we have already embarked upon, designed to help the home owners, to help the farmers, to provide for old age, to provide for unemployment, and now to provide for housing, may fall into a heap of wreckage if the credit of the Government fails. I do not know where the line is, but I know that there is a limit. I know that the bonded indebtedness of this Nation has been growing to the point where thoughtful men are becoming uneasy. The day may come when bond issues that are put out will not be absorbed as they have been. When that day comes, we may look back and wonder if we were as wise as we thought in seeking to meet with Federal funds every problem.

We are trying to pass on, Mr. President, the burden of these problems from today to tomorrow. We have in the past 4 or 5 years been endeavoring to make the depression comfortable and agreeable for those of us here today and passing the burden on to those who are coming after us. I am interested in that phase of the question. I have boys coming on the scene; and I feel that it is by just such bills as this, with their noble purposes, that we are putting upon the backs of those who are to follow me and who are to follow the Senator from New York burdens which may break down the very structure which means so much in the maintenance of the good things already accomplished. So I am uneasy when I see how little is to be accomplished by the vast sums contemplated by this bill.

Mr. BROWN of Michigan. Mr. President, I should like to have the attention of the Senator from Maryland [Mr. TYDINGS] and the Senator from Colorado [Mr. ADAMS]. The Senator from Maryland yesterday submitted an amendment providing that not more than 10 percent of the funds made available by the pending bill shall go to any one State and he discussed in considerable detail the arithmetic of the bill. I think the Senator's amendment is subject to what might be called arithmetical criticism.

Representation in the House of Representatives is a fairly close index of the population. There are 435 Members of the House, and the State of New York, on a population basis, has 45, which is more than 10 percent. The population of the State of New York is more than 10 percent of the population of the United States. The Senator knows that conditions are probably far worse in the city of New York than in any other city in the country.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I will yield in a moment. Overcrowding is probably worse there than in any other place. Is not the Senator a little unfair in seeking to place in the bill a limitation of 10 percent? That is a very real limitation so far as New York is concerned, but it is no limitation at all so far as Nevada, New Mexico, or even Maryland or Michigan are concerned.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. TYDINGS. Would the Senator think that 15 percent would be fair to New York?

Mr. BROWN of Michigan. No. I am opposed to the amendment of the Senator from Maryland and the amendment of the Senator from Colorado, and I think the Senator will admit—in fact, I think he has admitted—that 10 percent is altogether too narrow a limitation and is unfair to those places where conditions are the worst.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. Certainly.

Mr. TYDINGS. The Senator fails to mention the fact that housing primarily is a local and not a national problem.

Mr. BROWN of Michigan. That is true.

Mr. TYDINGS. And I think when the Federal Treasury puts up $700,000,000 in the form of a loan to local authorities, unless the Congress spreads that money so as to conduct the campaign on a national scale, there may be no justification for the Federal act.

The Senator from Maryland, in order to make the program national in scope, made the sole qualification that not more than 10 percent would be used in any one State. If 30 or 40 percent of the money is to be used in New York State, then, in my judgment, there ought not to be any Federal legislation enacted on the subject

Mr. BROWN of Michigan. I agree with that; and if the Senator would make the limitation somewhere around 20 percent, I think it would be reasonable, because I do not want New York to have more than 20 percent; but I certainly think it is unfair to limit it to a figure that is below its proportion of the population of the United States.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. TYDINGS. The Senator from Missouri [Mr. CLARK] has just been conversing with me about that subject. I can conceive that 10 percent might be too narrow a limitation for any one State, particularly New York State. The Senator from Missouri suggested that 15 percent perhaps would be more equitable. The substitute amendment is before the Senate and open to amendment. If the Senator from Michigan will propose to amend the substitute by offering an amendment to make it 15 percent instead of 10 percent, I shall not oppose it; but to have no limitation, I think, would be equally bad.

Mr. BROWN of Michigan. I wish to say to the Senator that I am in favor of leaving that matter to the authority when it is created.

Mr. President, in regard to the amendment proposed by the Senator from Colorado [Mr. ADAMS], or by both Senators from Colorado, it seems to me that it likewise is unfair. It provides that the sums allotted to any one State shall be based on the proportion the population of such State bears to the entire population of the country. As the Senator from Oklahoma [Mr. LEE] said, there is no question that the need is much greater in the larger States of the country. In connection with the project as to which the senior Senator from Colorado has been a leader, the matter of the reclamation, I have not found him proposing an amendment providing that not more than 10 percent of the funds should be expended in any one State. Certainly New York and Illinois and Pennsylvania and Michigan have not obtained money out of the reclamation funds. The same thing is true of the various farm measures that have been submitted.

I take it from the speech of the senior Senator from Colorado that he takes the view that unless we can clear up the entire situation at one fell swoop by the appropriation of sufficient money to take care of all slum clearance in every part of the country we ought not to do anything at all. It seems to me that is the logical conclusion which he reaches in his argument; but, of course, we cannot do that. We cannot clear up any such situation by an appropriation in any one year or any three years. We have got to go at the thing slowly. That is what we are trying to do in this bill.

Now, just one other observation with respect to both the amendments referred to. I have spent most of my time in the Congress in the House of Representatives, which has 45 Members from the great State of New York. I cannot recall, Senators, a single instance where those 45 votes from the State of New York and the votes of Representatives from other industrial areas, such as Massachusetts, Connecticut, Rhode Island, Pennsylvania, and other States, have not supported reasonable farm legislation when it meant very, very little to their sections of the country; nor did I ever hear anyone propose, in the course of the consideration, tax bills, levying, we will say, income taxes upon the people of the country, to add a proviso that not more than 10 percent of the total of all taxes should be collected from any one State or that taxes should be based on population. The State of New York will pay a very large part of the expense of this bill. I do not wish to criticize the junior Senator from New York, but I think, as I stated to him on the floor the other day, that he would be in a little better position if he frankly admitted that this is a bill for the purpose of clearing slums in the great cities of the country; for that is what it primarily is. I think he could well plant his case upon that broad foundation. I think it is a city bill; and I think the Senator from New York can appeal to those who come from metropolitan areas and those of us who come from farm areas—and I represent, in part, a State that has a very diversified industry and diversified farming—to support his bill on the basis that it is a city bill. As I have said, it is primarily that.

So I hope that the representatives from the rural areas will join with the great junior Senator from New York in supporting this bill and in not defeating it by stifling amendments which will make it a measure which can do none of the things that its author seeks to accomplish.

Mr. BORAH. Mr. President——

Mr. BROWN of Michigan. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, representatives from the rural sections of the country will have no difficulty, in my judgment, in following the Senator from Michigan in his suggestion if those who are responsible for the pending measure will put proper limitations in it so that we may not feel that the money made available will be expended in the great cities without any tangible result. We have many examples about us now of projects which have been undertaken and which are worse than failures and which have cost the taxpayers a tremendous sum.

So far as I am concerned, I am interested in this bill solely as a slum-clearing proposition; and I am prepared to support it whether or not a dollar of the money to be expended under it comes to my State if I can be convinced that proper safeguards are thrown about the expenditure so that a result will be effectuated in the clearing of slums. I cannot in the name of slum clearance vote for unlimited and unrestrained waste of public money. My vote on this measure will depend upon what restrictions are thrown around the expenditures.

Mr. BROWN of Michigan. Let me ask the Senator from Idaho if he does not believe that the fact that the provisions of the bill are primarily to be administered by local authorities is a step in the right direction. The Federal Government is not going to expend this money. It is going to be loaned to local agencies interested in the proper and economical construction of the buildings for the purposes intended by the bill and interested in making it a success.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. I yield.

Mr. COPELAND. I think one situation is overlooked in the debate. The bill is general in character. It covers not

only cities such as mine but extends into the rural sections as well. If there were to be a limitation, it should be upon the number of persons accommodated by the new buildings. It costs two or three times as much to provide a room in New York City as it does to provide a room in some rural section. That fact must not be overlooked. In a great city like New York there are building standards which must be met. They increase the cost, because the element of fire protection must always be given consideration. Further than that, the prevailing wage in the cities is very much greater than in the country. If we were to give New York State 10 percent of the total, that would accommodate perhaps one-fourth as many as might be provided for by the same sum in some other part of the country. That should not be overlooked.

Mr. BROWN of Michigan. I think the Senator is entirely correct about that.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN of Michigan. Certainly.

Mr. BARKLEY. I have been very much impressed by the Senator's remarks, because they show he has a clear comprehension of the task before us and the objectives of the bill. What we are seeking to do is not only to make the slum regions habitable but to raise the standards of living in those regions and among those people. Is it not true that in proportion as we are able to do that in the congested sections of the country, we automatically raise the average standard of citizenship throughout the United States?

Mr. BROWN of Michigan. I thank the majority leader. He is absolutely correct.

Mr. ELLENDER. Mr. President, I am in accord with the views expressed by the junior Senator from Oklahoma [Mr. LEE]. Slums are a menace to the health and happiness of millions of Americans and it is our duty to provide for their demolition wherever they exist. I realize that the pending bill is but a modest beginning in that direction, and I am more than willing to lend my aid to the proposal in the hope that eventually all those of low incomes may be afforded a decent place in which to live, commensurate with their earnings. I desire to submit a few remarks with reference to certain statements made on yesterday by the senior Senator from Maryland [Mr. TYDINGS] and the junior Senator from Virginia [Mr. BYRD]. It is not my purpose to undertake to defend what has been done in the past with reference to the building program undertaken by the Resettlement Administration. I agree with the Senator from Virginia [Mr. BYRD] that there was some extravagance. All of us must realize that in 1933 when President Roosevelt took office something had to be done immediately by the Government in order to feed and clothe those in need. We had no set plans to guide us. We were at sea. Starving people could not wait for the charting of a course. We had to take conditions as they then existed and, of necessity, quite a few unnecessary ventures were undertaken.

When the original housing bill was first considered by the Committee on Education and Labor, of which committee I am privileged to be a member, there were a number of objections urged. Among them the outstanding one, to my way of thinking, was the provision in the bill that authorized the expenditure of $1,000,000,000, with a subsidy on the part of the Federal Government of something like $2,600,000,000 spread over a period of 60 years. It was thought by some of us on the committee that the subsidy was out of proportion to the initial amount to be expended and that limitations should be placed in the bill as to the amount the Government should expend for subsidy purposes. Hence we have in the substitute bill a yearly subsidy not in excess of $20,000,000. Another objection was that the bill did not provide for mandatory slum clearance. The Senate has seen fit to incorporate a provision in the substitute bill so as to take care of that situation. Yesterday the Senator from Virginia [Mr. BYRD] took the position that the Federal Government would not only subsidize the lessees of the proposed projects to the extent of $2 or $3 per room, but that the provisions of the bill would allow the local housing authorities enough money to retire the entire debt. He stated that under the subsidies provided in the bill the Government would pay to the extent of 75 percent of the amount of rent, so why not go the full limit and make it 100 percent?

A careful reading of the bill, I am sure, will not bear out the statement of the Senator from Virginia. We have in the bill a limit of not exceeding $20,000,000 annually for subsidy purposes. That figure was determined in this manner: The bill provides that the authority shall within the next 3 years raise $700,000,000, and that a subsidy will be given by the Federal Government equal to 3½ percent of the investment. It was thought that in some cases the entire limit of 3½ percent might be used, whereas in other cases it might require only 2 to 3 percent. It was believed the average would not exceed 3 percent. Hence the amount of $20,000,000, which is a fraction over 3 percent of $700,000,000, was fixed as the limit to which the Government may be called upon for subsidies. These subsidies are to be allowed only to insure low rents and are not to be applied to words liquidating the indebtedness of the local authorities.

On yesterday the Senator from Maryland [Mr. TYDINGS] took the position that a house costing $6,000 would require the man who rents it to pay on the basis of $50 a month. The figures he produced are those which are usually used by private capital in estimating the return on housing investments and the like. He contended that the bill defeats its purpose, since it is the object of the proponent of the bill to provide low rents for those whose income was from $50 to $75 per month.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. TYDINGS. The figures I used were not inclusive of land or administration costs, but were simply the cost of the buildings.

Mr. ELLENDER. May I ask the Senator where did he obtain his figure? How did he arrive at the 10-percent basis that he mentioned during the course of the debate?

Mr. TYDINGS. If four rooms cost $1,000 apiece, four rooms would cost $4,000.

Mr. ELLENDER. That does not answer my question. May I again ask the Senator where he got his figure of 10 percent?

Mr. TYDINGS. From my own experience in having built some houses and sold them, and having built them as cheaply as I could, I find that I could not break even by making 10 percent on the capital outlay for building and ground.

Mr. ELLENDER. Very well. That is the point I am trying to make; that is, that the Senator from Maryland is using 10 percent as his basis, which is the figure usually used by private capital as a just return on such investments.

Mr. TYDINGS. Let me read to the Senator the entire break-down of the rent, if he would like to have it, so that he may know where I got my figures.

Four thousand dollars would be the cost of the building, just the rooms without the land or administration cost added. On a normal basis used by a private concern, 10-percent rent would be needed in order to carry the proposition; for instance, insurance, depreciation, and upkeep. That would be $400; but under the bill the renter is entitled to a subsidy as high as 3½ percent, which would make $140. One hundred and forty dollars subtracted from $400 would leave $260 which the renter would have to pay. In the event that he gets the proposed subsidy, then the Government would be lending the money without any interest at all because the amount of the subsidy is equivalent to the interest on the loan. Then the renter would have to pay in equal monthly installments $21.33 a month in order to pay his rent with the Government subsidy included, which means that if we gave the rooms to the low-income group, the man would take nearly half of his salary, assuming he was making $50 or $60 a month, to pay his rent, notwithstanding the Government contributed $140 of the $400 annual charge.

Now, if the Senator will yield just a moment further——

Mr. ELLENDER. No; I do not yield further at this time. The Senator made the same speech yesterday; and, besides, debate has been limited and I would like to make further observations of my own on the subject.

Mr. TYDINGS. I thought the Senator wanted an answer to his question.

Mr. ELLENDER. I asked the Senator where he obtained his figure of 10 percent, and he answered that question to my satisfaction.

As I understood, the figures were taken from the Senator's own experience as a builder of homes to rent.

Mr. TYDINGS. Will the Senator yield for a question?

Mr. ELLENDER. I yield for a question.

Mr. TYDINGS. Where does the Senator get his information?

Mr. ELLENDER. From the recorded evidence taken before our committee. I will further inform the Senator in a minute.

The reason why it is necessary for the Federal Government to come to the rescue of these unfortunates, those who are unable to pay high rents, is that private capital cannot cope with the situation. It expects more in return than persons of low incomes can pay. The Government is able to obtain money much cheaper than can the average individual. It has almost unlimited credit. If the Senator from Maryland will refer to page 13 of the report which accompanies the bill under consideration, he will find answer to the question he propounded to me a few moments ago.

The bill provides that the rate of interest shall be the going Federal rate at the time the loan is made. The established rate of interest today, or at the time the statement to which I have referred was made, was 2½ percent; and the Authority proposes to borrow this money with the backing of the Government at that rate and loan it to the various local authorities at virtually the same rate. The local authorities will then grant mortgages for the repayment of the loans on the land and the buildings to be erected, and out of the revenues from those buildings the Authority is to be repaid. It must be remembered that the Federal Government is not appropriating one penny of the $700,000,000, but is only guaranteeing the repayment of said sum should the Authority fail to collect. Let us see how the plan will work. It will be noted, as I have just stated, that on page 13 of the report accompanying the bill, appears a table.

TABLE 9.—*Computation of monthly rent per room, including heat, based on a capital cost of $1,000 per room*

	Per room per month
Cost of capital, interest, and amortization on $1,000 at 2½ percent and 60 years	$2.70
Operating expenses	2.95
Local taxes, full ad valorem, at 2 percent	1.66
Economic rent, using Government credit but without annual contributions	7.31
Maximum annual contribution per room (3½ percent on $1,000 capital cost; e. g., $35)	2.92
Rent with maximum annual contribution but paying full local taxes	4.39
Deduct half taxes	.83
Rent with maximum annual contribution and half local tax exemption	3.56
Deduct half taxes	.83
Rent with maximum annual contribution and full local tax exemption	2.73

By multiplying the figures in the above table by 100 or 1,000, the 1-room example may easily be translated into 100- or 1,000-room low-rent housing projects.

The basis for calculation, as will be observed, is $1,000 per room. With that basis we can easily figure what $1,300 per room would cost, or $1,500, or $2,000, but let us take for the purpose of this illustration the cost of $1,000 per room—it will be noted that the cost of capital, interest, and amortization of a $1,000 room will amount, per month, per room, to $2.70. The amortization, of course, is spread over a period of 60 years, as is provided for in the bill. The operating expenses amount to $2.95. The local taxes—that is, the full amount of taxes for the municipalities and for the State—amount to $1.66; or a total per room of $7.31 per month. Should the Government pay the maximum subsidy that is provided for in the bill, namely, 3½ percent of the $1,000 cost, it would amount, per month, per room, to $2.92, thereby making the cost per room $4.39.

The local authority which will put up the building will no doubt make allowances for local taxes. From the fact that the Authority is of a quasi-public nature, it is to be assumed that the taxes will either be cut in half or probably remitted in full.

Assuming that half of the taxes are remitted, we deduct from the $4.39 to which I have just referred one-half the taxes, or 83 cents. That would mean a rental of $3.56 per month per room. Should all of the taxes be remitted, there would be a further deduction of 83 cents, or a minimum of $2.73 per room.

I desire to say to the Members of the Senate that these figures have been presented to our committee by experts, men who, I believe, know what they are talking about. The figures to determine amortizations were taken from Glover's actuarial tables which have been in use for many years.

Permit me to further break down the figures that I have mentioned above, so as to give you a more vivid picture of the plan.

The prevailing rate of interest at this time is 2½ percent. If 2½ percent, plus a fraction under three-fourths of 1 percent, is paid yearly on $1,000 for a period of 60 years, that will have the effect of amortizing the said sum of $1,000 at the end of said period. In other words, the figure of $2.70 per month is the equivalent of $32.35 per year, which is the cost of both interest and principal for amortizing $1,000 in 60 years.

The amount of $2.95 per month, per room, is equivalent to $35.40 per year per room. This figure represents the cost of heat and hot water, repairs, replacement of fixtures, and other items with a life of less than 60 years, the cost of operating the property, and allowances for vacancies and noncollections of rent. To be more exact and so that you can obtain more details, the sum of $35.40 per year per room is derived as follows:

Repairs, 1 percent of cost	$10.00
Replacement of fixtures and other items with life of less than 60 years, one-half of 1 percent of cost	5.00
Heat and hot water	10.00
Insurance, maintenance, and administrative costs	7.77
Allowance for vacancies and noncollections, 3 percent of the annual rent	2.63
Total	35.40

I may state to the Senate that the figure of $35.40 per $1,000 per room per year, is based on the expense of the 43 completed large-scale housing projects of the Federal Housing Administration.

As to the figure of $1.68 per month for taxes, that represents an annual tax of $20 per $1,000, or 2 percent ad valorem. The actual average assessment rate throughout the United States is about 2½ percent of an 80-percent valuation, which is equivalent to 2 percent on real valuation. The fact that these buildings will be erected by local public authorities, I assume that there will be a full remission of taxes, because of the worthy nature of the undertaking. If that should happen, I say to the Senator from Maryland [Mr. TYDINGS] and to the Senator from Virginia [Mr. BYRD] that the maximum monthly rental per room costing $1,000 will be not in excess of $2.79. These figures, Senators, I believe to be correct, and in my opinion refute the arguments of the able Senators just mentioned.

The PRESIDENT pro tempore. The time of the Senator from Louisiana on the amendment has expired.

Mr. GLASS and Mr. McNARY suggested the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	King	Pittman
Andrews	Copeland	La Follette	Radcliffe
Ashurst	Davis	Lee	Reynolds
Austin	Dieterich	Lewis	Schwartz
Bailey	Donahey	Lodge	Schwellenbach
Barkley	Ellender	Logan	Sheppard
Berry	Frazier	Lonergan	Shipstead
Bilbo	George	Lundeen	Smith
Black	Gerry	McAdoo	Steiwer
Bone	Gillette	McCarran	Thomas, Okla.
Borah	Glass	McGill	Thomas, Utah
Bridges	Green	McKellar	Townsend
Brown, Mich.	Guffey	McNary	Truman
Brown, N. H.	Hale	Maloney	Tydings
Bulkley	Harrison	Minton	Vandenberg
Bulow	Hatch	Moore	Van Nuys
Burke	Herring	Murray	Wagner
Byrd	Hitchcock	Neely	Walsh
Byrnes	Holt	Nye	Wheeler
Capper	Hughes	O'Mahoney	White
Chavez	Johnson, Calif.	Overton	
Clark	Johnson, Colo.	Pepper	

Mr. LEWIS. Mr. President, I announce the absence for the record of the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL], who have gone abroad on Government business.

The Senator from Arkansas [Mrs. CARAWAY] is detained from the Senate by illness.

The Senator from Idaho [Mr. POPE] is absent on official business.

The Senator from New Jersey [Mr. SMATHERS] is absent on account of illness in his family.

I ask that this announcement stand for the day.

The PRESIDENT pro tempore. Eighty-six Senators having answered to their names, a quorum is present.

The Chair will state the parliamentary situation. The Senator from Maryland [Mr. TYDINGS] offered a substitute for an amendment offered by the senior Senator from Colorado [Mr. ADAMS]. The junior Senator from Colorado [Mr. JOHNSON], seeking to perfect the amendment of the senior Senator from Colorado, offered an amendment to insert the words "District of Columbia" in several places. The question now is on the perfecting amendment of the junior Senator from Colorado to the amendment of the senior Senator from Colorado.

Mr. BORAH. Mr. President, may we have the amendment reported?

Mr. WAGNER. Mr. President, I promised the Senator from Maryland that when his amendment was being considered I would get word to him so that he could be present. I do not want to have action taken on his amendment in his absence. I understand from Senators around me that he is on his way to the Chamber.

The PRESIDENT pro tempore. The Senator from Idaho has asked that the amendment be reported. The clerk will state the amendment offered by the senior Senator from Colorado [Mr. ADAMS], together with the perfecting amendment offered by the junior Senator from Colorado [Mr. JOHNSON].

Mr. BARKLEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Is it not true that the senior Senator from Colorado in effect agreed to modify his amendment by accepting the language of the amendment of the junior Senator from Colorado?

The PRESIDENT pro tempore. That is not the parliamentary situation. The parliamentary situation is that the senior Senator from Colorado did accept the amendment of the junior Senator from Colorado as it was printed and lying on the table. Since that time the junior Senator from Colorado has added the words "the District of Columbia" to his amendment.

Mr. BARKLEY. I thought the senior Senator from Colorado modified his amendment by accepting the amendment offered by the junior Senator from Colorado.

The PRESIDENT pro tempore. The Clerk will state the amendment offered by the senior Senator from Colorado [Mr. ADAMS], to which the junior Senator from Colorado [Mr. JOHNSON] has offered an amendment.

The CHIEF CLERK. It is proposed to insert at the proper place the following:

SEC. —. (a) All amounts made available pursuant to this act for each fiscal year for loans, annual contributions, or capital grants by the Authority to public housing agencies shall be apportioned by the Authority among the several States in the ratio which the population of each State bears to the total population of all the States as shown by the latest available Federal census. The first such apportionment shall be made and certified to the Secretary of the Treasury within 30 days after the date of enactment of this act, and thereafter each such apportionment shall be made and certified to the Secretary of the Treasury at the beginning of each fiscal year.

(b) So much of the amounts so apportioned to any State for any fiscal year as remains unexpended at the close thereof shall be available for expenditure in that State until the close of the succeeding fiscal year. Any amount so apportioned to any State which is unexpended at the end of the period during which it is available for expenditure as herein provided shall be reapportioned, within 60 days thereafter, to all the States in the same manner and on the same basis, and certified to the Secretary of the Treasury in the same way, as if it were being apportioned under this section for the first time.

The PRESIDENT pro tempore. The clerk will now state the amendment to the amendment, suggested by the junior Senator from Colorado.

The CHIEF CLERK. It is proposed to modify the amendment by adding, on page 1, line 5, after the word "States", the words "and the District of Columbia"; on line 5, after the word "State", to insert the words "or the District of Columbia"; on line 6, after the word "States", insert the words "and the District of Columbia"; on page 2, line 7, after the word "State", to insert the words "or the District of Columbia"; on line 9, after the word "State", to insert the words "or the District of Columbia"; on line 11, after the word "State", to insert the words "or the District of Columbia"; on line 14, after the word "States", to insert the words "and the District of Columbia."

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

Mr. TYDINGS. Mr. President, I desire to speak briefly on my proposed substitute. In order that it may be absolutely fair, it has been suggested that 10 percent may be too restrictive, and I therefore wish to modify my amendment and make the figure 15 percent.

The PRESIDENT pro tempore. The Senator has a right to modify his amendment, and he modifies it by striking out "10" and inserting "15."

Mr. TYDINGS. Mr. President, the bill before us is a housing bill and a slum-clearance bill, and that is all it is, and certainly, if it is a slum-clearance bill, where the slums are is the place to which we should address the expenditure of the money.

There is no doubt in the world that the largest city in the Union, New York, because of its great size, will be entitled to, and should receive, a large portion of any funds appropriated for slum clearance. On the other hand, it should not be forgotten that there are other large cities in the country where slums also exist, and where an equitable proportion of the money should be expended. It seems to me, therefore, that the proposition to divide up the money just by States on a basis of population overlooks the tremendous objective to which the proposed legislation is directed. On the other hand, a limitation of 15 percent as a maximum to any one State does put a limitation upon all the money being used as a local rather than a national activity.

I ask the attention of the Senator from Louisiana to the figures. I do not believe many Senators have had an opportunity of analyzing the bill. One reason why there should be a limitation on the money to be expended in any one State is the fact that the Government is going to lend $700,000,000, is going to lend it in 3 years, and then it will be gone, and there will stand an obligation against the Treasury of the United States.

We have provided in the bill that, in addition to lending the money, the Government shall pay its part of the rent of

the houses when they are built and occupied for as long as 60 years. After the money is loaned, after the house is erected, after the Government has put up all of the money, $700,000,000, the obligation of the Government does not stop. Under the bill, for as long as 60 years the Government must then pay a monthly subsidy to the tenant equal to 3½ percent per annum of $700,000,000.

Now, let us break that down. It has been said that this money is only being loaned, that it is all to be returned to the Treasury. I say that is not true, and I can prove it, I think, beyond the peradventure of a doubt.

The bonds of the Government will be sold, and we will assume that they are sold on a basis of 2½ or 3 or 3½ percent. The Government immediately is charged with 2½ or 3 or 3½ percent annual interest on the loans. The only security for the loans is the houses which are built in the place of slums, and the rents that come therefrom.

How are the rents to be fixed? The Senator from New York yesterday said that a limit of cost of a thousand dollars per room was too small, that in New York City rooms could not be built for a thousand dollars a room.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. TYDINGS. Not in every case, but in some cases.

Mr. WAGNER. I am going to refer to something else, also.

Mr. TYDINGS. I have only 15 minutes.

Mr. WAGNER. In addition to the project itself being security for the loan, the Government may also require the bonds of the locality, as in the case of every other such loan the Government has made.

Mr. TYDINGS. It may.

Mr. WAGNER. But we have to trust that the authority is going to get all the security needed for the loans.

Mr. TYDINGS. Mr. President, I do not want to be contentious, but I doubt very much whether many municipal bonds will be put up as security for these loans. Be that as it may, however, the Senator from New York and Mr. Post, in the pamphlet that was passed around among Senators, said that we ought to have a limitation, not of $1,000 a room but of $1,750 a room. Keep that figure in mind.

Let us build a house, and let us build it at a cost of $1,750 a room. How much would it cost? Four rooms, then, will cost $7,000, and the annual rent on a 10-percent basis, according to my calculation, would be $700. The Government subsidy paid to the tenant would be $245 a year. That would leave the tenant to pay $455 a year, or $38 a month. That $38 a month is after the Government contributes 3½ percent of the total cost of the house and the subsidy for 60 years.

Where does that bring us? First of all, the bill provides that the house must be occupied by a person earning $50 or $60 or $70 a month. Query: Can a man making $70 a month pay the Government $38 a month, which he will have to pay, even with the Government subsidy?

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TYDINGS. I desire to conclude, but I yield.

Mr. ELLENDER. Has the Senator made a study of the table that I referred to a few minutes ago and that will be found on page 13 of the report accompanying the bill?

Mr. TYDINGS. No; I have not.

Mr. ELLENDER. It is a pity the Senator has not done so.

Mr. TYDINGS. I have made some study, and it is a pity that some other Senators did not make one on their own initiative, instead of accepting the figures of people who have a personal interest in the enactment of the pending bill.

Mr. ELLENDER. I have checked the figures presented by me to the Senate, and I am convinced that they are accurate.

Mr. TYDINGS. If the Government gives a 3½-percent subsidy to the tenant in these rooms, then the Government gives to the tenant the equivalent interest that it would receive from the borrower to pay the interest on a national obligation. We cannot get away from that.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. ELLENDER. Is it not provided that the current or established rate of interest at the time the loan is made shall be paid by the borrower?

Mr. TYDINGS. Yes; but if he pays you, and you give it back to him again, then you still must raise the money to pay the interest on the bonds that the public holds.

Mr. ELLENDER. Mr. President, this table shows——

Mr. TYDINGS. Let me finish.

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Maryland yield to the Senator from Louisiana?

Mr. TYDINGS. I decline to yield because my time is limited. If I had more than 15 minutes, I should be delighted to yield to the Senator from Louisiana.

There can be no question that the Government cannot give to these tenants 3½ percent in a rent subsidy, which is equivalent to the interest which these bonds will earn, and have the money in the Treasury to pay the interest on the bonds at the same time. If one needs 3½ dollars to pay a debt, and he gets those 3½ dollars in his hand, and then he gives away the 3½ dollars to someone, he does not have the 3½ dollars. And that does not take into consideration the sinking-fund requirement. How long do these bonds run, I will ask the Senator from Louisiana?

Mr. ELLENDER. Sixty years.

Mr. TYDINGS. Sixty years. Very well. How much will we pay a year? Let us say that we shall probably pay 2 percent a year.

Mr. ELLENDER. I refer the Senator from Maryland to the table to which I previously referred, and I am sure he can get his answer from that table. I am sorry that the Senator was not in the Chamber the entire time that I presented my argument. I gave in detail the monthly rent, per room, costing $1,000.

Mr. TYDINGS. At any rate, the Senator will not contend that the Government is not authorized under this bill to contribute 3½ percent of the total cost of these projects in the form of a rent subsidy?

Mr. ELLENDER. The limit is $20,000,000 per annum.

Mr. TYDINGS. That is all right. Three percent of $700,000,000 is $21,000,000.

Mr. ELLENDER. Three percent. Correct.

Mr. TYDINGS. That is what I am talking about. Three percent of $700,000,000 is $21,000,000. So the reason there ought to be a limitation providing that no one State shall get all of this money is because, as this bill is drawn, it is not unreasonable to assume that sufficient revenue will not be received from these projects or from the municipalities that get them to pay off this obligation.

If the Federal Government wants to give away $700,000,000 for slum clearance that is one thing, but Senators ought to realize that under this bill as it is drawn the probabilities are that the Government will not receive from these houses either the interest or the sinking fund requirement, because, in the first place, we are providing that the tenants shall be persons who do not earn more than $60 or $70 a month, who cannot earn more than that, and, on the other hand, we are building a house which in many cases must rent for $38 a month even after the Government has given its subsidy. Here is a man making $60 or $70 a month—one of the poor, for whom we all cry and for whom all our hearts bleed, and we are going to put him in a house and ask him to pay a rent of at least $38 a month, after the Government has made a liberal contribution to his rent, if the property is going to be repaired, kept insured, and operated.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield; and I shall be delighted to yield, but I request Senators to ask me questions, and as briefly as possible, so that I may finish my argument.

Mr. WAGNER. The Senator can take it from my time.

Mr. TYDINGS. I cannot do that.

Mr. WAGNER. The Senator keeps reiterating; and I do not think it is fair to the municipalities, that this particular money which is to be borrowed for the purpose of clearing

slums is not going to be repaid by the municipalities; and I appeal to the Senator not to constantly indict the municipalities of our country and say that they are going to default on their loans.

Mr. TYDINGS. I understand what the Senator wants. I will clear that up right now. The Senator is not asking me a question.

Mr. WAGNER. May I ask the Senator whether it is not true that the record of the R. F. C. on loans made to municipalities, and the record of the P. W. A. on loans made to municipalities, is 100-percent repayment of the loans, and that, as a matter of fact, in some cases the Government has made money?

Mr. TYDINGS. That is true.

Mr. WAGNER. Why would it not be true in this case?

Mr. TYDINGS. The R. F. C. is not subsidizing those who borrow the money by giving them back the interest. The R. F. C. is demanding 115 cents of security to get a dollar, and then it is collecting the interest, and then it is putting in management. Under this bill we do not require any more security in the first instance than the buildings themselves, and then when we get the interest on the loan which we have guaranteed we turn around and pledge ourselves to give it to these tenants for 60 years as a subsidy. How in the name of common sense can we give the interest back to those who are living in these houses and pay the interest on the bonds at the same time? How are we going to have our sinking fund?

I do not want to throw cold water on the slum-clearance proposition, but if that is not the naked truth, as written into this bill, then I cannot read the English language.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SHIPSTEAD. Does the Senator mean to say that the taxpayer will be taxed to pay 3½ percent on $700,000,000 for 60 years, and then also pay the retirement requirements and amortization?

Mr. TYDINGS. Let me answer the Senator by saying that already we are contributing $21,000,000 under the terms of this very bill, in black and white, in plain English; to be used by the authority to give a subsidy to the tenants in the houses; so that with what they are able to pay, plus what the Government gives them, they can pay the rent. So that the whole $21,000,000 is given away by the Government this year, and that is the equivalent of 3 percent on $700,000,000.

Mr. SHIPSTEAD. And it will take $20,000,000 a year for 60 years at that rate?

Mr. TYDINGS. Yes; that is correct. We authorize the authority to make contracts up to 60 years in the future; and to contribute 3½ percent of the total cost of the building as a subsidy to reduce the rent. True, the authority can, in the first instance, make contracts for 20 years only, but the power is given in the bill to extend those contracts in 10-year periods, after the first 20 years, for a maximum of 60 years.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BORAH. The Senator's argument seems to me to go against passing this bill at all.

Mr. TYDINGS. It is practically that as the bill is written, as I see it.

Mr. BORAH. How would limiting its terms, according to the Senator's argument, remedy the situation?

Mr. TYDINGS. I shall be glad to answer that question. If the bill is going to be passed, anyway, in spite of the facts I have brought out, then all the more reason exists why no community should make a local project out of it, and the whole National Government should be out $700,000,000. If we are going to do it in this way, then all the more reason exists why it ought to be a national rather than a local problem.

The PRESIDING OFFICER. The time of the Senator from Maryland has expired.

The question is on the amendment of the junior Senator from Colorado [Mr. JOHNSON] to the amendment of the senior Senator from Colorado [Mr. ADAMS].

Mr. BORAH. Mr. President, I merely wish to have some further information from the Senator from Maryland. The Senator from Maryland has made a powerful indictment against this bill. I do not care for the State of Idaho to share in that kind of thing; but I do not see anything in his amendment except the fact that he is dividing up the figures so that all the States will have a part of the spoils and at the same time share a part of the obligations.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. TYDINGS. That was not my intention.

Mr. BORAH. I know that was not the intention, but is that not the effect of it? Let me say further that I want to support a bill if I can find it in proper terms, to help clear up slums in the city of New York and other cities. I know perfectly well it is not going to benefit the portion of the country from which I come. I do not expect that; I do not seek it, and I do not think the people out there are seeking it. But I do not want to go on a wild-goose chase with reference to slums, and in a few years have loaded on my portion of the country at least, by reason of my vote, a perfect failure. It seems to me the Senator's substitute does not cure that situation.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. TYDINGS. The Senator will notice that yesterday I voted with the Senator from Virginia in the hope that we could hold these prospective rentals down to a figure which would not make the analysis which I have just made possible, and I am doing everything I can to throw additional safeguards around the bill, and I may finally vote either for or against it, depending upon how it stands at the time of its completion. But what we are dealing with now is a certain provision of the bill, and as it stands all the money could be spent in one or two States. I do not say it would. To my way of thinking that is wrong.

Mr. BORAH. Is it wrong? New York City has its slum situation, and if we go into slum clearance a tremendous effort will be required and a tremendous amount of money will be required.

Mr. TYDINGS. That is correct.

Mr. BORAH. Why go into it upon a basis which will not effectuate any real results?

Mr. TYDINGS. If the Senator will yield to allow me to answer that question, the Senator knows that, if we spend every single, solitary dollar of this money in New York, it would only provide for 175,000 families.

Mr. BORAH. Exactly. I listened to that presentation very attentively because that, it seems to me, is the most powerful argument made against the measure. After we have done what we are proposing to do we have really gotten nowhere.

Mr. TYDINGS. That is correct.

Mr. GLASS. Mr. President, may I ask the Senator from Idaho upon what recognized theory of government it ever became the business of the National Government here in Washington to tax all the American people to clear up slums in certain specified parts of the country?

Mr. BORAH. I do not know just when that was initiated.

Mr. GLASS. Well, I know when it ought to be stopped.

Mr. BORAH. Mr. President, I rose to obtain from the Senator from Maryland an explanation of his amendment so as to determine for myself whether or not in voting for the amendment I would really minimize any of the evils which he has so graphically presented.

Mr. TYDINGS. Mr. President, will the Senator allow me to make a brief comment there?

Mr. BORAH. Yes.

Mr. TYDINGS. I do not claim that the amendment that is now pending would eliminate the evils, but I do claim that if the amendment should be adopted, and if the bill as

now constituted and framed should be passed and put into operation, and what I think will happen should happen, at least the $700,000,000 will not have become a local project, and whatever benefit there may be from demonstration otherwise will afford a useful lesson all over the country; whereas if the amendment should not be adopted, it is perfectly possible that the whole lesson may be lost in one locality. I think it is too good a lesson to have one locality either know or not know.

Mr. ELLENDER. Mr. President, will the Senator from Idaho permit me to ask the Senator from Maryland a question?

Mr. BORAH. I yield.

Mr. ELLENDER. Will the Senator from Maryland break down the 10 percent that he is speaking about?

Mr. TYDINGS. I will be glad to do so.

Mr. ELLENDER. What part of that 10 percent goes toward interest and what part goes toward repairs, and so forth? I would be very much obliged to the Senator if he will consent to place that information in the RECORD.

Mr. TYDINGS. I have not that information available, but, if the Senator would like to have it, I would be very glad to put the complete breakdown in the RECORD. Let me ask the Senator, however, is it intended that the Government shall heat and light these buildings?

Mr. ELLENDER. I did not understand the Senator.

Mr. TYDINGS. Is it intended that the Government shall furnish water, and heat and light the buildings?

Mr. ELLENDER. It is intended that the local authority shall furnish hot water and heat and shall make a charge therefor.

Mr. TYDINGS. How much does the Senator estimate it will cost to heat one of these rooms? I want to see how the Senator has broken it down.

Mr. ELLENDER. The estimated cost is $10 per year per room. I have taken the figures given to the committee.

Mr. TYDINGS. By whom?

Mr. ELLENDER. By Mr. Gray and Mr. Vinton.

Mr. TYDINGS. Who is Mr. Gray and who is Mr. Vinton?

Mr. ELLENDER. They are connected with the housing department here in Washington, I believe.

Mr. TYDINGS. What experience have they had?

Mr. ELLENDER. I have no personal knowledge, but——

Mr. TYDINGS. Then I do not think they are good witnesses.

Mr. BARKLEY. Mr. President, if the Senator from Idaho will yield, let me say that Mr. Gray is the head of the Housing Division of the Public Works Administration. That is what his connection is, and he has been in charge of all public works that have been carried out under that department. Mr. Vinton is Chief of Research, Division of Suburban Resettlement, Resettlement Administration.

Mr. ELLENDER. I thank the Senator from Kentucky for this information.

Mr. BORAH. Why bring that up?

Mr. ELLENDER. Mr. President, will the Senator from Maryland furnish the information that I requested of him?

Mr. LOGAN. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. LOGAN. I understand the Senator from Maryland and the Senator from Louisiana both have used up their time, as announced by the Chair. So I think that someone else is entitled to the floor.

The PRESIDING OFFICER. The floor was being occupied by the Senator from Idaho. The Senator from Idaho yielded both to the Senator from Maryland and to the Senator from Louisiana.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER. The Senator from Colorado.

Mr. LOGAN. Mr. President, I make a further point of order. I desire to know if a Senator can occupy the floor after the Senator who yielded to him has surrendered the floor? The Senator from Idaho took his seat, but the Senator from Louisiana was still insisting that the Senator from Maryland proceed, and the Senator from Maryland had risen, and the two Senators were starting at it again when I made the point of order.

The PRESIDING OFFICER. The Chair recognized the Senator from Idaho. When that Senator took his seat and surrendered the floor the Chair recognized the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, I earnestly hope——

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Minnesota?

Mr. SHIPSTEAD. I wish to ask the Senator from Maryland a question, if I may have the floor.

Mr. JOHNSON of Colorado. I will occupy the floor only for a few moments.

Mr. SHIPSTEAD. Very well; I will wait.

Mr. JOHNSON of Colorado. Mr. President, I have a very brief statement to make. I hope the substitute amendment offered by the Senator from Maryland will not prevail for the reason that under his amendment seven States would use up all this fund.

Mr. LOGAN. Mr. President, I desire to make another point of order. The Senator from Colorado has made one speech and under the unanimous-consent agreement, which is in force, I make the point of order that he cannot now make another one.

The PRESIDING OFFICER. The Chair is advised that the Senator from Colorado has already spoken on the pending amendment.

Mr. JOHNSON of Colorado. On my amendment but not on the substitute amendment. I am now speaking on the substitute amendment. In any event, I did not use my time on the bill, and I will now take time on the bill.

The PRESIDING OFFICER. The Senator from Colorado is speaking on the bill?

Mr. JOHNSON of Colorado. Yes, sir.

The PRESIDING OFFICER. The Senator from Colorado may proceed.

Mr. JOHNSON of Colorado. Mr. President, as I was saying, I hope the substitute amendment submitted by the Senator from Maryland will not prevail for the reason that under it seven States could receive all the benefits. Under the original amendment submitted by the Senator from Colorado all the 48 States—North Carolina, Florida, Colorado, New Mexico, and all the others—as well as the District of Columbia would have an opportunity to come under the bill and make their applications. There is no money allocated to them, but they may make their applications, and if they can comply with the requirements of the authority they can get the money. The use of the funds would not be confined to seven States, as would be the case if the substitute amendment submitted by the Senator from Maryland were adopted. I hope therefore his amendment may be defeated.

Mr. SHIPSTEAD. Mr. President, I wish to know if I understood the Senator from Maryland correctly a while ago. I believe he said that it had been stated during the debate that if all of the $700,000,000 were spent in the city of New York it would only take care of 175,000 families. Is that correct?

Mr. TYDINGS. If the Senator will let me break that down, I will be glad to answer the question.

Mr. SHIPSTEAD. I yield.

Mr. TYDINGS. The bill proposes an expenditure of $700,000,000 for this purpose. At a cost of $1,000 a room that would provide 700,000 rooms. If there were two rooms to a family it would provide for 350,000 families; if there were three rooms to a family, it would provide for 233,333 families; if there were four rooms to a family—and heaven knows there will not be much slum clearance unless there are four rooms to a family—it would provide for only 175,000 families at only $1,000 a room, when the pamphlet we have here this morning says that we ought to allow $1,750 a room, in which event,

instead of 175,000 families, we would only provide for 100,000 families with $700,000,000 without the subsidy. That is only the first cost. Then the subsidy runs along for 60 years in addition to that. No one will dispute that on the floor of the Senate, I think.

Mr. SHIPSTEAD. Can the Senator give us any information as to how many families are living in the slums and are needing relief?

Mr. TYDINGS. I do not think anyone knows.

Mr. SHIPSTEAD. No estimate has been made.

Mr. TYDINGS. No estimate has been made insofar as I have been able to find. No survey has been made at all. We just know that we have slums and are going to start to help the millions who live in the slums by taking care of 100,000 of them first.

Mr. SHIPSTEAD. There are slums in Washington. Can anyone give us any information as to how many families live in the slums here and how much it would cost to eliminate the slums?

Mr. TYDINGS. One estimate is that of the President, who said that one-third of the people of the United States are underhoused, underfed, and underclothed. That means that there are, roughly, about 9,000,000 families in that condition, and the bill will take care of 100,000 of them.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. WALSH. It appeared during the testimony of the present mayor of New York—not the next mayor of New York, the Senior Senator [Mr. COPELAND]—that the cost of the elimination of the slums in New York City ultimately might cost $1,000,000,000 and for the whole country as much as $15,000,000,000.

Mr. SHIPSTEAD. Did the Senator say "billion dollars?"

Mr. WALSH. Yes; in New York City alone.

Mr. GLASS. Mr. President, is the Senator from Minnesota frightened at the use of the term "billion?"

Mr. SHIPSTEAD. I am beginning to be afraid of it.

Mr. COPELAND. Mr. President——

Mr. TYDINGS. Will the Senator from Minnesota yield to me for a question before he takes his seat?

Mr. SHIPSTEAD. I yield.

Mr. COPELAND. I yield for a question.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. SHIPSTEAD] had the floor and the Chair understands surrendered the floor. Before recognizing the Senator from New York the Chair desires to state that the Senator from Colorado [Mr. JOHNSON] withdraws the perfecting amendment he offered to the amendment of his colleague, and the question now is on the substitute amendment offered by the Senator from Maryland for the amendment proposed by the Senator from Colorado [Mr. ADAMS].

Mr. COPELAND. It is about that that I wish to say something. I think the Senator from Maryland was out of the Chamber a moment ago when I raised this point. The test should not be population; the test should be the number of persons who can be accommodated by the buildings erected to take the place of slums.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. COPELAND. Yes.

Mr. TYDINGS. The Senator will recall that my modified substitute does not deal with population. All it deals with is the provision that no State shall receive more than 15 percent of the $700,000,000.

Mr. COPELAND. Will the Senator change that to 20 percent? The reason I ask it is because in New York City, undoubtedly, it will cost twice as much per room to meet the fire requirements and the building standards and the prevailing wage as it will in a small city or in a rural district.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. COPELAND. Yes.

Mr. TYDINGS. Knowing the Senator's great interest in humanity, medically as well as from other standpoints, I may say that if the Senator should offer an amendment to increase the limit of 15 percent to 20 percent, in view of my own knowledge of what a great city New York is and the terrific problem that exists there beyond that which exists in all other parts of the country, I do not believe I would be inclined to oppose it.

Mr. COPELAND. I think the Senator should be generous and accept it himself, because, frankly, I do not want any restriction placed at all. I want to leave it to the authority.

Mr. TYDINGS. If I accept 20 percent, will the Senator then help us to get the amendment in the bill?

Mr. COPELAND. I am not going to promise that [laughter], but I hope the Senator will make it 20 percent.

Mr. TYDINGS. Mr. President, I do not know certainly, but I hardly think I could quote the junior Senator from New York. So, rather than to take additional time with this particular provision, if the sponsor of this bill, together with the senior Senator from New York, would be satisfied with a 20-percent limitation, I would not be inclined to quarrel over the 5-percent increase. I recognize the fact that New York City particularly needs this help more than does any other part of the country, but I still maintain that there ought to be a limitation somewhat in line with the one I have suggested.

Mr. COPELAND. I do not see my colleague in the Chamber.

Mr. TYDINGS. Mr. President, I will modify my amendment again and make it read 20 percent instead of 15 percent.

The PRESIDING OFFICER. The Senator from Maryland modifies his amendment by changing 15 percent to 20 percent. The question is on the modified amendment of the Senator from Maryland in the nature of a substitute for the amendment of the Senator from Colorado [Mr. ADAMS].

Mr. WALSH. Mr. President, the able Senator from Minnesota [Mr. SHIPSTEAD] made a pertinent inquiry recently with reference to the number of slums throughout the country. I invite attention to the report of the committee on the pending bill, in which the following statement will be found on page 6:

It is now a matter of general agreement that even before the depression commenced over 10,000,000 families in America, or more than 40,000,000 people, were subjected to housing conditions that did not adequately protect their health and safety. These unfortunate circumstances have been neither exclusively urban nor exclusively rural. The Department of Commerce Real Property Inventory of 1934, covering 2,400,000 family dwelling units in 64 representative cities, found that almost one-fifth of them were either definitely bad, though not beyond repair, or totally unfit for human occupation. In a governmental survey of rural housing, made last year, it was discovered that in over half of the American States four out of five of the rural homes had no running water and three out of four neither gas nor electricity.

Mr. Gray of the P. W. A. housing department testified before the committee as follows:

There is an urgent need for an immediate and extensive public program of slum clearance and housing for families of low income. It is generally recognized that there is a serious housing shortage in this country and that this condition is becoming more acute from month to month. In its report on the Wagner bill last year, your committee expressed approval of an estimate which placed the number of dwelling units needed in the next 10 years, to meet minimum physical standards and maintain family occupancy standards as of 1930, at approximately 13,000,000, or 1,300,000 units yearly. Of this number I believe at least one-third, of 435,000 units yearly, are needed for families of low income. A precise estimate is unnecessary, however, because the need is obviously much greater, on whatever basis estimated, than we can reasonably hope to meet within the next few years through the activities of both private and public agencies.

Other testimony was as follows:

Senator DAVIS. What I was trying to get through my mind was how much do you suppose it would cost the city of New York and the United States Government to clear up the whole housing program of New York City—that is, to enable us to have housing sufficient to house everybody that is now living in what we might term tenements or slums?

Mayor LAGUARDIA. To do a perfect job?

Senator DAVIS. Yes.

Mayor LAGUARDIA. A little over a billion dollars.

Senator DAVIS. Now, you said here just a moment ago that practically every city is in the same condition that New York is in.

Mayor LAGUARDIA. That is right.

Senator DAVIS. I agree with you, because in the last 25 years I have traveled in every city in the United States, and I have a very good impression as to what the situation is. What would you suppose would be the cost of doing this job all over the country?

Mayor LAGUARDIA. Why, an enormous cost; but I can tell you what the cost will be if we do not do anything. I think if we do nothing about it the cost will be tremendous in an increase in tuberculosis, in an increase in epidemic diseases, and so forth.

Senator DAVIS. I agree with you on that, but I was just trying to get into my own mind the cost. I know what the general cost would be.

Senator WALSH. I have an impression that last year the estimate was about $15,000,000,000.

Senator WAGNER. The entire cost. England started about as modestly as we are starting here, and it grew and grew; but if we do not do anything we are going to have a sad day.

Senator WALSH. Is that not the figure that appeared in the testimony last year, that it would cost about fifteen or twenty billion dollars?

Senator WAGNER. To do the whole thing, of course, which we are not attempting to do as yet. That is about what it was estimated.

Senator WALSH. Applying the same situation that exists in New York to all the cities in the country the amount would be in that vicinity.

Senator WAGNER. Yes.

Mr. President, while I am on my feet I should like to call attention to another matter which has been under discussion here, namely, the question of the percentage of the income of persons of low income which they are obliged to pay for rent. As the Senate well knows I have been insisting upon provisions being incorporated in the bill which would require this particular group and the very lowest income class of our population to have the benefit of the housing facilities to be provided under the terms of the bill.

I have in my hand a table showing the average monthly expenditures for rent and the percentage of the income spent for rent for all family types in various cities at income levels from $500 to $750 per year and from $750 to $1,000 per year, sent to me by the Bureau of Labor Statistics, which, in a moment, I shall ask to have inserted in the RECORD.

The table shows that the average rent per month of a family in Chicago, whose income is between $500 and $750 per annum, for whites, is $22.90. The rent, therefore, represents 43.9 percent of their total income. The bill provides housing facilities for families of low income whose income is equal to five times the amount of the rent to be charged and that such families, namely, those with incomes less than $750, shall be given preference in the occupation of the tenements. Criticism has been directed at efforts to fix the proportion 4, or even 3, to 1, namely, that the people who may get the tenements shall be those who have an income only four or three times the amount of what their rent will be. Here are figures which show that white families in Chicago pay 43 percent of their income in rent.

Let us see now about the Negro. In New York City the Negro with an income of $500 to $750 pays in rent $30.50, or 55 percent of his income in rent.

Let us consider the group of incomes between $750 and $1,000.

In Chicago white families with an income of $750 to $1,000 pay $22.70 in rent, or 31.2 percent of their total income in rent.

Taking one of the smaller cities of the West, Billings, Mont., families with an income of $500 to $750 average $21.40 per month for rent, or 41.2 percent of their total income. In Dubuque, Iowa, they pay $19.30 per month in rent, or 27.2 percent of their total income.

I ask that the table may be inserted in the RECORD at this point for the purpose of indicating the importance of having all persons of the very lowest incomes who now pay the highest percentage of their incomes for rent given the benefit of the provisions of the bill.

There being no objection the table was ordered to be printed in the RECORD, as follows:

TABLE II.—*Average monthly rent and percent of income spent for rent, all family types and all occupations, at income levels, $500 to $750 and $750 to $1,000, for selected cities, 1935–36*

Cities	Income of $500 to $750		Income of $750 to $1,000	
	Average rent per month	Percent of total income	Average rent per month	Percent of total income
Metropolis:				
Chicago (white)	$22.90	43.9	$22.70	31.2
New York (Negro)	30.50	55.0	29.90	40.9
Large cities:				
Atlanta:				
White	13.60	25.9	14.90	20.6
Negro	10.60	20.4	11.80	16.6
Columbus (Negro)	14.00	26.7	15.80	21.9
Denver	18.30	34.0	17.90	24.5
Omaha	17.60	32.8	18.10	24.4
Portland	15.80	29.7	16.30	22.2
Providence	18.20	34.9	18.50	25.6
Middle-size cities:				
Aberdeen	13.00	24.1	13.40	18.1
Bellingham	12.50	23.8	12.80	17.3
Butte	19.30	35.1	18.40	25.3
Columbia:				
White	11.00	20.7	13.60	18.9
Negro	9.30	18.1	10.40	14.8
Dubuque	14.70	27.2	14.80	20.4
Everett	14.60	27.0	14.60	19.7
Haverhill	20.70	38.8	21.40	29.4
Mobile:				
White	12.50	24.0	13.90	19.4
Negro	8.30	16.3	9.10	12.9
Muncie	13.90	25.8	14.50	19.8
New Britain	15.40	28.1	16.40	22.4
Pueblo	13.10	24.4	14.00	19.1
Springfield, Ill	16.90	32.3	18.10	24.8
Springfield, Mo	11.60	22.1	13.10	18.0
Small-size cities:				
Albany:				
White	10.70	20.4	12.60	17.4
Negro	6.70	13.2	7.00	10.2
Beaver Falls	14.50	26.9	16.30	22.2
Billings	21.40	41.2	20.80	28.0
Connellsville	16.20	30.4	14.70	20.4
Gastonia:				
White	6.80	12.9	8.00	11.0
Negro	6.70	13.6	7.80	11.0
Logansport	11.00	21.2	11.80	16.4
Mattoon	12.70	24.6	12.90	17.8
New Castle	16.90	31.7	16.60	22.7
Peru	11.60	21.8	12.60	17.3
Wallingford	19.10	34.9	17.50	24.3
Willimantic	14.80	27.4	16.10	22.1

Mr. WALSH. I ask also to have printed in the RECORD at this point a table which the able Senator from Florida [Mr. PEPPER] had inserted in the RECORD a few days ago, but which should be repeated in connection with what I have said about the percentage of rent paid by those of low incomes. This table gives the average income of the lowest wage earners and producers in the United States. It shows that 10 percent of the population have incomes of less than $500, 39.8 percent have incomes of less than $1,000, and 80.7 percent of the people of the United States have incomes of less than $2,000.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

General incomes in the United States

1929	Percent of population	Percent of national income
$500	10.4	7.1
$1,000	39.8	12.9
$2,000	80.7	43.3
$2,500	88.4	52.3
$3,000	91.7	57.0
$4,000	94.9	62.7
$5,000	96.4	66.2
$6,000	97.2	68.7
$7,000	97.8	70.0
$8,000	98.2	72.1
$9,000	98.5	73.4
$10,000	98.7	74.5
$15,000	99.2	78.3
$20,000	99.5	80.5
$25,000	99.6	82.0
$30,000	99.7	83.2
$40,000	99.8	84.9
$50,000	99.86	86.1
$100,000	99.95	89.4
Over $100,000	.05	10.6

Farmers' incomes in the United States

Amount	Percentage of farmers	Percentage of total farmers' incomes in United States
$500	20	8.6
$1,000	63.4	32
$2,000	88.8	66.3
$2,500	93.8	77.3
$3,000	96.1	83.4
$4,000	98.3	90.5
$5,000	99.2	94.6
$6,000	99.6	96.5
$8,000	99.86	97.4
$10,000	99.94	99.1
$15,000	99.99	99.5

Six hundred and fifty thousand farms covering 100,000,000 acres operated by over 500,000 farmers, where the farms are too poor to make possible the earning of a decent living.

Forty-two percent of the total farm population is tenants; over 10 percent rent land in addition to that that they own; 47 percent of the farmers own their own land.

From 1930 to 1935 there was over 200,000 increase in the number of tenant farmers in the United States.

AGRICULTURAL RELIEF

Mr. HARRISON. Mr. President, I want to get some information, if I can. I suppose the only source of the information will be the distinguished Senator from Kentucky [Mr. BARKLEY] or the senior Senator from South Carolina [Mr. SMITH].

A few moments ago a petition was presented to me, as it has been presented to other Senators. I do not remember the exact wording of the petition.

Mr. BLACK. Mr. President, I should be glad to send the petition to the desk and have it read, so that the Senator may comment on it. I ask to have it read at the desk, together with the names attached.

Mr. HARRISON. I think it would be wise to have it read for the information of the Senate.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

We, the following Senators, believe that it would be unwise to wait until January 1 for Congress to begin to consider general farm legislation. In order to make preparations to carry out a farm plan, the farmers of the Nation should know of that plan before January 1.

A large proportion of the farmers of America make their plans and begin to prepare their soil during the autumn and winter months. Believing that it is imperative for farm legislation to be enacted, we further believe that congressional committees should make their studies and investigations and be able to report to this Congress by October 15, and that Congress should begin its consideration of such legislation at that time.

For these and other reasons we agree to use our best efforts to cause the reconvening of Congress by October 15 to enact farm legislation if such legislation is not enacted by that time.

Hugo L. Black, Theo. G. Bilbo, L. B. Schwellenbach, Allen J. Ellender, Carl A. Hatch, Geo. McGill, James E. Murray, Joseph F. Guffey, Fred H. Brown, Morris Sheppard, M. M. Logan, Claude Pepper, Tom Connally, Joseph C. O'Mahoney (without commitment as to vote), Robt. R. Reynolds, Geo. L. Berry, Herbert E. Hitchcock, Clyde L. Herring, James H. Hughes, H. H. Schwartz, Sherman Minton, E. C. Johnson, C. O. Andrews, Elbert D. Thomas, W. J. Bulow, H. T. Bone, M. M. Neely, Kenneth McKellar, Ernest Lundeen, Walter F. George, John H. Overton, Frederick Van Nuys, William H. Dieterich, Pat McCarran, Bennett Champ Clark, Key Pittman, Robert F. Wagner, Harry Truman, Robert M. La Follette, Henrik Shipstead, Arthur Capper.

Mr. HARRISON. Mr. President, when the petition was presented to me I did not sign it, making the statement that I wanted to look into it. I have been led to believe from remarks made on the floor of the Senate the other day by the Senator from South Carolina [Mr. SMITH], chairman of the Committee on Agriculture and Forestry, that that committee had adopted a resolution or passed an order to the effect that it was impossible, in view of the information before them, or the lack of information at hand, to report on proposed legislation at this session of Congress, and that they further agreed to go out among the farmers themselves and make a study of the problem and be able to report at the next session of Congress.

Personally, I should like to see a farm bill enacted at the present session of Congress if it were humanly possible to do so; but I see no reason for having the Senate or the Congress stay here if it is impossible to have the legislation enacted within a reasonable time. Not wishing to be placed in a false light, because of my name not being on the petition, some persons perhaps being led to believe that I am not in favor of farm legislation, I sought the floor in order to ascertain from the Senator from South Carolina [Mr. SMITH] if I was correct in the interpretation I placed upon his remarks the other day. I want to know just what is the situation; whether or not it is possible to pass a farm bill at this time, and what is the view of those who are in charge of the program with reference to this matter, so that it may be cleared up today on the floor of the Senate.

Before the Senator speaks, I may say that I am one of the Senators who do not believe in the formation of groups in this body. I believe it is best to handle things right out in the open, and not by petitions such as this one. I think we ought to have an understanding here on the floor of the Senate; and, if our minds can meet, we ought to see whether or not we can get together with those at the other end of the Capitol. I think that is the best way to formulate legislation and make a program.

Mr. SMITH. Mr. President, I was utterly astonished when I was apprised that there was being circulated a petition to the effect that either farm legislation should be passed at the present session, or Congress should be called back here on the 15th of October. It is hardly fair to the farmers of the country, who do not understand the situation, to do this thing.

The committee met and agreed that it was too late for any legislation at this session to affect the crop that is now coming on the market. In view of that fact, the members of the committee unanimously agreed that during the recess they would address themselves to an exhaustive study of the situation; that they would break away from the old custom of having hearings in Washington, and take the committee to the farmers themselves. explain what had been done and what was proposed to be done, and add to it whatever constructive suggestions were made by the farmers themselves.

I believe the idea of going to the farmers themselves was suggested by the Senator from Mississippi—I think I am correct in that statement—and that ample time should be given to study the problem; that we should stop the annual piecemeal attempt to solve it; that we should take our vacations, and then go to the fields themselves, and find out just what reaction we should get from the real farmers themselves.

Mr. HARRISON. Mr. President, I think the suggestion of going to the farmers themselves is a very wise one; but the Senator did not have me in mind?

Mr. SMITH. Oh, I beg pardon. When I said "the Senator from Mississippi", I meant the Honorable Mr. BILBO.

Mr. President, let us review the situation in a commonsense way. In 1933 we started, at my instance, a measure of crop control on this premise: Cotton was then selling for 6 cents a pound, not as much as half the cost of production. We had a surplus of some 13,000,000 bales. I conceived the idea that if the Government would buy the cotton at 6 cents a pound and sell it to the farmers in lieu of a new crop, the price would rise, and would repay the Government, and certainly would repay the farmer, for he would already have a crop purchased at less than half what it would cost him to make one, the Government merely holding it in trust for him. That was done. The farmers kept the faith. The Government bought the cotton, and the farmers did not reproduce it.

Next year, under the A. A. A., the Government inaugurated a compulsory reduction. The farmers agreed to it. We did not make enough cotton in that year to meet the

requirements of domestic and foreign commerce. The next year the Supreme Court decided that the A. A. A. was unconstitutional, and we passed the soil-conservation bill, giving benefit payments for the land that was not planted to cotton. The farmers responded to that; and for the 4 years the average production of American cotton has not been in excess of the domestic and foreign consumption. In fact, it has not been equal to it, because during those 4 years it was necessary to draw upon the 13,000,000-bale surplus to a point where that part of it now is only about 1,300,000 bales.

This year the Soil Conservation Act is in operation. There has been a slight increase, say, 10 percent, in the acreage devoted to cotton. Next week the Department of Agriculture will make an estimate of the production, and a little later on they will estimate the abandoned acreage. The bumper crops heretofore made were made on from 47,000,000 to 48,000,000 acres. The biggest crop ever made on that acreage was about seventeen and a half million bales. This year we have a total of a little less than 38,000,000 acres planted to cotton. No man can tell what the production will be. The season has been better than heretofore, but cotton is essentially a sun plant; and with an excess of rain, or an abundance of rain, it goes to weed at the expense of fruit.

I believe—and I hope everyone who hears me speak today will listen to this statement—that it is estimated that we shall have a 15,500,000-bale crop. I am of the opinion that whoever invests money upon this assumption will have a sad awakening.

But to come back to the situation as it now stands, we are asked to pass a general farm bill, the nature of which has already been presented to both committees, and has not met the approval of the committees. This is a tremendous problem; and it is to the everlasting shame of Congress that it has not devoted itself seriously as a body to studying the problem of agriculture as related to industry, and to try to formulate some law that would approximate the difference in compensation between the two.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Idaho?

Mr. SMITH. I yield.

Mr. BORAH. This session of Congress convened in January. It is now several days after the first of August. Why has there been this delay in taking up the farm question during all this time?

Mr. SMITH. Simply because, in the opinion of most persons, there was no necessity for any additional farm legislation until we could get to the farmers themselves. We had the soil-erosion act, which I challenge any man here to read and say is not practically the A. A. A. The Senator from Idaho knows that it is. We are giving the farmers benefit payments. We are asking the farmers to cooperate; but I do not believe, and other Members of this body do not believe that we have ever yet touched the real, fundamental principle upon which the agricultural problem is to be solved.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. SHIPSTEAD. The Senator knows that I was unable to be in attendance on the Senate when the Committee on Agriculture and Forestry, of which the Senator from South Carolina is the chairman, considered the farm legislation. Therefore, I am going to ask the Senator for some information.

I tried to follow the reports in the newspapers during the consideration of the farm bill. As I understand, the farmers who came here, or those who represented the farmers, could not agree upon any form of change in agricultural legislation. Is that correct?

Mr. SMITH. That is absolutely correct.

Mr. SHIPSTEAD. If no agricultural legislation is passed at this session, am I correct when I say I believe that the soil-conservation program, with its benefit payments, will continue?

Mr. SMITH. To be sure. The appropriation has already been made, the machinery is at work, and the threat of a surplus is the result of Nature.

Mr. SHIPSTEAD. I am glad to have that information. I was under the impression that legislation for the benefit of the farmers was passed last year, was still in effect, and would continue in effect until other legislation had been passed to displace it.

Mr. SMITH. The soil erosion act is permanent legislation and $450,000,000 has been appropriated for the purpose of carrying it out.

Mr. SHIPSTEAD. That is what I assumed. When this petition was presented to me, I hesitated to sign it, but I was told that it was necessary in order to have something to prepare for next year's crop.

Mr. SMITH. Mr. President, in reply to that, let me tell the Senator that I think it is unfair to the Committee on Agriculture and Forestry to bring in a petition, when the committee have studied this problem, and are just as great friends of the farmer as are those who are circulating the petition. We are studying the problem, and doing the best we can to solve it. The farmer himself is only afraid of suffering because of the act of God. He has reduced his acreage, but he cannot control the seasons.

Mr. SHIPSTEAD. When the committee considered legislation, did they consider the repeal of the existing legislation?

Mr. SMITH. No; they just considered not taking up the bill which was brought to us, hand-made, perfected, and with the statement, "This is what we have." The committee really and honestly did not think it met the situation, nor did the committee at the other end of the Capitol think so. But they never lost sight of the fact that we must settle this problem somewhere constructively and permanently. I have been a member of the Senate for 30 years, and every year there is the farm problem.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BILBO. The Senator states that the bill brought before the committee was hand-made. Would be mind telling the Senate who was behind the formation of the bill?

Mr. SMITH. I tried to find out. I think Mr. Edward O'Neill was one, and a gentleman who bore a splendid name, a Mr. Smith, from Illinois, was another. I think they were the chief ones. I think the Secretary of Agriculture, with his ever-normal granary, was also in it. But even the so-called leaders of the farm organizations were not agreed on it. The fact is, they knocked it out at the other end of the Capitol.

Mr. BYRNES. Mr. President, will my colleague yield?

Mr. SMITH. I yield.

Mr. BYRNES. I know nothing about the petition which has been referred to, and which has been read; it certainly was not presented to me. I should like to ask my colleague whether the bill to which he refers provides for some control of the cotton crop other than that which is provided for under the existing law.

Mr. SMITH. Oh, yes.

Mr. BYRNES. I think my colleagues will agree with me that there is no Member of the Senate of the United States who has had at heart the interest of the cotton farmer more than has the senior Senator from South Carolina, my colleague, and the junior Senator from Alabama [Mr. BANKHEAD]. The junior Senator from Alabama is the only Senator to whom I have talked with reference to this bill. He stated he believed that it was against the interest of the cotton farmer.

Mr. SMITH. He so stated to me.

Mr. BYRNES. Is it now proposed that in the closing days of the session, and without any consideration, we should pass a bill which the junior Senator from Alabama believes is against the interest of the cotton farmer?

Mr. SMITH. Certainly; let us pass something and fool "Rube" again; that is all. [Laughter.]

Mr. BYRNES. Mr. President, I think that if anything is to be done, certainly consideration should be given to the measure and no action should be taken until the junior Senator from Alabama, who has some very positive ideas on the subject, and who has studied it, is given an opportunity to be heard.

Mr. SMITH. Mr. President, how many men in this body who have served with me can charge me with being derelict in my efforts to help the farmer?

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. SMITH. I did not know there was a time limit. I have just started. [Laughter.] How much time have I on the bill?

The PRESIDING OFFICER. The Senator has 10 minutes on the bill, if he desires to use it.

Mr. SMITH. Very well; I will use the 10 minutes.

Every Senator knows what this means. Some of the Members of the House and myself have just had a conference with the President. The idea of saying that it is necessary to prepare for planting and setting the crop in October. In my section we are not through picking cotton then. All of us understand what this means. What is the use trying to fool anyone? So long as I am in this body, what I believe I am going to say.

Mr. President, there is a law which empowers the Commodity Credit Corporation and the R. F. C. to meet this emergency, and to meet it fully. They wrote me a letter, which I put into the RECORD, to the effect that they had ample law and ample funds with which to meet the emergency when it arose. That is permanent legislation. Here is a crop coming on the market, being sold every day, and we are asked to meet here and pass a law—an ex-post-facto law—to control a crop that is already made and going on the market.

Mr. BILBO. Mr. President, where does the Senator get the idea that anyone suggested passing an ex-post-facto law?

Mr. SMITH. My legal terminology is about as limited as that of the average lawyer in this body. What I am driving at is that it is stated that we want a law that will control production. God has already controlled the production of this crop. It is already made. We propose to do everything we can to aid so that there will not be piled up disastrous surpluses. It may be we will have to work out in detail the Egyptian plan, Joseph's plan, the ever-normal granary. I do not know how that will work. But I want the Senate to understand that the Committee on Agriculture and Forestry, believing there was ample law to take care of any distress that might occur by virtue of this year's crop, pledged itself to try to frame legislation that would take care of the next year's crop. We did that in the Soil Erosion Act, and I still believe ample provision was made to take care of the crop. The proposals made in the bill to which my colleague has referred I believe would be repudiated by every cotton grower in the South. Cotton is distinct from grain. Fifty percent of it is exported. We have to take into consideration 50 percent of our output that has to be exported, while with grain practically the entire crop is domestically consumed, and lends itself more readily to legislation.

Mr. President, the Committee on Agriculture and Forestry has done its duty and is doing its duty, and I do not view with any degree of patience this attempt to create in the minds of the public the impression that we are not doing our duty, and not doing all we can to help the farmer. I want the farmer to judge who is his best friend, I myself, or those who are making this appearance. It is not fair to the committee, it is not fair to the farmer, it is not fair to anybody connected with farming.

Mr. President, I hope the Senate thoroughly understands that the Committee on Agriculture and Forestry is doing its best. My impression this morning was that the President would be thoroughly satisfied if assurance were given him, as I gave it to our leader, that when we meet in January a bill shall be considered and passed before the general seeding time in America. Why complicate the situation with this kind of procedure?

Mr. BLACK. Mr. President, the reason why the Senator from South Carolina [Mr. BYRNES] did not have the petition presented to him was because he had not been reached at the time the Senator from Mississippi [Mr. HARRISON] rose to make inquiries about the petition. The Senator from Mississippi had seen the petition. It was our intention to present it to each individual Member of the Senate. I wish to make that statement now, in order that it may be understood.

The object of the petition was not to cast any reflection upon any committee, and it is not meant to cast any reflection upon any committee. As a matter of fact, the petition bears the names of eight members of the Committee on Agriculture and Forestry. I have in my hand a telegram from my colleague the junior Senator from Alabama [Mr. BANKHEAD]. I will quote a part of what he said:

> I favor adjourning until November unless Congress is willing to remain in session an indefinite time while the two Houses are working out a new farm bill. I believe it would be well for you vigorously to fight the committee recess resolution. If it appears that Congress cannot be held there indefinitely to pass a farm bill, make a strong fight for recess to November, so as to get action on a farm bill by January. I will return there if needed.

We have the names of 40 Senators on the petition. I have just read my colleague's views with reference to the necessity for enacting legislation.

Mr. SMITH. Mr. President, he has changed his mind since he left.

Mr. BLACK. I wish to make the position perfectly clear. I have watched the Senator from South Carolina since I came to this body. I recall with very great pleasure the suggestion he made and the excellent work he did in connection with the legislation he referred to a while ago when the question came up as to buying the cotton crop. I said then, and I repeat now, that it was a masterful suggestion, and one which resulted in great good to the farmers of the South. I accepted his leadership, and I was glad to accept his leadership in that fight. He did an excellent job, as he has done many other excellent jobs. Whatever the Senator may think about the presentation of this petition, I now wish to disclaim any intention of casting any reflection upon him, or of questioning the genuineness or sincerity of his desire to help not only the farmers of the South but those throughout America.

However, the question which is now presented is one which does not call for refraining from action merely because my view might disagree with his, or his view might disagree with mine. Down in the South today cotton has slumped to about 10 cents a pound. Whether or not it has stopped at that price I do not know. I do know that if it should go to 8 cents a pound, the conditions would be disastrous. The average small farmer—what we in Alabama call a 1-mule farmer—will perhaps do well if he raises as many as 4 or 5 bales of cotton. It can easily be figured up, at 500 pounds to the bale, what that would mean so far as his income from cotton is concerned.

The situation is a serious one to us, Mr. President. The Senator from South Carolina, like myself, is, I know, disturbed about it. It is natural that men who have the same objective should at times disagree as to the exact method of accomplishing the purpose; but because there is a disagreement as to methods, or because some one might have a mistaken idea that action of a certain kind would not be proper in view of what some members of the committee thought, I am not willing to forget that cotton in Alabama and elsewhere in the South has slumped to 10 cents a pound for the farmer. I cannot forget that it may go lower.

The Senator from South Carolina and I and others from the South on numerous occasions have joined in an effort to obtain loans in order to peg the price of cotton.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. CONNALLY. Is it not true that at the present time the Commodity Credit Corporation has authority to make cotton loans?

Mr. BLACK. I am about to make a statement on that subject.

Mr. CONNALLY. And is it not true that it has the money and credit with which to do it?

Mr. BLACK. The Senator from Texas is correct; and I shall make a statement with respect to that matter right now.

Mr. CONNALLY. Congress has given that authority, and it is not the fault of Congress if the loans are not being made?

Mr. BLACK. That is correct.

As I stated, I have joined the Senator from South Carolina and other Senators from the South, and all of them have always cooperated in the effort to help the cotton farmer. There is no reason why all of them should not cooperate now in an effort to accomplish this purpose. There is no reason why there should be any disagreement between them as to methods which would prevent their going along together for objectives.

Mr. President, the law provides that the Commodity Credit Corporation may make loans. Under that law a loan might be made for 10 cents a pound or 12 cents a pound, or whatever amount was found to be wise. There is no question about that. However, those who are charged with responsibility for making the loans take the position—whether right or wrong is immaterial, so far as the cotton farmer is concerned—that they do not feel justified in making such loans now unless they have assurance from the Congress—not from 1 Member, not from 10 Members, not from 18 Members, not from 1 committee, but from Congress—that the proper legislation will be passed in order to protect the security which the Government receives when it makes the loans.

I will state what I mean by that. Various estimates, or "guesses", as my friend from South Carolina calls them, have been made that we may have fourteen and a half million or fifteen million or fifteen and a half million bales this year. Whatever the amount might be, if there should be a surplus and no steps should be taken to provide permanent legislation for succeeding years, those who have the authority to make the loans take the position that without assurance of the passage of a law their security would be so poor that they would not make the loans.

Let us concede that they are wrong in taking that position. At the same time, as the days pass by more cotton is picked and more farmers are compelled to sell their cotton at the price it brings on the market today.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. BORAH. What is the law which those in authority to make the loans require Congress to pass? What are the provisions which they require to be incorporated into the law before they will make the loans?

Mr. BLACK. I cannot state definitely and positively the express terms which are required to be incorporated; but if the Senator read in the press, as he probably did, the interview with the President in reference to making the loans, he remembers the contention that heretofore when loans were made on cotton for the purpose of pegging the price, or when loans were made on corn for the purpose of pegging the price, there was in effect a law which controlled production. Therefore the position is taken that there was in effect at that time a law which would prevent such a large surplus coming on the market within the next year that the commodity as security would lose its value.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. BYRNES. The Senator from Alabama will recall that in the closing days of the session in 1934 I proposed legislation to direct that loans be made. The administration took the view that there should be no legislation. At a conference at which the Senator from Alabama was present, we agreed upon a plan whereby the Commodity Credit Corporation did not lend 12 cents per pound, but loaned 10 cents per pound, with the agreement thereafter to pay to the farmer who sold his cotton the difference between the price at which he sold and 12 cents per pound.

Mr. CONNALLY. That was in 1935, not 1934.

Mr. BYRNES. If the year 1935 is satisfactory to the Senator from Texas, it is satisfactory to the Senator from South Carolina.

Mr. CONNALLY. I thought the Senator wanted to be accurate.

Mr. BYRNES. I do. It is eminently satisfactory to the Senator from South Carolina.

I desire to ask a question of the Senator from Alabama. We now have a law the purpose of which is to control production. The senior Senator from South Carolina [Mr. SMITH], my colleague, said that because of the unusual season it has not successfully controlled the production this year. Does the Senator from Alabama, however, believe that the administration has in mind any other control for which we could legislate which would enable the administration again to put in operation the plan which was agreed upon between the President, the Senator from Alabama, and myself, and others in 1935? It seems to me it could be done at this time—not to lend 12 cents, but to lend 10 cents or 9 cents, pay the farmer the difference, and then some control could be put into operation which would be successful, although at this moment we may not be prepared to pass legislation providing for it.

Mr. BLACK. Mr. President, I may say to the Senator that I do not know exactly what the plan is. I recall the long hours that all of us spent on it at that time.

Mr. BYRNES. The Senator from Texas [Mr. CONNALLY] was present.

Mr. BLACK. The Senator from Texas was present, and also the senior Senator from South Carolina and the senior Senator from Mississippi; we met, and finally went down to the White House.

I do not know exactly what plan can be adopted, but I may say to the Senator that, with all due deference to those who think differently—and they may be a hundred percent right and I may be a hundred percent wrong—it is my belief that the committee could have hearings adequate to enable them to consider the subject and to report a farm bill by October 15.

Mr. SMITH. Have hearings for what?

Mr. BLACK. To have hearings in order to determine what kind of farm legislation should be enacted; that is the usual purpose of hearings.

Mr. SMITH. Suppose that were done; in the meantime the cotton has all been sold.

Mr. BLACK. I certainly agree with the Senator, and it is for that reason that speedy action is desirable.

Mr. SMITH. And we have ample provision made as my colleague [Mr. BYRNES] has suggested to take care of the situation. Yet those who have the power will not trust the farmers while we propose to provide $700,000,000 and give it to people without any hope of return at all.

Mr. BLACK. Mr. President, so far as trusting the farmer is concerned, the numerous millions of farmers are not up here sitting with the committee; they are not up here in the Senate. It is not a question of trusting the farmers, but we know that, whether we trust them or not, if something is not done, the little cotton farmers of the South, in a very short time, will be selling their cotton for 10 cents a pound.

Mr. SMITH. Mr. President, may I ask the Senator a question?

Mr. BLACK. I yield to the Senator.

The PRESIDING OFFICER (Mr. MINTON in the chair). The time of the Senator from Alabama has expired.

Mr. BLACK. I will take 10 minutes on the bill, and I yield to the Senator from South Carolina for a question.

Mr. SMITH. Does not the Senator think, we having set up a body and given them money for this express purpose,

in case of a surplus or the menace of a surplus, that they should take charge of the situation and see that the crop is marketed in an orderly way?

Mr. BLACK. Mr. President, I am not quarrelling with anybody over what is anybody's duty, but let us assume it is the duty of the Commodity Credit Corporation to lend 10 cents a pound on cotton; the fact remains that the Commodity Credit Corporation are not doing it; the fact remains that the statement is made that they will not do it unless some assurance of legislation is given. It was for that reason that the junior Senator from Mississippi [Mr. BILBO] and myself day before yesterday introduced a joint resolution which would attempt to commit both bodies and not merely committees. I take the Senator's word for any statement he makes as to what he will do; I know he will do it if he can do it, but if both bodies bind themselves to do a thing it certainly will show the Commodity Credit Corporation, who take the position that they will not act unless they have an assurance of legislation, where the Congress stands. It will place the two bodies squarely on record in favor of the enactment of legislation by a certain time.

Mr. SMITH. Mr. President, will the Senator allow me to ask him one other question?

Mr. BLACK. Certainly.

Mr. SMITH. Then, this body that we have created and provided with ample capital allows the farmers of the South to be ruined unless we pass additional legislation that may or not save the Treasury a few dollars. Is that the Senator's position?

Mr. BLACK. Mr. President, I am not willing to go with the Senator in stating that a board which is vested with certain powers which it is to exercise according to its best judgment intends to ruin somebody. It was intended by the Congress——

Mr. SMITH. Mr. President, I challenge the statement that I said they intended to do it. I said they are doing it.

Mr. BLACK. Mr. President, will the Chair please take that out of my time. I did not yield.

Mr. President, I am not interested in any controversy with any Senator, and particularly a Senator from the South who wants to raise the price of cotton. I am not only not interested in such a controversy but I do not intend to engage in it. I intend, however, as also a representative of the South, to express my views with reference to what I think is necessary for the protection of the farmers. If it had been intended to require by law that the Commodity Credit Corporation lend money on a certain basis per pound, the Congress could have done it. The Congress, however, did not do it; the Congress left the discretion in the Corporation as to when it should lend the money and in what amount.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. CONNALLY. Does the Senator think that we could make the Corporation do it? He just said that we could.

Mr. BLACK. Yes, I think we could.

Mr. CONNALLY. Is not the Corporation an executive agency and can we not direct it?

Mr. BLACK. I think we can, yes; and may I say that on yesterday the Senator from Mississippi and myself——

Mr. CONNALLY. I am anxious to do it.

Mr. BLACK. I know the Senator is.

Mr. CONNALLY. But I was just wondering if we would have any authority to make them do it.

Mr. BLACK. The Senator is exactly in line with the ideas I have in trying to take care of the situation.

The Senator from Mississippi and I, day before yesterday, introduced a joint resolution requiring a loan of 12 cents a pound. That joint resolution is now pending before the Agricultural Committee. The Senator from Mississippi tells me that he has asked the chairman of the committee to have a hearing on the resolution. Of course, if both bodies should pass that joint resolution, and it should be signed by the President, then there would be a mandatory law which would require lending the money, but the situation that faces us now is that there is no mandatory law. I am not willing to say that the administrative officers are neglecting their duty when they exercise the discretion with which Congress vested them because they hold that under the present conditions the security is not adequate. Whether they hold that or not, I do not know, but I believe that those of us who think we ought to have a farm bill as soon as possible are absolutely justified in assuming that sufficient study could be made to enable a bill to be reported by October 15. That is adequate time in our judgment for the matter to be settled.

That does not imply any reflection upon the committee, rather it is a compliment to the committee. We believe that the eminent Senators who sit on the Agricultural Committee, can make the necessary studies and submit a report by that time. Of course, if there are those who oppose farm legislation it would be the most natural thing in the world for them to be against the meeting in October or any other time before January; but the difference between the Senator from South Carolina and myself and the Senator from Mississippi is not that we do not want farm legislation, for we all want farm legislation; the difference really is as to the time which should be taken to prepare and introduce and pass such legislation.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. TYDINGS. Would farm legislation embrace crops such as wheat?

Mr. BLACK. Certainly, it would.

Mr. TYDINGS. Then, may I state to the Senator if the Congress should meet in November the wheat for next year would already have been seeded, so the bill would not take care of that situation.

Mr. BLACK. The Senator is correct that it is impossible, unless we should act immediately, to take care of the situation as it relates to winter wheat; but there are cotton and other crops as to which plans begin to be made even before the soil is plowed. It may be that we should have no farm legislation. That is another question. There are those who honestly believe that the Federal Government should not pass farm legislation of any type, and they have ample argument and precedent to support their position. There are others who believe that we should enact such legislation. I believe that we should do so, and that we should do it at the earliest possible moment, in the interest of the American farmer. I do not believe that we should wait until January before beginning the consideration of such a bill.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. TYDINGS. I wonder whether the Senator thinks the so-called soil conservation law, which gives the farmers $500,000,000, has been a failure insofar as it has brought to the farmer a fair price for his crops?

Mr. BLACK. I do not think it has been a failure; I think it has been helpful insofar as it could go. I believe that better legislation, improved legislation, may be enacted. I think the Agricultural Committee takes that view in the resolution they adopted, to the effect that they will present, as I undersand, a bill to the Senate in January. So I assume that they take the position that the law referred to by the Senator from Maryland should be improved. I do not think it has been a failure; I think it has been helpful; but I believe that we could have legislation which would be more helpful, and in that I am supported by the action of the committee in taking up the study of the proposal for a new farm bill.

My deep interest in this subject, as is the interest of those of us who come from the South, is that we see cotton slumping now down to 10 cents. We want the loans made in order to stop the downward trend. The Department takes the position that it will not grant the loans unless legislation is enacted or unless legislation is assured. It is for that reason that the Senator from Mississippi and I

have asked other Senators, not privately, for there is nothing private about it, but openly, just as fast as we could reach them, to sign this petition. We would have asked them all if time had afforded. I am very happy that we took such action, and I shall be very happy if it shall result in bringing about action by the Congress on what I now consider to be the most vital question upon which we should act before adjournment.

Mr. CONNALLY. Mr. President, the difficulty about the time in which the farm bill shall be passed seems to have arisen largely because the farm organization and the Department of Agriculture and the Committees on Agriculture of the respective Houses have not been able or were not able to agree upon the particular form of legislation which would receive the approval of the committee. I will ask the Senator from Kansas if that is true?

Mr. McGILL. Mr. President, I think it is true that the committee have not agreed on the form that the legislation should take; otherwise a bill would have been reported to the floor of the Senate.

Mr. CONNALLY. May I ask the Senator if it is not also true that the farm organizations themselves were in disagreement? Was there not some clash between wheat and other crops as to how much money other crops were going to get out of the proposed bill?

Mr. McGILL. I do not think there was any clash between the producers of the different commodities. There may be, and I think there is, some difference of opinion among farm organization groups as to just what kind of bill should be passed. However, I am among those who signed the petition which the Senator from Alabama circulated.

If the Senator will allow me a moment further, I should like to say that it has been stated that the committee acted unanimously. However, upon the date of the committee meeting there was a very important meeting of the Judiciary Committee, and some members of the Committee on Agriculture and Forestry had no part in its proceedings.

I do not think the Soil Conservation Act is controlling production, else this last year we would not have had the greatest acreage planted to wheat we have had in the history of the country. I think farm legislation is necessary and that by October 15 or November 1 we could be ready to proceed to the consideration of such legislation in some form.

Mr. CONNALLY. Mr. President, speaking for myself only, I am entirely agreeable to coming back in October if the Agricultural Committees of the two Houses are going to have a bill ready at that time.

Mr. SMITH. Which they will not.

Mr. CONNALLY. The Senator from South Carolina interjects the information that the committees will not have it ready in October.

Mr. SMITH. We cannot do it. The subject is too big. It has too many conditions in it. If we are going to legislate with common sense——

Mr. CONNALLY. I hope we will.

Mr. SMITH. That would be very unusual in certain places.

Mr. CONNALLY. Nevertheless, I hope we will.

Mr. SMITH. If we are going to legislate with common sense, we must study the subject from the ground up, and that is what we are going to do.

Mr. McGILL. Mr. President, will the Senator yield at that point?

Mr. CONNALLY. In just a moment. I have no intention of criticizing the Committee on Agriculture and Forestry of either body. I am sure the committees are going to do the best they can regarding the proposed legislation.

I yield now to the Senator from Kansas.

Mr. McGILL. There has been appointed by the Committee on Agriculture and Forestry of the Senate a subcommittee to conduct hearings at whatever points may be thought appropriate throughout the country. I think also the Committee on Agriculture of the House has appointed a similar subcommittee. I cannot see why it will be necessary for the Senate committee to have more time than between now and the 15th of October or 1st of November to determine what kind of measure ought to be reported to this body.

Mr. SMITH. Mr. President——

Mr. CONNALLY. I yield to the Senator from South Carolina.

Mr. SMITH. If the Congress were to adjourn by the middle of August and we went to work immediately, that would give us hardly 2 months to cover the entire United States and make a study worth the money involved. Everybody knows that along in September and October, when it gets somewhat cooler, we intend to cover the situation, make our investigations, and then honestly draft a bill and present it to Congress.

I know what is back of all this. Keep on and I will tell what it is. [Laughter.]

Mr. CONNALLY. I do not question that the Senator from South Carolina knows what is back of it all. I do not know what is back of it all.

Mr. SMITH. The Senator can guess.

Mr. CONNALLY. I hope the Senator from South Carolina at some future time may reveal just what is back of it all, not because I am curious, but because I am always glad to have the Senator from South Carolina contribute any information he may have in his possession.

Mr. President, I do not know what is going to be in the proposed farm bill, but I assume that some form of production control is contemplated. I know that is the idea of the Department of Agriculture, and I think it is largely the general sentiment of the Agricultural Committees of the two Houses. I do not happen to have the honor of being a member of that committee in the Senate. I am tremendously interested that at the earliest possible moment the Congress shall enact such legislation as it may decide is wise. If the committees cannot be ready by October, of course there is no sense in Congress coming back at that time for that particular purpose.

In the meantime, in the case of cotton, there is a very critical situation by reason of cotton being dumped on the market during about 3 months of the year and the price always going down. Of course when the cotton goes into the hands of the spinners and speculators they hold it, and in the spring the price begins to go up again.

The theory back of the loans provided for has been to make the loans at such figure as would tend to stabilize or flatten out that price over the whole year rather than to force the farmer to take the very low price which he has to take when he sells his cotton, because at that time he is in debt and wants to meet his bank payments and pay the doctor, and perhaps the preacher, and settle his store account. He has to meet these payments, and the only way he has of meeting them is to sell his cotton, and sell it immediately.

But Congress has already authorized the Commodity Credit Corporation to make loans. It is not making them, and has not made any recently. I very much hope that somebody may be able to influence the Commodity Credit Corporation to make loans in fair amount. I do not expect the Government to make a loan on any farmer's property of more than it is worth. I do not want the Government to give him anything in the form of a loan. But we are lending money, and we are apparently about to appropriate $700,000,000—$700,000,000 mind you—to give some folks in some of the great cities of the country a little cheaper rent.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Missouri.

Mr. CLARK. The Senator is probably familiar with the fact that the Commodity Credit Corporation has on hand and available $135,000,000, which it is authorized to lend for the very purpose the Senator has been outlining, but which it flatly refuses to lend simply as a matter of policy, and at a time when the prices of certain commodities, notably oats, due to temporary seasonal glut in the market, are being hammered down, while the Commodity Credit Corporation sits by with all that money in hand and refuses to take any steps for the relief of the owners of those commodities.

Mr. CONNALLY. I thank the Senator from Missouri. It has already been pointed out in the debate that the Commodity Credit Corporation not only has the authority but has the money with which to make the loans. The loans ought to be made, not next year, but now; not in October, but now, because now is the time when there is need for them.

The Senator from South Carolina [Mr. BYRNES] referred to the arrangement which we made in 1935, on the 26th day of August. I have reason for remembering that date. The Commodity Credit Corporation had been making loans of 12 cents on cotton. Cotton had been accumulating because it could not be sold for more than 12 cents. Cotton was accumulating, accumulating, accumulating. We finally hit on the plan of letting the farmers go ahead and sell the cotton, and if it brought as much as 10 cents the Government would pay the differential. The result was a movement of all the cotton that was purchasable, and that relieved the situation, and the Government did not lose any more, if, indeed, as much, as if it had continued to make the 12-cent loans.

So, Mr. President, these loans ought to be made; and if the Senator from Alabama [Mr. BLACK] and the Senator from Mississippi [Mr. BILBO] can get their resolution before this body, the Senator from Texas will be very glad to support it. In the meantime, I can understand the situation in some quarters in which it is said, "Unless Congress is going to pass some sort of farm bill, we do not want to make the loans." I can understand that; but it is unfortunate that those who take that position reached that conclusion just at this critical time in the cotton market, or in the oats market, as pointed out by the Senator from Missouri [Mr. CLARK]. To require that we must first pass the farm bill before the loans are made will simply amount to making no loans at all at this time, because we are confronted with the situation that the chairman of the Agricultural Committee says the committee will not be ready with a bill even in October. By that time the ruin will have occurred. The distress will have swept over my particular section.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Tennessee?

Mr. CONNALLY. I yield to the Senator from Tennessee.

Mr. McKELLAR. I agree with the Senator that the Commodity Credit Corporation should make these loans. I think the provision was put in the law for just such an occasion as that which now confronts us. On the other hand, it seems to me that at this session, and without any delay at all, we should pass a farm bill to regulate the industry and, in the case of our particular product, cotton, to regulate the production of cotton.

We know that under the Agricultural Adjustment Administration the price of cotton was raised enormously, and it was done by Government regulation. When that act was invalidated and ceased to operate, cotton did not fare so well. This year a larger crop is going to be raised, and that is why we are confronted with the situation of low prices. It seems to me that Congress at this session ought to pass a bill along the line of the A. A. A., bringing it within the Constitution, and making permanent provision so that we shall not have to deal with the problem every year.

The PRESIDING OFFICER. The time of the Senator from Texas on the amendment has expired.

Mr. CONNALLY. I have some time on the bill, have I not?

The PRESIDING OFFICER. Yes.

Mr. CONNALLY. I shall take 5 minutes of that time.

The PRESIDING OFFICER. The Senator has 10 minutes on the bill.

Mr. CONNALLY. I shall take 5.

Mr. President, I will say to the Senator from Tennessee that, while the Agricultural Adjustment Act did some good toward raising the price of cotton, the reduction of the gold content of the dollar did more to raise the price of cotton than all the other legislation we had enacted, simply by reason of the fact that when the Frenchman was buying cotton for 6 cents a pound or the Britisher was buying it for 6 cents a pound in gold, and we devalued the dollar, the 6 cents immediately became 10 cents; and cotton being an export crop whose price is fixed in Liverpool and other foreign markets, the devaluation of the dollar had a tremendous effect in raising the price. If the Senator read the reports from day to day when the President was buying gold, he saw that cotton and gold went up hand in hand and together. The A. A. A., of course, did some good; and I agree with the Senator to the extent that if we are to have crop-control legislation at all, we should enact it at this session of Congress.

Mr. McKELLAR. I think so.

Mr. CONNALLY. But how are we going to get it if the committees are not ready to report? How are we going to get it if the committees are not agreed? How are we going to get it if the Department of Agriculture wants one plan, and the committee wants another plan, and the farm organizations want still another plan?

Mr. McKELLAR. Mr. President, will the Senator again yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. I desire to say that it is possible that the devaluation of the dollar by this country had some effect on the price of cotton.

Mr. CONNALLY. The Senator says it is possible. Does not the Senator know that it did? If the devalution of the dollar did not have any effect on the price, why did the Senator vote for it?

Mr. McKELLAR. I will say to the Senator that in my judgment the Agricultural Adjustment Act did more to stabilize the price of cotton, it did more to bring about a good condition among the cotton farmers and to aid the cotton farmers, than any other act of Congress that was ever passed in the history of the Republic.

Mr. CONNALLY. I thank the Senator for that interruption; but if he does not think the change in the value of the gold dollar did anything to the cotton market, if he will ask his Memphis cotton dealers, the big people who sell their cotton in Europe, they will tell him that it did.

I am not disposed, however, to argue the matter. I think the A. A. A. did some good, and I am not attacking the A. A. A. But, Mr. President, while we are waiting for the committees to make up their minds, while we are waiting for the Department of Agriculture to make up its mind and get into agreement with the Senator from South Carolina [Mr. SMITH] and the Senator from Kansas [Mr. MCGILL] and other Senators, these loans ought to be made. What good would it do a farmer to tell him that next year we will pass a farm bill, whereas he is suffering now by reason of the very forces which a farm bill is supposed to arrest and hold in check?

Mr. President, so far as the Senator from Texas is concerned, he would much prefer to be home than to be here in October. He would much prefer, if he were able, to go to Europe, along with some of his opulent colleagues in the Senate. He would much prefer to tour the West with the Indian Affairs Committee, looking over the Indians and the buffalo and the deer. He would much prefer to go out into Nevada and view the public lands.

Mr. REYNOLDS. Mr. President, I hope the Senator will not overlook the Great Smoky Mountains National Park of western North Carolina. [Laughter.]

Mr. CONNALLY. Mr. President, the mountains are the only things that are smoky in North Carolina. The eminent Senator has none of the qualities that go along with the Smoky Mountains except charm and delightful personality. [Laughter.]

Mr. REYNOLDS. The Senator from North Carolina thanks his friend the Senator from Texas.

Mr. CONNALLY. I go through North Carolina, however, if I go home, and so I shall go there in any event. If I go home, I shall visit North Carolina; but I was speaking of

some of the hinterlands, some of the outlying territories which the Senator from Texas is not always privileged to visit.

Mr. REYNOLDS. Some of the less interesting places.

Mr. BYRNES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from South Carolina?

Mr. CONNALLY. I yield.

Mr. BYRNES. We all agree that the Commodity Credit Corporation has the power to act. We are told that the Commodity Credit Corporation declines to act in the absence of further restrictive legislation. The question proposed thus far is whether or not it should lend 12 cents a pound upon cotton.

Does not the Senator think that if the gentlemen representing Southern States should propose to the Corporation not to lend 12 cents, but to follow the plan that was put in operation in 1935—to loan 10 cents, and then provide for the additional payment to the farmers if as a result of the loan cotton is held off the market and the price goes up—the Commodity Credit Corporation would be justified in lending 10 cents a pound on cotton?

I desire also to ask the Senator a further question. What legislation are we to enact? The Supreme Court held that we could not constitutionally enact legislation such as the Bankhead Act. We have enacted the soil-conservation law. We have done our best to restrict production; and in the absence of any suggestion as to how we can further reduce it, does not the Senator think the Commodity Credit Corporation should lend 10 cents a pound on cotton, and take the good business risk that in the next year this very law, with normal seasons, will curtail the crop sufficiently to make the loans safe?

Mr. CONNALLY. I will say to the Senator from South Carolina that I thoroughly agree with him, and I thank him for the interruption. The loan was sound in 1935, when there was a larger surplus on hand than there is at this time, was there not?

Mr. SMITH. Twice as much.

Mr. CONNALLY. The surplus was much larger in 1935, and the board then found it sound to loan 10 cents a pound, giving the farmer the benefit of any accretions in the price that might come to it. While we are debating the farm bill and discussing it, I think the Commodity Credit Corporation ought to make these loans. I do not see by what authority it says to the Congress that the Congress itself must pass certain kinds of legislation before the Commodity Credit Corporation will do what the Congress has told it to do.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from South Carolina.

Mr. BYRNES. If the Congress passed the existing law for the purpose of curtailing production, and it is unsatisfactory, if we should hurriedly pass another law, what assurance would it give to the Commodity Credit Corporation that it would accomplish what the existing law has not accomplished?

Mr. CONNALLY. Exactly. In other words, suppose we pass the pending bill. The gentlemen in the Commodity Credit Corporation would first have to give it their visa. They would look it over and say, "Well, now, Mr. Congress, this law does not suit us. This is not the kind of law we want, and we will not make the loans." The Commodity Credit Corporation is a creature of the Congress, and when we authorize a bureau like that we mean to have it do what it is authorized to do. The Commodity Credit Corporation ought to make these loans without being prodded and punished and pushed by the Congress to do it.

So, Mr. President, I submit that cotton loans ought to be made at this time, and then the committees of Congress which deal with farm legislation ought to get together and prepare such a measure as soundly represents their views, and bring it back here and let us pass it at the earliest practicable moment. I do not know what that moment is. The senior Senator from South Carolina [Mr. SMITH] has one idea. The Senator from Kansas [Mr. MCGILL] may have another. I trust the Committee on Agriculture and Forestry. It is the instrumentality of the Senate; it is the servant of this body; and it must work out that problem for the Senate.

Mr. BILBO obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator from Mississippi yield to me?

Mr. BILBO. I yield.

Mr. BARKLEY. I hope we can bring this discussion to a speedy conclusion and get back to the bill which is under consideration. In view of the fact that the subject has been brought up, however, I hope to make a very brief statement which may clarify the situation with regard to agricultural legislation so far as this session is concerned. I shall do that as soon as I can get the floor; but I do not want to interfere with the remarks of the Senator from Mississippi.

Mr. BILBO. Mr. President, it is my purpose to occupy only a few moments.

Last week, on the floor of the Senate, I raised the question of doing something for the relief of the cotton farmer of the South. I have been working at the proposition ever since. On Tuesday I went to the White House and discussed the matter with the President. Upon my return to the Senate Chamber the Senator from Alabama [Mr. BLACK] and I introduced two resolutions, believing that the resolutions would solve the troubles which the southern cotton farmer is now having.

As announced on the floor of the Senate, cotton is selling for 10 cents a pound. Like my distinguished friend, the senior Senator from South Carolina, I, myself, am a farmer, and I know that 10 cents does not represent cost of production of cotton because, in the making of the crop, everything bought by the farmer is at high prices, and if he does not realize 12 cents or more for his cotton, he will suffer a great loss.

I have no apology to make to the chairman of the Committee on Agriculture and Forestry for my part in preparing the petition, in company with the Senator from Alabama. I helped to dictate the petition, and we meant just what we said in it. In order to make the preparation to carry out the farm plan, the farmers of the Nation should know that plan before January 1. Every intelligent farmer knows that the great majority of farmers map out their crops for the succeeding year in the autumn months. Many of them do the plowing for a particular kind of crop, and we meant that the farmer ought to know before January the plan of control the Government would insist upon for that year.

Believing that the proposed legislation is imperative to the success of agricultural life, especially of those engaged in producing the major crops of the Republic, we felt that no time should be lost in giving to the farmers a farm bill; and it can be done.

I am a member of the Committee on Agriculture and Forestry, and to my certain knowledge there has not been introduced by any member of the committee, or any Member of Congress, any farm bill, except the bill introduced by the Senator from Kansas and the Senator from Idaho. There may have been some features of that bill which did not appeal to me as representing the farmers of the South.

Mr. MCKELLAR. Mr. President, has there been no crop regulation bill at all?

Mr. BILBO. None except as contained in the bill introduced by the Senator from Kansas and the Senator from Idaho.

I think it is the fault of the Congress that we have not had such legislation; and, as I said last week, I am willing to stay here until Christmas Eve in order to give the farmers the legislation to which they are entitled, and which will insure their relief.

Senators are amply paid for their service to the people, $10,000 a year, and we are paid by the month, and our constituents are entitled to our time, if it be worth anything;

and I mean all the time. I am willing to sacrifice my personal pleasure and comfort and business that I may do my best for my constituents by staying here all the summer and all the fall, although I may not be able to earn my compensation.

The distinguished chairman of the Committee on Agriculture and Forestry, who has been a Member of the Senate for 30 years, boasts of the fact that he is the real dirt farmer in the Senate. He has been studying this problem for 30 years, and with the knowledge he has gathered and gleaned through the years, and with his understanding of the problems of the farmers, and with the cooperation of other distinguished members of the committee, I believe we can make whatever investigations may be necessary in the next 60 days and be ready to report out of the committee a bill which will meet with favorable consideration at the hands of the Congress.

Mr. President, I am afraid that Senators fail to see what is behind all this. As has been correctly stated, the Commodity Credit Corporation has the right and the power to make the loans, but it is a discretionary power, and when I left the White House the other day I was convinced of the fact—and I am not quoting the President—that there would be no loan, and that the farmers of the South would be robbed of hundreds and hundreds of millions of dollars by the speculators unless the administration had the assurance that there would be a farm bill looking to the control of production in order to prevent the accumulation of surpluses in the future.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. CLARK. The Senator from Iowa [Mr. GILLETTE] and I have introduced and have now before the committee Senate bill 2878, to provide for loans to farmers on certain crops during the year 1937. The bill takes cognizance of the fact that the Commodity Credit Corporation has on hand $135,000,000 which they are authorized by law to lend for the purposes which the Senator from Mississippi has just been discussing, and which Congress intended that they should lend, but which the Commodity Credit Corporation, for reasons of its own, not as a matter of law, not on account of lack of funds, but because they have deliberately themselves adopted a policy of not doing it, refuse to make. The bill to which I refer is directed to the purpose of making such lending mandatory so as to tide over this situation. Does not the Senator from Mississippi think such a bill should be passed, so that it would not rest in the discretion of the Commodity Credit Corporation to decide the matter?

Mr. BILBO. I do; and, in company with the Senator from Alabama, I have introduced such a measure, and all we want is to have it enacted, with a companion bill introduced.

Mr. CLARK. I understand that the joint resolution of the Senator from Mississippi and the Senator from Alabama applies only to cotton.

Mr. BLACK. That is correct.

Mr. CLARK. I am also interested in cotton, as every other citizen of the United States, whether or not he comes from a cotton-growing section, ought to be; but there are other commodities, some of which are on the market at the present time, which should be provided for, and would be provided for under the bill of the Senator from Iowa and myself.

Mr. BILBO. I have no doubt that the Senator, with his usual zeal in behalf of his constituents, will press his bill, and I trust that he will support the measure which I have introduced.

Mr. SMITH. Will the Senator from Mississippi yield so that I may ask a question of the Senator from Missouri?

Mr. BILBO. I yield.

Mr. SMITH. When was the Senator's bill introduced?

Mr. CLARK. On the calendar day July 31.

Mr. SMITH. It was referred to what committee?

Mr. CLARK. To the Committee on Agriculture and Forestry.

Mr. SMITH. I shall certainly try to get my committee to take action on that bill.

Mr. CLARK. I hope the Senator will, and that there will be early action by the Congress.

Mr. BILBO. Mr. President, we are making progress.

Mr. SMITH. On the Senator's bill!

Mr. BILBO. I am sure that the Senator from South Carolina would not be willing to compel the lending of money on oats and not compel it on cotton.

Mr. President, the trouble with the whole business is the soil-conservation legislation under which the farmers are now operating. Personally I think that has been a great measure. It has resulted in great good to the farmer, and it is going to result in good to the farmer in years to come. But the result has been that the farmers in the South this year increased the acreage in cotton 6,000,000 acres, and that, as much as the season, accounts for the abnormal crop. It is not a question of charging it to nature; it has resulted because the farmers, with the lack of the idea of control in soil conservation, have increased their crops. As the Senator from Kansas says, there is the greatest acreage in wheat this year there has even been.

Mr. McGILL. The acreage planted for 1936 and the acreage planted also in the spring of 1937 are the largest we have had in the history of the country.

Mr. BILBO. After the Supreme Court had knocked out the A. A. A. So, after all, we can charge it all to the Supreme Court. We all have an excuse.

Mr. President, I wish to call attention to just one more fact. It is not because of lack of interest on the part of the Commodity Credit Corporation that they do not make the loans. As businessmen, and as agents representing the Government, they want to know that if they lend the money they will not lose anything, and they want the assurance that Congress will pass legislation at the earliest possible moment, and October 15 is not too early. We are trying to give them assurance that we may get this relief for our people, and anyone who throws anything in the way of giving this assurance will be charged with the responsibility of denying the farmers relief in this instance.

The carry-over of cotton this year was 5,000,000 bales on the first day of July. During the month of July that was cut down to 4,400,000 bales. I am informed by those in a position to know that 20 percent of this carry-over, 880,000 bales, represents unmerchantable, unginnable, unusable, and unsalable cotton. So that today the real surplus is only three and a half million bales, which is the smallest carry-over we have had since 1930, and there is excuse for cotton being sold today at 10 cents a pound. I make the prophecy that if something is not done, as soon as the speculators can beat the price of cotton down, and get it out of the hands of the farmers of the South, we will see the market increase day by day, and the speculator will walk off with his golden sheckels. We are only asking the agents of the Government to come to our rescue, and protect us against those who are manipulating the cotton market when there is no excuse for cotton selling at 10 cents a pound.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. REYNOLDS. I have heard Senators on the floor of the Senate this afternoon speak with reference to the Commodity Credit Corporation, and during the discussion it has been stated that that Corporation has $135,000,000 in its possession at this time available for the benefit of the farmers of the United States. However, I have yet to hear any of the Senators who have enlightened us this afternoon say whether or not he has directed any inquiry toward those in charge of this Corporation to ascertain why they will not now come to the aid of the cotton farmer of the South at a time when he needs help. Can any Senator who has discussed this subject today say that he has directed any inquiry to any of those in charge of the Corporation as to why it will not make advances to the cotton farmers, or, in other words, why the Corporation will not buy cotton from the southern farmers today in order that they may be helped at a time when they need help?

Mr. BILBO. Mr. President, I have done my best to convince the Senate that all that is necessary to do and all that the Commodity Credit Corporation is waiting for is for Congress to assure them that it will enact such legislation as will prohibit the accumulation of a surplus in the future which will cause the Government to lose the money loaned to the farmer.

Mr. BARKLEY. Mr. President, I regret that it is necessary to interrupt the business on the calendar of the Senate to indulge in this discussion, but probably if the situation can be cleared up the discussion will be worth while and valuable.

I think it may be truthfully said that when we met here in January we all hoped that permanent and comprehensive farm legislation would be enacted at the present session of Congress. There had been criticism because the Department of Agriculture framed legislation and sent it down here to be considered by Congress, and for that reason it was thought wise at the beginning to call in the representatives of all the farm organizations of the country and ask them to make an effort to frame legislation which they thought would deal with the situation. It was impossible for the Secretary of Agriculture to call a national convention of farmers or a town meeting in order to get the views of farmers. Therefore he had to rely, and probably did rely, upon the cooperation and the knowledge and the wisdom of those who had been selected by farmers to represent them in Washington.

The farm organizations began to deliberate on the framing of a farm bill, and they deliberated for a number of months. About 6 weeks ago the late Senator from Arkansas, our former leader, called a conference for the purpose of discussing the probability of enacting agricultural legislation at this session. I think that conference was called at the request or the suggestion of the Secretary of Agriculture. A large number of Senators who were interested in farm legislation were asked to be present. I happened to be one of them. The Secretary of Agriculture attended that conference. At that time the farm organizations had not agreed on a bill. No bill had been introduced; and, in view of the legislative situation then confronting Congress, it was generally understood and agreed at that time among all those present at the conference that legislation dealing with agriculture at this session would be impossible. So the conference broke up, the Secretary of Agriculture went about his business, and, so far as I know, it was agreed, subject to any change in conditions, that it would be almost practically impossible to frame legislation on a comprehensive basis dealing with agriculture at the present session.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McGILL. Was it not, however, the position of the Secretary of Agriculture at that time that legislation should be enacted at the very earliest date possible?

Mr. BARKLEY. Not only was that the position of the Secretary of Agriculture, but it was the position of all those who attended the conference. The Secretary of Agriculture shares the fear that all of us have shared, that, while nothing could be done about the 1937 crop, unless some efforts were made to control production for 1938, if nature should be as bounteous next year as she has been this year, and there should be produced another bumper crop of wheat and corn and tobacco and cotton and other basic products, necessarily a very drastic slump would occur in the price of agricultural products produced in 1938. Everyone agreed that that was the condition.

Likewise everyone agreed that no legislation could be enacted at that time that could control the situation so far as the 1937 crop was concerned.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McGILL. That would control the situation as regards the acreage that would be planted in the fall of 1937.

Mr. BARKLEY. I am talking about the crop harvested in 1937.

Mr. McGILL. Of course, that was out of the question.

Mr. BARKLEY. Yes; that was perfectly obvious.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRNES. And the agreement, as stated by the Senator from Kentucky, was that the committee should proceed with hearings and endeavor to have a bill ready to be taken up at the beginning of the next session?

Mr. BARKLEY. That is true. It was understood that the committee would go ahead with its preparation, have whatever hearings were necessary, and have a bill ready whenever Congress met again, whether it was in January or whether it was a called session at an earlier date. That I think was the general understanding. The Secretary of Agriculture agreed, if that were done, that no damage would occur by reason of the loss of time between then and January.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BLACK. The Senator did not understand, did he, that the farm organizations, certainly not the American Farm Bureau, accepted that idea? They insisted on and wanted legislation, and the Secretary of Agriculture wanted legislation, but, on the statement from some that it could not be obtained, they reluctantly said it might not be obtained, but they wanted it.

Mr. BARKLEY. The farm organizations did not agree to that because they were not in the conference. This was a conference of Senators and the Secretary of Agriculture interested in the farm legislation, and they were dealing with it in a practical and realistic way, and not undertaking to count on improbabilities.

I do not know when this bill was framed. I do not know when the farm organizations that participated in its framing got together on it. It is my understanding that the National Grange and the Farmer's Union did not agree to the terms of this bill, but, Mr. President, the bill itself, from whatever source it came, was introduced into the Senate on July 15. It could have been introduced earlier had not the legislative and parliamentary situation here prevented.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HATCH. I quite agree with what has been said, if abundant crops are produced in 1938, as to what may happen to wheat, cotton, and other commodities. I call the attention of the Senator from Kentucky, however, to the fact that already it is probably too late to enact any legislation which will be beneficial to the wheat farmers for the year 1938.

Mr. BARKLEY. That is true, so far as winter wheat is concerned. It is not true so far as spring wheat is concerned.

Mr. HATCH. It is not true so far as spring wheat is concerned; but if we do not start considering legislation until January, the spring-wheat planting may also be in the same condition as the winter wheat is at this time.

Mr. BARKLEY. Yes; I agree with the Senator.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McGILL. In line with what the Senator from New Mexico has just said, I should be inclined to the view that if we are to undertake to enact farm legislation, but do not act on it before the January session, it will be too late to deal not only with the spring-wheat farmer but too late to deal with the farmers who plant oats, barley, corn, and all other commodities planted in the early spring. We should have a bill enacted and in effect, I think, by January in order to deal with that situation.

Mr. BARKLEY. I should certainly desire that this be done.

Mr. President, the bill that was introduced, if it were passed today under the terms in which it is drawn, would provide no remedy for the crops of 1938. I hope the Senators from Kansas [Mr. McGILL] and New Mexico [Mr. HATCH] and other Senators will give me their attention, because I just made the statement that even if the bill, as introduced, were enacted at once, it would not offer any relief so far as the

crops of 1938 may be concerned in the way of crop curtailment, because the bill provides that the contracts which are to be submitted to the farmers must be submitted during the last 5 months of the calendar year, and those contracts pertain only to the production of crops for the succeeding year. So that, in order for any crop-reduction program under this bill to be effective for the crop of 1938, the contracts must be presented to the farmers during the last 5 months of 1937, which would have begun on the 1st day of August.

It is manifestly impossible to pass this bill or any legislation in time for that provision to take effect, so that if the contracts for the curtailment of the crop of 1938 cannot be presented to the farmers during the 5-month period of 1937, then it will be necessary to change that provision of the bill when it is enacted, so that the contracts may be presented to the farmers at an earlier date than the last 5 months of the previous year in order to affect the crop of the succeeding year.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McGILL. The Senator will agree, however, will he not, that a very simple amendment to the bill would relieve that situation?

Mr. BARKLEY. I agree that a very simple amendment would affect that situation. I am talking about the bill as it was presented, and I have no doubt that as it was drawn it was contemplated that it might be enacted in time for that provision to take effect in the last 5 months of 1937.

Mr. President, in an effort to ascertain what is the situation with respect to the probability of having legislation at this session, I have not only conferred with the chairman of the Committee on Agriculture and Forestry but I have conferred with the other members of the Committee on Agriculture and Forestry, including the authors of the only bill which has been presented, and all of them have told me that they are not now in possession of sufficient information to enable them now to draw a bill; that they do not have the necessary facts to enable them now, without further information and investigation, to draw a comprehensive, wise, and workable agricultural bill.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HATCH. I beg leave to disagree with the Senator on the statement he has just made. I am a member of the Committee on Agriculture and Forestry, and I think the only thing that committee need do is to determine a policy for the bill. There are plenty of facts available in the Agricultural Department, and if the committee would work out the policy which it believes should obtain, I believe a bill could be drawn rather quickly that would conform to whatever policy the committee should determine upon.

Mr. BARKLEY. I will say to the Senator that, following the action of the committee in ordering hearings and providing for regional hearings, I undertook to ascertain—I have forgotten whether I conferred with the Senator from New Mexico or not—but I talked with many members of the committee, especially the authors of the bill——

Mr. HATCH. I did not mean to call attention to that fact.

Mr. BARKLEY. And I have made this statement as a result of those conferences.

Mr. HATCH. I was not present in the Committee on Agriculture and Forestry when that action was taken. If I had been present, I should have opposed it. I did not talk with the Senator from Kentucky.

Mr. BARKLEY. I am sorry I did not get around to the Senator from New Mexico, but I got the information I am now undertaking to give to the Senate after conferring with as many members of the committee as I could reach within the time I had.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. The statement of the Senator from New Mexico [Mr. HATCH], for whose ability I have the greatest admiration, leads me to ask the question why he does not undertake to draw such legislation and submit it to the Senate? I think it is extraordinarily essential that legislation should be passed at the present session of Congress to take care of the situation. We know what happened several years ago when the limits were all off and the farmers raised what crops they pleased. We know what tremendous improvements were made when regulation took place. We ought to have regulation again, and I hope the Senator from New Mexico, who is a member of the committee, will undertake to prepare such legislation. I am sure it can be prepared and passed at this session of Congress.

The PRESIDING OFFICER. The time of the Senator from Kentucky on the amendment has expired.

Mr. BARKLEY. I will take the remainder of the time on the bill, which is only 10 minutes.

Mr. HATCH. I was about to ask the Senator to yield——

Mr. BARKLEY. I yield to the Senator for another question.

Mr. HATCH. No; I will not interrupt the Senator from Kentucky inasmuch as his time is limited.

Mr. BARKLEY. Mr. President, I will say to the Senator from New Mexico that if the Senate Committee on Agriculture and Forestry is now in a position to write a bill, then it seems to me that they were not well advised when they ordered hearings and the postponement of the framing of such a bill until the regional hearings had taken place. If the Committee on Agriculture and Forestry is in a position now to write a bill permanently dealing with this situation, certainly it ought to get to work and do it and not go around over the country holding hearings, if they are unnecessary. But if the committee, as I was told and am still told, unanimously decided to hold hearings, although several members of the committee were not present, I feel, in the position which I occupy, I had a right to expect that the committee was acting in good faith; that it was undertaking to ascertain information necessary to write the bill, and that it would immediately get to work and hold hearings necessary to enable it to obtain the information upon which it could write legislation.

I wish to say that I have shared all along, and I now share, the desire and anxiety to write a bill at the very earliest possible moment that will deal with the subject comprehensively and deal with it in a way that will do justice to all the farmers of the United States with whom it might deal. I am extremely anxious that such legislation shall be enacted in time to deal not only with production but the probable price of the crops produced in 1938. The Committee on Agriculture and Forestry is the only agency through which the Senate can act in a matter of this kind. We cannot take up legislation here except as it comes from a committee, unless the Senate should decide to discharge the committee, and I am sure that, under the circumstances that now exist, the Senate would not feel justified in discharging the Committee on Agriculture and Forestry from the further consideration of this bill in order that the Senate might take it up and try to write it here on the floor of the Senate.

For these reasons, I see no way by which we can proceed except to await the action of the committee in the framing of a bill. I hope that the committee will frame a bill in time for the Senate to deal with it by the middle of October or the first of November; but I think the Senate ought to know and the country ought to know that it is not now contemplated that Congress shall remain in session while the Committee on Agriculture and Forestry is attempting to frame a bill dealing with the general agricultural situation.

I think it also should be stated that it is not contemplated that the Congress shall recess until the 15th of October or any other date and come back here and await the action of the Agricultural Committee in the framing of a bill. When we conclude our duties here it is contemplated we shall adjourn. Then, if, in the meantime, the Committee on Agriculture and Forestry shall advise the President that

they have framed a bill, and are ready for its consideration by the Senate, in his judgment, the President will undoubtedly exercise his right, under the Constitution, to call Congress into extraordinary session. But it seems to me that it would be unwise for Congress to recess until the 15th of October or the 1st of November without knowing whether the Committee on Agriculture and Forestry would be ready to report a bill at that time; come back here and wait 6 weeks more with nothing to do while we were still waiting on the Committee on Agriculture and Forestry. That is my view of this situation, and it is a view I have reached after giving consideration to all the statements made by members of the committee and realizing that we cannot act until some action has been taken by the committee.

Mr. BLACK. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BLACK. The Senate has the right, does it not, if it desires to do so, with reference to any committee to instruct them to report a bill by a certain time.

Mr. BARKLEY. Certainly the Senate has a right to control absolutely the procedure of its committees. It has the right to instruct them to report on a certain date or within a certain length of time. The committee, of course, is the agent of the Senate, it is the servant of the Senate's will, and the Senate may instruct the committee to report at any time it sees fit.

Mr. BLACK. If 40 Senators have agreed that such action should be taken by October 15—and there are other Senators who have not been approached who would constitute a majority—then, whatever the Senate decided, it would be the duty of the committee to carry out?

Mr. BARKLEY. The only official action the Senate can take with respect to its committees is not by petition, I will state to the Senator, but by formal action, by motion or resolution adopted by the Senate instructing its committees to report by a certain date.

Of course, I know nothing about this petition. I had not seen it until I heard it read from the desk. The Senator from Alabama advised me that it was being circulated, and I advised him that I would not sign the petition under the circumstances that exist here; I did not think I ought to sign it in the position that I happen to occupy at this time, because I felt that, in view of the action of the committee, we ought at least, to assume that a majority of the committee can control its actions.

If any member of the committee is obstreperous or is trying to pull back upon the backing strap instead of pulling forward on the collar, a majority of the committee have the power to control its action at any time. That is the way I feel; and if the committee could not do that, I did not wish to assume the responsibility of telling the committee what it ought to do, although I express the earnest hope that it will bring back a bill in time for the President to call the Congress into extraordinary session by the 1st of November or the middle of October, if it then has a bill ready for us to consider.

Mr. BLACK. The question I asked was that, irrespective of what plans had been made for hearings, if a majority of the Senate wishes to pass a farm bill, and wishes to have it reported by October 15, the majority has a right, does it not, to instruct the committee to make a report and to decline to adjourn until it does?

Mr. BARKLEY. Of course, a majority cannot only instruct the committee to report by that date but it can decline either to adjourn or recess and can stay here. A majority of the Senate can do any of those things. But I simply wanted to say, insofar as I am concerned, holding some position of responsibility here by reason of the favor of my colleagues, that I felt it was in frankness due the Senate to say that it is not contemplated now, unless the Senate decides itself to take such action, to take a recess instead of taking an adjournment.

Mr. HATCH. Mr. President, in reply to some questions directed to me by the Senator from Tennessee [Mr. McKELLAR] concerning the drafting of farm legislation, I may say that I think the proposed farm legislation is in good hands. The Senator from Idaho [Mr. POPE] and the Senator from Kansas [Mr. McGILL] have both worked on the problem and have drawn a bill which may or may not meet the situation. I myself have not as yet studied it, but I know that under their leadership and the careful thought which will be given the bill by the Committee on Agriculture and Forestry, there is no reason why that committee may not report a satisfactory bill at such time as I hope will not be too late for action this year.

I do not object to the statements made by our leader the Senator from Kentucky [Mr. BARKLEY] regarding the holding of hearings which have already been ordered. As I said a moment ago, a grave question of policy concerning farm legislation is involved. Many Senators have one view, and many have another. The all-important question to determine is the type and character of farm legislation to be enacted. When the question of policy is determined, then I believe the details can be worked out. If it would enable the Committee on Agriculture and Forestry to determine that policy by conducting reasonable hearings, so that the committee could be back here in October with a well-rounded-out bill, that would meet my approval, and I would have no objection to that procedure.

Mr. SMITH. Mr. President, I may state to the Senator that he knows it is impossible in that length of time to cover the ground sufficiently and bring back a bill which would justify the respect and support of this body. He knows that; so what is the use, under whip and spur, to do a thing that requires ample time, when a bill can be brought back to apply to the entire crop of 1938? It is said that some wheat will be planted. The Soil Erosion Act offered a bonus for the land that was left unplanted. The wheat growers chose to risk the price of wheat rather than the Government subsidy, and that settled the big wheat crop. We can take care of that situation for what may be unseeded in 1938.

As to anybody pulling back or "gee-hawing", I want the farmers to be treated without the dirty hand of politics being involved. That is what I want. I want the farmers to get the benefits which shall come to them from mature thought and a statesmanlike solution of the farm problem, and not from what we can do to fool somebody to vote for it.

Mr. HATCH. Mr. President, I may merely observe that I sincerely hope the matter of farm legislation may receive mature and statesmanlike consideration.

Mr. McKELLAR. Mr. President——

Mr. HATCH. I yield to the Senator from Tennessee.

Mr. McKELLAR. I did not know, when I interrupted the Senator from Kentucky [Mr. BARKLEY] a while ago to ask the Senator from New Mexico a question, that a subcommittee had already been appointed. As I understand, a subcommittee, composed of the Senator from Kansas [Mr. McGILL] and the Senator from Idaho [Mr. POPE], has been appointed and is now at work on a bill. If that is the case, I feel encouraged, knowing those Senators as I do. I hope they will make progress and that we may soon have a measure before us, because I think this is probably more important than is any other matter that has been before the Congress during the present session.

Mr. HATCH. I understand that such a subcommittee has been appointed. The chairman of the Senate Committee on Agriculture and Forestry, the Senator from South Carolina [Mr. SMITH], is chairman of the subcommittee. The Senator from Kansas [Mr. McGILL] and the Senator from Idaho [Mr. POPE] are members of the subcommittee. They plan to work with a like committee from the House of Representatives. That is merely what I rose to say—that, in my opinion, the contemplated legislation is in good hands and can be worked out satisfactorily.

Mr. LA FOLLETTE. Mr. President, I am one of the Senators who signed the petition presented by the Senator from Alabama [Mr. BLACK]. I desire to cooperate with the Senator from New York [Mr. WAGNER] in returning to consideration of the pending housing bill, but I want first to make a brief statement of the reasons why I signed the petition.

It seems perfectly clear to me that unless the Congress takes up the consideration of legislation embodying a program for the control of agricultural surpluses in time to be effective for the 1938 crops, we shall be responsible for having brought about disaster not only to the agricultural producers of the country, but also to the rest of the people as well. Therefore, I signed the petition because I wanted to join with other Senators in giving expression to my apprehension as to the situation that might be created if agricultural legislation should be postponed for consideration until the regular session of Congress, which will convene in January next.

Every Senator is aware that important legislation of that kind cannot be passed in the twinkling of an eye after Congress convenes. It will take a considerable period of time, no matter how well prepared the committee may be to present its bill, before it can pass the House of Representatives and the Senate and become a law. To postpone enactment of farm legislation until the January session is, in my opinion, to court a debacle in agricultural commodity prices in 1938. Believing as I do that the recovery of agricultural commodity prices and the increased buying power of the farmer has had a major and important bearing upon the partial economic recovery which has occurred, I wanted to express my conviction, as an individual Senator, that action should be had upon this important piece of legislation before the regular session of Congress in January.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. I do not think any criticism is to be attached to Senators who signed the petition. For reasons which I thought were applicable to myself, I did not feel disposed to sign it. I imagine that Senators signed it more as an expression of a hope than anything else, and with the expectation that it might be helpful to the committee in undertaking to understand the feeling in the Senate as to the necessity for prompt action. I have no doubt that no Senator signed it with the intention of undertaking to build a fire under the committee for the purpose of hastening legislation or doing anything prematurely, but that it would be valuable as an expression of the views of the Members of the Senate on that subject.

Mr. LA FOLLETTE. I did not understand from any remarks made by the Senator from Kentucky that he intended to criticize any Senator who signed the petition, but I wanted to place myself upon record as being in favor of action upon this important proposed legislation before the next regular session of Congress, for I am as certain as that I am standing here speaking to the Senate at this moment that if it is postponed to the regular session it will be ineffective in relation to the great part of the 1938 crop. If that eventuality occurs there will be, in my judgment, a disastrous situation created for the farmers and for the rest of the country.

Mr. BORAH. Mr. President, this petition was presented to me, and I did not sign it. I felt that those who make the program here would formulate the program in any event, regardless of the views of those who might indicate their views in this petition.

I understand, however, that the basic principle upon which farm legislation is to rest is that of limiting and controlling production. Aside from the general question as to whether or not we should do that, I desire to ask those who have formulated this petition whether they propose, by limiting the production of the American farmer and decreasing his acreage, to continue to import into this country on a continuously enlarged scale the farm products of the cheap-labor countries.

To me it seems to be perfectly suicidal to be driving two teams in opposite directions upon the same road. A collision is inevitable. Senators are now talking about limiting production and decreasing acreage, and yet they are extending as rapidly as possible the reciprocal trade agreements, which have for their purpose and objective importing into this country the cheap agricultural products of other nations.

If we are going to work out a program of reduction, let us not import the products of other countries where labor is paid about one-third or one-fourth of the amount the American farmer has to pay for labor. There is only one reason for reducing acreage, and that is because the market will not take the large production. Is there, then, either reason or justice or economic wisdom in turning over a part of that market to foreign production? With reduction certainly should go the doctrine that the American market belongs to the American producer to the full extent of his ability to supply it.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

The VICE PRESIDENT. The question before the Senate is on agreeing to the so-called Tydings substitute for the modified amendment offered by the Senator from Colorado [Mr. ADAMS] to the amendment reported by the committee.

The amendment, in the nature of a substitute, was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the amendment of the Senator from Colorado [Mr. ADAMS] as amended, to the amendment reported by the committee.

The amendment to the committee amendment was agreed to.

Mr. LOGAN. Mr. President, I send to the desk an amendment to the committee amendment which I ask to have stated.

The VICE PRESIDENT. The amendment offered by the Senator from Kentucky to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 38, line 7, after the word "created", it is proposed to insert a comma and the following words:

In the Department of the Interior and under the general supervision of the Secretary thereof.

Mr. LOGAN. Mr. President, it will be observed that the amendment which I offer does not change a single word or line of the bill as it now stands. It simply places the Housing Authority under the Department of the Interior.

There has been very much talk of late about the consolidation of independent offices and boards. If we are going to pursue that policy, the Housing Authority should be placed under one of the departments. The Department of the Interior has control of the Public Works Administration, and has a Public Works Division. The Public Works Division has a Housing Division which has been functioning for 4 years. It is made up of trained men. They have been engaged in slum-clearance projects; and I cannot see any reason for the creation of another independent agency.

Let me say that the only effect of the amendment I offer would be, first, to make the administrator and the directors responsible to the Secretary of the Interior; that is, they would report to the Secretary of the Interior rather than to the President, which is certainly in line with the President's recommendations for the reorganization of the executive departments. Second, the administrator and the directors would be made subject to the supervision of the Secretary of the Interior; that is, the Secretary would have general oversight of the affairs of the Authority, and would have power to approve its major policies, and to coordinate its functions with those of the executive departments.

In my judgment, the amendment ought to be accepted by those who favor the bill. I favor the bill. I expect to vote for it. Heretofore I have offered no amendments to it. I have voted against every amendment, I believe, that has been submitted, because I thought they would weaken the bill; but I must insist as earnestly as I can that we should not at this time create another independent establishment.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. LOGAN. I yield.

Mr. KING. I am inclined to agree with the Senator; but I desire to ask for information, in case the amendment is adopted, whether additional amendments may not be required in order properly to integrate it and connect it with the rest of the bill.

Mr. LOGAN. I do not think so. At least, that is not my advice. None has been called to my attention. The adoption of the amendment would not interfere with the appointment of the board by the President; it would not interfere with the proper functioning of the board; but it would make it a board under the Department of the Interior rather than an independent establishment.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LOGAN. I yield to the Senator from Tennessee.

Mr. McKELLAR. Is it not true also that the adoption of the amendment probably would save the Government a great deal of money, for this reason: Already in the Department of the Interior there is a housing set-up, and already slum-clearance projects have been set up in many of the cities. Those set-ups are already in existence; and it seems to me a great deal of money might be saved to the Government by utilizing the organizations which are already set up rather than setting up additional organizations.

Mr. LOGAN. The Senator from Tennessee is absolutely correct. A housing organization has been set up in every State of the Union. Perhaps there is more than one in some of the States. There is now a housing administration in the Department of the Interior; and it seems to me only logical to conclude that what is proposed in the amendment is the sensible thing to do. Of course it will save money. It seems to be a matter of very little consequence in these days whether we save money or not; but the time may come when we shall wish to save money, and this amendment will save money. It will bring about a more efficient administration of the law. It will start out at once with an experienced organization; and I can see no reason why the amendment should not be adopted.

Mr. BURKE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. LOGAN. I yield to the Senator from Nebraska.

Mr. BURKE. In line with the query of the Senator from Utah [Mr. KING], if the amendment of the Senator from Kentucky were adopted, would it not be necessary to make a change, for instance, on page 39, in subsection (d), which now reads:

The board shall determine all matters of policy—

And so forth. Is not the effect of the Senator's amendment really to make the board we are setting up merely a bureau in the Department of the Interior, and certainly not a policy-determining board at all?

Mr. LOGAN. As I understand, the administrator would have general supervision. That is, the Secretary of the Interior would have general supervision over the policies of the board. I suppose the board might determine its policies as provided in the section to which the Senator has referred, but it would be under the general supervision of the Secretary of the Interior.

It is possible that there are some places in the bill that would have to be changed, but I may say to the Senator from Nebraska that I discussed this matter with some persons from the Interior Department, and I was advised that it would not be necessary to make other changes in the bill at the present time.

Mr. BURKE. If I may say one further thing, it would seem to me that there are two very different ideas, one relating to a bureau under the Department of the Interior, working under the supervision of the Department, with the heads of this special housing authority, who probably would not be entitled to receive the salaries authorized under the act; and the other idea that embodied in the bill as it was introduced, with a somewhat independent board, a policy-making board. I feel we are going to have great difficulty if we try to mix these two ideas into one.

Mr. TYDINGS. Mr. President, will the Senator from Kentucky yield to me?

Mr. LOGAN. I yield.

Mr. TYDINGS. Has the Senator given any thought to combining the activity provided here with the Federal Housing activity? I make this suggestion because the Federal Housing Authority has operated in every State in the Union. They have had to meet every kind of a condition. They have come directly in contact with private building, and it strikes me that their experience would be of more value in carrying out the proposed law than the P. W. A., which was virtually an employment activity. I believe the Senator would be well advised if he would look into the Federal housing set-up.

Mr. LOGAN. Let me say to the Senator that he is explaining exactly what I have in mind, and what was said, perhaps, before the Senator came into the Chamber by the Senator from Tennessee. It would be my hope and my expectation that when the proposed board, constituting the Housing Authority, should be appointed, it would be a part of the Department of the Interior, and that it would move in and take charge of the Federal Housing Administration as it now exists, and as it exists in the different States, and that it would profit from the experience and the efficiency of the organization which now exists.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. LOGAN. I yield.

Mr. TYDINGS. The Federal Housing Authority, I understand, is under the Department of the Interior.

Mr. LOGAN. The slum-clearance part of the Public Works Administration is under the Department of the Interior, and that is the Federal Housing Administration.

Mr. TYDINGS. But in the work of the P. W. A., which is a branch of the Interior Department, to which the Senator refers——

Mr. LOGAN. That is true.

Mr. TYDINGS. They have been concerned primarily with making grants, and with supervision.

Mr. LOGAN. In slum-clearance projects?

Mr. TYDINGS. In all projects dealing with housing.

Mr. LOGAN. The Federal Housing Administration, the one about which the Senator from Maryland is speaking, of course is separate; but the slum-clearance activity, undertaking to rehabilitate the slums in the cities, is under the Department of the Interior at this time. We may keep on creating bureaus until none of us will know where the jurisdiction is.

Mr. TYDINGS. I agree with the Senator's objective, and he has thought more about it than I have, no doubt; but it strikes me that the Federal Housing Authority could very well have this board as a subordinate part of its activity, rather than the Department of the Interior.

Mr. LOGAN. The Federal Housing Authority, of course, ought to be placed under this board, or some division of it, at some time; but it does not fit in just now. This is a slum-clearance project; it is a low-cost housing project. The Department of the Interior, through its housing division and the Public Works Administration, has been carrying on this work, and has many projects in this country. We are now asked to throw that aside and create a new agency, when we could appoint a Federal Housing Authority, as is provided in the bill, and let it go right on as a bureau of the Department of the Interior.

Mr. TYDINGS. The Senator perhaps has missed my object.

Mr. LOGAN. Perhaps.

Mr. TYDINGS. I wanted to get the board created under the pending bill under the director of the Federal Housing Administration, have all the housing in one place.

Mr. LOGAN. We would then create another independent agency. We try to do too much.

Mr. TYDINGS. The Senator has not followed me.

Mr. LOGAN. The Senator means that this board ought to be placed under the Federal Housing Administration, which is an independent agency.

Mr. TYDINGS. That is correct; in other words, have all the housing in one branch.

Mr. LOGAN. That would require still another act, because the Public Works has its housing division. If the Senate at this time should adopt this amendment and place the Federal Housing Authority, or whatever the name may be in the bill, under the Department of the Interior as the responsible head, then I am quite sure that when the reorganization bill was passed the Federal Housing would go to the same place, and we would have it all under one head.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. CLARK. Is not the Senator in error in his assumption that the Public Works Administration as a whole, including the housing branch of the Public Works Administration, is now part of the Interior Department? It has nothing whatever to do with the Interior Department except for the fact that Mr. Ickes happens to exercise the dual capacity of being Secretary of the Interior and head of the Interior Department, and at the same time being Administrator of the Public Works Administration.

Mr. LOGAN. That is correct.

Mr. CLARK. Technically there is no connection on earth between the Interior Department and the Public Works Administration. It seems to me that what the Senator is doing now is to take advantage of the dual occupation of Secretary Ickes, and undertaking to put into the Interior Department something that has never been there.

Mr. LOGAN. The Public Works Administration is under the Secretary of the Interior. I am not splitting hairs; I try to be rather realistic about things. This proposal simply places this organization likewise under the Department of the Interior, with the Secretary of the Interior having general supervisory powers over the board that is to be appointed. That is all it does.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. McKELLAR. I merely wish to call the attention of the Senator and of the Senate to the fact that the Federal Housing is a different kind of institution from what is proposed here, because the Federal Housing depends for its funds to build houses entirely upon the public. It is a private institution.

Mr. LOGAN. It has no appropriation from the Federal Government at all. The only thing the Federal Housing Administration does is to advise, and its notes are discounted through banks; but it makes no grants; it does not have any appropriation. It is supposed to be self-sustaining, and I believe that, with the recent reduction in its force, it is self-sustaining. That is an entirely different organization. It may be that it should be under the same general control, but it is a separate organization all the time. So we have the slum-clearance project under the Public Works Administration.

Mr. PITTMAN. Mr. President, will the Senator from Kentucky yield to me for a brief statement?

Mr. LOGAN. I yield.

Mr. PITTMAN. A while ago I signed a petition having for its purpose, I believe, a representation to the President that those signing it would favor a special session of the Congress. I have requested the Senators circulating the petition please to strike my name from the petition.

The VICE PRESIDENT. The time of the Senator from Kentucky on the amendment has expired.

Mr. LOGAN. I will take time on the bill.

Mr. PITTMAN. I am sorry to be taking the Senator's time.

Mr. LOGAN. Not at all. The Senator may go right ahead.

Mr. PITTMAN. I feel I made a mistake in signing the petition. I may say that I have expressed to the President personally heretofore my belief that, agricultural legislation not being prepared at this time, it would be better if it were not taken up at this session of the Congress, and that if the President felt like calling a special session of the Congress, I should, of course, be very happy to be here.

I feel now that, it being a constitutional privilege of the President to call a special session of the Congress at such time as he sees fit to do so, it might not be entirely in accord with the proprieties to suggest to him when he should call a special session of the Congress.

Mr. KING. If any.

Mr. PITTMAN. If any. Having stated my view in regard to a special session for farm legislation, I am certain that what I should add by this petition would be little, if anything.

For the reason that I believe that it may be considered as interfering with the constitutional privilege of the President with regard to calling special sessions, I have asked that my name be stricken from the petition.

Mr. LEWIS. Mr. President, I should like to interrogate the Senator from Kentucky.

Mr. LOGAN. I yield.

Mr. LEWIS. Does the Senator from Kentucky in his last observations indicate that he understands that the authority of the present Secretary of the Interior, as controlling all housing generally being pursued through the country, is to be at an end, and a new body being created under the pending bill will supersede the Secretary of the Interior?

Mr. LOGAN. As the bill stands, without this amendment, that is exactly what happens—that a new body is created, and I assume it will supersede the body already in existence, and its work will supersede the work that has already been done by the other body.

Mr. LEWIS. Then two bodies would not exist.

Mr. LOGAN. There would be only one body; and I assume that the Housing Division, which has been engaged in slum-clearance projects, would fold up.

Mr. WAGNER. Under the bill there is a provision authorizing the President to bring into this board or any other board all the present housing activities of the Government; so a consolidation may be made by this legislation.

Mr. LOGAN. I thank the Senator. That may be done; but the fact still remains that the Housing Division of the Public Works Administration, which has been functioning for 4 years, will be completely superseded, its experience need not be considered at all, and the new board is set up as an independent establishment. Under the amendment this board would be placed under one of the departments; and, as I understand it, it has been the policy of the present administration recently to attempt to increase the executive heads, say, to 12, and then to place every agency of government under one of the heads except the quasi-judicial agencies, such as the Interstate Commerce Commission and the Federal Trade Commission.

If this amendment shall be adopted, it will serve to put the Federal Housing Authority under the Department of the Interior, where it properly belongs.

Mr. LEWIS. If I may be pardoned, I should like to say that my purpose in rising was to protest against a measure which would take out of the hands and out of the control of the Secretary of the Interior this Housing Administration, while at the same time he would be held responsible. If, however, this amendment serves to supersede him completely, and he is therefore released from authority or responsibility, that becomes a different subject. So long as he is held responsible, I must respectfully insist that he ought to be continued in his authority.

Mr. LOGAN. I think he ought to be held responsible; and under the statement made by the Senator from New York perhaps the President might take the Housing Authority out of the Department of the Interior and place it under the supervision of this new board. If that is done by the President, we shall have another independent establishement added to the 100 or more whose number we are trying to reduce. So my point is that this activity ought

to be placed in the Department of the Interior, where it can be carried forward as it has been, under men of experience who have been previously trained in this work.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. BRIDGES. Is it true that at the present time we have 35 Federal agencies dealing in some degree with housing?

Mr. LOGAN. I cannot answer the question. If the Senator says that is true I shall not try to deny it, because I do not know.

Mr. President, in conclusion I wish to say that I can see no occasion to take up very much time. Those who have any suggestions or arguments to make, of course, should make them. I have said all I know on this particular subject. I wish to say that when we are ready to take a vote I shall ask for the yeas and nays on the amendment.

Mr. CLARK. Mr. President, it seems to me that the argument of the able and distinguished Senator from Kentucky [Mr. LOGAN] proceeds upon a fundamentally fallacious assumption of fact. He assumes that the present housing division of the Public Works Administration is a bureau in the Department of the Interior. That is not the fact. The Public Works Administration itself is at present and always has been an independent agency; and the only connection it has or ever has had with the Department of the Interior is that the Honorable Harold L. Ickes as an individual happens to be the Secretary of the Interior in the President's Cabinet, and at the same time happens to be the Public Works Administrator, and also the fact that the Public Works Administration has been housed in the building of the Department of the Interior. So it is not a question of consolidating this new agency which is being set up with an agency already existing in the Department of the Interior. It is a question of putting an agency set up for a definite purpose, under a definite act, into the Department of the Interior, where no housing activity ever has been heretofore. In other words, it is extending the jurisdiction of the Department of the Interior to a degree which has never as yet been contemplated by law.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. BARKLEY. The Senator from Missouri is absolutely correct so far as the status of the Public Works Administration is concerned. It is a fact, however, that by reason of that combination of duties imposed on the Secretary of the Interior there has been accumulated a very large experience in housing projects and in constructing buildings of the very type contemplated by the bill, and there has been built up a very efficient corps of personnel familiar therewith, which I suppose could be utilized by the Secretary in immediately inaugurating the work under this bill, whereas an independent agency would have to start from the ground up and build up its personnel.

Mr. CLARK. Mr. President, let me say that my experience with the Housing Division of the Public Works Administration has been that their activities and their conception of the whole housing problem has been completely at variance with, not to say in bitter opposition to, the theory of this bill. I have never talked to an official of the Housing Division of the Public Works Administration who did not speak directly or indirectly in opposition to the general theory of this bill. While I am on my feet, Mr. President, let me say further that some localities and some sections have had an extremely unfortunate experience with the Housing Division of the Public Works Administration, which makes some of us reluctant to turn this new machinery over to that agency.

The Senator from Washington [Mr. SCHWELLENBACH] yesterday said that there are no slums in the State of Washington. My own observation when I was last in Washington did not lead me to believe that that was entirely a correct statement. But, be that as it may, as representing in part the State of Missouri, I am not able to make that boast. Unfortunately, we have some slums in some of our cities in Missouri, and I am sorry to say we are as much in need of relief as is the State of New York, the State of Pennsylvania, or the State of Illinois. I should like to see the same slum-clearance relief applied to those sections; but under the policy of the Housing Division of the Public Works Administration some sections of the country were excluded from that relief.

We had a slum-clearance project in St. Louis, as meritorious and needy a one, I assume, as there was in the United States of America; at least, so the officials connected with it told me. The slum-clearance project was worked out, without the slightest suggestion of political influence or any mercenary motives, by a committee that had been in existence for a number of years, headed by Bishop Scarlett, the Episcopal Bishop of the State of Missouri, and on which committee were some of the best technical experts of the Middle West.

Under encouragement from the Public Works Administration that project was proceeding, and options had been secured on 98 percent of the land and buildings involved, without any suggestion by the Public Works Administration or anyone else of any improper profit being involved in the matter. Then, without notice to the persons who had been working on the project for months, an arbitrary deadline was set up of which they were not apprised until afterward, and they and persons who had been working on other projects in other parts of the country were suddenly informed that they were out.

I personally took up the matter with the highest quarters. I was told that the project was a most meritorious one, but that it had been necessary to set up an arbitrary deadline without informing the persons who were working on the project that it had been set up. I was also informed that if the case which had been appealed from the Louisville project to the Supreme Court of the United States were decided adversely to the Government, money would be available for such meritorious projects as the St. Louis project.

When the Government dismissed the appeal, without taking the trouble to pursue it in the Supreme Court of the United States, I hastened down to see what the prospects of the St. Louis project were, and was informed that the Missouri administrator had diverted the money to other purposes without informing me and others interested.

I am for this bill. I hope the Authority set up in this bill under the terms of the amendment proposed by the Senator from Maryland [Mr. TYDINGS], which has been adopted, will be such as to give us a more fortunate experience in the distribution of these benefits than a good many sections of the country have enjoyed under the Public Works Administration.

Mr. President, I do not reflect upon the honest efforts made by the officials of the Housing Division of the Public Works Administration; but, from my experience with them and my observation of how they operate, I repeat that I am convinced that they have been proceeding on an entirely different line and on an entirely different theory of slum clearance than that set up in the bill now before us.

To take the authority and put it in a bureau in the Interior Department to my mind would be to destroy the bill. It may well be, as suggested by the Senator from New Hampshire [Mr. BRIDGES], that, as I personally believe, the housing activities in the various departments and governmental bureaus should be consolidated under a single head; but it seems to me, inasmuch as this is the first really independent bill directed to the establishment of a housing policy in the United States, that the authority set up in this bill should be the head under which other housing activities should be consolidated. To take this authority and make it a mere bureau like any other bureau in a department would be, it seems to me, to destroy the whole effect of the bill. If there is to be a general regrouping of governmental activities through the Government reorganization bill, that is the time to decide where this activity should go, and not now.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CLARK. Certainly.

Mr. O'MAHONEY. Does the Senator believe there should be a secretary of housing under whom should be coordinated all the housing activities of the Government?

Mr. CLARK. No; I do not know that I would go so far as that. That is a question on which I would have an open mind entirely. While I have deplored the recurring creation of new commissions, I am not one who believes that all the temporary independent activities of the Government should be made permanent by being consolidated in a permanent department.

Mr. O'MAHONEY. Does not the argument of the Senator lead to the conclusion that each new agency should be independent unto itself?

Mr. CLARK. Not necessarily; certainly not to the extent of making a Cabinet officer out of the head of each activity. For instance, I think the various purchasing agencies of the Government should be consolidated in one agency, but I would not necessarily say that the head of that agency should be made a Cabinet officer.

Mr. O'MAHONEY. What agency or department would be more appropriate to have general supervision of housing than the Department of the Interior, supposedly devoted to the consideration of matters which affect the interior of the United States?

Mr. CLARK. As I understand, all these departments and bureaus are to be taken up, put in a hat, shaken up, and then separated and given new form. I cannot see any particular reason at this time for an effort on the part of one of the departments to reach out and take possession of this proposed activity.

Mr. O'MAHONEY. Is not the Senator aware that the plan to put them all in a hat and shake them up is a plan which conveys to the President the authority to do the shaking up?

Mr. CLARK. Yes; and I am not in favor of that plan.

Mr. O'MAHONEY. The Senator probably, then, would be in favor of a plan by which the Congress in creating an agency should designate the department under which that agency would be supervised?

Mr. CLARK. That would be true if I were necessarily convinced that every governmental agency should be subordinated to the head of a permanent department.

Mr. O'MAHONEY. Does not the Senator agree that it would promote efficiency to have all the independent agencies correlated under departments having to do with the general subject matters with which the respective agencies deal?

Mr. CLARK. That is another and separate and very large subject for discussion which will undoubtedly be debated at length in the next session of Congress, and which I do not feel either called on or able to discuss in the short time at my disposal today. The theory of the bill is to set up a housing authority to be head of the laboratory on the subject of housing, and to make it a subordinate bureau in the Department of the Interior, to my mind, would destroy the purpose of the bill.

Mr. WALSH. Mr. President, this is a subject which was given a great deal of thought and consideration by the committee which conducted the hearings and had charge of the preparation and reporting of the bill. The conclusion which the members of the committee reached, and it was a unanimous conclusion, was that the activities proposed to be carried on under the terms of the bill should be carried on by an independent bureau and agency. Furthermore, every sincere advocate of the objectives of the bill that I have contacted in the Senate or outside of the Senate has been opposed to the suggestion contained in the amendment offered by the distinguished Senator from Kentucky [Mr. LOGAN.]

Nearly every person who has made a study of Federal activities in the housing field is in general accord with the sentiments expressed by the Senator from Missouri [Mr. CLARK]. For some reason or other, and I am not going to debate it, a great deal of dissatisfaction has been developed over the operations in the housing division of the P. W. A. A great deal of it is due to the fact that they have not entered into the field of slum clearance in the manner desired by those who are most anxious to have the Federal Government make some move in that direction rather than a mere gesture in the field of better housing for families of low incomes. They make a defense of this criticism. There was no Federal law permitting the Federal Government to enter into the realm of Government housing. The P. W. A. had no legislative authority to do what they did. They assumed the power under Executive order, largely based upon the principle that there should be set aside from the emergency funds appropriated by the Congress a certain definite fund for the promotion of employment among the unemployed in the building crafts and this was accomplished by setting up, throughout the country, housing projects.

Furthermore, there was no constitutional authority vested in the P. W. A. or any other Government agency to condemn property and to undertake the removal of slums or obtain land for building houses except by outright purchase. The record which they have made—and I want to be fair about it, because there is some defense to be made—is unfortunately not one that has met with popular approval. So strong is the feeling against this proposed activity being given to the Housing Division of the P. W. A. that really all local housing authorities are opposed to granting the powers set forth in this bill to the P. W. A. They believe it would result in the general disapproval of and disappointment on the part of all existing local housing authorities.

I desire to read here—and this has some bearing upon the amendment offered yesterday by the junior Senator from Virginia [Mr. BYRD]——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WALSH. May I finish this statement? Then I shall be glad to yield.

Mr. O'MAHONEY. I thought the Senator had come to the end of one statement.

Mr. WALSH. I shall be very glad to yield at this point, if the Senator desires.

Mr. O'MAHONEY. My attention was directed to the statement which the Senator has just made. Was this matter of coordination with any other bureau or department discussed before the committee?

Mr. WALSH. Yes; and practically every witness who appeared before the committee opposed it. I cannot recall a single witness, unless it was a representative of the P. W. A., who did not oppose the transfer of this activity to the W. P. A.

Mr. O'MAHONEY. Was the representation which the Senator has just quoted, that practically all of the local authorities would resent placing supervision under the Secretary of the Interior, brought out before the committee?

Mr. WALSH. It was not.

Mr. O'MAHONEY. Does the Senator take the position that this new Federal housing authority should be absolutely independent of all other branches of the Government?

Mr. WALSH. I do, at least at the outset; and I particularly agree that it should be done in view of the very excellent amendment offered by the senior Senator from Kentucky [Mr. BARKLEY] giving the President complete personal control over the expenditure of the money and the making of contracts and loans by the United States Housing Authority. I think it is very essential that at the outset the President shall take a strong directing hand in this new Federal activity.

I do not wish to divulge any confidences, but I think if all the facts were known—and I have not any authority to quote anyone directly—it would be found that the President himself has been completely satisfied with the housing program of the Federal Government. I cannot vouch for that statement, but I do know that he is deeply and sincerely interested in the slum-clearance aspect of this housing question.

Mr. O'MAHONEY. Mr. President, I think most of us are interested in the slum-clearance phase of the problem and

desire to see slum-clearance carried on; but the subject now under discussion under the amendment offered by the Senator from Kentucky [Mr. LOGAN] does not go to the merits of the question at all. It goes merely to the question of administrative functioning, and whether or not we should continue to create new administrative bureaus.

Mr. WALSH. I know how the Senator from Wyoming feels about that matter, and I agree with him that as a general principle he is right. The committee would have much preferred to give this authority to some existing agency of the Government; but if adopted the effect of the amendment would be that we shall have the United States housing authority conducting hearings and making decisions and determining policies. Then we shall have the Interior Department passing judgment upon their activities and their agreements and their contracts. Then we shall have the President passing on the same decisions. We shall have three different officials dealing with the subject before anything of a final policy can be settled.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Kentucky.

Mr. LOGAN. In the statement just made by the Senator he has outlined exactly the procedure that has been followed by the Public Works Administration. I ask the Senator if he knows of any emergency agency of the Government which has functioned better, and in the case of which the people receive more value from the money expended, than the Public Works Administration in its operation during the past 4 years?

Mr. WALSH. Mr. President, I am sorry that I cannot agree with the Senator in that respect. First of all, I am not fully informed. My distinct impression is, however, that there has been a general feeling of disappointment about the housing program of the Housing Division of the P. W. A.

Mr. McKELLAR. Mr. President——

Mr. WALSH. I regret to have to say that, and I admit that I am not fully informed on the facts. Perhaps I ought not to make the statement; but I have the impression that the activities in that direction have been disappointing because their efforts have been in the general housing field. Indeed, if time permitted I could give some evidence of very high prices paid for some of the property on which houses have been built.

The answer the P. W. A. authorities make is, "We had no power to condemn. Therefore, in order to do anything at all, we had to go out and make the best bargains we could and pay these high prices for private property in order to do any building."

Mr. LOGAN. That is true; but the Senator is speaking of the Housing Division of the Public Works Administration.

Mr. WALSH. I am.

Mr. LOGAN. I am speaking of the other work, which, after it is originated, goes to the board, then goes to the Secretary of the Interior, and then goes to the President, which is exactly the same course which will be pursued if the amendment I have offered shall be adopted.

Let me say to the Senator, and then I shall have concluded, that I do not know how people elsewhere feel about the Public Works Administration; but in my State, during the 4 years in which it has operated, there has never been a single complaint of any kind against the operations of the Public Works Administration.

Mr. WALSH. My comments were directed entirely to the Housing Division. I agree with the Senator that so far as I have been able to obtain the facts, in the operations between the local authorities and the Public Works Administration, in the allotment of funds, in the development of local projects, the work has been satisfactorily done.

Mr. McKELLAR. Mr. President——

Mr. WALSH. I yield to the Senator from Tennessee.

Mr. McKELLAR. Also I desire to suggest that when bonds and other securities were taken from the local authorities by the P. W. A. and then sold to the R. F. C., not only have those bonds and other securities been so carefully taken by the P. W. A. as to bring the Government out whole but the Government really has made a profit of about $10,000,000 on that phase of the transactions.

Mr. WALSH. I thank the Senator for that information.

Mr. McKELLAR. I think the P. W. A. has done a wonderful work in this country.

Mr. WALSH. Mr. President, perhaps the statement I am now about to make has only an indirect bearing upon the issue here, and has a more direct bearing upon the amendment offered yesterday by the distinguished junior Senator from Virginia [Mr. BYRD], but it is illuminating.

The figures I now present represent the cost per room of buildings actually constructed by the P. W. A. in comparison with houses built by private owners in cases in which mortgages have been taken by the R. F. C. or private banks and these mortgages insured by the Federal Housing Administration.

In the city of Boston the P. W. A. has spent $1,566 per room on the building projects it has undertaken. In the city of Chicago it has spent $1,746 per room in one project, $1,520 in another, and $1,628 in another. In Binghamton, N. Y., it has spent $1,318 per room; in Omaha, $1,530; in Detroit, $1,623.

Now, mark you, where private capital has built houses for low-income groups, where limited-dividend housing corporations have done the work and the mortgages thereon have been insured by the Federal Housing Administration, the average on 22 projects built or estimated for the past 2 years is $1,147 per room against $1,566 by the P. W. A. in the city of Boston, and $1,746 in the city of Chicago. This represents an increased cost of almost 33⅓ percent for housing through Government funds.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CONNALLY. Is that exclusive of the land?

Mr. WALSH. No; including the land.

Mr. CONNALLY. There is the difference. The amendment of the Senator from Maryland [Mr. TYDINGS] excluded the value of the land.

Mr. WALSH. But my purpose in presenting these figures at this time was to call attention to the fact that there is some reasonable ground for the criticism that the housing projects in the Housing Division of the P. W. A. have not been as economically conducted and managed as they ought to have been.

Mr. President, I think I have said all I desire to say upon this subject, but I feel very strongly, and I desire to repeat that the sentiment of the earnest friends of this measure, the unanimous sentiment of the members of the committee, the almost unanimous testimony before the committee, all the public sentiment I have been able to get, except in the case of Senators who are interested in not establishing any more units of governmental activity, has been to the effect that this activity could best be done by persons who would make it a real slum-clearance job.

Mr. GEORGE. Mr. President——

Mr. WALSH. I yield to the Senator from Georgia.

Mr. GEORGE. I should like to ask the Senator whether the Public Works Administration has not striven with the rehousing problem primarily—that is, obviously, from its efforts and from its accomplishments—has striven to provide housing at low cost, but having no necessary connection with the removal of slums whatsoever?

Mr. WALSH. That has been the general result of their activities.

Mr. GEORGE. Slum clearance was largely incidental?

Mr. WALSH. Yes; and they admit it, and they asserted that because they did not have legal authority they could not do it. They make that defense of their position, which I think is entitled to consideration.

Mr. GEORGE. I am not offering my observation as a criticism; but I have understood that the Public Works Administration was driving at housing at a reasonable cost, or even a low cost, but not necessarily for slum dwellers or people who had previously occupied slums; that that seemed to have been the purpose back of their activities.

Mr. WALSH. The Senator is correct.

Mr. GEORGE. I agree with the Senator from Massachusetts fully that the defense that anyone can make of this program seems to me to rest exclusively upon the basis of slum clearance, and the alleviation and elimination of that type of habitation in our great metropolitan areas, largely, because the Senator may recall that the first day of the debate something was said between the Senator from New York and myself about how slums could exist in rural areas. Strictly speaking, a slum cannot exist in a really rural section, unless we mean within a village or city surrounded by farms. But a slum, in the strict sense, cannot exist on farms, or what we know as rural areas, and I do not believe it does exist.

Mr. WALSH. I thank the Senator. I ask that the table which I send to the desk may be printed in the RECORD in connection with my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cost per room of buildings actually constructed

	Number of rooms	Building cost	Price per room (building only)	Price per unit (of 4 rooms)
Boston (Public Works Administration in depression years)	3,912	$6,124,751	$1,566	$6,264
Chicago (Public Works Administration in depression years)	2,514	4,390,911	1,746	6,984
Do	1,070	1,626,918	1,520	6,080
Do	3,254	5,301,362	1,628	6,512
Miami (Public Works Administration in depression years)	860	956,127	1,112	4,448
Birmingham (Public Works Administration in depression years)	1,588	2,003,850	1,318	5,272
Enid (Public Works Administration in depression years)	311	532,340	1,711	6,844
Omaha (Public Works Administration in depression years)	1,119	1,709,541	1,530	6,120
Detroit (Public Works Administration in depression years)	2,356	3,873,697	1,643	6,572
New York (Knickerbocker Village) private capital under Federal Housing Administration	5,235	6,148,391	1,174	4,696
Federal Housing Administration low-cost projects by private capital (average of 22 projects built or estimated in last 2 years)			1,147	4,588

Mr. WAGNER. I concur in the conclusion reached by the Senator from Massachusetts. I have had charge of this proposed legislation, and, of course, have been much interested in it. I think every witness who appeared before the committee, except the representative from the housing authority of the Interior Department, testified in favor of an independent board. I was one of the few who drafted the legislation, and we proceeded on the theory of an independent board, because we felt the work could be more effectively done under an independent board. In addition, there is a provision in the bill which authorizes the President to transfer the very bureau about which we are talking to the housing board. So that the authority would exist for the consolidation of all of the housing authorities by the President.

I have not had a chance to reflect upon this proposal because it is presented at the last moment in the consideration of the measure, and frankly I do not think it is fair to me. We are suddenly asked, instead of making this an independent board, to make it a mere bureau under the Secretary of the Interior, so that he would have complete control over all of the activities of the board.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BYRNES. Did the Senator state that in the bill there is a provision authorizing the President to transfer the activities?

Mr. WAGNER. Oh, yes.

Mr. McKELLAR. What section?

Mr. WAGNER. On page 40, section (c), it is provided:

> The President may at any time in his discretion transfer to the Authority any right, interest, or title held by any department or agency of the Federal Government in any housing or slum-clearance projects, any assets, contracts, records, libraries, research materials and other property held in connection with any housing or slum-clearance projects or activities, any unexpended balance of funds allocated to such department or agency for the development, administration, or assistance of any housing or slum-clearance projects or activities, and any employees who have been engaged in work connected with housing or slum clearance. The Authority may continue any or all activities undertaken in connection with projects so transferred, subject to the provisions of this act.

That gives the President the authority.

Mr. BYRNES. Does the Senator construe that as giving the President authority to transfer the authority to some existing executive department if he so desires?

Mr. McKELLAR. I do not think it does.

Mr. WAGNER. No. But the employees who are now working in the Department of the Interior, conducting housing activities, may be transferred to the authority set up under the bill.

Mr. BYRNES. I thought this language gave to the President the authority to transfer, under the language on line 20, "any right, interest, or title held by any department * * * in any housing project", the title to the land.

Mr. WAGNER. That is not the provision. I refer to page 41, line 3, "and any employees who have been engaged in work connected with housing or slum clearance."

Mr. BYRNES. It gives him the authority to transfer the title, or any employees?

Mr. WAGNER. He may transfer any employees. I have no criticism to make of the Secretary of the Interior, of course. But we have been discussing this bill since early winter, when I first introduced it, until the present time. Hearings were held before the committee, and no suggestion was presented to me until late yesterday that there was to be any supervision by the Interior Department.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. CONNALLY. On page 63, section 20, subsection (b), I note this provision:

> That any unallocated funds—

Mr. WAGNER. That is to be stricken out.

Mr. CONNALLY. I hope the Senator will have it stricken out.

Mr. WAGNER. I made the statement on the floor a day or so ago I would move to strike it out, and I have the amendment on my desk.

Mr. CONNALLY. I congratulate the Senator.

Mr. BYRNES. Would the Senator say that the construction of the language on page 40 to which he called attention would give the President the power to transfer from any existing department the title to any lands in any projects held by any existing department to the authority created by the pending bill?

Mr. WAGNER. Yes; and, in addition, the employees.

Mr. McKELLAR. And unexpended balances.

Mr. WAGNER. In connection with the project, that means, of course.

Mr. BYRNES. Any projects, title to which is held by the Department of the Interior or any other department, can be transferred to the authority?

Mr. WAGNER. If the President deems it wise.

Mr. BYRNES. No project authorized under this bill could be transferred to the Department of the Interior, however.

Mr. WAGNER. No; but in connection with this whole subject matter, as to what department the board ought to be under, the Senator from Maryland thought it ought to be under the Federal Housing Administration. I am sure that the whole matter is going to be considered when the reorganization bill comes before us. Of course the board will then be put under some department of the Government. I do not know what the Senate will decide to be the proper department under which the board should act. But that will be the time to act upon that question.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. O'MAHONEY. If the amendment of the Senator from Kentucky [Mr. LOGAN] were altered so as to provide that this general supervision by the Secretary of the Inte-

rior should be confined to what has been known as the housekeeping functions, would there be any serious objection to that?

Mr. WAGNER. Just what does the Senator from Wyoming mean by that?

Mr. O'MAHONEY. The Senator will recall that when this matter was under discussion a few days ago I drew attention to the fact that the bill which is now under consideration by the Special Committee on Reorganization carries a provision authorizing the President to consolidate, under the various departments and agencies, these executive functions, such as the preparation of estimates of appropriation, the maintenance of personnel, records of procurement of material, supplies and equipment, the accounting for public funds, the rental of quarters, and related matters.

Mr. WAGNER. Matters related to what?

Mr. O'MAHONEY. Matters related to the specific matters recited before—the so-called administrative housekeeping functions.

Mr. WAGNER. I suppose there is a great deal in what the Senator says, but let me ask the Senator from Wyoming, who is so much interested in the whole reorganization program and who knows a good deal about it, whether the logical time to do that is not when the committee comes forward with its reorganization bill, and in that bill the committee will either designate the department or give the power to the President to put this particular board into any department that the committee at the time shall deem advisable?

Mr. O'MAHONEY. I am disposed to go along with the Senator from New York on this matter as much as possible, but I do have the feeling that when Congress is studying the problem of coordinating the various activities of the Government it is an illogical thing at the same time to be creating independent agencies, when necessarily the creation of these independent agencies carries with it the appointment of additional personnel and the duplication of effort.

Mr. WAGNER. There will not be any additional personnel, I will say to the Senator.

Mr. O'MAHONEY. There could not help but be additional personnel.

Mr. WAGNER. I do not see that at all, because the employees engaged in housing activities and slum-clearance activities may be transferred. I do not want to be obstinate about this at all, except to say that it may be that later on the Reorganization Committee or the President may decide that this board ought to go into another department. Are we in a position now to determine what department this particular board ought to go to under the reorganization program?

Mr. O'MAHONEY. Mr. President, I think that the Department of the Interior is very well situated for that work.

Mr. WAGNER. Probably it would be chosen.

Mr. O'MAHONEY. Without regard to the personality of the one who happens to be directing it.

Mr. WAGNER. I have the highest regard for the ability and integrity of the Secretary of the Interior.

Mr. O'MAHONEY. Mr. President, I have no desire to trespass upon the Senator's time.

Mr. WAGNER. I have concluded.

Mr. O'MAHONEY. In order that the matter may be clearly before the Senate, the suggestion which I have made, and upon which I asked an expression of the Senator's opinion, would be as follows. Taking paragraph (d) on page 39 as it now stands, together with the amendment offered by the Senator from Kentucky, and the modification which I have suggested, the three together would read as follows:

(d) The board shall determine all matters of policy, and shall exercise the powers hereinafter granted to the Authority. The Administrator shall be in charge of the management and routine administration of the Authority in the Department of the Interior, and under the general supervision of the Secretary thereof, with regard to the executive functions of the Authority, such as the preparation of estimates of appropriation, the maintenance of personnel, records of procurement of material, supplies and equipment, the accounting for public funds, the rental of quarters, and related matters.

I now ask the Senator whether that amendment would be objectionable to him.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. COPELAND. May I ask our leader whether he intends to go on with the housing bill tonight?

Mr. BARKLEY. Mr. President, I had hoped today, as I had hoped yesterday, that we might conclude the consideration of the bill before the end of the day, but probably we cannot do so.

In that connection I wish to say that I propose to move for a recess until 11 o'clock tomorrow; and I also wish to say that unless we can make more progress in the next week or two than we have made in the last week or so, we shall not be able to adjourn this session of Congress by the 25th of this month or the 1st day of September, and we may look forward to the possibility of night sessions in order that we may get through in the near future. I hope Members of the Senate will cooperate to avoid that; but we have not gone as fast on this bill as we should have gone.

I had contemplated moving at 5:30 today a recess until 11 o'clock tomorrow; but I did hope we might pass on the amendment now pending.

RIVERS AND HARBORS

Mr. COPELAND. Mr. President, I should like to ask my leader a question. I am under compulsion to leave Washington tonight for a couple of days; and I should very much like to have action on two bills, the omnibus rivers and harbors bill and the omnibus flood-control bill. I think action on them will take only a very few minutes. Every project in the bills has been approved by the Army engineers and passed upon by the Commerce Committee. Various surveys are contained in the bills, which we always permit to be included as a matter of courtesy. If it is not disagreeable to my leader, I ask unanimous consent——

Mr. BARKLEY. Mr. President, before the Senator does that, I want to say that it is not disagreeable; but I should like to inquire whether, without further debate, we might vote upon the pending amendment and clear that up, and then take up the two matters referred to by the Senator from New York.

Mr. BYRNES. Mr. President, I desire to say a few words on the amendment.

Mr. BARKLEY. If there is to be further debate on the amendment, perhaps we cannot have a vote on it tonight.

Mr. McKELLAR. Mr. President, may I ask the Senator from New York what was his request in regard to the bills?

Mr. COPELAND. I first ask unanimous consent that the Senate proceed to the consideration of Calendar No. 939, being House bill 7051, which is the omnibus rivers and harbors bill, together with the surveys which have been requested by almost every Senator.

Mr. BARKLEY. Mr. President, I am advised that we cannot vote on the pending amendment now. Therefore, I ask unanimous consent that the unfinished business be temporarily laid aside in order that the Senator from New York may present his request.

Mr. McKELLAR. Before that is done, Mr. President, I should like to have a copy of the bill.

Mr. COPELAND. It is House bill 7051.

The PRESIDENT pro tempore. Request has been made by the Senator from Kentucky [Mr. BARKLEY] for unanimous consent that the unfinished business be temporarily laid aside, in order that the Senate may proceed to consider House bill 7051. Is there objection?

Mr. McKELLAR. Mr. President, just one moment. Before unanimous consent is granted I desire to ask the Senator from New York if an item concerning Memphis and Cairo is included in the bill.

Mr. COPELAND. Is that for a survey?

Mr. McKELLAR. No. Does the bill apply only to surveys?

Mr. COPELAND. It applies to surveys and to projects which have been approved. It does not apply to any others.

Mr. McKELLAR. As I recall, the projects at Memphis and Cairo have been approved. They do not appear to be in the bill.

Mr. COPELAND. That, Mr. President, is a flood-control matter and is contained in the other bill.

Mr. McKELLAR. Then, Mr. President, I have no objection.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request that the unfinished business be temporarily laid aside and that the Senate consider House bill 7051?

There being no objection, the Senate proceeded to consider the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which had been reported from the Committee on Commerce, with amendments.

The PRESIDENT pro tempore. The clerk will state the first committee amendment.

The first amendment of the Committee on Commerce, on page 3, line 23, after the word "numbered", to strike out "244;" and insert "244," so as to read:

Irvington Harbor, N. Y.; House Document No. 244, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was on page 4, after line 3, to insert the following:

Sandy Hook Bay off Atlantic Highlands, N. J.; House Document No. 292, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 4, after line 16, to insert:

Indian River Inlet and Bay, Del.; Rivers and Harbors Committee Document No. 41, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 4, after line 19, to insert:

Susquehanna River at Havre de Grace, Md.; House Document No. 322, Seventy-fifth Congress.

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I desire to inquire of the Senator from New York what is the total sum authorized by this bill?

Mr. COPELAND. Each project is one which is approved by the Army engineers. These are merely authorizations. The total of the authorizations is $48,715,000.

Mr. O'MAHONEY. How many States are affected by the authorizations?

Mr. COPELAND. Forty States.

Mr. O'MAHONEY. What has been the attitude of the Bureau of the Budget with respect to them?

Mr. COPELAND. These are authorizations. They are not appropriations.

Mr. O'MAHONEY. I understand that, but has the Bureau of the Budget expressed any opinion whatsoever with respect to whether or not the authorizations should be granted?

Mr. COPELAND. No.

Mr. McKELLAR. Mr. President, does the bill authorize appropriations which will be asked for in the coming deficiency bill?

Mr. COPELAND. Not this year. The Bureau of the Budget has expressed no objection to these projects. We will ask for no money this year.

The PRESIDENT pro tempore. The clerk will state the next amendment of the committee.

The next amendment of the Committee on Commerce was on page 8, after line 22, to insert:

Clearwater Harbor, Fla.: Experimental dredging to determine if a channel may be maintained by dredging alone, at a cost to the Federal Government not to exceed $15,000, subject to local interests furnishing all necessary rights-of-way and spoil-disposal areas free of cost to the United States and contributing to the cost of the improvement an amount equal to the funds provided by the United States.

The amendment was agreed to.

The next amendment was, on page 9, after line 6, to insert:

Intracoastal Waterway from Apalachicola Bay to St. Marks River, Fla.; House Document No. 291, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 9, line 19, after the word "Committee", to strike out "Document" and insert "Documents"; and in line 20, after the words "Seventy-fourth", to strike out "Congress;" and insert "Congress, and 44, Seventy-fifth Congress", so as to read:

Mobile Harbor, Ala.; Rivers and Harbors Committee Documents Nos. 69, Seventy-fourth Congress, and 44, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 9, after line 20, to insert:

Bayous La Loutre, St. Malo, and Yscloskey, La.; House Document No. 275, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 9, after line 22, to insert:

Bayou Dupre, La.; House Document No. 321, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 10, after line 2, to insert:

Calcasieu River and Pass, La.; House Document No. 299, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 10, after line 14, to insert:

Texas City Channel, Tex.; Rivers and Harbors Committee Document No. 47, Seventy-fifth Congress;

The amendment was agreed to.

The next amendment was, on page 11, after line 5, to insert:

Mississippi River, Minneapolis, Minn.: Extension of the 9-foot channel above St. Anthony's Falls, in accordance with the plan contained in House Document No. 137, Seventy-second Congress, first session, subject to such changes therein as may be found advisable by the Chief of Engineers and the final approval of the plan by the Board of Engineers for Rivers and Harbors, as necessary to provide adequate terminal facilities for Minneapolis.

The amendment was agreed to.

The next amendment was, on page 11, after line 21, to insert:

Racine Harbor, Wis.; Rivers and Harbors Committee Document No. 46, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 12, after line 8, to insert:

Monroe Harbor, Mich.; Rivers and Harbors Committee Document No. 45, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 13, after line 7, to insert:

Sacramento River flood control, California; Senate Commerce Committee Document, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 14, after line 22, to insert:

Sitka Harbor, Alaska; House Document No. 268, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 15, after line 7, to insert:

San Juan Harbor, P. R.; Rivers and Harbors Committee Document No. 42, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 15, after line 9, to insert:

Arecibo Harbor, P. R.; Rivers and Harbors Committee Document No. 43, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 15, line 15, after the words "Seventy-fifth", to strike out "Congress;" and insert "Congress.", so as to read:

St. Thomas Harbor, Virgin Islands; House Document No. 200, Seventy-fifth Congress.

The amendment was agreed to.

The next amendment was, on page 17, line 19, after the word "Dam", to strike out the comma and "First Stage", so as to read:

SEC. 3. That for the purpose of improving navigation, controlling floods, regulating the flow of streams, providing for storage and for delivery of stored waters, for the reclamation of lands, and other beneficial uses, and for the generation of electric energy as a means of financially aiding and assisting such undertaking, the project known as "Marshall Ford Dam", Colorado River project, in Texas, is hereby authorized and adopted, and all contracts and agreements which have been executed in connection therewith are hereby validated and ratified, and the Secretary of the Interior, acting through such agents as he may designate, is hereby authorized to construct, operate, and maintain all structures and incidental works necessary to such project, and in connection therewith to make and enter into any and all necessary contracts, including contracts amendatory of or supplemental to those hereby validated and ratified.

The amendment was agreed to.

The next amendment was, on page 18, after line 19, to insert:

Northeast Harbor, Maine.

The amendment was agreed to.

The next amendment was, on page 18, after line 19, to insert:

Presumpscot River, Maine.

The amendment was agreed to.

The next amendment was, on page 18, after line 20, to insert:

Portland Harbor, Maine, north of House Island, to determine advisability of removing shoal.

The amendment was agreed to.

The next amendment was, on page 19, after line 2, to insert:

Ipswich River, Mass.

The amendment was agreed to.

The next amendment was, on page 19, after line 13, to insert:

Clinton Harbor, Conn.

The amendment was agreed to.

The next amendment was, on page 19, after line 23, to insert:

Waterway from Albany to Schenectady, N. Y., by way of Hudson and Mohawk Rivers, with a view to securing a depth of 27 feet and suitable width.

The amendment was agreed to.

The next amendment was, on page 20, after line 12, to insert:

Baltimore Harbor and channels, Md.

The amendment was agreed to.

The next amendment was, on page 21, after line 11, to insert:

Channels to and near Jefferson Islands, Chesapeake Bay, Md., with a view to their establishment as an aid to navigation and the establishment of a harbor of refuge.

The amendment was agreed to.

The next amendment was, on page 21, after line 25, to insert:

Folly Creek, Accomac County, Va.

The amendment was agreed to.

The next amendment was, on page 22, after line 6, to insert:

Woods Creek, Middlesex County, Va.

The amendment was agreed to.

The next amendment was, on page 22, after line 21, to insert:

Dolls Creek, N. C.

The amendment was agreed to.

The next amendment was, on page 23, after line 3, to insert:

Channel from Edenton Bay, N. C., into Pembroke Creek to United States fish hatchery.

The amendment was agreed to.

The next amendment was, on page 23, line 23, after the words "Indian River", to insert "Indian River (Vero Beach)", so as to make the paragraph read:

Indian River: Indian River (Vero Beach) St. Johns River Waterway, Fla.

The amendment was agreed to.

The next amendment was, on page 24, after line 2, to insert:

Caloosahatchee River and Lake Okeechobee drainage areas, Florida, with a view to constructing additional levees between Kissimmee River and Fisheating Creek.

The amendment was agreed to.

The next amendment was, on page 25, after line 3, to insert:

Bayou Teche, La.: Upper portion, with a view to improvement in the interest of navigation and flood control.

The amendment was agreed to.

The next amendment was, on page 25, after line 7, to insert:

Colorado River and its tributaries, Texas, with a view to its improvement in the interest of navigation and flood control.

The amendment was agreed to.

The next amendment was, on page 25, after line 9, to insert:

Goose Creek, Tex.: Deep-water channel and port.

The amendment was agreed to.

The next amendment was, on page 25, after line 10, to insert:

Arroyo Colorado, Tex. A channel from a point at or near Mercedes, Tex., to its mouth, thence south in Laguna Madre to Port Isabel.

The amendment was agreed to.

The next amendment was, on page 25, after line 13, to insert:

Survey of channel for purposes of navigation from Jefferson, Tex., to Shreveport, La., by way of Jefferson-Shreveport waterway, thence by way of Red River to mouth of Red River in the Mississippi River, including advisability of water-supply reservoirs in Cypress River and Black Cypress River above head of navigation.

The amendment was agreed to.

The next amendment was, on page 25, after line 20, to insert:

Brazos River, Tex., a comprehensive survey with a view to preparing plans, estimates of the cost of improvements for navigation, flood control, water conservation, and reclamation, excluding therefrom work now in progress under the Works Progress Administration. The expense of such survey shall be paid from appropriations heretofore or hereafter made for examination, surveys, and contingencies of rivers and harbors.

The amendment was agreed to.

The next amendment was, at the top of page 26, to insert:

Allens Creek, a tributary of the Brazos River in Austin County, Tex., in the interest of navigation and of flood control.

The amendment was agreed to.

The next amendment was, on page 26, after line 3, to insert:

Mill Creek, a tributary of the Brazos River in Austin County, Tex., in the interest of navigation and of flood control.

The amendment was agreed to.

The next amendment was, on page 26, after line 6, to insert:

Navidad River, Tex., in the interest of navigation and of flood control.

The amendment was agreed to.

The next amendment was, on page 26, after line 8, to insert:

Lavaca River, Tex., in the interest of navigation and of flood control.

The amendment was agreed to.

The next amendment was, on page 26, after line 10, to insert:

Channel or channels across Padre Island, Tex., from Laguna Madre to the Gulf of Mexico.

The amendment was agreed to.

The next amendment was, on page 26, after the amendment just adopted, to insert:

Canal from Ouachita River to Huttig, Ark.

The amendment was agreed to.

The next amendment was, on page 26, after line 17, to insert:

Saginaw Bay, Mich.

The amendment was agreed to.

The next amendment was, on page 27, after line 5, to insert:

Erie Harbor, Pa., Beach No. 2.

The amendment was agreed to.

The next amendment was, on page 27, after line 6, to insert:

Rochester (Charlotte) Harbor, Genesee River, N. Y.

The amendment was agreed to.

The next amendment was, on page 27, after the amendment just agreed to, to insert:

Harbor at Del Mar, Calif.

The amendment was agreed to.

The next amendment was, on page 27, after line 19, to insert:

Necanicum River, Oreg.

The amendment was agreed to.

The next amendment was, on page 27, after line 23, to insert:

Port Angeles Harbor, Wash.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments. If there are no further amendments to be offered, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FLOOD CONTROL

Mr. COPELAND. Mr. President, I ask unanimous consent for the immediate consideration of Calendar 940, the bill H. R. 7646, known as the flood-control bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York?

Mr. McKELLAR. Mr. President, pending the request and reserving the right to object——

Mr. COPELAND. Mr. President, I suggest to the Senator from Tennessee that he let us proceed with the other amendments, and meantime he can look up his amendment, and before we take final action on the bill he will be ready to proceed with it.

Mr. McKELLAR. Very well.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill as requested by the Senator from New York?

There being no objection, the Senate proceeded to consider the bill (H. R. 7646) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, which had been reported from the Committee on Commerce with an amendment, on page 7, to strike out lines 18 to 24, inclusive, all of pages 5 and 6, and lines 1 to 24, inclusive, on page 7, as follows:

"Santa Ana River and tributaries, Calif.
"South Fabius River in northeast Missouri.
"Willow Creek, Oreg.
"Cherry Creek and its tributaries, Colo.
"Zumbro River and the Whitewater River in southeastern Minnesota.
"Saline River, Ark.
"Alameda and San Lorenzo Creeks and their tributaries, Calif.
"Arkansas River in Sequoyah and Haskell Counties, Okla.
"Chariton River in Schuyler County, Mo.
"Galena River (Fever River) in Illinois and Wisconsin.
"San Jacinto River, and its tributaries, in Montgomery, Walker, San Jacinto, Grimes, Waller, Liberty, and Harris Counties, Tex.
"Kissimmee River Valley and its tributaries, Fla.
"Pejaro River, Calif.
"Dugdemonia Bayou, La.
"Mississippi River and tributaries in vicinity of Memphis and Shelby County, Tenn.
"'The Narrows' on Fourche La Fave River in Scott County, Ark.
"Cumberland River and its tributaries in the vicinity of Nashville, Tenn.
"Cumberland River and its tributaries in the vicinity of Clarksville, Tenn.
"Floyd River, Iowa.
"Little Sioux River, Iowa.
"Tygart River and tributaries in the vicinity of Elkins, W. Va.
"North Branch of Potomac River and its tributaries in the vicinity of Keyser, W. Va.
"Santa Ana River and Banning Canyon in counties of San Bernardino and Riverside, Calif.
"Mojave River, in the county of San Bernardino, Calif.
"Lytle Creek, Waterman Canyon, in the county of San Bernardino, Calif.
"San Jacinto River and Bautiste Creek in the county of Riverside, Calif.
"Boeuf River, Catahoula, Franklin, Caldwell, Richland, West Carroll, and Morehouse Parishes, La.
"Bayou Macon, Franklin, Madison, Richland, East Carroll, and West Carroll Parishes, La.
"Ouachita River and tributaries, La.
"Russian River, Calif.
"Buckhannon River and Middle Fork River and their tributaries in the vicinity of Buckhannon, W. Va.
"Bureau Creek and tributaries, Ill.
"Kiskiminitas River, Pa.
"Illinois River and the Fox River at Ottawa, Ill.
"Santa Clara River, Calif.
"Clinton River, Mich.
"Sans Bois Creek in Haskell and Latimer Counties, Okla.
"Salinas River, Calif.
"Walnut Bayou in Little River County, Ark.
"Cucamongo Creek, Deer Creek, San Antonio Creek, and Chino Creek, Calif.
"Cedar River, Iowa.
"Arroyo Grande Creek in the county of San Luis Obispo, Calif.
"Chariton River, Iowa.
"Bill Williams River, Ariz.
"Big Sandy River, in Arizona, from the junction of Trout Creek and Knight Creek on the north to the Bill Williams River on the south.
"Quiver River, Miss.
"Sunflower River, Miss.
"Iowa River, Iowa.
"Kiskiminitas and Conemaugh Rivers and their tributaries, Pennsylvania.
"Whitewater River, Calif.
"Girtys Run, in Allegheny County, Pa.
"Neosho River and its tributaries, in Kansas, Oklahoma, Missouri, and Arkansas.
"Nishnabotna River, Iowa.
"Turkey River, Iowa.
"Boyer River, Iowa."

And to insert:

"Connecticut and Chicopee Rivers.
"Pawtuxet River, R. I.
"Conewango Creek and Davis Brook in Chautauqua County and Cattaraugus County, N. Y.
"Battenkill, N. Y.
"Mettawee River, N. Y.
"Ilion, Steel Creek, N. Y.
"Delaware River.
"North Branch of Potomac River and its tributaries in the vicinity of Keyser, W. Va.
"Kissimmee River Valley and its tributaries, Florida.
"Estero River, Imperial River, Corkscrew River (Horse Creek), Gordon River, Rock Creek, Hendry Creek, Mulock Creek, and Six Mile Cypress Slough, all in Florida.
"Quiver River, Miss.
"Sunflower River, Miss.
"Clarksville, Memphis, and Nashville, Tenn., with a view to submitting comprehensive plans for flood protection to Congress.
"Dugdemonia Bayou, La.
"Boeuf River, Catahoula, Franklin, Caldwell, Richland, West Carroll, and Morehouse Parishes, La.
"Bayou Macon, Franklin, Madison, Richland, East Carroll, and West Carroll Parishes, La.
"Ouachita River and tributaries, La.
"Navidad River, Tex.

"Mill Creek, a tributary of the Brazos River, in Austin County, Tex.
"Lavaca River, Tex.
"San Jacinto River, and its tributaries, in Montgomery, Walker, San Jacinton, Grimes, Waller, Liberty, and Harris Counties, Tex.
"Brazos River and its tributaries, Tex.
"Saline River, Ark.
"'The Narrows' on the Fourche La Fave River in Scott County, Ark.
"Walnut Bayou in Little River County, Ark.
"Illinois Bayou, Pope County, Ark.
"Big Piney Creek in Pope and Johnson Counties, Ark.
"Fourche La Fave River in Perry, Yell, and Scott Counties, Ark.
"Palarm Creek, a tributary of the Arkansas River, in Faulkner and Pulaski Counties, Ark.
"Bayou Meto Basin, a tributary of the Arkansas River, in the State of Arkansas.
"Sulphur River, Ark.
"Poteau River, Ark.
"Grand (Neosho) River and its tributaries, Oklahoma, Kansas, Missouri, and Arkansas.
"Platte River in the vicinity of Schuyler, Nebr.
"Little Osage River, Kans.
"Arkansas River in Sequoyah and Haskell Counties, Okla.
"Sans Bois Creek in Haskell and Latimer Counties, Okla.
"North Canadian River, Okla. and Tex.
"South Canadian River, Okla.
"Cimarron River, Okla. and Kans.
"Beaver River, Okla.
"Washita River, Okla.
"Fountaine Que Bouille (Fountain) River and its tributaries, Colorado.
"Cherry Creek and its tributaries, Colo.
"Mississippi River and tributaries in vicinity of Memphis and Shelby County, Tenn.
"Wyaconda River in Clark and Lewis Counties, Mo.
"South Fabius River in northeast Missouri.
"Chariton River in Schuyler County, Mo.
"Galena River (Fever River) in Illinois and Wisconsin.
"Floyd River, Iowa.
"Little Sioux River, Iowa.
"Cedar River, Iowa.
"Chariton River, Iowa.
"Iowa River, Iowa.
"Boyer River, Iowa.
"Turkey River, Iowa.
"Nishnabotna River, Iowa.
"Bureau Creek and tributaries, Ill.
"Illinois River and the Fox River at Ottawa, Ill.
"Mackinaw River, Ill.
"Kickapoo River, Wis.
"Gilmore Creek, Winona County, Minn.
"Root River, Fillmore, Mower, Olmstead, Winona, and Houston Counties, Minn.
"Zumbro River and the Whitewater River in southeastern Minnesota.
"White River, S. Dak.
"Keyapaha River, S. Dak.
"Bad River from Philip to Fort Pierre, S. Dak.
"Flathead River and tributaries in Flathead County, Mont.
"Kiskiminitas River, Pa.
"Kiskiminitas and Conemaugh Rivers and their tributaries, Pa.
"Tygart River and tributaries in the vicinity of Elkins, W. Va.
"Buckhannon River and Middle Fork River and their tributaries in the vicinity of Buckhannon, W. Va.
"Cumberland River and its tributaries in the vicinity of Nashville, Tenn.
"Cumberland River and its tributaries in the vicinity of Clarksville, Tenn.
"Girtys Run, in Allegheny County, Pa.
"Clinton River, Mich.
"Scioto and Sandusky Rivers and their tributaries, Ohio.
"Mill Creek Valley in Cincinnati, Ohio.
"Bill Williams River, Ariz.
"Big Sandy River, in Arizona, from the junction of Trout Creek and Knight Creek on the north to the Bill Williams River on the south.
"Gila River, in Arizona, from Gillespie Dam downstream to a point near Wellton.
"Little Colorado River and its tributaries upstream from the boundary of the Navajo Indian Reservation in Arizona.
"Santa Ana River and tributaries, California.
"Santa Ana River and Banning Canyon in counties of San Bernardino and Riverside, Calif.
"Mojave River, in the county of San Bernardino, Calif.
"Lytle Creek, Waterman Canyon, in the county of San Bernardino, Calif.
"San Jacinto River and Bautiste Creek in the county of Riverside, Calif.
"Santa Clara River, Calif.
"Salinas River, Calif.
"Cucamonga Creek, Deer Creek, San Antonio Creek, and Chino Creek, Calif.
"Arroyo Grande Creek in the county of San Luis Obispo, Calif.
"Whitewater River, Calif.
"Alameda and San Lorenzo Creeks and their tributaries, California.
"Pajaro River, Calif.
"Russian River, Calif.
"Santa Maria River, Calif.
"Santa Ana River and tributaries, California.
"Ventura River, Ventura County, Calif.
"Willow Creek, Oreg.
"Nestucca River and its tributaries, Oregon.
"Chetco River and tributaries, Oregon.
"Smith River and tributaries, Oregon.
"Alsea River and tributaries, Oregon.
"Clatskanie River and tributaries, Oregon.
"Sandy River and tributaries, Oregon.
"Deschutes River and tributaries, Oregon.
"Klamath River and tributaries, Oregon.
"Malheur River and tributaries, Oregon.
"Owyhee River and tributaries, Oregon.
"Burnt River and tributaries, Oregon.
"Powder River and tributaries, Oregon.
"Grande Ronde River and tributaries, Oregon.
"North and South Forks of the Skagit River from Mount Vernon to Skagit Bay, Wash.
"Lowell Creek, Alaska.
"Skagway River in the vicinity of Skagway, Alaska."

SEC. 6. That the Chief of Engineers may, in his discretion, modify the project for the control of floods on the Yazoo River, as authorized by Public Act No. 678, approved June 15, 1936 to substitute therefor a combined reservoir floodway and levee plan: *Provided*, That the total cost thereof does not exceed the present authorization as estimated in House Committee on Flood Control Document No. 1, Seventy-fourth Congress, first session: *Provided further*, That the modified project shall be subject to the following conditions of local cooperation:

No work shall be undertaken until the States or other qualified agencies have furnished satisfactory assurances that they will—

(a) undertake, without cost to the United States, all alterations of highways made necessary because of the construction of reservoirs and meet all damages because of such highway alterations; and

(b) furnish, without cost to the United States, all lands and easements necessary to the construction of levees and drainage ditches.

SEC. 7. That section 5 of the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, is hereby amended by adding the words "and tributaries," after the words "Willamette River", in the paragraph entitled "Willamette River."

SEC. 8. That the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, as amended by act of Congress approved April 27, 1937, is hereby further amended to provide that if, in the execution of the project for a reservoir system for the protection of Pittsburgh, it is found that geological and engineering conditions make it impracticable to construct a reservoir to provide protection for the city of Johnstown, Pa., flood protection shall be provided for said city by channel enlargement or other works: *Provided*, That the total estimated construction cost of the entire project shall not be increased.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, just one moment. I ask unanimous consent to reconsider the vote by which the committee amendment was agreed to, for the purpose of offering a small amendment on page 10, line 5.

The PRESIDENT pro tempore. Without objection, the vote is reconsidered.

Mr. COPELAND. I have no objection.

Mr. McKELLAR. I now move to strike out, on page 10, line 5, the words "vicinity of", so as to read:

Mississippi River and tributaries in Memphis and Shelby County, Tenn.

Mr. VANDENBERG. Mr. President, one moment. What does that amendment do?

Mr. McKELLAR. The tributaries are in Memphis, Tenn.

Mr. VANDENBERG. Very well.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. BARKLEY. Mr. President, I wish to ask the Senator from New York a question. I think we will all agree that this is an unsatisfactory way to pass an important bill of this sort, and we can do it under the circumstances only because the Senator from New York is compelled to leave the city.

Does this bill carry the provision which was carried in the act of 1936, that in the Ohio River Basin, before cities can obtain any relief in the way of building flood walls or other

protective devices, they must make local contributions to the extent of providing the rights-of-way and other things that were provided in that act?

Mr. COPELAND. Mr. President, there has been some modification in that respect. I may say to the Senator that we have every assurance from high authority that the matters referred to by the Senator from Kentucky will be taken care of from another fund.

Mr. BARKLEY. The Senator realizes, I am sure—I have heretofore called his attention to the fact—that there are many cities and towns along the Ohio River which cannot furnish the money with which to buy rights-of-way. In the case of my own home city of Paducah—a city of 40,000 people, which was completely under water for nearly a month, and where the damage was over $25,000,000—neither by increasing taxation nor by increasing their bonded indebtedness can they provide more than $2,000,000, the estimated amount necessary for obtaining the rights-of-way and the property over which a device would be built for their protection. The same situation exists in many other towns along the Ohio Valley which I need not mention.

If that requirement is to be adhered to, it means a denial of protection to those cities in this legislation.

Mr. COPELAND. Mr. President, in answer to the Senator from Kentucky I will say that on the first page of House bill 7646, beginning on line 5, under the heading "Ohio River Basin", we find the following:

Levees, floodwalls, and drainage structures: Construction of levees, floodwalls, and drainage structures for the protection of cities and towns in the Ohio River Basin, the projects to be selected by the Chief of Engineers with the approval of the Secretary of War, in accordance with the report of the Chief of Engineers in House Committee on Flood Control Document No. 1, Seventy-fifth Congress, first session, at a cost not to exceed $24,877,000 for construction where is hereby authorized to be appropriated for this purpose: *Provided*, That the protection for Pittsburgh, Pa., is to be interpreted as applying to the metropolitan district of Pittsburgh: *Provided further*, That the local corporation required by section 3 is complied with: *Provided further*, That any funds appropriated for the fiscal year 1938 to carry out the provisions of the Flood Control Act of June 22, 1936, may be used for plant, material, supervisory, and skilled services necessary in the execution of the projects authorized herein, with relief labor furnished under the provisions of the Emergency Relief Appropriation Act of 1937.

Mr. BARKLEY. That still does not take care of the requirement for the donation of the rights-of-way over which these flood walls and other devices are to be constructed.

I appreciate what the Senator has said about securing funds for that purpose from another appropriation; but I am somewhat in the dark about that matter, and I had hoped this bill would not be brought up under conditions which would make it difficult to amend it so as to give some discretion to the President and to the Army engineers in relaxing the requirement in the act of 1936 when they find that localities are unable to comply with the requirement for that contribution.

Mr. COPELAND. Of course, that was exactly the reason for the inclusion in the bill by the House of the language I have read; and the amount of $24,877,000 is specified for this particular purpose.

Mr. BARKLEY. Yes; but there is also a provision reading as follows:

Provided further, That the local cooperation required by section 3 is complied with.

That refers to the act of 1936, which requires local contributions, which in many cases will amount to a prohibitive sum.

Mr. COPELAND. Mr. President, so far as this particular bill is concerned I have no objection, if the Senator from Kentucky desires, to having it lie over for a couple of days until we can satisfy him on this particular item, because really the more urgent bill was House bill 7051, Calendar No. 939, in which no controversial question was involved. I therefore ask unanimous consent that House bill 7646, having been perfected as it has been today, may remain upon the calendar until a full answer can be given to the Senator from Kentucky.

Mr. McKELLAR. Mr. President, will the Senator from New York yield for another question on that very item in the bill?

Mr. COPELAND. Yes.

Mr. McKELLAR. The bill confines these improvements to the Ohio River Basin. At Cairo, Ill., and at Memphis, Tenn., exactly the same situation existed in the late flood that existed in the Ohio River Basin. Why were Cairo and Memphis left out of the bill?

Mr. COPELAND. For the reason that the Army engineers had not yet completed their survey and were not as yet prepared to give an estimate.

Mr. McKELLAR. The Army engineers had completed their survey and had made a recommendation favorable as to Memphis, I know, and I believe also as to Cairo. I wonder if the Senator would be willing to accept an amendment about that matter?

Mr. COPELAND. I am willing to have the bill as perfected go back to the calendar, and then on Monday I shall ask to have it taken up.

Mr. McKELLAR. Very well; I shall be glad to have the Senator do that.

The PRESIDENT pro tempore. Without objection, the request of the Senator from New York is agreed to, and the bill will be restored to the calendar.

PAULINE M'KINNEY

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1219) for the relief of Pauline McKinney, which were to strike out all after the enacting clause and insert:

That in the administration of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended by sundry acts, including the act of February 15, 1934 (48 Stat. 351), the United States Employees' Compensation Commission is hereby authorized and directed to extend the provisions of said acts to Pauline M. Warden (nee Pauline McKinney), of Tulsa, Okla., for personal injuries sustained by her on August 17, 1934, on United States Highway No. 77, near Wayne, Okla., while in the performance of her duties as a nonrelief administrative employee of the Federal Emergency Relief Administration for the State of Oklahoma: *Provided*, That claim hereunder shall be filed within 6 months after the approval of this act.

And to amend the title so as to read: "An Act for the relief of Pauline M. Warden, nee Pauline McKinney."

Mr. THOMAS of Oklahoma. I move that the Senate concur in the House amendments.

The motion was agreed to.

ORDER OF BUSINESS—EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, before I make a motion for an executive session I should like to say, for the benefit of those present and of the RECORD, that upon the completion of the bill now under consideration it is the program to move to make the court bill the unfinished business, but to lay it aside for the calling of the calendar, which has become quite heavy. I hope Members will cooperate in order that we may dispatch this business as rapidly as possible. Otherwise, we shall be compelled to hold a session on Saturday, and we may have to do so in any event; but certainly it is necessary that we make progress in order to get through.

I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nomination of Oscar Ross Lang to be postmaster at Montgomery, La., in place of L. L. Thompson.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Assistant Surgeon James C. Archer to be passed assistant surgeon in the United States Public Health Service, to rank as such from July 12, 1937.

He also, from the Committee on Foreign Relations, reported favorably Executive B (75th Cong., 1st sess.), being a convention between the United States of America and Canada on the subject of income taxation, signed at Washington, December 30, 1936, and submitted a report (Ex. Rept. No. 19) thereon.

Mr. GERRY, from the Committee on Finance, reported favorably the nomination of George Edmund Bigge, of Rhode Island, to be a member of the Social Security Board for the remainder of the term expiring August 13, 1941, vice John G. Winant, resigned.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion in the Regular Army.

The PRESIDENT pro tempore. The reports will be placed on the Executive Calendar.

REGULATION OF WHALING

The Senate, as in Committee of the Whole, proceeded to consider Executive U (75th Cong., 1st sess.), an international agreement for the regulation of whaling signed at London on June 8, 1937, between the Governments of the United States of America, the Union of South Africa, the Argentine Republic, the Commonwealth of Australia, Germany, the United Kingdom of Great Britain and Northern Ireland, the Irish Free State, New Zealand, and Norway, which was read the second time, as follows:

AGREEMENT FOR THE REGULATION OF WHALING

THE Governments of the Union of South Africa, the United States of America, the Argentine Republic, the Commonwealth of Australia, Germany, the United Kingdom of Great Britain and Northern Ireland, the Irish Free State, New Zealand and Norway, desiring to secure the prosperity of the whaling industry and, for that purpose, to maintain the stock of whales, have agreed as follows:—

ARTICLE 1

The contracting Governments will take appropriate measures to ensure the application of the provisions of the present Agreement and the punishment of infractions against the said provisions, and, in particular, will maintain at least one inspector of whaling on each factory ship under their jurisdiction. The inspectors shall be appointed and paid by Governments.

ARTICLE 2

The present Agreement applies to factory ships and whale catchers and to land stations as defined in Article 18 under the jurisdiction of the contracting Governments, and to all waters in which whaling is prosecuted by such factory ships and/or whale catchers.

ARTICLE 3

Prosecutions for infractions against or contraventions of the present Agreement and the regulations made thereunder shall be instituted by the Government or a Department of the Government.

ARTICLE 4

It is forbidden to take or kill Grey Whales and/or Right Whales.

ARTICLE 5

It is forbidden to take or kill any Blue, Fin, Humpback or Sperm whales below the following lengths, viz.:

	Feet
(a) Blue whales	70
(b) Fin whales	55
(c) Humpback whales	35
(d) Sperm whales	35

ARTICLE 6

It is forbidden to take or kill calves, or suckling whales or female whales which are accompanied by calves or suckling whales.

ARTICLE 7

It is forbidden to use a factory ship or a whale catcher attached thereto for the purpose of taking or treating baleen whales in any waters south of 40° South Latitude, except during the period from the 8th day of December to the 7th day of March following, both days inclusive, provided that in the whaling season 1937–38 the period shall extend to the 15th day of March, 1938, inclusive.

ARTICLE 8

It is forbidden to use a land station or a whale catcher attached thereto for the purpose of taking or treating whales in any area or in any waters for more than six months in any period of twelve months, such period of six months to be continuous.

ARTICLE 9

It is forbidden to use a factory ship or a whale catcher attached thereto for the purpose of taking or treating baleen whales in any of the following areas, viz.:

(a) in the Atlantic Ocean north of 40° South Latitude and in the Davis Strait, Baffin Bay and Greenland Sea;

(b) in the Pacific Ocean east of 150° West Longitude between 40° South Latitude and 35° North Latitude;

(c) in the Pacific Ocean west of 150° West Longitude between 40° South Latitude and 20° North Latitude;

(d) in the Indian Ocean north of 40° South Latitude.

ARTICLE 10

Notwithstanding anything contained in this Agreement, any contracting Government may grant to any of its nationals a special permit authorising that national to kill, take and treat whales for purposes of scientific research subject to such restrictions as to number and subject to such other conditions as the contracting Government thinks fit, and the killing, taking and treating of whales in accordance with the terms in force under this article shall be exempt from the operation of this Agreement.

Any contracting Government may at any time revoke a permit granted by it under this article.

ARTICLE 11

The fullest possible use shall be made of all whales taken. Except in the case of whales or parts of whales intended for human food or for feeding animals, the oil shall be extracted by boiling or otherwise from all blubber, meat (except the meat of sperm whales) and bones other than the internal organs, whale bone and flippers, of all whales delivered to the factory ship or land station.

ARTICLE 12

There shall not at any time be taken for delivery to any factory ship or land station a greater number of whales than can be treated efficiently and in accordance with article 11 of the present Agreement by the plant and personnel therein within a period of thirty-six hours from the time of the killing of each whale.

ARTICLE 13

Gunners and crews of factory ships, land stations and whale catchers shall be engaged on terms such that their remuneration shall depend to a considerable extent upon such factors as the species, size and yield of whales taken, and not merely upon the number of the whales taken, and no bonus or other remuneration, calculated by reference to the results of their work, shall be paid to the gunners and crews of whale catchers in respect of any whales the taking of which is forbidden by this Agreement.

ARTICLE 14

With a view to the enforcement of the preceding article, each contracting Government shall obtain, in respect of every whale catcher under its jurisdiction, an account showing the total emolument of each gunner and member of the crew and the manner in which the emolument of each of them is calculated.

ARTICLE 15

Articles 5, 9, 13 and 14 of the present Agreement, in so far as they impose obligations not already in force, shall not until the 1st day of December, 1937, apply to factory ships, land stations or catchers attached thereto which are at present operating or which have already taken practical measures with a view to whaling operations during the period before the said date. In respect of such factory ships, land stations and whale catchers, the Agreement shall in any event come into force on the said date.

ARTICLE 16

The contracting Governments shall obtain with regard to all factory ships and land stations under their jurisdiction records of the number of whales of each species treated at each factory ship or land station and as to the aggregate amounts of oil of each grade and quantities of meal, guano and other products derived from them, together with particulars with respect to each whale treated in the factory ship or land station as to the date and place of taking, the species and sex of the whale, its length and, if it contains a fœtus, the length and sex, if ascertainable, of the fœtus.

ARTICLE 17

The contracting Governments shall, with regard to all whaling operations under their jurisdiction, communicate to the International Bureau for Whaling Statistics at Sandefjord in Norway the statistical information specified in Article 16 of the present Agreement together with any information which may be collected or obtained by them in regard to the calving grounds and migration routes of whales.

In communicating this information the Governments shall specify:—

(a) the name and tonnage of each factory ship;

(b) the number and aggregate tonnage of the whale catchers;

(c) a list of the land stations which were in operation during the period concerned.

ARTICLE 18

In the present Agreement the following expressions have the meanings respectively assigned to them, that is to say:

"factory ship" means a ship in which or on which whales are treated whether wholly or in part;

"whale catcher" means a ship used for the purpose of hunting, taking, towing, holding on to, or scouting for whales;

"land station" means a factory on the land, or in the territorial waters adjacent thereto, in which or at which whales are treated whether wholly or in part;

"baleen whale" means any whale other than a toothed whale;

"blue whale" means any whale known by the name of blue whale, Sibbald's rorqual or sulphur bottom;

"fin whale" means any whale known by the name of common finback, common finner, common rorqual, finback, fin whale, herring whale, razorback, or true fin whale;

"grey whale" means any whale known by the name of grey whale, California grey, devil fish, hard head, mussel digger, grey back, rip sacks;

"humpback whale" means any whale known by the name of bunch, humpback, humpback whale, humpbacked whale, hump whale or hunchbacked whale;

"right whale" means any whale known by the name of Atlantic right whale, Arctic right whale, Biscayan right whale, bowhead, great polar whale, Greenland right whale, Greenland whale, Nordkaper, North Atlantic right whale, North Cape whale, Pacific right whale, pigmy right whale, Southern pigmy right whale or Southern right whale;

"sperm whale" means any whale known by the name of sperm whale, spermacet whale, cachalot or pot whale;

"length" in relation to any whale means the distance measured on the level in a straight line between the tip of the upper jaw and the notch between the flukes of the tail.

ARTICLE 19

The present Agreement shall be ratified and the instruments of ratification shall be deposited with the Government of the United Kingdom of Great Britain and Northern Ireland as soon as possible. It shall come into force upon the deposit of instruments of ratification by a majority of the signatory Governments, which shall include the Governments of the United Kingdom, Germany and Norway; and for any other Government not included in such majority on the date of the deposit of its instrument of ratification.

The Government of the United Kingdom will inform the other Governments of the date on which the Agreement thus comes into force and the date of any ratification received subsequently.

ARTICLE 20

The present Agreement shall come into force provisionally on the 1st day of July, 1937, to the extent to which the signatory Governments are respectively able to enforce it; provided that if any Government within two months of the signature of the Agreement informs the Government of the United Kingdom that it is unwilling to ratify it the provisional application of the Agreement in respect of that Government shall thereupon cease.

The Government of the United Kingdom will communicate the name of any Government which has signified that it is unwilling to ratify the Agreement to the other Governments, any of whom may within one month of such communication withdraw its ratification or accession or signify its unwillingness to ratify as the case may be, and the provisional application of the Agreement in respect of that Government shall thereupon cease. Any such withdrawal or communication shall be notified to the Government of the United Kingdom, by whom it will be transmitted to the other Governments.

ARTICLE 21

The present Agreement shall, subject to the preceding article, remain in force until the 30th day of June, 1938, and thereafter if, before that date, a majority of the contracting Governments, which shall include the Governments of the United Kingdom, Germany and Norway, shall have agreed to extend its duration. In the event of such extension it shall remain in force until the contracting Governments agree to modify it, provided that any contracting Government may, at any time after the 30th day of June, 1938, by giving notice on or before the 1st day of January in any year to the Government of the United Kingdom (who on receipt of such notice shall at once communicate it to the other contracting Governments) withdraw from the Agreement, so that it shall cease to be in force in respect of that Government after the 30th day of June following, and that any other contracting Government may, by giving notice in the like manner within one month of the receipt of such communication, withdraw also from the Agreement, so that it shall cease to be in force respecting it after the same date.

ARTICLE 22

Any Government which has not signed the present Agreement may accede thereto at any time after it has come into force. Accession shall be effected by means of a notification in writing addressed to the Government of the United Kingdom and shall take effect immediately after the date of its receipt.

The Government of the United Kingdom will inform all the Governments which have signed or acceded to the present Agreement of all accessions received and the date of their receipt.

In faith whereof the Undersigned, being duly authorised, have signed the present Agreement.

Done in London the 8th day of June, 1937, in a single copy, which shall remain deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, by whom certified copies will be transmitted to all the other contracting Governments.

For the Government of the Union of South Africa:
F. J. DU TOIT.

For the Government of the United States of America:
HERSCHEL V. JOHNSON.
REMINGTON KELLOGG.

For the Government of the Argentine Republic:
MANUEL E. MALBRÁN.
M. FINCATI.
T. L. MARINI.

For the Government of the Commonwealth of Australia:
S. M. BRUCE.

For the Government of Germany:
WOHLTHAT.

For the Government of the United Kingdom of Great Britain and Northern Ireland:
HENRY G. MAURICE.
GEO. HOGARTH.

For the Government of the Irish Free State:
SEAN O'FAOLAIN O'DULCHAONTIGH.

For the Government of New Zealand:
G. MCNAMARA.

For the Government of Norway:
BIRGER BERGERSEN.

FINAL ACT

The Conference, having this day signed an Agreement for the Regulation of Whaling, to take immediate effect, desires to add, for the consideration of the Governments represented at the Conference, the following observations:—

2. The Agreement is valid for one year and will, it is hoped, continue in force for future years, unless the Governments, or any of them, decide to the contrary. It is likely, in the opinion of the Conference, to go far towards maintaining the stock of whales, upon which the prosperity of the whaling industry depends.

3. Experience may prove, however, that further measures of conservation are necessary or desirable. The Conference desires, therefore, to suggest that certain further methods of conservation and of preventing wastage of whales should be examined by the Governments concerned without delay, and that the Governments should take the necessary measures by legislation to place themselves in a position to impose such further regulations of whaling as experience may dictate.

4. The Agreement prescribes regulations mainly of general application to whaling from factory ships and land stations alike. The most important of these regulations are those requiring the observance of close seasons, prohibiting the taking of whales of certain species already threatened with extinction, prohibiting the taking of female whales with calves or suckling whales and of whales of different species below size limits prescribed for each species, requiring full commercial use to be made of every part of every whale taken, and limiting the time within which, from the time of catching, whales must be treated in a factory ship or land station as the case may be. The purpose of these regulations is to limit the number of whales killed and to prevent the waste of whale material.

5. Certain provisions of the Agreement, however, affect only pelagic whaling, in particular those provisions which absolutely prohibit pelagic whaling for baleen whales in certain large areas of the sea. This differentiation between whaling prosecuted by means of factory ships and by means of land stations needs explanation. It has been urged that whaling as hitherto prosecuted from some land stations, especially near the equatorial zone, has been wasteful and harmful because the physiological condition of the whales taken was such that their oil yield was low and because whales were taken at these stations when they were about to throw their calves. Against this it may be argued that the raising of the size limits for various species under the Agreement will greatly restrict the catch brought to the land stations, that the land stations, not enjoying the mobility of the factory ships, are already handicapped in the pursuit of whales, and that whatever catch they take is a comparatively insignificant fraction of the total catch. The Conference recommends that the catch of the land stations should be carefully studied and that the Governments should consider, in the light of such study, what further regulations, if any, should be attached to whaling from land stations, either generally or in particular geographical areas. In the view of the Conference, there is a certain risk that the restrictions imposed on pelagic whaling may lead to a development of whaling from land stations, and the Governments should accordingly place themselves in a position to check or regulate such development should it occur.

6. The Conference further recommends that the Governments should put themselves in a position to limit, if it is thought fit, the number of whale catchers that may be employed in connection with any factory ship or land station with a view to further limitation of the destruction of whales.

7. The Governments are also recommended to take powers, if they do not already possess them, to prohibit whaling entirely in any area of the sea either permanently or for a limited period. It is felt that it may be desirable, in the light of experience gained, to close permanently areas which may be proved to be calving areas, or to close from year to year selected areas of the

Antarctic Ocean or elsewhere for the purpose of giving to the whales a sanctuary in which they may escape molestation.

8. The Conference also recommends that the Governments should place themselves in a position to regulate the methods of killing whales. Under existing methods of whaling, whales may be fatally injured, but lost owing to defects in the guns or harpoons in use, including the propelling and bursting charges. This involves waste of whales. It is suggested that it may prove desirable so to regulate the methods of taking whales as to ensure that, by the use of suitable explosive charges, or by the use of a harpoon electrically charged, the whale when hit may be speedily killed and wastage thus avoided. Moreover, a regulation of this character may be expected to abate something of the undoubted cruelty of present methods of whaling.

9. The Conference further recommends that the contracting Governments should take steps to prevent this Agreement and any regulations made thereunder from being defeated by the transfer of ships registered in their territories to the Flag of another Government not a party to this Agreement, and suggests that for this purpose it might be provided that the transfer of a factory ship or whale catcher from its national Flag to the Flag of any other country should be permitted only under licence of the Government.

10. The Conference believes that the regulations upon which it has agreed will certainly contribute to the maintenance of the stock of whales and to the prosperity of the whaling industry. Not all the representatives of Governments present at the Conference have been able to sign the Agreement, some of them not being authorised by their Governments in that behalf. It is hoped that all Governments represented will eventually accede to the Agreement. The Conference desires to urge upon the contracting Governments that they should use their utmost endeavours to secure the adhesion of such Powers as are interested in the whaling industry but were not represented at the present Conference. The Conference recognises that the purpose of the present Agreement may be defeated by the development of unregulated whaling by other countries, in which case it would be a matter for consideration whether the present Agreement should be continued in force, or whether the contracting Governments should not agree to modify their regulations to meet the situation thus created, or even to permit their nationals to pursue whaling without regulation, so that they may derive from its pursuit such benefit as may be had before the stock of whales has been reduced to a level at which whaling ceases to be remunerative. For the Conference is convinced that, unless whaling is now strictly regulated, that eventuality cannot be regarded as remote.

11. In conclusion, the Conference desires to urge that a further Conference should be held at a convenient time next year, at which the results of the forthcoming season may be studied and the question of the modification or extension of the present Agreement be considered.

Done in London, the 8th day of June, 1937, in a single copy, which shall remain deposited in the archives of the Government of the United Kingdom of Great Britain and Northern Ireland, by whom certified copies will be transmitted to the other Governments which have signed the Agreement for the Regulation of Whaling.

For the Government of the Union of South Africa:
F. J. DU TOIT.
For the Government of the United States of America:
HERSCHEL V. JOHNSON.
REMINGTON KELLOGG.
For the Government of the Argentine Republic:
MANUEL E. MALBRÁN.
M. FINCATI.
T. L. MARINI.
For the Government of the Commonwealth of Australia:
S. M. BRUCE.
For the Government of Germany:
WOHLTHAT.
For the Government of the United Kingdom of Great Britain and Northern Ireland:
HENRY G. MAURICE.
GEO. HOGARTH.
For the Government of the Irish Free State:
SEAN O'FAOLAIN O'DULCHAONTIGH.
For the Government of New Zealand:
G. MCNAMARA.
For the Government of Norway:
BIRGER BERGERSEN.

Mr. WHITE. Mr. President, I move that the Senate advise and consent to the ratification of this treaty.

Back in 1931 there was an international agreement entered into for the conservation and for the restoration of the whale stock in the oceans of the world. That treaty was ratified by the Senate of the United States, and proclaimed by the President in 1935. In 1936 Congress passed legislation implementing the treaty.

In June of this year another international conference was held at London for the purpose of modernizing the provisions of the treaty. It is essentially a conservation treaty, and it seeks to conserve and restore the whale stock by various means. It prohibits the killing of certain species of whales in any waters. It provides that the killing of other whales may be engaged in only at particular times and in particular areas of the ocean.

The treaty contains a provision seeking to make certain the utilization to the fullest possible degree of the killed whales. In the old days those engaged in this industry simply extracted the oil, and all the other parts of the whale were wasted. The treaty seeks to prevent excessive killings. So far as the committee is advised, there is no opposition on the part of anyone to the ratification of the treaty, and I think material considerations and sentimental considerations dictate that the Senate should act promptly and favorably on the treaty.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. CLARK. Does the treaty apply to all whales? I read a magazine article only a few days ago in which it was asserted that a new practice had grown up on the Massachusetts coast of going out to sea and more or less driving in herds of whales onto the beaches, and the only product was a slight oil content of about a pound and a half found in the whale's head.

Mr. WHITE. I think those were blackfish, so-called. Speaking generally, this treaty applies to all species of whales, and, as I said, it prohibits entirely the killing of some species which are specified in the treaty, and limits the size of whales of other species which may be killed.

Mr. CLARK. How many nations have ratified the treaty?

Mr. WHITE. Some 26 nations either signed or adhered to the original treaty. A conference was held only in June of this year. I cannot advise the Senator what nations have ratified, but the expectation of the State Department is that all of the nations which were adherents to the previous convention will give their approval to this one.

Mr. CLARK. That will be sufficient to control the world situation?

Mr. WHITE. To a very large extent.

The PRESIDENT pro tempore. If there be no amendments, the convention will be reported to the Senate.

The convention was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive U, Seventy-fifth Congress, first session, an international agreement for the regulation of whaling, signed at London on June 8, 1937, between the Governments of the United States of America, the Union of South Africa, the Argentine Republic, the Commonwealth of Australia, Germany, the United Kingdom of Great Britain and Northern Ireland, the Irish Free State, New Zealand, and Norway.

The PRESIDENT pro tempore. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the treaty is ratified.

The clerk will state in order the nominations on the calendar.

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

The legislative clerk read the nomination of Robert Frazer, of Pennsylvania, to be Envoy Extraordinary and Minister Plenipotentiary to El Salvador.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frederick A. Sterling, of Texas, to be Envoy Extraordinary and Minister Plenipotentiary to Estonia and Latvia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank P. Corrigan, of Ohio, to be Envoy Extraordinary and Minister Plenipotentiary to Panama.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Arthur Bliss Lane, of New York, to be Envoy Extraordinary and Minister Plenipotentiary to Yugoslavia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of George D. Hopper, of Kentucky, to be consul general of the United States of America.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Friday, August 6, 1937, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 5 (legislative day of July 22), 1937

UNITED STATES DISTRICT JUDGE

Claude McColloch, of Oregon, to be United States district judge, district of Oregon, vice Hon. John H. McNary, deceased.

UNITED STATES ATTORNEY

William McClanahan, of Tennessee, to be United States attorney for the western district of Tennessee. (Mr. McClanahan is now serving in this office under an appointment which expired June 13, 1937.)

UNITED STATES MARSHAL

Charles W. Miles to be United States marshal for the western district of Tennessee, vice Hon. Bert Money Bates, whose term has expired.

PUBLIC HEALTH SERVICE

The following-named surgeons to be senior surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

Harry E. Trimble, July 16, 1937.
Mark V. Ziegler, August 2, 1937.
James E. Faris, August 1, 1937.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

The following-named commanders to be captains in the Navy, to rank from the date stated opposite their names:

Monroe Kelly, June 30, 1937.
Freeland A. Daubin, June 30, 1937.
Charles H. Morrison, July 1, 1937.
Holbrook Gibson, August 1, 1937.

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

Thomas V. Cooper, June 1, 1937.
Frank G. Fahrion, June 3, 1937.
Frank H. Dean, June 3, 1937.
Lisle F. Small, June 3, 1937.
William P. O. Clarke, June 3, 1937.
Colin DeVere Headlee, June 30, 1937.
Francis W. Benson, June 30, 1937.
Carl W. Brewington, June 30, 1937.
Lawrence B. Richardson, an additional number in grade, July 1, 1937.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the date stated opposite their names:

George C. Crawford, March 1, 1937.
August J. Detzer, Jr., May 15, 1937.
Harold W. Eaton, June 3, 1937.
Edwin M. Crouch, June 30, 1937.
Carlyle L. Helber, an additional number in grade, June 30, 1937.
Walter E. Zimmerman, June 30, 1937.
Alden R. Sanborn, an additional number in grade, June 30, 1937.
Kenneth L. Forster, June 30, 1937.
Henri H. Smith-Hutton, June 30, 1937.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the date stated opposite their names:

William R. Caruthers, June 30, 1936.
John L. Collis, November 1, 1936.
Philip D. Gallery, June 1, 1937.
John B. Webster, June 3, 1937.
Clair LeM. Miller, June 3, 1937.
Leonard O. Fox, June 3, 1937.
Henry B. Twohy, June 3, 1937.
Guy P. Garland, June 3, 1937.
Royce P. Davis, June 30, 1937.
Harry N. Coffin, June 30, 1937.
Rob R. McGregor, June 30, 1937.
Nickolas J. F. Frank, Jr., June 30, 1937.
Adolph J. Miller, June 30, 1937.
Edwin G. Conley, June 30, 1937.
Francis J. Johnson, June 30, 1937.
George A. Sharp, June 30, 1937.
Claude W. Stewart, June 30, 1937.
Carl G. Christie, June 30, 1937.
George B. Chafee, June 30, 1937.
Alexander S. Heyward, Jr., June 30, 1937.
Eddie R. Sanders, July 1, 1937.

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 29th day of May 1937:

Frederick W. Sheppard
William E. Seipt
Stevan Mandarich

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 31st day of May 1937:

John Harllee	George E. Artz
Ernest V. Bruchez	Heliodore A. Marcoux
John T. Lowe, Jr.	Robert E. Bourke
Charles F. Fischer	Robert C. Bengston
George A. Hill, Jr.	Charles B. Farwell
James D. Babb	Gorman C. Merrick

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, to rank from the 30th day of June 1937:

Charles C. Yanquell
Lloyd R. Newhouser

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, to rank from the date stated opposite their names:

Otto E. Van Der Aue, June 3, 1937.
Malcolm W. Arnold, June 3, 1937.
Andrew Galloway, June 3, 1937.
Eugene R. Hering, Jr., June 3, 1937.
Charles R. Moon, June 3, 1937.
Thomas W. McDaniel, Jr., June 3, 1937.
Paul Peterson, June 30, 1937.

The following-named citizens to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the 1st day of August 1937.

Walter R. Miller	Russell H. Walker
Philip J. McNamara	Wesley L. Mays
Edward E. Hogan	William S. Francis, Jr.
Edward W. Wilson	Ellwood V. Boger
Edmund J. Brogan	Shakeeb Ede
Robert V. King	Charles F. Gell
Merrill H. Goodwin	George J. Kohut
LeRoy J. Barnes	Alexander S. Angel
John W. Koett	Samuel J. Wisler
Landes H. Bell	Joseph A. Syslo
Thomas J. Canty	Nicholas E. Dobos
Clifford P. Phoebus	Arthur L. Lawler
Norbert U. Zielinski	Benjamin W. Vitou
Richard W. Garrity	

The following-named passed assistant dental surgeons to be dental surgeons in the Navy, with the rank of lieutenant commander, to rank from the 30th day of June 1937:

Waldsworth C. C. Trojakowski
Sidney P. Vail
Theodore DeW. Allan
George H. Rice

The following-named assistant dental surgeons to be passed assistant dental surgeons in the Navy, with the rank of lieutenant, to rank from the date stated opposite their names:

George N. Crosland, June 3, 1937.
Victor A. LeClair, June 3, 1937.
Robert W. Wheelock, June 3, 1937.
James H. Connelly, June 3, 1937.
Merritt J. Crawford, June 30, 1937.
Adolph W. Borsum, June 30, 1937.
William D. Bryan, June 30, 1937.
Paul M. Carbiener, June 30, 1937.
Claude E. Adkins, June 30, 1937.
Richard H. Barrett, Jr., June 30, 1937.

The following-named acting chaplains to be chaplains in the Navy, with the rank of lieutenant, to rank from the date stated opposite their names:

Thomas J. Knox, June 3, 1937.
Paul G. Linaweaver, June 30, 1937.
Roy R. Marken, June 30, 1937.
Frederick W. Meehling, June 30, 1937.

Naval Constructor William G. Du Bose to be a naval constructor in the Navy, with the rank of rear admiral, to rank from the 1st day of August 1937.

Lt. Isaac S. K. Reeves, Jr., to be a lieutenant in the Navy, to rank from the 24th day of March 1936, to correct the date of rank as previously nominated and confirmed.

MARINE CORPS

Francis F. Griffiths, a citizen of the State of New York, to be a second lieutenant in the Marine Corps, revocable for 2 years, from the 1st day of July 1937.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 5 (legislative day of July 22), 1937

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

Robert Frazer to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to El Salvador.

Frederick A. Sterling to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Estonia and Latvia.

Frank P. Corrigan to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Panama.

Arthur Bliss Lane to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Yugoslavia.

DIPLOMATIC AND FOREIGN SERVICE

George D. Hopper to be a consul general of the United States of America.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 5, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Bow down Thine ear and hear us, O Lord. Thou art good and ready to forgive and plenteous in mercy unto all them that call upon Thee. Turn unto us and impart Thy wisdom unto Thy servants; pardon our sins and give grace and tranquillity born of trust. Heavenly Father, life is so real and so full of purpose that we pray Thee to root and ground us in the precious realities of faith and character. Let us be reminded of the divine sovereignty and not forget that eternity has been set in our hearts. O come, Almighty God, speak peace to the nations and dominate the stormy waters; O sit on the water floods and overrule them, we pray Thee. Preserve the health and strength of our President, our Speaker, the Members, and all others associated with this historic Chamber. Through Christ, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate disagrees to the amendments of the House to the bill (S. 1640) entitled "An act for the relief of Harry Bryan and Alda Duffield Mullins, and others", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SCHWELLENBACH, Mr. LOGAN, and Mr. CAPPER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills and a joint resolution of the Senate of the following titles:

S. 191. An act for the relief of Orson Thomas;

S. 449. An act for the relief of the estate of Charles Pratt;

S. 792. An act for the relief of Margaret Larson, a minor;

S. 893. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor;

S. 972. An act for the relief of Ethel Smith McDaniel;

S. 1401. An act for the relief of Willard Collins;

S. 1453. An act for the relief of Maude P. Gresham and Agnes M. Driscoll; and

S. J. Res. 171. Joint resolution relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1637) entitled "An act for the relief of Mrs. Charles T. Warner", requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LOGAN, Mr. BLACK, and Mr. CAPPER to be the conferees on the part of the Senate.

CONSERVATOR IN BANKRUPTCY

Mr. SABATH, from the Committee on Rules, submitted the following report (Rept. No. 1442) to accompany House Resolution 300, which was referred to the House Calendar and ordered printed.

House Resolution 300

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6963, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

REVISION OF NATIONAL BANKRUPTCY ACT

Mr. GREENWOOD, from the Committee on Rules, submitted the following report (No. 1444) to accompany House Resolution 301, which was referred to the House Calendar and ordered printed:

House Resolution 301

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 8046, a bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and

supplementary thereto; and to repeal section 76 thereof and all acts and parts of acts inconsistent therewith. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

INVESTIGATION OF VARIOUS PRACTICES IN THE INFERIOR COURTS

Mr. DRIVER, by direction of the Committee on Rules, presented the following report (No. 1443) to accompany House Resolution 287, which was referred to the House Calendar and ordered printed:

House Resolution 287

Resolved, That the Committee on the Judiciary, as a whole or by subcommittee, is authorized and directed to investigate the organization and operation of, and the administration of justice in, the courts of the United States inferior to the Supreme Court; the jurisdiction, both as to territory and subject matter; the procedure; rules of practice; and costs.

The committee shall report to the House during the present Congress the results of its investigation, together with such recommendations for legislation as it may deem advisable.

For the purposes of this resolution, the committee or any subcommittee thereof is authorized (1) to sit and act during the present Congress, at such times and places within the United States as it may deem necessary, whether or not the House is sitting, has recessed, or has adjourned; (2) to hold such hearings, to require the attendance of such witnesses, and the production of such books, papers, and documents, and to take such testimony as it may deem necessary; (3) to issue subpenas under the signature of the chairman of the committee, or any member designated by him which shall be served by any person designated by such chairman or member; and (4) to administer oaths to the witnesses, respectively, by the chairman or any member of any committee acting hereunder.

DISTRICT OF COLUMBIA—DIPLOMATIC PROPERTY

Mr. FISH. Mr. Speaker, I ask unanimous consent to file a minority report from the Committee on Foreign Affairs on House Joint Resolution 473, to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. LARRABEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement from Mr. Patterson, of Baltimore, Md., on the status of correctional education in the United States.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SUGAR BILL OF 1937

Mr. GREENWOOD. Mr. Speaker, I call up House Resolution 297.

The Clerk read as follows:

House Resolution 297

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 7667, a bill to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

COMMITTEE ON WAYS AND MEANS

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield to permit me to submit a unanimous-consent request?

Mr. GREENWOOD. I yield.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may be permitted to sit during the sessions of the House for the remainder of this session.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the Committee on Ways and Means may be permitted to sit during the sessions of the House during the remainder of the session. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Indiana yield to permit the gentleman from New York to submit a parliamentary inquiry?

Mr. GREENWOOD. I yield.

Mr. FISH. Mr. Speaker, when permission is given to a committee to sit during the sessions of the House, does that give any rights to any of the members of that committee on roll calls?

The SPEAKER. Absolutely none.

Mr. FISH. Not even on quorum roll calls?

The SPEAKER. It does not. On all quorum roll calls all Members who desire to be recorded must appear and vote on the roll call.

SUGAR BILL OF 1937

Mr. GREENWOOD. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MAPES].

The SPEAKER. The gentleman from Indiana is recognized for 30 minutes and the gentleman from Michigan is recognized for 30 minutes.

Mr. GREENWOOD. Mr. Speaker, this resolution, No. 297, from the Committee on Rules, will make in order the consideration of the so-called sugar bill. It is an open rule providing for 4 hours of general debate, for amendment and discussion under the 5-minute rule. I am presenting this rule this morning, Mr. Speaker, because of the illness of my colleague, the chairman of the committee, the gentleman from New York [Mr. O'CONNOR], whose throat is seriously affected.

Mr. Speaker, I shall not attempt to discuss the legislation which has been so ably considered by the Committee on Agriculture. Those who desire information about the bill should direct their questions to the chairman of that committee, the gentleman from Texas [Mr. JONES]. I think this is important legislation and is necessary, because the legislation dealing with sugar production and refining expires this year. In order to reach an adjustment between the various interests in this field, continental and insular interests, the committee has worked diligently. I feel sure that the rule will be adopted.

Mr. Speaker, I reserve the balance of my time.

Mr. MAPES. Mr. Speaker, I shall take just enough of the time assigned to this side to say that I am in favor of this rule and of the legislation which it makes in order. The sugar-beet industry of Michigan is supporting this legislation. There is one sugar-beet factory in the district which I represent, and a considerable number of farmers in the district raise sugar beets. I believe this legislation is in their interest as well as in the interest of the public generally and I am, therefore, glad to support it.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I am very glad to support both the rule and the bill which the rule makes in order. I am particularly pleased to find that finally we have reached the stage where we seem to be doing what we can on behalf of an industry in our own country.

I have objected in times past to quotas being allotted to various countries for sundry kinds of property or goods coming into this country, and I believe I have spoken previously in regard to the treatment of the sugar industry in the United States and the manner in which it has been oppressed to a very large extent by the administration in favor of Cuba. As I understand the measure before us today, and I have not studied it in detail, it will permit a better

chance for the sugar refineries being able to take the raw sugar and refining it here.

The gentleman from Michigan [Mr. MAPES] has referred to the growing of sugar beets in his State. We in Massachusetts and New England, of course, do not raise either the cane or the sugar beet, but we have a refinery in the Commonwealth of Massachusetts, not in my district, which employs several hundred hands. I have never understood why other countries should be favored by a quota that would prevent the refining of that sugar in our home section; therefore I want to congratulate the Committee on Agriculture for what they have endeavored to do on behalf of an industry within our own boundaries.

There are a number of refineries scattered throughout the country and I am sure I am voicing the sentiment of the employees of those factories when I say we are heartily in favor of the opportunity this bill will give to show some slight favor for the sugar-refining industry of the United States.

Mr. Speaker, I yield back the remainder of my time.

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. LANZETTA].

Mr. LANZETTA. Mr. Speaker, I am opposed to bill H. R. 7667 because it discriminates against American citizens who reside in Puerto Rico. This bill, which is agricultural in scope, tends to legislate on a purely industrial problem, and in doing so sets up trade barriers against the American Territory of Puerto Rico.

During the second session of the Seventy-third Congress chaos reigned in the sugar-producing industry. Because of this condition which was bringing wreck and ruin to many American producers, emergency legislation was proposed which would control production and thus stabilize the industry. When this legislation was first considered, it was the intention of its sponsors to apply it exclusively to the production of sugar beets and sugarcane, and in no way to include the manufacturing phase of the industry. However, when the bill was finally reported by the Committee on Agriculture it not only discriminated against Puerto Rico and Hawaii insofar as raw cane sugar was concerned but it also set a limitation on the amount of refined sugar which these areas could manufacture.

Mr. Speaker, I opposed that bill for the same reason that I am now opposing bill H. R. 7667. I contended at that time, as I do now, that no legislation should be passed by Congress which discriminates against any American citizen. While my opposition to that bill was unrelenting, I received in defeat some degree of satisfaction by the assurance that that bill (Jones-Costigan Act) was only a temporary measure and that upon the enactment of permanent legislation the discriminations which I complained of would be removed.

We are now considering permanent sugar legislation, and I find that it still has some of the objectionable features which I complained of in the Jones-Costigan measure. I shall oppose this legislation just as strenuously because I cannot and will not sit idly by and see American citizens who reside in Puerto Rico discriminated against as they are in this bill.

Mr. Speaker, on March 2, 1917, the Congress of the United States gave to the people of Puerto Rico American citizenship without any qualification or restriction whatsoever. They were told at that time that they were 100-percent American citizens as long as they upheld the Constitution of the United States, obeyed the laws of our land, and discharged all the duties of American citizenship. Notwithstanding the fact that they have lived up to all the requirements of citizenship, Congress is being asked today, 20 years later, to enact into law a bill which debases the very American citizenship which was given to them so cheerfully and ungrudgingly.

There are two phases to this bill—one agricultural, wherein raw sugar quotas are allotted to the various producing areas in the United States and some foreign countries, and the other industrial, wherein limitations are put upon Hawaii, Puerto Rico, and the Virgin Islands as to the amount of direct consumption or refined sugar which they can produce.

Puerto Rico has no quarrel whatsoever with the quota which it is given under this bill insofar as raw cane sugar is concerned. As American citizens they are more than willing to assume the same burdens which are being imposed on every other American citizen. It is with respect to direct consumption or refined sugar that the American citizens of Puerto Rico complain. They feel, and justly so, that in being limited as to the amount of direct consumption or refined sugar which they can produce that they are being discriminated against inasmuch as no such restriction is placed upon the American citizens who reside in continental United States. They contend that if no limitation is placed in this bill on the direct consumption or refined sugar manufactured in continental United States, that there should be no restriction placed on the manufacture of direct consumption or refined sugar in Puerto Rico. There can be no doubt but what this unwarranted limitation on the American citizens of Puerto Rico is purely and simply a discrimination against American citizens who reside in that island.

While on this point I wish to quote from a letter sent by the Honorable James Roosevelt to the leaders of the House of Representatives on July 10, 1937, wherein he stated:

> None of the most nationalistic Republican administrations ever acceded to the demands of any group for the erection of trade barriers against the Territories of the United States. It is also important to note that the demand of the cane refiners for a trade barrier against refining operations in the domestic insular areas might prove to be the entering wedge for other groups to seek similar trade barriers against Hawaii, Puerto Rico, and the Virgin Islands.

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. LANZETTA. Mr. Speaker, the discriminations in this bill against the American citizens who reside in Puerto Rico are only the beginning of what may follow. There have been strong rumors on Capitol Hill that at the beginning of the next session of Congress the distillers of continental United States will come here to ask for legislation restricting the production of rum, not only in Puerto Rico, but also in Hawaii and the Virgin Islands. Rum, as we all know, is a by-product of raw sugar. If we now restrict the manufacture of direct consumption or refined sugar, the distillers may well feel that they too are entitled to a restriction upon the manufacture of rum. Again, if we set this dangerous precedent, is it not possible that tomorrow a bill controlling the production of tobacco might contain a similar provision restricting Puerto Rico as to the amount of cigars, cigarettes, and smoking tobacco it may manufacture and send to the United States? What if a cattle-control bill were to be introduced in Congress? Would it not be possible, in the face of this dangerous precedent, to again restrict Puerto Rico as to the amount of cheese and other dairy products it may manufacture and ship to the United States?

Mr. Speaker, there can be no question but what this sort of discrimination against American citizens in offshore areas may go on ad infinitum. It is for these reasons that this bill should not pass unless the limitations as to the amount of direct consumption or refined sugar which Puerto Rico may ship into the United States are removed. There is no question about the American citizens of Puerto Rico having discharged all of the duties of citizenship. That being so, why should they be discriminated against?

As far as I know, there is nothing in the Constitution of the United States which says that there are two kinds of citizenship—one for continental United States and one for those who reside in the offshore areas. Since there is no distinction in American citizenship, why should the citizens who reside in Puerto Rico be asked to bear greater burdens than the citizens who reside in continental United States?

There can be but one standard of citizenship in this great democracy of ours. If today you debase the American citizenship of those citizens who reside in Puerto Rico you

will be setting up a double standard of citizenship, which in the future may again be invoked not only against the American citizens who reside in the island, but also against the American citizens of Puerto Rican extraction who reside in the United States.

Mr. Speaker, there can be no reason whatsoever either economically, politically, or otherwise for discriminating against American citizens who reside in Puerto Rico, and unless I am given assurances that the discriminations which I am complaining of will be removed from the bill I shall oppose not only the bill but also the rule. [Applause.]

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Speaker, I have asked for this short time in order to call your attention to what I conceive to be a complete misconception in the mind of the gentleman from New York [Mr. LANZETTA] who has just preceded me in regard to the actual facts and actual results of this piece of legislation.

First of all, the gentleman attempts, due to his conception of this bill, to consider the bill not as an agricultural bill alone, but as having a second part to it, separate from the agricultural phase, to which he referred as the industrial part. May I call attention to the fact that instead of there being discrimination in this bill, the Members of the House, if they will read the objectives and purposes set out at the beginning of the bill, will find that it proposes to promote the welfare of the domestic sugar industry. The producers in Hawaii, Puerto Rico, and the other States in the Union inhabited by American citizens are all classed as American producers. The American market for sugar is not to be found here in continental United States alone, but is to be found in the refining areas in Hawaii and Puerto Rico.

If we are to effect anything in promotion of the general welfare of this great industry vital to our Nation, we must first of all recognize that the market for the sugar producer is the sugar refiner. Do not forget this, because we humans do not consume raw sugar, we consume sugar after it is processed and refined. For my part, Mr. Speaker, I have no sugar producers in my district and I have no refiners in my district, but I yield to no man in my determination not to depart from the fundamental principles which rise in the first instance from the first law of nature—self-preservation.

Mr. LANZETTA. Mr. Speaker, will the gentleman yield?

Mr. KLEBERG. I cannot yield, my time is too short.

The situation which presents itself to this House is one which involves the adoption of a rule that has for its purpose the protection of a great market to which the producers of raw sugar in the various States and the insular possessions send their products. Under the terms of this bill, which has received most deliberate consideration by a legislative committee of the House, all of the States and insular possessions come in for certain concessions having to do with reductions in their raw-sugar production. We then come to the phase which the gentleman seeks to describe as not being in the interest of the agricultural producer. The gentleman states that we are discriminating against Hawaii because we are merely putting back into the bill the original principle subscribed to by this administration and the legislative branch of the Government in the Jones-Costigan Act, the purpose being not only to provide a continuing good market for the producers but to provide a fair market to which American consumers may go to obtain their supplies. I think that without question under the operation of the Jones-Costigan Act and under this bill American consumers will continue to have a fair market and a low price for that inestimably important household and food commodity known as sugar.

The attempt to bring sectionalism into this bill and the suggestions made by my distinguished friend, the gentleman from New York, smack more strongly of discrimination. I grant that our approach to this question is one which is based upon a desperate effort following the great depression to keep the American sugar industry intact in its inseverable present status. To permit other than that would require going back into past conditions which brought the continental American refiners down to below 65 percent of their potential capacity to melt and refine sugar which they now enjoy.

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER pro tempore (Mr. FULLER). The Chair will count. [After counting.] One hundred and seventy Members are present, not a quorum.

Mr. GREENWOOD. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 135]

Binderup	Drewry, Va.	Kloeb	Rabaut
Boyer	Eaton	Lambeth	Schneider, Wis.
Buckley, N. Y.	Ellenbogen	Lamneck	Scrugham
Bulwinkle	Farley	Lewis, Md.	Simpson
Cannon, Wis.	Fernandez	Luckey, Nebr.	Sirovich
Celler	Flannagan	McClellan	Smith, Maine
Chapman	Ford, Calif.	McFarlane	Smith, Va.
Citron	Fries, Ill.	McGranery	Smith, W. Va.
Cole, N. Y.	Fulmer	McGroarty	Snell
Cooper	Gasque	McLean	Starnes
Creal	Gavagan	Maas	Stefan
Crosby	Gilchrist	Magnuson	Sullivan
Crowe	Gray, Ind.	Mitchell, Ill.	Sutphin
Crowther	Gregory	Mott	Taylor, Colo.
Curley	Hancock, N. C.	Murdock, Ariz.	Taylor, Tenn.
Dempsey	Harter	O'Connor, Mont.	Treadway
Dingell	Hill, Ala.	Peyser	Vincent, B. M.
Ditter	Jenks, N. H.	Pfeifer	Weaver
Douglas	Johnson, Okla.	Plumley	
Doxey	Kennedy, Md.	Quinn	

The SPEAKER pro tempore (Mr. FULLER). Three hundred and fifty-four Members have answered to their names, a quorum.

On motion of Mr. GREENWOOD, further proceedings under the call were dispensed with.

Mr. MAPES. Mr. Speaker, I yield 10 minutes to the Delegate from Hawaii [Mr. KING].

Mr. KING. Mr. Speaker, this resolution brings before the House the long-awaited sugar legislation, which has been under consideration by the Committee on Agriculture in one form or another since March 15 of this year.

I am sorry that the controversy over different features of the proposed legislation has engendered so much heat as to lead several proponents of the special interests involved to attack Hawaii on matters not germane to the legislation itself, and even on occasion to attack me personally. I have not attacked any other interest or community, nor do I propose to do so, but I shall later reply to the unjust attacks on Hawaii.

I am sure the Members of the House realize that I have the same responsibility to the district I represent here in Congress and the people living in that district that they themselves have to their respective districts. There would be no justification for my being here unless I were prepared to fight for the rights of my people. Perhaps every Member owes a primary obligation to the Nation as a whole and a secondary one to his own district; or some may feel it is vice versa. But certainly the Members understand that as a Delegate from a Territory, a voteless voice in this great body, I am primarily the spokesman for Hawaii and its people; and I am dependent upon the sense of national obligation of the membership of this House to secure justice for Hawaii.

I have consistently fought for the principle of equal treatment for Hawaii, as an integral and inseparable part of the United States. No other issue is involved. This bill does not provide for that equality of treatment in one of its provisions, that places upon Hawaii a special restriction as to refined sugar, which is not put upon the sugar-producing areas of the mainland. I understand the chairman of the Committee on Agriculture will propose an amendment that will remove this feature of the bill, and I hope this amendment will be accepted by the House.

The issue transcends the pending legislation. If a constituent part of the United States, over which the American

flag flies, in which American industry has its being and American citizens live and earn their livelihood, can be legislated against in favor of another section, simply because it happens to be a Territory and geographically separated from the North American Continent, then indeed are the guaranties of the Constitution denied, the promises of American democracy repudiated, the monopoly of industrial processes maintained, and a policy of colonial exploitation substituted for that of equal justice under law that has been America's proud boast.

No such legislation was proposed to prevent the South from manufacturing its own cotton, nor to restrict the refining of oil in Texas in favor of other long-established oil refineries; nor would this Congress tolerate the proposed legislation if Hawaii were carved out of the mainland instead of being some 2,000 miles offshore. Every American should be thankful that Hawaii does stand in the Pacific, the western outpost of this great Nation, and find in that insularity an occasion for gratitude that Hawaii is under the American flag, and not an excuse to consider its people as something less than Americans, to be treated differently from those who, by choice or accident, live on the mainland.

I have addressed the House before on the historical background of the annexation of Hawaii to the United States; how the people of Hawaii, after a hundred years as an independent nation, gave themselves and their country, a free and a priceless gift, to this Nation; of the implications of the negotiations leading up to annexation; and of the language of the joint resolution which consummated annexation. These implications were in part carried out by the incorporation of Hawaii as a Territory at a time when there were several other Territories on the mainland.

Mr. COLDEN. Mr. Speaker, will the gentleman yield?

Mr. KING. Yes.

Mr. COLDEN. I would like to have some information on a point about which there has been considerable controversy. What is the scale of wages paid in the sugar refineries of Hawaii as compared with similar plants in the United States proper?

Mr. KING. May I say to the gentleman from California that the details of that subject I expect to take up in the discussion of the bill itself. I am addressing myself in this limited time to the general principles of my stand with respect to Hawaii as a part of the United States.

Mr. HEALEY. Mr. Speaker, will the gentleman yield for a brief question?

Mr. KING. For a question; yes.

Mr. HEALEY. The provisions of the wage and hour bill do not apply to Hawaii?

Mr. KING. They do apply to Hawaii, I beg to correct the gentleman. I saw to that; and when the original bill was introduced, leaving out Hawaii, I wrote to the chairman of the committee and had Hawaii included, and the new draft of the bill includes Hawaii in all its provisions. I may also say to the gentleman that the National Labor Relations Act also applies to Hawaii. We have had recently an investigation of a stevedore strike made by an agent of the N. L. R. B.

I will now continue with the general argument I am trying to make.

Since annexation we have shared in all the burdens and responsibilities of American institutions, accepted the obligations of our proud estate as a part of the United States, and enjoyed the benefits that this great country confers upon its people. We have lived up to the letter and the spirit of our contract of annexation. We pay all the taxes and tariffs that Congress levies. The immigration laws, the labor laws, and the coastwise-navigation laws apply with equal effect in Hawaii as on the mainland. We have in the past and continue in the present to take not our part but a disproportionate part in the military service of the United States. In other words, we are a loyal and a patriotic community under the flag.

We have prospered as a part of the United States. We have sold our commodities in the American market as rightfully as do the citizens of Colorado or of Louisiana. We buy in the American market to the same extent as our fellow citizens of all the States. From the profits of our industry we maintain our local governments virtually without subsidy from the Federal Government, and pay into the Federal Treasury sums greatly in excess of those paid by many States. All this I have said before, and only repeat these pertinent facts so the matter may be fresh in the minds of the Members when the amendment that will grant us the right, to which we are entitled, to be treated exactly as any other part of the United States is treated comes up for their action.

We are as a territory governed by Congress to a greater degree than a State. If there be anything in local conditions that do not meet with the approval of Congress, then this body has both the responsibility and the authority to correct such conditions. First-hand testimony of authoritative character from both executive and legislative sources exists that refutes the propaganda of selfish interests and the vague statements and untrue charges of persons who have never been to Hawaii that there are such conditions. But whatever change may be considered to be required cannot serve as a justification for adopting toward Hawaii and its citizens a different, a special law for the control of its economic development.

Existing sugar legislation is an extension of an emergency measure. Its provisions should not be used as a precedent for permanent long-range legislation. Yet it is so used; and in the effort to rationalize a discrimination against Hawaii great stress is laid on the fact that such discrimination does in fact now exist. How much greater is there the need for me to protest, as my predecessor protested the present law, the establishment of another precedent, to be again used to the detriment of Hawaii at some later date, and perhaps against another of our industries.

I ask this body to remember the fundamentals of our democracy, to think back to the time when this very type of colonial exploitation was practiced against America by Great Britain, and to accord Hawaii and the American citizens of that Territory, in equity and fairness, the right that should be open to every American to pursue their economic development within the allotted quota without a restriction that legalizes an existing industrial monopoly. [Applause.]

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. SHANNON].

Mr. SHANNON. Mr. Speaker, my purpose in addressing the House at this time is to make a few observations on two speeches delivered here Tuesday.

One was by the gentleman from Mississippi [Mr. COLLINS] in support of a bill providing for the establishment of five subsidiary national libraries and the other was by the gentleman from New York [Mr. FISH] with reference to the maintenance of American armed forces in China.

The gentleman from Mississippi made a splendid speech, in the course of which he referred to the destruction of great libraries in the past by hostile invasion, civil war, and other causes. He mentioned specifically the damage suffered by the Library of Congress during the War of 1812. But he failed to say anything about who was responsible for that act of vandalism.

Lest we forget, George III sat on the throne of England during the War of 1812. English supremacy over the waters of the world was the issue then. And England, a mere dot on the earth's surface, controls the seas today. George I was the ruler of England from 1714 to 1727; George II from 1727 to 1760; George III from 1760 to 1820, covering the periods of both the American Revolution and the War of 1812; George IV from 1820 to 1830; George V from 1910 to 1936; and now there is sitting on the English throne another George, the Sixth.

The gentleman from New York urged the withdrawal of our armed forces in China, lest it lead us into war. Why restrict ourselves to China? I say we should also withdraw from other countries. Many of our ancestors came to America to get away from warfare, turmoil, and bloodshed. Their descendants should not be catapulted into the very maelstrom of hell they abandoned.

It is reported in the press that Mr. Bernard Baruch is unofficially representing the United States in negotiations for the settlement of the British World War debt, and we are informed that already Lord "Kiljoy" and many others of the titled gentry have dined and wined Mr. Baruch. That is an ancient practice of old Albion, namely, to fill the belly and dull the head, and it is used on all softy representatives of visiting nations, ranging from Ambassadors Extraordinary and Ministers Plenipotentiary clear down to unofficial representatives such as was Col. E. M. House.

Mr. Baruch should realize that this country does not want her pound of flesh. England and other countries got theirs from the nations defeated in the World War. America got nothing, unless it was the honor of trying to "make the world safe for democracy."

What America wants is the return of the billions of gold dollars, belonging to her citizens, that she let England have to put her on her feet when she was in dire distress. America needs the money. America should have the money. And by all the rules of decency, the entire debt should be paid.

The merest novice in American political history knows that President Wilson made a disastrous mistake when he went to Europe in the winter and spring of 1918–19 and fell into the hands of European diplomats. He would have been far more powerful had he negotiated from Washington instead of from Versailles. No special representative of this country, official or unofficial, should be sent abroad to deal with defaulting foreign nations. All dealings should be had from here, and every American citizen should know in advance exactly what is going on.

Now, as an old-time bill collector, I believe I am qualified to make a few suggestions that might be of service to our friend Barney. In the first place, I see no great need for so much politeness and diplomacy in trying to collect a bad debt. When it comes to the art of diplomacy, England produces diplomats par excellence.

If England had engaged in a game of African golf and had thrown a snake eye or a boxcar and then refused to settle up, she would have been forever barred from all other respectable crap games. Or, even in the great American game of poker, if England had welshed, she would not have been admitted to future games.

Just a few days ago a member of the New York Stock Exchange was expelled, charged with stock manipulation. Yet England, who has been manipulating and conniving all these years to defraud America of a just debt, is still accepted in polite governmental society.

I say that Barney should have taken along with him as an aide a hard-boiled constable, to seize any loose property in England, such as the royal jewels. Or, better yet, let him call upon Sheriff Peter McGuinness, of Kings County, N. Y., and have him summon a posse comitatus to seize the *Queen Mary* the next time she docks at Brooklyn. That ship was built with money rightfully belonging to the American people, and although she is now being used as a public carrier, she is designed and intended to be used for war purposes whenever the exigency arises. And the same thing should be done as to the *Normandie* of France, and the ships of all other dead-beat nations who have run out on their honor debts to America.

Let us not be led astray by English cunning. The dole to be offered us at this time is merely to quiet America's hostility due to England's welshing. America should be paid in full; but she should accept no terms that might possibly lead to a European alliance of any kind. Even should we lose every cent of the money owed us, if by so doing this country will be kept out of the conflicts in Europe, it will have been a splendid investment.

America's slogan should be, "Not one American boy for foreign war trenches." And this notwithstanding the sentiments of the Anglo-aping, knee-breeches, gold-garter, and monocle-wearing American jackasses who flit back and forth between dear old London and uncultured America. All dealings with foreign nations should be brought out into the open. There must be no passing of air between the sheets. Let the American people see and hear all that is transpiring behind the governmental scenes and, as Thomas Jefferson so truly said, "They may safely be trusted to hear everything true and false, and to form a correct judgment between them." [Applause.]

Mr. GREENWOOD. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Speaker, it is rather unfortunate that the situation should arise when charges of discrimination are made against any Territory or any State. It is my contention, and I believe the contention of those who are interested in this sugar legislation, that there is no discrimination against Hawaii or Puerto Rico. If there is any discrimination, it is discrimination against the industry in the United States. We produce only about 25 percent of our consumption, and the islanders are trading in the American market. If Hawaii and Puerto Rico were to sell their sugar on the world market, they would receive about $100,000,000 less than they get from the American market. Is that discrimination? Let me give you an illustration of discrimination against American citizens in Hawaii—discrimination on the part of Hawaii, if you please, against American citizens. I refer, gentlemen, to H. R. 1995, introduced, I believe, by the Delegate from Hawaii [Mr. KING] where they want a national park in Hawaii. Let me read to you what discrimination really is.

This bill introduced by the Delegate from Hawaii provides in part as follows:

> *Provided further*, That occupants of homesites in this national park shall reside on the land not less than 6 months in any one year: *Provided further*, That in construction projects within the area preference shall be given in employment of labor, first, to native Hawaiians.

It does not say citizens of the United States but restricts it to native Hawaiians.

Then further:

> Fishing shall be permitted in such area only by native Hawaiian residents.

Not open to all American citizens but restricts it to native Hawaiians.

And there are other discriminations in that bill. Here they introduce a bill right in the Congress of the United States and they ask for discrimination against American citizens, and then they come here and raise the wail of their voice and say they are discriminated against and then say that they are American citizens. I recognize that, but I do not believe that after all the good things that Uncle Sam has done for Hawaii, Puerto Rico, and Cuba that they should come in now asking that we discriminate against ourselves in favor of the islands.

I want at this time to pay tribute to the great chairman of the Committee on Agriculture, the gentleman from Texas [Mr. JONES]. [Applause.] I want to pay tribute to the great chairman of the Subcommittee on Agriculture [Mr. CUMMINGS], on which committee I have the honor to sit. Those two gentlemen used diplomacy and tact in face of one of the fiercest onslaughts on legislation that has been made in the history of this Congress. It is about time that we legislate and that we do not take the dictates of the departments. I think it is about time the Members of this House legislated as they see fit. The thing that happened in bringing out this rule is a disgrace to the American Congress. Those departments practically said, "You will either amend this bill, or you do not get a bill", but, due to the courage and fighting spirit of those two gentlemen I just mentioned, thank God the Rules Committee saw fit to bring this rule to the floor of this House.

The SPEAKER pro tempore. The time of the gentleman from Michigan [Mr. HOOK] has expired

Mr. GREENWOOD. Mr. Speaker, I yield the balance of my time to the gentleman from Ohio [Mr. HARLAN].

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 5 minutes.

Mr. HARLAN. Mr. Speaker, just to get the RECORD clear, in the first place, there are no sugar refineries and prob-

ably no sugar beets grown in my district. I am here speaking to you as the representative of Mr. John Q. Public. [Applause.]

I am in favor of this rule because it is a question we have to decide, but, as I have stated before this body on different occasions, and as I desire to make my policy in this legislative body logical, I am here to oppose, when the time comes, our treatment of Hawaii. Our entire foreign trade policy has been one to promote trade and to encourage industry in the most economical way. In the pending bill we have turned around, completely reversed ourselves on our foreign-trade policy. We have started to treat Hawaii worse than foreign nations. We have started a new policy in government, and that is the policy of industrial quotas, something that we have never attempted in the United States. Agricultural quotas, yes, but never before in any bill that I have heard of have we attempted industrial quotas.

In my own State of Ohio, for example, the Frigidaire Corporation a few years ago manufactured more electric refrigerators than all the rest of them put together. Now, suppose we had then established an industrial quota and said, "We are going to freeze the industry here"; it would have almost raised a rebellion in this country. It would have been a throttle on the throat of progress. That is what we are doing here.

They talk about the difference in labor costs in Hawaii and in this country. That will be taken up later, I understand, but if it is true, there is not half the difference between the cost of labor on sugar in the United States and Hawaii as there is between the cost of mining coal in my State and the State of Alabama, yet we do not put industrial quotas on that business. We have not yet, at least. Because of a difference in labor costs, Southern States have taken the textile industry from New England, yet we never tried the vicious experiment of industrial quotas.

Mr. KENNEY. Mr. Speaker, will the gentleman yield?

Mr. HARLAN. I cannot. I am sorry.

There are two manners in which governments have always operated colonies. One is the Roman system of exploitation, making the colonies serve to the profit of the mother country. The other is the policy generally adopted following our American Revolution, of building up the prosperity of colonies along with the prosperity of the mother country. There was some justification for England and Rome and the other ancient exploiting countries to adopt their policy of exploitation, because they conquered their colonies. They were subjected alien enemy races, but in this case of Hawaii we have a people over there who voluntarily came under our flag, just as the people of Ohio came and asked for admission into this Union. Now, we, this great United States, come and treat them far worse than we do the people in any other foreign country except Cuba.

Mr. KENNEY. Mr. Speaker, will the gentleman yield?

Mr. HARLAN. I am sorry. I cannot. In my own State of Ohio there are some sugar refineries—not in my district. In those refineries today they are using Mexican labor. Now, any fool knows that that Mexican labor is not coming in here from the Mexican border unless there is some contract. They are coming here with an arrangement to work in Ohio, take jobs away from our Ohio workers, and we are permitting the refineries to take bread out of the mouths of our fellow citizen in Ohio. Then in their hypocrisy they appeal to us to "protect American labor." It is American dividends that have hired this lobby.

The gentleman a moment ago talked about the steps that we had taken to protect native Hawaiians in their parks. We have done the same thing for the Indians. We have done the same thing for the Eskimos. We have done the same thing in all similar cases.

If we adopt this bill we will reverse our entire history of colonial policy, our conception of justice from our pre-Revolutionary days; we will make our foreign-trade agreement policy a mockery; we will give the Sugar Trust one more opportunity to exploit our people; and we will repay the patriotic support given us by the people of Hawaii with base ingratitude.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

All time has expired.

Mr. GREENWOOD. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the resolution.

The question was taken; and on a division (demanded by Mr. LANZETTA) there were—ayes 115 and noes 9.

So the resolution was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRISWOLD. Mr. Speaker, I ask unanimous consent that on Monday next after the disposition of the legislative program for the day I may be allowed to address the House for 30 minutes on the subject of wage and hour legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

(Mr. DIRKSEN, Mr. PHILLIPS, and Mr. MURDOCK of Arizona asked and were given permission to revise and extend their own remarks in the RECORD.)

SUGAR BILL OF 1937

Mr. JONES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7667) to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7667, the sugar bill of 1937, with Mr. BLAND in the chair.

The Clerk read the title of the bill.

Mr. JONES. Mr. Chairman, I ask unanimous consent that the first reading of the bill may be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Chairman, in view of the great interest and demand on the part of those who are directly interested in this matter, I shall make but a brief opening statement and reserve the balance of my time.

Mr. Chairman, when this subject was first broached to me a little more than 2 years ago I was very reluctant to go into it. I have no sugar, either raw or refined, nor the product from which it is made, in the district I represent, nor is there any within hundreds of miles of my home. There are, however, a great many sugar-producing areas stretching halfway around the world that feed their product into the American market. Chaotic conditions came at times in such a way that there would be a runaway market, a glutted market with low prices, to be followed by a shortage and tremendously high prices. At one time in the early twenties sugar reached nearly 25 cents a pound retail.

In fashioning the first bill we undertook to protect the consumer. It worked so well that the price of retail sugar to the consumer during the 2½ or 3 years of its operation has been less than during any 4-year period within a score of years. We required as conditions to the entrance of sugar from the sugar-producing areas offshore that they should maintain a 6 months' reserve supply. We required other conditions as to contracts between the refiners and the growers as to conditions in the areas that have produced a stabilized market. I do not think any Member has heard any complaint on the part of any of the American

people within the last 2½ years over the retail price of sugar, because they had had a better deal than during any like period within 25 years at least, and I do not believe that they ever had comparable prices. At the same time in the operation of the law the Secretary has been able to levy such conditions that the growers have gotten a better price for the beets and cane they produce.

To try to be umpire in all of these areas whose interests conflict and who naturally want all they can get of the market has been a most difficult task. I have spent a good deal of time and some of the other members of my committee have spent a good deal more time trying to work out the provisions of what they conceived to be a fair measure.

The bill under consideration establishes practically the quotas that were established under the original act with somewhat similar provisions refined by the lessons which experience always teach us. My primary purpose in helping to shape this legislation has been to see that the consumer was protected as well as to secure better treatment for the producers. I believe the same can be said of the entire committee. We have tried to see that the producer received treatment that would be in his interest and yet not be against the interest of the consumer.

I believe that with all of the differences of opinion that have existed among the various groups as well as to some extent in our committee, we worked out a fair bill, one on which there was almost unity of opinion, after hearing a good deal of evidence, after the subcommittee had done a tremendous amount of work, and after the full committee had gone thoroughly over it—a bill in which there is practically no division of opinion except on one issue, the details of which I hope to discuss at a little later time under the 5-minute rule; and that is a provision having to do with restriction on direct-consumption sugar coming in from Hawaii and Puerto Rico within their quota. There is no appreciable complaint as to the amount of raw sugar which they bring in. Under the terms of the bill we have stipulated that there shall be a limit on the amount of refined sugar which may be brought in from those islands within their quota. That limit has been the highest amount of refined sugar which those islands brought in during any one year prior to the time of the passage of the original act. On this proposition there is much difference of opinion, as you all know, but we shall have a full discussion of that. At the proper time I shall offer an amendment to strike out paragraphs (a) and (b) of section 207. I believe those who are interested in securing actual legislation, if they are wise, will adopt the amendment.

The departments and the administration are very much opposed to any limitation, taking the position that there should be like treatment among all groups of American citizens, and that there should be no discrimination against any group of citizens anywhere under the American flag.

We did make this particular change in the quotas: We increased the quota for the cane-sugar areas. I think they made out a case and are entitled to an increase, and I think the committee has arranged probably a fair basis for that provision.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. MANSFIELD. How do the quotas compare with existing law, the Jones-Costigan Act?

Mr. JONES. There has been very little change in the quotas, except an increased quota for the cane-sugar areas and a slight adjustment in area to make provision for it, and I think that will be more than cared for by the increased consumption; so there is not any appreciable change in quotas outside of the one I have mentioned.

Mr. WILCOX. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. WILCOX. The gentleman has just stated that there was an increase in quotas allowed to the cane-producing areas of the continental United States. It, of course, applies to the States of Louisiana and Florida. There are not separate quotas for each of those States, as I understand it.

Mr. JONES. That is correct.

Mr. WILCOX. The two are combined under one quota.

Mr. JONES. That is correct. May I say to the gentleman we have sugar that comes into this country from the Philippines, Hawaii, Guam, the Virgin Islands, Puerto Rico, Cuba, and some South American and other countries. The eastern and western sugar growers, Florida and Louisiana cane growers also produce sugar, and it has been a very difficult task to apportion it by regions. It has seemed very difficult to go into the question of adjusting this legislation as between States, and we did not regard that as practicable. I do state, however, that we made additional provision for the cane areas, because we thought, after going over it, that there was reason for this distinction. I may say to the gentleman I think his State is entitled to an increase.

Mr. WILCOX. I thank the gentleman very much for that statement. The bill makes no effort to establish a formula by which the cane-area quota may be allocated as between the two States?

Mr. JONES. That is correct. The present law makes no effort to do that. It is left to the administrative authorities.

Mr. WILCOX. Can the gentleman inform the House as to what formula will be used in making the allocation?

Mr. JONES. The formula set out in the bill. They take the historic production and consider that in connection with the ability to fill their quotas. They take into consideration the market facilities and several things, which are set out in the bill. All of these we will go into later.

Mr. WILCOX. I do not want to consume too much of the gentleman's time, but may I call attention to the fact that using a historic basis for an allocation would completely prevent the development of an efficient and profitable industry.

Mr. JONES. My time is so taken up that I hope the gentleman will discuss that in his time. I may say, in my judgment, the gentleman's area is entitled to more than the historical basis. Florida should have probably a minimum of, say, 75,000 tons if that much is needed. That is my judgment, but the gentleman will have to convince the administrative authorities. You see Louisiana is also to be considered, and the Department has the delicate task of adjusting all of these matters—a most difficult assignment.

Mr. WILCOX. I wonder if the gentleman would feel like saying at this time he would support Florida in offering an amendment which would obtain a minimum of 75,000 tons?

Mr. JONES. I shall be glad to say as much to the Department. I do not think those things should be put into the bill, though.

Mr. LANZETTA. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from New York.

Mr. LANZETTA. Is it not a fact that the cane-sugar quota from Puerto Rico has been reduced 34,000 tons?

Mr. JONES. It was not reduced in the quota. It was reduced that much below what they actually used. You understand the excess consumption gave them more than their quota before. There was some slight reduction, however.

Mr. Chairman, I reserve the balance of my time.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I shall not try to go into details, so far as this bill is concerned, but will refer to some of the more important provisions in it.

As has been pointed out by the distinguished chairman of the Committee on Agriculture, there are many sugar-producing countries in the world; but, as I conceive the picture, after 18 years of actual experience in the industry agriculturally, and in the financing, building, and operating plants, and in marketing sugar, there are three primary producing areas in the world, so far as I am concerned. One is the sugar-beet area of Europe. Another is the far eastern sugarcane area, which covers Formosa, Java, Philippine Islands, the Indies along in here [indicating on map], and a small amount in Australia. Another producing area is Cuba, Puerto Rico, the United States continental beet- and cane-sugar districts, and a small amount in South America.

There also enters into the conflict the sugar produced in the Philippine Islands, which moves six or seven thousand miles in order to reach the Pacific coast. Twenty-two hundred miles off the Pacific coast lies Hawaii, an organized Territory, as I understand, and subject to statehood.

This bill provides that there may be imported into this country from Cuba in the form of refined sugar to the United States, according to page 6 of the committee report, 375,000 tons of refined sugar; from Puerto Rico, 126,000 tons; from Hawaii, 29,616 tons; and from the Philippine Islands, which is involved in the Philippine Independence Act, 80,214 tons.

There is one point that may not be covered here which I want to touch on lightly and very briefly. That is the question of marketing. Let us suppose you were sales agent of the Hawaiian Sugar Planters' Association California refinery and there comes into that west coast territory refined sugar produced in Cuba under a non-bone-char process, which means bargain-counter sugar. You have no bargain-counter sugar to hold your trade on the Pacific coast. You can rest assured that insofar as the bargain-counter sugar that flows into that area from Cuba is concerned, you will be driven out of the Pacific coast market. The gallery is full of sugar men who are experienced in the marketing of sugar, and I defy them to pass the word along to you to refute that statement before this debate expires.

I speak as one who has sat there at the telephone day in and day out, month in and month out, and year in and year out, handling the long-distance telephone calls just as fast as they could come in in a fast-moving commodity market, slow markets, and what we call a runaway market. I know what it means to have competitive goods to offer in a competitive market. That question is involved in this bill and I cannot cover it in detail in 10 minutes. Other people have just as much right to talk on the bill as I have. It is something you will have to figure out as best you can as the debate progresses.

Mr. Chairman, I intend to support this bill. If the President vetoes the bill by reason of our not eliminating subsections (a) and (b) of section 207, page 14 of the bill, then I will have to go home and say to the sugar-beet growers of my district: "Well, I stood for the bill, but you have not any legislation." So as a Representative from my district I am on the spot.

I think my district grows beets for more sugar-beet mills than any other district in the United States, so far as I have been able to learn—not more beets, not more sugar, but for more sugar-beet mills. So I am interested in this bill. If we pass the bill and the President does veto it and the question comes back to the House and Senate in time to override the veto, if we override the veto before adjournment, then we will have legislation. Otherwise, the beet grower loses by reason of our poor judgment and legislative folly. So those things enter into it.

At the meeting that was held this morning I addressed a question to Senator ADAMS, who has been in very close touch with the President on this matter. He informed me the President specifically objects to subsections (a) and (b) of section 207 on page 14 of the bill. So, in a way, that is the situation. I cannot figure out to save my life how the Committee on Agriculture has had enough patience to deal with this question as it has during the months the bill has been under consideration and bring to the floor a bill as good as this.

I wish all parties were harmonized on the situation, but they are not, and that is the situation which we face. There is one redeeming feature, as I see it, and I wish my friend the Delegate from Hawaii [Mr. KING] could see it this way. So far as I know, for the first time in American sugar history the refiners of the United States are down here asking for protection for the sugar industry. To my certain knowledge for 18 years I have battled with them across the table in an attempt to provide protection for the beet-sugar and the cane-sugar industry of continental United States, including Puerto Rico and Hawaii, and they were always standing for free trade on sugar. If you were a refiner you would very well understand why they do this, because as a refiner you want raw sugar, sugar in process, sugar in the bag, sugar in transit, and sugar in the warehouses at as low a cost as you can get it.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kansas.

Mr. HOPE. Is not the reason the refiners are down here in agreement with the producers of sugar that they want to hitchhike on the producers' bill? They are trying to get a free ride out of a bill which was originally designed to protect the producer.

Mr. CRAWFORD. The answer to the gentleman's question is that you have in this bill a refined-sugar question, not a question that has to do with imported raw sugars. You are dealing with a refined-sugar question in subsections (a) and (b) of section 207, which have to do with refined sugar. These paragraphs have to do with 29,616 tons of refined sugar from Hawaii and 126,000 tons from Puerto Rico. Naturally, the refiners are interested in that. The refiners employ American labor, and so do the beet people. Therefore, I hope we will get out of this situation a marriage forever and eternally between the seacoast refiners, the beet industry of this country, and the other producers under the American flag to the end that hereafter when a sugar bill comes up here and there is a real tariff fight on the floor, the cane refiners will come here and plead for the protection of the raw product as they now plead for the protection of refined sugar.

Mr. CARTER. Mr. Chairman, will the gentleman yield for a brief question?

Mr. CRAWFORD. Let me finish this thought, and then I will yield.

If I could convince my friend the Delegate from Hawaii [Mr. KING] that this would be the result of this measure, namely, that the refiners and the producers of Puerto Rico and Hawaii, and the beet growers, will forever after be tied up together in fighting for the protection of domestic sugar, he might see that this kind of a combination would be worth more to him than what he is asking here. However, there is no way I can guarantee that the refiners would do that, and neither can you.

I now yield to the gentleman from California.

Mr. CARTER. In reference to subsections (a) and (b) of section 207, to which the gentleman has referred, I understand an amendment is to be offered striking these subsections from the bill.

Mr. CRAWFORD. It is my understanding that the chairman of the committee, the gentleman from Texas [Mr. JONES], will offer such an amendment.

Mr. CARTER. Would the gentleman care to express his attitude toward an amendment of this kind?

Mr. CRAWFORD. Here is the situation: Suppose the refiners' friends on the floor kill the bill in the event these sections are stricken out. Who can answer on that? I certainly could not. My beet people want sugar legislation. I think there are some people in the western territory who want sugar legislation.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. CRAWFORD. I yield for a question.

Mr. DONDERO. How do the amounts set forth in subsections (a) and (b) of section 207 compare with previous quotas from Hawaii and Puerto Rico? Are they more or less?

Mr. CRAWFORD. The difference is so small that I do not think I should take the time to answer the question. The question will be answered in debate, anyway.

Mr. DONDERO. Are the amounts larger or smaller than previous quotas?

Mr. CRAWFORD. I think a little bit less.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Is the gentleman for the Jones amendment?

Mr. CRAWFORD. I may vote for the Jones amendment, but I am not sure I shall. Let us hear the debate and decide on presentations made. I may vote against the Jones amendment. This is a complicated situation, as the Members of this committee will testify. It is my understanding from beet growers they are not particularly concerned whether these sections go out of the bill or remain in. If by leaving them in the President will veto, why should we leave them there if the beet people are indifferent about the matter.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes; I yield.

Mr. MAVERICK. If the Jones amendment carries, there are still a great many other benefits in the bill?

Mr. CRAWFORD. A great many benefits, in my opinion. I expect to support the bill. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. CUMMINGS].

Mr. CUMMINGS. Mr. Chairman, I wish, first, to make my position perfectly clear regarding this controversy over refined sugar. I speak for the beet growers. I think possibly I am not misstating when I say I come as near speaking for them as any man in the West. I have lived there, owned farms there, and grown beets there for 30 years.

This controversy does not make one penny's difference to the growers of beets. We shall receive the same price for our beets during the life of this law whether the refining quotas of Hawaii and Puerto Rico are increased or not. The only brief I have for the refiners is not for the refiners as such but I think that any good American citizen has a brief for every man who has a job in the United States.

What is the real issue? Hawaii and Puerto Rico are allowed to produce just as much sugar under the refining quota in this bill as they were under the Jones-Costigan Act, and that is as much as they ever produced before. In 1933 we had a stabilization agreement. For 3 months after Congress adjourned I sat with our committee. We agreed on a stabilization agreement, because the sugar industry of the world was absolutely ruined. Raw sugar sold in New York for 60 cents. For the year 1933 it sold at an average of 80 cents, which meant absolute ruin for everybody in the industry.

Some of the people who are representing Hawaii and Puerto Rico tell you they do not want a sugar bill. Do you know what I think about that? I think it is a good thing the Lord is not enforcing one particular commandment today as he did in the days of Ananias. Do you get the point? Without sugar legislation the sugar industry of Hawaii, Puerto Rico, and the United States is absolutely ruined, because we go on the world market with a 90-percent protection tariff, and we had $2 against Cuba and $2.50 against the world in 1933.

Now, we just cannot grow sugar in competition with cheap colored labor in the Tropics, and any man who knows anything about sugar knows it, any more than you people in the East can produce shoes and steel and other manufactured products without tariff protection.

As I have said, it does not make a particle of difference to the beet growers, and it will not hurt any industry in Hawaii, and the question arises, Why do they want to refine this sugar? This is just as plain as the nose on your face. If you will examine the Government report which I have here and refer to the tables in that report, you will find that the average wages for labor in the sugar industry of Hawaii is $10.80 a week. There is not any getting around that, because this is a Government report and I will give you the number of it. They want to refine the sugar there in order to make more money.

Now, what is the condition of the sugar industry in the United States and in Hawaii? In Hawaii, under the Jones-Costigan Act, there were 39 contracts. In the United States there 75,000 contracts.

Mr. DOCKWEILER. Mr. Chairman, will the gentleman yield?

Mr. CUMMINGS. I cannot yield now.

Those 39 contracts in Hawaii received payments of $13,332,862. The lowest payment in all of Hawaii was $39,104, while the largest was $1,022,038. There are five companies in Hawaii with the same secretary and the same treasurer, one man is president of four and vice president of the fifth, and these five companies received $3,534,917 of benefits under that provision.

The industry in the two countries is absolutely different. I am going to offer for introduction in the RECORD a graph that shows that six families own and control every industry in the Island of Hawaii. They own the railroads, they own the banks, they own the sugar plantations, and when the bill was passed granting provisional independence to the Philippine Islands a provision was inserted whereby Hawaii was allowed to bring in all the labor they wanted from the Philippine Islands. The Delegate from Hawaii has introduced a bill to repeal this provision, but they did not repeal it until they had obtained all the advantages under it. There was a strike there last spring, but it did not particularly interfere with them, because they bring their labor from the Philippine Islands, and if they work 3 years they get their fare back, but they must work 1 year for the first man and then they can work where they please the next 2 years if the lords of Hawaii say they can do so.

As I have said, the conditions are absolutely different. They have told us about the labor conditions in Colorado. They say we employ labor from old Mexico.

On May 4 I sent a wire to the chairman of the Colorado Beet Growers Association, who is also a director of the national association, and I am going to read it to you so you will know I asked for the facts:

A. L. LITTLE,
Capitol Building, Denver, Colo.:
How many citizens of Old Mexico or any other foreign country are employed in our beet fields? Ask Governor Ammons to sign wire with you. Answer immediately.

FRED CUMMINGS, M. C.

Here is the reply under date of the 7th:

There are no exact data of citizenship of beet-field workers in our territories available. Best estimate of those most familiar is that 700 contracts will be worked in Colorado district, Great Western territory, by families of Mexican citizenship. This is one-eighth of total contracts. These family heads are all of long and legal residence in United States and many have children born to citizenship here. There are no nationals of other foreign countries engaged here. Estimate 2,100 contracts worked by United States citizens Spanish speaking and 2,800 by United States citizens of white race.

GOV. TELLER AMMONS,
Senator A. L. LITTEL,
President of Beet Growers' Association.

Now, please remember, there were only 39 contracts in all of Hawaii. The average farm growing beets in the United States is around 16 acres, while the average in Utah is about 6 acres. So that in the United States it is completely an American institution.

I do not want to work a hardship against anyone in the United States or anyone in the sugar business, but when you talk about people being discriminated against you must remember that Hawaii and Puerto Rico are allowed to produce all the sugar they can consume, and they are allowed to produce and sell on the world market as much as they please, but the amount they can ship to the United States is limited and the amount they can ship of refined sugar is limited, and it should be limited.

The beet growers, the last year before this limitation, produced 1,770,000 tons of sugar, and we submitted to a quota of 1,500,000 tons of sugar. Our sugar is a completed transaction when it leaves the factory. The growers haul the beets to the factory, and it comes out as refined sugar, and if there is anybody discriminated against, I would call your attention to the situation of Florida and Louisiana. Florida is not allowed to produce as much sugar as they consume, while Louisiana is allowed to produce a little more.

The entire beet-sugar industry of the United States is restricted. We could produce hundreds of thousands of tons more of sugar; but what would be the result if you threw down the bars and everybody produced all the sugar they could? You would have a ruined sugar market, and I tell my people this. While you may say it is un-American to put a restriction on continental production, yet you cannot get all that you want, and under this administration I am in favor of getting what you can, and I tell my people that if a man is growing 20 acres of beets and is restricted to 15 or 18 acres he is better off growing 15 or 18 acres at a profit than 20 acres and losing money.

These other people do not want to ruin the sugar industry. They are just talking through their hats.

I do not want to see the beet-sugar industry ruined, and, as I said in opening my remarks, it does not make a penny of difference to the growers of beets. We will get the same price for our beets.

I do say that the people that are operating the refining industry of the United States and have been for 150 years are entitled to the same protection that the beet growers are, and they are entitled to the same protection that we grant Hawaii and Puerto Rico, and we should say to them that they can produce just as many pounds of refined sugar as they have ever produced.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. JONES. Mr. Chairman, I yield 3 minutes more to the gentleman from Colorado.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. CUMMINGS. Yes.

Mr. KENNEY. Is there not a limitation on continental United States insofar as the sale of refined sugar is concerned? That is, continental United States cannot sell its refined sugar to Hawaii or Puerto Rico, and there is a natural restriction there, although there is no restriction in the bill, because of the difference in the cost, the cost of production being so much less in Puerto Rico.

Mr. CUMMINGS. And whenever you restrict the production of beets, which this quota does, it logically follows that you restrict the production of refined sugar, so that we are restricted in refining just as are Hawaii and Puerto Rico.

Mr. MAVERICK. And, if the so-called Jones amendments carry, would not there still be very many provisions in this bill that are desirable?

Mr. CUMMINGS. If these two provisions were cut out, it would not make a penny's difference to the beet growers of the United States; and I tell you that my only object is in protecting all the sugar industry of the United States and the 14,000 people who have jobs in connection with it.

Mr. MAVERICK. It will still be a good bill if they were cut out.

Mr. CUMMINGS. It would not be a good bill for the refiners. It would ruin the refiners, but it would take care of the beet growers.

Mr. KENNEY. If the refiners were ruined and the refining had to be done in the island Territories eventually——

Mr. CUMMINGS. And they would come back here and defend this law and say that there is nobody interested in sugar but the beet growers, and that they will take the tariff off that.

The cost of sugar is sometimes spoken of. It is cheaper in the United States than in any other country in the world. In Italy they pay over 15 cents. There is not a civilized country on earth that has as cheap sugar as we have in the United States. I say frankly that I do not want a high price for sugar, because I believe that the people who eat sugar are entitled to the same protection as the man that grows it. Let me give you the figures on the cost of sugar. In Germany it is $13.66 a hundred; in Italy, $21.80; in Poland, $8.40; in Norway, $7.19; in France, $9.54; in the Netherlands, $14.24; in Czechoslovakia, $11.25; in the Irish Free State, $7.72; and you can buy it in the United States today, right here in Washington, for $4.80 a hundred—10 pounds for 48 cents. I shall later, perhaps under the 5-minute rule, call attention to the cost of sugar as compared with other food products.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. CUMMINGS. Yes.

Mr. HEALEY. In answer to the gentleman from Texas [Mr. MAVERICK], if those two paragraphs were eliminated from the bill, it would in effect transfer the industry from continental United States to the insular possessions.

Mr. CUMMINGS. It would absolutely ruin the refining industry of the United States.

Mr. MAVERICK. It would not transfer all of it.

Mr. HEALEY. Practically all of it. It would take away jobs from American workmen.

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I desire to ask one or two questions of the gentleman from Illinois [Mr. LUCAS], who is the author of one of the important amendments now a part of this bill as it comes to the floor. I wish to inquire about the proposed excise tax imposed on waste inedible molasses when used in the manufacture of industrial alcohol, a vital chemical raw material. May I ask how this tax would work out? Is it the same tax practically as on sugar itself?

Mr. LUCAS. That is correct. In other words, blackstrap molasses is coming in from the tropical countries without any importation tax, and it is also being manufactured without a manufacturers' tax for the distillation of alcohol.

Mr. ANDREWS. Would it not result in an increased cost to both direct and indirect consumers of products in which industrial alcohol is used? I urge that you look into the statistics and check the actual facts in the matter.

Mr. LUCAS. There is no doubt but what there will be an increased cost to the consumers, but at the same time we in Illinois and in the Corn Belt districts of this country believe it is a beneficial movement toward aiding the basic industry of America, and that is the true reason for the placing of this amendment into the bill.

Mr. ANDREWS. Does not the gentleman believe that this will dislocate a very vital American industry, and result in the loss of a valuable market for waste blackstrap molasses which would react against the very sugar producers the Jones bill seeks to aid?

Mr. LUCAS. No. We always hear about a dislocation of industry in every bill that is brought to the House where industry is involved, but I find that industry gets along about as well as the farmers in my section of the country, in fact, a little bit better. These industries will not stop but they may be compelled to become more interested in the use of corn in place of a foreign product.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. Yes.

Mr. LANZETTA. Is it not a fact that the grain producers do not stand to benefit one iota from the tax on blackstrap molasses and that the only ones to benefit will be the producers of synthetic alcohol?

Mr. LUCAS. No. The gentleman is mistaken. True, it will come into competition with the producers of synthetic alcohol, but synthetic alcohol can never take the place of grain alcohol made from corn. This amendment will place the American corn producer upon a near parity with the blackstrap producer who lives beyond the confines of continental United States. Who in this legislative hall can honestly challenge that premise?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JONES. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Chairman, I ask unanimous consent to speak out of order on another agricultural matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BIERMANN. Mr. Chairman, during generations the great State of Iowa has been recognized as the greatest corn-producing area on this earth. Strangely, in a rash moment

last week, the State of Wisconsin challenged Iowa's supremacy. Wisconsin's Governor, Philip La Follette, with pomp and ceremony, went to our State capital to measure corn with Iowa. He carried with him the tallest cornstalk in the Badger State. Iowa's great Governor, Nelson G. Kraschel, neighborly and good-naturedly, condescended to the contest. He hurriedly sent out a messenger to fetch the first cornstalk he came to, remarking to Governor La Follette that if the Iowa cornstalk was not 2 feet taller than Wisconsin's best he would consider Wisconsin the winner. The Wisconsin cornstalk measured 13 feet 1⅜ inches. The messenger arrived with a stalk from one of the poorer Iowa fields. It measured 16 feet 5⅛ inches. Like a good sportsman, Governor La Follette said, "You have us backed off the map when it comes to raising corn."

I wish to enter this story in the RECORD so that henceforth no such States as Illinois, Missouri, Nebraska, or Minnesota will ever challenge the agricultural supremacy of Iowa, the State "where the tall corn grows."

In order that Iowa's supremacy may be known to all other States' Representatives, Mr. Chairman, I ask unanimous consent to insert at this point a statement of a small part of the many fields in which my great State excels.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The statement is as follows:

Although Iowa ranks sixteenth in population and twenty-third in area of land, she ranks—

In value of corn, oats, horses, hogs, poultry	First
In value of farm lands and buildings	First
In combined value of livestock	First
In total value of farm property	First
In farm land improved (95.6 percent)	First
In value of farm machinery	First

Twenty-five percent of all grade 1 farm land of the United States is within the State of Iowa. Seventy-five percent of all grade 1 farm land of the United States is within 250 miles of the center of Iowa.

The farms of five Iowa counties (Sioux, Crawford, Shelby, Kossuth, and Plymouth) exceed in value the farms of either Massachusetts, Vermont, New Hampshire, Wyoming, New Mexico, or Utah.

The farms of 10 Iowa counties (Cedar, Clinton, Crawford, Jasper, Kossuth, Marshall, Polk, Plymouth, Shelby, and Sioux) exceed in value the farms in any one of the States of South Carolina, Maryland, Florida, Idaho, Maine, New Hampshire, Delaware, New Mexico, or Utah.

One-tenth of all the food products in the United States comes from the State of Iowa.

Iowa's grain products for 1935 totaled 617,500,000 bushels. This amount divided by Iowa's number of square miles—55,586—gives an average of 11,100 bushels per square mile. No other State begins to equal these figures.

The per-capita wealth for Iowa is $4,322. The per-capita wealth for the remainder of the United States is $2,685.

The value of the farm products produced in Iowa in 1 year is greater than all the gold that has been produced in Alaska in the 58 years since the United States purchased Alaska.

(Authority U. S. Census and National Industrial Conference Board.)

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. MASON. I do not believe the State of Illinois will ever challenge Iowa on the stories they put out, but we can easily challenge Iowa on the tallness of our corn. [Laughter.]

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. MARTIN of Colorado. I want to know if the Governor of Wisconsin carefully examined the structure of that cornstalk to see what made it that way?

Mr. BIERMANN. I have no idea.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I yield.

Mr. BOILEAU. Would the gentleman be interested in going into a contest with reference to cheese instead of corn?

Mr. BIERMANN. I will have to think that over.

Mr. MANSFIELD. Did that cornstalk have any corn on it?

Mr. BIERMANN. I think it had three or four ears.

Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. LORD].

Mr. LORD. Mr. Chairman, I want to speak for a moment for the consumers of the country. We have heard the farmer and the processor taken care of, but in this legislation we are going to add half a cent a pound to the cost of sugar, and that half a cent a pound must come out of the consumer. I think the consumer should be considered just for a moment at this time. In the United States we cut down on the amount of sugar we can produce. We cannot produce enough sugar in the United States for our needs. I maintain that we should be allowed to produce the sugar that we want to, so long as we cannot produce enough for our consumption.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield.

Mr. HARLAN. I am asking for information. This bill is simply a continuance, from a taxing viewpoint, of the Jones-Costigan present bill, is it not? That is, the one-half cent the gentleman speaks of is in the present law.

Mr. LORD. Yes; but that will expire soon.

Mr. HARLAN. Under the present law we have cheaper sugar now than we have had for years with that half cent added, have we not?

Mr. LORD. It would be that much cheaper if we did not have that tax.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield.

Mr. CRAWFORD. That statement will not hold water, because in 1932 we had refined sugar selling around $3.25 to $3.40 as against today's prices. If the gentleman will permit, I might point out that was under a $2 duty on sugar coming from Cuba as against a 90-cent duty today.

Mr. LORD. I thank the gentleman for the information.

Mr. Chairman, we have cut down somewhat the allowance from Hawaii. We have cut down somewhat the allowance from Puerto Rico. In addition to that we are providing that they can only ship into the country sugar in its raw form. They are a part of the United States, and, as others have contended here today, they should be allowed to ship refined if they please. If we should say that California must ship all of their sugar to New York City to have it refined, we would think that was rather drastic legislation. If we would say that Florida must ship all their sugar to Michigan to have it refined, we would think that was drastic legislation. That is exactly what we are doing with Hawaii and Puerto Rico. On that account I cannot agree with the legislation. I hope it will be stricken from the bill when it comes up for passage.

As we go on with sugar we will probably have some more amendments offered. We have heard it stated that we should have this refining in the United States so we would make that labor. What about the labor we would have if we raised all the sugar we can here? I was speaking with a Representative from Florida recently, and he tells me they could employ 30,000 more people in Florida if they could produce as much cane as they would like to produce. This would give labor to the American people. Of course, it would take it away from Cuba, but what about Cuba? We gave Cuba a greater quota of sugar than they can produce with their own labor. We cut down the amount of sugar that Puerto Rico can produce and then Cuba has to send to Puerto Rico to get labor to raise their sugar. This is the way this all works out. We are working against ourselves. The sugar factories in Michigan are not running because they do not get their quota of beets.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield.

Mr. GREEN. I am rather in accord with the gentleman's remarks. I cannot understand how the Congress of the United States can go on record as depriving American farmers of producing a product where we only produce 25 or 30 percent of what is consumed in our own country. When we allot that to Cuba as against Florida, then we are giving Cuba a preference over Florida.

The CHAIRMAN. The time of the gentleman from New York [Mr. LORD] has expired.

Mr. HOPE. I yield the gentleman from New York 2 additional minutes, Mr. Chairman.

Mr. LORD. Then we are giving preference to Cuba, a foreign country, and not to our own Florida unemployed American citizens. It is bad government and unusually dangerous, because in case of war our sugar-beet producers in the United States will be operating under a greatly reduced capacity, and we will find ourselves the victims of foreign sugar producers.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. LORD. I yield.

Mr. DOWELL. Is it not true, I ask the gentleman from Florida, that the Government paid individuals in the United States for not producing last year and the year before, at the very time when we were allowing foreign sugar to come into this country?

Mr. GREEN. Yes. We do not want any subsidy in Florida if they will let us increase our cane production.

Mr. DOWELL. Why should we restrict production in the United States when we do not produce one-third of the amount consumed in the United States?

Mr. GREEN. It is obviously an unwise policy to restrict production in our country when we make so much less than we actually consume, even in peacetime.

Mr. DOWELL. Why should we not adopt the policy that would permit increased production in the United States in order that our domestic producers may supply the needs of the United States?

Mr. LORD. Mr. Chairman, I am sorry, but I cannot yield further. Much has been said about this quota for Cuba. It is, of course, a subject I should hardly speak of, I suppose, but a few years ago some gentlemen from my own State, when sugar was 20 or 28 cents a pound—they might be classed as economic royalists by some—got mixed up in the Cuban sugar industry and they seemed to get a little advantage in the quota, a little more than some believed they should have. I want to help the gentlemen from Florida and Louisiana, and the beet men, to get a greater quota of the United States market. I believe that we should really employ American labor, that we should raise all the sugar beets we need, buying only what is necessary to make up the difference between our needs and our consumption from Cuba, or others having them to sell, and not assess the American housewife one-half cent a pound to help out the Cuban investors from New York City.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield 8 minutes to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, this bill is just a fair sample of what we are going to have presented to us in the regulation of agriculture when the bill comes in next winter from the Committee on Agriculture to establish the ever-normal granary policy and the other things that will probably be tied in. You can expect an enlarged edition of the sugar-control bill.

The world has changed materially and entirely since I went to the West a little more than half a century ago. The independent farmer who could plant his field to sugar beets, corn, wheat, or grass is a man of the past. We are in a day of regulation. I speak particularly for the beet-sugar growers, as well as the consumers. We are interested in a reasonable price for sugar beets, as well as in the price of sugar. Clearly, as explained by our colleague the gentleman from Colorado, this regulation has given us a comparatively cheap sugar, and it has given us a good price for sugar beets. I grew sugar beets once in quantity and sold them for around $4 a ton. They are worth almost double that now to the grower.

The sugar-beet business is just returning to Oregon. Our sugar factory at La Grande, Oreg., was dismantled long years ago. A new sugar factory is soon to be built on the Owyhee irrigation project. Many acres are now planted to sugar beets in Malheur County with more contemplated for next year.

Mr. Chairman, I believe that we must take care of our own people in the continental United States. I am going to vote for this bill, preferably with sections (a) and (b), on page 14, retained in the bill, just as the bill came from the committee. That is my idea of what the bill should be. The only effect on Puerto Rico and Hawaii is in the amount of refined sugar that these islands can ship into the continental United States. These sections, on page 14, (a) and (b) are in the interests of the sugar refiners of the United States. I prefer to leave those sections in the bill, because they affect men working in factories. These are our own people; they are spending their own hard-earned money, buying our own farm products, articles of food that we have to sell. I believe in protecting them.

If these sections go out of the bill, I am told that the ultimate effect will be that refining will go to the islands, Hawaii, and Puerto Rico, where it can be done cheaper than in the United States.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. MANSFIELD. Is it not a fact that this will be a great discrimination against labor in this country?

Mr. PIERCE. I think so. At the present moment we should be thinking about our own factories. I think these sections should remain in the bill. I deeply regret that our President saw fit to make the statement he did to the chairman of our committee yesterday. I wish that he could be brought to see the light. I have nothing against the Hawaiian Islands, but I do know that the sugar business of the islands is practically run by a monopoly. I think there are really only five firms over there.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield.

Mr. PIERCE. I yield.

Mr. McCORMACK. There are five firms with interlocking directorates which practically control Hawaii. There is an economic oligarchy over there that ought to be investigated.

Mr. PIERCE. It seems to me if our President could realize that and could be shown the truth, he would sign the bill, as I hope we may pass it. I am going to vote for it either way. I think our new sugar-beet industry in the Malheur country of Oregon will fare equally well with it out or with it in; but I think the whole country will be better off if we leave those two sections in.

Mr. HARLAN. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Ohio.

Mr. HARLAN. The gentleman does not feel any worse against an organization of five families in Hawaii than he does against the United States Sugar Trust that has been controlling the whole business in this country for a good many years, which trust will be the primary beneficiary under this bill?

Mr. PIERCE. I do not think it will be the primary beneficiary. I think the whole country will be much better off. There is no question but what we should extend the growing of sugar beets in this country.

Mr. McCORMACK. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Bearing upon the question of labor, I know that the refineries in Massachusetts—and there are two—pay their help from 65 cents an hour to $1.05 an hour. They were paying them 58 cents an hour until recently.

The women are getting 45 cents an hour. Until recently they were getting 40 cents an hour. Then they get a bonus in addition to that. They have to compete against labor that is paid from 60 cents to $2 a day.

Mr. PIERCE. That is what we have to face in this House. We cannot yield to the old free-trade ideas that my friend from Ohio has deeply set in his mind.

Mr. HARLAN. The gentleman is a little mistaken with reference to my free-trade ideas. I have never advocated that, although I have been in favor of our trade agreements. However, production costs are not exclusively labor costs. The Hawaiian producer has to import his fuel; he has to constantly use fertilizer. In fact, I think it is the most heavily fertilized sugar field so far as I know in the world. They have other costs. They buy material in this country which they ship out to Hawaii. That promotes industry in this country. It is exactly the same proposition that we have in promoting trade through our trade treaties. The things that we offer to Hawaii, the opportunity to manufacture simply comes back to us in the United States if we can sell to Hawaii fuel, fertilizer, all kinds of machinery, equipment, and everything else.

Mr. PIERCE. That is a beautiful dream, but it does not work out in practice.

Mr. HARLAN. It is the fact.

Mr. PIERCE. We have to take care of our own people. We have to look after our own labor. We have to look after our own men in Boston and other places who want to work. It is just a beautiful theory.

Mr. WHITE of Ohio. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. A good many people claim these island possessions are our people and therefore entitled to the same consideration.

[Here the gavel fell.]

Mr. NELSON. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. COFFEE].

Mr. WHITE of Ohio. Will the gentleman yield?

Mr. COFFEE of Nebraska. I yield to the gentleman from Ohio.

Mr. WHITE of Ohio. Some of the people who are interested in this bill claim that the people of these island possessions are our people, and, therefore, should have the same consideration as our domestic growers. But I do not agree with that theory, and I want to ask the gentleman if it is true this difference is brought about by the wage and hour bill in that the provisions of that bill will not apply to those island laborers?

Mr. COFFEE of Nebraska. There seems to be a difference of opinion as to whether or not that bill will apply to Puerto Rico and Hawaii. I heard that discussed this morning. There are numerous exemptions in the Senate bill, and I have not had an opportunity yet to read the bill with the amendments made in the House Committee on Labor. However, the point to remember is that this sugar legislation is an attempt to do something to stabilize the domestic sugar industry, and no group or area has been favored. All have had to accept some restrictions or limitations.

Mr. WHITE of Ohio. That is right.

Mr. COFFEE of Nebraska. It has been necessary to provide quota restrictions to prevent the destruction of the domestic industry on account of the competition from offshore, low-cost areas. Our continental sugar growers were going bankrupt because of the low prices of 1931, 1932, 1933, before the Jones-Costigan Act went into effect. Had that act not been passed by Congress you, perhaps, would not have any sugar beets or sugar cane growing in the United States today, and that industry would be lost to the continental United States. However, in legislating for the primary benefit of the people on the continent you have provided a stabilized market for the off-shore island possessions and Territories that has made it possible for Hawaii and Puerto Rico to obtain $100,000,000 a year more for their product than they otherwise would have been able to obtain on the world market. The bill before you, in effect, continues the general principles of the Jones-Costigan Act with its limitation on refined sugar from Hawaii and Puerto Rico.

The main controversy is with respect to lifting the refined restriction on these imports from Hawaii and Puerto Rico. Frankly, the committee has had this legislation under consideration for a good many months and has tried as best it could, motivated only by a desire to be fair and just to all concerned, to arrive at the best and most satisfactory measure that could be presented to the House.

Mr. WHITE of Ohio. The committee heard from people in the island possessions?

Mr. COFFEE of Nebraska. We heard representatives from all of them. We heard from the departments, and we tried to exercise our legislative function as an independent branch of this Government and bring in satisfactory legislation.

May I say that the demands of Florida and Louisiana were given sympathetic consideration? We tried as best we could to relieve the situation. We increased the quota to the Louisiana and Florida sugarcane areas from 260,000 tons to 420,000 tons. In doing so the other areas had to sacrifice some of their quotas.

Hawaii and Puerto Rico sacrificed some. You must remember that under the Tydings-McDuffie Act the Philippines are guaranteed a quota of 970,000 tons. You must also remember that under the recoprical-trade agreement with Cuba concessions were made which we had to respect in this legislation. As a consequence, it was impossible to satisfy the legitimate demands for additional quotas.

Mr. WHITE of Ohio. Does the gentleman believe the reciprocal-trade treaty with Cuba acts to the detriment of our domestic sugar producers?

Mr. COFFEE of Nebraska. I would not say so as long as quotas are maintained. When the Jones-Costigan Act went into effect the tariff was reduced 50 cents per hundredweight, which was replaced with a processing tax. Since the processing tax was declared unconstitutional we have been making a donation to Cuba of approximately 50 cents per 100 pounds on the imports of sugar from that country. This is one reason for passing the pending measure, for here we again put the 50-cent tax back and will collect the tax on the imports.

Let me at this point discuss an item which has not been covered up to this time. The estimated tax collections under this proposed legislation will be $66,820,000 per year. The estimated payments to growers under title III of the bill, after deducting estimated reductions in payments to large growers provided for in section 304, will amount to approximately $40,000,000.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield for a question?

Mr. COFFEE of Nebraska. I yield to the gentleman from Texas.

Mr. MANSFIELD. Do not the payments go to the Puerto Rican and Hawaiian growers as well as to the domestic growers?

Mr. COFFEE of Nebraska. They do on a graduated scale. The payments are reduced in cases of large producers on a graduated scale as provided in the bill. This applies to mainland producers also.

Mr. MANSFIELD. Can the gentleman tell us about how much will go to Hawaii, in round numbers? Would it not be approximately $12,000,000?

Mr. COFFEE of Nebraska. I have not the figures. The amount would be hard to estimate because of the graduated scale of payments.

Mr. MANSFIELD. It is from $9,000,000 to $12,000,000?

Mr. COFFEE of Nebraska. Approximately, I should say.

Mr. MANSFIELD. And about the same to Puerto Rico?

Mr. COFFEE of Nebraska. A little less. With respect to the Philippine tax, it is provided in the bill that this money will be returned to the Philippines. You, perhaps, wonder why this is provided in the bill. This payment will amount to some $9,700,000. Under the Tydings-McDuffie Act we are

precluded from raising a tariff against any product from the Philippine Commonwealth. However, it is a close question whether or not this could be considered as a tariff. The committee made that concession to the State Department and War Department and included in the bill a provision to return the tax, the same as was done with the excise tax on copra and coconut oil a few years ago.

I may say that I fear the future of the domestic-sugar industry will be seriously threatened unless this sugar legislation is enacted. To safeguard this industry it is necessary for all the people interested, whether from the growers' standpoint or from the standpoint of beet labor or sugar-cane labor, or from the standpoint of the refiners or those working in the refineries, to stand shoulder to shoulder in trying to pass legislation which will safeguard the industry as a whole. If you cripple the refining industry in this country, we know that sooner or later the continental growers will find themselves in a like position. Unless we can have a combination of quotas and a tariff on sugar, the sugar growers of this country cannot feel very safe from the threat of competition from cheap tropical labor.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COFFEE of Nebraska. I yield to the gentleman from Minnesota.

Mr. ANDRESEN of Minnesota. The gentleman has stated he is fearful that unless this measure is passed the sugar industry of this country will be destroyed. Is the gentleman's theory based on the fact there would be an increase in imports of sugar from Cuba?

Mr. COFFEE of Nebraska. Our quota provisions would fall. Unless we can maintain quotas on the imports of sugar, naturally the market will be flooded and the price will drop to a figure where it will be unprofitable for beet-sugar growers or cane-sugar growers to produce beets or cane on the continent.

Mr. ANDRESEN of Minnesota. This country would not be flooded with sugar from Puerto Rico or Hawaii but the sugar would come from Cuba.

Mr. COFFEE of Nebraska. The additional sugar would be from Cuba principally.

Mr. ANDRESEN of Minnesota. That is, because of the low duty of 90 cents, they would have an advantage and would ship sugar to this country?

Mr. COFFEE of Nebraska. Yes; Cuba, Puerto Rico, Hawaii, and the Philippines would suffer with the continental producers, because this sugar would come in in unlimited quantities and would help to demoralize the stabilized market in the United States they all enjoy. I urge the passage of this bill to safeguard the domestic sugar industry.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, sometimes things are concealed in a legislative bill which are not always apparent to the naked eye, and it becomes necessary to take out the slide rule and resort to a little arithmetic to see what that provision is. In this instance I refer to a subject matter I have discussed no end of times on this floor, namely, the subject of blackstrap molasses.

My colleague, the gentleman from Illinois [Mr. LUCAS], who is a member of the Committee on Agriculture, was successful in having written into this bill an amendment which very carefully defines liquid sugars, which would include blackstrap, and brings them within the purview of the taxing provisions of the bill. This amendment appears on page 26, and reads:

> Notwithstanding the foregoing exceptions, sugar in liquid form (regardless of its nonsugar solid content) which is to be used in the distillation of alcohol, shall be considered manufactured sugar.

Section 402 of the bill imposes a tax on manufactured sugar manufactured in this country. Section 403 imposes an import compensation tax on manufactured sugar which comes into the country from the outside. The result is, therefore, that blackstrap molasses, which is an aggregate byproduct of some 300 pounds per ton of refined sugar, and a very dark, sirupy substance, is included as manufactured sugar in the bill, and therefore is amenable to a compensating tax of a little more than one-half cent per pound of sugars.

I think the corn farmers of Illinois will be everlastingly grateful to my colleague from Illinois [Mr. LUCAS] for his diligent work in having this put into the bill, and therefore I want to supplement the things he has already done and the position he has taken by insisting that this bill should go a little bit further and increase the tax on blackstrap molasses that goes into the distillation of alcohol. Here is the arithmetic of the thing, implemented and corroborated by all that I have been able to pick up in the Department of Agriculture, the Alcohol Tax Unit, the Bureau of Internal Revenue, the Federal Alcohol Administration, and all other agencies.

Blackstrap molasses will run about 6 percent of sugar content. This is item no. 1. The Department of Agriculture tells me that it takes 6 gallons of blackstrap to produce the same amount of alcohol as a bushel of corn. This is item no. 2. It takes 12 pounds of blackstrap to make a gallon of blackstrap, and 6 times 12 pounds equals 72 pounds. So 72 pounds of molasses will displace 1 bushel of corn in the production of alcohol. If the sugar content is 6 percent, then 6 percent of 72 pounds is 4½ pounds. So for taxable purposes 4½ pounds of sugar content, taxed on the basis that is recited in this bill, will raise a tax of approximately 2¼ cents. So a tax is to be imposed of 2¼ cents on an equivalent quantity of molasses that displaces a bushel of corn in the commercial outlets of the country.

To show you what nonsense there is about all this, you cannot bring in a single bushel of corn from the Argentine unless you pay a duty of 25 cents under the Tariff Act of 1930. You can bring in 72 pounds of molasses and pay only 2¼ cents, and you can displace 1 bushel of corn grown out in the great Corn Belt. Is there any rhyme, reason, or sense about that kind of a set-up or arithmetic? And if we are going to give the corn farmer of this country a square deal it becomes necessary to raise the compensating import tax upon molasses that will be used in the distillation of alcohol.

How serious is this thing? In 1910, 24,000,000 gallons of blackstrap molasses came in from the outside. In 1936, 235,000,000 gallons came in from the outside; 149,000,000 gallons of alcohol was produced in this country from molasses in the fiscal year 1936. This is nearly 76 percent of all alcohol produced in 1936, and only 7.04 percent of all the alcohol made in this country in 1936 was produced from grain that is grown in the United States.

You people who talk about nationalism, who talk about defending the continental interests of the country, what about all this blackstrap molasses, fabricated into alcohol, that is today usurping approximately 30,000,000 bushels of corn, in the industrial market, and I will defy anybody to refute this statement.

How serious is this insofar as the farmer is concerned? Here is a clipping from The Pekin Daily Times, my hometown paper, that came to my office this morning. It shows that the corn crop for this year is estimated at around 2,600,000,000 bushels. Where does it go? Most of it stays on the farm and is fed in the form of pork and beans. Ten percent, or approximately 300,000,000 bushels, goes into the manufacture of starch and alcohol and all the other products that are processed from corn. Thirty million bushels of corn displaced today by blackstrap molasses represents 10 percent of the corn farmers' industrial outlet for his crop.

I wonder what the automobile people would say if you took away 10 percent of their domestic market. They would squeal like a stuck pig, and so would anyone else.

Now, are you going to stand by and have 72 pounds of blackstrap come in from the outside and pay a compensating tax of 2¼ cents and displace a bushel of corn which, if

it came in in the form of corn, would have to pay 25 cents under the tariff act of 1930.

What happens to all this blackstrap? It is made into ethyl alcohol and into neutral spirits and then some of it goes into the gin you drink and it goes into whisky that you drink. I sneaked over to the corner the other day and got a bottle of gin, I think for 89 cents. I just soaked the labels off and here they are. I hate to mention names, but I do not see how we are going to fight this blackstrap lobby that has been operating in Washington for the last 7 or 8 years unless we drag the stark truth into the open:

Cavalier distilled dry gin, distilled by Continental Distilling Corporation, Philadelphia, Pa.

Here is the label on the back:

Distilled dry gin. Eighty-five proof. One pint. Distilled from 100-percent cane products.

That is the euphemistic way in which the Federal Alcohol Administration permits them to say that this gin was manufactured entirely from blackstrap that came from Cuba and the offshore places. They used two and a half million gallons of blackstrap on the seaboard last year for gin. One hundred and forty-nine million gallons of alcohol was made from blackstrap molasses. Twenty-four million gallons was tax paid, 18,000,000 gallons was dumped for rectification purposes, and, if you take out the small amount made from grain, the inevitable conclusion is that another 5,000,000 gallons of this blackstrap spirits were used in blended whisky or gin in the country. We have a very felicitous regulation down here under the tutelage of the Federal Alcohol Administration. It says that you can produce and label and sell whisky that is only 20-percent straight whisky made from corn and 80 percent of neutral spirits made from blackstrap molasses. When you buy a bottle of blended whisky at the liquor store, look at the bottle before you buy it and see what the legend is on the label, whether it is 20 percent of whisky made from domestic corn and perhaps 80 percent distilled from the stuff that comes from the islands in such great quantities. Are we going to stand by and see our corn farmers impaled as they have been with this kind of nonsense? Did we not go out in 1932 and 1933 and say, "O Mr. Farmer, if you will get busy and support repeal of the eighteenth amendment we will take you up on the mountain and show you all the kingdoms of the earth; if you will just support repeal, we will expand the agricultural market for you." Yes; and have we done it? After repeal we permitted blackstrap to come in, with a tax of one-fifth of 1 cent per gallon to usurp 30,000,000 bushels of industrial outlet of the corn farmers of the country.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield for a question?

Mr. DIRKSEN. Just a moment. One other thing, to show you how serious this is. This is not a selfish matter, because they are processing blackstrap molasses in the very heart of the Corn Belt—in Peoria. Here is a decision that came from the Interstate Commerce Commission. Relief was asked from this Commission under the fourth section of the Interstate Commerce Act so that they could get a fair rate on blackstrap molasses from Gulf ports to Peoria and Pekin, Ill., and in the findings, as a substantial part of that relief, the Solvents Corporation, in Peoria, Ill., stated in this application before the Interstate Commerce Commission that their average shipment of molasses into the very heart of the Corn Belt was 30,000,000 gallons a year. Are you going to stand for that sort of thing? Do you know what corn is doing today? Thirty days ago December futures of corn were 94 cents a bushel. Look at the newspaper tomorrow morning and you will see that December futures have gone down to 64 cents. Corn has dropped 30 cents a bushel in the last 30 days. That is the reason the American Farm Bureau Federation and those interested in the corn farmer have been here before the committee and have been asking for farm legislation, because they saw this thing coming on. Are we going to stand by and talk about regimentation and control? Are we going to take some of the most fertile acres God ever put on this footstool out of cultivation and pay cash out of the Federal Treasury for doing it and then let blackstrap, 78½ percent of the total imports coming from Cuba, usurp the market of the American farmer to the extent of 30,000,000 bushels of corn?

Can you not see the sheer poppycock of such a thing that will let 72 pounds of blackstrap come in and pay a duty of 2¼ cents and then charge 25 cents a bushel before they can bring in a bushel of corn? I have distilleries operating in my town that are processing Argentine corn because of the short crop last year. For every bushel that goes through the still column they have to pay 25 cents a bushel in tariffs, yet in Philadelphia and along the Atlantic seaboard they can process blackstrap into beverage alcohol that you pour down your throat or into industrial alcohol of the kind that you rub on your ankle when you bump yourself against a rocking chair at night, or the kind that you put in your radiator to keep it from freezing in the wintertime, at only 2¼ cents for the equivalent amount. I say to you, is that fair to the corn farmer of the country? Is it not time we stripped the thing of all this hypocrisy and brought it into line. The thing to do is to change that compensating tax insofar as it applies to blackstrap, when used for distillation purposes and lay a charge of about 5½ cents per pound of sugars. That is the equivalent of 25 cents a bushel on corn. Is that not fair? Is that not fair to the corn farmer of the country? I am going to offer that amendment when the time comes, and it seems to me that everybody in the Corn Belt ought to support an amendment of that kind, because the farmers out there are going to have a surplus problem on their hands just as soon as they get to husking and strip the husks off the corn.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. MANSFIELD. Is it not a fact that this blackstrap that comes in is a byproduct of foreign refineries?

Mr. DIRKSEN. That is right. There is no question about that.

I just want to make this clear. We are not concerned about molasses that comes from Louisiana, from Colorado, and elsewhere. Our feed manufacturers will use from seventy to one hundred million gallons a year to mix with chopped alfalfa and dry feed. Our domestic production of blackstrap is probably around 10,000,000 gallons. It is not enough. I am not kicking about it coming in for feeding purposes, because it is not a substitute for but rather a supplement to the cattle feed that we produce.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. LUCAS. Members of the House should distinctly know that this amendment affecting blackstrap molasses does not affect the blackstrap that comes in for feeding purposes.

Mr. DIRKSEN. No; it does not. It does not apply to blackstrap that comes in for feeding purposes whatsoever.

Now, somebody said, "You will raise the price of commercial alcohol." Is it not fair if we put all distillers of the country on an even footing and make them start from scratch? Is that asking too much?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DONDERO. Can the gentleman inform the House about how much per gallon it will raise the price of com-

mercial alcohol that goes into the manufacture of medicine and other commodities?

Mr. DIRKSEN. In my judgment, it will be infinitesimal. I do not know exactly, but it would not amount to a great deal. There was a time before 1910 when there was not a gallon of alcohol made from blackstrap molasses. If we are going to have regimentation, if we are going to have control, if we are going to take 40,000,000 acres out of production and pay cash out of the Federal Treasury, does not consistency and common sense dictate that we utilize every portion of the American market before we venture too far afield in that direction? [Applause.]

The CHAIRMAN. The time of the gntleman has again expired.

Mr. NELSON. I yield the gentleman 2 additional minutes.

Mr. DONDERO. The manufacturers in my district are complaining bitterly over this Lucas amendment, claiming that the tax on alcohol will be raised from 3 to 7 cents a gallon. Can the gentleman inform the House whether or not he thinks that is correct?

Mr. DIRKSEN. Let us admit it does raise it that much. It simply puts everybody on the same level. The beverage distiller in the Corn Belt, the distiller on the seaboard, the distiller at New Orleans, the distiller in California, and the manufacturer of industrial alcohol will all use corn, all bought on the American market, so they start from scratch, without preferential treatment in favor of anybody. Is not that fair? Would it not be a good thing to give the American farmer a little encouragement, even though it will raise the price of industrial alcohol an infinitesimal amount? That is my answer to the gentleman.

Mr. LUCAS. Am I correct in my understanding that if the amendment in question is adopted it will practically eliminate all importation of blackstrap molasses from foreign countries?

Mr. DIRKSEN. I think it would and I think it should. Finally, it is fair. They sent in 33,000,000 bushels of corn from the Argentine in 1935, some of which was unloaded from the boat at Baltimore, and they paid 25 cents a bushel tariff. Are you going to allow this molasses to come in for 2¼ cents, or approximately one-eleventh of what they charge on corn at the present time? That is the question. That is behind the amendment that I intend to offer.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MAY. A man engaged in the feed business told me the other day he could buy corn from the Argentine and shipped in here, 15 cents a bushel cheaper than he can get it in America.

Mr. DIRKSEN. It has been consistently quoted in Gulf ports and as far north as Buffalo, 15 cents a bushel cheaper than the American price. Are we going to run out on the American farmer with a 2,600,000,000-bushel crop in the offing, or will we say to him, "We will give you a break. We will put a quietus upon this tremendous importation of competitive blackstrap which robs you of your outlet for 30,000,000 bushels of corn"? [Applause.]

One word more, Mr. Chairman, about raising prices of alcohol to help the farmer. Some years back we clipped 41 cents off of each gold dollar under the Warren theory in order to raise prices. We passed a Silver Purchase Act, under which we are buying silver today and against which we are issuing silver certificates in order to raise prices. We passed the National Industrial Recovery Act, which raised prices. We passed the Agricultural Adjustment Act to raise prices. We passed the Soil Conservation and Domestic Allotment Act to raise prices. In the light of this studied legislative effort to raise prices is it asking too much to demand this relief in the face of a perpendicular drop of 30 cents a bushel in the price of corn because it may raise prices a few cents on alcohol? Whatever rise in prices there might be it will uniformly apply to every industrial and beverage distiller in the land and gives preferential treatment to no one. To the farmer it gives a 30,000,000-bushel industrial outlet that equals 10 percent of his entire industrial outlet now.

[Here the gavel fell.]

Mr. NELSON. Mr. Chairman, I yield 3 minutes to the gentleman from Nevada [Mr. SCRUGHAM].

Mr. SCRUGHAM. Mr. Chairman, we should not enact any legislation which deals unjustly with any part of our country. If we leave in this bill the provision which prohibits Hawaii and Puerto Rico from refining the sugar they grow, we will have established as a permanent part of our legislative policy the principle that we can by law favor one part of our country at the expense of another.

I know a similar provision was contained in the Jones-Costigan Act. But it was put there largely as the result of the political influence of the eastern refiners. That was emergency legislation. This statute is in the nature of permanent legislation, and we should not commit this grave injustice to our Territories.

Great Britain long had the colonial policy of forcing her colonies to send their products to the mother country to be manufactured. That colonial policy was one of the causes of the American Revolution, and we adopted our Constitution principally because of our desire to eliminate for all time trade barriers between different parts of our country.

Questions as to labor and corporations have nothing to do with this legislation, and their introduction only serves to confuse the issues. Those questions can be handled on their own merits. But nothing justifies treating any part of our country as a foreign nation and discriminating against it for the benefit of another part.

We know it is cheaper to manufacture cotton in Alabama than it is in New England, but no one would suggest that we prohibit Alabama by law from spinning the cotton it grows in order that New England manufacturers might have a monopoly.

The Secretary of the Interior, who has charge of Territories, has taken a very clear and firm stand against such discrimination. I support his views heartily, and believe that it would be unjust and un-American to prevent sugar growers in our Territories from refining their own sugar.

I stand with the Secretary of the Interior and the Territories in this matter, and I think every Member who believes in fair play should do the same.

These questions should be handled solely on their own merits. Nothing justifies treating any part of the country as a foreign nation and discriminating against it for another part. We know it is cheaper to manufacture cotton in Alabama than it is in New England, but no one would suggest that we prohibit Alabama by law from spinning cotton that she grows, in order that the New England manufacturers could manufacture it. The Secretary of the Interior, who has charge of the Territories, has taken a very clear and firm stand against this discrimination. I support his views heartily and believe it would be unjust and un-American to prevent sugar growers in the Territories from manufacturing in the Territories.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a letter received today together with my reply thereto.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Chairman, under the terms of this bill, for which I expect to vote because I can get no better, a farmer gives his boy 40 acres of land. The boy wants to grow beets; he cannot do it unless someone in the Government or some department of the Government gives him permission by assigning to the father a quota. There is nothing to be gained by kicking about that now. We can take it and like it, and that is what I am doing, except I do not like it.

But there is something that goes a little farther than that. I am wondering whether or not, if the old man happened to have assigned to him a quota so that the boy could work on the home farm and grow beets, whether or not the boy is going to be permitted to work? Assuming that the boy is 25 or 30 years of age, married, and has a kid or two, will the boy be permitted to work? He probably will want to know, especially if he is married and has those children.

Why do I doubt it? Why do I ask that question? I will tell you why. I doubt it because of items such as appeared in this morning's Post. The gentleman from Texas [Mr. MAVERICK] had some pictures here one day of the Chicago riot. He had a part out of a series. Strange as it may seem, he showed us only a few. He did not show us the pictures which were taken by the photographer at Chicago which showed the inception of the riot, which showed the crowd surging down on the police, assaulting them with meathooks, stones, and clubs; no doubt he did not have them in his possession.

Mr. VOORHIS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield for a question.

Mr. VOORHIS. But the gentleman from Texas showed all the pictures that he could obtain that were submitted to the La Follette committee.

Mr. HOFFMAN. The gentleman says all that were submitted to the La Follette committee? Why did not the La Follette committee produce the whole record? Why just a part? Why only that part which it thought would reflect on the police? I will lend the gentleman, because I have it in my possession, a part of the testimony taken at the coroner's inquest of a photographer and his helper where they gave testimony under oath as to taking those pictures and what they had. One of them was subpenaed as a witness before the La Follette committee. I am not accusing the gentleman from Texas of any bad faith at all, or of any lack of diligence. No doubt he was engaged in writing another book or preparing an historical lecture, or something of that kind, so I am not charging bad faith or anything of the kind.

Mr. DOCKWEILER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DOCKWEILER. It was my understanding that the rule provided that debate must be confined to the sugar bill. I would like to have some time to talk about the sugar bill, but I am unable to get it.

The CHAIRMAN. The rule does provide that debate shall be confined to the bill. The gentleman from Michigan will proceed in order.

Mr. HOFFMAN. And that is exactly what I am talking about, because I want to know whether the C. I. O. is going to compel the farmer's boy to pay a $2 initiation fee and $1 a month before he can go out into his own field or his dad's field and work. That is what I am trying to find out, and that is all I am trying to find out.

Getting down now to pictures, in this morning's Washington Post is the picture of a worker, Frank Dillon, who was beaten up by the C. I. O. The men in this factory wanted to work; they had their own union, but the C. I. O. fellows went into the room where they had barricaded themselves, beat them up, and sent this fellow to the hospital. Coercion? Intimidation? Violence? You join the C. I. O., the organization of the President's friend, Lewis, or you take a beating. Regimentation. Well, something more than that. That was in a Plymouth factory; that was in a factory where there was one of those signed Wagner contracts under collective bargaining, a contract with U. A. W. A. forced upon Chrysler by Governor Murphy.

That is one of the methods used by C. I. O. to obtain members.

How long are we going to stand it? I asked the majority leader the other day when I got the floor: How long are the gentlemen from the South going to stand this kind of conduct? Since that time the gentleman from Mississippi [Mr. RANKIN] on this floor told in part what happened to one of the factories in his community; how, by the C. I. O., it was driven into bankruptcy. It is coming, this lawlessness, this intimidation, this coercion, this tribute collecting, to all of us; there is no question about it. I do not live in a great industrial district, just a little farming community, but we have a factory or two.

Here is a letter I received today. It appears that H. W. Kleeb was down there. He is one of the investigators for the National Labor Relations Board. Where did he go? He went there and stayed with the C. I. O. fellows, who dine him; he has his meals there with them; he is entertained by them; he is sympathetic with their views; he gets his information from C. I. O. leaders, and then he goes to the attorney for the independent union and tells him that the union is a company union and that all the fellows connected with it are biased and prejudiced—after he has been wined—wait! They do not drink down there—after he has been dined and entertained by the C. I. O. boys. Then he finds fault with the other fellows because they have organized that kind of union, about which he doubtless knows little and cares less.

Now, I say it is coming home to the farmer; it is coming to farm industry.

This factory in Detroit, the Plymouth branch of Chrysler, employs 11,000 men. Doubtless, tomorrow there will be more.

They have a contract in this factory and there have been thrown out of employment 11,000 men. Why? Because C. I. O. organizers beat workers, members of an independent union who will not desert the union of their choice and pay tribute to Lewis.

Yet we sit here and submit. How long, O Lord, how long will we refuse to protect the man who wishes to work?

Mr. Chairman, I have introduced two bills which would tend to remedy this disgraceful condition. Why can we not have a vote on those bills? One calls for the incorporation of unions, the placing of responsibility upon them; the other seeks to prohibit interstate transportation of strikers who would drive workers from their jobs. Why can we not give protection not only to the man who works in the factory but to the boy who works on the farm and the fellow who wants to grow beets, and to the men in the factories who want to make sugar?

I wish my friend the gentleman from Michigan [Mr. HOOK], who believes as I do on this matter of the sit-down strike, would some day gather his fellow Democrats around him and put through a measure which will guarantee protection to those men who want to work, as those men want to work.

We hear a lot about these fellows going out from the National Labor Relations Board. Read their proceedings and note the questions they ask. They see only the things they want to see and hear only the things they want to hear. Then they come in and an attorney sent out by the N. L. R. B. asks leading and suggestive questions and he gets the evidence he wants.

I see my friend the distinguished lawyer from Illinois, the former judge advocate of the American Legion, the sometime, I hope, Senator from that State, smile. I do not blame him.

They intimate that these hearings are judicial hearings. Some refer to the investigating board as a court. God save the mark.

The gentlemen who go out are inquisitors; they are partisans; they have preconceived opinions and the so-called hearings which they hold would be ludicrous were it not for the tragic results. Their activities have put factories out of business, have driven industries from one place to another. Their actions indicate that they know little, if anything, about the subjects with which they are called upon to deal.

One of these investigating boards is what? I will tell you what it is. It is one of these judicial vending machines.

No, it is not a vending machine; it is a gambling machine. No, it is not a gambling machine, because there is no element of chance about it; because we know what is coming out, and about that there is little, if any, uncertainty. It is an automatic vending machine, peddling opinions, not judicial.

They send an investigator who gets the evidence. The attorney asks the questions and the examiner sits there and out pops a conviction against the man who is giving work to the men who have been employed in years gone by.

The gentleman from Montana [Mr. O'CONNELL] told you what a "scab" was (RECORD of July 8, p. 6957). He said these fellows who went back to the plant were "scabs." Let me tell you there were 34,619 of them at Republic Steel and every one had worked months previously, some of them for years, in those factories, yet they were "scabs" according to the definition of the gentleman from Montana. In my judgment, they were honest, law-abiding American citizens, who wished to exercise their right to work.

May I finish with this thought that I stressed a moment ago: Can we not sometime before this Congress is over consider legislation which prohibits men coming in from outside the States and paralyzing the industries of our communities? Is it not possible to consider such legislation? Is it not possible to require those who are drawing their millions from the pay checks of the workers to account for the money which they have received? Is it not possible to impose upon them some degree of responsibility for the havoc which they bring to the worker and the community, to the public at large?

That is all I ask, and I say God grant that we can get some legislation of that kind before it is too late.

Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. LUCAS. Mr. Chairman, I yield 5 minutes to the Delegate from Puerto Rico.

Mr. IGLESIAS. Mr. Chairman, it seems to me this great Nation should not consider treating citizens of one part of the United States differently from the citizens of other parts of the United States. This great Congress should not permit Puerto Rico to receive different treatment from any other State or section of the Union, especially when the legislation pertains entirely to business and nothing else. The human side of the problem concerning sugar has not been entirely incorporated in the bill. It does not involve actually the question of labor, the treatment of labor, and the conditions under which people work in the various areas in which sugar is produced.

May I say to my brothers in the great American Federation of Labor that this bill, it seems to me, has nothing to do with the relations between capital and labor. Labor had to organize to fight the barons and the exploiters of labor everywhere—in Puerto Rico, in Hawaii, as well as in every part of this great Union.

Much has been said about the commercial aspect of this bill and the benefits obtained from buying goods. May I say to the Members of the House that Puerto Rico spends over two-thirds of the money it receives from this industry in the United States. We buy from the farmers and from the industries in the United States goods to the extent of $110,000,000 every year. So far as the Pan American nations are concerned, Puerto Rico ranks first in purchasing goods from the United States. There is only one exception and that is Canada. Puerto Rico, as I stated, is the largest buyer. Let us take rice, for instance. We buy more rice from Louisiana than any other country in the world. We also buy cotton, we buy meats, and we buy everything that is needed for the sustenance of the people of Puerto Rico.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. IGLESIAS. Mr. Chairman, I am sorry I cannot discuss this great question at length on behalf of the people of Puerto Rico. I understand well the position of the big sugar people and the big cane-sugar producers of Louisiana and Florida. I also understand perfectly what is the intention of the big refinery corporations. As a matter of fact the provisions in this bill protecting the corporations so far as the refining of sugar is concerned are a very nice thing for them, but I do not believe the wage earners and workers in the industry will benefit unless they fight against the exploiters, and may I say the exploiters in the United States, in Puerto Rico, and in Hawaii all fall in the same class. As a matter of fact, it is a fight between groups of capitalists.

There are located in Puerto Rico 35 sugar factories and 3 or 4 of them, the biggest ones, belong to people in New York, Massachusetts, and other places in this country. The same is true perhaps of Hawaii. The result of this fight, I am afraid, will be the crushing of the masses of the people of Puerto Rico.

Mr. Chairman, I ask the Congress to be fair with Puerto Rico and treat us as a part of this Nation. We ask you to treat us as a part of this great family, without discrimination. Puerto Rico is willing to pay all of its obligations and we are anxious to enter into the family.

[Here the gavel fell.]

Mr. IGLESIAS. As a part of my remarks, I would like to incorporate two letters, as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., July 13, 1937.

Hon. SANTIAGO IGLESIAS,
House of Representatives, Washington, D. C.

DEAR MR. IGLESIAS: I will be pleased to speak to Marvin Jones and put in a good word for Puerto Rico relating to the importation of refined sugar into the United States from Puerto Rico, as you suggested in your letter dated June 25.

It has ever been our purpose and desire to help and assist Puerto Rico and the Puerto Rican people. I can clearly distinguish the difference between the treatment which should be accorded the people of Puerto Rico and favor of them and against Cuba and other countries not a part of the United States Government.

Be assured that I will do all I can to be helpful.

Sincerely yours,

WILLIAM GREEN,
President, American Federation of Labor.

SAN JUAN, P. R., *August 1, 1937.*

Hon. SANTIAGO IGLESIAS,
Resident Commissioner, Puerto Rico,
Washington, D. C.

DEAR MR. COMMISSIONER: The American Legion, Department of Puerto Rico, representing 18,000 World War veterans, are definitely opposed to the discriminations contained in H. R. 7667, which so materially affects the economic condition of 1,800,000 American citizens in Puerto Rico.

This discrimination is in complete violation of all American policies toward the people of Puerto Rico and is against all basic American principles.

We sincerely hope such discriminations as this will be eliminated from all legislation affecting the people of Puerto Rico.

Very truly yours,

JUAN LASTRA CHARRIEZ,
Department Commander, the American Legion.

Mr. NELSON. Mr. Chairman, I yield 7 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Chairman, the bill under consideration carries in its title the words "to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry." This is one of the purposes of the bill. The main fight will come on the question of whether or not paragraphs (a) and (b) of section 207, appearing on page 14 of the bill, will be eliminated therefrom. Section (a) confines the refined sugar production of Hawaii to not more than 29,616 short tons, and of Puerto Rico to not more than 126,033 short tons.

We are not confronted here with a theoretical question; we are confronted with a very practical problem. If we were considering purely an academic question the arguments of the Delegate from Puerto Rico [Mr. IGLESIAS] and the Delegate from Hawaii [Mr. KING] would be worthy of some consideration, but when we look at this from the angle which presents itself to us, we cannot escape drawing the conclusion that we have been very, very fair to both Puerto Rico and Hawaii. It must be remembered that they are selling

sugar on the American market at nearly double the price they could get on the world market. The only reason they are able to sell their sugar on the American market at nearly double the price they could get for sugar on the world market is that we passed a quota law necessary because our domestic beet- and cane-sugar producers needed quota protection in order to obtain for them a fair return on the money they have invested.

Our producers cannot compete with the producers of Cuba, Puerto Rico, or Hawaii, for the costs of production of our producers are higher than the costs of production in these islands. True, the islands are a component part of the United States, but we must look at many problems from a practical angle as we have on many occasions. When we do, we must apply the rule of justice in a practical way, and we have done so in this case. The farmers of the United States must spend more money for their help than do the producers in Puerto Rico and Hawaii. They also have to pay more for their help than the producers of Cuba. The employees of our refineries receive substantially higher wages than the employees of the refineries of Cuba, and what few refineries there are in Hawaii and in Puerto Rico.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am pleased to yield to the gentleman from New York.

Mr. WADSWORTH. I understood the gentleman to state that Hawaii is a component part of the United States, but nevertheless continental United States must look after itself, or words to that effect.

Mr. McCORMACK. No; not look after itself. I said there are certain times when we must be practical and apply the rule of practical justice to the circumstances which confront us.

Mr. WADSWORTH. Am I stretching the gentleman's theory a little too far if I suggest that upon his theory the gentleman might be called upon some day to support a measure which would place a quota upon the production of cotton goods in South Carolina?

Mr. McCORMACK. I do not see the relationship of the gentleman's question to the matter under consideration today. The gentleman is entering the realm of pure speculation, which is a realm the gentleman from New York very, very seldom enters.

Mr. WADSWORTH. It is a very practical question I have posed to the gentleman.

Mr. McCORMACK. I do not see the relationship. The question is academic and speculative. I respect the fact the gentleman believes the question is practical if he asks it, but on this occasion I disagree with the gentleman.

Returning briefly to the bill, we must keep in mind that the commerce of the islands is in raw sugar, not refined sugar. We must keep in mind the fact that the American consumers pay a substantial sum in order that the quota law may be carried into operation.

It must also be kept in mind that we are dealing with a purely continental question. The consumers of sugar live in the United States. The people in Hawaii and Puerto Rico produce far more sugar than they consume. They consume very little—small in proportion to their production. It must be borne in mind that as a result of the quota law the people of Puerto Rico and Hawaii receive many millions of dollars—from $30,000,000 to $40,000,000 a year—more than they would receive if they were selling their sugar at the world market price.

Looking at it from a practical angle, realizing that this bill is necessary for the protection of our cane- and beet-sugar producers, it is only fair, reasonable, and proper that the refining activities of the sugar business and the interest of thousands of employees should be also protected.

We must also realize that the employees of the refineries of continental United States receive much higher wages than are paid in these islands, and by "islands" I also include Cuba. In Boston men are paid, so I am informed, from 65 cents per hour to $1.05 per hour, with time and one-half for overtime, and double time for Sundays and holidays. I understand women are paid about 45 cents an hour. Compare this with wages of from 60 cents to $2 a day on the islands. Hours of labor are different than in the islands, employees in the islands being employed longer hours than here. To pass a bill without protecting the interests of the American refineries and their workers would be destructive and disastrous. I am fighting for the employees of the refineries of continental United States. I am fighting to preserve for them the happiness that they now possess. I am fighting for their rights. It must be borne in mind that the refined limits placed upon Puerto Rico and Hawaii constitutes the limit that these islands have ever refined. Under the bill each island is permitted to bring into the United States about 900,000 tons of sugar, of which, in the case of Hawaii, 29,616 tons is refined, and in the case of Puerto Rico, 126,033 tons is refined. We are giving to these islands the limit of production in raw sugar, the largest amount they ever produced, and the same in the case of refined sugar. Being confronted with a practical problem, we have treated them as fairly as they could possibly expect. We are freezing the production of raw sugar here and abroad, and we are justified, in order that the refineries of America and their workers might be protected, in freezing the amount of refined sugar of these islands. The producers of these islands are receiving millions of dollars more on the sale of their sugar here than they would receive if they were subjected to the world market price. They want that, but they do not want our continental refiners to be given practical consideration and protection.

They talk practical considerations in applying a quota on the production and sale of sugar, but when it comes to the refining of sugar they talk theory. They want everything. In this respect their position is not only weak but unfair. They charge discrimination. If the Jones amendment is adopted, the refiners and their workers will be the ones that will be discriminated against. Business and capital investment will be ultimately destroyed, and thousands of persons employed at the present time will be thrown out of work.

If the House accepts the proposed amendment, it will mean the ultimate destruction of this great industry which gives employment to about 16,000 persons at the present time in continental United States, and indirectly to many thousands of others. In my city, Boston, it will mean the destruction of a century-old industry with a pay roll well over $2,000,000 a year and which spends $2,000,000 annually for materials and supplies and pays local taxes of nearly $500,000 a year. The sum total of wages, supplies, freight, advertising, and other expenses adds about $38,000,000 per year to New England's purchasing power. The same applies to other sections of the country where refineries exist.

Mr. Chairman, I hope that when the amendment to strike out paragraphs (a) and (b) of section 207 is offered it will be defeated. [Applause.]

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill is, of course, a continuation of the type of sugar legislation which was initiated when we passed the Jones-Costigan Act 3 years ago. There may be some differences of opinion regarding whether the quota system or the tariff system is the best method of protecting the American producer of sugar, but today we have no choice in that regard. We have before us only the question of accepting a bill which puts into effect the quota system.

The committee has worked for many months over this measure, and I am sure everyone here who is interested in the domestic-sugar industry is grateful to the chairman of the Committee on Agriculture for his patience and his efforts to help work out what is a very controversial question. Without his efforts, I feel sure we would not be considering this measure today. I am not in entire agreement with all its provisions. I expect to support some amendments which will be offered, but in general this bill does

afford protection to the producer of sugar in the United States and at the same time, I believe, adequately protects the consumer.

Theoretically, I am opposed to any restriction upon the production of sugar in the United States. For that reason I would prefer to approach this question from the standpoint of a tariff rather than of a quota system. As I see it, you cannot have a quota system without imposing domestic as well as foreign quotas. Under a tariff adequately protecting the industry, however, it would not be necessary to put any restrictions on domestic production.

However, as I said a few moments ago, we do not have that question before us today. It is a question of taking this bill or getting nothing.

Now, there are some controversial questions which the House must decide in the course of the consideration of this legislation, and as has been indicated by previous speakers, the most controversial of these matters is that of whether or not there shall be a limitation upon the quota of direct-consumption sugar from Hawaii and Puerto Rico. I have heard all the arguments on both sides of this question. I have learned them all by heart and can repeat them forwards or backwards and there is, of course, something to be said on both sides of the matter.

The able gentleman from Colorado [Mr. CUMMINGS] is undoubtedly the best informed Member of this House on the question of beet sugar. We all accord him that honor. He is entitled to the thanks of every producer of sugar beets in the United States for his effective and untiring work on this legislation. He said a while ago in the course of his remarks that it did not make a bit of difference to the producer of beets what position the House took on this question of removing quota restrictions upon direct-consumption sugar from these two areas, and I agree with him on that proposition.

May I say further what he did not say, that there is no community of interest today between the producers of sugar in this country, either cane or beet, and the refiners along the Atlantic coast. There is no community of interest today and there has never been any community of interest. As a matter of fact, up until the time of the original Jones-Costigan Act, the domestic refiners did everything they could to destroy the domestic beet industry. For 40 years they tried their best to put the beet producers of this country out of business. Not only did they oppose every effort to protect beet sugar by tariffs and other beneficial legislation but by the most unfair and misleading propaganda they built up a prejudice against beet sugar which exists to this day. As a result of that prejudice beet sugar sells on the market at a discount of 15 to 20 cents per hundred less than cane although its qualities and composition are identical. Yet in spite of that record they have the colossal nerve to ask the producers of beet sugar to assist them in getting legislation to which they are not entitled and which they could never get on its merits or rather lack of merits. They are today asking beet producers to support a provision in the bill which we all know will result in a veto and no legislation. In other words they are playing the beet producers for a bunch of suckers.

They are asking for what amounts to an embargo on refined sugar from one part of our Nation on the claim of unfair competition, when as a matter of fact they have never been able to even make out a case for tariff protection against foreign tropical countries.

Now, what are the facts in this connection? A great deal has been said here today about the difference in cost of refining between the tropical countries and the United States. A great deal has been said about the item of labor, as if that were involved in this question. Let us look at the facts insofar as labor is concerned. There are less than 14,000 men employed in the refining of cane sugar in this country and the average annual wage is a little over $1,000 per year, according to the Bureau of the Census. If Hawaii and Puerto Rico were permitted to import into this country in a refined state all the quota they are given under this bill, they would bring in 1,736,000 tons of refined sugar. At present they can bring in 155,000 tons so the net increase if all the quota were refined would be 1,581,000 tons. That is a decrease of approximately a third so in terms of labor this could not possibly mean the displacement of more than three or four thousand of the employees who are engaged in this industry today. This is the size of the labor problem involved.

There is no industry in this country in which a smaller proportion of the volume of business goes to labor than the business of sugar refining. In the hearings on this bill, at page 308, there was submitted a table compiled by Messrs. Weingarten & Co., of New York, a brokerage house in that city, compiled for the purpose of showing the varying impact of social-security taxes which would fall upon different classes of business and, of course, the class of business whose labor costs were the smallest would have the smallest burden to carry in that respect. In this table it is shown that only 3.8 percent of the volume of sugar goes to labor, while the percentage in other industries is much larger, for instance, in meat packing it is 6.8 percent, automobile manufacturing 10 percent, department stores 17.8 percent, and railroads 50.2 percent. So there is no industry in this country where the item of labor is of any less consequence than it is in the matter of sugar refining.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Not at this time.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield myself 5 additional minutes. Now, let us proceed to a discussion of the question as to whether tropical refining is cheaper than refining on the mainland. The facts that have been brought out at various hearings before the Tariff Commission very clearly show that the cost of refining in the Tropics is just as high as it is in this country.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. HOPE. In just a moment.

When the Tariff Act of 1930 was under consideration, the very, very terrible Smoot-Hawley Act, as I have heard it called so many times on the other side of the aisle, the sugar refiners in this country were unable to make out a case before a Republican-controlled Ways and Means Committee of the House or a Republican-controlled Finance Committee of the Senate. They were unable to make out a case and show that the importation of refined sugar should have any greater protection than raw sugar.

In other words, the Commission found that the cost of refining in the Tropics, particularly in Cuba—and it is substantially the same in Hawaii and Puerto Rico—is practically the same as in this country. The refiners were not satisfied with that. In 1931 they went before the Republican-controlled Tariff Commission, a bipartisan commission it is true, under a Republican administration, and asked for an increase in the duty on refined sugar upon the ground that it costs more to refine sugar in this country than in the Tropics, and here is what the Tariff Commission found, as announced on July 11, 1932:

> That the difference between domestic and foreign costs of refining is not such as to justify the Commission in specifying either an increase or a decrease in the rate of duty on refined sugar, or at least until after the Commission has finished the complete sugar investigation. Any change in the rate of duty which might result from the present refined sugar investigation would not be sufficient either to increase or decrease materially the imports of refined sugar from Cuba or the amount of labor employed in the domestic refineries.

The refiners were not satisfied with that decision, and in 1934 they again brought the matter up before the Tariff Commission operating under this administration, and asked for an increase in the rate on refined sugar. The Tariff Commission at that time held and reported to the President on January 22, 1934, that no change was warranted in the tariff differential as between raw and refined sugar.

Nothing appeared in the hearings, as I recall it, that in any way contradicted those findings of a great fact-finding body whose word is accepted as final on matters affecting the tariff. I yield to the gentleman from Texas.

Mr. MANSFIELD. Mr. Chairman, insofar as tariff protection is concerned, is it not a fact that Hawaii and Puerto Rico share in tariff benefits, if any, to the same extent as the continental producer?

Mr. HOPE. They do. They share in these tariff benefits because they are a part of the United States, and for that reason they are entitled to have the same consideration in this bill to which every other part of the United States is entitled. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. LUCAS. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Chairman, because my time is limited to 5 minutes, I ask that I be not called upon to yield. I have listened with a great deal of interest to my colleague on the committee, the gentleman from Kansas [Mr. HOPE], in his remarks on the floor this afternoon, and to his statement that under this bill Hawaii and Puerto Rico are discriminated against, they are not treated as citizens of the United States, under the same flag. The interesting feature that occurs to me is that apparently my colleague, despite his long attendance at the hearings before this committee, has overshot the mark, as have those others of the committee who may agree with him, in the statement that this bill constitutes unfair discriminatory restrictions against the two insular possessions.

The quotas provided in this bill lie with equal force on all continental United States and on the entire domestic area producing sugar. Efforts were made by the committee to listen to every side, and to bring about the fairest adjustment under a quota system possible, as the only efficient means of stabilizing and retaining a market strong enough to permit both the continental and the insular sugar producer to enjoy remunerative prices above the world market price for sugar.

It is an interesting commentary that the great States of New York and Texas were producing beets at one time, and Texas both beets and sugarcane, and it is interesting also to now find that under this bill they are not permitted to resume that activity, and then hear the claim that the bill discriminates against Hawaii and Puerto Rico to a greater extent than it does against the great States of this Union.

I shall not have time in the brief period assigned to me to go into a discussion of this bill, but I do ask the members of the committee who have shown enough interest to sit here throughout this debate to at least read the extension of my remarks in the RECORD tomorrow. There are two very pertinent questions to be considered by the House when it comes finally to vote on the proposed amendments to be offered to the bill which came out of the committee. As a member of a great legislative committee of the House, and on which I am proud to serve, I am fully cognizant of the deliberate, painstaking care with which the committee went into all of the questions raised with reference to the legislation, which, in my opinion, at least so far as my 10 years' experience goes, is the most controversial of any this body has been called upon to consider.

I find it passing strange that here at this late hour in the session, after the bill has been reported from the committee following literally months of hearings, during which time every possible angle was given consideration, that the departments of the administrative branch, who have raised this question now in opposition to the deliberate result of that committee's best efforts, have brought about a situation where now at the close of Congress, in a comparatively few moments, they put the issue squarely before us, only after a hard fight to even get the sugar bill before the Congress.

[Here the gavel fell.]

Mr. LUCAS. Mr. Chairman, I yield the gentleman from Texas 2 additional minutes.

Mr. KLEBERG. I stand before you now not only as a member of the legislative committee but a Member of the body to which all of you belong and a part of the Government of the United States in its three great branches. We represent the legislative branch of this Government. All of the departments are coordinate and they have the united purpose of serving the people of the United States. But there is nothing I can find in the general picture which entitles us to have at least the feeling of having received proper consideration when, added to the fact that we had to bring this bill out after a fight, we now find ourselves faced with the fact that the Chief Executive proposes to veto this measure. Everyone here knows that the President has the veto power. It was, therefore, not necessary for that to be announced, but it seems strange that we should have presented to us premature notice of his action in connection with this piece of legislation.

It is true he has had departmental advice, but it is not true that the departments who advised him or those who conferred with those departments gave the painstaking care to a study of this question and this particular legislation which the Committee on Agriculture has given. As a Member of this House, out of respect for preserving its integrity, it is my purpose, having voted in the committee to report this bill out as it is now presented, to support the well-considered determination to which I arrived and the conclusion reached by the committee, with the exception of one member, who did not vote on the bill at that time. I speak with no ire and no choler. I speak, however, with a great solemnity of purpose that makes it seem to me of transcendent importance that if in the future the representative branch of this Government is going to function effectively for the interest of those they represent, we on this occasion should take our position firmly and squarely, as we would under less troublesome circumstances, and come to our own conclusion and stand by our guns.

Now, Mr. Chairman, with full respect for the President of the United States and for the great responsibilities which rest upon his shoulders, may I state that I firmly believe that good government under our form of government entails a proper coordination between the three branches—executive, legislative, and judicial. Nothing in my remarks should be construed as a break between the President of the United States and myself, a servant and representative of the people whom I represent in my congressional district in the State of Texas and my fellow citizens at large in the United States of America, including Puerto Rico and the Territory of Hawaii; but, Mr. Chairman and fellow members of the committee, I do not want to be understood in any other than the true light of my earnest conviction which finds me involved in an utter disagreement with the President of the United States and the departments which oppose the House Committee on Agriculture's final conclusions as represented in this bill with the restrictions on the importation of refined sugar from Puerto Rico and Hawaii as set out in the bill under consideration.

I have every desire as a Democrat and as a citizen of the United States to see a successful administration of our Government in its executive branch by our Democratic President. I have an equally high desire to see the legislative function successfully performed by a Democratic Congress, and because of that, and for no other reason, I find myself in complete disagreement with the departments and the President with reference both to their desire to strike out of the bill the restrictions on direct-consumption sugar applicable to Puerto Rico and Hawaii and the means used to accomplish that end on Representatives in the Congress. At best, Mr. Chairman, it is difficult for me to go along with the continuation of the rigid application of quotas to domestic producing areas.

Mr. Chairman, permit me to say at this juncture that the most difficult situation in which I find myself is that of being in opposition to an amendment which will be offered by my admired, dear, and long-time friend, MARVIN JONES, chairman of the House Committee on Agriculture. I deeply esteem him and hope he will be tolerant with me in that. I am sure he knows that divergent viewpoints between us, however vehement we might become in debate, will in no wise

abrogate or mar either the friendship or admiration I have for him. The statement made by the distinguished gentleman, my good friend from Kansas, CLIFFORD HOPE, that no damage would be done by removal of the restrictive provisions of the bill under controversy leads me to believe that he has made little study of the real facts with reference to the United States cane-sugar-refining industry.

This industry is now operating at less than 65 percent capacity. The average melt of the 3 years under the Sugar Control Act, 1934–36, was 63 percent—4,402,000 tons. The year 1936 was 64 percent—4,515,000 tons.

This is much less than the refiners' production of earlier years. In 1925 the melt was 5,748,000 tons, and in no year until after 1930 did it fall below 5,000,000 tons. The gentleman from Kansas suggested that if the restrictions were removed from Puerto Rico and Hawaii it would merely mean the importation of a small amount in excess of 1,800,000 tons of cane sugar for direct consumption. I hope my friend will take his pencil and subtract that sum from the 4,515,000 tons refined in 1936. No industry operating at as high costs and under such burden of fixed charges can withstand such a terrific competitive loss.

The chief factors bringing about the reduction which has occurred in continental refiners' production have been increased imports of refined sugar from insular areas, such as Cuba, together with American insular areas. In addition, but minor in effect, were the rise and effect of tariff-protected sugar and the vanishing of export demand for refined sugar.

The reasons behind these factors include lower labor charges and fixed charges in the insular areas; after 1930, the tariff differential between refined and raw sugar, which tended to promote offshore refining. Added to these, the general decline in farm prices and demand for farm produce, tending to turn farmers from other production to sugar beets, increasing economic nationalism, rising trade barriers, and the depression reduced incomes, which seriously affected consumption. The large capacity of the seaboard refiner was developed by the exigencies of the World War. The successive reduction in output left a smaller number of units over which the tremendous overhead could be spread. This has successively tended to increase the refining cost per unit and thereby lessens the ability of the continental industry to meet competition of its rival in the American refined-sugar market.

I hold, Mr. Chairman, that the destruction of the continental market for cane sugar is the only objective to be obtained by voting up the amendment to be offered by my distinguished and highly esteemed friend, the gentleman from Texas [Mr. JONES]. Cane-sugar producers in the continental United States have their only market for the raw product in the refining industry, inasmuch as we do not consume raw sugar.

The main argument advanced by those who insist upon the removal of refined-sugar quotas for Hawaii and Puerto Rico is that they demand equality of treatment under the flag. They argue that, inasmuch as there are no trade barriers between individual States on the processing of their respective products for marketing elsewhere, that there should be none for the refining of sugar in Hawaii and Puerto Rico for marketing in continental United States. I resist the theoretical phase of such an argument which wholly ignores the objective of the quota system or what, in fact, the quota system is.

This quota legislation does not seek the establishment of a political status, nor does it raise racial or citizenship questions, but deals wholly and solely with an economical problem in an effort to solve it on an economically fair basis. Its very essence is the stabilization of the industry, together with those markets through limitations of both production and processing. It makes allocations by production limitation to each area which supplies the continental market. As a starting point, it must inevitably take the entire industry as it existed in 1934 as a basis for a beginning. So the establishment of the quota system and perforce limitation of expansion of groups or elements therein would conform to economic law and fair dealing.

The limitation of expansion is applied in the case of Puerto Rico and Hawaii on the fairest possible basis, that of taking the highest peak of the refined sugar processed in Hawaii and Puerto Rico, both prior to the enactment of the law of 1934 as the limit set up in this bill.

Regarding conditions extant in 1934, the restrictions on Hawaii and Puerto Rico will bear honest comparison with those levied on the States of the Union; and I submit, Mr. Chairman, that they are far less severe. I again call attention, by example, to my State, Texas, which formerly produced both sugar beets and sugarcane, not now allowed under the quota to reenter that field of produce. Massachusetts and New York once grew beets to make sugar, and they are likewise barred to reenter that industry. The quota system merely pegs the industry with a few minor readjustments to its status of 1934. This is done on the equitable plan which permits no area or factor in the industry to use the profits and benefits under the quota system to destroy or injure the business of any other area or group. The question does not resolve itself, Mr. Chairman, as to whether all areas or groups under the bill are treated by identical formulas but rather taking into consideration the objective of obtaining for each area an equitable and economical result after consideration of all of the circumstances in the composite picture.

If the restrictions are removed on Hawaii and Puerto Rico as to direct consumption sugar, the underlying and essential principle of the entire quota system will be disrupted and violated. If that is done these two islands will be given a tremendously preferential right over the continental refining industry, which, in my opinion, will finally destroy it, and with it the market to which continental producers must go with their product. This because the quota system denies continental refiners from obtaining their material elsewhere. The quota plan permits these insular American citizens to ship to the continental market the maximum amount they have ever shipped prior to 1934, but, on the other hand, it restricts the volume of continental refining to a figure tantamount to 60 percent of their capacity and far below their performance over a long period of years.

The applied principle is identical. The discrimination or inequality, if any, when final results are reviewed, is against continental refining and not in its favor and is far more fair and reasonable to Hawaii and Puerto Rico. They at least are not required to cut down nor are they caused to do so from their previous performance. They were merely precluded from expansion of their shipments to the continent.

In exchange for this restrictive provision, if there should be involved a sacrifice on the part of Puerto Rico and Hawaii because of the limitation on the quantity of raw sugar which they produce to a reasonable figure based on past performance, these islands are receiving subsidies from the people of the continent amounting to around $1,000,000 annually.

In conclusion, Mr. Chairman, no State in the Union in continental United States receives comparable benefits under the operation of the Sugar Act. No other sector of the entire sugar industry enjoys greater prosperity than do Puerto Rico and Hawaii. It seems unreasonable to cry discrimination when the measure before us simply provides that they are not to use that prosperity, paid for by American consumers under the quota system, to destroy the old-established continental refining industry which constitutes the only market which the continental producers of cane sugar have. This, Mr. Chairman, would be more than discrimination. It would be grossest inequity tantamount to malpractice. I do not propose to go into recriminations or the criticisms which inevitably rear the ugly head of sectionalism. On the contrary, I have attempted with great solemnity of purpose to present the picture developed in my mind after long and exhaustive hearings before the House Committee on Agriculture, of which I am a member.

Mr. Chairman, these are my conclusions, and upon them I will cast my vote and because of them I make this plea. [Applause.]

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF. Mr. Chairman, I approach a discussion of the merits of this bill this afternoon with a little hesitation because of the limited time at my disposal. You Members who have served for any number of years realize that I have arisen in my place in this House on many occasions to defend the American sugar industry and to do whatever I could to bring about its ever-increasing development.

Something has been said by the previous speakers about the discrimination that is supposed to exist in this bill against certain producers in our island possessions. I would like to discuss that particular phase of the question for a moment. The gentleman from Hawaii [Mr. KING], a gentleman of great ability for whom I have the greatest respect and no little affection, made the plea that the people whom he represents were being discriminated against in the committee bill. Now, let us see about that. The gentleman bases his opinion upon the fact that certain restrictions upon the development of the sugar industry in Hawaii are carried in this bill. The gentleman entirely overlooks the fact that every element of the sugar industry, either in continental United States or in our island possessions, regardless of what that element is, is also restricted in this bill and has been restricted in its development and in operations, since this administration put upon the statute books the first sugar-control bill.

Mr. Chairman, when the present administration took over the management of the governmental affairs of this country there existed in my home city three large beet-sugar refining plants. The beets which those plants refined were grown by the farmers of my district within a radius of 20 miles of those plants. The first sugar-control bill, Mr. Chairman, resulted in the closing and dismantling of one of those plants. More recent legislation and the announcement of policy upon the part of the administration this year resulted in the closing of another one of those plants, and today in my city there is but one refining plant still in operation. I should say if there has been discrimination against any element of the sugar industry anywhere under the American flag it has been directed against the industry of the mainland.

I call the attention of the gentleman from Hawaii to the fact that this bill does not in any way provide for a reduction of any of the sugar activities in those islands. It still permits Hawaii to refine 29,000 tons of sugar each year, and they are still permitted the same quota of raw sugar production which they had last year. There is no discrimination in the bill as it is now written against either Hawaii or Puerto Rico. It seems to me, Mr. Chairman, that if there is discrimination in anything proposed in the bill or proposed by others which is not now in the bill, it will be found in the amendment to be offered to the bill by the chairman of the committee, the gentleman from Texas [Mr. JONES], a gentleman for whom I have more than a great respect, a gentleman who has always dealt fairly with the domestic sugar industry so far as he could, and who will in the years to come be known as one of the great chairmen of this great committee. He will—I assume upon request—offer an amendment which does provide for a discrimination, but it is not a discrimination against the sugar activities or sugar industries of either Puerto Rico or Hawaii.

Mr. Chairman, we have something more than 14,000 American citizens working in the great cane-sugar refining plants located in continental United States, in which many thousands of our American people have invested their savings. The employees in these factories live in this country; they hold jobs in this country. The amendment which will be offered by the gentleman from Texas [Mr. JONES] would, in the final analysis if adopted and enacted into law, result in the ultimate destruction of that investment and throw out of employment those 14,000 men of whom I speak.

Today Hawaii is authorized to refine 29,000 tons of sugar. This is all the refining capacity of the Hawaiian factories. In order to increase that amount, this possession of ours would find it necessary to build other refining plants. A similar situation exists in Puerto Rico. If we increase the quota for direct-consumption sugar coming from that possession it means that they must necessarily build in those islands additional refining plants.

What will we be asked to do when that amendment is offered? We will be asked through legislation to declare a death sentence upon the investments made in this country; we will be asked to destroy plants which already exist in this country; we will be asked to throw out of employment American citizens living here who now have jobs. We will be asked to do these things in order that people living in our possessions may have the authority and the opportunity to build in the place of the things we would destroy in this country other institutions of like character that their people may have opportunities for investment and that their citizens may have opportunities for more jobs.

It would seem to me, Mr. Chairman, that if there is any discrimination to be found anywhere in this bill or which will be proposed by any amendment, that it is a discrimination against American citizens living in continental United States and not in the possessions of the United States.

Mr. Chairman, there is another phase of the situation that ought to be discussed at this time, it seems to me, and I want to carry the minds of the members of this committee back to the days when Secretary of Agriculture Wallace appeared before the committees of Congress and testified to his belief that the sugar industry of this country was an inefficient industry, that it ought never to have been started in this country, that it ought to be destroyed. He also made the statement at the time, Mr. Chairman, "that it does not seem to be politically possible to destroy this industry at the moment."

Now, Mr. Chairman, I think there has never been so much harmony, so much cooperation between the various elements of the sugar industry of this country as there is at this time. I grant the truth of the things said by my friend the gentleman from Kansas awhile ago relative to the refiners; and I am perfectly aware of the fact that in days gone by they have not played fair with the sugar-beet industry.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 3 additional minutes to the gentleman from Michigan.

Mr. WOODRUFF. I may add, however, that these refiners have finally come to the realization that if they are to be permitted to live industrially they must cast their lot and their political support with representatives in the House and in the Senate from the great beet- and cane-sugar areas of this country. They realize that if they are going to continue to live they must necessarily have the support of those who represent these sections and States. In the past I have resented their activities, their actions, their whole attitude toward the domestic productive industry, but that is water over the wheel. We are faced with a situation which in the last analysis means the destruction of one part of the sugar industry in this country. I refer, of course, to the refining end of the industry. So far as I know I have never even met a man who owned a share of stock in this industry, but I am concerned in preserving the investments in the refining industry in this country. I am concerned in preserving the jobs of these 14,000 American citizens who work and spend their wages in this country. If this industry is destroyed, those men who today are actively supporting this measure and who are voicing their approval of this bill, men who come from sections of the country where refining industries exist, will then no longer be interested in maintaining the great sugar-beet and cane-growing activities of this country which mean so much to the American farmers. When that time comes, when our forces are reduced to only those States which now produce beet and cane sugar, if Mr. Wallace is still Secretary of Agriculture, he will then find it politically possible to eliminate the sugar industry of this country entirely.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF. Yes; very gladly.

Mr. MANSFIELD. Does not the gentleman believe that if the domestic refiners are put out of business that that will leave a monopoly in the hands of foreign refiners and that the price of sugar will be increased correspondingly?

Mr. WOODRUFF. I wish I had time to go into that. It would have a great effect upon the price of sugar, as history has taught us. I refer any doubting Member to the year 1920, during a part of which when American beet sugar was off the market and when the importers of offshore refined sugar had an opportunity to fix, without competition, the price of sugar to the American consumers. The American housewife at that time had to pay as high as 32 cents a pound for the sugar she bought. Compare that with the 5 or 5½ cents per pound she pays when the domestic industry is flourishing. I commend that statement to the gentleman from Ohio [Mr. HARLAN], who this afternoon expressed an interest in the consuming public. [Applause.]

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Chairman, it is rather difficult to cover all the points in this bill in the short time allotted to me. I listened with interest to the well-informed gentleman from Kansas [Mr. HOPE] when he said that the refined cost in the United States was less than the refined cost in Cuba. In other words, it cost more to refine sugar in Cuba or at least as much as it does in the United States.

The details of the cost per hundred pounds of refining sugar in the United States and Cuba were reported in the United States Tariff Commission Table 56, Report 73, for the period 1929 to 1931, which is the latest information we have available. That shows the average refining cost in the United States to be 0.6591 and in Cuba 0.581. So that argument falls by the wayside.

Then we get down to the question of prices to the consumer. When the Jones-Costigan Act went into effect in 1925 the price to the consumer was 5.448 per pound refined, and retail 7.2. In 1933 to 1936 the average price to the consumer of refined sugar was 5.4 to 5.6. So that under the provisions of the Jones-Costigan Act, which this bill will continue, the price of sugar was stabilized and the cost to the consumer is less than under provisions existing previous to the enactment of those provisions.

Let us get down to the proposition in which I am interested and that is the labor provision. I hold in my hand a letter I received this afternoon from the president of the American Federation of Labor, Mr. Green, in which he says:

MY DEAR CONGRESSMAN: I am taking the liberty of sending you this short note, because the American Federation of Labor is deeply interested in the protection of the economic welfare of the workers employed in sugar refineries in the United States. I understand the Agriculture Committee has reported a measure for consideration and action by the House of Representatives. I sincerely hope this bill may provide such adequate restrictions upon the importation of refined sugar from Cuba as may be necessary in order to protect wage standards and provide employment in the sugar-refining industry in the United States. It would seem but fair and just that such reasonable limitations against the importation of refined sugar from our insular possessions as circumstances may require ought to be incorporated in the measure.

I will appreciate it very much if these recommendations in behalf of labor may be given favorable consideration.

Sincerely yours,

WM. GREEN,
President, American Federation of Labor.

Mr. LORD. Will the gentleman yield?

Mr. HOOK. I cannot yield.

Mr. Chairman, may I say that it was no small task to bring this bill out from the Committee on Agriculture. I want to go back to the beginning of the hearings and call attention to page 364 thereof, at which time Mr. Robins, of the Department of Agriculture, refused to testify before the Committee on Agriculture. The gentleman from Kansas and myself insisted that a member of the Department testify. He did not want to testify for the record. Now, that very Department and those men want to impose a restriction upon the continental United States. They want you to take out section 207. They want you to allow refined sugar to come into the United States unrestricted, yet they did not have the nerve to testify before the committee until we forced them to do so. When they get control of the refined-sugar factories and drop the price of sugar—run our industry out—up will go the price as was done during and after the World War 27 cents per pound. Please do not allow this to happen.

Then what happened? When we did report a bill, they even went to the Rules Committee and to the leaders of the House and said, "We do not want a bill to be reported until it has been amended as we want it."

Mr. Chairman, I say it is about time that we as Representatives of the people of the United States legislate as we see fit and not let other people hand bills to us to be passed. If this bill had been refused a rule because it was not in the form as demanded by the departments, we might just as well have said, "Let the departments write all legislation and when drafted hand it to the Rules Committee." You do not need us Congressmen or any committee work, so we will be more than pleased to go home. If we are not going to be allowed our constitutional prerogatives, please do not make us suffer. Let us go home. Is not that ridiculous? But, after all, that is just what they tried and are still trying here.

They say the President will veto this bill if subdivisions (a) and (b) of section 207 are not stricken out. I do not believe this because he stated in his message to Congress:

The Jones-Costigan Act has been useful and effective and it is my belief that its principles should again be made effective. I therefore recommend to the Congress the enactment of the sugar quota system and its necessary complements, which will restore the operations of the principles on which the Jones-Costigan Act was based.

In a message to Congress dated February 8, 1934, President Roosevelt recommended the passage of sugar legislation. Secretary of Agriculture Wallace, in a press release at that time, stated:

The administration recognized that domestic beet and cane producers will suffer the disastrous effect of further price declines unless the impact of insular production on the domestic market is modified through a definite restriction of shipments.

The result was the Jones-Costigan Act. This law has proven to be a lifesaver to all. It restricted the shipment of refined sugar from all offshore areas, including Cuba and Hawaii, and rightly so, for the protection of both labor and the consumer.

The subcommittee of the Committee on Agriculture which was appointed to consider the sugar question agrees with the President of the United States. We believe that the principles of the Jones-Costigan Act should be continued. We held hearings and heard this problem discussed from every possible angle. Representatives of all sides were heard. After this discussion and a careful consideration of the testimony in executive session the subcommittee reported a sugar bill. The full committee considered the subcommittee's finding, and, with a few changes, reported the bill, which is now before this House.

The Democratic platform in one part states:

We will continue, as in the past, to give adequate protection to our farmers and manufacturers against unfair competition or dumping on our shores commodities and goods produced abroad by cheap labor or subsidized by foreign governments.

We in the Agricultural Committee reported out this bill, which does exactly as the President requested in his message. It extends the principles of the Jones-Costigan Act. It follows out the promises of the Democratic platform of 1936. And I am certain that cloaked undercover news claiming a Presidential veto have no foundation any more than many other bluffs that have been attempted by some of the "brain trusters" who are on the pay roll of the insular and foreign sugar monopolists. Do not be frightened by such rumors. Stand up like men and pass the legislation that a unanimous committee reported after months and months of serious study.

If you do this the beet and sugar growers will be thankful, the consumers will be thankful, but most of all union

labor—the men and women in continental America who labor for their daily bread in the sugar industry, some 75,000 of them—will be everlastingly grateful. I thank the president of the American Federation of Labor, Mr. William Green, for his kind letter to me in behalf of labor, and assure him I will continue to fight for organized labor as I have always done in the past.

I have heard the Delegate from Hawaii talk about labor conditions in the island of Hawaii. Let me quote what the Department of Labor has to say about that. I quote from a bulletin of the United States Bureau of Labor Statistics on labor conditions in the Territory of Hawaii—Bulletin No. 534, pages 14 and 15. The source of labor for the sugarcane industry in the Territory of Hawaii has shifted many times, being originally the Hawaiian Islands, and subsequently China, Japan, Portugal, Spain, Puerto Rico, and Korea. The present tendency is to depend almost exclusively on the Philippine Islands as the source of supply.

Table 12, secured from the immigration bureau at Honolulu, shows the Filipinos arriving at and departing from Hawaii over a period of years:

TABLE 12.—*Filipinos arriving at and departing from Hawaii, 1922 to 1929*

Fiscal year ending June 30—	Arriving from—		Departing to—	
	Orient	Mainland	Orient	Mainland
1922	8,675	88	2,074	98
1923	6,530	9	925	937
1924	5,915	40	2,694	2,118
1925	10,369	93	2,769	831
1926	4,995	90	2,715	2,888
1927	6,875	78	3,671	2,254
1928	12,572	132	4,008	1,515
1929	9,593	180	4,809	2,374
Total	65,524	660	23,665	13,015

Table 13 shows the Filipinos arriving at and departing from Hawaii by age and sex.

TABLE 13.—*Filipinos arriving at and departing from Hawaii, 1925 to 1929, by age and sex*

Fiscal year ending June 30—	Arriving from—									
	Orient					Mainland				
	Under 16		Over 16		Total	Under 16		Over 16		Total
	Male	Female	Male	Female		Male	Female	Male	Female	
1925	219	105	9,414	631	10,369	4	6	76	7	93
1926	62	10	4,794	129	4,995	3		78	9	90
1927	60	26	6,404	385	6,875		1	75	2	78
1928	81	57	12,254	180	12,572	3	6	117	6	132
1929	76	54	9,320	143	9,593	8	15	135	22	180
Total	498	252	42,186	1,468	44,404	18	28	481	46	573
July 1 to Dec. 31, 1929	35	31	3,218	87	3,371	0	3	98	4	105

Fiscal year ending June 30—	Departing to—									
	Orient					Mainland				
	Under 16		Over 16		Total	Under 16		Over 16		Total
	Male	Female	Male	Female		Male	Female	Male	Female	
1925	190	198	2,122	259	2,769	25	18	751	37	831
1926	129	103	2,208	265	2,715	85	50	2,436	317	2,888
1927	352	309	2,585	425	3,671	68	83	2,023	80	2,254
1928	388	405	2,742	473	4,008	28	35	1,405	47	1,515
1929	351	324	3,787	347	4,809	31	27	2,268	48	2,374
Total	1,420	1,339	13,444	1,769	17,972	237	213	8,883	529	9,862
July 1 to Dec. 31, 1929	169	130	2,130	153	2,582	0	1	621	16	638

There is much discussion and a considerable feeling as to the advisability of the continuance of this immigration. The rapid development of the pineapple industry makes it no longer solely a sugarcane question. Formerly the sugar growers engaged the Filipino on his native heath and paid for his transportation to Hawaii, but this practice has been abandoned. The Hawaiian Sugar Planters' Association now has its agents in the Philippines engaging labor, but these workers must pay their own way to Hawaii. Upon arrival, they are given a contract or agreement that if they will work on the sugar plantations for a period of 3 years, their return expense to the Philippines, should they wish to return, will be paid by the sugar planters' association.

From the plantation managers' point of view, Filipino labor is reasonably satisfactory, although there is not complete unanimity of opinion among such managers. For instance, a manager of a plantation on the island of Hawaii said to his board of directors:

"We were well supplied with labor all through the season and work was kept well in hand. Our Filipinos are a restless lot, changing around from place to place. We trust that the suggested change in the contracts, whereby it is required of them to stay at least 1 year continuously at the place they are assigned to, will work out to the benefit of all concerned."

The following statement from an official of the association is interesting as bearing upon this question:

"With the Filipino labor there is a continuous and from the standpoint of employers undesirable amount of shifting from one plantation to another. Due to the fact that Filipinos have relatives in great numbers and to remote degrees of consanguinity, we find men shifting from one plantation to another, giving as their excuse that they want to be with a cousin, uncle, or brother, or some other connection on a second plantation. In our agreements with the laborer which we make after the arrival of Filipinos in Hawaii, we promise to return them to the Philippines after 3 years' work on plantations, providing they have complied with the terms of the work agreement. These terms require that they must have worked 1 year on one plantation and do not prohibit their moving between plantations. We send back as having completed the contract hundreds and even thousands of men whose work record must be secured from two, three, four, and maybe more plantations during the period of employment here. Within the last year we have caused our work agreement to be slightly changed, requiring the man to work the first year on the plantation to which first assigned, but even then a transfer is permitted, providing the man applies for it and it is approved, so that if he has good reason to move he may do so without forfeiting his rights. If he doesn't desire to apply for the transfer, he may move anyhow, but of course under those conditions he wouldn't have the benefits of his work agreement."

A study of length of service in Hawaii of Filipinos who returned to the Philippines for various reasons during the labor year October 1, 1928, to September 30, 1929, discloses the following:

Of 132 cases of sick men reported to the sugar planters' association as being discharged from hospitals but unable to go back to work, and desirous of returning to their homes in the Philippines, the length of service on sugar plantations averaged 51 months; their average stay on the islands was 65 months, and they had worked on an average of 1.7 different plantations.

Of the contract Filipinos who had fulfilled their contracts, 1,922 desired to be returned during the year. The average sojourn of these men on the islands was 54 months, their average service on sugar plantations was 53½ months, and they had worked on an average of 1.4 plantations. The required service to secure the right to free return is 36 months of 20 days, or 720 days' work on plantations.

The labor conditions in Hawaii are so bad that even the cheap coolie contract labor could not stand it, and they had to change from county to county in order to bring about the labor conditions they wished. Will we be a party to such discrimination against United States laboring men?

So much for Hawaii. I could go on and on and show how they are not fair to labor. That the United States continental laborer is being gouged by this group of scheming monopolistic manipulators of human flesh for their own selfish gains.

How about Puerto Rico? The Puerto Ricans pay no income tax; they are not subject to the Social Security Act; they are exempt, so I am informed, from the provisions of the new wage and hour law. Still we poured $20,000,000 of relief money in those islands. Now they want to wreck the American market and destroy our refining industry, throw thousands of our laboring men on the continent out of work so that they may use their cheap tropical labor in the islands, and then sell their sugar on our market at a high price. I know you representatives of democracy, who want fair play, will not allow this to be done. Vote against the amendment that is to be offered to take subdivisions (a) and (b) of section 207 out of this bill, and give our own continental labor a break.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, this bill has been given very careful thought and consideration, not only by the members of the subcommittee but by the members of the full Committee on Agriculture. The bill as reported to the House is the result of months of careful and thoughtful consideration and after the views of all interested parties were placed before the committee.

This is not a perfect bill. No particular group in the sugar industry is entirely satisfied with it. It is a compromise among the various groups, but it is a bill which the committee feels deals fairly with all the groups.

A good deal has been said about discrimination against Hawaii and Puerto Rico under the terms of this bill. I do not believe those Territories are discriminated against, because they are permitted to import direct-consumption sugar into this country in volume as great as they ever sent into continental United States at any time in the history of the country. They are not having their refining of sugar reduced or curtailed. They are permitted to bring into continental United States as much refined or direct-consumption sugar as they have ever brought in here. They say they are being discriminated against because they are not permitted to increase the importation of direct-consumption sugar into this country.

Mr. Chairman, if that is discrimination, may I say that the beet-sugar industry in this country is being discriminated against far more than is either Hawaii or Puerto Rico. In my own State of Wisconsin there are refineries that have been closed for several years. These refineries have not opened even under the Jones-Costigan law and probably will not be opened on account of the quota system that will be in effect after this bill is enacted into law. Those refineries have the capacity to refine beet sugar, but under the operation of this bill they will be prevented from operating because we limit the supply of beets, and when you limit the supply of beets in a beet area we are to that extent limiting the operation of the beet-sugar refineries. The beet-sugar refineries are all forced to curtail their production. Our refineries cannot import beets from some other country. That is ridiculous because the cost is prohibitive.

Mr. HOPE. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Kansas.

Mr. HOPE. The refineries in the gentleman's district which are closed are, of course, beet-sugar refineries?

Mr. BOILEAU. That is right.

Mr. HOPE. Were they closed as a result of the Jones-Costigan Act or were they closed before that time?

Mr. BOILEAU. I think I made that clear. They were closed before the Jones-Costigan Act went into operation, but they have not opened since and they probably will not open. The reason they will not open is because we reduce the available supply of beets. If there were no quota provisions in effect and if they could produce beets around the beet-sugar refineries, they would be in operation.

Mr. LANZETTA. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. LANZETTA. Is it not a fact that the beet areas have never produced the quotas allotted to them under the Jones-Costigan law?

Mr. BOILEAU. I believe that is true because of the fact they were so demoralized a few years ago they just started to build up.

Mr. LANZETTA. They did not produce the quota allotted to them under the Jones-Costigan law.

Mr. BOILEAU. I have just finished answering the gentleman on that question.

Mr. HOPE. Have the factories of which the gentleman speaks made any effort to get a quota under the Jones-Costigan Act?

Mr. BOILEAU. I do not know. I cannot speak with certainty in that regard. I may say, however, if you want to talk about discrimination, that you are telling the beet refineries of this country "You cannot produce beet sugar" because you are limiting the supply. You are saying they cannot produce an abundance of beets. You are restricting the amount of beets that can be produced, and to the same extent you are thereby restricting the amount of sugar that can be refined.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. LANZETTA. Is not the gentleman's argument fallacious?

Mr. BOILEAU. The gentleman may think it is.

Mr. LANZETTA. In one breath the gentleman states that the beet areas have been unable to produce their quotas, and in the next breath he says that his State is being restricted in the production of sugar beets under this bill.

Mr. BOILEAU. Oh, I did not say they had been unable to do so.

Mr. LANZETTA. It is a fact that they did not produce their quotas.

Mr. BOILEAU. I say they have been unable to produce their quotas because of the demoralized price of a few years ago. They went down in their production and are just starting to build up. The gentleman should know, if he does not know, that the beet areas in this country are capable of producing a whole lot more sugar than they are producing. My own State has reduced its production tremendously in recent years.

Mr. LANZETTA. I do know that the refineries which the gentleman complains of are not placed under any restriction in this bill. They may operate if they wish to.

Mr. BOILEAU. I am not complaining about any refineries. I am saying that in those areas where you restrict production, by the same law which restricts the production you restrict the amount of sugar which can be refined. This is just like two and two are four; it makes sense. You are restricting production, and I am not saying it is unwise, and I am not complaining of it. I think it is necessary for the stabilization of the industry that we have this bill, but we are restricting the production of beet sugar.

Mr. BUCKLER of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Minnesota.

Mr. BUCKLER of Minnesota. A few minutes ago the gentleman made the statement that the beet-sugar manufacturers were not filling their quotas. I have a beet-sugar refiner up in the Red River Valley in my country. A farmer up there cannot get a quota unless some other farmer drops out. We could use two quotas up in our country if we had a chance to sell the beets.

Mr. BOILEAU. Absolutely. There are thousands of acres right around the gentleman's own territory which have not been planted to beets but which could be planted to beets if the growers were given a quota. If we increased the number of beets available, we would thereby be increasing the amount of sugar which could be refined in these refineries. We are restricting the operations of our local refineries not by putting into the law that the refineries are deprived of the right to refine so much sugar but because the effect of the legislation is that we deprive the refineries of the sugar beets. They cannot make beet sugar out of apples or potatoes, they must have sugar beets. When we restrict the production of sugar beets we restrict the production of beet sugar.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Massachusetts.

Mr. HEALEY. May I supplement the statement of the gentleman by saying that in this bill we are also restricting the production of cane sugar in continental United States.

Mr. BOILEAU. Absolutely. It all comes down to this, that the sugar industry as a whole was suffering. Then we passed the Jones-Costigan Act, which worked out so well that they want more of it, they want a better bill, they want this type of legislation. If we are going to help the sugar industry, we must stabilize the entire industry. If we are going to make sugar production profitable in Hawaii and Puerto Rico and all the other producing areas, we should at the same time not try to do all we can to disrupt the existing refining business but should try to stabilize the industry to the point where it was before we put the Jones-Costigan Act

into operation. We should try to stabilize the industry, and we can stabilize it by using the same type of legislation to affect the refining industry as we are putting into effect with reference to production, that is, this bill.

This is a fair proposition. Puerto Rico and Hawaii are getting refined-sugar quotas as large as any amounts that have ever been produced in the history of the islands. Why should they have more at the expense of the industry on the mainland? We are not treating them differently than we are treating other American citizens. We are restricting the operations of all classes of producers of sugar, and we are also by restricting production thereby restricting the operations and the production of the refineries.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. LANZETTA. Does not the gentleman think that we should give larger quotas to the beet- and cane-sugar producers of the United States, so as to keep the refineries both in the gentleman's district and other districts in operation?

Mr. BOILEAU. No. I may say that this bill is an attempt to compromise differences of opinion, as I stated in the beginning of my remarks. I believe this bill is about as good a bill as it is humanly possible to draw, considering all the conflicting interests involved. I think every group is given fair consideration, but no group has received as much as it wants. I think this is a good compromise and is a bill we can get behind and support. [Applause.]

[Here the gavel fell.]

Mr. COFFEE of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. WILCOX].

Mr. WILCOX. Mr. Chairman, on a number of occasions I have expressed my opinion concerning various pieces of legislation which have been adopted by the Congress in the past 4 years regulating and restricting production of various commodities in the United States. I may repeat at this time my own personal position and the position of my State, not only with reference to the regulation of the sugar business but all regulatory and restrictive legislation.

My position and the position of my State is that the American market belongs first to the American producer. [Applause.] Our position is that the American farmer, the American manufacturer, and the American producer should be permitted to produce to their full capacity, and then, if the consumption requirements of this country exceed the production ability of the country, the excess should be allocated to other countries which in turn trade with this Nation.

My objection to the present bill, Mr. Chairman, is that it begins the allocation of quotas at the wrong end. Some gentleman during the course of this debate has pointed out that it is necessary to restrict and quota the production of sugar in the United States because of a reciprocal-trade agreement with the Republic of Cuba. I concur in that view as to why this course has been adopted, and I call your attention to the fact that continental United States produces less than one-third of its own consumption requirements of sugar; and yet in this bill American producers are restricted and limited as to the amount of sugar which they may produce, in order that the Republic of Cuba may have some 2,000,000 tons of sugar to ship into this country.

I want to call your attention to an incongruous fact that occurred in my district and in my State about a year and a half ago as the result of the restrictions on the production of sugar. Bearing in mind the fact that this country produces less than one-third of its own requirements, the sugar producers of my State and of my district in 1936 were forced to pour 1,000,000 gallons of molasses into the Everglades and waste it, when the requirements of this country were three times its production capacity.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WILCOX. In just a moment.

Now, a great deal has been said during the course of this debate about discrimination for and against Hawaii and Puerto Rico. A great deal has been said about the necessity of treating these Territories and possessions as American citizens. So far as my State is concerned, Mr. Chairman, I want to reverse that position. My State asks to be treated as a Territory. If you will give us the same treatment that you have given Hawaii and Puerto Rico, we will be more than pleased. Puerto Rico and Hawaii are both permitted, under this bill, to produce all of the sugar they require for themselves, and then they are given an allotment of sugar that can be shipped into continental United States. On the other hand, my State is restricted to 40 percent of its own consumption. This bill says to the sugar producers of Florida, "You cannot produce the amount of sugar which you yourselves consume, although you have demonstrated the fact that you can produce it both efficiently and profitably. You do not want, you do not need, and you do not ask for a Federal subsidy; you do not need and you do not ask for Federal assistance; nevertheless, you will not be permitted to produce even the amount which you yourselves consume", and, to make sure that we do not, the bill provides upon its face that we not only may not ship in interstate commerce but that we may not market within our own State the sugar that is produced within our own area.

Now, I can understand a program like the A. A. A., where, because of overproduction and consequent decline in price of certain basic commodities, a restriction of production is invoked. But I cannot understand a plan which restricts my State in the production of a necessary element of food when continental United States produces less than one-third of its own requirements of that food element.

I could understand a program which limited unprofitable production in one section of the country, where a subsidy is necessary, so as to permit profitable production in another section where no subsidy is required. Such a program would be in the interest of the consumer. But I fail to see the justice of a plan which limits production and development in that section where the commodity can be produced profitably without a subsidy, just in order that larger quotas may be given to those sections which cannot produce it without a subsidy.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WILCOX. I will be pleased to yield to the gentleman from Missouri.

Mr. SHORT. The able gentleman from Florida has been making a very convincing statement, and I am wondering if the gentleman can inform the Members of the House how much money was spent or doled out in benefits to the sugar growers of his own State under the A. A. A.

Mr. WILCOX. I can answer that question as to one company, and that is exactly the reason we are objecting to any further subsidy of that character. One company in my State was paid a check of $1,260,000 as benefit payments. That company does not want benefit payments, and we do not want benefit payments, but what we want is the privilege of producing sugar. We want the privilege of developing the industry in our State. Now, I want to pursue that further for just a moment——

Mr. SHORT. But it is a fact that the Government paid one corporation in the gentleman's State over $1,000,000 for not producing sugar, when you were allowed to produce only 40 percent of the consumption in the State of Florida and when the growers poured over 1,000,000 gallons of molasses into the swamps?

Mr. WILCOX. The gentleman is correct about that.

Mr. SHORT. A very wise policy. [Laughter.]

Mr. WILCOX. Let me call your attention to this fact, Mr. Chairman. Some years ago the Federal Government conveyed to the State of Florida some 5,000,000 acres of what is called the Everglades, a swampy and overflowed section of our State. It was regarded as worthless and of no value for agricultural purposes. Soon after it was conveyed, however, it was discovered that this soil is the most fertile on the face of the globe. Not even the valley of the Nile can compare with it in fertility. It was necessary, however,

that it be drained, that it be irrigated, and be made available for cultivation. Federal, State, local, and private funds to the extent of more than $100,000,000 have been spent in bringing this great area into production. Recently tests were carried on in that area to determine its availability for the production of sugar. It was discovered that by a peculiar and particular combination of the right amount of sunshine, the right amount of rainfall, and the right contents in the soil, it is the best adapted area on the North American Continent for the production of sugarcane.

I am told that the average production of sugar throughout the United States is about 3,600 pounds per acre. In the Everglades area, one breed of sugarcane has been developed which, in a limited area, has produced as much as 9 tons to the acre; and this is true not only as to productivity but I would call your attention to the fact that sugarcane planted in the Everglades area has been known to grow as many as eight crops from one planting. So that the industry is both efficient and profitable.

I do not believe that this Government has any constitutional, legal, or moral right to say to the citizens of one of the sovereign States of this Union that they shall not engage in a perfectly legitimate business so long as they are willing to do so without Government assistance. I do not believe that the Federal Government has any constitutional, legal, or moral right to prohibit the production of a necessary food product, particularly when the entire industry of the whole country produces less than one-third of the amount of that food element which it consumes.

Now, a great deal also has been said about wage conditions in the various sections of the country. I call attention to the fact that those who are engaged in the sugar business in my State pay probably the highest common-labor rates of any commercial section in the United States. The common Negro laborer working in the cane fields in my State is furnished a home in which to live, and a nice home it is. He is given free electric light, free plumbing, free water, free fuel, free medical service. He is permitted to buy his supplies and groceries at wholesale rates. When a member of his family becomes sick, he is given free hospitalization. His children are given free schools and free school books and free transportation to school, and in addition to that he is paid a minimum of $2.70 a day. That is the minimum wage. It fluctuates from $2.70 at the bottom to $11.50 per day for the higher paid and more skilled laborers in the sugar mills. Those are the conditions in my district. We want the power, we want the right, we want the privilege of developing that industry in that great State.

We have no quarrel with the beet-sugar producers of the West nor with the cane-sugar producers of Louisiana, Puerto Rico, Hawaii, or the Philippines. We are not trying to cut down their production nor take away the benefit payments they seek. We are not trying to hamper or restrict the growth or development of the sugar business anywhere else in either continental United States or its Territories. But we think it is unfair to tie us up with Louisiana and restrict our development. All we ask—all we seek, all we want—is to be let alone. Take off the restrictions, and the sugar industry in Florida will take care of itself.

Florida's position on the sugar legislation is the same as Florida's position on all other regulatory legislation. We believe that the American market belongs first to the American producer. The American market should be preserved for the American producer, and he should be protected in supplying that market as far as his capacity extends. If there is a surplus demand in America beyond the capacity of American producers to supply, then the surplus can be and should be allotted to those countries and those nations which in turn purchase American goods. But I submit in all fairness and in all justice to all parties concerned that to limit and restrict American production of an essential food product in an area where it can be efficiently and profitably produced is unreasonable, unfair, inequitable, and un-American. [Applause.]

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. HOOK. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, we have heard a good deal said this afternoon to the effect that Hawaii and Puerto Rico have been discriminated against and virtually treated as stepchildren of the United States. My observation and experience lead me to exactly the opposite conclusion, and to bear that out I call attention to some legislation dealing with these island possessions with which I have been closely connected. Every river and harbor bill enacted within the last 20 years has been through a committee of which I have been a member and in which I have taken quite an active part. We now have on the island of Hawaii six major ports, every one of them with a depth of 35 feet. We have expended upon those ports $11,511,000. The tonnage of Hawaii in 1935 was 3,222,000 tons. By far the major portion of that was sugar, coming into this country in competition with sugar produced in the United States. We have very few ports of the depth of 35 feet in this country. We have only two that exceed it, and they are New York and Hampton Roads. In the State in which I live, which handled last year 80 million tons of high-class freight with a valuation of more than 1 billion dollars, we have not a port on the shores of Texas 35 feet deep. The deepest port in Texas was 32 feet up to the beginning of last year. Is that discrimination?

Take Puerto Rico and the Virgin Islands. Some 3 or 4 years ago at the request of the Governor of the Virgin Islands I introduced a bill extending our river and harbor laws to those islands. They have quite a small tonnage, and by far the largest commodity handled in the Virgin Islands is coal for fueling merchant ships. They ship a little rum and a little sugar, but not a great deal.

In Puerto Rico we have expended large sums of money. I have visited and inspected all of the harbors of that island. I am a friend of Puerto Rico. I have been in favor of giving them everything they have ever asked for, and I can assure you that they have asked for everything that their trade warranted. We have created a number of ports over there, notably San Juan, and Ponce, Mayaguez, and Arecibo, and we have been requiring the local contribution there that we have been requiring of my State of Texas.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HOOK. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. MANSFIELD. Take Ponce harbor in Puerto Rico which is the second largest town and port in Puerto Rico. We put through a bill in 1930 requiring Ponce to contribute $508,000 as a local contribution on that port. In the last river and harbor bill we remitted that and actually refunded to that port $158,000 which they had expended under that former act of Congress. I do not know of any such instance where we have done that in continental United States. Down at Lake Charles, La., within 22 miles of my State, the people have issued bonds to the extent of about $3,000,000 and actually dredged a 30-foot channel which they have been maintaining for about 20 years or perhaps longer, all at their own expense, and they handled more than 6,000,000 tons of freight last year. If there has been any discrimination, Mr. Chairman, it has been in favor of the island possessions, and against continental United States, and I believe this is true as to sugar and practically everything else. They certainly get the benefit of the tariff on sugar the same as our home producers.

Mr. HOOK. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. MAVERICK].

HAWAII AND PUERTO RICO INTEGRAL PARTS OF THE UNITED STATES OF AMERICA

Mr. MAVERICK. Mr. Chairman, I have heard a great deal this afternoon about the American farmer and the American producer. The truth of the matter is that, according to the Constitution of the United States, the man who produces

sugar in Hawaii and Puerto Rico is an American producer, because those islands are each an integral part of the United States of America.

Hawaii and Puerto Rico, my friends—and we all agree to this—are under the Constitution of the United States. Their position is precisely that of the State of Texas. The State of Texas was annexed by the United States of America and became a part of the Nation; so were Puerto Rico and Hawaii.

What does this bill do in reference to section 207 (a) and (b)? It sets up a trade barrier against certain portions of the United States of America—Hawaii and Puerto Rico. The distinguished and lovable gentleman from Texas talks about the ports that we built in Hawaii for the benefit of Hawaii. Why is there any difference in one part of the United States of America when it is separated by water and when it is separated by land?

Mr. KENNEY. Will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. KENNEY. Is it not because they have there the same standards of labor that they have in China and Japan?

Mr. MAVERICK. I respectfully submit to my friend that is not the point. The answer to the gentleman is that that has not anything to do with the Constitution whatever. However, I will answer that the standards of agricultural common labor in Hawaii are as high as they are in Colorado and certain other portions of the continent of the United States——

Mr. CUMMINGS. Oh, hold on. [Laughter.]

Mr. MAVERICK. In a moment I will read it out of this book. It is called the Interdepartmental Rio Grande Committee. It is from six departments of the United States Government.

But let me finish my statement about the Constitution. When we do this—irrespective of labor standards, whether low or high—we are treating the island of Hawaii, which is a part of the United States, like a colony. Our high-court decisions are unanimous that we have no colonies.

Yes, Mr. Chairman, we are denying that portion of the United States the equal protection of the laws and are actually discriminating against them. Now, suppose we would pass a law making a quota against the State of Texas on the subject of oil, sugar, cattle, or anything else. Suppose we put a separate quota against the State of Michigan. We know every man would get up and say that is unconstitutional and would vote against it.

But, getting down to the practical situation, I heard the gentleman from Michigan [Mr. CRAWFORD] and the gentleman from Texas [Mr. KLEBERG] discuss the matter of a veto by the President of the United States if the discriminatory provisions against Hawaii and Puerto Rico are not removed. I do not know whether there is going to be a veto or not; but I did ask the gentleman from Colorado [Mr. CUMMINGS] if these two special-quota sections, which many regard as unfair and unconstitutional, were stricken from the bill, would it still be a good bill, and the gentleman said it would destroy the processors of sugar, but it would still benefit the sugar people of the United States.

Mr. CUMMINGS. I said the beet people of the United States.

Mr. MAVERICK. I accept the correction from my friend from Colorado. But I maintain it will still be a good bill, even to interested parties a fairly good bill, if those sections are stricken out. But, gentlemen, if this bill is vetoed, as I have heard it said by Members today on this floor, and we leave here and do not have any bill at all, it would certainly be safer and better that we would amend these certain portions of the bill.

AGRICULTURE, INTERIOR, STATE, ALL OPPOSE BILL—FOR GOOD REASONS

Besides this, we all know that three members of the Cabinet oppose those portions of the bill which set up the special quotas against Hawaii and Puerto Rico. They are the Secretaries of Agriculture, State, and Interior.

A committee of the Department of the Interior says the restrictions are like—

> The colonialism against which the Colonies rebelled when they declared their independence.

And—

> The essence of Old World colonialism * * * was the right of the mother country to exploit those colonies, to consider their citizens as occupying a secondary and inferior status, and to place economic obstacles in their path in favor of commercial interests in the mother country.

The Interior Department also states that the bill—

> Establishes discriminations against parts of America inhabited by American citizens, in favor of a few mainland companies already highly privileged by this legislation.

VETO—NO LEGISLATION. IS THE PRESIDENT RIGHT?

In addition to this, as I have said, it is currently reported in the press, and has been so stated on this floor, that the President will veto the bill in its present form. Some have expressed some dissatisfaction with this.

But let us analyze the situation. Are these three members of the Cabinet and the President right or not? Are the expressions of the members of the committee factually correct? Is it true, as one says, that we rebelled against England for the same kind of restrictions? Is it true that discriminations are established against a part of America inhabited by American citizens?

It seems to me the answer is yes; that the statements are true. And if so, is it not reasonable that the President veto the bill? I do not say any Member of Congress should change his vote because of a possible veto. I have voted to override the veto of the President myself. But if the President and three members of the Cabinet are right, why should we not consider their views?

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. HOOK. Would the gentleman be willing to stay here until we could either override the President's veto or vote on the veto?

Mr. MAVERICK. I am one of those who is willing to stay here the rest of the year on any subject.

Mr. HOOK. I hope the gentleman does that in case that happens.

Mr. MAVERICK. I will be glad to do it, and stay right here with the gentleman to get all our job done.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield.

Mr. BOILEAU. The gentleman said if we put a quota on Michigan everyone would be "hollering" about it being unconstitutional.

Mr. MAVERICK. Yes.

Mr. BOILEAU. Is that not exactly what we are doing in this bill?

Mr. MAVERICK. Not as to refined sugar. We are not saying that the State of Michigan or the State of Texas have different quotas as to refined sugar as against other parts of the Nation. We are applying this bill in general to the United States of America, but are setting up a separate quota in reference to refined sugar, only doing so in reference to Hawaii and Puerto Rico.

Mr. MANSFIELD. Do we not have a quota on Texas oil?

Mr. MAVERICK. Yes; but it is on an entirely different theory of government. That is under the "hot oil" bill, where Texas and all States either make quotas on oil or do not—but Federal laws prohibit them from shipping "hot" oil, or oil illegally produced within a State, by virtue of the laws of that State. I submit to my distinguished friend and able colleague from Texas that that is different.

HAWAII AND PUERTO RICO COMPONENT PARTS OF THE UNITED STATES

Mr. MAVERICK. But let me proceed to sum up in reference to the position of Hawaii and Puerto Rico from a constitutional viewpoint. They are unquestionably and admittedly component parts of the United States of America.

I have made three points: First, that the quotas of refined sugar set up trade barriers, as against another part of the country, and which we cannot do within the United States of America; second, to do so is to relegate these parts of the United States to the rank of colonies and put a discriminat-

ing tax, burden, duty, or tariff upon them; third, to deny them the equal protection of the laws.

All of this certainly is in violation of the Constitution of the United States.

AMOUNT PAID LABOR IS NOT RELEVANT TO QUESTION

And as to labor, which I will now discuss. I do not believe that the matter of how much labor is paid in the continental United States of America, or in Hawaii or Puerto Rico, is relevant because this is all one Nation. Each section of our country claims that wages are either lower or higher than somewhere else, and the wage structure does not mean that a certain section of the country cannot sell its products. If the wage structure is to be considered, it should, of course, be considered upon an equal basis. All should get the equal protection of the laws or have the imposition of equal restrictions.

In the same way quotas should be equally applicable. A separate, distinct, discriminatory quota is set up against Hawaii and Puerto Rico in reference to refined sugar which is not imposed upon continental United States. This discrimination is upon Puerto Rican and Hawaiian business and industry. That Hawaii has residents who are Chinese or Japanese laborers does not affect the constitutional question nor make the discrimination just.

Much has been said about the American standard of living and in indirect praise of the sugar refiners. So let us discuss them, and then the labor situation. Their business has been a long trail of slime, and they have a reputation much worse than almost any industry in the United States of America.

At the present time the average wage of the worker in the sugar refinery is about $1,005. What this law does is to make a subsidy on a basis of workers of something like $1,600 each per worker. Of course, the workers do not get this subsidy themselves.

Reference has been made to the fact that a small group of people own everything in Hawaii—but in this country one refinery owns 26 percent of the stock of the Michigan Beet Sugar Co. and 50 percent of the Spreckels Sugar Co. One sugar company produces about 45 percent of the sugar in the Colorado, Wyoming, and Montana area. This particular company has had as high as 47 percent dividends in 1 year, and on a basis of its original investment over the past 20 years, 50 percent returns per year. In this general locality, land tenancy back a few years ago was fifty-odd percent, and it has now risen to 72 to 75 percent. No, gentlemen; the farmers are not independent and the agricultural workers are not of the high-earning capacity.

INTERDEPARTMENTAL REPORT ON SUGAR INDUSTRY

Where do I get this information? I get it from the Interdepartmental Rio Grande Committee, composed of the Bureau of Indian Affairs, Division of Grazing, General Land Office, Resettlement Administration, Soil Conservation Service, and Forest Service, which means, of course, that in addition the Department of Interior and Department of Agriculture, of which some of these bureaus are a part.

What else does this report show?

It shows that the average earnings per family—some of them extremely large families in certain portions of Colorado—amount to something like $289. Mind you, this is per family, and not for an individual.

The report also says in that connection:

The need for supplementation of beet-field earnings is made clear by these figures—

And continues that because of the lower earning capacity of the Spanish-American and Mexican wage earners that—

consequently, for many of the beet wokers, relief has been the only resort during the winter.

This report also shows that labor agents are sent to parts of New Mexico, Texas, and even Mexico to obtain laborers. In the report advertisements are shown indicating the cheapest type of labor is obtained to be shipped into Colorado, Nebraska, Wyoming, and Montana.

HAWAII STILL PART OF UNITED STATES, THOUGH SEPARATED BY WATER

Now, I repeat, Mr. Chairman, Hawaii and Puerto Rico are parts of the United States of America. I repeat that if someone should suggest a special or additional quota against Texas, Michigan, or any other State, that we would unanimously agree that was unconstitutional. That there is water instead of land between here and Hawaii and Puerto Rico does not make those parts of the United States less a part than Texas and Massachusetts, although these latter are separated by land instead of water.

Also I appeal to the gentlemen to look with some sympathy on the amendment to be offered by the gentleman from Texas [Mr. JONES], chairman of the Agriculture Committee. The bill will still be an excellent bill for the sugar farmers and workers of the United States of America. It will be fair to the sugar companies and sugar refineries, too. In other words, I believe that we can agree that certainly the bill will not be destroyed by the elimination of the special requirements and restrictions now imposed upon Puerto Rico and Hawaii.

I hope that we will pass the bill, but will eliminate unreasonable discrimination against Hawaii and Puerto Rico.

Mr. HOOK. Mr. Chairman, I yield 3 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Florida.

The CHAIRMAN. The gentleman is recognized for 8 minutes.

Mr. PETERSON of Florida. Mr. Chairman, at the outset I want to compliment the committee and its members on their patience and hard work. They have had all types of problems. The question of beet-sugar quotas, cane-sugar quotas, offshore quotas, and then the question of refiners and the question of Florida and Louisiana in their disputes with reference to their particular quotas. They have worked hard and they have been courteous in the hearings. They have had a large undertaking.

I take this opportunity to commend the chairman of the committee, our colleague the gentleman from Texas [Mr. JONES], and the chairman of the subcommittee, our colleague the gentleman from Colorado [Mr. CUMMINGS], for the untiring effort they have devoted to this particular bill. [Applause.]

I want at this time to bring to the committee our peculiar problem in Florida. Florida cannot get justice upon a historical basis or a quota based upon that, so I am not finding fault with the committee, but I am voicing fear of the way we may be treated by the Department of Agriculture. For a long period of time, as my colleague the gentleman from Florida [Mr. WILCOX] told you, the Everglades of Florida were not productive. By reason, however, of funds expended by local interests and the Federal Government, it is now known to be one of the most productive areas in the world. We can produce cane as cheaply as many of the offshore areas. We can produce it as cheaply as it is produced in Puerto Rico, we can produce it as cheaply as Hawaii produces it, and nearly as cheaply as Cuba. At the same time, however, we pay a better wage, a minimum wage of around $2.70 a day, plus housing and other benefits. This great producing area has rapidly come to the front in the last few years and could produce a great portion of our sugar needs if allowed to.

We are merely asking—and at the proper time an amendment will be proposed—we are merely asking that we be allowed to sweeten our own coffee, so to speak. The quota allotted to us is only about 40 percent of the consumption of the State of Florida. It seems only fair that we should be allowed to expand. I am opposed in principle, of course, to quotas in continental United States. I think that we should be allowed to produce at least as much as we can consume in this country. Let us at least feed our own people.

I realize in the case of Cuba that the reason concessions were made under the reciprocal-trade agreement was because it was hoped that they in turn might trade with us. Let me call to the attention of the committee, however, the fact that Florida trades with a great portion of the United

States, that a great number of the things we use in Florida are shipped in there from other sections of the United States. I have assembled a few figures which may be of interest to you as showing that we are entitled to consideration, figures which show that we spend more money in a single year in other sections of the United States than some foreign countries.

In 1935 Florida consumed in foods not produced in Florida, canned goods, poultry products, confectioneries, meats, grain, and apples and bananas to the value of $97,391,000. She used general merchandise manufactured elsewhere and shipped to Florida worth $45,323,000. Men's and women's apparel, ready-to-wear clothing, shoes, furs, yard goods and cloth cost Floridians another $29,178,000. Its automobiles flattened Florida's purses to the extent of $69,818,000, and the gasolines and oils to run them another $35,549,000.

Household supplies and furniture took $22,522,000 out of Florida for that year. Building supplies, hardware, farm implements, paints, glass, electrical appliances, radios, and heating and plumbing fixtures $19,188,000 flying to the four winds, while Coca Cola, delicacies, drugs, medicines, prescriptions, books, bicycles, beer, liquors, tobaccos, sporting goods, jewelry, and luggage, none of which is made or processed in the State of Florida, cost the people of Florida a sum of $72,431,000.

All in all, people other than residents of Florida were enriched in this one year to the tune of $391,282,000. We are pretty good customers. How about a little good-neighbor policy for our peninsula?

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. SHORT. And when we spend the money for domestic products we have both the products and the money.

Mr. PETERSON of Florida. That is right. I may say that there is a great sugar-producing company in my State. In turn, people from Michigan, New York, and many other States of the Union are interested in this company. This company employs labor in my district; and in the section of the county where this plant is located there were only 12 people on relief rolls at one time.

I am asking that the Congress give us a chance to raise the cane and produce the sugar that we use ourselves, a chance to let us employ American labor at decent living wages. We talk about American standards of living and make comparison with offshore areas, but we are forced to admit in our hearts that laborers in the offshore areas do not live under the same conditions that our laborers do, nor do they receive the same wages that ours receive.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. SHORT. I understand that more than 16,000 workers are employed in these sugar refineries in the continental United States and that 85 percent of them are organized.

Mr. PETERSON of Florida. I do not have the percentages as to organized labor.

Mr. SHORT. And some 26,000 more men and women are employed in auxiliary businesses that cooperate with the sugar producers.

Mr. PETERSON of Florida. That is correct.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield.

Mr. WOODRUFF. The gentleman referred to the fact his State was not permitted to raise the sugar it consumed. I may say, and I regret the conditions are such I can say it, there are not more than one or two sugar-producing States in the Union that are permitted to grow the amount of sugar consumed, which is a very unfortunate situation.

Mr. PETERSON of Florida. It ought to be corrected.

Mr. WOODRUFF. It should be the business of Congress to develop that American industry to the point where we can raise a very substantial amount more than we do raise.

Mr. PETERSON of Florida. The gentleman is correct.

Mr. Chairman, I may say it would be interesting to show the comparative cost of production. The average cost is Hawaii 3.005, the Philippines 2.466, Cuba 1.857, and Florida 2.556.

The question may be asked, Why can we not go on the historic basis? As I told you before, we started planting down there. The land had been drained, the dikes built, the company organized, but it ran into financial difficulty. It was reorganized, then the quota system came along. Over 5,000 acres had to be plowed under, more than $1,250,000 was paid not to produce. Our people do not want benefit payments. They want the right to plant, to market. The American market belongs to the American farmer, the American laborer, and the American manufacturer. Give us a chance. We will develop a great industry. We will be a safeguard against a lack of sugar in time of war. We are the greatest consumer of sugar per capita in time of war. The Federal Government by assisting in flood control has enabled the cultivation of land more fertile than the Valley of the Nile. American initiative has developed a cane that will withstand cane borer and mosaic disease. Shall all this be for nought? It shall not be. It must not be. Give Florida the right to sweeten its own coffee. [Applause.]

Mr. HOOK. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr KENNEY].

Mr. KENNEY. Mr. Chairman, this is a bill that is desired by the various States and Territories and offshore areas, and, so far as I can see, there is no discrimination whatever in it. It is just a fair bill, fair to all concerned, and, if there is any discrimination, that discrimination is against the States of the United States.

The consumer will benefit, the producers will benefit, and the refining industry will reap benefit.

When the committee undertook to hand out quotas it gave Cuba more than it was entitled to, a reason being that Cuba had built up its capacity and, in order to stabilize the Cuban condition, a generous quota was given to it, far more generous than should be allowed, but our generosity will make for stabilization there. Besides, this liberal quota allotted Cuba gave our approval, which should not be given, to the policy of American capital going down into Cuba, the island possessions, and abroad into foreign countries and there establishing manufacturing plants to take advantage of cheap and low-cost labor at the expense of the labor of the United States. So, the Philippines got better treatment than they deserve. Puerto Rico got all it was entitled to, and so did Hawaii. They got everything any just men could give them. Hawaii got a quota of raw sugar of which it does not complain, and under the bill will have the right to refine and send to the States all the sugar that it can now refine, this bill permitting them to send here all the refined sugar it now has the capacity to produce. Puerto Rico raises no objection to its raw-sugar quota, and has the right to refine 126,033 short tons of its 798,000 short-ton quota. There is in the bill no discrimination against Hawaii and there is no discrimination against Puerto Rico. If Hawaii and Puerto Rico want to refine sugar in the States of this Union they may do so. They can build their factories here and pay the same wages that our refineries have to pay for labor. There is no discrimination in that respect. They can refine in any State without limitation. They have only to adopt the same standards, but they do not have the same standards, and cannot justly complain. I might favor the refining of sugar in Hawaii and Puerto Rico if by doing so a fair competition would result. But that would be impossible. There could be only one effect—to kill off the refining industry in the States, with the loss of employment to their citizens. We do not have the world market for refined sugar because of our high cost of production. We cannot lower our standards to meet the cheap labor of the Tropics. We cannot let Puerto Rico or Hawaii any more than anyone else lower our standards of living or put us residing in the States out of business.

If there is any discrimination in this bill it operates against the States and not in their favor. There is discrimination against Florida and Louisiana. There is discrimination

against the refining industry; but whatever discrimination there is tends to stabilize the whole industry.

Perhaps the refining industry of the States has suffered most from the discrimination. The refineries of the States have been operating at 60 percent of capacity and have even now been reduced to 55 percent of capacity. Why did we allow Hawaii to refine to the extent of 100 percent of its capacity and leave the refineries of the States to 55 to 60 percent of capacity? Certainly the committee did not intend to, nor did it, discriminate against Hawaii in making such provision.

If the Jones amendment, which permits refining of the entire quota of Hawaii and Puerto Rico, is adopted you are going to drag down the labor standards of this country and in a short space of time transfer the refining industry of the country to Puerto Rico and Hawaii. What is happening in these islands today? Our manufacturers are making dresses and sending them to Puerto Rico to be embroidered there at a cost of 10 cents a day for labor. Who suffers? Our labor here. Gloves, white and black and all kinds, are sent down to Puerto Rico and over to Hawaii to be sewed and embroidered at low labor cost and then brought back into this country to compete with the product of manufacturers who pay the higher wages for labor in the United States. Shall we allow the islands to destroy our standards of living? Shall they take away our living entirely? Shall we surrender our refineries and injure other industries that furnish the supplies necessary for the manufacturing of the refiners?

Our refineries buy cotton bags. The gentleman from Texas [Mr. MAVERICK] would have his State deprived of that benefit. Cuba, Hawaii, and the rest of them buy jute bags from Japan at half the cost. Our refineries burn coal from Pennsylvania and other States, and oil, which comes from the State of Texas. The islands have no need for coal and oil for heating purposes. They buy little coal or oil and would not buy very much more, if any, if given the right of unlimited production of refined sugar.

Mr. Chairman, there are involved not only 1,200 men who are engaged in the sugar-refining business in my district but the thousands of others in the industry over the country and not only the men and women in the sugar business but the men and women who make paper boxes and paper cartons, not jute boxes or jute cartons and paper not Japanese jute bags; also, the truckmen and railroad men who handle and transport our sugar.

If you pass the Jones amendment it will mean the beginning of the end of the refining industry of this country. Without the amendment we will get from Cuba 375,000 short tons of refined sugar and from Puerto Rico and Hawaii we will get over 150,000 short tons of refined sugar. If the amendment is agreed to we will get from Puerto Rico and Hawaii something like 1,700,000 or 1,800,000 short tons of refined sugar, which will wreck our refining industry.

I stand here as the defender of my people who labor. I want them to succeed. I do not want to have to repeat the W. P. A. and be forced to other measures like the wage and hour bill that is about to come up for consideration. These 1,200 constituents of mine, to whom I referred, are on strike right now, wanting more money, and a fair wage has been paid up home in the refinery. Something like $5 a day minimum. But due to the increase in prices my people want more money, and I think they are justified in asking for it. If you pass the bill as it is they will get a raise. I have been in contact with the men and their employer and the Labor Department in their interest. If the Jones amendment is agreed to the refinery up there will not be able to meet the increase for the men as I would like and is justified, and there will be 1,200 men up in my district without jobs. There will be allied industries that will be hurt in the same proportion. Gradually you will find the sugar refining industry, which has been in the States for over 200 years, especially that part of it located along the eastern seaboard, totally destroyed.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 20 minutes to the Delegate from Hawaii [Mr. KING].

Mr. KING. Mr. Chairman, first let me express my appreciation to the ranking minority Member for giving me this time. I may say, in apologizing to the other Members who have been restricted to a shorter time, that after all Hawaii's proportion of the industry is about one-sixth or one-seventh of the total, while each of you individually may represent a much smaller proportion than that. I want to express my very great appreciation to the chairman of the House Committee on Agriculture for the consideration he has given me in committee. This matter has been fought out very thoroughly and the committee has reported a bill that does not concede the point for which I contended. However, I believe there is no impropriety in informing the members of this committee that there was a substantial vote in the committee in favor of the amendment I proposed, to remove subsections (a) and (b) of section 207, the restrictive sections against the refining of sugar in Hawaii and Puerto Rico.

I have already outlined as briefly as possible and with a minimum of repetition the general principles for which I have contended with reference to this bill, in its application to Hawaii. The elimination of one subsection will remove the basis of my objection to the bill as it is now offered for the consideration of this body. I understand there will be an opportunity to vote for or against the provision that as at present written places a legislative ban upon the industrial development of parts of the United States in favor of an existing monopoly in that particular process. We are, in effect, told that we can produce the raw materials of our major industry but must not complete the job and produce the finished article in its marketable form.

Now, the justification for this restriction rests on a few well-worn arguments. At the time of the first passage of the present law, we were producing refined sugar in the amount prescribed in the bill—about 30,000 tons—being about 3 percent of the total quota allotted us. In other words, the situation as it existed at the depth of the depression was frozen as emergency legislation, and has now become a precedent for permanent legislation. Had no emergency legislation been passed, whatever else might have happened to our sugar industry, we might now be processing a much larger portion of our total production. I grant freely that the emergency legislation was of great benefit to the sugar industry as a whole, which includes Hawaii's share of it. But I wish to call attention to the fact that the restriction on refined sugar placed in the original bill was not a part of the President's program for the salvation of the American sugar industry, but was an industrial anomaly in an agricultural measure. May I also note that this little joker in the bill to stabilize primarily prices to the original producers of sugar, beets, or cane, froze Hawaii at 3 percent, Puerto Rico at 15 percent, Philippine Islands at 8 percent, and Cuba at 22 percent. In other words, the freezing bore heaviest on an incorporated tax-paying Territory of the United States.

A second argument is that treating Hawaii as you would any other part of the United States will displace a certain number of American working men; that the refining industry on the Atlantic seaboard is functioning at less than its full capacity and a further reduction in the source of supply will require further reduction in the number of its employees or the number of hours they shall work. As to this I want to call attention to a statement made by an official of the Department of Agriculture that the refining of sugar is a highly mechanized process employing a comparatively small number of people in proportion to the total value involved. Another point to remember is that Hawaii has only recently sold a portion of its raw sugar to the refineries located on the Atlantic seaboard. No such sugar was sold prior to 1929 and since then a total of approximately 300,000 tons annually has been distributed over 14 refineries. I have here a table showing the amount of Hawaiian sugars which the eastern refineries have processed for the American market from the years 1922–36,

segregated as to ports of delivery. No eastern refinery worker ever learned his trade nor was any eastern refinery ever built because of Hawaiian sugar.

Shipments of raw sugar produced in Hawaii to eastern and Gulf refiners during the 15-year period, 1922 to 1936, inclusive

Year	Ports and approximate tonnage				
	Boston	Port of New York	Philadelphia	Baltimore	New Orleans
1922	None	None	None	None	None
1923	None	None	None	None	None
1924	None	None	None	None	None
1925	None	None	None	None	None
1926	None	None	None	None	None
1927	None	None	None	None	None
1928	None	None	None	None	None
1929	None	26,653	10,853	7,059	17,268
1930	None	28,906	20,525	30,978	12,146
1931	None	66,440	45,410	6,233	48,655
1932	34,818	138,625	81,878	26,412	69,177
1933	25,026	132,218	71,881	9,997	30,546
1934	29,399	137,921	81,017	8,808	61,907
1935	29,540	101,435	37,848	72,779	35,914
1936	29,801	129,200	61,441	59,047	33,705
Average for 15-year period	9,906	50,760	27,390	14,754	20,621
Average for 5-year period, 1932-36	29,717	127,880	66,813	35,409	46,250

The trade of the eastern refineries was with the Cuban raw-sugar producers, and the gradual restriction of the Cuban raw-sugar importations and the displacement of this sugar by beet sugar and by sugars from other sources, but not from Hawaii, have been the occasion of the gradual reduction in the maximum functioning of the east coast refineries.

It is now proposed to secure them in their employment by continuing a marketing practice of recent origin and of comparatively small volume. It should also be noted that the processing of Hawaiian sugar in Hawaii would give employment, perhaps, in equal numbers to other American citizens and that the handling of the Hawaiian product delivered to marketing ports will continue to employ many thousands. I have read a resolution adopted by a labor council in the Northwest, urging the removal of this restriction because it means to the American workers of that area an increase in employment. It is difficult to justify an economic trade barrier even to obtain for workers security in their employment. I have every sympathy with the concern over the situation shown by the workers employed by the Atlantic refineries, but I ask them if it is fair to deny to any part of the United States its right to develop because of the dislocation of employment in some other section. Did the Amoskeag Mills of New Hampshire try to keep their thousands employed by denying employment to fellow Americans in another part of the United States? In this particular case, the maximum who may lose their work because of Hawaii would be approximately 350 persons scattered in 14 or 15 different localities. Surely the refiners could find means to overcome this small displacement. I have here a statement from the Department of Interior which shows that the refiners have, under the protection of the Jones-Costigan bill, increased the amount of sugar they are processing by over 386,000 tons, an increase greatly in excess of the amount of Hawaiian sugars they handle. They have received substantial benefits under the existing law, none of which will be taken away from them by the removal of the restrictions against Hawaii processing its own agricultural commodities.

Curiously, this bill in its present form, while prohibiting Hawaii from refining its own sugar, does not—and I can hardly conceive how it possibly could—require Hawaii to sell its sugar to the Atlantic refineries. In other words, the proposed effort to maintain an industrial monopoly is ineffective, since Hawaii could refine all of its sugar in San Francisco, where our industry now owns a cooperative refinery and where it now processes about two-thirds of its quota, and where it will continue to process the greater amount of its quota. So that the displacement of labor which is made a great argument in favor of restricting Hawaii from refining sugar may even take place under this ban insofar as the Atlantic seaboard is concerned. One of the statements issued by the American Cane Sugar Refining Association admits this, but states that they are satisfied, provided Hawaii is forced to process its crop on the mainland, and that the association will be perfectly satisfied if we do refine all of our sugar in our own cooperative refinery in Crockett, even at their expense, provided we are barred from doing so in Hawaii. Their championship of their employees does not seem very real by this statement.

Mr. Chairman, one of the other arguments which is advanced against Hawaii is with reference to labor. Those who have been to Hawaii know that there is no basis for the criticism and the statements which have been made against Hawaii on the question of labor. We supply to the people in the Territory of Hawaii who are employed in the sugar industry year-round employment. When I say "we" I speak as a citizen of Hawaii, for, as a matter of fact, I am not directly interested in the sugar industry and own neither stock nor land in connection with it, nor do I have any direct revenue from that industry. There is no seasonal layoff. Their rates of pay are based on the fact they may work every working day in the year. We pay them on a basis sometimes of piecework, sometimes of cultivation contracts, and sometimes a straight day wage. The average of the field labor runs around $10.92 a week, plus perquisites, which the Department of Labor has evaluated as being worth $28 a month.

The Department of Labor in 1929 made a survey of labor conditions in the Territory of Hawaii. I have had this book quoted against me, but when you read the book and verify the statements that are quoted you find that they have been distorted or taken away from the text to give a different version of the facts. This book states that the average full-time earnings per week were $10.92, and there is a little note in connection with that figure which states that this is "per day for adults at basic rates and with bonus, but not including perquisites—rental value of houses, value of fuel, water, medical and hospital service for sickness or accidental injury of any kind—furnished to employees by plantations without any charge to employees. The value was estimated at $28 per month, or $1 per day."

This is the average of the agricultural field labor.

On the other hand, the skilled labor and the artisan labor that might be employed in a refinery, if one were erected, would get the scale of wages as listed on page 31 of the report:

Machinists (a day)	$6–$6.25
Blacksmiths (a day)	4.50
$185 a month being the average monthly salary of these classes.	
Welders (a day)	$10
Carpenters (a day)	$2.50–4
Locomotive engineers	110–125
Nurses	125–135
Steam-plow engineers	75
Sugarboiler	200
Policeman	140
Timekeepers	175
Electricians	175–270
Chemist	200
Head chemist	200
Pump engineer and electrician	600
Head carpenter	400
Assistant carpenter	190

All of this being in addition to the perquisites of a home and all of this comprising year-round employment.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. KING. For a question; yes.

Mr. HEALEY. Does the gentleman contend that skilled labor is employed in a refinery?

Mr. KING. I, frankly, do not know enough about the personnel employed in a refinery to answer, but I am giving you the scale of wages and, certainly, the type of labor that would be employed in a refinery would not be the agricultural labor that gets a lower scale of wages.

Mr. HEALEY. Most of the persons employed in a refinery we term common labor in my State and they are paid 65 cents an hour as a minimum.

Mr. KING. Common labor in Hawaii would probably start with $4 as a base pay, including bonus and value of perquisites.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KING. I yield.

Mr. CRAWFORD. Does the gentleman think a man could work as a sugar boiler who was not a skilled man?

Mr. KING. I had thought not.

Mr. CRAWFORD. Do you think he could run an evaporator if he were not skilled?

Mr. KING. I would not think so.

Mr. CRAWFORD. Does the gentleman think he could run the centrifugal machines or conduct any of the other technical operations in a refinery if he were not a skilled man?

Mr. KING. I would not think so.

Mr. HEALEY. Mr. Chairman, will the gentleman yield further?

Mr. KING. I am sorry, Mr. Chairman, but I do not want to get into a controversy here. Everybody else has had a whack at Hawaii, and I just want a chance to come back [laughter] and I hope the gentleman will forgive me if I do not yield further. After all, the argument is not germane. If the law is right, the question of whether we pay or do not pay our labor a just rate of wages is something that comes under another law. That would come under the National Labor Relations Board or under the new wage law we are considering, and I will digress from the subject at this point to show the history of that law, because the gentleman from Massachusetts [Mr. HEALEY] was evidently under the impression we did not come under that law. The bill was introduced by our late colleague, Congressman Connery, of Massachusetts, on May 24, and on May 26, to show you how determined I am that in all respects, benefits, and burdens alike, Hawaii should share equally with the States, I addressed a letter to him shortly before he died, calling attention to the fact that by definition the bill was restricted to the 48 States of the Union and the District of Columbia. I asked him to change it because Hawaii expected to accept whatever wages and hours were prescribed for the mainland. Unfortunately, he died before he could answer my letter, but the letter was taken up by the joint committee and the bill as introduced in the Senate by Senator BLACK had the correction made. I wrote to the present chairman of the Committee on Labor, and Chairman NORTON verified the statement that the Committee on Labor had accepted the Senate bill as a substitute for the House bill and the language of the bill included the States, Territories, and possessions.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. KING. Yes; I am glad to yield to my colleague, the gentleman from Kansas.

Mr. HOPE. The gentleman will recall that when the original sugar bill was introduced in the House, it had some very drastic provisions with reference to field labor, and particularly against child labor, and the gentleman will recall that the domestic beet producers offered considerable objection to those provisions. I would like to ask the gentleman whether those representing Hawaii offered any objection to those provisions at that time.

Mr. KING. I appreciate the gentleman's asking me the question because he is familiar with the situation. The representatives of the Hawaiian sugar interests came before the committee and stated that they accepted the provisions in toto, as they had those incorporated in the present act, and stated that they would cooperate with the Department of Agriculture in the enforcement of any labor restrictions as to hours, wages, employment of women or children that the Department of Agriculture might wish to prescribe. It was at the instance of representatives of the beet industry that the restrictions in H. R. 7667 have been ameliorated for the benefit of the beet industry with respect to labor conditions.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. KING. I yield.

Mr. LANZETTA. Is it not a fact that Puerto Rico took the same stand with respect to such labor restrictions?

Mr. KING. Absolutely, and that is another thing that destroys this argument as to the un-American conditions with respect to labor, because under this bill you give the Secretary of Agriculture authority and power to enforce fair labor standards in the sugar industry of the United States.

Now, another point has been raised with respect to flooding the American market. I am really astonished at the Members of the Congress who will refer to this subsidy to Hawaii, to this great gift granted the Territory of Hawaii. Even the very distinguished gentleman, whom we all respect and admire immensely, the gentleman from Texas, the chairman of the Rivers and Harbors Committee, made that point. Hawaii consists of eight islands and you cannot do any business in Hawaii unless you have harbors. Our harbors have been improved under the National River and Harbor Act. Following appropriations by successive sessions of the Legislature, the Federal Government has spent millions of dollars on our harbors, but in the case of Hawaii we have never been exempted from the 50–50 quota. Out of those harbors comes a tremendous amount of freight which is carried in American bottoms, and, in fact, it is the principal business that keeps the American flag afloat on the American merchant marine in the Pacific.

The United States Treasury collects in the port of Honolulu $1,000,000 a year in tariff customs. So it is one of the major seaports under the American flag. You do not subsidize Hawaii when you allow it to raise sugar to enter into interstate commerce beyond its own needs. Where is my colleague from Wisconsin [Mr. BOILEAU]? His State raises an excess of milk and butter products, and it sells these products to the citizens of Alabama, where they raise an excess of cotton and sell it to the citizens of Wisconsin. That is not a subsidy, and it is not a subsidy when we raise an excess of sugar and sell it in the American market. We are doing what we are entitled to as American citizens, and what every other American citizen is entitled to do and is doing.

Otherwise we would go back to Bret Harte's busted mining camp, and make a living out of taking in each other's washing. Take the matter of automobiles, from the State of the gentleman from Michigan [Mr. WOODRUFF], and cotton from the South, and foodstuffs, all of which we buy from other parts of the United States. Take the matter of rice. Our people eat, among other foodstuffs, a good deal of rice, and we consume practically two-thirds of the rice crop of California. We buy it in Hawaii with the money that we make out of the sale of sugar in the American market, and the merchandise we buy from the mainland of the United States exceeds that which is bought in the course of foreign commerce by any except six of the major nations of the world.

As to flooding the market, I obtained authority to insert in the hearings on sugar before the special subcommittee a chart showing the production of sugar by areas for the past 30-odd years. It is a very illuminating table, on pages 78 and 79 of the hearings, because if you go down the line of years you will see that Hawaii raises from 12 to 15 percent of the total consumption of sugar in the United States. We have never gone away up and never gone away down. Beets started practically at zero, and is now 22 percent. I have no objection to that. It is an American industry and I am perfectly satisfied if they could go as far as 50 percent.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. KING. Yes; I shall be glad to do so.

Mr. WOODRUFF. I recognize the fact quite as fully as does the Delegate from Hawaii that the citizens of those islands are just as much citizens of the United States as are the citizens of the State of Michigan, and they are entitled to all of the rights and privileges granted to any citizen of the United States, regardless of where he may find himself.

Mr. KING. Before answering the gentleman from Michigan, Mr. Chairman, it is very obvious from this table that it

is not Hawaii that has been flooding the American market. We have increased in production in proportion to the increase in consumption.

In answer to the gentleman from Michigan, I realize his point clearly. He feels that a restriction on a quota which would prevent the three factories in his district from functioning is a restriction on refined sugar. I leave it to you that there is a fundamental difference between laying a quota restriction on an industry and in saying that of the quota you produce you may process only a small percent, in this case only 3 percent. No mainland producing area is barred from refining its entire quota allotment. I do believe there is a fundamental difference, although I recognize the gentleman disagrees with me, and he feels it keenly because Michigan has a limited quota, only enough to keep one factory going, and he feels it is a discrimination or restriction on refined sugar. I disagree with him on that point. Hawaii is allowed a quota of 938,000 tons, a substantial reduction, to share with other producing areas in providing for an increased quota for the Louisiana and Florida area. Then we are told that we can process only 3 percent of that allowed quota.

Mr. WOODRUFF. The gentleman will agree that if his proposal is put into the law and extended, as it undoubtedly will be extended, that the net result of it will be that we have by legislation destroyed an industry in this country, depriving American citizens living in this country of opportunity to work in order that you may set up another industry of a like character within the islands, and afford labor for your own people.

Mr. KING. No; I do not agree. I am sure the gentleman missed my opening statement. The question of whether we refine or do not refine our sugar does not affect the quota of the beet-sugar people one iota.

The CHAIRMAN. The time of the Delegate from Hawaii has expired.

Mr. DEROUEN. Mr. Chairman, will the gentleman from Michigan yield to me?

Mr. HOOK. I yield to the gentleman from Louisiana.

Mr. DEROUEN. Mr. Chairman, I ask unanimous consent to insert at this point a statement from the Louisiana delegation on the sugar bill.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DEROUEN. Mr. Chairman, I would ask unanimous consent to submit at this point a statement that has been prepared by the entire House Delegation from my State, composed of my colleagues, J. O. FERNANDEZ, PAUL H. MALONEY, ROBERT L. MOUTON, OVERTON BROOKS, NEWT V. MILLS, JOHN K. GRIFFITH, RENÉ L. DEROUEN, and A. LEONARD ALLEN, relating to the Jones sugar bill that is now under discussion.

Mr. Chairman, we believe it is highly desirable and, indeed, necessary that some form of legislation for the control of supply and demand of sugar be enacted if the industry is to exist in a reasonably profitable manner and, at the same time, furnish to the consumer an uninterrupted adequate supply of sugar with a fair price. We believe that this bill with its main provisions is calculated to bring such results and is in accord with the recommendations of the President as on February 26, 1937, in his message to Congress the President stated:

> I, therefore, recommend to Congress the enactment of the sugar-quota system and its necessary complements which will restore the operation on which the Jones-Costigan Act was based. In order to accomplish this purpose, adequate safeguards would be required to protect the interest of each group concerned.

The sugar industry has had its ups and downs and was like all other commodities when the depression came along, on the verge of ruin, thereby causing losses in investments, in lands and machinery and buildings; losses to farmers and losses to laborers. It needed something that would require stabilization of prices and orderly marketing of the product and to accomplish this with an equitable program for the various interested groups was quite a complicated problem. However, the enactment of the Jones-Costigan law with its protective provisions, which law expires this December, brought an orderly movement into the sugar industry, permitting various interested groups to conduct their business on a sound basis which carried its beneficial effects to the farmers as well as the laborers. The bill now under discussion is for the purpose of continuing this program for another 3 years. As it has been perfected, it is an improvement. Of course, the main feature of the bill is the question of quotas. The overproduction of sugar in off-shore areas makes this essential. So the farmer could obtain a reasonable price for his product it was necessary that the quota system be inaugurated and to effect a quota system it was also necessary to control acreage. Therefore, there had to be some compensating requirements to the farmer for his curtailment of acreage and, to take care of this feature, there is a small processing tax placed upon the manufacture of sugar.

The question of quotas has been one that has been very difficult to adjust. We feel as other producing areas that we are entitled to a larger quota than is provided in the present bill. However, realizing the necessity of this legislation we are accepting the compromise quotas as fixed in this present bill. The various groups that have been supplying sugar to the consumer of continental United States and who have been accorded consideration and treatment in this bill reckoned on past performances are the cane and beet producers of continental United States; cane producers of Hawaii, Puerto Rico, and Virgin Islands, and the cane producers of the Philippines and Cuba, and the refiners of offshore raw sugar in continental United States. In the quotas as provided in this bill each one of these groups have been given consideration and allotments. While it is quite probable that no one group is entirely satisfied as they could produce more than the quota assigned, which is our case in Louisiana, it is a fact that each of the producer groups has been given consideration in keeping with the President's recommendations wherein he stated "that adequate safeguards would be required to protect the interest of each group concerned." This applies not only to the grower of cane and beet in continental United States but also to the refiners. The refining of sugar in continental United States is quite an industry and employs many; the investments are large and we believe that no offshore sugar should come to United States in consumption form; that this particular business should be given to our own investors who have the equipment to do the work and the laborers who need the work. However, we are accepting the compromise on this particular feature as well as the others.

The State of Louisiana has been growing sugarcane for the past 185 years on certain lands particularly adapted to the growing of cane. We have in 1937 in our State 240,000 acres of land in sugarcane for sugar cultivated by 12,000 farmers. In this industry, besides, we have 71 sugar houses and have six refiners. The industry employs approximately 43,000 heads of families. The investment reaches into large figures and means much to the welfare of the community as employers of laborers and taxpayers, all of which only makes us deeply concerned in the welfare of the industry. We appreciate its usefulness and its value to our citizenship as a whole, and, therefore, we can fully appreciate the problem and its needs in the other sugar-producing areas, with which we are in entire sympathy. We believe it is to the interest of the American citizen that the sugar industry of continental United States be protected and not traded off for any imaginary values that may appear for other commodities. It must be remembered that of our thousands of acres in continental United States that are in cane and beet production, that to take this acreage out of such production would mean the acreage would have to go into production of corn, wheat, or cotton, of which there is now an oversupply, and this would not only add an increased supply of these commodities but would take from the sugar-producing areas in continental United States the buying power that they receive now from the sugar industry and which money

is spent liberally in the other States for various sundry supplies. We believe the principle of this legislation is economically sound because it was so proven by the experimentation we have had with the Jones-Costigan bill, which this legislation patterns.

We trust there will be no change in the quota features of the continental groups because, if there are, they are bound to work an unjust hardship. We also hope the legislation will not be delayed, as we believe this would have a very serious and damaging effect to all. We are also conscious of the fact of the trying circumstances under which the Agriculture Committee has labored to produce the bill that is now under consideration. We know they have labored diligently and laboriously and have tried to give sympathetic consideration to the various interested groups. We believe they have recommended a compromise bill that should receive the support of this Congress. We want to take this opportunity to congratulate them on the splendid results they have obtained under the most trying conditions.

Mr. HOOK. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. MASSINGALE. Mr. Chairman, I ask unanimous consent in this 3 minutes to speak out of order.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MASSINGALE. Mr. Chairman, I have listened with a great deal of interest to the debate on sugar. Knowing nothing about it, I have learned. My object in taking the floor now is to call the attention of the House to the condition that the farmer in America finds himself in, so far as expected legislation is concerned in this Congress. It seems that the program is to consider housing and wages and hours, and let the farmer go by the board and take his chances next January and the succeeding months. To me that is a distressing piece of information. If there is a class of people in this country, composing 33,000,000 of our population, who ought to be entitled to some security by legislation, it is the American farmer. What I would like to see done is for this Congress to stay in session until we can yoke the farm program with the work-labor program and with the housing program. There is no reason why the farmer should not be considered along with those two other major matters by the Congress. I would like to join a group that would stay in session until a decent farm program is given consideration. If we cannot give it consideration during this session, then I believe it would be fair to the three major propositions that Congress has to consider, that they be postponed until next January; and next January we ought to resolve that we will have those matters for consideration and they shall have priority over any other legislative matter that comes up for the consideration of the Congress.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. May I inquire how long we expect to proceed without a quorum?

Mr. JONES. We expect just to finish the general debate and read one paragraph and then rise.

Mr. MICHENER. How much general debate is there remaining?

The CHAIRMAN. There are 22 minutes remaining.

Mr. MICHENER. The gentleman does not intend to read any of the bill?

Mr. JONES. Just the first paragraph, but not offer any amendments.

Mr. MICHENER. Is it the purpose to finish the bill tomorrow?

Mr. JONES. Oh, yes.

Mr. HOOK. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Chairman, after listening to the various arguments that have been presented this afternoon I think the question resolves itself down to whether or not the Territories of Puerto Rico and Hawaii should be entitled to the production and refining of sugar for the American market without restriction, or whether the quotas allotted to those Territories by the provisions of this bill are just and equitable.

This committee has had a big job. It has held hearings. They have given very careful consideration and study to a very complex and difficult problem in an endeavor to settle this very troublesome situation in a manner that will be fair and equitable to all of the various elements concerned.

The claim of the gentleman from Hawaii [Mr. KING] just presented in such an able maner is that the Territory of Hawaii is a possesison under the American flag and no discrimination should be exercised against it. In other words, that they should be allowed to produce and refine sugar for the continental American market without any restriction. It seems to me, in view of the facts presented here today, showing conclusively that the provisions contained in the bill restrict other producing and processing areas in our country, that that argument is untenable and without force. We have heard various gentlemen from the beet-producing sections contend that under the terms of the bill their quota is restricted.

The gentlemen from Florida contend that they are not permitted to produce enough sugar to take care of the consumption of their State. Then, surely there is not much merit in the contention of the gentleman from Hawaii [Mr. KING] that the bill discriminates against that Territory. No one has contended here today that if the unrestricted privilege of producing and refining sugar is extended to the Territories that it will not mean practical ruination of the refining industry in this country. It will then mean American labor versus poorly paid tropical labor, and our refiners would be unable to cope with that situation. Hawaii and Puerto Rico have the same quotas they always had under this bill. They have not been refining countries. They do not have extensive refining facilities. New refineries would have to be built. The refineries are in this country, mostly in the populous centers of our country, in New York, Philadelphia, Boston, in the States of New Jersey, Florida, Texas, Georgia, and Louisiana, and other sections, where they employ American labor under decent labor standards. For instance, in my own State of Massachusetts there are two refineries employing from 1,500 to 1,800 men. Both of those refineries are unionized, both of them pay union wages.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. HEALEY. They pay 65 cents an hour to common labor and maintain a 40-hour week. They pay to the city of Boston, for instance, something like $500,000 a year in taxes. They have a $3,000,000 pay roll. If you transfer this industry to the insular possessions what will happen in the continental United States to these American workmen? Is it proposed to throw them out of work and add them to the army of unemployed? Do you want to impose a still greater burden on our cities?

In my judgment, Hawaii is being most fairly dealt with in this bill. It has the free and unrestricted privilege of producing and refining sugar for its own Territorial use and for sale in the world market. Under this bill it has received as fair a deal as it has ever had.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I yield.

Mr. SHORT. Is it not a fact that large industrialists and international financiers in this country who call themselves Americans have established and built not only sugar refineries but other kinds of factories not only in island possessions, but in foreign countries where labor is cheap in order to make their profits?

Mr. HEALEY. The gentleman is correct, and their principal purpose is to take advantage of a cheap-labor market in those countries.

I have the figures read into the RECORD by the gentleman from Hawaii, and I submit they are in no way comparable with the wages for persons engaged in similar trades in continental United States.

I know the gentleman is too intelligent and too well informed to seriously contend that wage and working conditions in Hawaii compare favorably with similar conditions in the continental United States.

I believe he knows that if labor conditions were even nearly comparable that refiners in Hawaii would not be able to drive our century-old industry from the continent to the insular possessions. The gentleman [Mr. KING] makes light of the economic dislocation caused by the migration of established industries to low-wage areas. I say to him and to all the Members that the time has arrived when we must take serious notice of these trends and their serious consequences to our national economy.

I trust the Membership of the House will support the committee. Its members have worked arduously and diligently, and have fairly and justly considered this complicated legislation from every angle. In my judgment they merit our full support. [Applause.]

[Here the gavel fell.]

Mr. LANZETTA. Mr. Chairman, there has been so much talk about discrimination on the floor of the House this afternoon that I am beginning to wonder whether Puerto Rico and Hawaii are being discriminated against, or whether Puerto Rico and Hawaii are discriminating against the 48 States. What is discrimination? Discrimination is the placing of unusual burdens upon one group of citizens for the special benefit of another group of citizens.

When the gentlemen from Florida, Michigan, Wisconsin, and other States complain that they are being discriminated against because they cannot raise the quantity of beets or sugarcane they would like to raise, I say that their premise is false, because that is not discrimination in that the beet- and sugarcane-quota burdens in this bill are distributed as equally as it is humanly possible on all the citizens of the United States.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. LANZETTA. I yield.

Mr. HOOK. Is Puerto Rico subject to the income tax? Is Puerto Rico subject to the Social Security Act? Is Puerto Rico subject to——

Mr. LANZETTA. One question at a time, please. If the gentleman is going to set the precedent in this Congress that the rights and privileges of a State or of a citizen depend upon the amount of tax paid, then I say to the gentleman that he is setting a dangerous precedent, because tomorrow many States of the Union and many individuals who are paying the largest amount of taxes may come to this Congress and ask for special privileges.

Mr. Chairman, I ask unanimous consent to insert in the RECORD at this point a memorandum from the Department of the Interior on the subject of discrimination and exploitation of our Territories.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The memorandum is as follows:

A committee of the Department of the Interior, surveying the effect of various sugar proposals on the island possessions within the jurisdiction of that Department, today reported to Secretary of the Interior Ickes:

"The provisions of H. R. 7667, discriminating against Hawaii, Puerto Rico, and the Virgin Islands in the matter of refined sugar, are in complete violation of traditional American policy and of basic American principles.

"First, these discriminatory provisions establish trade barriers within the United States. These provisions establish that a certain part of the Union may not manufacture, may not process the products of its soil. This discrimination against one part of the Union is established not merely in favor of another part of the Union—in itself an unjustifiable performance. It establishes discriminations against parts of America, inhabited by American citizens, in favor of a few mainland companies already highly privileged by this legislation. As a precedent, this kind of discrimination is unthinkable—and because it was introduced without the administration's approval 3 years ago in the Jones-Costigan bill, in an emergency, is no reason for making it a continuing national policy.

"Second. These discriminations are contrary to the spirit of American institutions. They are contrary to contemporary American policy by establishing an Old World colonialism in America. The essence of Old World colonialism, the colonialism against which the Colonies rebelled when they declared their independence, was the right of the mother country to exploit those colonies, to consider their citizens as occupying a secondary and inferior status, and to place economic obstacles in their path in favor of commercial interests in the mother country. This is still the practice among Old World empires, though to a more limited extent than it was a century and a half ago—because colonies cannot be exploited as ruthlessly now as then. However, it is self-evident that sound statesmanship in the United States cannot recognize, cannot permit, the establishment of such a continuing policy with us. It has been part of our historic process that Territories represented an earlier stage of political development, and that during that period of development their lack of voting strength in the Congress was not to be taken advantage of to penalize them, but, on the contrary, should entitle them to the fullest protection from the entire Congress. Because Hawaii and Puerto Rico have no vote in the Congress is not only not a reason for discriminating against their products and imposing restrictions upon them against which they cannot retaliate, but it is a valid reason for insuring them protection at the hands of the entire Congress. The Congress itself is looked to by American citizens in Hawaii, Puerto Rico, and the Virgin Islands to insure them equal treatment."

Mr. LANZETTA. The thing that the gentleman from Massachusetts spoke about a moment ago is the very thing that caused the trouble between England and the Colonies in 1776. England at that time took the stand that the citizens of the mother country should have special rights and privileges to the detriment of the citizens who resided in the Colonies. When we discriminate against Puerto Rico and Hawaii by restricting the production of refined and direct-consumption sugar in these Territories we are doing the same thing that caused a great deal of the trouble between England and the Colonies.

Much has also been said about how fair we have been to Puerto Rico and Hawaii. Well, now, let us look at the other side of the story and see how fair Hawaii and Puerto Rico have been to us? I want to call the attention of the Members of this House that in the last 10 years Puerto Rico alone has purchased over $900,000,000 worth of goods from us, while Hawaii has purchased an almost similar amount. I say that this is something that the Members of Congress should ponder over, before talking about how fair we have been to these offshore areas. Needless to say, the purchase of this tremendous amount of goods benefited not only the producers but also thousands of workers in continental America.

Mr. Chairman, I wish to insert at this point certain tables which show the various benefits received by Puerto Rico and Hawaii as compared to those received by the States.

[Here the gavel fell.]

(Mr. LANZETTA asked and was given permission to revise and extend his own remarks in the RECORD.)

Total regular and emergency Federal aid, by States, for fiscal years 1934, 1935, and 1936 [1]

State	Total grants direct to States for regular Federal aid [2]	Total emergency aid		Total	Total per capita
		Total grants direct to States [3]	Payments to individuals under Agricultural Adjustment Administration		
Alabama	$14,870,426.89	$91,971,242.90	$34,539,065.87	$141,380,755.66	$49.37
Alaska	374,829.02	3,828,142.69		4,202,971.71	67.79
Arizona	6,749,144.62	32,895,023.90	3,401,563.51	43,045,732.03	106.02
Arkansas	11,720,772.50	78,830,306.77	40,305,611.54	130,856,690.81	64.68
California	23,832,197.64	293,647,881.84	16,343,323.44	333,823,402.92	55.10

[1] Compiled from reports of the Treasury Department, the Reconstruction Finance Corporation, and the Agricultural Adjustment Administration.

[2] Regular Federal aid includes payments for (1) agricultural experiment stations, (2) cooperative agricultural extension work, (3) national forests and fire prevention, (4) cooperative distribution of forest planting stock, (5) cooperative construction of rural post roads, (6) Federal-aid highway systems, (7) colleges for agriculture and mechanic arts, (8) Mineral Leasing Act, (9) certain special funds, (10) cooperative vocational education, (11) Reclamation Service, (12) U. S. Employment Service, (13) State marine schools, (14) education of the blind, (15) National Guard, (16) Federal Water Power Act, (17) State and Territorial homes for disabled soldiers and sailors, and (18) social security.

[3] Emergency expenditures include: (1) National Recovery Act, highways funds, (2) Federal Emergency Relief Administration grants, (3) Public Works Administration grants, (4) Works Progress Administration grants, (5) Reconstruction Finance Corporation disbursements for relief and work relief, and Puerto Rico Relief Administration grants.

Total regular and emergency Federal aid, by States, for fiscal years 1934, 1935, and 1936—Continued

State	Total grants direct to States for regular Federal aid	Total emergency aid		Total	Total per capita
		Total grants direct to States	Payments to individuals under Agricultural Adjustment Administration		
Colorado	$9,716,568.51	$75,246,942.67	$18,327,717.44	$103,291,228.62	96.90
Connecticut	5,848,744.17	55,206,749.18	2,420,976.75	63,476,470.10	36.61
Delaware	2,237,614.52	7,467,387.48	480,356.65	10,185,358.65	39.33
District of Columbia	1,762,462.93	29,472,463.81		31,234,926.74	50.46
Florida	8,419,585.29	83,862,685.59	3,667,340.62	95,949,611.50	58.43
Georgia	9,337,640.31	96,140,521.53	35,356,057.98	140,834,219.82	46.02
Hawaii	3,146,690.04	9,316,413.59	13,362,938.60	25,826,042.23	65.88
Idaho	6,401,045.71	30,354,347.10	14,244,543.09	50,999,935.90	105.15
Illinois	22,804,816.89	370,519,548.02	69,455,877.06	462,780,241.97	58.99
Indiana	16,711,414.73	126,231,584.01	42,743,479.16	185,686,477.90	53.68
Iowa	11,935,975.34	66,055,320.75	113,700,747.71	191,692,043.80	75.38
Kansas	9,340,303.56	84,951,750.98	102,879,195.26	197,171,249.80	104.54
Kentucky	9,762,291.45	69,025,915.93	22,848,195.95	101,636,403.33	35.25
Louisiana	7,730,048.24	85,568,109.53	33,450,660.98	126,748,818.75	89.73
Maine	5,158,574.64	25,951,519.83	105,242.25	31,215,336.72	36.59
Maryland	5,378,716.15	63,017,729.71	3,852,347.10	72,248,792.96	43.16
Massachusetts	12,910,512.68	224,227,302.50	1,821,700.44	238,959,515.62	54.00
Michigan	21,783,766.34	214,901,160.63	10,903,248.90	247,588,124.87	51.76
Minnesota	12,724,292.79	138,293,178.90	39,883,484.37	190,900,956.06	72.45
Mississippi	14,437,225.93	59,427,388.05	38,267,051.40	112,131,665.38	55.84
Missouri	15,117,741.19	140,448,917.91	52,261,578.92	207,828,238.02	52.50
Montana	10,103,227.53	48,060,577.17	22,500,982.59	80,664,787.29	151.91
Nebraska	8,316,203.48	57,211,330.06	68,950,404.94	134,477,938.48	98.59
Nevada	5,376,376.85	12,880,979.60	295,657.13	18,553,013.58	185.53
New Hampshire	3,095,461.92	16,431,967.74	129,652.31	19,657,081.97	38.70
New Jersey	10,146,218.72	172,687,826.68	786,975.50	183,621,020.90	42.43
New Mexico	6,994,658.70	33,243,427.98	4,598,365.04	44,836,451.72	106.25
New York	32,691,215.80	777,728,602.94	1,925,455.49	812,345,274.23	62.80
North Carolina	13,187,132.03	73,858,105.68	35,181,027.97	122,226,265.68	35.36
North Dakota	6,802,095.86	54,675,664.09	49,512,450.84	110,990,210.79	157.88
Ohio	21,222,654.43	355,403,515.89	33,716,375.14	410,342,545.46	61.13
Oklahoma	12,782,821.23	101,227,046.30	66,837,549.13	180,847,416.66	71.54
Oregon	9,680,894.99	44,047,547.03	9,645,686.17	63,374,128.19	62.31
Pennsylvania	21,863,792.95	486,510,358.56	4,676,386.47	513,050,535.98	50.62
Puerto Rico	[4] 2,498,457.28	29,481,712.55	14,218,756.40	[4] 46,178,926.23	[4] 26.51
Rhode Island	3,219,943.33	20,604,068.19	61,200.80	23,885,212.32	35.07
South Carolina	6,165,754.19	60,969,886.89	24,592,519.90	91,728,160.98	49.32
South Dakota	7,432,672.98	61,048,139.73	38,790,670.18	107,271,482.89	155.02
Tennessee	10,499,274.05	75,589,940.58	22,159,182.20	108,248,396.83	37.80
Texas	32,905,281.03	192,910,599.05	158,131,582.69	383,947,462.77	62.77
Utah	5,935,094.73	36,519,995.34	4,623,206.13	47,078,296.20	91.24
Vermont	3,190,202.80	9,978,703.86	233,248.07	13,402,154.82	35.27
Virginia	9,981,872.22	57,388,889.74	8,671,587.92	75,902,349.88	28.45
Virgin Islands	15,049.00	721,928.57		736,977.57	33.50
Washington	9,905,510.87	77,920,559.84	19,014,306.57	106,840,377.28	65.03
West Virginia	5,047,799.75	80,836,572.03	1,172,348.51	87,056,720.29	47.57
Wisconsin	14,948,282.40	153,416,359.39	15,273,921.19	183,638,562.98	63.15
Wyoming	7,008,698.54	19,810,708.72	4,063,734.77	30,883,142.03	132.55

[4] Does not include $11,258,325.70 ($6.46 per capita) of United States customs, internal revenue, and income taxes collected and retained. The total income collected from these sources for 38 years totals about $95,000,000.

Loans and disbursements, Farm Credit Administration and Reconstruction Finance Corporations, to Sept. 30, 1936, by States

State	Total	Per capita
Alabama	$73,915,973.93	$25.81
Alaska	347,500.00	5.60
Arizona	22,972,219.60	56.58
Arkansas	77,574,883.57	38.35
California	622,559,558.35	102.75
Colorado	70,016,537.63	65.68
Connecticut	35,715,733.89	20.60
Delaware	2,552,765.00	9.86
District of Columbia	30,274,698.00	48.91
Florida	39,288,486.46	23.93
Georgia	66,603,574.70	21.77
Hawaii	1,230,832.00	3.14
Idaho	58,033,120.28	119.66
Illinois	566,857,704.02	72.26
Indiana	171,874,055.01	49.69
Iowa	343,684,964.84	135.15
Kansas	173,857,060.22	92.18
Kentucky	99,468,045.18	34.50
Louisiana	164,754,293.00	77.64
Maine	81,703,617.77	95.78
Maryland	139,451,167.77	83.30
Massachusetts	86,632,934.63	19.58
Michigan	488,131,067.20	102.06
Minnesota	224,647,193.30	85.26
Mississippi	86,695,402.00	43.18
Missouri	153,678,597.04	38.82
Montana	66,057,928.85	124.40
Nebraska	193,796,747.87	142.08
Nevada	14,589,266.81	145.89
New Hampshire	6,549,125.38	12.89
New Jersey	217,715,246.00	50.30
New Mexico	32,652,772.90	77.38
New York	609,990,415.50	47.16
North Carolina	99,696,699.40	28.84
North Dakota	180,749,699.10	257.11
Ohio	517,882,972.50	77.15
Oklahoma	89,005,031.31	35.21

Loans and disbursements, Farm Credit Administration and Reconstruction Finance Corporation, to Sept. 30, 1936, by States—Continued

State	Total	Per capita
Oregon	$35,920,730.54	$34.82
Pennsylvania	289,619,547.97	28.57
Puerto Rico	16,967,823.82	9.74
Rhode Island	7,756,492.71	11.39
South Carolina	63,336,754.45	34.05
South Dakota	134,824,528.73	194.83
Tennessee	150,937,719.17	52.70
Texas	422,722,989.26	72.38
Utah	50,138,473.92	97.17
Vermont	33,053,755.36	86.98
Virginia	79,513,350.35	29.77
Washington	97,635,814.97	59.43
West Virginia	82,759,035.41	28.83
Wisconsin	251,608,170.78	80.52
Wyoming	26,845,151.02	115.22
Virgin Islands	125,000.00	5.68

Total per capita regular and emergency Federal aid by States for fiscal years 1934, 1935, and 1936 [1]

Rank	State	Total	Total grants direct to States for regular Federal aid [2]	Total emergency aid	
				Total grants direct to States [3]	Payments to individuals under Agricultural Adjustment Act
1	Nevada	$185.53	$53.76	$128.81	$2.96
2	North Dakota	157.88	9.68	77.77	70.43
3	South Dakota	155.02	10.74	88.22	56.06
4	Montana	151.91	19.03	90.51	42.37
5	Wyoming	132.55	30.08	85.03	17.44
6	New Mexico	106.25	16.58	78.77	10.90
7	Arizona	106.02	16.62	81.02	8.38
8	Idaho	105.15	13.20	62.58	29.37
9	Kansas	104.54	4.95	45.04	54.55
10	Nebraska	98.59	6.10	41.94	50.55
11	Colorado	96.90	9.12	70.59	17.19
12	Utah	91.24	11.50	70.78	8.96
13	Iowa	75.38	4.69	25.98	44.71
14	Minnesota	72.45	4.83	52.48	15.14
15	Oklahoma	71.54	5.06	40.04	26.44
16	Alaska	67.79	6.05	61.74	
17	Hawaii	65.88	8.03	23.76	34.09
18	Washington	65.03	6.03	47.43	11.57
19	Arkansas	64.68	5.79	38.97	19.92
20	Wisconsin	63.15	5.14	52.76	5.25
21	New York	62.80	2.53	60.12	.15
22	Texas	62.77	5.38	31.54	25.85
23	Oregon	62.31	9.52	43.31	9.48
24	Ohio	61.13	3.16	52.95	5.02
25	Louisiana	59.73	3.64	40.33	15.76
26	Illinois	58.99	2.91	47.23	8.85
27	Florida	58.43	5.13	51.07	2.23
28	Mississippi	55.84	7.19	29.60	19.05
29	California	55.10	3.94	48.46	2.70
30	Massachusetts	54.00	2.92	50.67	.41
31	Indiana	53.68	4.83	36.49	12.36
32	Missouri	52.50	3.82	35.48	13.20
33	Michigan	51.76	4.55	44.93	2.28
34	Pennsylvania	50.62	2.16	48.00	.46
35	District of Columbia	50.46	2.85	47.61	
36	Alabama	49.37	5.20	32.11	12.06
37	South Carolina	49.32	3.32	32.78	13.22
38	West Virginia	47.57	2.76	44.17	.64
39	Georgia	46.02	3.05	31.42	11.55
40	Maryland	43.16	3.21	37.65	2.30
41	New Jersey	42.43	2.35	39.90	.18
42	Delaware	39.33	8.64	28.83	1.86
43	New Hampshire	38.70	6.09	32.35	.26
44	Tennessee	37.80	3.67	26.39	7.74
45	Connecticut	36.61	3.37	31.84	1.40
46	Maine	36.59	6.05	30.42	.12
47	North Carolina	35.36	3.81	21.37	10.18
48	Vermont	35.27	8.40	26.26	.61
49	Kentucky	35.25	3.39	23.94	7.92
50	Rhode Island	35.07	4.73	30.25	.09
51	Virgin Islands	33.50	.68	32.82	
52	Virginia	28.45	3.72	21.48	3.25
53	Puerto Rico	26.51	1.44	16.91	8.16
	Do	[4] 32.97			

[1] Compiled from reports of the Treasury Department, the Reconstruction Finance Corporation, and the Agricultural Adjustment Administration.

[2] Regular Federal aid includes payments for: (1) Agricultural experiment stations, (2) cooperative agricultural extension work, (3) national forests and fire prevention, (4) cooperative distribution of forest planting stock, (5) cooperative construction of rural post roads, (6) Federal-aid highway systems, (7) colleges for agriculture and mechanic arts, (8) mineral leasing act, (9) certain special funds, (10) cooperative vocational education, (11) reclamation service, (12) U. S. Employment Service, (13) State marine schools, (14) education of the blind, (15) National Guard, (16) Federal Water Power Act, (17) State and Territorial homes for disabled soldiers and sailors, and (18) social security.

[3] Emergency expenditures include: (1) N. R. A. highways funds, (2) F. E. R. A. grants, (3) P. W. A. grants, (4) W. P. A. grants, (5) R. F. C. disbursements for relief and work relief, and (6) P. R. R. A. grants.

[4] Includes $6.46 per capita of United States customs, internal revenue, and income taxes collected and retained.

Federal regular and emergency expenditures for Puerto Rico and other areas, years ended June 30, 1934, 1935, and 1936 [1]

	Year ending June 30, 1934			Year ending June 30, 1935			Year ending June 30, 1936		
	Regular Federal aid	Emergency aid	Total [2]	Regular Federal aid	Emergency aid	Total [2]	Regular Federal aid	Emergency aid	Total [2]
Puerto Rico:									
Direct Federal aid	$210,528.79	$7,371,201.00	$7,581,729.79	$404,543.06	$11,991,678.00	$12,396,221.06	$1,883,385.43	$10,098,833.55	$11,982,218.98
Per capita	.12	4.32	4.44	.23	6.96	7.19	1.08	5.80	6.88
Local Federal revenue			3,340,741.31			3,615,224.66			4,302,359.73
Per capita			1.96			2.10			2.47
Grand total			10,922,471.10			16,011,445.72			16,284,578.71
Per capita			6.40			9.29			9.35
Hawaii:									
Total	1,074,819.98	2,227,967.00	3,302,786.98	680,733.78	3,854,013.28	4,534,747.06	1,391,136.28	3,234,433.31	4,625,569.59
Per capita	2.79	5.80	8.59	1.75	9.93	11.68	3.54	8.24	11.78
Alaska:									
Total	77,628.88	559,629.00	637,257.88	88,269.41	847,950.64	936,220.05	206,930.73	2,420,563.05	2,629,493.78
Per capita	1.27	9.18	10.45	1.44	13.78	15.22	3.37	39.04	42.41
Continental United States:									
Total	145,855,879.00	1,668,633,038.00	1,814,488,918.00	68,326,625.00	2,134,621,403.00	2,202,948,028.00	330,962,143.00	1,821,422,144.00	2,152,384,286.00
Per capita	1.15	13.18	14.33	0.54	16.74	17.28	2.58	14.18	16.76

[1] Compiled from reports of the Treasury Department. Does not include benefit payments made to individuals under the Agricultural Adjustment Administration program.

[2] In the case of Puerto Rico, local Federal revenue includes United States customs ,internal revenue, and income taxes collected and retained in Puerto Rico.

Mr. HOOK. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DOCKWEILER].

Mr. DOCKWEILER. Mr. Chairman, I have spent the whole afternoon listening to the debate on this bill. I heard bandied about the word "Americanism this" and "Americanism that." I do not think I have to remind the East that the United States Government does not maintain a consular office in the Hawaiian Islands. It is not a foreign country. It is part and parcel of the United States just as much as Oklahoma Territory was before it became a State or just as much as New Mexico was before it became a State.

When I rise at this late hour, after listening to the splendid address of the Delegate from Hawaii [Mr. KING], what I have to say may appear more or less as an anticlimax to the arguments that may be made against any discrimination whatsoever. I come from the State of California, on the Pacific Coast. Our relations with the Hawaiian Islands group has been extremely friendly and from the economic standpoint extremely valuable.

Mr. Chairman, there is an attempt in this bill to treat the Hawaiian Islands as if they were a colony. We operate under a Constitution, as is known by all, which is a constricted document. We cannot hope under a constitutional form of government to discriminate against our possessions.

Let us take the State of Oklahoma, for instance. What would the people of that State have said before that Territory became a State, being a State that raises considerable cotton, if they were told they could process only a certain number of tons of cottonseed to make cottonseed oil? I wonder how the Alaskans would feel if they were discriminated against in a similar manner that this bill discriminates against the Hawaiian Islands.

After all, Mr. Chairman, I rise in defense of the patriotism and the truly American spirit demonstrated in the Hawaiian Islands, which I have visited. During the World War a draft act was passed and under that act the quota for the Hawaiian Islands was set at 2,403 troops. However, under the first draft act the Hawaiian Islands were not compelled to draft any soldiers for the war, because theretofore there had been volunteer enlistments in the American Army of 3,479 troops.

There was a call for Liberty Loan sales in this country during the war.

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. LUECKE].

Mr. LUECKE of Michigan. Mr. Chairman, I was not a Member of the House at the time the Jones-Costigan Act was placed upon the statute books, but if my memory does not fail me, at that time 16 mills out of 19 in Michigan shut down; but after the enactment of the Jones-Costigan Act the greater number of those mills again began operation. The mill located in my district I think closed down for a period of 4 years.

If we do not enact this bill into law at the present time I think it would be very unfortunate. It would be breaking faith with the farmers who have gone ahead on promises and put in their crops, and drawn up contracts to deliver beets to the workers in these beet-sugar mills. I have looked this report over from beginning to end and I cannot see where the offshore areas are being discriminated against. They are left practically the same as they were in the Jones-Costigan Act.

It is said whenever an attempt is made to legislate for the benefit of any industry that great harm has resulted, usually from a disruption of the price of the product. The statistics show that since 1932 the retail price of sugar has remained between 5.4 cents per pound and 5.6 per pound, a variation of about one-fifth of a cent per pound in 4 years. That to me discloses the success of this legislation. I agree with the gentleman from Wisconsin [Mr. BOILEAU], when he said that we do not go far enough in this bill. I believe we should increase our quota so far as sugar-beet production is concerned.

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS. Mr. Chairman, I have a rather short time in which to develop a whole economic point of view on this question, but that is what I have to try to do. I want to say, first, I am willing to stay with the gentleman from Oklahoma from now on in order to get legislation passed for the benefit of the farmers. I hope that legislation can be fundamental. I hope it can be based on a full production, plus a direct cost-of-production price maintenance for the farmers. If it is, it will require likewise adequate protection against imports for our staple crops—the crops of which we grow an ample supply to care for all our domestic needs.

There are a number of gentlemen in the House who have spoken many times against the idea of attempting to plan, and have criticized rather severely the attempts of this administration to plan our national economic and social life for the welfare of the common people. It is rather interesting to observe that nobody has mentioned this argument today, in spite of the fact that we have been up to our very ears here today in planning for an industry in order to try to parcel out the advantages from one group to another. I believe that what should have been said is that sugar is a special case. I am very much in accord with the opinion expressed that we should have the American market for American labor wherever American producers are able to come within gunshot of a reasonable cost of production. I think, under those circumstances, they should be protected by a tariff. However, I am thoroughly convinced that the sugar question is a special case, and I think it is being dealt

with as a special case, or we would not have a special bill for it or a town fairly bulging with lobbyists.

A few facts may illustrate what I mean. American consumers have been paying in the past 3 years over $300,000,000 more for sugar than they would have had to pay had they bought it at the world price. In 1934 the Tariff Commission found that the total investment in sugar production and beet-sugar processing was $700,000,000. It is interesting to compare these figures. Profits of the five largest beet refiners over a 3-year period just passed have averaged 9 percent of the total net worth of these companies.

The extra cost of sugar all comes out of American consumers. It goes partly to American refiners, partly to foreign producers and refiners, partly to great corporations producing sugar, and a little of it goes to the small-scale producing farmers of our country and the workers they hire. I believe firmly in protection against the competition of sweated foreign labor for every American industry and especially every farm crop which can economically fill the American domestic demand.

But I believe sugar is a special case. I think the gentlemen from Florida present a very good case. I think, if we must have quotas, that the size of the quota should depend primarily on how cheaply an area can furnish sugar, provided labor is properly paid in that area. I intend tomorrow to introduce an amendment which points in this direction.

It has been said that we ought to produce all our sugar in the United States itself. What I believe we ought to say is that we should produce all the sugar in the United States which can be produced at a reasonable margin above foreign costs of production—all the sugar we can produce without making of the industry a political special interest—all the sugar we can produce without levying an unjust tribute on American consumers, who are all the people. I believe the consumer has an interest in this legislation which is the only interest that has been seriously neglected.

We started planning our national economic life when the first protective tariff was passed. We have got to go on now. We will be called upon to plan more and more. But we have to be fair and consider every case on its own merits. We want America to be as nearly self-sustained as she can be made without serious economic loss. But we should be careful about building up an industry behind a great barrier of protection and production limitation when doing so means reducing production in other fields in which our Nation enjoys a greater advantage, and in which even more employment can be provided.

It is a question of weighing the gains and losses. Assertion of broad sweeping principles seem to be out of place. There is a point where the cost of protection of an industry becomes prohibitive. That is why we do not grow rubber and coffee in the United States. Has that point been reached in the case of sugar? This is the main question which needs consideration.

Mr. HOOK. Mr. Chairman, I yield to the gentleman from Montana [Mr. O'CONNOR] such time as he may desire.

Mr. O'CONNOR of Montana. Mr. Chairman, I wish to speak today about the need for Congress to pass farm legislation at this session which can help the farmers of this Nation maintain the gains which they have made under this administration. I wish to point out the real need for legislation which can be a protection for them against surpluses which, in all too short a time, can bring farmers to their knees again as they were in 1932 and in early 1933.

I come from a State where drought after drought has hit our farmers. Wheat farming is a principal source of income from crops. But in spite of the devastation which drought has wrought in Montana, I have no hesitation in saying that what the farmers of Montana want, and what I know a majority of all farmers want, is enactment of legislation which can give them protection, not only when drought is burning up their crops, but also protection against overwhelming surpluses.

Against drought damage the proposal for crop insurance, which is now pending in the House, has the almost unanimous approval of the farmers of Montana. I say that this is one piece of legislation that should be marked "must" by all of us. With this measure, as proposed, farmers can positively insure one-half to three-fourths of their normal yield of wheat against loss from any cause. They can do this by paying the Crop Insurance Corporation in wheat and receiving wheat back when they have losses. I ask you to consider what such a program would mean to a whole area, such as eastern Montana, where wheat yields are large in some years and almost nothing in others. Think what such a plan can mean to farmers in these areas. Think what such a plan can mean for the cities of this area. But crop insurance is more than a purely local matter. Crop insurance is as important to the manufacturing interests of the East as to the crop areas themselves. Crop insurance means stable buying power in the grain areas. It means a lessening of the load of relief. It means a stable agriculture; and as such I wish to urge that this Congress enact crop insurance into law before any adjournment is considered.

Crop insurance offers protection against scarcity, but it is not intended to meet the problem of surplus. That is the problem that all of our agriculture is going to face, sooner or later, and I fear it is going to be much sooner than later. The promise of crops for this year is abundant. Look at futures prices of corn at Chicago for the market estimate of what corn will be worth. On July 26 the July corn futures closed at 104⅛ cents a bushel, but the December futures closed at only 72⅞ cents a bushel. The price of oats over a good deal of the United States dropped from a farm price of 50 cents a bushel to 25 cents a bushel just as soon as farmers began threshing this year's crop. That shows what a surplus can do to farm prices. In wheat we have a very different situation, but we need only look across the Canadian border to see the reason why. Canadian crop losses from drought and dust storms are largely responsible for the high price of wheat in this country this year. But we cannot go on year after year depending upon Canadian crop failures to hold up the price of wheat. We must keep our own house in order. We must think where we will be if there is no Canadian crop failure. We must consider what year after year of two and one-half billion bushel corn crops will mean to corn prices and eventually to hog prices.

Our farmers are thinking about these things. They are looking to us to redeem the pledges of the campaign of last year to maintain the income of agriculture. I say that this administration is committed to the task of maintaining agricultural income and prosperity, and failure to enact comprehensive farm legislation at this session will be viewed by our farmers as a breach of faith. We all know the demand for such a type of legislation. The wishes of farmers have been made known by their recognized spokesmen. President Roosevelt and Secretary Wallace have repeatedly emphasized the urgency of the problem. What are we waiting for? We have been here for nearly 7 months, and we have precious little to show for these months. This is the busy season on the farm and farmers do not have time to write to us. But they are depending on us. I, for one, say that we must not fail. [Applause.]

Mr. HOOK. Mr. Chairman, I yield to the gentleman from Wyoming [Mr. GREEVER] such time as he desires.

Mr. GREEVER. Mr. Chairman and members of the Committee, the subject of sugar-beet legislation has been so fully covered during the committee hearings, which it was my pleasure to attend on a great many occasions, and during the debate in the House yesterday and today, that it seems almost useless to attempt to add anything to what has been said; but I do wish to stress the importance of the sugar-beet industry to the sugar-producing States.

In 1936 continental United States produced 26,100,000 bags of sugar. The crop for that year amounted to more than $130,000,000. In the irrigated sections of the West, which are admirably adapted to beet raising, the sugar-beet industry constitutes the largest cash crop. During the years 1925 to 1936, inclusive, on the Shoshone project in Wyoming the average value of potatoes raised was $76.28 per acre, while during the same period of time the average of sugar

beets produced was $77.43 per acre. I believe that this comparison would be true in most of the irrigated sections. Sugar beets qualify as a cultivated crop recommended for successful rotation and provide valuable livestock feed, the sugar-beet industry being a valuable adjunct to the livestock business. In addition to about 3,700 pounds of sugar produced from an acre of beets, the byproducts will produce approximately 400 pounds of beef or mutton. The low-cost byproducts can be supplemented by feed crops which are grown in rotation with the beets. Beets give more than twice as much employment per acre as any other crop, and according to a study made in one county in Colorado, they return more per hour of man-labor than any other crop, namely, 94.64 cents. Employment benefits extend beyond the farm, too, in the factory pay roll and utilization of nearby materials in the sugar-manufacturing process, which adds greatly to the stability of business in the community.

Beet growers in the United States desire legislation primarily for the continuance of the sugar quota system, including benefit payments and a tax on their products for the purpose of raising revenue sufficient to pay such benefits. In his message to Congress on March 1, 1937, the President requested such legislation and recommended that the principles of the Jones-Costigan Act should be reenacted. The quota system instituted under the Jones-Costigan Act has proven to be of tremendous benefit to the sugar growers of this country and has resulted in stabilizing this industry and making it a profitable one throughout the United States. It is a far-sighted, far-reaching policy and one which places the American sugar grower in a position whereby he will have a stabilized and profitable market, with the additional advantage of controlling the price of sugar to the extent where it will not be disastrous to the consumer.

Without exception the beet growers of my State are fully in harmony with the principle of this legislation; and, while the bill is a result of patient compromise, it presents, in my opinion, a strong and well-reasoned piece of legislation.

The charge has been made that because of restriction upon the refined-sugar quotas from Hawaii and Puerto Rico that this legislation discriminates against these two territories. In all fairness, I do not see how either Hawaii or Puerto Rico could complain in the slightest of this legislation. In 1934 Congress passed the Jones-Costigan bill which provided for a quota plan which fixed the value of other continental sugar groups and of Puerto Rico and Hawaii at near their then existing maximum levels. As I understand the Jones-Costigan legislation, it attempted insofar as possible to fix a quota not only of sugar beets and cane sugar to be grown in the continental United States and in the insular possessions, but thereby also in effect fixed the quota as to the amount which should be refined in the United States. There is no question but what Hawaii and Puerto Rico received great benefits from this bill. As a matter of fact, as a result of the bill Hawaiian sugar received benefits amounting to many millions of dollars from the bill on its quota of sugar. The same is true of Puerto Rico. As a matter of fact, the Jones-Costigan Act in establishing quota limitations on production and marketing of sugar for the continental United States did not require Hawaii to reduce her previous maximum volume of refined-sugar shipments to the continent, but limited her to that maximum. In effect exactly this same thing was done in the sugar-beet producing areas, because by limiting the quota, necessarily the manufacturing of sugar was also limited to the areas surrounding and available to the beet factories. If the sections restricting the importations of refined sugar were stricken from this bill, it would simply mean that Hawaii and Puerto Rico would be preferred over the continental United States in that regard.

This bill has been carefully worked out. The committee deserves the congratulations and the thanks of the Congress for the excellent job which they have done under the most adverse and trying conditions. The legislation is constructive and sound and I hope, with my colleagues from sugar-producing areas, that this bill will be passed by a large majority.

It is the province of Congress to consider legislation. Threats of the veto of a bill should not deter us from what we believe to be an honest and constructive purpose. [Applause.]

Mr. JONES. Mr. Chairman, this is a technical bill. I ask unanimous consent that the reading of the bill under the 5-minute rule may be dispensed with and that amendments may be offered anywhere in the bill so long as it is under consideration. I do this in order to allow full discussion of the important amendments which will be offered.

Mr. CRAWFORD. Mr. Chairman, reserving the right to object, does the gentleman mean to say that the bill will not be read tomorrow under the 5-minute rule?

Mr. JONES. The bill will not be read, but amendments will be in order anywhere in the bill as under the 5-minute rule.

Mr. CRAWFORD. This does not affect the time at all?

Mr. JONES. The gentleman is correct.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The bill is as follows:

Be it enacted, etc., That this act may be cited as the Sugar Act of 1937.

TITLE I. DEFINITIONS

SECTION 101. For the purposes of this act, except title IV—

(a) The term "person" means an individual, partnership, corporation, or association.

(b) The term "sugars" means any grade or type of saccharine product derived from sugarcane or sugar beets, which contains sucrose, dextrose, or levulose.

(c) The term "sugar" means raw sugar or direct-consumption sugar.

(d) The term "raw sugar" means any sugars which are principally of crystalline structure and which are to be further refined or improved in quality, and any sugars which are principally not of crystalline structure but which are to be further refined or otherwise improved in quality to produce any sugars principally of crystalline structure.

(e) The term "direct-consumption sugar" means any sugars which are principally of crystalline structure and which are not to be further refined or otherwise improved in quality.

(f) The term "liquid sugar" means any sugars (exclusive of sirup of cane juice produced from sugarcane grown in continental United States) which are principally not of crystalline structure and which contain, or which are to be used for the production of any sugars principally not of crystalline structure which contain soluble nonsugar solids (excluding any foreign substances that may have been added) equal to 6 percent or less of the total soluble solids.

(g) Sugars in dry amorphous form shall be considered to be principally of crystalline structure.

(h) The "raw value" of any quantity of sugars means its equivalent in terms of ordinary commercial raw sugar testing 96 sugar degrees by the polariscope, determined in accordance with regulations to be issued by the Secretary. The principal grades and types of sugar and liquid sugar shall be translated into terms of raw value in the following manner:

(1) For direct-consumption sugar, derived from sugar beets and testing 92 or more sugar degrees by the polariscope, by multiplying the number of pounds thereof by 1.07.

(2) For sugar derived from sugarcane and testing 92 sugar degrees by the polariscope, by multiplying the number of pounds thereof by 0.93.

(3) For sugar derived from sugarcane and testing more than 92 sugar degrees by the polariscope, by multiplying the number of pounds thereof by the figure obtained by adding to 0.93 the result of multiplying 0.0175 by the number of degrees and fractions of a degree of polarization above 92°.

(4) For sugar and liquid sugar testing less than 92 sugar degrees by the polariscope, by dividing the number of pounds of the "total sugar content" thereof by 0.972.

(5) The Secretary may establish rates for translating sugar and liquid sugar into terms of raw value for (a) any grade or type of sugar or liquid sugar not provided for in the foregoing and (b) any special grade or type of sugar or liquid sugar for which he determines that the raw value cannot be measured adequately under the provisions of paragraphs (1) to (4), inclusive, of this subsection (h).

(i) The term "total sugar content" means the sum of the sucrose (Clerget) and reducing or invert sugars contained in any grade or type of sugar or liquid sugar.

(j) The term "quota", depending upon the context, means (1) that quantity of sugar or liquid sugar which may be brought or imported into the continental United States, for consumption therein, during any calendar year from the Territory of Hawaii, Puerto Rico, the Virgin Islands, the Commonwealth of the Philippine Islands, or a foreign country or group of foreign countries; (2) that quantity of sugar or liquid sugar produced from sugar beets or

sugarcane grown in the continental United States which, during any calendar year, may be shipped, transported, or marketed in interstate commerce, or in competition with sugar or liquid sugar shipped, transported, or marketed in interstate or foreign commerce; or (3) that quantity of sugar or liquid sugar which may be marketed in the Territory of Hawaii or in Puerto Rico, for consumption therein, during any calendar year.

(k) The term "producer" means a person who is the legal owner, at the time of harvest or abandonment, of a portion or all of a crop of sugar beets or sugarcane grown on a farm for the extraction of sugar or liquid sugar.

(l) The terms "including" and "include" shall not be deemed to exclude anything not mentioned but otherwise within the meaning of the term defined.

(m) The term "Secretary" means the Secretary of Agriculture.

TITLE II. QUOTA PROVISIONS

SECTION 201. The Secretary shall determine for each calendar year the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the 12-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar, and changes in consumption, as computed from statistics published by agencies of the Federal Government with respect to inventories of sugar, population, and demand conditions; and in order that the regulation of commerce provided for under this act shall not result in excessive prices to consumers, the Secretary shall make such additional allowances as he may deem necessary in the amount of sugar determined to be needed to meet the requirments of consumers, so that the supply of sugar made available under this act shall not result in average prices to consumers in excess of those necessary to make the production of sugar beets and sugarcane as profitable on the average, per dollar of total gross income, as the production of the five principal (measured on the basis of acreage) agricultural cash crops in the United States.

SEC. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas, or revise existing quotas—

(a) For domestic sugar-producing areas by prorating among such areas 55.59 percent of such amount of sugar (but not less than 3,715,000 short tons) on the following basis:

Area	Percent
Domestic beet sugar	41.72
Mainland cane sugar	11.31
Hawaii	25.25
Puerto Rico	21.48
Virgin Islands	.24

(b) For foreign countries, and the Commonwealth of the Philippine Islands, by prorating 44.41 percent of such amount of sugar (except, if such amount of sugar is less than 6,682,670 short tons, the excess of such amount over 3,715,000 short tons), on the following basis:

Area	Percent
Commonwealth of the Philippine Islands	34.70
Cuba	64.41
Foreign countries other than Cuba	.89

The quota for foreign countries other than Cuba shall be prorated among such countries on the basis of the division of the quota for such countries made in General Sugar Quota Regulations, Series 4, No. 1, issued December 12, 1936, pursuant to the Agricultural Adjustment Act, as amended.

SEC. 203. In accordance with the applicable provisions of section 201, the Secretary shall also determine the amount of sugar needed to meet the requirements of consumers in the Territory of Hawaii, and in Puerto Rico, and shall establish quotas for the amounts of sugar which may be marketed for local consumption in such areas equal to the amounts determined to be needed to meet the requirements of consumers therein.

SEC. 204. (a) The Secretary shall, as he deems necessary during the calendar year, determine whether, in view of the current inventories of sugar, the estimated production from the acreage of sugarcane or sugar beets planted, the normal marketings within a calendar year of new-crop sugar, and other pertinent factors, any domestic area, the Commonwealth of the Philippine Islands, or Cuba, will be unable to market the quota for such area. If the Secretary finds that any domestic area or Cuba will be unable to market the quota for such area for the calendar year then current, he shall revise the quotas for the domestic areas and Cuba by prorating an amount of sugar equal to the deficit so determined to the other such areas, on the basis of the quotas then in effect. Any portion of such sugar which the Secretary determines cannot be supplied by domestic areas and Cuba shall be prorated to foreign countries other than Cuba on the basis of the prorations of the quota then in effect for such foreign countries. If the Secretary finds that the Commonwealth of the Philippine Islands will be unable to market the quota for such area for the calendar year then current, he shall revise the quota for foreign countries other than Cuba by prorating an amount of sugar equal to the deficit so determined to such foreign countries, on the basis of the prorations of the quota then in effect for such countries: *Provided, however,* That the quota for any domestic area, the Commonwealth of the Philippine Islands, or Cuba or other foreign countries, shall not be reduced by reason of any determination made pursuant to the provisions of this subsection.

(b) If, on the 1st day of September in any calendar year, any part or all of the proration to any foreign country of the quota in effect on the 1st day of July in the same calendar year for foreign countries other than Cuba, has not been filled, the Secretary may revise the proration of such quota among such foreign countries, by prorating an amount of sugar equal to such unfilled proration to all other such foreign countries which have filled their prorations of such quota by such date, on the basis of the prorations then in effect.

SEC. 205. (a) Whenever the Secretary finds that the allotment of any quota, or proration thereof, established for any area pursuant to the provisions of this act, is necessary to assure an orderly and adequate flow of sugar or liquid sugar in the channels of interstate or foreign commerce, or to prevent disorderly marketing or importation of sugar or liquid sugar, or to maintain a continuous and stable supply of sugar or liquid sugar, or to afford all interested persons an equitable opportunity to market sugar or liquid sugar within any area's quota, after such hearing and upon such notice as he may by regulations prescribe, he shall make allotments of such quota or proration thereof by allotting to persons who market or import sugar or liquid sugar, for such periods as he may designate, the quantities of sugar or liquid sugar which each such person may market in continental United States, the Territory of Hawaii, or Puerto Rico, or may import or bring into continental United States, for consumption therein. Allotments shall be made in such manner and in such amounts as to provide a fair, efficient, and equitable distribution of such quota or proration thereof, by taking into consideration the processings of sugar or liquid sugar from sugar beets or sugarcane to which proportionate shares, determined pursuant to the provisions of subsection (b) of section 302, pertained; the past marketings or importations of each such person; or the ability of such person to market or import that portion of such quota or proration thereof allotted to him. The Secretary may also, upon such hearing and notice as he may by regulations prescribe, revise or amend any such allotment upon the same basis as the initial allotment was made.

(b) An appeal may be taken, in the manner hereinafter provided, from any decision making such allotments, or revision thereof, to the United States Court of Appeals for the District of Columbia in any of the following cases:

(1) By any applicant for an allotment whose application shall have been denied.

(2) By any person aggrieved by reason of any decision of the Secretary granting or revising any allotment made to him.

(c) Such appeal shall be taken by filing with said court within 20 days after the decision complained of is effective, notice in writing of said appeal and a statement of the reasons therefor, together with proof of service of a true copy of said notice and statement upon the Secretary. Unless a later date is specified by the Secretary as part of his decision, the decision complained of shall be considered to be effective as of the date on which public announcement of the decision is made at the office of the Secretary in the city of Washington. The Secretary shall thereupon, and in any event not later than 10 days from the date of such service upon him, mail or otherwise deliver a copy of said notice of appeal to each person shown by the records of the Secretary to be interested in such appeal and to have a right to intervene therein under the provisions of this section, and shall at all times thereafter permit any such person to inspect and make copies of appellants' reasons for said appeal at the office of the Secretary in the city of Washington. Within 30 days after the filing of said appeal the Secretary shall file with the court the originals or certified copies of all papers and evidence presented to him upon the hearing involved and also a like copy of his decision thereon and shall within 30 days thereafter file a full statement in writing of the facts and grounds for his decision as found and given by him and a list of all interested persons to whom he has mailed or otherwise delivered a copy of said notice of appeal.

(d) Within 30 days after the filing of said appeal any interested person may intervene and participate in the proceedings had upon said appeal by filing with the court a notice of intention to intervene and a verified statement showing the nature of the interest of such party together with proof of service of true copies of said notice and statement, both upon the appellant and upon the Secretary. Any person who would be aggrieved or whose interests would be adversely affected by reversal or modification of the decision of the Secretary complained of shall be considered an interested party.

(e) At the earliest convenient time the court shall hear and determine the appeal upon the record before it, and shall have power, upon such record, to enter a judgment affirming or reversing the decision, and if it enters an order reversing the decision of the Secretary it shall remand the case to the Secretary to carry out the judgment of the court: *Provided, however,* That the review by the court shall be limited to questions of law and that findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive unless it shall clearly appear that the findings of the Secretary are arbitrary or capricious. The court's judgment shall be final, subject, however, to review by the Supreme Court of the United States, upon writ of certiorari on petition therefor, under

section 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, sec. 347), by appellant, by the Secretary, or by any interested party intervening in the appeal.

(f) The court may, in its discretion, enter judgment for costs in favor of or against an appellant, and other interested parties intervening in said appeal, but not against the Secretary, depending upon the nature of the issues involved in such appeal and the outcome thereof.

(g) The Government of the Commonwealth of the Philippine Islands shall make allotments of any quota established for it pursuant to the provisions of this act on the basis specified in section 6 (d) of Public Law No. 127, approved March 24, 1934.

SEC. 206. Until sugar quotas are established pursuant to this act for the calendar year 1937, which shall be within 60 days after its enactment, the quotas determined by the Secretary in General Sugar Quota Regulations, series 4, no. 1, issued December 12, 1936, pursuant to the provisions of the Agricultural Adjustment Act, as amended, shall remain in full force and effect.

SEC. 207. (a) Not more than 29,616 short tons, raw value, of the quota for Hawaii for any calendar year may be filled by direct-consumption sugar.

(b) Not more than 126,033 short tons, raw value, of the quota for Puerto Rico for any calendar year may be filled by direct-consumption sugar.

(c) None of the quota for the Virgin Islands for any calendar year may be filled by direct-consumption sugar.

(d) Not more than 80,214 short tons, raw value, of the quota for the Commonwealth of the Philippine Islands for any calendar year may be filled by direct-consumption sugar.

(e) Not more than 375,000 short tons, raw value, of the quota for Cuba for any calendar year may be filled by direct-consumption sugar.

(f) This section shall not apply with respect to the quotas established under section 203 for marketing for local consumption in Hawaii and Puerto Rico.

SEC. 208. Quotas for liquid sugar for foreign countries for each calendar year are hereby established as follows:

Country	*In terms of wine gallons of 75 percent total sugar content*
Cuba	7,970,558
Dominican Republic	830,894
Other foreign countries	0

The quantities of liquid sugar imported into the continental United States during the calendar year 1937, prior to the enactment of this act, shall be charged against the quotas for the calendar year 1937 established by this section.

SEC. 209. All persons are hereby prohibited—

(a) From bringing or importing into the continental United States from the Territory of Hawaii, Puerto Rico, the Virgin Islands, the Commonwealth of the Philippine Islands, or foreign countries any sugar or liquid sugar after the quota for such area, or the proration of any such quota, has been filled;

(b) From shipping, transporting, or marketing in interstate commerce, or in competition with sugar or liquid sugar shipped, transported, or marketed in interstate or foreign commerce any sugar or liquid sugar produced from sugar beets or sugarcane grown in either the domestic-beet-sugar area or the mainland-cane-sugar area after the quota for such area has been filled;

(c) From marketing in either the Territory of Hawaii or Puerto Rico, for consumption therein, any sugar or liquid sugar after the quota therefor has been filled;

(d) From exceeding allotments of any quota or proration thereof made to them pursuant to the provisions of this act.

SEC. 210. (a) The determinations provided for in sections 201 and 203, and all quotas, prorations, and allotments, except quotas established pursuant to the provisions of section 208, shall be made or established in terms of raw value.

(b) For the purposes of this title, liquid sugar, except that imported from foreign countries, shall be included with sugar in making the determinations provided for in sections 201 and 203 and in the establishment or revision of quotas, prorations, and allotments.

SEC. 211. (a) The raw-value equivalent of any sugar or liquid sugar in any form, including sugar or liquid sugar in manufactured products, exported from the continental United States under the provisions of section 313 of the Tariff Act of 1930 shall be credited against any charges which shall have been made in respect to the applicable quota or proration for the country of origin. The country of origin of sugar or liquid sugar in respect to which any credit shall be established shall be that country in respect to importation from which drawback of the exported sugar or liquid sugar has been claimed. Sugar or liquid sugar entered into the continental United States under an applicable bond established pursuant to orders or regulations issued by the Secretary, for the express purpose of subsequently exporting the equivalent quantity of sugar or liquid sugar as such, or in manufactured articles, shall not be charged against the applicable quota or proration for the country of origin.

(b) Exportation within the meaning of sections 309 and 313 of the Tariff Act of 1930 shall be considered to be exportation within the meaning of this section.

(c) The quota established for any domestic-sugar producing area may be filled only with sugar or liquid sugar produced from sugar beets or sugarcane grown in such area: *Provided, however,* That any sugar or liquid sugar admitted free of duty from the Virgin Islands under the act of Congress, approved March 3, 1917 (39 Stat. 1133), may be admitted within the quota for the Virgin Islands.

SEC. 212. The provisions of this title shall not apply to (1) the first 10 short tons, raw value, of sugar or liquid sugar imported from any foreign country, other than Cuba, in any calendar year; (2) the first 10 short tons, raw value, of sugar or liquid sugar imported from any foreign country, other than Cuba, in any calendar year for religious, sacramental, educational, or experimental purposes; (3) liquid sugar imported from any foreign country, other than Cuba, in individual sealed containers of such capacity as the Secretary may determine, not in excess of 1.1 gallons each; or (4) any sugar or liquid sugar imported, brought into, or produced or manufactured in the United States for the distillation of alcohol, or for livestock feed, or for the production of livestock feed.

TITLE III—CONDITIONAL-PAYMENT PROVISIONS

SECTION 301. The Secretary is authorized to make payments on the following conditions with respect to sugar or liquid sugar commercially recoverable from the sugar beets or sugarcane grown on a farm for the extraction of sugar or liquid sugar:

(a) That no child under the age of 14 years shall have been employed or permitted to work on the farm, whether for gain to such child or any other person, in the production, cultivation, or harvesting of a crop of sugar beets or sugarcane with respect to which application for payment is made, except a member of the immediate family of a person who was the legal owner of not less than 40 percent of the crop at the time such work was performed; and that no child between the ages of 14 and 16 years shall have been employed or permitted to do such work, whether for gain to such child or any other person, for a longer period than 8 hours in any one day, except a member of the immediate family of a person who was the legal owner of not less than 40 percent of the crop at the time such work was performed.

(b) That all persons employed on the farm in the production, cultivation, or harvesting of sugar beets or sugarcane with respect to which an application for payment is made shall have been paid in full for all such work, and shall have been paid wages therefor at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing; and in making such determinations the Secretary shall take into consideration the standards therefor formerly established by him under the Agricultural Adjustment Act, as amended, and the differences in conditions among various producing areas: *Provided, however,* That a payment which would be payable except for the foregoing provisions of this subsection may be made, as the Secretary may determine, in such manner that the laborer will receive an amount, insofar as such payment will suffice, equal to the amount of the accrued unpaid wages for such work, and that the producer will receive the remainder, if any, of such payment.

(c) That there shall not have been marketed (or processed) an amount (in terms of planted acreage, weight, or recoverable sugar content) of sugar beets or sugarcane grown on the farm and used for the production of sugar or liquid sugar to be marketed in, or so as to compete with or otherwise directly affect interstate or foreign commerce, in excess of the proportionate share for the farm, as determined by the Secretary pursuant to the provisions of section 302, of the total quantity of sugar beets or sugarcane required to be processed to enable the area in which such sugar beets or sugarcane are produced to meet the quota (and provide a normal carry-over inventory) as estimated by the Secretary for such area for the calendar year during which the larger part of the sugar or liquid sugar from such crop normally would be marketed.

(d) That the producer on the farm who is also, directly or indirectly, a processor of sugar beets or sugarcane, as may be determined by the Secretary, shall have paid, or contracted to pay under either purchase or toll agreements, for any sugar beets or sugarcane grown by other producers and processed by him at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing.

(e) That there shall have been carried out on the farm such farming practices in connection with the production of sugar beets and sugarcane during the year in which the crop was harvested with respect to which a payment is applied for, as the Secretary may determine, pursuant to this subsection, for preserving and improving fertility of the soil and for preventing soil erosion, such practices to be consistent with the reasonable standards of the farming community in which the farm is situated.

The conditions provided in subsection (a) and in subsection (b) with respect to wage rates, of this section shall not apply to work performed prior to the enactment of this act; and the condition provided in subsection (c) of this section shall not apply to the marketing of the first crop harvested after the enactment of this act from sugar beets or sugarcane planted prior to such enactment.

SEC. 302. (a) The amount of sugar or liquid sugar with respect to which payment may be made shall be the amount of sugar or liquid sugar commercially recoverable, as determined by the Secretary, from the sugar beets or sugarcane grown on the farm and marketed (or processed by the producer) not in excess of the proportionate share for the farm, as determined by the Secretary, of the quantity of sugar beets or sugarcane for the extraction of sugar or liquid sugar required to be processed to enable the producing area in which the crop of sugar beets or sugarcane is grown to meet the quota (and provide a normal carry-over inventory) estimated by the Secretary for such area for the calen-

dar year during which the larger part of the sugar or liquid sugar from such crop normally would be marketed.

(b) In determining the proportionate shares with respect to a farm, the Secretary may take into consideration the past production on the farm of sugar beets and sugarcane marketed (or processed) for the extraction of sugar or liquid sugar and the ability to produce such sugar beets or sugarcane, and the Secretary shall, insofar as practicable, protect the interests of new producers and small producers and the interests of producers who are cash tenants, share-tenants, adherent planters, or sharecroppers.

(c) Payments shall be effective with respect to sugar or liquid sugar commercially recoverable from sugar beets and sugarcane grown on a farm and which shall have been marketed (or processed by the producer) on and after July 1, 1937.

SEC. 303. In addition to the amount of sugar or liquid sugar with respect to which payments are authorized under subsection (a) of section 302, the Secretary is also authorized to make payments, on the conditions provided in section 301, with respect to bona-fide abandonment of planted acreage and crop deficiencies of harvested acreage, resulting from drought, flood, storm, freeze, disease, or insects, which cause such damage to all or a substantial part of the crop of sugar beets or sugarcane in the same factory district (as established by the Secretary), county, parish, municipality, or local producing area, as determined in accordance with regulations issued by the Secretary, on the following quantities of sugar or liquid sugar: (1) With respect to such bona-fide abandonment of each planted acre of sugar beets or sugarcane, one-third of the normal yield of commercially recoverable sugar or liquid sugar per acre for the farm, as determined by the Secretary; and (2) with respect to such crop deficiencies of harvested acreage of sugar beets or sugarcane, the excess of 80 percent of the normal yield of commercially recoverable sugar or liquid sugar for such acreage for the farm, as determined by the Secretary, over the actual yield.

SEC. 304. (a) The amount of the base rate of payment shall be 60 cents per hundred pounds of sugar or liquid sugar, raw value.

(b) All payments shall be calculated with respect to a farm which, for the purposes of this act, shall be a farming unit as determined in accordance with regulations issued by the Secretary, and in making such determinations, the Secretary shall take into consideration the use of common work stock, equipment, labor, management, and other pertinent factors.

(c) The total payment with respect to a farm shall be the product of the base rate specified in subsection (a) of this section multiplied by the amount of sugar and liquid sugar, raw value, with respect to which payment is to be made, except that reductions shall be made from such total payment in accordance with the following scale of reductions:

Reduction in the base rate of payment per hundredweight of such portion	That portion of the quantity of sugar and liquid sugar which is included within the following intervals of short tons, raw value:
$0.050	500 to 1,500
.075	1,500 to 6,000
.100	6,000 to 12,000
.125	12,000 to 30,000
.300	30,000 to 50,000
.450	More than 50,000

(d) Application for payment shall be made by, and payments shall be made to, the producer or, in the event of his death, disappearance, or incompetency, his legal representative, or heirs: *Provided, however,* That all producers on the farm shall signify in the application for payment the percent of the total payment with respect to the farm to be made to each producer: *And provided further,* That payments may be made, (1) in the event of the death, disappearance, or incompetency of a producer, to such beneficiary as the producer may designate in the application for payment; (2) to one producer of a group of two or more producers, provided all producers on the farm designate such producer in the application for payment as sole recipient for their benefit of the payment with respect to the farm; or (3) to a person who is not a producer, provided such person controls the land included within the farm with respect to which the application for payment is made and is designated by the sole producer (or all producers) on the farm, as sole recipient for his or their benefit, of the payment with respect to the farm.

SEC. 305. In carrying out the provisions of titles II and III of this act the Secretary is authorized to utilize local committees of sugar beet or sugarcane producers, State and county agricultural conservation committees, or the Agricultural Extension Service and other agencies, and the Secretary may prescribe that all or a part of the expenses of such committees may be deducted from the payments herein authorized.

SEC. 306. The facts constituting the basis for any payment, or the amount thereof authorized to be made under this title, officially determined in conformity with rules or regulations prescribed by the Secretary, shall be reviewable only by the Secretary, and his determinations with respect thereto shall be final and conclusive.

SEC. 307. This title shall apply to the continental United States, the Territory of Hawaii, and Puerto Rico.

TITLE IV. EXCISE TAXES WITH RESPECT TO SUGAR

DEFINITIONS

SECTION 401. For the purposes of this title—

(a) The term "person" means an individual, partnership, corporation, or association.

(b) The term "manufactured sugar" means any sugar derived from sugar beets or sugarcane, which is not to be, and which shall not be, further refined or otherwise improved in quality; except sugar in liquid form which contains nonsugar solids (excluding any foreign substance that may have been added) equal to more than 6 percent of the total soluble solids, and except also sirup of cane juice produced from sugarcane grown in continental United States. Notwithstanding the foregoing exceptions, sugar in liquid form (regardless of its nonsugar solid content) which is to be used in the distillation of alcohol shall be considered manufactured sugar.

The grades or types of sugar within the meaning of this definition shall include, but shall not be limited to, granulated sugar, lump sugar, cube sugar, powdered sugar, sugar in the form of blocks, cones, or molded shapes, confectioners' sugar, washed sugar, centrifugal sugar, clarified sugar, turbinado sugar, plantation white sugar, muscovado sugar, refiners' soft sugar, invert sugar mush, raw sugar, sirups, molasses, and sugar mixtures.

(c) The term "total sugars" means the total amount of the sucrose (Clerget) and of the reducing or invert sugars. The total sugars contained in any grade or type of manufactured sugar shall be ascertained in the manner prescribed in paragraphs 758, 759, 762, and 763 of the United States Customs Regulations (1931 edition).

(d) The term "United States" shall be deemed to include the States, the Territories of Hawaii and Alaska, the District of Columbia, and Puerto Rico.

TAX ON THE MANUFACTURE OF SUGAR

SEC. 402. (a) Upon manufactured sugar manufactured in the United States, there shall be levied, collected, and paid a tax, to be paid by the manufacturer at the following rates:

(1) On all manufactured sugar testing by the polariscope 92 sugar degrees, 0.465 cent per pound, and for each additional sugar degree shown by the polariscopic test, 0.00875 cent per pound additional, and fractions of a degree in proportion;

(2) On all manufactured sugar testing by the polariscope less than 92 sugar degrees, 0.5144 cent per pound of the total sugars therein.

(b) Any person who acquires any sugar which is to be manufactured into manufactured sugar but who, without further refining or otherwise improving it in quality, sells such sugar as manufactured sugar or uses such sugar as manufactured sugar in the production of other articles for sale shall be considered for the purposes of this section the manufacturer of manufactured sugar and, as such, liable for the tax hereunder with respect thereto.

(c) The manufacturer shall file on the last day of each month a return and pay the tax with respect to manufactured sugar manufactured after the effective date of this title (1) which has been sold, or used in the production of other articles, by the manufacturer during the preceding month (if the tax has not already been paid) and (2) which has not been so sold or used within 12 months ending during the preceding calendar month, after it was manufactured (if the tax has not already been paid): *Provided,* That the first return and payment of the tax shall not be due until the last day of the second month following the month in which this title takes effect.

For the purpose of determining whether sugar has been sold or used within 12 months after it was manufactured sugar shall be considered to have been sold or used in the order in which it was manufactured.

(d) No tax shall be required to be paid upon the manufacture of manufactured sugar by, or for, the producer of the sugar beets or sugarcane from which such manufactured sugar was derived, for consumption by the producer's own family, employees, or household.

IMPORT COMPENSATING TAX

SEC. 403. (a) In addition to any other tax or duty imposed by law, there shall be imposed, under such regulations as the Commissioner of Customs shall prescribe, with the approval of the Secretary of the Treasury, a tax upon articles imported or brought into the United States as follows:

(1) On all manufactured sugar testing by the polariscope 92 sugar degrees, 0.465 cent per pound, and for each additional sugar degree shown by the polariscopic test, 0.00875 cent per pound additional, and fractions of a degree in proportion;

(2) On all manufactured sugar testing by the polariscope less than 92 sugar degrees 0.5144 cent per pound of the total sugars therein;

(3) On all articles composed in chief value of manufactured sugar 0.5144 cent per pound of the total sugars therein.

(b) Such tax shall be levied, assessed, collected, and paid in the same manner as a duty imposed by the Tariff Act of 1930, and shall be treated for the purposes of all provisons of law relating to the customs revenue as a duty imposed by such act, except that for the purposes of sections 336 and 350 of such act (the so-called flexible-tariff and trade-agreements provisions) such tax shall not be considered a duty or import restriction, and except that no preference with respect to such tax shall be accorded any articles imported or brought into the United States.

EXPORTATION, LIVESTOCK FOOD, AND DISTILLATION

SEC. 404. (a) Upon the exportation from the United States to a foreign country, or the shipment from the United States to any possession of the United States except Puerto Rico, of any manufactured sugar, or any article manufactured wholly or partly from manufactured sugar, with respect to which tax under the

provisions of section 402 has been paid, the amount of such tax shall be paid by the Commissioner of Internal Revenue to the consignor named in the bill of lading under which the article was exported or shipped to a possession, or to the shipper, if the consignor waives any claim thereto in favor of such shipper: *Provided*, That no such payment shall be allowed with respect to any manufactured sugar, or article, upon which, through substitution or otherwise, a drawback of any tax paid under section 403 has been or is to be claimed under any provisions of law made applicable by section 403.

(b) Upon the use of any manufactured sugar, or article manufactured therefrom, as livestock feed, or in the production of livestock feed, or for the distillation of alcohol, there shall be paid by the Commissioner of Internal Revenue to the person so using such manufactured sugar, or article manufactured therefrom, the amount of any tax paid under section 402 with respect thereto.

(c) No payment shall be allowed under this section unless within 1 year after the right to such payment has accrued a claim therefor is filed by the person entitled thereto.

COLLECTION OF TAXES

SEC. 405. (a) Except as otherwise provided, the taxes imposed by this title shall be collected by the Bureau of Internal Revenue under the direction of the Secretary of the Treasury. Such taxes shall be paid into the Treasury of the United States.

(b) All provisions of law, including penalties, applicable with respect to the taxes imposed under title IV of the Revenue Act of 1932, shall, insofar as applicable and not inconsistent with the provisions of this title, be applicable in respect to the tax imposed by section 402. If the tax is not paid when due, there shall be added as part of the tax interest at 6 percent per annum from the date the tax became due until the date of payment.

(c) The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such rules and regulations as may be necessary to carry out all provisions of this title except section 403.

(d) Any person required, pursuant to the provisions of section 402, to file a return may be required to file such return with and pay the tax shown to be due thereon to the collector of internal revenue for the district in which the manufacturing was done or the liability incurred.

EFFECTIVE DATE

SEC. 406. The provisions of this title shall become effective on the date of enactment of this act.

TITLE V. GENERAL PROVISIONS

SECTION. 501. For the purposes of this act, except title IV, the Secretary shall—

(a) Appoint and fix the compensation of such officers and employees as he may deem necessary in administering the provisions of this act: *Provided*, That all such officers and employees, except attorneys, economists, experts, and persons in the employ of the Department of Agriculture on the date of the enactment of this act, shall be subject to the provisions of the civil-service laws and the Classification Act of 1923, as amended: *And provided further*, That no salary in excess of $10,000 per annum shall be paid to any such person.

(b) Make such expenditures as he deems necessary to carry out the provisions of this act, including personal services and rents in the District of Columbia and elsewhere, traveling expenses (including the purchase, maintenance, and repair of passenger-carrying vehicles), supplies and equipment, lawbooks, books of reference, directories, periodicals, and newspapers.

SEC. 502. (a) There is hereby authorized to be appropriated for each fiscal year for the purposes and administration of this act, except for allotments in the Philippine Islands as provided in subsection (g) of section 205, a sum not to exceed $55,000,000.

(b) All funds available for carrying out this act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal Government as the Secretary may request to cooperate or assist in carrying out the provisions of this act.

SEC. 503. There is authorized to be appropriated an amount equal to the amount of the taxes collected or accrued under title IV on sugars produced from sugarcane grown in the Commonwealth of the Philippine Islands which are manufactured in or brought into the United States on or prior to December 31, 1940, minus the costs of collecting such taxes and the estimates of amounts of refunds required to be made with respect to such taxes, for transfer to the Government of the Commonwealth of the Philippines for the purpose of financing a program of economic adjustment in the Philippines, the transfer to be made under such terms and conditions as the President of the United States may prescribe: *Provided*, That no part of the appropriations herein authorized shall be paid directly or indirectly for the production or processing of sugarcane in the Philippine Islands.

SEC. 504. The Secretary is authorized to make such orders or regulations, which shall have the force and effect of law, as may be necessary to carry out the powers vested in him by this act. Any person knowingly violating any order or regulation of the Secretary issued pursuant to this act shall, upon conviction, be punished by a fine of not more than $100 for each such violation.

SEC. 505. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating, the provisions of this act or of any order or regulation made or issued pursuant to this act. If and when the Secretary shall so request, it shall be the duty of the several district attorneys of the United States in their respective districts to institute proceedings to enforce the remedies and to collect the penalties and forfeitures provided for in this act. The remedies provided for in this act shall be in addition to, and not exclusive of, any of the remedies or penalties existing at law or in equity.

SEC. 506. Any person who knowingly violates, or attempts to violate, or who knowingly participates or aids in the violation of, any of the provisions of section 209, or any person who brings or imports into the continental United States direct-consumption sugar after the quantities specified in section 207 have been filled, shall forfeit to the United States the sum equal to three times the market value at the time of the commission of any such, (a) of that quantity of sugar or liquid sugar by which any quota, proration, or allotment is exceeded, or (b) of that quantity brought or imported into the continental United States after the quantities specified in section 207 have been filled, which forfeiture shall be recoverable in a civil suit brought in the name of the United States.

SEC. 507. All persons engaged in the manufacturing, marketing, or transportation of sugar or liquid sugar, and having information which the Secretary deems necessary to enable him to administer the provisions of this act, shall, upon the request of the Secretary, furnish him with such information. Any person willfully failing or refusing to furnish such information, or furnishing willfully any false information, shall upon conviction be subject to a penalty of not more than $1,000 for each such violation.

SEC. 508. No person shall, while acting in any official capacity in the administration of this act, invest or speculate in sugar or liquid sugar, contracts relating thereto, or the stock or membership interests of any association or corporation engaged in the production or manufacturing of sugar or liquid sugar. Any person violating this section shall upon conviction thereof be fined not more than $10,000 or imprisoned not more than 2 years, or both.

SEC. 509. Whenever the President finds and proclaims that a national economic or other emergency exists with respect to sugar or liquid sugar, he shall by proclamation suspend the operation of title II or III above, which he determines, on the basis of such findings, should be suspended, and, thereafter, the operation of any such title shall continue in suspense until the President finds and proclaims that the facts which occasioned such suspension no longer exist. The Secretary shall make such investigations and reports thereon to the President as may be necessary to aid him in carrying out the provisions of this section.

SEC. 510. The provisions of the Agricultural Adjustment Act, as amended, shall cease to apply to sugar upon the enactment of this act, and the provisions of Public Resolution No. 109, Seventy-fourth Congress, approved June 19, 1936, are hereby repealed.

SEC. 511. In order to facilitate the effectuation of the purposes of this act, the Secretary is authorized to make surveys, investigations, including the holding of public hearings, and to make recommendations with respect to (a) the terms and conditions of contracts between the producers and processors of sugar beets and sugarcane and (b) the terms and conditions of contracts between laborers and producers of sugar beets and sugarcane.

SEC. 512. The Secretary is authorized to conduct surveys, investigations, and research relating to the conditions and factors affecting the methods of accomplishing most effectively the purposes of this act and for the benefit of agriculture generally in any area. Notwithstanding any provision of existing law, the Secretary is authorized to make public such information as he deems necessary to carry out the provisions of this act.

SEC. 513. No tax shall be imposed on the manufacture, use, or importation of sugar after December 31, 1940, and the powers vested in the Secretary under this act shall terminate on such date, except that the Secretary shall have power to make payments under title III under programs applicable to the crop year 1940 and previous crop years.

With the following committee amendments:

On page 24, in the table between lines 2 and 3, strike out "30,000 to 50,000" and insert in lieu thereof "more than 30,000", and strike out the last line of the table.

On page 26, line 8, after the period, insert the following:

"Notwithstanding the foregoing exceptions, sugar in liquid form (regardless of the nonsugar solid content) which is to be used in the distillation of alcohol shall be considered manufactured sugar."

On page 29, line 20, strike out the comma following the word "exportation" and the words "livestock feed, and distillation", and insert in lieu thereof the words "and livestock feed."

On page 30, line 14, strike out "or for the distillation of alcohol,".

Mr. JONES. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BLAND, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 7667) to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic

sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. COCHRAN (at the request of Mr. NELSON), until Monday.

To Mr. DEMPSEY (at the request of Mr. GREEVER), for today, on account of illness.

To Mr. O'CONNOR of New York, on account of illness.

To Mr. TOWEY, for tomorrow, on account of attending funeral of Hon. Frederick Lehlbach.

EXTENSION OF REMARKS

Mr. JONES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on the bill H. R. 7667, which has been under consideration today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. JONES. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand from the majority leader there will be no further business considered at the completion of the consideration of the sugar bill.

Mr. RAYBURN. The gentleman is correct.

Mr. MARTIN of Massachusetts. Is it further proposed to adjourn over at that time until Monday?

Mr. RAYBURN. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DOCKWEILER. Mr. Speaker, I ask unanimous consent that on tomorrow, after the completion of the legislative program for the day and following any special orders heretofore entered, I may address the House for 5 minutes on the subject of transient relief in California.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. KING. Mr. Speaker, I ask unanimous consent to insert two tables in the remarks I made today in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. TOBEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a letter from the Flood Control Commission of the State of New Hampshire with reference to the flood-control compacts which are now pending in the House.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered over the radio by my colleague, the gentleman from Kansas [Mr. LAMBERTSON].

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including a speech I made yesterday at Gettysburg.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with regard to the sugar legislation, and include therein certain tables from Labor Statistics.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

WAGE AND HOUR LEGISLATION

The SPEAKER. Under a previous special order, the gentleman from Pennsylvania [Mr. SWOPE] is recognized for 20 minutes.

Mr. SWOPE. Mr. Speaker and Members of the House, wage and hour legislation, in line with the Black-Connery bill, presents three questions to the Congress and the American people:

First. Is such legislation constitutional?

Second. Is there a need for it?

Third. Will it accomplish the hoped-for results?

In view of the broad, elastic features of the Constitution of the United States and recent decisions of the United States Supreme Court on social legislation, there are few who would hold that wage and hour legislation is unconstitutional.

When countless people are working for insignificant wages as low as $5 per week and less, some even almost within the shadow of our State capitol dome at Harrisburg, it is time that those charged with the responsibility of looking after the affairs of our Government should concern themselves with this problem. Millions of people are forced to exist on a level which most of us would consider way below even the minimum standard of existence. This deplorable condition holds within it the seeds of grave trouble for the American people and the Nation in the future. For a large part of our people to continue under a substandard of existence is bound to breed evils which will eventually be inimical to our form of government

Much has been said about the causes which brought about dictatorships in some of the great European nations. A most casual study of the situations existing in those countries immediately prior to the establishment of dictatorships shows that in all instances a great percentage of the people of those nations were forced to exist upon the most meager material resources, and it was only after the people of those nations felt that the then government held no hope for their future betterment that dictatorships became possible.

Again, by permitting this large portion of our population to live in such a restricted manner prevents us from the high development of our own domestic production and distribution.

It is true that legislation of such far-reaching consequences, when applied to such a vast nation as ours, presents great difficulties of administration. But since when have the American people shrunk from daring to do new and difficult things? It would be possible to recount innumerable cases in which the genius, inventive mind, and capability of the American people have accomplished what were considered impossible tasks.

Unemployment is not a modern phenomenon. It has been known throughout the civilized world from the early days of the human race. In ancient times the solution for unemployment frequently consisted of the conquest of neighboring tribes and countries and the subjugation and frequently the extermination of their peoples, thus making room for colonization to be undertaken by the citizens of the conquering race.

During the Middle Ages the "black death" swept over European countries and killed a large proportion of their working population. This resulted in a scarcity of labor and for a long period solved the problems of unemployment. In the United States there have been recurring periods when unemployment was a grave problem. However, until recent years the progressive conquest of our own frontier made possible the solution of this economic problem. With the recent depression we experienced unemployment to a greater degree than ever before in the Nation's history. Because there is no further American frontier to conquer the problem persists, even though we have practically emerged from the

depression and resumed a period of prosperity so far as industrial production and income are concerned.

This problem is not confined to our own country but is of world-wide proportions. Most nations have undertaken its solution through national planning and legislation. In this country the enactment of N. R. A. was an emergency attempt to solve unemployment. Fashionable as it has recently been to malign and belittle the accomplishments of N. R. A., I want to state, as one who was engaged in active business management in 1933, that the wage and hour provisions of that act were definitely responsible for marking the turning point in our rapidly and spiralling unemployment toward more general employment. I would not for a moment intimate that I would desire to resume N. R. A. with its vast complexities and innumerable business codes as it existed after the voluble General Johnson got through with it. I maintain that the American people's estimate of N. R. A. declined not on account of its wage and hour provisions but because of the fact that business generally—and big business specifically—wrote into the codes of fair practice improper and unworkable business practices.

When we realize that millions of our citizens are still unable to obtain regular employment and that other millions are forced to take employment at shamefully low wages, we must all agree that the need for some solution is definitely evident. A large percentage of our people are forced to exist upon such a low standard that denial of all but the barest necessities is forced upon it. Selfish employers refuse to recognize any social responsibility with respect to those whose services they hire. Throughout my district I can point to scores of establishments which employ people at wages so low that the employees are unable to keep up even a decent standard of self-respect. It is these millions of American citizens who by the very nature of things are practically inarticulate, for whom we as Members of Congress must legislate. They have no high-priced legislative representatives in Washington. They have no powerful newspapers to speak for them. They have no opportunity to describe their needs over the radio. They have no powerful labor organizations through which they can speak with a unified voice. But they are nevertheless part and parcel of our economic and national existence. If we would preserve the hopes and ideals of the Republic, as expressed by our founding fathers in the Declaration of Independence and the Constitution, we as legislators must concern ourselves with their problems and find the solution.

More than anything else, to my mind, was the large vote for President Roosevelt in 1932 and the much larger vote in 1936, an expression of the hopes and aspirations of these millions. Because this vote placed in power a national Democratic administration with an unprecedented party majority in both Houses of the Congress, my party has a definite responsibility to exert every effort and exhaust every avenue toward establishment of a program which will lead to the realization of the hopes of this great mass of our people.

In examining the last question involved it is admitted that there exists a difference of opinion as to the results which are hoped to be attained. But I think this difference of opinion is represented by the economic philosophy of two distinct schools of thought. Many of us have lived long enough to experience times when the production and distribution of goods—and consequently also price levels—stood at a high figure. Then again we have lived through times when price levels were at a low figure, with a consequent decline in production and distribution. I believe that the vast majority of our people prefer to live under the former conditions. Of course, all of these benefits cannot be obtained for the people in the low-income brackets without a rise in the cost of living. But I refer again to the comparison between so-called good times and poor times.

We should not be too much disturbed about the immediate effects of such legislation upon any particular part of our Nation. We must, of course, insist that the administration of this proposed law shall be handled with a maximum of understanding and consideration for the problems of all sections of our country. If we can raise the standard of living of millions of our people—and I consider it an absolute duty of the Government to be concerned about this—we shall increase the demands and requirements for goods so that all sections of our country will be stimulated thereby, and I believe we will hear very little about overproduction of basic commodities after we have, through experience, learned how to operate this new system wisely.

But I hear sincere opponents of this type of legislation say, "It can't be done; a program of such magnitude cannot be undertaken by the United States Government."

The troubles which have constantly beset the human race throughout the ages have challenged the resourcefulness and intelligence of the leaders of thought. Men whose names stand out in history are not those who were timid and subscribed to the "it can't be done" theory. Benjamin Franklin, starting with accidental experimentation, discovered natural principles which have been converted into one of the greatest servants that mankind has ever seen—the application of electricity to human uses. We are today but on the threshold of an era which will see a presently unbelievable increase in the scope of the use of electricity to perform our labors which formerly needed manual application. Robert Fulton, when he proposed to harness the steam engine to ships, was ridiculed and laughed to scorn. Today, just slightly more than a century after his experiments, we have great ocean liners with palatial appointments which could not have been dreamed of several years ago. The Wright brothers when they proposed to fly a machine heavier than air were considered slightly "balmy." Their experiments were made within the lifetime of almost every Member of this House, and today we have large air liners which fly across our continent practically overnight. Our oceans are being spanned in regular passenger service. Daring aviators have recently flown across the North Pole from one continent to another. The Wright brothers—and all their brave and courageous successors—never for a moment believed that "it couldn't be done."

The discovery and invention of the telegraph, the telephone, and the wireless provide other outstanding examples of the accomplishments possible when men have confidence in their ability and courage to dare to do the unknown or impossible.

Galileo, when he announced his theory of the orderly scheme of the universe, was forced to recant and even then lost his life for the courage of his belief. We enjoy in the New World a free civilization because Columbus dared to venture on a project which was considered foolhardy and impossible by his more conservative contemporaries.

Oh, but I hear someone talking about the danger in setting aside natural economic laws. I have for years endeavored to find out just what the phrase "natural economic laws" means. Through personal observation, I am forced to conclude that many of our industrial overlords who cry loudest on this point have always striven for their own selfish benefit to erect laws that were neither natural nor economic.

Mr. Speaker and Members of the House, the human race has from its earliest days been busy setting aside so-called natural economic laws. Almost every successful effort which we have made to raise ourselves above and distinguish ourselves from the mere animal has been through the promulgation of man-made laws which had for their purpose the setting aside of natural economic laws.

We have debated today the new sugar bill, brought in by the Committee on Agriculture to succeed the Jones-Costigan law. The most serious difficulty with this bill has been the necessity of trying to protect, so far as possible, all the various interests which have a right to be considered in writing its provisions through setting aside the ordinary operation of natural economic laws. Our splendid efforts on behalf of American agriculture represent another example. The stupendous reclamation projects upon which we have acted represent another. In fact, almost every day since I entered Congress last January we have been engaged

in discussing measures with which we desire to improve the condition of our people through legislative interference with natural economic laws.

Most of the arguments against the passage of wage and hour legislation are familiar. They can be traced through the CONGRESSIONAL RECORD at every period when Congress undertook to legislate for the betterment of labor conditions and to lift the burden from the shoulders of the common man. I say that the Government has a responsibility here which it should not shirk. It is for us to set the example which can be pointed to with pride by our people.

In 1892 Congress passed an 8-hour law with reference to Government construction. Several years ago Congress enacted the Bacon-Davis law requiring compliance with certain labor standards on the part of Government contractors, and just last year the final passage of the Walsh-Healey Act, setting up labor and wage standards for successful bidders to supply Government materials brought out these same shopworn arguments. I have been officially told that the Walsh-Healey law is being applied with a minimum of trouble and friction. All of the dire consequences which were predicted if the act should pass have failed to materialize. The administration of the provisions of the act require a relatively small appropriation, only $335,000 having been provided for this fiscal year, and I believe the organization is not set up on nearly a large enough scale at present to consume that amount.

Of course, I want the least possible delegation of power to an administrative board. It is understood that the Labor Committee of this House is bringing in a bill which it is claimed will improve upon the bill passed by the Senate with respect to these provisions. I also hear that safeguards are included for the proper protection of collective bargaining agreements.

Mr. Speaker and Members, I am not here to insist upon a specific formula to be written into this bill. What I do say—most emphatically—is that we should agree upon underlying principles, and then work out a program based on such principles with the greatest tolerance, respect, and consideration for the fundamental needs of the various sections of our country and the various groups of our citizens that are to be affected. Years ago I read a beautiful phrase which I believe is familiar to most of you. It is, "Principles unite men; programs divide them." It is true that we, as a Congress, cannot stop with the enunciation of principles. We are also specifically charged with the necessity of working out programs. But I maintain that if we can agree upon principles it will be far easier to work out programs. The possibility of working out a satisfactory law for wages and hours will be enhanced if we merge our individual opinions fairly and frankly and give each to the other the benefit of sincerity of purpose and high motive.

We hear much about who is for this plan or who is against it. In the final analysis such statements can only be used as guides to determine the greatest good for the greatest number. I venture to state that the President of the United States, when he tells us of the necessity for such legislation, is speaking the wish of the American people. Let us adopt this legislation, not only because he asks us to; not because some labor leader asks us to; not because some other labor leader asks us not to do so; not because some industrialist inveighs against it; not for any reason except that by which we come through the exercise of our own intelligence and our sure knowledge that such a measure will be a step in the right direction toward a solution of some of our economic ills brought about by wide unemployment. [Applause.]

The SPEAKER. The gentleman from Pennsylvania [Mr. DITTER] is also entitled to address the House for 15 minutes, but the gentleman has informed the Chair that it is not his purpose to exercise this privilege.

EXTENSION OF REMARKS

Mr. BARRY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. LANZETTA], who spoke on the sugar bill in the Committee of the Whole, may be permitted to include in his remarks some tables to which he referred in the course of his address.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 7472. An act to provide revenue for the District of Columbia, and for other purposes.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 191. An act for the relief of Orson Thomas;

S. 449. An act for the relief of the estate of Charles Pratt;

S. 792. An act for the relief of Margaret Larson, a minor;

S. 893. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor;

S. 972. An act for the relief of Ethel Smith McDaniel;

S. 1047. An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes;

S. 1379. An act to authorize the Five Civilized Tribes, in suits heretofore filed under their original Jurisdictional Acts, to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and to authorize said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original Jurisdictional Acts;

S. 1401. An act for the relief of Willard Collins;

S. 1453. An act for the relief of Maude P. Gresham and Agnes M. Driscoll;

S. 1935. An act to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensations of Government officers and employees; and

S. J. Res. 171. Joint resolution relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 114. An act to provide for studies and plans for the development of a hydroelectric power project at Cabinet Gorge, on the Clark Fork of the Columbia River, for irrigation pumping or other uses, and for other purposes; and

H. R. 7373. An act to aid the several States in making, or having made, certain toll bridges on the system of Federal-aid highways free bridges, and for other purposes.

ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 52 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, August 6, 1937, at 11 o'clock a. m.

COMMITTEE HEARING

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Tuesday, August 10, 1937, at 10 a. m.,

on H. R. 8020, a bill to establish a fund for the insurance of mortgages securing loans for the construction or reconditioning of floating property used for commercial purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

778. A letter from the chairman, Joint Committee on Tax Evasion and Avoidance, transmitting report of the Joint Committee on Tax Evasion and Avoidance of the Congress of the United States pursuant to Public Resolution No. 40, Seventy-fifth Congress; to the Committee on Ways and Means and ordered to be printed.

779. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated August 4, 1937, submitting a report, together with accompanying papers on a preliminary examination of Ohio River below Ironton, Ohio, with a view to the construction of dam, authorized by the River and Harbor Act approved August 30, 1935; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SABATH: Committee on Rules. House Resolution 300. Resolution providing for the consideration of H. R. 6963; without amendment (Rept. No. 1442). Referred to the House Calendar.

Mr. O'CONNOR of New York: Committee on Rules. House Resolution 287. Resolution authorizing the Committee on the Judiciary to investigate various practices in the inferior courts of the United States, and for other purposes; without amendment (Rept. No. 1443). Referred to the House Calendar.

Mr. GREENWOOD: Committee on Rules. House Resolution 301. Resolution providing for the consideration of H. R. 8046; without amendment (Rept. No. 1444). Referred to the House Calendar.

Mr. KELLER: Committee on the Library. H. R. 8136. A bill authorizing retirement annuities for certain Librarians of Congress; without amendment (Rept. No. 1445). Referred to the Committee of the Whole House on the state of the Union.

Mr. FERGUSON: Committee on Irrigation and Reclamation. H. R. 3786. A bill providing for the allocation of net revenues of the Shoshone power plant of the Shoshone reclamation project in Wyoming; without amendment (Rept. No. 1446). Referred to the Committee of the Whole House on the state of the Union.

Mr. IGLESIAS: Committee on Agriculture. H. R. 7908. A bill to extend the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico; without amendment (Rept. No. 1447). Referred to the Committee of the Whole House on the state of the Union.

Mr. MILLER: Committee on the Judiciary. S. 1375. An act to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes; with amendment (Rept. No. 1448). Referred to the House Calendar.

Mr. SHEPPARD: Committee on Indian Affairs. H. R. 8026. A bill to authorize the Secretary of the Interior to lease or sell certain lands of the Agua Caliente or Palm Springs Reservation, Calif., for public airport use, and for other purposes; with amendment (Rept. No. 1449). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 574) granting a pension to Susan Melugin, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLMER: A bill (H. R. 8160) to provide for the establishment and maintenance of a regional research laboratory for the development of industrial uses for agricultural products; the first unit to be devoted to the development of industrial uses for cotton and cotton products; additional units to be provided for the study of other crops as additional funds are provided; to the Committee on Agriculture.

By Mr. COLLINS: A bill (H. R. 8161) to provide relief for the American farmers for the fiscal year ending June 30, 1938; to the Committee on Appropriations.

By Mr. McGEHEE: A bill (H. R. 8162) to amend the act of Congress approved June 17, 1870, entitled "An act to establish a police court for the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

By Mr. SNYDER of Pennsylvania: A bill (H. R. 8163) to reclassify the salaries of the foreman and requisition fillers and packers in the Division of Equipment and Supplies of the Post Office Department; to the Committee on the Post Office and Post Roads.

By Mr. DUNCAN: A bill (H. R. 8164) to make available each State which enacted in 1937 an approved unemployment-compensation law a portion of the proceeds from the Federal employers' tax in such State for the year 1936; to the Committee on Ways and Means.

By Mr. ENGLEBRIGHT: A bill (H. R. 8165) to add certain lands to the Trinity National Forest, Calif.; to the Committee on the Public Lands.

By Mr. HAVENNER: A bill (H. R. 8166) to authorize the Secretary of the Navy to proceed with the construction of a graving dock on San Francisco Bay, Calif.; to the Committee on Naval Affairs.

By Mr. RUTHERFORD: A bill (H. R. 8167) to extend the times for commencing and completing the construction of a bridge across the Delaware River between village of Barryville, N. Y., and the village of Shohola, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. PHILLIPS: A bill (H. R. 8168) to amend the judicial code and provide for an additional district judge in Connecticut; to the Committee on the Judiciary.

Also, a bill (H. R. 8169) to amend the judicial code and provide for additional judicial facilities in Connecticut; to the Committee on the Judiciary.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 481) authorizing participation by the United States in the Eighth International Road Congress, to be held at The Hague in June 1938; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLINS: A bill (H. R. 8170) for the relief of the estate of Minerva (Nerva) May; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 8171) granting an increase of pension to Hannah Sims; to the Committee on Invalid Pensions.

By Mr. O'BRIEN of Michigan: A bill (H. R. 8172) granting a pension to John W. Elben; to the Committee on Pensions.

By Mr. WITHROW: A bill (H. R. 8173) for the relief of Vera P. Clancy; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3127. By Mr. CURLEY: Petition of the United Hospital and Medical Workers of New York City, urging enactment of Allen-Schwellenbach bill; to the Committee on Appropriations.

3128. Also, petition of the American Labor Party, Bronx, New York City, urging passage of the Black-Connery bill; to the Committee on Labor.

3129. Also, petition of the Artists Union of New York City, urging enactment of the Allen-Schwellenbach bill; to the Committee on Labor.

3130. By Mr. FITZPATRICK: Petition of the Central Trades and Labor Council of Greater New York City and Vicinity, urging the passage of the Schwellenbach-Allen resolution no. 440, providing for the reinstatement of all workers dismissed from Works Progress Administration projects; to the Committee on Appropriations.

3131. Also, petition of the American Labor Party of Bronx County, New York City, N. Y., strongly urging the passage of the Black-Connery wage and hour bill; to the Committee on Labor.

3132. By Mr. KEOGH: Petition of the Central Trade and Labor Council of Greater New York and Vicinity, endorsing the Schwellenbach-Allen resolution; to the Committee on Appropriations.

3133. Also, petition of the Educators Association, New York City, concerning the Black-Connery Fair Labor Standards Act of 1937; to the Committee on Labor.

3134. Mr. MERRITT: Resolution of the Citizens League Against Communism, Richmond Hill, N. Y., that a bill be introduced requesting Congressional investigation into the activities of the Communist Party and all its branches, to determine how many persons hold membership in said organizations, and who were granted the right of citizenship by taking the oath of allegiance to uphold the Constitution of the United States, and any and all of said persons, where it shall be determined holding membership in said organizations has violated said oath of allegiance, shall be deprived of the right of citizenship and therefore should be deported as undesirable aliens; to the Committee on the Judiciary.

3135. Mr. O'NEILL of New Jersey: Petition of Journeymen Barbers International Union, Local 296, Trenton, N. J., petitioning passage of Wagner-Steagall housing bill; to the Committee on Banking and Currency.

3136: Mr. PFEIFER: Petition of the United Hospital and Medical Workers, New York City, endorsing the Schwellenbach-Allen resolution; to the Committee on Appropriations.

3137. Also, petition of the Central Trades and Labor Council of Greater New York and Vicinity, endorsing the Schwellenbach-Allen joint resolutions (H. J. Res. 440 and S. J. Res. 176); to the Committee on Appropriations.

3138. Also, petition of the Federation of Architects, Engineers, Chemists, and Technicians, New York City, concerning the Schwellenbach-Allen joint resolutions; to the Committee on Appropriations.

3139. Also, petition of the Educators' Association, New York City, concerning the Connery-Black wage and hour bill; to the Committee on Labor.

3140. Also, petition of the Washington Housing Association, Washington, D. C., concerning the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

3141. Also petition of the Office of the Council of the City of Cleveland, Ohio, concerning the Wagner-Steagall housing bill; to the Committee on Banking and Currency.

3142. By the SPEAKER: Petition of the Independent Order of Odd Fellows, United Lodge No. 4, Colorado, concerning social-security law and payment of taxes; to the Committee on Ways and Means.

SENATE

FRIDAY, AUGUST 6, 1937

(Legislative day of Thursday, July 22, 1937)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, August 5, 1937, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. MEGILL, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President.

S. 191. An act for the relief of Orson Thomas;

S. 449. An act for the relief of the estate of Charles Pratt;

S. 792. An act for the relief of Margaret Larson, a minor;

S. 893. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the claims of Jack Wade, Perry Shilton, Louie Hess, Owen Busch, and William W. McGregor;

S. 972. An act for the relief of Ethel Smith McDaniel;

S. 1047. An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes;

S. 1379. An act to authorize the Five Civilized Tribes, in suits heretofore filed under their original jurisdictional acts, to present claims to the United States Court of Claims by amended petitions to conform to the evidence; and to authorize said court to adjudicate such claims upon their merits as though filed within the time limitation fixed in said original jurisdictional acts;

S. 1401. An act for the relief of Willard Collins;

S. 1453. An act for the relief of Maude P. Gresham and Agnes M. Driscoll;

S. 1935. An act to authorize and direct the Comptroller General of the United States to allow credit for all outstanding disallowances and suspensions in the accounts of disbursing officers or agents of the Government for payments made pursuant to certain adjustments and increases in compensation of Government officers and employees;

H. R. 7472. An act to provide additional revenue for the District of Columbia, and for other purposes; and

S. J. Res. 171. Joint resolution relating to the employment of personnel and expenditures made by the Charles Carroll of Carrollton Bicentenary Commission.

CALL OF THE ROLL

Mr. LEWIS. It is apparent that we have not now a quorum, and I suggest its absence, and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Andrews	Davis	Lee	Reynolds
Ashurst	Dieterich	Lewis	Schwartz
Austin	Donahey	Lodge	Schwellenbach
Bailey	Ellender	Logan	Sheppard
Barkley	Frazier	Lonergan	Shipstead
Berry	George	Lundeen	Smith
Bilbo	Gerry	McAdoo	Steiwer
Black	Gillette	McCarran	Thomas, Okla.
Bone	Glass	McGill	Thomas, Utah
Borah	Green	McKellar	Townsend
Bridges	Guffey	McNary	Truman
Brown, Mich.	Hale	Maloney	Tydings
Brown, N. H.	Harrison	Minton	Vandenberg
Bulkley	Hatch	Moore	Van Nuys
Bulow	Herring	Murray	Wagner
Burke	Hitchcock	Neely	Walsh
Byrd	Holt	Nye	Wheeler
Byrnes	Hughes	O'Mahoney	White
Capper	Johnson, Calif.	Overton	
Chavez	Johnson, Colo.	Pepper	
Clark	King	Pittman	

Mr. LEWIS. I announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official duty as members of the committee to attend the dedication of the battle monuments in France.

I further announce that the Senator from Arkansas [Mrs. CARAWAY] is unavoidably detained; that the Senator from Idaho [Mr. POPE], and the Senator from New York [Mr.

COPELAND] are absent on official business, and that the Senator from New Jersey [Mr. SMATHERS] is absent because of illness in his family.

Mr. SCHWELLENBACH. I announce that the Senator from Nebraska [Mr. NORRIS] is detained from the Senate because of illness.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the performance of official duty as a member of the committee to attend the dedication of the battle monuments in France.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

PETITION FOR AGRICULTURAL RELIEF

Mr. McKELLAR. Mr. President, I ask unanimous consent that I may make a statement which will occupy only about an eighth of a minute.

The Senator from Arkansas [Mrs. CARAWAY] asked me to state to the Senate that she desired to have her name signed to the petition concerning cotton which was put in the RECORD yesterday.

Mr. SHEPPARD. Mr. President, I ask unanimous consent to have printed in the RECORD in connection with my remarks a telegram from Mr. H. G. Lucas, president, Texas Agricultural Association, sent to the Senator from Alabama [Mr. BLACK], dealing with the agricultural situation.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

BROWNWOOD, TEX., *August 6, 1937.*

Hon. HUGO L. BLACK,
Senator from Alabama, Senate Office Building:

Texas and southern farmers appreciate your activity in submitting a petition for crop-control program this session of Congress. Our farmers are overwhelmingly behind the farm bill H. R. 7577, which was presented by farm leaders to Senate Agricultural Committee in May. Our organization has requested Senators SHEPPARD and CONNALLY and Texas Congressmen to work for passage of above bill this session. If this cannot be done we favor recessed or special session in October for consideration of this important matter. Southern cotton farmers face disaster in spite of bountiful crop unless 12-cent loan is provided; optional method would be adjusted payment by A. A. A. to farmers cooperating in Government program of difference between sales price and 12 cents. Farmers appreciate your activity and interest in this matter.

H. G. LUCAS,
President, Texas Agricultural Association.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate 14 letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers on the files of the Departments of State, Treasury, War, Navy, Interior, Agriculture, Commerce, and Labor, and the Civil Service Commission (2 lists), the Federal Trade Commission, the Veterans' Administration, the Federal Communications Commission, and the Federal Emergency Administration of Public Works, recommended for disposition as having no permanent value or historical interest, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. McNARY members of the committee on the part of the Senate.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the International Association of General Chairmen, Brotherhood of Railroad Trainmen, assembled at Cleveland, Ohio, favoring the enactment of the bill (S. 69) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented, by limiting freight or other trains to 70 cars, which was ordered to lie on the table.

HOUSE BILL REFERRED

The bill (H. R. 5417) to provide for the measurement of vessels using the Panama Canal, and for other purposes, was read twice by its title and referred to the Committee on Interoceanic Canals.

REPORTS OF COMMITTEES

Mr. OVERTON, from the Committee on Commerce, to which was referred the bill (S. 2520) declaring Bayou Savage, also styled Bayou Chantilly, in the city of New Orleans, La., a nonnavigable stream, reported it without amendment and submitted a report (No. 1127) thereon.

Mr. LOGAN, from the Committee on Claims, to which was referred the bill (S. 2487) for the relief of Leah P. Rice, reported it with an amendment and submitted a report (No. 1128) thereon.

He also, from the same committee, to which was referred the bill (S. 87) for the relief of F. A. Rumery & Sons, of Portland, Maine, reported it with amendments and submitted a report (No. 1129) thereon.

He also, from the same committee, to which was referred the bill (H. R. 3960) for the relief of the Southern Overall Co., reported it without amendment and submitted a report (No. 1130) thereon.

Mr. ELLENDER, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 2504. A bill for the relief of James W. Gilson (Rept. No. 1131); and

S. 2606. A bill for the relief of the Chicago, Milwaukee, St. Paul & Pacific Railroad Co. (Rept. No. 1132).

Mr. ELLENDER also, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 1255. A bill for the relief of Harold Garr, Chester H. Peters, Harry B. Swift, Dr. Abraham A. Mills, Charles L. Harris, O. W. Morgan, F. G. E. Carlson, Harold S. Fraine, Owen E. Steele, W. C. Mudge, Jr., George F. Poutasse, Paul P. Pickle, W. D. Hiltbrand, Arthur P. LeBel, K. E. Hill, Annie McGowan, Ralph Thompson, and Rosamond M. MacDonald (Rept. No. 1133); and

S. 2602. A bill for the relief of George Yuhas (Rept. No. 1134).

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 1697. A bill for the relief of Mrs. W. B. Nix and Mrs. J. A. Nix (Rept. No. 1135); and

S. 2488. A bill for the relief of Bonnie Straley (Rept. No. 1136).

Mr. BAILEY, from the Committee on Claims, to which was referred the bill (S. 2514) for the relief of Harry A. Garfield, Cyrus Garnsey, Jr., James H. Allport, and Frank E. Harkness, reported it with an amendment and submitted a report (No. 1137) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 2378) for the relief of Sam Green, reported it without amendment and submitted a report (No. 1138) thereon.

He also, from the same committee, to which was referred the bill (S. 213) for the relief of Ida A. Gunderson and her three minor daughters, reported it with amendments and submitted a report (No. 1139) thereon.

Mr. SCHWELLENBACH, from the Committee on Claims, to which was referred the bill (S. 180) for the relief of Lula G. Sutton and others, reported it with amendments and submitted a report (No. 1140) thereon.

Mr. BLACK, from the Committee on Education and Labor, to which was referred the bill (S. 2705) to provide for the taking of a census of employment, unemployment, and occupations, and for other purposes, reported it with amendments and submitted a report (No. 1141) thereon.

Mr. CLARK, from the Committee on Interoceanic Canals, to which was referred the bill (H. R. 5417) to provide for the measurement of vessels using the Panama Canal, and for other purposes, reported it with an amendment and submitted a report (No. 1142) thereon.

Mr. MINTON, from the Committee on Military Affairs, to which was referred the bill (S. 1898) to authorize the Secre-

tary of War to furnish certain markers for certain graves, reported it with an amendment and submitted a report (No. 1143) thereon.

Mr. THOMAS of Oklahoma from the Committee on the Library, to which was referred the bill (H. R. 6482) providing for cooperation with the State of Oklahoma in constructing a permanent memorial to Will Rogers, reported it without amendment and submitted a report (No. 1144) thereon.

Mr. THOMAS of Utah, from the Committee on Education and Labor, to which was referred the joint resolution (S. J. Res. 176) favoring employment by the Works Progress Administration of persons unable to find employment in private industry, reported it with amendments and submitted a report (No. 1145) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEELY:

A bill (S. 2923) granting a pension to Ruby McIntosh; to the Committee on Pensions.

By Mr. GUFFEY:

A bill (S. 2924) authorizing the Interstate Bridge Commission of the State of New York, and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa.; to the Committee on Commerce.

By Mr. BARKLEY:

A bill (S. 2925) authorizing the President to order Frederick W. Stewart, lieutenant colonel, United States Army, retired, before a retiring board for a hearing of his case; to the Committee on Military Affairs.

By Mr. BROWN of New Hampshire:

A joint resolution (S. J. Res. 198) giving advance consent to compacts relating to flood-control projects in the Connecticut River Basin; to the Committee on Commerce.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 199) to authorize an appropriation for the expenses of participation by the United States in the Eighth International Road Congress in 1938; to the Committee on Foreign Relations.

WITHDRAWAL OF AMERICAN TROOPS FROM CHINA

Mr. LEWIS. Mr. President, I ask unanimous consent that I may tender a resolution and request that it lie on the table. I shall not occupy the time of the Senate in delay of the pending measure longer than merely to read my resolution.

The resolution (S. Res. 170) reads, as follows:

Resolved, That the Secretary of War report to the United States Senate, if not incompatible to the public interest, if there be existing reasons sufficient for the holding of the present troops now stationed in China in the war zone between Tientsin and Peiping, and if it be advisable that the troops continue in their present situation serving as military of the United States.

In view of the address I delivered the day before yesterday and then having suggested the tendering of a resolution, I beg to comply with my promise.

The VICE PRESIDENT. Without objection, the resolution will be received, printed, and lie on the table.

H. B. SHELTON AND OTHERS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 826) for the relief of the estates of H. Lee Shelton and Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson, which were, on page 1, line 6, to strike out $7,500" and insert "$5,000"; on page 1, line 7, to strike out "plus $18.27 court costs"; on page 1, lines 8 and 9, to strike out "plus $13.60 court costs"; on page 1, line 10, to strike out "$5,000" and insert "$3,000"; on page 1, lines 10 and 11, to strike out "plus $10.60 court costs"; on page 1, line 12, to strike out "plus $13.60 court costs"; on page 2, line 8, to strike out all after "rendered" down to and including "satisfied" in line 9 and insert "in the Circuit Court of Pittsylvania County, Va., against C. S. Blanks, employee of the Soil Conservation Service, Department of Agriculture, are released and fully satisfied of record by the claimants herein"; and to amend the title so as to read: "An act for the relief of the estate of H. Lee Shelton, the estate of Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson."

Mr. BYRD. I move that the Senate concur in the House amendments.

The motion was agreed to.

DRAFT MONEY IN CASE OF WAR—RADIO ADDRESS BY SENATOR LEE

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an address delivered by Senator LEE yesterday over the Columbia Broadcasting System on the subject Draft Money in Case of War, which appears in the Appendix.]

BUSINESS AND POLITICS—ADDRESS BY HON. JAMES A. FARLEY

[Mr. BULKLEY asked and obtained leave to have printed in the RECORD an address on the subject of Business and Politics, delivered by Hon. James A. Farley at Akron, Ohio, Wednesday, Aug. 4, 1937, which appears in the Appendix.]

WOOD AND TREES—ADDRESS BY JAMES W. MORRIS

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address entitled "Wood and Trees", delivered by James W. Morris, Assistant Attorney General, at a Democratic rally at Celoron, N. Y., on July 25, 1937, which appears in the Appendix.]

PROSPERITY, POWER, AND PROPERTY PROTECTION DEVELOPED BY WATER—ARTICLE BY DR. ARTHUR E. MORGAN

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article by Dr. Arthur E. Morgan, Chairman, Tennessee Valley Authority, published in the Saturday Evening Post of Aug. 7, 1937, on the development of water resources, which appears in the Appendix.]

PRESIDENT ROOSEVELT'S COURT PLAN—ADDRESS BY JOHN Q. ZUCK

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD a radio address on the subject of President Roosevelt's Court plan delivered by John Q. Zuck, of Roosevelt County, Mont., which appears in the Appendix.]

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President has approved and signed the following acts:

On August 4, 1937:

S. 774. An act to incorporate the Marine Corps League; and

S. 2416. An act relating to the citizenship of certain classes of persons born in the Canal Zone or the Republic of Panama.

On August 5, 1937:

S. 2067. An act to provide for, foster, and aid in coordinating research relating to cancer; to establish the National Cancer Institute; and for other purposes;

S. 2116. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Miss.;

S. 2147. An act to amend provisions of the Agricultural Marketing Agreement Act of 1937; and

S. 2205. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of

business activity, to create a United States Housing Authority, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. LOGAN] to the amendment in the nature of a substitute reported by the committee. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 38, line 7, after the word "created", it is proposed to insert a comma and the following words:

In the Department of the Interior and under the general supervision of the Secretary thereof.

Mr. LEWIS. Mr. President, I wish to say a few words and only a few words on a specific matter, the amendment of the Senator from Kentucky. I have surrendered my own amendment as I feel it is served by the amendment of the Senator from Kentucky.

Mr. President, I am sure the Senator from New York has no intention of reflecting upon the splendid services which have been rendered by the administrator of whom we speak as the Secretary of the Interior—Mr. Ickes. Yet, sir, I cannot understand what is the meaning or the basis of the contention of those who say that he wishes to assume or has usurped functions not properly belonging to him and who wish to discharge him from the duties he has undertaken as administrator in the matter of housing and the different forms of new construction. The work of Administrator Ickes universally has been greatly praised; there is no charge anywhere of incompetence. Under no surroundings has anyone arisen to intimate the slightest suggestion of dishonor in the disbursement by Administrator Ickes of such large sums as have not been paralleled in the exact experience of similar power under any administration heretofore.

Mr. President, I fear that an attempt to change the administration from him, under whatever guise it may be put, would be construed over the country as a reflection upon his service. There would follow from sinister sources an intimation that there is something wrong with his administration as Secretary of the Interior and Administrator of Housing. As Secretary Ickes is from my own State, Illinois, named to his honor from Illinois, and is one whom I know in person as a high-class gentleman and an official whom the Senate knows as a good administrator, I am unable to see why there should be divisions in the administration of housing projects—now under him—nor why authority should be taken from him in the great work which he has been doing.

I therefore say, sir, that in that work, in order that it shall be completed along the line in which it has been initiated, there ought not to be a change. To do so would be to produce confusion; it would produce embarrassment to the Government. But, in behalf of Mr. Ickes as the administrator, I protest against these subterranean movements from any source whatever that seem to have for their purpose as I see it the hope that the new constitution and proposed arrangement, whatever it will be, will grant new privileges to builders—those who sell the lumber and cement and those who wish to contract for construction work, for I cannot conceive whence this opposition comes unless it be charged to such covert influences. I therefore express these sentiments as information and demand the support of the amendment.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LEWIS. I will yield in a moment. The Senator from Missouri yesterday made the only suggestion that has been made at all in connection with the service, and that is the dissatisfaction as to the method in which it is administered in certain localities. I must say that likewise applies to certain sections of Chicago; but I do not feel it justifies the reflections that will follow through a change frum Mr. Ickes, and, therefore, I protest against the amendment being rejected because of the direct implication that would unjustly follow.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LEWIS. Certainly.

Mr. CLARK. The Senator is undoubtedly familiar with the fact that at the present time the Department of the Interior has no jurisdiction of any sort, character, or description over the question of housing, and therefore it is certainly no reflection on the Interior Department or the Secretary of the Interior for the Congress to set up a housing authority. It is not, as has been intimated here and as I understand the Senator from Illinois to intimate now, a question of transferring some activity or some authority from the Interior Department, because the Interior Department has never had the slightest jurisdiction over any housing activity of any sort. On the contrary, it is merely a question of the Interior Department reaching out to enlarge its authority.

Mr. LEWIS. Mr. President, I have said that Mr. Ickes was referred to as Secretary of the Interior but described as an administrator. I refer to him as Secretary of the Interior to wholly identify the office. I am conscious of the fact that in his Department has been created this new authority and it is as administrator that the Secretary administers the new authority. Yes, sir; one cannot avoid a feeling that, while no intimation of incompetence, no suggestion of dishonor, may be intended, yet to have taken from him his work and authority, all to be placed in new hands, an activity over which he has had jurisdiction, leaves all where they cannot escape the implication—that the gentleman who is Secretary of the Interior and a member of the Cabinet had something about him or his administration that has suggested the necessity for that change, and that is the implication against which I seek to defend and which I oppose.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LEWIS. Certainly.

Mr. McKELLAR. While it may be entirely true that Mr. Ickes, as Secretary of the Interior, has not had housing projects under him, at the same time under the P. W. A. Act he is Administrator of the P. W. A. and as Administrator of the P. W. A., having its offices in his Department, he has control of the housing activities of the P. W. A.

I want to say for Mr. Ickes that, so far as my State is concerned, and I believe so far as every other State about which I have information is concerned, the job done by Mr. Ickes in the Housing Division has been a perfectly splendid job. That Division has constructed buildings and houses which have been for the most part permanent. It has greatly aided in every way the housing projects of the country, and it has done so in a masterly manner. I think it would be a most excellent plan to have the housing project contemplated in the pending bill put under the general jurisdiction of Mr. Ickes, whether as public administrator or as Secretary of the Interior, it makes no difference. He has shown himself to be a very able and splendid administrator of this kind of project, and it seems to me he ought to have jurisdiction over it.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. LEWIS. I am glad to yield to my able friend from Missouri.

Mr. CLARK. I simply desire to say it involves no reflection on Secretary Ickes, either in his capacity as Secretary of the Interior or in his capacity as Administrator of the Public Works Administration, or as a man and a citizen, for one to be opposed to placing this housing activity as a bureau in the Department of the Interior. It seems to be the prevalent impression here that any time any Senator opposes the transfer of some new activity to the Department of the Interior, he is slapping at Mr. Ickes or stepping on his toes.

I am opposed to the effort of Mr. Ickes to grab the Forestry Service out of the Agricultural Department and transfer it to the Interior Department, an effort which he has been making very actively for the last 2 or 3 years. But, because I am opposed to the transfer of the Forestry Service to the jurisdiction of the Department of the Interior, it involves no reflection on Mr. Ickes as Administrator or

as a man. It is simply a matter for Congress to determine and therefore it seems to me it comes with very poor taste for Mr. Ickes or any of his supporters, when Congress is endeavoring to determine the matter of policy with reference to housing, to say it is a reflection on Mr. Ickes if we do not give the Department of the Interior a jurisdiction it never has had.

Mr. LEWIS. Mr. President, I deplore to say that I fear that the objection which has arisen with reference to some department of Mr. Ickes, whether it be Forestry or another, is that which has impelled the expression of objections to further housing projects remaining in his control and under his charge. It is such as this which has stimulated certain opposition to the amendment of the Senator from Kentucky. I know we cannot escape at times having grievances against men in the Cabinet because they cannot accommodate us all and oftentimes have to disappoint us. But the present movement is not the commendable manner to present their objections as to separate departments and their destiny.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LEWIS. Certainly.

Mr. VANDENBERG. I cannot cast my vote for this amendment on any such hypothesis as the Senator from Illinois submits. My opinion of Mr. Ickes is the highest. He has been a very excellent Administrator of the act under this administration. I have a very high regard for Colonel Hackett. However, it seems to me the chief housing responsibility which has come to the Department of the Interior has come through the P. W. A. P. W. A. is an emergency institution. If we now put a permanent housing program under what is primarily P. W. A. auspices, it occurs to me we are proposing to make P. W. A. a 60-year enterprise also, and I am opposed to that, and it is on that basis I shall vote.

Mr. BURKE. Mr. President, will the Senator from Illinois yield?

Mr. LEWIS. Certainly.

Mr. BURKE. I invite the attention of the Senator to this point, which seems to me clear, and ask his opinion thereon. The bill we now have before us apparently is drawn upon the theory and based upon the fact that we are to have a wholly independent tribunal and authority to administer it. That theory seems to run all through the bill. If we now proceed along a different line and say the authority we set up, under this board of directors, to whom we pay high salaries and require confirmation of the members thereof by the Senate, is to be a mere bureau in the Department of the Interior, I think the bill should be sent back to the committee to be entirely rewritten on that basis. Otherwise, we have a very unfortunate mixture here.

Mr. LEWIS. I concur with the Senator from Nebraska in the suggestion that if we are to have these conflicting agencies it is unfortunate. But I point out, the work having been begun and being carried on by the Administrator, holding the Housing Authority and exercising and exerting it in a manner about which there is no complaint, the work he has been doing ought to be finished, and that which has been initiated by him should be continued to the end. Then, if it should be provided that some other agency shall be created to undertake a new work upon a new policy, it will be time then to initiate changes; but at present the implication is too apparent, and to take away from the Administrator his office and authority while the work is being done carries with it the suggestion of some form of objection or intimation against the Administration that ought not to be allowed to rest as it now lies.

Mr. MURRAY. Mr. President, I have had some familiarity with the Public Works Administration activities, and I have found in my State they have done a splendid job. I think it would be a great mistake if these new housing activities should not be placed under the Secretary of the Interior. It seems to me the work he has done, although it has been done through an emergency organization, has established the fact that it is one of the most effective agencies in the struggle to overcome the depression created during the present administration. I believe the proposed housing activities should be carried on under the direction and supervision of the Administrator of that organization.

I have the honor to be a member of the Committee on Education and Labor. I recall there were no witnesses who appeared there who opposed having this new activity placed under the supervision of the Administrator of the Public Works Administration. Not one of the 22 witnesses who appeared before the committee and discussed this bill opposed a provision which would give the Secretary of the Interior general supervision over the United States housing authority. In fact, several witnesses appeared and testified to the high character of the work done by Secretary Ickes in the administration of the P. W. A. It would be a grave mistake, in my opinion, not to have the new housing administration carried on under the administrator of an agency which has carried on similar activities during several years with such a singular degree of success.

Mr. CLARK. Mr. President, the suggestions of the Senator from Montana [Mr. MURRAY] are once more merely repetition of the impression that there is a transfer of authority in the bill and a taking away from the Interior Department of some jurisdiction it now has. It seems to me it cannot be too strongly emphasized that the Interior Department at the present time has absolutely no jurisdiction on the face of the earth over any housing activity. Such housing activities as Secretary Ickes has personally exercised any jurisdiction over, as the Senator from Michigan [Mr. VANDENBERG] pointed out a moment ago, have to do with a temporary activity, an emergency activity, created for the purpose of an emergency and strictly limited as to its duration.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. CLARK. I yield to the Senator from Kentucky.

Mr. LOGAN. Leaving all of that out of the question, we now have an attempted reorganization of the agencies of the Federal Government.

Mr. CLARK. Then why does not the Senator wait until the reorganization bill comes up?

Mr. LOGAN. Let me finish my question, if the Senator will be so kind. It is objected by some of our brethren on the other side and some on this side that the reorganization plan is bad because it empowers the President of the United States to place agencies in different places, and that that is the duty of Congress. I believe we all agree that that would be best. Now Congress is creating an independent agency. Congress should have the power and should exercise the power, should it not, to place that agency under the head of some one of the departments? Does not the Senator agree that we should not create independent establishments without placing them under the head of some department of the Government at this time, if we are going through with the reorganization? To say, "Wait for the reorganization bill" does not answer the question. Congress itself ought to do this.

Mr. CLARK. I will say to the Senator from Kentucky that, so far as I am concerned, I should not be willing to grant the power contained in this bill to a mere bureau head in some department. I will say further that if we are going to place this new authority under any other head, I think it should be placed under the head of the Federal Housing Administration, which has done a very much better job in its field than the Housing Administration of the Public Works Administration has done.

I am in favor of the bill as it is written. I agree with the Senator from Nebraska [Mr. BURKE] that if the amendment of the Senator from Kentucky should be adopted, the bill should be sent back to the committee to be entirely revamped, because the amendment would completely change the theory of the measure. I submit, however, that in this experiment—and it is confessedly in the nature of an experiment and a demonstration of what may be done, as well as the beginning of what we all hope will be a very successful enterprise—the structure of this bill is preferable to placing this authority under any other governmental agency.

Mr. LEWIS. Mr. President——

Mr. CLARK. I yield to the Senator from Illinois.

Mr. LEWIS. Referring to the observation of the Senator from Michigan [Mr. VANDENBERG] as to the P. W. A., which is under the administration of Mr. Ickes, since the work has gone on under that designation, and since the work seems to have been well done, and there is no complaint as to the work, generally speaking, either for want of competence or want of honesty, and since there is no imputation as against Mr. Ickes' administration, I ask the able Senator from Missouri why that work should be now intercepted, obstructed, and interfered with by new agencies that step in without knowledge of what has been done in the past, when it can be finished and carried on by the same efficiency and honor and competence that has already administered it? It is that to which I refer; and I ask my able friend from Missouri why should that be interfered with?

Mr. CLARK. I shall be very glad to elucidate that matter for the information of my friend from Illinois.

As the Senator from Michigan said a few moments ago, the P. W. A. is an emergency activity, of limited duration, which would have expired a few months ago except for the action of Congress in temporarily continuing it under certain conditions, while this bill contemplates the setting-up of machinery which it is hoped will prove so successful that it may grow and expand and do a great national work. The purpose of placing this activity as a bureau under the Department of the Interior would simply be to give the Interior Department jurisdiction of an entirely new subject. There has been, to be sure, a housing bureau in the Public Works Administration. Opinions may differ as to its success. I am not now reflecting on the success of that activity in the Public Works Administration; but there have been many other governmental housing administrations, none of them under the Department of the Interior, and this proposal simply contemplates an expansion of the Department of the Interior. No other purpose could possibly be accomplished by it.

Let me say that I entirely agree with what the Senator from Illinois has said as to the high character and ability of Mr. Ickes. I also have the very highest opinion of Colonel Hackett and of Colonel Clark and of the other heads of the P. W. A. It is not any reflection on any of them for Congress at this time to say that it desires to put this new and great activity in the hands of an independent agency which shall be directly responsible to Congress, and which will be enabled, without conflict with any administrator or any head of a Department, to work out the task which Congress is assigning to it in this measure.

Mr. ADAMS. Mr. President——

Mr. CLARK. I yield to the Senator from Colorado.

Mr. ADAMS. If the Senator will be kind enough to yield, I wish to direct his attention to subsection (c) on page 40, for this purpose. The section provides that the President may at any time transfer to the Authority any assets or property of any housing agency. I am wondering if the Senator understands from that, as it seems to me, that the President could transfer to this agency the Federal Housing Administration's assets and property, which include certain funds which are there as guaranty funds; whether under that subsection the housing activities of the Resettlement Administration could be transferred; whether under that subsection the housing activities of the Public Works Administration could be transferred.

To me, the term "housing" is a broad one. The term "slum clearance", of course, does not include any of those activities. When it comes to the term "housing", I am wondering if that is a broad enough term so that the President, if he saw fit, could concentrate within this authority all building activities which could be brought under the term "housing."

Mr. CLARK. I should be of opinion that the terms "housing" and "slum clearance" should be read as one term, and therefore the subsection would have to do with housing activities as slum clearance; but while that has nothing to do with the pending amendment, so far I am concerned, I should be very happy to vote for an amendment making that matter specific, because I do not think such activities as Federal housing, particularly the guaranty feature, should be transferred to the authority set up in this bill, and I do not think it is the intention of the bill to do that.

Mr. BORAH. Mr. President, I desire to ask the Senator a question.

Mr. CLARK. I yield to the Senator from Idaho.

Mr. BORAH. Aside from the question whether or not the Interior Department at the present time has any similar work to the type devolved upon this authority, is it not better to have all these authorities under a Cabinet officer, under a permanent department of the Government the head of which is a member of the President's Cabinet?

Mr. CLARK. I will say to the Senator from Idaho that, so far as I am concerned, I have never been of that opinion. My great objection to a great many of the activities of the Government is that they tend to degenerate into bureaucracies. I should much prefer to have this new and particularly experimental activity in the hands of an authority the members of which are appointed by the President and confirmed by the Congress than to have at the head of a bureau a mere bureaucrat to be appointed by some Cabinet officer over whom the Congress would have no control.

Mr. BORAH. A Cabinet officer is a member of the President's family, and the President is supposed to be the author of our policies while he is in power.

Mr. CLARK. I am perfectly familiar with the theory advanced by the Senator. It so happens that I do not agree with it, and I never have.

Mr. HATCH and Mr. WAGNER addressed the Chair.

Mr. WAGNER. Does the Senator from New Mexico wish to take the floor at this time?

Mr. HATCH. I merely wish to ask a question or two, so that perhaps the Senator from New York will be able to clear up some things that are in my mind. I prefer to let him do it in my time rather than to take his time.

As a result of the argument which has been made this morning—I did not hear all of the discussion that took place yesterday—I have become somewhat confused, because it would seem to be indicated by the argument and objections which are raised that the amendment of the Senator from Kentucky would remove from the authority some of the powers which are conferred by the bill, and transfer those powers to the Secretary of the Interior. I have been reading the amendment of the Senator from Kentucky, and I fail to find in it any such provision. It seems to me, as I now read the bill, that the bill sets up the housing authority, and, of course, it is given full control of its own operations. Am I correct in that?

Mr. WAGNER. Does the Senator mean in the bill as it now is?

Mr. HATCH. Yes.

Mr. WAGNER. The Senator's statement is correct.

Mr. HATCH. And if the amendment of the Senator from Kentucky should be adopted, none of that authority would be taken from the Board. Am I correct in that?

Mr. WAGNER. No. I suppose I am not betraying any confidence when I say that I inquired of the Senator from Kentucky exactly what "general supervision" meant, and he told me candidly that he was unable to tell me exactly what it meant.

Mr. LOGAN. Mr. President, I may say that that provision is taken verbatim from the Bankhead-Jones Tenant Act. I do not want to transgress the rules of the Senate. I think both the Senator from New York and I have exhausted our time on this question.

Mr. WAGNER. Not on the amendment.

Mr. LOGAN. What I mean is that while the term "general supervision" cannot be defined in any better terms, it means the general direction and not the specific control of the board. It would be my judgment that it means "in an advisory capacity", but I cannot define what "general supervision" means.

Mr. HATCH. As I read the bill, the power is still vested in the board.

Mr. LOGAN. That is correct.

Mr. HATCH. On page 39, paragraph (d), I read this:

> The board shall determine all matters of policy and shall exercise the powers hereinafter granted to the authority.

That provision seems to me to be a very plain and specific language, and it does give the power to the board. I am confused, however, about just what authority the Secretary of the Interior would have.

Mr. LOGAN. If the Senator will permit me——

Mr. HATCH. I yield to the Senator from Kentucky.

Mr. LOGAN. The Senator is well aware of the fact that there is an effort to bring all of these independent agencies under some Cabinet officer. The argument in favor of that proposition, as I have understood it, has been that instead of the independent agency reporting directly to the President, it would report to the Cabinet officer, and the Cabinet officer in turn would report to the President. The purpose of this amendment is to do no more than to bring this independent agency, when we create it, under one of the Cabinet officers; and the general supervision that would exist would be to advise and report to the Secretary, and the Secretary would report to the President. That is about all that my amendment does.

Mr. HATCH. If the Senator from Kentucky will pardon me, it occurs to me that his amendment is a very harmless thing.

Mr. LOGAN. I think that is true, and it may be that the whole program to bring all the independent agencies under 12 departmental heads is rather harmless; but it is a step, and we cannot deny the President the right to do it and say that Congress has the power, and then, when we create one of these agencies say, "No; Congress will not exercise that power; we will leave it to the President." Whenever we create an independent agency it ought to be put under some department head.

Mr. BURKE. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I yield.

Mr. BURKE. If the Senator from New Mexico will read subsection (d), found on page 39 of the bill as it stands, without the inclusion of the amendment of the Senator from Kentucky, he will find that it clearly shows that it was the purpose of the drafters of the bill, the sponsors of the bill, that the authority to be created should be a policy-making body, and should have complete control and charge of envisioning what should be done in the way of slum clearance, and all that; and how can that be worked out if we add an amendment that says, "But the Secretary of the Interior shall have general supervision over the whole thing"?

To my mind it is perfectly clear that if the amendment of the Senator from Kentucky were to be adopted, and I hope it will not be, it would be necessary to follow that by striking out subsection (d) of the bill altogether, because clearly under the provisions of the amendment of the Senator from Kentucky the board, which was conceived as an independent policy-making body, would then become a mere bureau in the Department of the Interior, and the Secretary of the Interior, subject to whatever supervision remained in the President, would be the policy-making authority, and not the board at all.

Mr. HATCH. Let me say to the Senator from Nebraska that in pointing out the provision to which I referred I was not arguing the case at all. I took the floor to obtain information, to see just what the amendment meant, if it were possible to do so.

I am convinced in my own mind, from reading the bill, that the amendment of the Senator from Kentucky will not take any of those powers from the board whatever, and I will say to the Senator from Nebraska that if the amendment should be adopted and the Secretary should be given general supervision, and any Senator should move then to strike out the policy-making power which I read, I should certainly vote against the amendment.

Mr. LOGAN. Mr. President, I concur exactly in what the Senator has said. He has a very clear understanding of the purpose of the amendment. There is no effort to disturb the policy-making power of the board, but general supervision is sought to be placed in the Secretary of the Interior, who is made the head of the activity, because it is assigned to a particular department.

Mr. BURKE. Mr. President, will the Senator yield to me for just one further observation?

Mr. HATCH. I yield.

Mr. BURKE. If the purpose of the amendment is not to give to Secretary Ickes, and to whomever succeeds him as head of the Department of the Interior, the control and authority which, it seems to me, are clearly contained in the amendment, then the amendment certainly ought not to be adopted, because it would be a useless and unnecessary thing to give general authority to the Secretary of the Interior and then explain it and sell it to the Senate on the theory that it is really not giving him any authority at all, but that the board will continue with all the authority the sponsors of the bill intended it to have. On either horn of the dilemma, it seems to me, the Senator is clearly impaled if he proceeds along that line.

Mr. HATCH. No; the Senator from New Mexico is not impaled on either horn of the dilemma.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. HATCH. I yield.

Mr. BARKLEY. In considering the pending amendment, I think the attention of the Senate should be called to the fact that an amendment has already been adopted which was designed not to give either the Board or any Cabinet officer in whose department it might be located final authority to pass upon these projects. That is one thing which, of course, is a vital part of the measure.

If the pending amendment should be adopted, and I am not agitated over it one way or the other, in connection with the amendment which was agreed to providing that no project, or loan, or grant, or expenditure, or extension of credit on any project worked up by the Board should be finally approved except with the approval of the President, the theory is that the Board, as an independent board, would, of course, go through all the minutiae and details of working out these projects, and if it were in the Department of the Interior, it would make a recommendation up through the Secretary of the Interior, which would finally come to the President, and the President would finally act upon all the recommendations of the Board with reference to projects.

The amendment to which I have referred has already been put in the bill, and I think it is a very wise one, because no board or authority or Cabinet member, it seems to me, ought to have authority to commit the Government to the expenditure of $700,000,000 without the President, whoever he may be, having his hand on the rein, so that final authority would not be vested in the Secretary of the Interior or in the Board.

Mr. HATCH. Mr. President, I took the floor to find out just what the amendment meant, because I for one would be opposed to giving any one man final authority in this program. I was very anxious to have the board retain its full powers as outlined in the bill. I do not believe the amendment of the Senator from Kentucky changes that in any respect whatever. I think the power is still in the board, and I have absolutely no objection to giving a Cabinet officer general supervisory power over the board, whatever the general supervisory power may be. Certainly it cannot disturb or change the law as to where the final authority exists.

Mr. PITTMAN. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I yield.

Mr. PITTMAN. In view of the language in the bill which has been read by the Senator from Kentucky [Mr. BARKLEY], placing the entire responsibility for the contemplated projects on the President, does it not seem rather inappropriate now to take them out of that responsibility and place them

primarily under a Cabinet member? Is it not a fact that the President, having this responsibility and realizing that he would not have the time or the opportunity to give a project the supervision necessary, would himself select someone to supervise it so as to advise him? Would it not be better to leave it to the President, upon whom is imposed the responsibility, to make his own selection of the officer in whom he desired to repose the confidence?

Mr. HATCH. I do not quite understand the amendment of the Senator from Kentucky as does the Senator from Nevada. The power is still vested in the board. What is the effect of the amendment the senior Senator from Kentucky mentioned a moment ago?

Mr. BARKLEY. Mr. President, the projects are first initiated by the local housing authority, application is made through that authority to the board here for a loan, or grant, or for whatever is allowed under the bill. Of course, if the board is not placed under some department, then the board would itself directly take these matters to the President, and we who know the course of procedure with reference to P. W. A. projects realize that now the President personally passes on every one of them. Every schoolhouse, every courthouse, every one of the projects that has been approved by the State P. W. A. administrator, has come up through Colonel Hackett and through the Secretary of the Interior. They are finally placed on the desk of the President, and he himself investigates every one of them and passes on every one of them. He does not leave that to any subordinate officer. That is what is contemplated by the amendment which has been agreed to. It does not in any way minimize the importance of the board. All the preliminary work, the investigation, the plans and specifications, the financial set-up, the application of the local authority, would be submitted to the board, and if it were under the department, would go from the board to the Secretary of the Interior, who would have no final authority however, under the amendment already agreed to, to act upon the projects, but through him, as a sort of a sifter, they would get up to the President for his final approval.

If the amendment of my colleague should not be adopted, and the board should remain wholly independent, then these applications would go directly from the board to the President. But in either case the President would have the final word in passing upon them.

Mr. HATCH. I may add, in the light of what the Senator from Kentucky has said about the other amendment, that I now believe it is all the more necessary that the amendment of the junior Senator from Kentucky should be adopted. It has more importance than I thought it had; and I apologize to him.

Mr. LOGAN. Mr. President, the Senator from Nevada sugests that the President ought to have the right to select the one to do the work for him. The Secretary of the Interior is a Cabinet officer.

The VICE PRESIDENT. The time of the Senator from New Mexico has expired.

Mr. WAGNER. Mr. President, just to show the difficulty of passing upon legislation——

Mr. LOGAN. A point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. LOGAN. The Senator from New York spoke on the pending amendment yesterday; he spoke numbers of times on the bill; and if he is now to be allowed to make another speech, it seems to me I ought to be allowed to make a reply.

Mr. WAGNER. Had my time expired?

The VICE PRESIDENT. The clerk advises the Chair that the Senator from New York has addressed the Senate on the pending amendment.

Mr. WAGNER. Very well, then; my mouth is shut.

Mr. KING. Mr. President, may I ask the Senator from New York a question?

The VICE PRESIDENT. The Senator from Utah is recognized. Does he yield to the Senator from New York?

Mr. KING. I do not. I wish to ask him a question. I should like to ask the Senator from New York, apropos of the amendment now pending, whether he construes it as delegating to the Secretary of the Interior authority and power which might negative or limit the authority and power conferred upon the board which is hereby created.

Mr. WAGNER. Mr. President, I may answer the question of the Senator from Utah in this way: Two eminent lawyers in this body spoke a moment ago, and they differed as to the interpretation of the word "supervision." One Senator said it conferred nothing. Of course, if it does nothing I see no purpose in having it in this legislation. The junior Senator from Nebraska [Mr. BURKE] contended that it meant everything; that it meant complete control of this particular board by the Interior Department. I may say that the Interior Department so interprets this amendment. I have no fault to find with placing it under the Secretary of the Interior, Mr. Ickes, if he were always to be Secretary. But I agree with the Senator from Nebraska——

Mr. McNARY. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. McNARY. I ask that the rule applicable to the present situation be followed. The Senator from Utah [Mr. KING] asked the Senator from New York [Mr. WAGNER] a question, and the Senator from New York is making a speech.

The VICE PRESIDENT. The Senator from Utah asked the Senator from New York a question, and the Chair understands that the Senator from New York is answering the question.

Mr. KING. I am not quite satisfied as yet with the answer.

Mr. WAGNER. Mr. President, the Senator from Utah asked me what my opinion would be. My opinion is that there is a purpose in introducing this amendment. If its effects were futile no department would be so anxious as the Department of the Interior is to have this amendment included in the legislation.

Mr. KING. I thank the Senator for his answer.

Mr. McNARY. Mr. President, another point of order. The Senator from Utah [Mr. KING] has certainly lost the floor by reason of the speech made by the Senator from New York if the rules of practice are to be sustained.

The VICE PRESIDENT. If the strict rules of the Senate are applied, as interpreted by the President pro tempore of the Senate, the Senator from Utah [Mr. KING] did lose the floor. The Senator from Utah, under the rule, had a right to yield to the Senator from New York [Mr. WAGNER] for a question, but he does not retain the floor if he permits the Senator from New York to continue and make a speech.

The point of order is well taken, and the Senator from Utah has lost the floor, under a strict application of the rule, as interpreted and applied during the discussion of the so-called Supreme Court bill.

Mr. KING. I shall then speak on the bill, Mr. President.

The VICE PRESIDENT. The Senator from Utah is speaking on the bill.

Mr. KING. Mr. President, I shall not appeal from the decision of the Chair, which, if I may be permitted to say, I think is erroneous. Having such a high regard for the Chair, who, in making his ruling, sanctifies what I might regard to be an erroneous interpretation, I therefore yield to the decision of the Chair.

The VICE PRESIDENT. Will the Senator from Utah permit the Chair to make an observation?

Mr. KING. Yes, indeed.

The VICE PRESIDENT. The Chair said he was following the precedent set and the interpretation of the rule that was applied in the Senate while the present occupant of the Chair happened to be in the State of Texas. I believe that was the time when the Senator should have taken an appeal from the decision.

Mr. KING. Mr. President, the parliamentary interpretation that has been made illustrates the fact that it is unwise for the Senate and disadvantageous to the country for the Vice President to be absent from the Senate, because then we establish precedents which ought not to be followed.

Mr. PITTMAN. Mr. President, I rise to a question of personal privilege.

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Nevada?

Mr. KING. Do I yield the floor if I yield to the Senator from Nevada?

The VICE PRESIDENT. If the Senator from Utah should yield for anything but a question, and any Senator should make the point of order, the Senator from Utah would lose the floor.

Mr. KING. Then I shall not yield. Of course, I do not want to have any controversy between the President pro tempore, under whose occupancy of the chair probably some of these precedents were established, and the distinguished Vice President, but as between the two, with all due respect to the Senator from Nevada, I am inclined to think I should follow the Vice President.

Mr. BARKLEY. Mr. President, will the Senator from Utah yield for a question?

Mr. KING. Mr. President, I am desirous of speaking on the bill.

Mr. BARKLEY. I wanted to clear that rule up.

Mr. KING. Mr. President, I wish to say just a word or two. I think the Congress has been rather improvident and unwise in creating such a vast number of independent organizations and bureaus without placing them under the jurisdiction of some Cabinet officer or some organization that might bring harmony and cooperation between the 60 or 70 or nearly 100 bureaus and Federal agencies which have been established. No one can tell, in examining the multitude of bureaus and Federal organizations, where the ultimate authority rests.

I shall vote for the amendment, because I believe it is a step in the right direction. It seems to me we must coordinate the activities of the Government, we must bring them under closer observation, closer scrutiny, and have someone directly responsible. I am opposed, I may say, to creating any more Cabinet positions, and I am opposed in that respect to the suggestion that has been made, but we must have Cabinet officers, and I think that so far as possible the organizations and bureaus which are created, and which function within the field in which a Cabinet officer should operate, should be brought under the control of that Cabinet officer. Therefore, I shall vote for the amendment.

Mr. President, I wanted to say, however, that I have not been satisfied at all with the present housing organization, and I am not attributing any delinquency or default to the Secretary of the Interior, because I think that the housing organization which was set up, with a very large fund, $136,480,000, which finally was allocated to it, has not been, in my opinion, sufficiently controlled by the Secretary of the Interior. It has regarded itself as a sort of a roving, independent organization and it has, with the large appropriation which it has had, completed only seven projects. Forty-one projects are under process of completion, and the Lord only knows when they will be completed.

I have no doubt that the $136,000,000 which has been finally allocated to that housing organization will be inadequate to complete the 41 projects which it still has under way, and we shall be appealed to to make larger appropriations in order to complete them.

I think that that housing organization ought to be abolished and that any activities which are to be performed by it in the future should be brought within the periphery and influence and power of the organization that is to be set up under this bill.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. LOGAN] to the amendment of the committee.

Mr. LA FOLLETTE. Mr. President, I desire to make a brief statement concerning this amendment. The Senate Committee on Education and Labor held hearings upon this bill, and, as the Senator from Massachusetts [Mr. WALSH] pointed out yesterday, and so far as I can recall, every witness that appeared before the committee argued in favor of an independent agency or board to carry on this new housing activity.

I would support an amendment which would provide that the so-called financial housekeeping arrangements of this organization should flow through the Department of the Interior, but with the confusion that exists here concerning the scope and effect of the amendment offered by the Senator from Kentucky, I want to make an appeal to the Senate to reject the amendment.

The Senator from New York has given years of study to this problem; he has devoted his time and his energy to bring about its effective solution. I hope that the Senate at this late stage in the proceedings will not adopt an amendment, the language of which is subject to two very divergent constructions as to its scope and as to its effect.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. LOGAN] to the committee amendment.

Mr. LOGAN. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. LEWIS. I announce that the Senator from Arkansas [Mrs. CARAWAY] is unavoidably detained.

The Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official duty as members of the committee to attend the dedication of the battle monuments in France.

The Senator from Alabama [Mr. BLACK] and the Senator from New Jersey [Mr. SMATHERS] are absent because of illness in their families.

The Senator from Mississippi [Mr. BILBO], the Senator from Ohio [Mr. DONAHEY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Montana [Mr. WHEELER] are detained in committee meetings.

The Senator from California [Mr. MCADOO] is detained by a conference at the White House.

The Senator from Idaho [Mr. POPE] and the Senator from New York [Mr. COPELAND] are detained on official business.

I further announce that the Senator from California [Mr. MCADOO] is paired on this question with the Senator from New York [Mr. COPELAND]. If present, the Senator from California would vote "yea", and the Senator from New York would vote "nay."

The Senator from Wyoming [Mr. O'MAHONEY] has a pair on this question with the Senator from New Jersey [Mr. SMATHERS]. If present and voting, the Senator from Wyoming would vote "yea", and the Senator from New Jersey would vote "nay."

Mr. AUSTIN. My colleague [Mr. GIBSON] is necessarily absent on official duty as a member of the Battle Monuments Commission. He has a general pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 40, nays 37, as follows:

YEAS—40

Adams	Capper	Johnson, Calif.	Murray
Andrews	Connally	King	Nye
Barkley	Davis	Lee	Reynolds
Borah	Dieterich	Lewis	Schwellenbach
Bridges	Frazier	Logan	Sheppard
Brown, N. H.	Hale	Lonergan	Shipstead
Bulkley	Harrison	Lundeen	Steiwer
Bulow	Hatch	McKellar	Thomas, Okla.
Byrd	Herring	McNary	Van Nuys
Byrnes	Hitchcock	Moore	White

NAYS—37

Austin	Gerry	McGill	Thomas, Utah
Bailey	Gillette	Maloney	Townsend
Berry	Green	Minton	Truman
Bone	Guffey	Neely	Tydings
Brown, Mich.	Holt	Overton	Vandenberg
Burke	Hughes	Pepper	Wagner
Chavez	Johnson, Colo.	Pittman	Walsh
Clark	La Follette	Radcliffe	
Ellender	Lodge	Schwartz	
George	McCarran	Smith	

NOT VOTING—18

Ashurst	Copeland	Hayden	Russell
Bankhead	Donahey	McAdoo	Smathers
Bilbo	Duffy	Norris	Wheeler
Black	Gibson	O'Mahoney	
Caraway	Glass	Pope	

So Mr. LOGAN's amendment to the amendment of the committee was agreed to.

Mr. McCARRAN obtained the floor.

Mr. LEWIS. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Will the Senator from Nevada permit the Chair an oportunity to make a statement?

Mr. McCARRAN. Certainly.

The VICE PRESIDENT. Senators, the Chair wishes to speak for just a moment about your rules. The question has come up this morning with reference to the rules of the Senate when one Senator interrupts another. The Chair has examined the ruling made by the President pro tempore of the Senate in his absence as well as the precedents, and believes the ruling of the present occupant of the chair earlier today was correct.

The Chair wants to call the attention of the Senate, however, to a rule that is in the Senate manual and which places an obligation on the Presiding Officer. The present Presiding Officer believes that if the Senate has rules they ought to be enforced or that this body ought to repeal them. The Chair wishes to read this rule, so if the Chair does enforce it, Senators will understand the situation. The rule reads:

> It shall not be in order to interrupt a Senator having the floor for the purpose of introducing any memorial, petition, report of a committee, resolution, or bill. It shall be the duty of the Chair to enforce this rule without any point of order hereunder being made by a Senator.

Now, Senators, I am in the chair. The Senator from Nevada has the floor; the Senator from Illinois asked him if he would yield that he might present or insert some matter in the CONGRESSIONAL RECORD. The rule just read states that it is the duty of the Chair to see that the Senator from Nevada does not yield for that purpose. Shall I enforce the rule or shall I continue the custom that has prevailed ever since the present occupant of the chair has been here?

The Chair calls attention to the inconsistency of the rule or to the persistency of the custom of the Senate in violating the rule. There is a direct rule of the Senate putting a mandate on the Presiding Officer to enforce the rule without a point of order being made. The Chair calls attention to the rule so that Senators may observe it in the future, and suggests that if the Rules Committee cares to look over the rules it might be advisable.

Mr. McCARRAN. Mr. President——

The VICE PRESIDENT. The Senator from Nevada.

Mr. LEWIS. Mr. President, will the Senator allow me to send a resolution to the desk? [Laughter.]

The VICE PRESIDENT. It is the duty of the Chair to enforce the rule.

Mr. LEWIS. I am not aware that my able friend from Nevada has as yet presented anything to the Senate that is being interrupted.

The VICE PRESIDENT. The Senator from Nevada has the floor.

Mr. LEWIS. Then I do not wish to interrupt.

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Illinois?

Mr. McCARRAN. Under the rule, I cannot yield.

Mr. LEWIS. I would not wish to ask him to yield if he has tendered anything, but I have seen nothing tendered except his honorable self, which I do not wish to interrupt at any time. [Laughter.]

Mr. McCARRAN. Mr. President, I trust the Senator from Illinois will bear with me, and I have no doubt that the matter for which he desires to gain attention will be heard very shortly.

On Wednesday last there was presented by the junior Senator from Virginia [Mr. BYRD] an amendment to the pending bill. I voted on the prevailing side on the amendment. I now move that the vote by which the amendment of the Senator from Virginia was adopted be reconsidered.

The VICE PRESIDENT. The question is on the motion of the Senator from Nevada.

Mr. BARKLEY and Mr. KING addressed the Chair.

The VICE PRESIDENT. Does the Senator from Nevada desire the floor?

Mr. McCARRAN. I desire to address myself to the motion.

Mr. BARKLEY. I thought the Senator had concluded.

Mr. McCARRAN. Mr. President, in furtherance of my motion to reconsider, I wish to say that since voting for the amendment I have conferred with the able junior Senator from Virginia, to some extent, and with others whom I thought had information and that I stand for and will try to sustain the philosophy behind the pending bill. I believe that the Nation is taking a great step forward. I do not believe that it should be hampered by anything that would be short-sighted. So for that reason, having looked into the subject, I have come to the conclusion that, perchance, the limit of $1,000 per room placed in this bill by the amendment offered by the Senator from Virginia might destroy the efficacy of the bill and might destroy its entire philosophy. I realize the fact that all the time the authority that will administer this bill will have the right and duty, if you please, to see to it that the costs shall not be excessive, and I have been assured, after conferring with the author of the bill, that he in turn, provided my motion is agreed to, will offer an amendment to the bill limiting the expenditure not to exceed $1,400 a room. I realize that between the two—and I have conferred with the Senator from Virginia no later than this morning—is an indeterminate figure, in some instances of $1,200, in some instances over $1,400, in others under a thousand dollars. But it seems to me, in view of the fact that we stand for a national policy that will take care of the underhoused, those who have not been sheltered, we should not take a chance on destroying the entire philosophy and efficacy of the bill by being parsimonious.

If it were true that everyone of these projects would go forward at $1,400 a room, perhaps, one would hesitate, but we realize that up to $1,400 the human judgment must intervene, and, human judgment intervening, we must rely upon those who will execute the law to exercise honest discretion and honest judgment. It is for that reason alone that I am offering the motion to reconsider.

Mr. BARKLEY. Mr. President, before a vote is taken on the motion of the Senator from Nevada I think the Senate is entitled to know what the consequences will be if the motion to reconsider shall be adopted. The Senator from Nevada has made a very clear statement with reference to it. It is not intended that there shall be any objection to a limitation on the cost of the projects.

In company with many others interested in the bill and its success, I have felt that a limitation of $1,000 per room is entirely too low. Under the amendment adopted it would probably be impossible ever to construct a unit house, or apartment containing more than four rooms, because the $4,000 limitation was also inserted for the family unit. There is no rigid rule that can be adopted with respect to the size of units. It may be an unfortunate biological fact, but the poorer people are, usually the more children they have, and, therefore, in the congested areas we find large families. It would be practically impossible to house a family of four or five children in a four-room apartment or four-room house. The bill makes no effort to average homes throughout the United States. It is dealing with an exceptional situation in the crowded areas of our large cities.

I agree entirely with the Senator from Michigan [Mr. VANDENBERG] who yesterday said he very frankly conceded that if it were not for the congested cesspools of disease and crime in the larger cities the bill probably would not be here. It is therefore proposed to reconsider the amendment so that we may raise the limitation per room from $1,000 to $1,400. That is not excessive, but is within reason. I hope the motion of the Senator from Nevada may be adopted so that the Senate may raise the limitation to $1,400 per room, in order that in the larger centers and more expensive building areas the operation of the provisions of the bill may not be handicapped.

Mr. BONE. Mr. President, as part of the very brief statement I wish to make I ask to have printed in the RECORD the amendment offered by the Senator from Virginia [Mr.

BYRD]. I also send to the desk and ask to have inserted in the RECORD immediately after the amendment of the Senator from Virginia a table submitted yesterday by the Senator from Massachusetts [Mr. WALSH] showing that over a period of recent years the cost per room in the various building activities ran from $1,746 down to $1,112, indicating a rather wide range and indicating that also a $1,000 limitation would probably make the program inoperative in a practical way.

There being no objection, the amendment and statement were ordered to be printed in the RECORD.

The amendment of Mr. BYRD is as follows:

On page 60, between lines 8 and 9, it is proposed to insert the following:

"(6) No contract for loans, annual contributions, capital grants, sale, lease, mortgage, or any other agreement or instrument made pursuant to this act shall be entered into by the Authority with respect to any project costing more than $4,000 per family unit or more than $1,000 per room, exclusive of the cost of the land and the cost of removing old buildings, less value of salvage."

Table submitted by Mr. WALSH is as follows:

Cost per room of buildings actually constructed

	Number of rooms	Building cost	Price per room (building only)	Price per unit (of 4 rooms)
Boston (Public Works Administration in depression years)	3,912	$6,124,751	$1,566	$6,264
Chicago (Public Works Administration in depression years)	2,514	4,390,911	1,746	6,984
Do	1,070	1,626,918	1,520	6,080
Do	3,254	5,301,362	1,628	6,512
Miami (Public Works Administration in depression years)	860	956,127	1,112	4,448
Birmingham (Public Works Administration in depression years)	1,588	2,093,850	1,318	5,272
Enid (Public Works Administration in depression years)	311	532,340	1,711	6,844
Omaha (Public Works Administration in depression years)	1,119	1,709,541	1,530	6,120
Detroit (Public Works Administration in depression years)	2,356	3,873,697	1,643	6,572
New York (Knickerbocker Village) private capital under Federal Housing Administration	5,235	6,148,391	1,174	4,696
Federal Housing Administration low-cost projects by private capital (average of 22 projects built or estimated in last 2 years)			1,147	4,588

Mr. TYDINGS. Mr. President, I think the Senate is laboring under a misapprehension. There is no limit of $1,000 per room. The amendment only provides that the Federal Government shall not make a loan of more than $1,000 per room or more than $4,000 per apartment.

If there is any city in the country that wants to engage in slum clearance and the average cost is $1,200 per room, then it is up to that city to provide the other $200. This is only a safeguard to insure repayment of the obligation to the Government. There is no provision that before the project is started any municipality shall put up as much as one cent. They can borrow the entire amount from the Federal Government. Personally, I should like to have an amendment adopted which would compel the local sponsor to put up as much as 5 or 10 percent, as an evidence of good faith, but, in the absence of such a provision, the amendment of the Senator from Virginia [Mr. BYRD], that the Federal Government shall not let the sponsor have more than $1,000 a room, nor more than $4,000 an apartment, seems to me to be no more than in the nature of protection for the Government that is lending the money.

If there are places in the country where these tenements cannot be built for less than $4,000, then I think New York or Baltimore or St. Louis or whatever community wants slum clearance, ought at least to put up the remainder in order that the apartment or the tenement might be constructed.

There is nothing in the bill which will prevent any locality from adding as much more to the $1,000 per room as it wants to add. Therefore, I can see no reason to reconsider the amendment of the Senator from Virginia. As was pointed out yesterday, at an average of $1,000 per room, or $4,000 per apartment, we can take care of only 175,000 families in the whole United States at a cost or original outlay of $700,000,000 by the Federal Government, plus an annual subsidy of $20,000,000.

Let me say to those who really have the interest of these poor people at heart that if they increase the amount of the cost of these rooms and then write into the bill, as has already been written into it, that the tenants who will occupy the rooms shall come from the lowest bracket of the income earners, or, as the Senator from Massachusetts [Mr. WALSH] said, the $50 or $60 a month income earners, how in the name of common sense can we build an apartment costing $5,000 or $6,000 and rent it to the man who is making $50 or $60 a month? Let us be frank about it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BARKLEY. I preface my question with this statement——

Mr. TYDINGS. I hope the Senator will ask a question because my time is limited.

Mr. BARKLEY. When we have been able to help the 175,000 families, or any other number of families—which is a considerable number of families, by the way, when we consider only slum districts in the country—does not the Senator feel when we have been able to clear some of the slum areas away and have been able to house those people in better homes their pride and self-respect will increase?

Mr. TYDINGS. Of course.

Mr. BARKLEY. And their earning power will increase so the subsidy of which the Senator is so afraid will gradually be absorbed by the increase in the rentability of the houses.

Mr. TYDINGS. I gave yesterday a break-down of the subsidy figures to show that in the case of a man making $50 or $60 a month, even with the subsidies to be paid by the Government, to provide for him a $4,000 apartment will require him to pay almost $25 a month rent. In other words, half of his entire income, with the Government subsidy thrown in, will have to go to pay the rent of a $4,000 apartment. If we make the figures higher, then to be consistent we ought to reconsider the provision inserted in the bill at the instance of the Senator from Massachusetts [Mr. WALSH], who argued that those getting $50 or $60 a month should have the apartments so created. We cannot build $5,000 or $6,000 apartments and rent them to people who are earning only $50 or $60. Every Senator knows that to be a fact. If $4,000 is too small an amount, let the municipality that wants to have the slums cleared contribute a sufficient amount to permit the Federal Government at least to make its subsidy on the $4,000 basis. Even then the tenant would not be able to pay the rent.

Mr. BRIDGES. Mr. President, the housing measure known as the Wagner housing bill has been before the Senate for debate for a period of several days. It has for its purpose a very worthy objective. Several amendments have been offered to the bill which materially improve it, notably the so-called Byrd amendment, which makes the greatest improvement, in my judgment.

We have heard a great deal of talk in Washington and in this body, during past years and particularly during the past few months, about economy. One of the outstanding advocates of economy in this body who, in a very able and sincere manner, has practiced what he preaches, is the distinguished junior Senator from Virginia [Mr. BYRD]. In a very constructive way he has offered an amendment which was adopted in good faith by a majority of one vote. Immediately after the result of the vote was announced the steam roller started to operate. Lobbyists started to appear. They appeared in my office. They have operated on other Senators. Mail was distributed by Senate officials to the desks of various Senators—a very objectionable practice from my point of view.

We provide in the Byrd amendment, which was adopted in good faith and by an honest vote, a limitation of $4,000 per unit or $1,000 per room. In my State of New Hampshire, a small State to be sure, 80 to 85 percent of the people live in homes which are valued today at less than $4,000, exclusive of land.

Many of them have worked a lifetime to acquire those homes by careful saving and by thrift. They today own their homes, either wholly or in part. To them their homes, although worth a small amount in money, are their homes—their castles. We are today asking these people who have struggled for a lifetime to acquire their homes, and who own them today, either in whole or in part, to contribute to the cost of homes costing more than those they themselves can afford. That in itself is unsound. In addition, we are going to ask them to contribute to maintain those homes.

When we look over the disgraceful expenditures by various Government agencies for housing, when we think about Tugwelltown and its cost of $14,239,951 for 880 units, or a cost of $16,182 per unit, and when we consider the various other wasteful projects in this country, it is about time that somebody who really stands for economy should come forth and make a stand. That stand was made by the distinguished junior Senator from Virginia [Mr. BYRD]. The vote was an honest vote. The steam roller has started. The lobbyists are operating, even right here at the doors of the Senate Chamber.

I hope the motion to reconsider will not prevail.

Mr. MINTON. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. Yes, sir.

The PRESIDENT pro tempore. The Senator has yielded the floor.

Mr. MINTON. The Senator refers to a steam roller that he saw in operation around here. I wonder if he saw a little bit of a steam roller over on the other side, manned by an elephant. I notice that all the Republican votes were for the amendment of the Senator from Virginia.

Mr. BRIDGES. I did not see any steam roller operating over here, but I have seen the steam roller operate in other sections of the Chamber.

Mr. LA FOLLETTE. Mr. President, I hope the motion made by the Senator from Nevada [Mr. MCCARRAN] will prevail.

As I stated when the amendment was under consideration when originally proposed, I did not object, and I do not think there can be any objection, to placing a limitation upon the cost per room of these projects. However, this particular limitation is admittedly based upon an average figure; and the danger of incorporating an average figure is that it may prevent the construction of low-cost housing projects in certain communities where their cost is above the average of the experience we have had thus far in this country in building low-cost housing.

In the second place, I should like to say that I do not think it is any argument for the Senator from New Hampshire [Mr. BRIDGES] to say today, or as did the Senator from Michigan [Mr. VANDENBERG] on a previous occasion, that the average valuation of housing occupied by private individuals is less than the amount provided in this amendment. I hope Senators will bear in mind that these projects are to be constructed under the terms of this bill, and their cost is to be amortized or repaid over a period of 60 years. Obviously, flimsy construction cannot endure over that long period of time.

It is my understanding that if this motion shall prevail, a motion will be made to increase slightly the limitation per room, and to strike out the limitation per family.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. If the Senator will yield for that purpose, I should like to read the amendment which will be offered as a substitute for the Byrd amendment, so that we may know precisely what is contemplated; but I will not take chances on causing the Senator to lose the floor.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that I may yield to the Senator from Kentucky for the purpose of permitting him to read the amendment he intends to propose.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none.

Mr. BARKLEY. As a substitute for subsection (6) inserted in the bill by the Byrd amendment, it will be proposed to offer the following:

> No contract for loans, contributions, grants, or other expenditures provided for in this act shall be entered into by the Authority with respect to any project costing more than $1,400 per room, exclusive of cost of land and clearance thereof.

In that connection let me say that that does not mean simply a loan of $1,400. It means that there shall be no loan made concerning a project which costs more than that, regardless of any local contribution.

Mr. LA FOLLETTE. I am glad the Senate is now on notice that the purpose of this motion to reconsider is not to eliminate from the bill a limitation on cost per room, but only to increase it slightly so as to take care of situations where building costs may be in excess of the average, which has been $1,000 in our experience to date with low-cost housing in this country.

One more word, Mr. President, concerning the elimination of the family unit provision which is contained in the original amendment offered and adopted at the behest of the Senator from Virginia [Mr. BYRD].

There is no justification for fixing a limitation of cost per room and then multiplying that by four and saying that no project shall be considered where it may be necessary, in order to take care of larger-sized families, to provide more than four rooms. It seems to me that the objective and the purpose of this limitation provision is achieved when we have set a limitation of cost of construction per room, and that it would be unwise to provide a limitation so far as the family unit is concerned, which would make it impossible for the authority to consider the construction of projects which would provide, in part, for families larger than the average. I think we are justified in contending that the limitation, insofar as it applies to the family unit, would be a very serious and unwarranted limitation upon these projects for housing families larger than the average.

Mr. VANDENBERG. Mr. President, I confront a very real perplexity when I face the fundamental problem involved behind the motion to reconsider. I feel very deeply about it, and I want to present this contemplation in utter good faith.

We are proposing to tax the whole American people to provide new housing for the lowest-income group of the country now living in so-called slums. The amendment proposed by the able Senator from Virginia [Mr. BYRD] provides that in transferring these lowest-income groups from the slums into livable quarters, the limit of expenditure shall be $1,000 per room, or $4,000 per family unit, for the construction only. That means that with the land added, we may fairly say that the Byrd amendment permits $5,000 per family unit to be expended on slum clearance.

Under the substitute that has been suggested by the able Senator from Kentucky [Mr. BARKLEY], the limit is to be raised to $1,400 per room, which would represent $5,600 in construction, plus, let us say, another thousand dollars for the land, or an ultimate expenditure of $6,600 per family unit.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I cannot yield now. I have only a limited time. I am sorry.

Mr. President, this is the contemplation that staggers me: Under the census figures reported in 1930, I find that 51.6 percent of all the urban home owners in America—those who have toiled and saved to create their homes for themselves, those who represent the great self-supporting middle class, the great backbone of the American community, those who by no stretch of the imagination can be called slum dwellers—live in homes that cost $5,000 or less. So far as the limitation proposed by the Senator from Kentucky is concerned, I find that 73 percent of the average American

urban home owners live in homes that cost less than the amount we are proposing to expend from funds raised by taxation to create homes for those who are to be removed from the slums. When we get out on the countryside, Mr. President, I find that out of 3,600,000 farmers who own their own homes, 3,300,000 of them live in homes that cost less than $5,000.

Are you going to ask me, in the name of slum clearance—an utterly worthy cause, one that I want to support and sustain—are you going to ask me to say to 80 percent of the home owners of America, "We insist upon taxing you to build homes for slum families that cost more than the homes in which you yourselves live? We require you to pay to provide others with better homes than your own, and then we shall tax you, in addition, to contribute subsidy rental to these families."

Can I justify myself in returning to my constituency of home owners and saying to them that I have voted a tax upon them to provide some slum clearance on the basis of homes which are better than those in which they themselves live?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. As I said a moment ago, this is not a bill to average the cost of homes in the United States; but does not the Senator realize that out in the various sections of which he speaks, and with which I am familiar, there are many compensations which do not exist in concentrated areas of population, such as fresh air, open country; that there is a lack of facilities which can be utilized, which are desirable always, but absolutely necessary in these crowded areas? So that we cannot, if we are to indulge in this slum-clearance activity, do it on the basis that there are millions of homes that cost less than $5,000, or $4,000. Many of us, I have no doubt, have lived in homes that cost less than $1,000; but we are dealing with an exceptional situation, and it seems that while it is plausible, it is at the same time a specious argument to contend that because many of our people live in homes costing less than $5,000, we are not willing, in a great movement of this sort, to improve the condition of our people by permitting the lending of money to erect homes which may cost more than that.

Mr. VANDENBERG. Mr. President, I think the Senator from Kentucky is the one who offers the specious argument. This is a problem primarily in arithmetic: What does it cost to create a livable home? If across this Nation it has cost less than $5,000 to create livable homes for 80 percent of our people, I do not believe the American Congress is called upon to authorize more than $5,000 to create homes in the name of slum clearance. I do not believe the American people will stand for it.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MALONEY. I do not think the Senator from Michigan is laying sufficient emphasis upon his argument. In his computation he says that under the latest proposal a four-room apartment would cost about $6,500. I think he might stretch that just a little and point out that a six-room or seven-room house would cost just that much more, and probably we would put the so-called slum dweller in a $10,000 home being paid for by the taxpayers.

Mr. VANDENBERG. I thank the Senator for his observation. I neglected to say that in connection with the census figures, the average home in which the average American lives, and which cost less than $5,000, in the ordinary course of events is more than a four-room institution.

Mr. BARKLEY. Mr. President, will the Senator yield again?

Mr. VANDENBERG. Not at the moment. In other words, the comparison has been utterly conservative from my point of view.

I want the housing program to proceed on a scientific basis and with every possible advantage to develop adequate slum clearance and reasonable housing for those who are cleared from the slums. I want to vote for the bill if it can be done. I cannot vote for the bill if I am asked to vote that those who live in slums cannot be removed to adequate quarters unless we spend upon that proposition more than 80 percent of what the American people have spent to provide themselves with homes at their own expense.

Mr. GUFFEY. Mr. President, for more than 40 years I have been a student of the housing problem. My first interest was attracted to this subject when Theodore Roosevelt was police commissioner of the city of New York, when the late Jacob Riis interested him in the slum-clearance problem of that city. Later, when Theodore Roosevelt was Governor he was instrumental in having enacted some laws which made a beginning in slum clearance in New York.

For 12 years I gave 3 nights a week and Saturday afternoons to welfare work in my home city of Pittsburgh. I studied the housing problem not only from the point of view of social-settlement work, convalescent-home work, welfare work, and fresh-air work, but I was also president of a housing-improvement company in Pittsburgh dealing with the tenement-house problem.

I know that we can do nothing in Pittsburgh to relieve the situation unless we can strike out the amendment of the junior Senator from Virginia. I have had an unfortunate experience with slum clearance. I lost some of my own money in it in an endeavor to help some neighborhood conditions. During the past 2 years, since we have had a progressive Democratic administration in the State of Pennsylvania and in the city of Pittsburgh, we have been able to have torn down almost 3,000 slum houses, but as yet we have been unable to induce capital to step in and replace them with the homes necessary to house those whose dwelling places were demolished. I believe that if the pending bill should be enacted we will be able in Pittsburgh to carry to a successful completion the work some of us have carried on so far.

I have no doubt that the amendment suggested by the Senator from Virginia would meet the necessities in Virginia; and if the standard of wages suggested by the senior Senator from South Carolina prevails in his State, it is entirely too high.

If we comply with the sanitary plumbing laws in the city of Pittsburgh, we cannot build a brick house, with fireproof construction, as required under the ordinance, for the limited amount fixed in the amendment offered by the Senator from Virginia.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. GUFFEY. I yield.

Mr. TYDINGS. Can the Senator give us any idea of what it would cost to build a four-room house or apartment?

Mr. GUFFEY. A single house or an apartment?

Mr. TYDINGS. Either.

Mr. GUFFEY. I should say it would cost $6,000 to $6,500.

Mr. TYDINGS. How much would it have to rent for, may I ask the Senator from his experience, in order to furnish enough revenue to pay off the loan?

Mr. GUFFEY. I would not attempt to answer that question today, because I have not the figures; but I know we could not build a house in Pittsburgh under this proposed law with this amendment in it.

Mr. TYDINGS. Is it possible to build a $6,500 or a $6,000 house or apartment and rent it on terms which people who are living in the slums and drawing the lowest possible income can pay in the way of rent?

Mr. GUFFEY. It may not be possible now, but we are trying to improve conditions. We are trying to increase the wage standard. We have to increase the wage standard if we expect to enable men to live under proper conditions.

Mr. TYDINGS. How much incomes does the Senator think a man would have to have a month in order that he might live in one of these $6,500 buildings?

Mr. GUFFEY. From $100 to $125 a month.

Mr. TYDINGS. Then the Senator concedes that we would not be putting into these apartments the people who now are

in the lower-income brackets, and who for the most part compose the population of the slums?

Mr. GUFFEY. In the city of Pittsburgh and the city of New York we are endeavoring constantly to raise the minimum-wage standard. The Steel Corporation in Pittsburgh now has a minimum of $5 a day for day laborers. If that is followed, with 20 days' work a month a man can afford to live in these better houses.

Mr. TYDINGS. What does the Senator say offhand one of these $6,000 apartments or houses would rent for per month?

Mr. GUFFEY. I would not attempt to answer that question.

Mr. TYDINGS. Would the Senator think it would be at least 8 percent of the initial cost?

Mr. GUFFEY. It is not possible to pay 8 percent of the initial cost.

Mr. TYDINGS. I mean for rent, taxes, insurance, upkeep, repairs, and so forth.

Mr. GUFFEY. I told the Senator I had not the details here this morning; but I heard the discussion, and I wanted to give my experience. I know we cannot do it in Pittsburgh. I am not going to answer any questions involving figures, because I am not a member of the committee and I have not worked out the details.

Mr. TYDINGS. Does not the Senator concede from his own practical experience that usually the rent charged is about 10 percent of the cost? I take the figure of only 8 percent of the cost. Eight percent of $6,000 would be $480, which would be $40 a month. Does the Senator think that a laborer making $100 a month can pay $40 a month rent, and have only $60 left over for himself and his family?

Mr. GUFFEY. I say he can pay $30 or $35 and live in better conditions.

Mr. TYDINGS. How much would he have to earn in order to pay $30?

Mr. GUFFEY. One hundred dollars a month.

Mr. TYDINGS. Let me say to the Senator that not one of these apartments about to be built can be rented for $30 a month. There is no way possible that he can figure out taxes, insurance, repairs, depreciation, interest on the loan, and upkeep.

Mr. GUFFEY. I say it can be done, and can be done for $30 a month.

Mr. BYRD. Mr. President, will the Senator yield for a question?

Mr. GUFFEY. I am through.

Mr. BYRD. I should like to ask the Senator a question. The $6,500 figure, given as the cost of constructing a four-room apartment house, does not include ground?

Mr. GUFFEY. That includes the ground.

Mr. BYRD. The amendment which has been offered, then, is exclusive of the ground; that is, the amendment suggested by the Senator from Kentucky [Mr. BARKLEY] does not include the land. From the Senator's experience would he say he could build an apartment house for $6,500, including the cost of the land?

Mr. GUFFEY. That would depend entirely on where the apartment was built.

Mr. GLASS. Mr. President, let us have order. We cannot hear what is going on.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. WAGNER. Mr. President——

Mr. GUFFEY. Has my time expired?

Mr. BYRD. I should like to have an answer to the question.

Mr. GUFFEY. What was the question?

Mr. BYRD. The Senator stated that the cost of a four-room apartment would be $6,500. Does that include the land, or not?

Mr. GUFFEY. It does not.

Mr. WAGNER. Mr. President, the Senator from Maryland a moment ago stated that the so-called Byrd amendment—and I think the Senator from Virginia will agree with me on this—did not provide that the rooms must cost no more than $1,000 a room, but merely that no more than $1,000 may be advanced by the Federal Government for each room. Will the Senator from Virginia substantiate me in the statement that his amendment proposes that no project can be constructed with a loan from the Federal Government if any room in the project costs no more than $1,000?

Mr. BYRD. Mr. President, the Senator can read the amendment, or the clerk can read it at the desk.

Mr. WAGNER. Is the Senator from Maryland [Mr. TYDINGS] present in the Chamber? I am sure the amendment provides——

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BARKLEY. The amendment provides that no loan or grant shall be made on a project that costs more than a thousand dollars a room.

Mr. WAGNER. I wish to clear up some confusion which seems to exist. I wish to call the attention of the Senator from Maryland [Mr. TYDINGS] to the provision of the amendment. I believe through inadvertence he put a wrong construction on the amendment of the Senator from Virginia [Mr. BYRD].

Mr. President, during the discussion with the Senator from Virginia and others earlier in the debate upon this bill, I made the statement that the average cost throughout the country for projects of this character was $1,000 per room. Of course, if the average cost is a thousand dollars per room, that means that there is a maximum cost above that and a minimum cost below that. The average thus stated was based upon the calculation that the maximum cost is $1,500 and the minimum cost is $500. I think it was on the basis of my statement that the Senator from Virginia offered his amendment. But he took my average as being the absolute maximum throughout the country rather than giving leeway to a maximum of $1,500 or a minimum of $500.

After the amendment offered by the Senator from Virginia was agreed to, I made inquiry of a number of builders and others who are well informed, not only as to New York but also as to other large centers where the question of slum clearance is being considered. They all assured me that $1,500 was the lowest amount for which a room could be built in congested localities.

As I said in answer to a question asked by the distinguished Senator from Kentucky, I was willing to have that amount reduced even below the minimum figure of $1,500, namely, to $1,400. Based upon the information I have received, I desire to assure the Senate that if the amount is limited to $1,000, then in none of the large centers of the country can we do real slum clearance and build decent houses for these particular people.

It is because I desire to make the law universally applicable that I am making this plea to the Senate, in the endeavor at least to raise the limit. That does not mean that every room built in houses in these congested areas must cost $1,400. I am willing to have placed in the measure any kind of provision setting forth that it is the policy of the Congress, or the mandate of Congress, that the authority shall secure the lowest possible price per room in building houses in the congested areas.

Mr. President, I believe that the Senator from Maryland [Mr. TYDINGS] is mistaken in his calculation with respect to the rent that must be charged upon the basis of cost of a thousand dollars per room, or even $1,400 per room. All the calculations that actuaries have made for me in determining the carrying charges, taking into consideration the exemption from taxes in the particular locality, indicate that the carrying charges are far below 10 percent.

The Senator from Louisiana [Mr. ELLENDER] yesterday made that very clear to the Senate, and I do not care to go over those facts again. However, I ask to have inserted as part of my remarks at this point the table which appears on page 14 of the report, which shows clearly that on an investment of a thousand dollars per room, with provision for a subsidy of 3½ percent and an interest charge of 2½ percent, we get down to $3.56 rent per room, and that, of

course, is low enough to reach the low-income group that can be financially aided by this particular legislation.

I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The table is as follows:

TABLE 10.—*Monthly rent per room, including heat, and income groups served by public housing and private enterprise*

	Cost per room, $1,000 (operating expense $2.95)		Cost per room, $1,333 (operating expense $3.93)	
	Rent per room	Income group served	Rent per room	Income group served
Public housing under Wagner-Steagall bill, all Federal loans at 2¼ percent for 60 years:				
Subsidy at 3¼ percent:				
No local tax exemption	$4.39	$1,054	$5.86	$1,406
Half local tax exemption	3.56	854	4.75	1,140
Full local tax exemption	2.73	655	3.64	874
Subsidy at 2½ percent:				
No local tax exemption	5.22	1,253	6.97	1,673
Half local tax exemption	4.39	1,054	5.86	1,406
Full local tax exemption	3.56	854	4.75	1,140
Public housing under capital grant formula of 40 percent capital grant; balance 2½-percent loans for 60 years:				
No local tax exemption	6.23	1,595	8.30	1,992
Half local tax exemption	5.40	1,296	7.19	1,725
Full local tax exemption	4.57	1,102	6.08	1,459
Private enterprise:				
Actual experience of the 43 low-rent projects of Federal Housing Administration costing $1,333 per room			13.82	3,317
Assuming room cost of $1,000	10.37	2,489		

In the above table, the family income levels are based upon the requirement (in sec. 2, par. 1) that the family income shall not exceed 5 times the annual rental, and upon an allowance of 4 rooms for a family of 5.

Mr. BONE. Mr. President, will the Senator yield to me for a question?

Mr. WAGNER. I yield.

Mr. BONE. Does the Senator from New York feel that the influence on wage levels generally in the country, due to the passage of the Black-Connery bill, is quite likely to have a marked effect on the ability of the low-income groups to meet the problems suggested by the Senator from Maryland [Mr. TYDINGS]?

Mr. WAGNER. I will say, in answer to the Senator's question, that as a matter of fact it will get down to those low-income groups, because the calculations in the table, on page 14 of the report, show that we can get down to as low as $3.56 rental per room, based on the interest rate of 2½ percent, and also taking into consideration all the other carrying charges, including the amortization of the loan.

Mr. CLARK. Mr. President, on what cost per room? You get down to a rental of three dollars and some cents on what per-unit cost?

Mr. WAGNER. On a $1,000-per-room cost. If it runs to $1,400 the rent will become a little larger, but very little higher. Of course, we expect when the loan is made that the local authority is going to be required not only to give tax exemption, but to give other aids so as to make it possible to reach even a lower group.

Mr. CLARK. I do not wish to interrupt the Senator because I know his time is limited, but I cannot understand when the Senator says that there will be very little increase in rental between a room costing $1,000 and one costing $1,400, that difference can only be taken care of by an increase in the subsidy, can it not?

Mr. WAGNER. No; because the amount of $400 is not a very substantial sum.

Mr. CLARK. It is a very large proportional sum. It means the addition of nearly 50 percent. One thousand four hundred dollars is nearly 50 percent more than $1,000.

Mr. WAGNER. The figures are contained in the table I referred to. On a cost of $1,333, with local tax exemption—and, of course, they will all have local tax exemption—we get down to a charge of $3.64 per room.

Mr. CLARK. If the Senator will permit me I will suggest that he started out with a unit figure of $1,000, and if that is increased to $1,400 it is certainly an increase of 40 percent.

Mr. WAGNER. Mr. President, I am glad the Senator called my attention to an error. On the cost per room of a thousand dollars the charge per room is down to $2.73, and the figure of $3.64 is based on a $1,333 cost, which is still sufficiently low to reach the low-income group that we wish to reach under this bill.

Two other statements were made which I should like to correct so that there will be no misunderstanding about the matter. After all, figures are not always all that we can rely upon, but a statement was made that this cost would run into billions of dollars for the Government to finance these projects. As a matter of fact, I may say to the Senate that the total cost placed upon the Government under this program when it shall be completed will be not more than $20,000,000 per year. It seems to me that for an effort to clear the slums of our country $20,000,000 per year maximum is not a very large expenditure, if we can accomplish something in clearing the slums.

What I wanted to say was that we have got to look at this thing realistically. Everyone knows that in these large centers of population it costs more to clear the slums, and costs more to construct the buildings, than in less-populated sections, and the whole question that we must finally determine is whether we are, as humanitarians and as good businessmen, ready to aid these people and get them out of the slums into decent housing, to the economic benefit of the whole country.

I am not clear whether I understood the Senator from Idaho [Mr. BORAH] yesterday that he would like a real slum-clearance bill. All I can say to the Senator is that this bill follows exactly the procedure adopted by all other countries that have succeeded in clearing their slums, particularly Great Britain.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Idaho?

Mr. WAGNER. I yield.

Mr. BORAH. The Senator misunderstood the application of my remarks. What I said was that I regarded this bill purely as a slum-clearing bill, and I wanted to support it; but I did want sufficient safeguards thrown around it with reference to the expenditures.

Mr. WAGNER. Exactly. So do I. It may be that we can build the houses for $1,000 per room. If a change occurs in the price of materials, and in some other costs that enter into building, that may be true. But at the present time I am assured that these houses cannot be built in the particular slum areas for less than $1,400 per room, if we want to clear the sums. I only want a maximum of cost. If we can build them for $1,000 a room it is the duty of the board to see that that is done.

Mr. FRAZIER rose.

Mr. WAGNER. I am sorry but I do not have much time left, and I cannot yield to the Senator from North Dakota.

Mr. President, I recall that during the Hoover administration, when some of us were trying to secure funds for Public Works Program to take care of the unemployed at that time, when we were going down further, further, and further and more and more people were unemployed and great suffering was occurring and starvation stalked throughout the country, that yet there was a hesitancy to help those people. I recall distinctly one of the brilliant statements that the Senator from Idaho made at that time in a discussion with another Senator, the late Senator Fess, of Ohio, in which the Senator from Idaho finally said:

> Let us not talk about bonds; let us not talk about the effect upon the market; let us think of these people that are starving. If the localities cannot take care of the problem, it is the duty of the Federal Government to take care of it and to see that no one in our country starves.

And we all supported the Senator from Idaho in that position.

We have heard very little about the human beings whom we are trying to help. We have been given nothing but figures and figures and figures. It reminds me that I called on President Hoover—I do not think there is anything confidential about it—and pleaded for a billion-dollar program. At that time another Senator, the distinguished Senator from Wisconsin [Mr. LA FOLLETTE], asked for even a larger appropriation for a relief program. I pleaded for a billion-dollar program with which to put people to work, because I said, "People are out of work and we are going to have difficulty when they begin to suffer hunger and general destitution." I was sent by the President to an official who had charge of the finances of the Government. He said to me, "Why a billion-dollar program?" And he took up a pencil and began to figure the effect that the issuance of a billion dollars in bonds would have upon the price of current bond issues upon the market.

I said, "Mr. Secretary, will you not look out of the window, will you not visualize from ten to twelve million people who are on the point of starvation? Let us think of them. Do not be figuring whether the bonds are going to lose a quarter of 1 percent upon the market, but let us think of these people, Americans, who are willing to work, but who, because of our mismanagement of the economic system, have been thrown out of work through no fault of their own. Let us see that they are put back to work so that their morale will not be destroyed. That is the duty of the Federal Government."

The PRESIDENT pro tempore. The time of the Senator has expired on the motion.

Mr. WAGNER. I will speak on the bill for a few moments.

The PRESIDENT pro tempore. The Chair is informed that the Senator from New York has already spoken on the bill.

Mr. WAGNER. I had just reached the point where I wished to make a further statement, but I will have to forego it. I may say, however, that I hope the motion of the Senator from Nevada [Mr. MCCARRAN] will be agreed to.

Mr. FRAZIER obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. FRAZIER. No; I cannot yield. We have rules which forbid interruptions except for questions.

Mr. O'MAHONEY. Will not the Senator yield to allow me to propose a unanimous-consent agreement?

Mr. FRAZIER. No. I have not opened my mouth on this bill, or on very many others, but I do wish to say just a word or two in regard to the pending question.

Mr. President, I cannot, for the life of me, understand why there is any objection to limiting the cost of the units which are to be erected in slum-clearance projects to what seems to me to be a reasonable amount, namely, a thousand dollars a room. I cannot understand, for the life of me, why it should cost any more for materials and for the work to build an ordinary livable home in New York City than it does in the smaller cities in the United States, or why it should even cost so much, for in a large city, such as New York, where there is more competition among the firms which furnish the materials and among the contractors than in the smaller cities.

If projects are to be undertaken in cities which have slums that should be cleared up, cities which are in control of political organizations and which take political tolls, the board or those in charge or the Secretary of the Interior should see to it that the new tenement houses or building units which are to replace the slums should be built outside the limits of those cities. We do not expect to have the new homes built on Fifth Avenue in New York City. There is no reason why they should be. There is plenty of land around New York City, land which can be obtained for a reasonable price, where homes may be built for persons who now inhabit the tenement houses in the slums.

There has been all kinds of criticism of graft and politics being played even in relief work under the present administration. I have tried to defend and to protect the administration from any such charges and have felt that, in general, the situation has been very well taken care of; but in some instance there have been such persistent charges made that I am inclined to believe that there is some truth in them in some instances.

If this bill is honestly intended for the purpose that those in charge of the measure say it is, namely, to build new homes for those who now live in slum districts where the conditions are almost unbearable, then let us see to it that graft is cut out of it on the part of any Government official or any city official or anybody else, and see to it that the price or cost of the homes is limited to a reasonable amount.

In my opinion, the amendment of the Senator from Virginia which was adopted on Wednesday last, limiting the cost of such buildings to a thousand dollars a room, is, to say the least, very reasonable. There is no excuse for paying any more for new homes for the people who now live in slum districts and are living there because they cannot earn sufficient money to have better homes.

Mr. President, it goes a little against the grain with me to have Members of the Senate insist that we must have more money for building high-priced homes to replace the slum districts. I am afraid it would not be for the interests of these poor people but for political graft.

Mr. VANDENBERG. Mr. President, I think I have time left.

The PRESIDENT pro tempore. The Chair is advised that the Senator has spoken once on the motion. The unanimous-consent agreement not only deals with the time but with the number of speeches.

Mr. VANDENBERG. I will take my time on the bill.

The PRESIDENT pro tempore. The Senator has time on the bill.

Mr. VANDENBERG. Mr. President, I wish to comment very briefly upon the final observations of the able Senator from New York [Mr. WAGNER]. I decline to accept the implication that those who insist upon consulting the fiscal stability of the United States are doing something that is inhumane in respect to some groups of our people. The able Senator from New York says let us not talk about bonds; let us talk about people who starve. Well, no person with a normal sensibility is ever going to weigh bonds against a human being, but, Mr. President, unless somebody thinks about the financial status of the Government of the United States, and that pretty soon, and brings the Federal Budget back into balance; unless somebody gives a little attention to the question of a limitation of Federal expenditures, those who starve will not be confined to the slums, but, under the impulse of the inflationary movement, which is inevitable under those circumstances, the entire American people will be crucified upon the cross of the high cost of living. Starvation will not be reduced; it will be multiplied. I respectfully submit there is just as much humanity in trying to preserve the public credit and in trying to prevent extravagance and waste as there is in the other attitude.

Mr. MINTON. Mr. President, it has been very interesting to listen to the speeches on the pending bill of the various Senators who have directed their remarks to the problem of housing. Of course, no detail has been furnished with the figures; the Senator from Maryland and the Senator from Virginia have furnished no break-down of the thousand-dollar limitation; nor has any other Senator. They arrive at these figures by a sort of average, as pointed out by the Senator from Wisconsin [Mr. LA FOLLETTE] on Wednesday last. So the figures that have been submitted with such vigor and assurance by the Senator from Maryland, by way of illustration, have been based upon a guess and an estimate upon an average and without a break-down of detailed figures or without an estimate based upon actual experience.

It so happens that in the housing business the Government has had some experience. The P. W. A. has been engaged in the housing business and has had some experience; and, based upon that experience, we are able to get some reliable figures and not altogether guesswork.

The Senator from Maryland has pointed out, under his system of figures, that one of these units would cost so much, that the rental of it would have to be $40 a month, and that the people we want to help have no such income as to justify paying $40 a month rent. Of course, one cannot justify that kind of rent in view of the meager income of those in the low-income group. The people who are going to live in these projects where slums are cleared away and new construction is placed are people who are in the low-income brackets, and they cannot afford to pay over from $15 to $20 a month. Twenty dollars a month is the top and $15 a month is about an average.

Mr. President, let us examine for a minute the figures of the Housing Administration of the P. W. A. and see if people with low incomes can come within the figures. It is not a matter of guesswork with the P. W. A. Housing Administration. They have actually undertaken 51 projects, 27 of which were slum-clearance projects, and one was in one of the worst slums of the country in the State of Massachusetts. Their experience has been that in these 51 projects the average room cost, net, has been $1,370.15, and with all overhead charges, exclusive of land, it has been $1,407. Now, let us take the various units in the various localities and get some idea of what the cost has been to the P. W. A. in the experimental housing projects which they have undertaken in 51 cities of the United States.

In Atlanta, Ga., for instance, the total room cost, exclusive of land, was $898; with land it was $1,260. That was on project H–1101. On project H–1102 it was $853.

Mr. BYRD. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Virginia?

Mr. MINTON. I yield.

Mr. BYRD. I wonder if the Senator has the figures as to the cost per unit of the resettlement projects, such as Tugwelltown and others, where the cost was $14,000 each?

Mr. MINTON. No; I have not the figures. I am talking about the P. W. A. and the Senator knows it. I am talking about housing projects in connection with which the P. W. A. has had actual experience in slum clearance and actual experience as to the cost per room net and cost per room including land.

Mr. BYRD. Is not the Senator aware the Resettlement Administration spent nearly as much as the P. W. A.? Why not take the experience of the Resettlement Administration?

Mr. MINTON. The Senator from Virginia may take it in his own time. I am talking about the P. W. A. The Senator from Virginia permitted things to happen in his own State and expenditures to be made there, and then comes in and cries about the results.

Mr. BYRD. Mr. President, I know the Senator does not want to make a misstatement. He has made a statement which is absolutely incorrect. I did not permit it, and I did all I could to stop it.

Mr. MINTON. Did the Senator object to starting the project?

Mr. BYRD. I was not consulted about starting of the project. It was a lump-sum appropriation, and I did my utmost to stop it.

Mr. MINTON. Did not the Senator know they were going to build the project in his State?

Mr. BYRD. I did not know they were going to construct any of those Virginia projects, one costing $8,000 per room. I assumed they would use ordinary common sense and good judgment in the expenditure of public money, but I was wrong.

Mr. MINTON. My only experience in trying to save money for the Government was in a bill carrying an authorization for appropriations which contained an item of $2,500,000 for a project in my State which we did not think was an economical project, and we did not want it. We opposed it in the beginning and knocked the $2,500,000 out of the appropriation bill, and we did not come in after the project had been started and the money had been spent and squawk about it.

Let me get back to the P. W. A. projects. At Atlantic City the project cost $1,280 per room without land and $1,666 with land. At Birmingham, Ala., the project cost $1,150 per room without land and $1,604 with the land.

In my own State of Indiana, in the city of Indianapolis, we had one project, and the cost per room there without the land was $973 and with the land $1,269.

Mr. HOLT. Mr. President——

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Indiana yield to the Senator from West Virginia?

Mr. MINTON. I yield.

Mr. HOLT. Does not the Senator know that the average value of nonfarm homes in Indiana is only $3,654?

Mr. MINTON. No; I do not know that, but I am not surprised. As I travel over the country and observe as I go along I would conclude the room cost is lower than that in West Virginia.

In Louisville, Ky., right across the river from where I live, the average room cost is $1,544 without the land and $1,627 with the land. So it is with all the projects all the way down the line.

The average cost per room under the P. W. A. projects is $5.34 per room per month—of all the projects all over the United States, in Georgia, New York, Massachusetts, Ohio, Texas, South Carolina, Indiana, Tennessee, Wisconsin, Minnesota, Nebraska, Oklahoma, and Pennsylvania. That includes the projects scattered all over the country. The experience has been that the average rental per room, in order to amortize and pay out the projects under their scheme, is $5.34.

If we take those costs and apply the provisions of the Wagner bill, if we take that experience of the P. W. A. in the various States, 51 projects where the P. W. A. has had this experience, and extend the figures of the Wagner bill to those projects, we will find that the average rent per room would be $3.54, so that the rent of a 4-room unit would be four times $3.54, which would be $13 or $14. Thirteen or fourteen dollars is within the reach of the people we are trying to help, those who are in the low-income brackets.

So what becomes of the estimate of the Senator from Maryland [Mr. TYDINGS] which is based upon an average here and an average there, and a guess here and a guess yonder? They fade away in the face of the actual figures and experience of a governmental agency in 51 distinct projects of housing.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BYRD. What figures is the Senator quoting? Is he quoting figures of the Federal Housing Administration where the known average rental per room is $14.13?

Mr. MINTON. I am talking about the P. W. A. housing administration. I am not talking about the Federal Housing Administration.

We find, when we consult actual figures and take the actual experience of the Government in housing, that a unit can be built sufficient to take care of these people, adequate in every respect, and can be rented to them under the Wagner bill now pending before the Senate at an average of $3.54 per room. Therefore, it becomes entirely possible to aid the people that everybody is for "but", and everyone wants to help "but", and everyone is pleased to do something "but"; and when we get through "butting" them around the Chamber there is no help in sight for them.

From these figures of the actual experience of a governmental agency, I submit that the bill so ably sponsored by the junior Senator from New York [Mr. WAGNER] meets the

problem, is thoroughly practical, and can be worked out in the interest of the poor people the Senator and his friends are trying to help.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Clark	Johnson, Colo.	Overton
Andrews	Connally	King	Pepper
Ashurst	Davis	La Follette	Pittman
Austin	Dieterich	Lee	Radcliffe
Bailey	Donahey	Lewis	Reynolds
Barkley	Ellender	Lodge	Schwartz
Berry	Frazier	Logan	Schwellenbach
Bilbo	George	Lonergan	Sheppard
Black	Gerry	Lundeen	Shipstead
Bone	Gillette	McAdoo	Steiwer
Borah	Glass	McCarran	Thomas, Okla.
Bridges	Green	McGill	Thomas, Utah
Brown, Mich.	Guffey	McKellar	Townsend
Brown, N. H.	Hale	McNary	Truman
Bulkley	Harrison	Maloney	Tydings
Bulow	Hatch	Minton	Vandenberg
Burke	Herring	Moore	Van Nuys
Byrd	Hitchcock	Murray	Wagner
Byrnes	Holt	Neely	Walsh
Capper	Hughes	Nye	Wheeler
Chaves	Johnson, Calif.	O'Mahoney	White

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. BYRD. Mr. President, the amendment offered by the junior Senator from Virginia and adopted by the Senate provides a limitation of $4,000 per family unit and $1,000 per room, exclusive of the cost of the land and the removal of any buildings existing on the property purchased. As a reasonable price for the purchase of the land and the demolition of the buildings, let us assume $1,000 for a four-room home. This would permit a cost of $5,000 per family unit.

The Senator from Kentucky [Mr. BARKLEY] has stated that should this amendment be reconsidered, he will offer an amendment to increase the limit of cost to $1,400 per room. I understand that the Senator from New York [Mr. WAGNER] is agreed that the family unit should be limited to six rooms. Therefore, the issue is clearly presented to the Senate, namely, should this amendment be reconsidered, assuming that the cost of the land is $1,000, a four-room family unit will cost $7,600 as compared to the $5,000 limitation proposed in the amendment that I offered.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Kentucky?

Mr. BYRD. I do.

Mr. BARKLEY. The Senator realizes that that is the maximum, and probably the exceptional case.

Mr. BYRD. I understand.

Therefore, assuming that this limitation would be reached, there is a difference of 50 percent between the two proposals. I desire to say here and now that judging by the experience we have had in these matters, we may expect every dollar to be spent that is permitted under this bill. There will be an increase of cost of 50 percent, therefore, assuming a four-room house; but under the proposal of the Senator from Kentucky a six-room house will cost $9,400, nearly twice as much as is proposed in the limitation of the amendment I have offered.

Mr. BARKLEY. Mr. President, if the Senator will yield, how does he get that figure?

Mr. BYRD. Allowing $1,000 for the land and the demolition of the buildings.

Therefore the issue is clearly presented that unless the limitation I propose is retained in the bill, on the basis of a six-room house, 50 percent less of these underprivileged persons can be provided for by this appropriation.

I am not out of sympathy with the general objectives of this legislation, but regard the pending bill as ill-considered and improperly drawn. I think it is worthy of our consideration, however, to give advantages to 50 percent more families than would be possible if the amendment I have offered should be reconsidered and rejected by the Senate.

Mr. President, rarely in the history of the Senate has such a lobby been put in operation as has occurred for the past 24 hours for the purpose of inducing the Senate to reconsider the action it took 2 days ago. The morning newspapers announce that six great national organizations located in Washington are conducting a campaign and bringing pressure upon the Members of the Senate for the purpose of inducing them to change their votes on this amendment. We must remember, Mr. President, that very few bills have been introduced in the Congress of the United States which involve the gigantic expenditures which are expressed and implied in this bill. It will be possible to spend $700,000,000, and that is only a small part of the ultimate cost, because the mayor of New York has stated that the cost of eliminating the slums of New York City alone would be $15,000,000,000; and even though all of this $700,000,000 is spent in the city of New York, it would eliminate the slums there to the extent of only something like 6 percent. The Senator from Massachusetts [Mr. WALSH] the other day said on the floor of the Senate that he estimated the cost of eliminating the slums in this country at $60,000,000,000, one-fourth of the value of all the property in the United States. Is it any wonder, Mr. President, that those who sell materials for this gigantic construction program, that those who sell concrete and lumber and brick and steel, desire to have the highest possible prices for the construction of these homes, without limitation?

Yesterday there was placed on the desks of Senators some propaganda to which I desire to make reference. I entirely absolve the Senator from New York from criticism for being responsible for placing on the desks of Senators erroneous propaganda. I think it was in very bad taste; but I desire to make reference to it because I understand that some Senators have been influenced by the figures which are contained in this pamphlet. I desire to show that the figures are misleading, and in some instances tell only half of the truth.

This memorandum was signed by Langdon Post, president of the American Federation of Housing Authorities. A similar memorandum was distributed in the press gallery, signed by the American Federation of Housing Authorities, the Housing Legislation Information Office, the Labor Housing Conference, the National Association of Housing Officials, and concurred in by the American Federation of Labor and the building trades department of the American Federation of Labor. This circular states that the average cost of the construction of certain projects under the Federal Housing Administration would amount to $1,477 per room.

Mr. President, at my request the Federal Housing Administration has furnished me the exact information with respect to the cost of the projects which have been constructed with the aid that has been furnished by that organization.

Four thousand nine hundred and seventy-seven family units have been built with the aid extended by the Federal Housing Administration. The average cost per family unit is $4,641, including the cost of the land, including the cost of the landscaping, and including all other costs, as compared with an estimate of $5,000 under the amendment proposed by me.

The average cost of the rooms is not $1,477, as stated in this circular, but is $1,282, and this includes the cost of the land.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. DAVIS. Would the Senator object to increasing the figure to the amount he has just stated, namely, $1,282?

Mr. BYRD. I have just endeavored to make clear to the Senate that this $1,282 includes the cost of the land, the cost of the landscaping, and all the other costs, while the amendment proposed by me limits it to $1,000 per room, exclusive of the land, and with the addition of the land there is no reason to think that the construction at the cost shown by the Federal Housing Administration could not be carried out under the terms of the bill.

Mr. DAVIS. Mr. President, I have a telegram from Cornelius D. Scully, the mayor of Pittsburgh, in which he informs me that—

PITTSBURGH, PA., *August 5, 1937.*

Senator JAMES J. DAVIS:

Limitation of construction cost of low-rent houses to $4,000 very bad. Would eliminate families needing more space. One thousand dollars per room cost is O. K. for Pittsburgh, but unit cost should be $6,000.

CORNELIUS D. SCULLY, *Mayor.*

Mr. Scully is very well informed on housing matters, and I was wondering whether the Senator could not bring himself to increase the amount to $6,000 as the total amount.

Mr. BYRD. Mr. President, as I have just stated, the 4,977 family units constructed all through this country by the Federal Housing Administration have cost $4,641 to complete. That includes the land and the landscaping, and likewise includes a profit to the contractor.

I am informed that the estimated cost per family in apartment houses privately built in 768 cities of the United States was $2,833 for the year 1936 and that multifamily houses built in the city of New York, exclusive of the land, cost $2,740 per family unit, in accordance with the permits for the building of these projects in that city.

Mr. President, the proposed legislation was presented to the Senate without any estimates of cost, notwithstanding the fact that it involved the expenditure of these huge sums of money and the fact that it was proposed to build certain definite building units. To show how loosely drawn the proposed legislation is, no estimates were furnished to the Senate as to the cost of the buildings.

I received from the Housing Administration some pictures and some figures as to the cost of different projects which have been constructed with the assistance of this organization. I have before me now the details as to a brick house, with a nice garage attached to it, and I think no one who would leave the slums would be insulted by being asked to live in this house. It cost $4,650. It is equipped with a steam heating plant; it is equipped with plumbing and with electrical attachments.

Of course, if those responsible are to waste and squander the money, as has been done under the Resettlement Administration, there could be no success; but it is my firm judgment and opinion that with proper economy and efficiency we could build suitable houses for the use and occupancy of the underprivileged people who now live in the slums for a total of $4,000 per unit, and in fact much less, plus the cost of the land and the cost of clearing the buildings which are now on the land.

I think no greater service can be given and no finer result can be accomplished for the long success of this movement than at the beginning to safeguard and prevent gross extravagance like that which has occurred in so many other projects constructed by Government agencies.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. CLARK. In line with what the Senator has just been saying, yesterday I ran across one of the leading economists in the United States, one of the pioneers in the housing movement in New York City, Mr. John T. Flynn, who told me that there are within the city of New York now, in the Borough of Queens, with ready access to rapid transit, family units of six rooms per house, with grounds and garage, which may be bought on easy terms for less than $5,000—indeed, for $4,950, I think he said, to be exact, so as to keep within the provisions of the tax-exempt provisions of the New York statute. If that can be done by private enterprise, it would certainly seem that a limitation of $4,000 per family unit, exclusive of the land, would be a very reasonable one.

Mr. BYRD. Mr. President, there can be no question about that. As has been stated on the floor of the Senate, the average value of all the residences in the cities of this country is only $4,400. It is proposed that we spend far more in the construction of buildings for the purpose of slum clearance than the average value of all the dwellings in the cities of the country.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. O'MAHONEY. I was very much impressed by the inquiry which was directed to the Senator by the senior Senator from Pennsylvania [Mr. DAVIS], who quoted a telegram from the mayor of Pittsburgh to the effect that while a satisfactory slum-clearance project could be constructed for $1,000 a room, the limitation of $4,000 was probably too low, and indicating, as I recall, that a maximum of $6,000 per family unit would cover the situation in Pittsburgh.

I inquire of the Senator from Virginia whether, in the light of all of the conflicting figures which are being presented to us on the part of the proponents of the limitation motion and upon the part of those who are opposing it, the suggestion submitted by the Senator from Pennsylvania from the mayor of Pittsburgh might not afford a basis for a general agreement.

Mr. BYRD. Mr. President, it is my frank and considered judgment that a maximum of $5,000 per family unit is sufficient; in fact, the construction cost should be less.

Mr. O'MAHONEY. May I ask, then, does the Senator intend to suggest such a modification of the original amendment?

Mr. BYRD. My contention is, I may say in response to the Senator from Wyoming, that my amendment already provides for a maximum cost of $5,000, because it excludes the cost of the land and excludes the cost of the demolishment of the building. Therefore, under the amendment as it now stands, there can be spent——

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). The time of the Senator from Virginia has expired.

Mr. BYRD. May I take time on the bill?

The PRESIDING OFFICER. The Senator has already spoken on the bill.

Mr. BYRD. Mr. President, I move to lay on the table the motion to reconsider.

Mr. BARKLEY. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WAGNER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WAGNER. May I be informed exactly of the question before the Senate?

The PRESIDING OFFICER. The question is on the motion of the Senator from Virginia [Mr. BYRD] to lay on the table the motion of the Senator from Nevada [Mr. MCCARRAN] that the vote by which the amendment offered by the Senator from Virginia was agreed to be reconsidered. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. LEWIS. I again announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official duty as members of the committee appointed to attend the dedication of the battle monuments in France.

I further announce that the Senator from Arkansas [Mrs. CARAWAY] is unavoidably detained; that the Senator from Idaho [Mr. POPE] and the Senator from New York [Mr. COPELAND] are detained on official business; and that the Senator from Ohio [Mr. DONAHEY] and the Senator from South Carolina [Mr. SMITH] are detained in important committee meetings.

The Senator from New Jersey [Mr. SMATHERS] is detained from the Senate because of illness in his family.

The Senator from South Carolina [Mr. SMITH] is paired on this question with the Senator from New York [Mr. COPELAND]. If present and voting, the Senator from South Carolina would vote "yea", and the Senator from New York would vote "nay."

The Senator from Ohio [Mr. DONAHEY] is paired with the Senator from New Jersey [Mr. SMATHERS]. If present and voting, the Senator from Ohio would vote "yea", and the Senator from New Jersey would vote "nay."

Mr. AUSTIN. My colleague [Mr. GIBSON] is absent in France in connection with his duties with the Battle Monuments Commission. He has a general pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 44, nays 39, as follows:

YEAS—44

Adams	Capper	Herring	Pittman
Andrews	Clark	Holt	Radcliffe
Ashurst	Connally	Johnson, Calif.	Reynolds
Austin	Davis	Johnson, Colo.	Shipstead
Bailey	Frazier	King	Steiwer
Borah	George	Lodge	Townsend
Bridges	Gerry	Lonergan	Tydings
Bulow	Glass	McNary	Vandenberg
Burke	Hale	Maloney	Van Nuys
Byrd	Harrison	Nye	Wheeler
Byrnes	Hatch	Overton	White

NAYS—39

Barkley	Ellender	Lundeen	Pepper
Berry	Gillette	McAdoo	Schwartz
Bilbo	Green	McCarran	Schwellenbach
Black	Guffey	McGill	Sheppard
Bone	Hitchcock	McKellar	Thomas, Okla.
Brown, Mich.	Hughes	Minton	Thomas, Utah
Brown, N. H.	La Follette	Moore	Truman
Bulkley	Lee	Murray	Wagner
Chavez	Lewis	Neely	Walsh
Dieterich	Logan	O'Mahoney	

NOT VOTING—12

Bankhead	Donahey	Hayden	Russell
Caraway	Duffy	Norris	Smathers
Copeland	Gibson	Pope	Smith

So Mr. BYRD's motion to lay on the table Mr. MCCARRAN's motion to reconsider was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MANSFIELD, Mr. DEROUEN, Mr. GAVAGAN, Mr. SEGER, and Mr. CARTER were appointed managers on the part of the House at the conference.

LOW-COST HOUSING

The Senate resumed the consideration of the bill (S. 1685) to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes.

Mr. WAGNER. Mr. President, I ask unanimous consent that I may be permitted to offer several amendments, one after the other. They are all corrective amendments, and none of them, with one exception, is substantive. I believe the Senate will agree to the substantive amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered. The clerk will state the first amendment offered by the Senator from New York.

The CHIEF CLERK. In the committee amendment, on page 40, line 6, it is proposed to strike out "Authority" and insert "Administrator", and on the same page, line 7, to strike out "Authority" and insert "Administrator."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The next amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. In the committee amendment, on page 44, line 9, it is proposed to strike out the comma after the word "rules" and insert in lieu thereof the word "and"; and in the same line to strike out the words "and definitions."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

Mr. CONNALLY. Mr. President, will the Senator from New York yield to me for a question?

Mr. WAGNER. I yield.

Mr. CONNALLY. Since the Senate has adopted the amendment placing this activity under the Department of the Interior, I wish to ask the Senator from New York whether any real necessity exists for having an administrator and four directors at high salaries under the Secretary of the Interior.

Mr. WAGNER. I may say that the construction which the author of the amendment put upon it was that it merely gives the Secretary of the Interior supervisory power. The powers that are to be exercised still exist in this board.

Mr. CONNALLY. It seems to the Senator from Texas entirely extravagant and inconsistent to put this authority as a bureau in the Department of the Interior and then have an overhead of five high-salaried officials.

Mr. WAGNER. The number has now been reduced to three.

Mr. CONNALLY. The number has been reduced to three! The Senator has made some progress.

Mr. WAGNER. That was done some time ago.

Mr. CONNALLY. It seems to me there should be a further reduction. It seems to me that one man, under the Secretary of the Interior, is sufficient.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BURKE. Would it not be the idea of the Senator from Texas that we should strike out the provision for a board of two directors and leave simply the administrator?

Mr. CONNALLY. Exactly.

Mr. BURKE. It seems to me that would be advisable, since the Secretary of the Interior has supervisory power.

Mr. CONNALLY. Exactly. It seems to me we can dispense with the two directors and allow the Administrator to function, because if the Secretary of the Interior is to have supervisory power he will, in the last analysis, be the one who determines policy, and the Administrator can simply carry out the policy of the Secretary of the Interior.

Mr. WAGNER. No such power has been given to the Secretary of the Interior by the amendment which has been offered, and it is my belief that if this work is to be effectively done it must be done by a board to define the policies and the Administrator to carry them out.

Mr. CONNALLY. When the Senator from New York shall have concluded with his amendments I shall ask leave to introduce an amendment to that effect.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from New York.

The CHIEF CLERK. In the committee amendment, on page 50, line 9, it is proposed to strike out "and" and insert "or."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the Senator from New York will be stated.

The CHIEF CLERK. In the committee amendment on page 55, line 16, it is proposed to strike out "purusuant", and insert "pursuant."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will read the next amendment offered by the Senator from New York.

The CHIEF CLERK. In the committee amendment on page 56 it is proposed to strike out, beginning with the figure "(3)", in line 10, and extending to line 19, and to renumber the succeeding paragraphs of the section to conform to the change thus made.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. KING. Mr. President, may I make an inquiry of the Senator?

Mr. WAGNER. Yes.

Mr. KING. Does the Senator intend to eliminate by that proposed amendment all the lines from line 10 down to and including line 19, or is the Senator merely eliminating the figure "3" in the parentheses?

Mr. WAGNER. It is proposed to take out the paragraph, because elsewhere in the bill the amendment offered by the Senator from Massachusetts [Mr. WALSH] takes care, in a mandatory way, of the matter which this paragraph deals with as merely discretionary.

The PRESIDING OFFICER. The Chair is informed that the amendment last stated to the committee amendment was agreed to on August 3.

Mr. O'MAHONEY. Mr. President, what was the amendment that was agreed to?

Mr. WAGNER. Mr. President, I can explain it. Paragraph (3) on page 56 has to do with the elimination of slums where a housing project is undertaken. Under that paragraph, however, it is only discretionary. The Senator from Massachusetts submitted an amendment, which has been agreed to, making it absolutely mandatory. That having been done by the Senator from Massachusetts, the discretionary provision should go out of the bill. It is surplusage.

Mr. WALSH. Mr. President, this amendment should be adopted, although I think the amendment heretofore offered by me proposed to strike out paragraph (3). The provision that is sought to be stricken out sets up one of the standards that the Authority should consider in making any grants or loans to a local housing authority. The amendment which the Senate adopted and to which the Senator from New York refers as my amendment makes it compulsory. Therefore, the optional provision which fixes it as one of the standards should go out of the bill, there being left in the bill the compulsory provision to which reference has been made.

Mr. KING. Mr. President, will the Senator from New York permit me to ask him a question?

Mr. WAGNER. Yes.

Mr. KING. Is it the understanding of the Senator that by the elimination of the paragraph just referred to, where the insanitary premises have been taken away from the owners and when the buildings have been demolished, the new housing project must be upon the same ground?

Mr. WAGNER. The new housing does not necessarily have to be upon the same ground. The city, for instance, may want to make a park of the slum area by tearing down the buildings, but they must take care of every inhabitant of the slums by erecting buildings at some other place.

Mr. KING. That is what I was interested in. It would seem to me to provide that the new housing units must be built upon the ground where the slum was cleared.

Mr. WALSH. There is no such provision in the bill.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Missouri?

Mr. WAGNER. I yield.

Mr. CLARK. Is it not a fact the most important thing in connection with the whole business is to take care of the present occupants of the slums, whether they are taken care of on the very ground or otherwise?

Mr. WAGNER. Yes; and put them in decent houses.

Mr. CLARK. And put them in decent houses, improved houses. But I am told that in the city of New York there are 500,000 persons occupying buildings of a type that has been forbidden by law for 38 years, but at any suggestion of purchasing that property it is held by the owners at an absolutely prohibitive price. Is not the important thing to do to move the occupants of those slums to better homes some place else, and then for the State of New York or the city of New York or other States or other cities, as the case may be, to go in, and, by the process of condemnation, as a matter of public health and public safety, wipe out those slums?

Mr. WAGNER. That is exactly what this bill proposes to do. There is to be no private purchase of those properties; they are to be purchased as a result of condemnation. So there can be no question of any land speculation involved.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Colorado?

Mr. WAGNER. I yield.

Mr. ADAMS. I should like to inquire if a great city—I am not referring to New York—has slum dwellings which do not meet the requirements of use—that is, if they are insanitary and unsafe—why should the Federal Government and why should the city, why should the housing authority be compelled to buy those buildings?

Why could not the city acquire them under its police power and destroy them and tear them down? The occasion for constructing the new buildings is in order that those who now by force of necessity occupy the slum areas may have other places to which to go. But we certainly should not pay the owner for dwellings which are not fit for habitation, even though he has been obtaining rent from them.

Mr. WAGNER. That is all a matter of court procedure. Where such properties are unfit for human habitation, the courts provide no price for them; in some cases the owners are required to demolish the buildings; but the land, of course, cannot be taken without paying compensation.

Mr. ADAMS. We do not want this bill to be a bill for the benefit of the owners of slum dwellings.

Mr. WAGNER. Of course not. Various suggestions of that character have been made, but I hope the Senator does not think that those who are sponsoring the bill have the owners of that type of uninhabitable houses in mind?

Mr. ADAMS. I do not think so at all. I made the inquiry because of this proper provision that there must be compulsory clearance of the slums. My inquiry was as to the method. I do not want the method to involve payment for insanitary, unfit dwellings.

Mr. WAGNER. No such requirements, of course, are provided. If the courts find that buildings are unfit for habitation, and are worthless, there is no compensation paid for them, but compensation is paid for the land; and we have the power under the law—I do not know how much it has been exercised—even to compel the demolition of properties of that character.

Mr. ADAMS. It cannot have been exercised, because the cities have had the power to compel the demolition of these buildings, anyway, and little or nothing has been done.

Mr. WAGNER. The Senator must recognize the tremendous problem involved. If the people who occupy the slums were to be put out without having any other place to go, they would have to live on the streets. As speedily as we can, we will get rid of the slums, but we cannot do so until we build new houses. There have been some demolitions which have forced people to leave their old dwellings, and, having no other place to go, they are now living in tents. That is true not only in New York but in other places. When Senators go home I think they may find evidence awaiting them as to the seriousness of the housing shortage in their own sections.

Mr. LEWIS. But our constituencies do not lose touch with us.

Mr. WALSH. Mr. President, in reply to the Senator from Colorado, and to reiterate what the Senator from New York has stated in a different way, let me say that it is not contemplated that any money shall be expended by the Federal Government to remove slums. There is ample legal authority in any State that wants to exercise the power to remove slums without any cost to municipality or the State or to the Federal Government.

It is provided by the amendment to which reference has been made that when an application is filed for a loan for houses to take the place of slums that have been destroyed by the city or State, there shall be submitted, with the application, plans showing that the slums have been or are to be removed, as well as plans for the new houses. The loans are

to be premised upon the removal of slum areas. If it is not desirable to build houses there, they can be built in an entirely different part of the city. So that it is quite possible for the local authority to come to the board and say, "We have or will destroy 25 houses in a slum area in the city of New York"—or Boston or Philadelphia—"they are demolished. We now want a loan to permit us to build 25 or 50 houses to accommodate the people who formerly lived in the slum area in another part of the city." The amendment should be adopted, as it is unnecessary in view of my compulsory amendment in another part of the bill.

The PRESIDING OFFICER. The clerk will report the next amendment submitted by the Senator from New York to the committee amendment.

The CHIEF CLERK. In the committee amendment on page 61, line 21, it is proposed to insert a parenthesis at the beginning of the line.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment offered by the Senator from New York.

The CHIEF CLERK. In the committee amendment, on page 63, it is proposed to strike out lines 16 to 22, inclusive.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from New York to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the Senator from New York will be stated.

The CHIEF CLERK. On page 63, line 23, it is proposed to capitalize the word "Authority."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. WAGNER. Mr. President, there is one other amendment. Having amended the section which deals with expenses, the words on page 43, line 3, beginning with "such", down to the end of the sentence, are no longer necessary.

The PRESIDING OFFICER. The amendment offered by the Senator from New York to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 43, it is proposed to strike out, beginning in line 3 and running through line 7, the following words:

> Such examination shall be for the sole purpose of making a report to the Congress and to the Authority of expenditures in violation of law, together with such recommendations thereon as the Comptroller General deems advisable.

The PRESIDING OFFICER. Without objection, the amendment to the committee amendment is agreed to.

Mr. McKELLAR. Mr. President, I offer an amendment which I ask the clerk to read.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 54, line 18, it is proposed to strike out the period after the word "reasonable" and insert:

> *Provided*, That upon the certification of the Secretary of the Interior that persons owning lands not suitable for agricultural purposes within existing and authorized national parks or national forests, have tendered satisfactory options for their sale to the United States for national-park purposes, the Authority may allocate to the said Secretary not to exceed $1,000,000 for their acquisition so the vendors may rehabilitate themselves on other lands more suitable for agricultural purposes.

Mr. McKELLAR. Mr. President, is not the Senator from New York willing to accept the amendment?

Mr. WAGNER. I think it is outside of the scheme of things contemplated by the bill, but I have no objection to letting it go to conference.

Mr. WALSH. Mr. President, before that is done I think the amendment ought to be explained.

Mr. McKELLAR. The amendment is to be inserted on page 54, at the end of line 18. It merely provides that certain lands may be acquired for park and other recreational facilities. For instance, at Knoxville, Tenn., this would enable the completion of a park which the Government already owns. That is all there is to the amendment.

Mr. WALSH. As I understand the provision to which the Senator's amendment applies, namely, subsection (f) on page 54, it merely gives the authority power to convert slum areas into parks or lease them for automobile storage or parking purposes.

Mr. McKELLAR. My amendment is purely permissive. It does not require it to be done.

Mr. WALSH. I am speaking of what is provided in the bill. Rather than leave the slum areas vacant, they can be converted by lease or by sale into something useful, a park or parking spaces such as have been created in other places. What addition to that authority would be made by the Senator's amendment?

Mr. McKELLAR. It would merely give the housing authority permission to do what is provided by the amendment if they see fit. The project I have in mind is to complete a park which belongs to the Government and which can be utilized for recreational purposes.

Mr. WALSH. I do not think the Senator ought to press it in connection with this matter. It ought to be on the P. W. A. bill.

Mr. McKELLAR. But the P. W. A. bill is not before the Senate.

Mr. WALSH. The projects under the bill now before us are presumed to be concerned solely and alone with slum areas and their removal by local authorities, and the building of new homes for people who are to be housed.

Mr. McKELLAR. Will the Senator be on the conference committee?

Mr. WALSH. I do not know whether or not I will be.

Mr. McKELLAR. I suggest that the Senator take the amendment to conference and see whether it can be worked out.

Mr. WALSH. I certainly should like to accommodate the Senator, but I really believe the amendment ought not to be adopted on the bill now before the Senate.

Mr. WAGNER. Mr. President, has not the Senator from Utah [Mr. KING] some amendments which would strike out certain provisions of the bill?

Mr. McKELLAR. They have not been offered as yet.

Mr. WAGNER. I understand this paragraph is to be stricken from the bill.

Mr. KING. My understanding is that it has already been stricken from the bill.

Mr. McKELLAR. No. I just asked the clerks and was informed it has not been stricken. Let the paragraph be perfected, and then if it is stricken out the entire matter will go out.

Mr. KING. I advise the Senator that section 12 has been stricken from the bill.

Mr. McKELLAR. I was advised just a few moments ago that section 13 has not been stricken from the bill. My amendment does not apply to section 12. It applies to section 13.

Mr. WAGNER. Mr. President, the Senator from Utah [Mr. KING] 2 days ago offered an amendment to the bill, to which I did not object, proposing to strike out the authorization conferred upon the board to build demonstration projects.

The PRESIDING OFFICER. That is provided for in section 12.

Mr. WAGNER. The Senator from Utah has been given a memorandum, I am sure, to move to strike out other sections of the bill which would confer the same type of power upon the board, namely, that having the power to construct demonstration projects they were also to be given the power to obtain land for parks and playgrounds and other recreation facilities in connection with demonstration projects. If no demonstration projects are to be built, the amendment of the Senator from Tennessee would be pure surplusage. I understood the Senator from Utah [Mr. KING]

was going to endeavor to perfect the bill by moving to strike that section from the bill. Am I correct?

Mr. KING. The Senator is correct.

Mr. McKELLAR. Before that is done I think my amendment should be adopted. It is entirely in order to perfect the paragraph first.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. McKELLAR. I yield.

Mr. CLARK. Is there any purpose in the Senator's amendment except to enlarge a park at a particular place in one town?

Mr. McKELLAR. That is exactly the purpose of it.

Mr. CLARK. I do not think that ought to be put on a bill of this kind. This is a slum-clearance bill and has for its purpose to move people out of infested districts or infested tenements and put them in comfortable, proper homes. To suggest now the addition of an amendment for the extension of a park in one particular city in one particular State seems to me absolutely to destroy the purpose of the bill.

Mr. McKELLAR. In my opinion, it is in perfect accord with the purposes of the bill.

Mr. CLARK. I might be in favor of the amendment of the Senator from Tennessee if offered as a separate measure, but I do not think specific projects of that sort, even where the Government already owns the park, ought to be tacked onto a measure of the kind now under consideration.

Mr. McKELLAR. It is in perfect keeping with the provisions now in the bill. Of course, if the section goes out, the whole proposal would go out.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. McKELLAR. Certainly.

Mr. BURKE. Am I to understand the Senator's amendment would give permissive authority to the board to spend money appropriated under the bill to buy lands located within the borders of a national park?

Mr. McKELLAR. Yes. It is in direct line with subparagraph (f), on page 54, which provides:

> The Authority may dedicate land for parks, playgrounds, and other recreational facilities, for sewers, for the opening or widening of streets, for incidental improvements, or for any other public purpose—

It will be seen that it takes in all public purposes.

> and may grant licenses and easements upon such terms as it deems reasonable.

If the paragraph is all going out, that is all right.

Mr. WAGNER. It should be stricken from the bill.

Mr. KING. Mr. President, I move to strike from the bill paragraph (f) on page 54.

The PRESIDING OFFICER. The motion is not now in order. The pending question is on the amendment of the Senator from Tennessee to the amendment of the committee.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. I have been unable to follow the discussion because three Senators have been on their feet at the same time, all talking at the same time. I understand there is pending a motion to strike out and another motion to add to that which is to be stricken out. May I ask just what is the question before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Tennessee [Mr. McKELLAR] to the amendment of the committee.

Mr. O'MAHONEY. May we have the amendment again stated?

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Tennessee to the amendment of the committee.

The CHIEF CLERK. In the amendment of the committee, on page 54, line 18, it is proposed to strike out the period after the word "reasonable" and insert:

> *Provided*, That upon the certification of the Secretary of the Interior that persons owning land not suitable for agricultural purposes within existing and authorized national parks or national forests, have tendered satisfactory options for their sale to the United States for national purposes, the Authority may allocate to the said Secretary not to exceed $1,000,000 for their acquisition so the vendors may rehabilitate themselves on other lands more suitable for agricultural purposes.

Mr. O'MAHONEY. Am I to understand that this is an amendment to a paragraph of the bill as to which a motion is pending to strike out?

The PRESIDING OFFICER. The motion to strike out has not as yet been made.

Mr. KING. I indicated a few days ago I should move to strike out this paragraph. I hope the amendment of the Senator from Tennessee will be rejected, and then I shall move to strike out the whole subdivision.

Mr. McKELLAR. The bill, which is perfectly plain, provides:

> The Authority may dedicate lands for parks, playgrounds, and other recreational facilities.

I wanted it to apply to a project in my State; that is all.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. BURKE. Mr. President, in my own time I wish to ask the Senator from Tennessee the question that I started to ask a few moments ago. This is a slum-clearance bill; and before I can vote for the Senator's amendment I want him to tell me definitely in what national park in this country there is a slum area that needs to be cleared up.

Mr. McKELLAR. There is no such slum area in a national park that I know of.

Mr. BURKE. Then I am against the Senator's amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKELLAR] to the amendment reported by the committee.

The amendment to the amendment was rejected.

Mr. KING. Mr. President, I now move to strike out subdivision (f) on page 54, in the following words:

> (f) The Authority may dedicate land for parks, playgrounds, and other creational facilities, for sewers, for the opening or widening of streets, for incidental improvements, or for any other public purpose, and may grant licenses and easements upon such terms as it deems reasonable.

Mr. McKELLAR. Mr. President, I hope the amendment will be agreed to.

I desire to call the attention of the Senator from Idaho [Mr. BORAH] to pages 52, 53, 54, and 55 of this bill, which provide for just the kind of things to which my amendment applied. If they are all stricken out, that will suit me entirely, and I hope they will all be stricken out; but certainly the provision of the bill known as section 13 ought to go out. It ought not to apply to part of the country without applying to all of the country. It ought to go out, and I think it will go out.

Mr. BORAH. I agree with the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. KING] to strike from the amendment reported by the committee paragraph (f) on page 54.

The amendment to the amendment was agreed to.

Mr. TYDINGS obtained the floor.

Mr. O'MAHONEY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Wyoming will state it.

Mr. O'MAHONEY. There has been so much disorder in the Chamber that it is impossible to know what is being done.

Mr. BARKLEY. Mr. President, let us have order. I make the point of order that the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. McNARY. What was the decision of the Chair on the amendment offered by the Senator from Utah [Mr. KING]?

The PRESIDING OFFICER. The amendment was agreed to.

Mr. McNARY. I thank the Chair.

Mr. McKELLAR. What was the amendment, Mr. President?

Mr. KING. To strike out subdivision (f) on page 54.

Mr. McKELLAR. As I understood, a few moments ago the author of the bill stated that the entire section 13, under the heading of "General Powers of the Authority", was surplusage and ought not to be in the bill. Therefore, I move that the entire section 13 be stricken out.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. McKELLAR. Yes; I yield.

Mr. WAGNER. I think the Senator misunderstood me. I said section 10.

Mr. TYDINGS. Mr. President, a parliamentary inquiry. Was I recognized by the Chair?

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. TYDINGS. I send to the desk an amendment which I offer and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Maryland to the amendment of the committee will be stated.

The CHIEF CLERK. In the amendment of the committee, at the proper place, it is proposed to insert the following new section:

No part of the fund herein provided shall be made available for any project unless and until the State, city, county, or other political subdivision in which such project is situated shall have contributed or agreed to contribute 5 percent of the sum granted or loaned hereunder and 5 percent of the rental subsidy herein provided.

Mr. BORAH. Mr. President, I should like to ask the Senator a question. Must the State, city, or county contribute that sum?

Mr. TYDINGS. Whatever it may be—the city or the county or the State.

Mr. President, I have offered this amendment in the best of faith, and I have made the requirement for the sponsor's contribution as low as it possibly can be made. Five percent of $1,000,000 is only $50,000.

Figure what will happen in any large city in America—a city of 800,000, 1,000,000, 2,000,000, or 5,000,000 persons. There are large areas of slums, we will assume, which it is desired to eliminate. Every man who owns property will be interested in the elimination of those slums as a personal, financial consideration. Therefore, in order that the sponsor, whether it be a city, a county, or a State, and the taxpayers therein, may be conscious——

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. TYDINGS. Let me finish my statement.

Mr. WAGNER. Perhaps we might save some time. The Senator's amendment provides for a 5-percent contribution?

Mr. TYDINGS. That is all.

Mr. WAGNER. I shall not object to it.

Mr. TYDINGS. I assume that unless there are some other questions, the Senator's agreement will insure the inclusion of the amendment in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. TYDINGS] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I offer the amendment which I send to the desk to the amendment of the committee.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin to the amendment of the committee will be stated.

The CHIEF CLERK. On page 61, line 11, after the word "architects" and the comma, it is proposed to insert "technical engineers, draftsmen", so as to read:

(2) Any contract for loans, annual contributions, capital grants, sale, or lease pursuant to this act shall contain a provision requiring that the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Authority, shall be paid to all architects, technical engineers, draftsmen, technicians, laborers, and mechanics employed in the development or administration of the low-rent housing or slum-clearance project involved; and the Authority may require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract.

Mr. LA FOLLETTE. Mr. President, I am sure there will be no objection on the part of any one to this amendment. The amendment simply clarifies what is obviously the intent of the paragraph.

Mr. WAGNER. I have no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. KING. Mr. President, a day or two ago the provision of the bill with respect to experiments was stricken out. Section 12 was eliminated. That necessitates a number of perfecting amendments in other parts of the bill.

For instance, on page 36, in line 14, after the word "Authority", I move to strike out the comma and "whether or not developed pursuant to section 12."

The PRESIDING OFFICER. The amendment offered by the Senator from Utah to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 36, line 14, after the word "Authority", it is proposed to strike out the comma and the remainder of the section down to the period in line 15, in the following words:

whether or not developed pursuant to section 12.

Mr. WAGNER. That is all right.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. KING. On page 55, line 21, after the comma, I move to insert the word "or"—just a perfecting amendment.

Mr. WAGNER. That is all right.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 55, line 21, after the comma, it is proposed to insert the word "or", so as to read:

In making any loan pursuant to section 9, any annual contributions pursuant to section 10, or—

And so forth.

The amendment to the amendment was agreed to.

Mr. KING. On the same page, page 55, beginning with the word "or" in line 22, I move to strike out through the comma in line 23.

The PRESIDING OFFICER. The clerk informs the Chair that that language has already been stricken out.

Mr. KING. Very well.

On page 59, I move to strike out lines 21 to 24, both inclusive, and lines 1 and 2 on page 60.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 59, it is proposed to strike out lines 21 to 24, inclusive, and lines 1 and 2 on page 60, in the following words:

(4) When a lease of a low-rent housing project is made pursuant to section 12, the Authority shall retain the right to terminate such lease in the event of a substantial breach of the condition (which shall be embodied in such lease) providing for the maintenance of the low-rent character of such housing project.

The amendment to the amendment was agreed to.

Mr. KING. I offer the amendment which I send to the desk to the amendment reported by the committee.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment it is proposed to insert, at the proper place, the following:

Appointment to positions made under the provisions of this act, the annual salary of which is $4,000 or more, shall be subject to confirmation by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be offered? If not, the question is on agreeing to the amendment reported by the committee, as amended.

The amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that in enrolling the bill the clerks may have authority to renumber the sections and to reletter the paragraphs.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The bill having been read three times, the question is, Shall it pass?

Mr. LA FOLLETTE and Mr. TYDINGS called for the yeas and nays, and they were ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	La Follette	Radcliffe
Andrews	Davis	Lee	Reynolds
Ashurst	Dieterich	Lewis	Schwartz
Austin	Donahey	Lodge	Schwellenbach
Bailey	Ellender	Logan	Sheppard
Barkley	Frazier	Lonergan	Shipstead
Berry	George	Lundeen	Smith
Bilbo	Gerry	McAdoo	Steiwer
Black	Gillette	McCarran	Thomas, Okla.
Bone	Glass	McGill	Thomas, Utah
Borah	Green	McKellar	Townsend
Bridges	Guffey	McNary	Truman
Brown, Mich.	Hale	Maloney	Tydings
Brown, N. H.	Harrison	Minton	Vandenberg
Bulkley	Hatch	Moore	Van Nuys
Bulow	Herring	Murray	Wagner
Burke	Hitchcock	Neely	Walsh
Byrd	Holt	Nye	Wheeler
Byrnes	Hughes	O'Mahoney	White
Capper	Johnson, Calif.	Overton	
Chavez	Johnson, Colo.	Pepper	
Clark	King	Pittman	

The PRESIDING OFFICER. Eighty-five Senators having answered to their names, a quorum is present. The question is on the passage of the bill. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The question is on the passage of the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BLACK (when Mr. BANKHEAD's name was called). My colleague the junior Senator from Alabama [Mr. BANKHEAD] is unavoidably detained. If present, he would vote for the bill.

Mr. KING (when Mr. COPELAND's name was called). The senior Senator from New York is unavoidably detained. I agreed to pair with him. If he were present, he would vote "yea." If I were permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. LEWIS. I announce that the Senator from Idaho [Mr. POPE] is detained from the Senate on official business, that the Senator from Montana [Mr. WHEELER] is detained in an important committee meeting, and that the Senator from New Jersey [Mr. SMATHERS] is detained because of illness in his family. I am advised that if present and voting these Senators would vote "yea."

I again announce that the Senator from Wisconsin [Mr. DUFFY] and the Senator from Georgia [Mr. RUSSELL] are absent on official duty as members of the commission to attend the dedication of the battle monuments in France.

I am authorized to state that the Senator from Arkansas [Mrs. CARAWAY], were she present and voting, would vote "yea." I am also instructed by the junior Senator from New York [Mr. WAGNER] to state that I am also authorized by the senior Senator from New York [Mr. COPELAND], now absent, to announce that were he present and voting he would vote "yea."

Mr. LA FOLLETTE. The senior Senator from Nebraska [Mr. NORRIS] is unavoidably detained from the Senate. If present, he would vote "yea."

Mr. ASHURST. The junior Senator from Arizona [Mr. HAYDEN] is unavoidably absent. If he were present, he would vote "yea."

Mr. BULKLEY. My colleague the junior Senator from Ohio [Mr. DONAHEY] is unavoidably detained from the Senate.

Mr. McKELLAR (after having voted in the affirmative). I inquire if the Senator from Delaware [Mr. TOWNSEND] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. McKELLAR. I have a general pair with the Senator from Delaware, which I transfer to the junior Senator from New Jersey [Mr. SMATHERS], and allow my vote to stand.

Mr. AUSTIN. My colleague the junior Senator from Vermont [Mr. GIBSON] is absent attending to his duties as a member of the Battle Monuments Commission. He has a general pair with the Senator from Wisconsin [Mr. DUFFY].

The result was announced—yeas 64, nays 16, as follows:

YEAS—64

Adams	Clark	Lee	Overton
Andrews	Davis	Lewis	Pepper
Ashurst	Dieterich	Logan	Pittman
Barkley	Ellender	Lonergan	Radcliffe
Berry	Frazier	Lundeen	Reynolds
Bilbo	Gillette	McAdoo	Schwartz
Black	Green	McCarran	Schwellenbach
Bone	Guffey	McGill	Sheppard
Borah	Harrison	McKellar	Shipstead
Brown, Mich.	Hatch	Maloney	Thomas, Okla.
Brown, N. H.	Herring	Minton	Thomas, Utah
Bulkley	Hitchcock	Moore	Truman
Bulow	Holt	Murray	Vandenberg
Burke	Hughes	Neely	Van Nuys
Capper	Johnson, Colo.	Nye	Wagner
Chavez	La Follette	O'Mahoney	Walsh

NAYS—16

Austin	Byrnes	Hale	Smith
Bailey	Connally	Johnson, Calif.	Steiwer
Bridges	George	Lodge	Tydings
Byrd	Glass	McNary	White

NOT VOTING—15

Bankhead	Duffy	King	Smathers
Caraway	Gerry	Norris	Townsend
Copeland	Gibson	Pope	Wheeler
Donahey	Hayden	Russell	

So the bill (S. 1685) was passed.

The title was amended so as to read: "A bill to provide financial assistance to the States and political subdivisions thereof for the elimination of unsafe and insanitary housing conditions, for the eradication of slums, for the provision of decent, safe, and sanitary dwellings for families of low income, and for the reduction of unemployment and the stimulation of business activity, to create a United States Housing Authority, and for other purposes."

Mr. CLARK. Mr. President, in connection with the housing bill, I ask that there be printed in the RECORD a statement furnished me by the Federal Housing Administration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Federal Housing Administration was established 3 years ago for the declared purpose of encouraging improvement in housing standards and conditions and creating a sound system of home financing to replace the practices which had proven so disastrous in the depression period. The progress made in the pursuit of these objectives up to August 1 may be summarized as follows:

Gross business transacted including mortgages selected for appraisal, commitments to insure large scale rental projects, and modernization notes insured, totaled nearly $1,800,000,000.

Home mortgages accepted for insurance reached a total of 220,000, valued at $890,000,000. The homes securing these mortgages would provide for a city of nearly a million inhabitants.

More than 2,500 additional families are becoming their own landlords under this program each week.

Mortgages on large-scale projects providing rental housing for persons of moderate means amounted to $27,332,000.

Modernization and repair notes amounting to slightly over $560,000,000 were insured under the emergency provisions of title I which expired on April 1. By this means the Housing Administration has raised the living standards of millions of persons living in the more than 1,250,000 urban dwellings and farm properties improved, and has enabled more than 100,000 small business concerns to modernize their plants and equipment. In addition, it is estimated that the "better housing campaigns" sponsored by the Housing Administration in more than 8,000 communities has stimulated modernization and repair work amounting to several times the value of the insured notes officially recorded.

A distinctive feature of the Federal Housing Administration is that it lends no money and makes no grants of Federal funds. It simply insures loans made by banks, building and loan associations, insurance companies, and other private lending institutions to finance the construction of new homes, to refinance homes already built, and up to April 1, 1937, for the repair and modernization of old structures.

Moreover, the Housing Administration is now paying the major portion of its operating expenses. Eventually, it should be on an entirely self-sustaining basis and will operate as the National Housing Act originally contemplated, without cost to the Government. Income is now being received by the Housing Administration, principally through revenue derived from mortgage insurance premiums and appraisal fees, at the rate of more than $500,000 a month. This will increase substantially as the volume of mortgage insurance grows. Thus, during the present fiscal year $5,000,000 of income will be used to pay the expenses of the administration's 66 insuring offices, leaving a substantial amount to be turned into the mutual mortgage insurance fund to meet possible losses on foreclosed mortgages.

The mutual mortgage insurance fund now exceeds $19,000,000. Of this amount $10,000,000 was supplied by Congress as an original revolving fund. The remainder has been accumulated through the receipt of mortgage insurance premiums, appraisal fees, and interest on reinvested funds. Chargeable against the fund are debentures amounting to less than $100,000. The Federal Housing Administration has assets in the form of foreclosed properties turned over to the Administrator adequate to retire all but a small fraction of the debentures outstanding.

In this connection, the soundness of the Federal Housing Administration appraisal methods, now standardized throughout the country, is attested by the foreclosure record on properties financed under the insured mortgage system. Of the 219,000 homes on which commitments to insure mortgages have been made, only 31 have been conveyed to the Administrator after foreclosure.

When the Housing Administration began operations, residential construction in America had almost ceased. During 1934 only about 50,000 urban and suburban homes were built in the entire United States. Last year this number was increased over 500 percent. Data gathered by the Bureau of Labor Statistics on building permits, supported by F. H. A. operating figures, indicate a still further improvement in 1937.

Newly constructed homes represent approximately 56 percent of the total value of mortgages accepted for insurance by the F. H. A. for the past year. Approximately one-half of the estimated value of all mortgage loans eligible for insurance on newly constructed, single-family urban homes are being financed under the F. H. A. plan. The widespread distribution of the benefits of the F. H. A. system may be seen in the fact that approximately 40 percent of the mortgages insured on new homes are in small cities and towns where heretofore it has been exceedingly difficult and expensive to obtain mortgage money.

In carrying out the mandate "to encourage improvement in housing standards and conditions" and "to create a sound mortgage market", the Federal Housing Administration has found it necessary to discourage certain outmoded lending practices, such as the second mortgage, oppressive interest rates, costly commissions, and expensive renewal fees which prevailed prior to the real-estate collapse of the early thirties, as well as the old-fashioned lot-selling rackets and jerry building. In the place of those practices, the F. H. A. has devised a new system, based upon the principle of insurance to spread losses, conservative, standardized appraisals, long-term monthly amortization, reasonable interest rates and careful consideration of the home buyer's capacity to pay. Recognizing that the home surroundings may deteriorate more rapidly than the home structure itself, closest scrutiny is being given to subdivision planning and neighborhood standards.

Funds for home financing which had almost disappeared from the market when the Federal Housing Administration came into being are now generally available on fairer terms than ever before in the history of the country. The acquisition of a home has been made easier and safer for the family of moderate means. Over half of the families buying homes under the F. H. A. plan have annual incomes of $2,500 or less and 9 out of 10 of them are using less than one-fifth of their incomes to meet their monthly payments on their homes.

In measuring the progress of the F. H. A., consideration should be given to the increased revenue flowing into the National Treasury from taxes paid by corporations and individuals, formerly "in the red", deriving their income directly or indirectly from the revived construction industry and also to the lightening of the Government relief load as a consequence of providing employment for hundreds of thousands of workers in the construction and related industries benefited by the F. H. A.

COURT REFORM AND JUDICIAL PROCEDURE

Mr. McCARRAN. Mr. President, I move that the Senate proceed to the consideration of House bill 2260, to provide for appearance on behalf of and appeal by the United States in certain cases in which the constitutionality of acts of Congress is involved.

Mr. McNARY. Mr. President, I have no objection to making the bill the unfinished business, provided we can go forward with the calendar today and tomorrow.

Mr. BARKLEY. Mr. President, I have two or three times announced on the floor, and in private more frequently, that the program is to make the bill just referred to the unfinished business, and immediately to lay it aside and have a call of the calendar for action on unobjected-to bills. If that is the information the Senator desires, I am glad to give it to him.

Mr. McNARY. I appreciate that, but I was going one step further. Is it the understanding that we will not take up the Court bill until Monday?

Mr. BARKLEY. There is no such understanding. We are to have a session tomorrow, and if we finish with the calendar, we will take up the Court bill.

Mr. McNARY. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 2260) to provide for appearance on behalf of and appeal by the United States in certain cases in which the constitutionality of acts of Congress is involved, which had been reported from the Committee on the Judiciary with amendments.

CONSIDERATION OF UNOBJECTED-TO BILLS ON CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside in order that the Senate may proceed with a call of the calendar for action on unobjected-to bills.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will proceed with the call of the calendar.

BILLS PASSED OVER

The bill (S. 1436) providing for the employment of skilled shorthand reporting in the executive branch of the Government was announced as first in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 419) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 847) a bill to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDING OFFICER. The bill will be passed over.

BILL INDEFINITELY POSTPONED

The bill (S. 100) to amend the act entitled "An act to protect trade and commerce against unlawful restraints and monopolies" approved July 2, 1890, was announced as next in order.

The PRESIDENT pro tempore. This bill has been incorporated as an amendment to a bill which has already been passed by the Senate, and it should be indefinitely postponed.

Mr. VANDENBERG. I move that the bill be indefinitely postponed.

The motion was agreed to.

BILLS PASSED OVER

The bill (S. 1261) to amend the Interstate Commerce Act, as amended, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4276) to amend an act entitled "An act to create a juvenile court in and for the District of Columbia", and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2106) for the allowances of certain claims not heretofore paid, for indemnity for spoliations by the French, prior to July 31, 1801, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1760) to promote the safety of scheduled air transportation was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2) to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by aircraft in interstate commerce, and for other purposes, was announced as next in order.

Mr. McKELLAR. Over.

The PRESIDING OFFICER. The bill will be passed over.

PHILIPPINE CURRENCY RESERVES

The Senate proceeded to consider the bill (S. 892) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States", which was read, as follows:

Be it enacted, etc., That the act entitled "An act relating to Philippine currency reserves on deposit in the United States", approved June 19, 1934, is hereby repealed.

Mr. KING. I would like to have an explanation of this bill.

Mr. ADAMS. Mr. President, a bill similar to this passed the Senate a year ago, during the latter days of the session, but time did not permit its consideration by the House.

The bill involves certain financial transactions growing out of the deposits of Philippine moneys in American banks. The Philippine government had on deposit in American banks at the time of the declaration of the gold policy some $56,000,000. In some way, through some misunderstanding, both of fact and of law, it was concluded by Members of Congress that the Philippine government was entitled to an increment upon this deposit, and a bill was passed authorizing the payment to the Philippine government of $24,000,000, being the amount by which the deposits of the Philippine government would have increased had they been in gold and had they belonged to the United States Government, rather than simply to have been bank deposits.

There were at that time in the banks of the United States deposits of the Federal Government and States and counties aggregating some $4,000,000,000. There were deposits of private citizens in the banks amounting to some $40,000,000,000, which were in the exact situation of the deposits of the Philippine government. But there was some misunderstanding of the situation, and the bill was passed authorizing the payment to the Philippine government of $24,000,000.

As a matter of fact, the Philippine government has drawn from the banks every single dollar that was on deposit. They did not lose a cent. Their money was like other moneys on deposit, and this bill is for the purpose of repealing that authorization which was passed under a mistaken understanding both as to facts and law.

Mr. KING. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. KING. My recollection is that a bill passed the Senate at the last session making similar provision, and I understood it had become law.

Mr. ADAMS. No; it did not pass the House. It was passed after a full discussion on the floor of the Senate, and after hearings before the Banking and Currency Committee.

Mr. McKELLAR. What the Senator means is that if the bill shall pass it will repeal the previous action, and the increment will not be paid?

Mr. ADAMS. It is one of the few bills which save the United States money. It will save the United States $24,000,000.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2113) to provide benefits on account of disability or death due to service in the armed forces of the United States in the event of war, and for other purposes, was announced as next in order.

Mr. AUSTIN. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2226) to regulate interstate commerce in the products of child labor, and for other purposes, was announced as next in order.

Mr. LA FOLLETTE. Mr. President, it seems to me that with the approval of the authors of the bill it might be indefinitely postponed, since it was made a part of the wage and hour bill which has already passed the Senate.

Mr. KING. I suggest that it be passed over, but that it maintain its place on the calendar.

Mr. BARKLEY. I suggest that the bill go over, and remain on the calendar for the time being.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6215) to repeal provisions of the income tax requiring lists of compensation paid to officers and employees of corporations, was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

BENEFITS UNDER SOIL CONSERVATION ACT

The bill (S. 2229) to permit Members of Congress to enter into agreements under agricultural programs was announced as next in order.

Mr. VANDENBERG. Mr. President, if this bill is to pass I suggest an amendment to be placed at the end of line 9, reading as follows:

Provided such exemptions are made a public record.

The purpose of this bill is to permit Members of Congress to enjoy benefits under the Soil Conservation Act. I have no objection if they shall elect to do so, but I believe that if Members of Congress do so it should be a matter of public record, and it ought not to be difficult to get the information, as is otherwise the case. I offer the amendment as indicated.

Mr. KING. I think the bill had better go over.

Mr. VANDENBERG. Let the amendment be pending with the bill.

The PRESIDENT pro tempore. The bill will be passed over.

TROUP MILLER AND HARVEY D. HIGLEY

Mr. McADOO. Mr. President, I ask unanimous consent for the consideration of the House amendment to a Senate bill, just passed by the House and sent to the Senate. The bill relates to the claim of two officers of the Army from whom was taken $5,257.50. The bill was passed by the Senate, and the House has made one change in the language of the bill by striking out the words "such sum representing money paid by such officers", and inserting in lieu thereof "in full satisfaction of their claims against the United States for money paid."

I should like to have the action of the House laid before the Senate so that I may move concurrence in the House amendment.

There being no objection, the President pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1160) for the relief of Troup Miller and Harvey D. Higley, which was, on page 1, line 9, to strike out "such sum representing money paid by such officers" and to insert "in full satisfaction of their claims against the United States for money paid."

Mr. McADOO. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

ESTABLISHMENT OF A NATIONAL SAFETY STANDARDS COMMISSION

The bill (S. 18) to establish a National Safety Standards Commission to reduce the danger of accidents at highway grade crossings, and drawbridges, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill?

Mr. LONERGAN. Mr. President, I send to the desk an amendment offered as a substitute for section 2 (a) of the bill, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 2, after line 6, it is proposed to strike out section 2 (a), contained in lines 7 to 18, inclusive, and in lieu thereof to insert the following:

SEC. 2. (a) It shall be the duty of the Commission to make investigations, studies, and examinations of devices, appliances, systems, and methods now in use or hereafter proposed for the protection of the public and the promotion of safety on railroads, drawbridges, and highways in those cases where the duty or authority to make such investigations, studies, and examinations is not vested in any other Federal agency or department; to collect and consolidate information resulting from such investigations, studies, and examinations by other Federal agencies and departments; to coordinate the work of other Federal agencies and departments in promoting safety on railroads, drawbridges, and highways; to recommend safety standards for devices, appliances, systems, and methods used on railroads, drawbridges, and highways for the protection of the public and the promotion of safety in cases (1) where such safety standards established by other Federal agencies or departments are in conflict, and (2) where, because of the intersection of a drawbridge with a railroad or highway or the intersection of a railroad and a highway, two or more Federal agencies or departments exercise such jurisdiction within the area contingent to such intersection; and to make available to the States and their political subdivisions the results of its investigations, studies, and examinations; and to establish such safety standards in cases where other Federal agencies or departments are not authorized to establish such safety standards: *Provided*, That nothing in this section, with the exception of the authority of the Commission to recommend such safety standards in cases where other Federal safety standards are in conflict and in connection with intersections, shall be considered as a repeal or modification of the provisions of any other act but shall be construed as supplemental thereto.

Mr. McKELLAR. Mr. President, may I ask the Senator, what would be the cost of participation? Section 6 provides:

There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this act.

Mr. LONERGAN. That paragraph is not necessary. The bill provides for a coordination of the work of the Public Roads Bureau, the War Department, and the Interstate Commerce Commission in the prevention of highway accidents.

Mr. McKELLAR. I am in complete sympathy with the purposes of the bill, but it provides for an unlimited authority, and anyone who is put in charge of it could easily use all the money he wanted. I think it is a worthy measure, but I do not like that provision.

Mr. LONERGAN. I move to strike out the last paragraph on page 6 of the bill.

Mr. LA FOLLETTE. Mr. President, upon an examination of the report I find that the Department of Agriculture has recommended against the bill, that the Interstate Commerce Commission has reported as being adverse to its consideration, and in view of those two adverse reports, from the Interstate Commerce Commission and the Secretary of Agriculture, I ask that the bill go over until I may have an opportunity to study it more carefully.

The PRESIDENT pro tempore. The bill will be passed over.

BILL AND JOINT RESOLUTION PASSED OVER

The bill (S. 2410) to amend the Judicial Code, as amended, was announced as next in order.

Mr. WHITE. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 144) proposing an amendment to the Constitution of the United States prohibiting child labor was announced as next in order.

Mr. KING. I ask that the joint resolution be passed over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

CONSTRUCTION OF SMALL RESERVOIRS UNDER FEDERAL RECLAMATION LAWS

The Senate proceeded to consider the bill (H. R. 2512) to authorize an appropriation for the construction of small reservoirs under the Federal reclamation laws, which had been reported from the Committee on Irrigation and Reclamation, with an amendment to strike out all after the enacting clause and insert:

That from any funds in the Treasury available for relief or work relief there is hereby authorized to be expended the sum of $500,000 by the Secretary of the Interior, under the Federal reclamation laws, in the construction of small storage reservoirs at such locations within the States subject to the Federal reclamation laws as the said Secretary may select, no reservoir to be constructed hereunder the estimated cost of which exceeds $50,000.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. O'MAHONEY subsequently said: Mr. President, as to House bill 2512, being Calendar 811, which was passed earlier in the day, I move that the Senate insist upon its amendment, ask for a conference with the House thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The PRESIDING OFFICER. The question is on the motion of the Senator from Wyoming.

The motion was agreed to; and the Presiding Officer appointed Mr. ADAMS, Mr. O'MAHONEY, and Mr. NYE conferees on the part of the Senate.

BILLS PASSED OVER

The bill (H. R. 1507) to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching was announced as next in order.

Mr. McKELLAR. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2482) to provide for the assignment of officers of the Navy for duty under the Department of Commerce and appointment to positions therein was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

CONGRESSIONAL CONSENT TO MINIMUM-WAGE COMPACT

The joint resolution (S. J. Res. 137) granting the consent of Congress to the minimum-wage compact ratified by the Legislatures of Massachusetts, New Hampshire, and Rhode Island was announced as next in order.

Mr. WALSH. Mr. President, a House joint resolution of a similar nature and character is on the calendar, being Calendar No. 1082, being House Joint Resolution 321, and I ask unanimous consent that the House joint resolution be substituted for the Senate joint resolution and that the Senate consider the House joint resolution.

The PRESIDENT pro tempore. Is there objection?

Mr. KING. Mr. President, I should like to have an explanation.

Mr. WALSH. I will say that the compact represents an agreement on the part of the States referred to, namely, Massachusetts, New Hampshire, and Rhode Island, to set up in their minimum-wage laws the same standards for the

minimum-wage law in these States. Of course, any State in the Union has a right to pass whatever minimum-wage law it sees fit. This compact between the States is an agreement that they will adopt the same standards fixed by mutual agreements. In other words, the compacts are an agreement for the same type of minimum-wage laws in these States.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the House joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 321) granting the consent of Congress to the minimum-wage compact ratified by the Legislatures of Massachusetts, New Hampshire, and Rhode Island, which was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That the compact for establishing uniform standards for conditions of employment, particularly with regard to the minimum wage, in States ratifying the same, which was signed in Concord, N. H., on May 29, 1934, by representatives of the Governors of Maine, New Hampshire, Connecticut, Massachusetts, Rhode Island, New York, and Pennsylvania, and which was ratified by the Legislature of Massachusetts on June 30, 1934, by the Legislature of New Hampshire on May 29, 1935, and by the Legislature of Rhode Island on May 1, 1936, is hereby approved and declared to be effective in said States in accordance with the terms thereof, and hereafter in such States as may at any time ratify the same; which compact is as follows:

COMPACT FOR ESTABLISHING UNIFORM STANDARDS FOR CONDITIONS OF EMPLOYMENT, PARTICULARLY WITH REGARD TO THE MINIMUM WAGE, IN STATES RATIFYING THE SAME

TITLE I—POLICY AND INTENT

Whereas enforcement among the industrial States of the Union of reasonably uniform standards for labor in industry, determined in accordance with the general welfare, would not only benefit labor but would be of real advantage to employers, removing the pressure toward low wages, long hours of work, exploitation of minors and women, and similar action commonly admitted to be injurious to all concerned; and

Whereas the advantages of such uniform standards have already been indicated by the operation of the National Industrial Recovery Act and the codes of fair competition adopted thereunder; and

Whereas such operation points to the desirability of continued uniform legislation affecting labor standards, by Federal action or otherwise, and of joint action by the States to establish such uniform standards; and

Whereas the establishment of reasonably uniform standards in States concerned with the same general fields of industry and competitors in the same markets will afford the advantages of stability in labor legislation to all concerned, with disadvantage to none: Now, therefore

The States whose commissioners have signed this compact and which have, by their legislature, ratified the same, acting to promote the general welfare of the people, do hereby join in establishing the said compact to provide uniform minimum standards affecting labor and industry in the said States: *Provided, however,* That nothing herein contained shall be construed as abrogating, repealing, modifying, or interfering with the operation of laws already in effect in any State party hereto which establish standards equivalent to or above those herein specified, nor to prevent or discourage the enactment of additional laws establishing similar or higher standards; nor shall anything herein contained repeal or affect any laws concerning conditions of employment that are not in conflict herewith or that deal with subjects not included herein: *And provided further,* That no part of any title of this compact nor of any legislation adopted in pursuance thereof, except as may be expressly specified in such title or in such legislation, shall be in effect in any State party hereto until this compact shall have been approved as provided in section 6 of title II, but whenever title I and II hereof and any other title included herein are so approved and ratified, such titles shall be in full force and effect as laws of the States so approving and ratifying the same.

TITLE II—GENERAL PROVISIONS

SECTION 1. Each State party to this compact shall require its administrative agency or agencies charged with the administration and enforcement of this compact and of State laws relating thereto, to make comprehensive and detailed reports concerning the operation and administration of said compact and laws. Such agency shall report at least once each year and shall send copies of such report to the interstate commission established under the following section, to the Governors of the several ratifying States, and to the appropriate administrative agencies in such States.

SEC. 2. Each State party hereto shall make provision for a continuing unpaid commission representing industry, labor, and the public, and appointed by the Governor of said State, to deal with the other ratifying States concerning questions arising under this compact and the operation of the same within the limits of their respective States. The chairman of such State commission shall be designated by the Governor and shall be the representative of his State on an interstate commission which shall be composed of the representatives so designated by the several States parties to this compact. The Governors of the signatory States shall request the President of the United States to appoint a representative of the Federal Government to the interstate commission. The expenses of the interstate commission shall be shared equally by the States ratifying this compact. The interstate commission shall annually make a report of its activities and shall furnish copies to the Governors of the ratifying States and to the permanent commissions of said States.

SEC. 3. Should any question arise on the part of one or more of the States ratifying this compact concerning a matter involved in said compact or in any State law adopted in pursuance thereof, then such question shall be brought before the said interstate commission for consideration. Said interstate commission shall make any necessary investigations, shall publish its findings and any recommendations, and shall furnish copies of such findings and recommendations to the State commissions in each State party to this compact.

SEC. 4. If any ratifying State should desire a modification of any provision or provisions of this compact, or a revision of the entire compact, or if for any reason it should become desirable to extend the scope of said compact, the aforesaid interstate commission shall, upon the application of one or more of the ratifying States, and after 30 days' notice to the Governors and State commissions of the other States, proceed to consider such application and the reasons advanced for the proposed modification or revision and shall make such recommendations to the ratifying States concerning the same as may seem fitting and proper. Whenever said modification, revision, or extension is ratified in the manner prescribed in section 6 of this title for the ratification of this original compact and the Congress of the United States has consented thereto, then such modification, revision, or extension shall be in full force and effect in the States ratifying the same.

SEC. 5. Each State party to this compact agrees that it will not withdraw therefrom until it has reported to the interstate commission the reasons for its desire to withdraw. The interstate commission shall, upon receipt of such report, investigate the situation and shall, within 6 months, submit its recommendations. If the State still desires to withdraw from the compact, it shall defer such action for 2 years from the date of the findings of the interstate commission.

SEC. 6. Upon ratification by the legislative act of the requisite number of States as specified in subsequent titles of this compact, and with the consent of the Congress of the United States, this compact shall be in full force and effect in the States ratifying the same. Each State so ratifying shall forthwith enact necessary and suitable legislation to establish and maintain the minimum standards set forth in the following title or titles and shall make provision for the continuing State commission required by section 2 of this title. The appropriate administrative agencies of each State shall thereafter enforce and supervise the operation of the laws relating to this compact and the laws enacted to make the provisions of said compact effective.

SEC. 7. Any State may at any time become a party to this compact by taking the action required by the preceding section of this title to ratify the same, subject to the consent of the Congress of the United States.

SEC. 8. If any part of this compact or the application thereof to any person or circumstance should be held to be contrary to the constitution of any ratifying State or of the United States, all other separable parts of said compact and the application of such parts to other persons or circumstances shall continue to be in full force and effect.

TITLE III—MINIMUM WAGE

SECTION 1. No employer shall pay a woman, or a minor under 21 years of age, an unfair oppressive wage.

SEC. 2. The State agency administering the minimum-wage law enacted in conformity with this compact shall have authority to investigate the wages of women and minors; to appoint wage boards, upon which employers, employees, and the public shall have equal representation, for the purpose of recommending minimum fair-wage rates for women and minors; and after a public hearing, to enter directory orders based on the determinations of the wage boards, together with such administrative rulings as are appropriate to make the determinations effective; and may have further authority, without the agency of a wage board, to enter such orders in the case of occupations with less than a specified number of employees.

SEC. 3. The State administrative agency and the wage boards appointed by such agency shall have authority to administer oaths and to require by subpena the attendance and testimony of witnesses and the production of records relative to the wages of women and minors.

SEC. 4. The State administrative agency shall have further authority to inspect to determine compliance with its orders; to publish the names of employers violating a directory order; and, after a directory order has been in effect for a specified period, to make such order mandatory after a public hearing thereon. Such mandatory order shall carry a penalty of fine, imprisonment, or both. Said agency shall have authority to reconvene wage boards or to form new wage boards for the purpose of modifying wage orders. It shall have authority at any time on its own motion to modify administrative regulations after a public hearing thereon.

SEC. 5. The State administrative agency shall have authority to issue special licenses to employees who, by reason of physical or mental condition are incapable of earning the minimum fair-wage rate established for the occupation in which they are employed. Said agency shall have authority to take assignment of

wage claims at the request of women or minor employees paid less than the minimum wage to which they are entitled under a mandatory order, and to bring legal action necessary to collect such claims. Such employees shall be authorized, under the statute, to recover by civil action the full amount to which they are entitled under a mandatory fair-wage order.

SEC. 6. Employers subject to the minimum-wage law enacted in conformity herewith shall be required to keep specified records, including the names, addresses, occupations, hours, and wages of the women and minors in their employ; to permit the inspection and transcript of such records by the State administrative agency and its authorized representatives; and upon request, to furnish said agency with a sworn statement of the same. Employers shall further be required to post and maintain the notices regarding wage orders issued by the State administrative agency.

SEC. 7. Each minimum-wage law so enacted shall contain provisions for appeal to the courts on questions of law by persons aggrieved by the decisions of said agency. Said law shall also contain a provision to the effect that in no case shall wage orders or decrees entered under a previously existing law be nullified until the provisions of the law enacted in conformity herewith have become operative and until new wage orders covering the same occupations have been entered and made effective.

SEC. 8. Each minimum-wage law enacted in conformity herewith shall contain a saving clause to the effect that if any provisions of such law or its application be held invalid, the remainder of the law and its application elsewhere shall not be affected thereby.

SEC. 9. Mandatory fair-wage legislation now in effect in any of the signatory States, and such legislation in course of passage in any of such States as is in conformity with the provisions of this compact, is hereby declared to meet the minimum standards required by this compact.

SEC. 10. This compact as applied to minimum wage shall, when ratified by two or more States in accordance with the provisions of section 6 of title II, be in full force and effect in the States so ratifying the same.

In witness whereof the commissioners of the States of Connecticut, Maine, New Hampshire, New York, Rhode Island, and of the Commonwealths of Massachusetts and Pennsylvania have signed this compact in a single original which shall be deposited in the archives of the Department of State of the United States of American at Washington, D. C., and of which a duly certified copy shall be forwarded to the Governor of each of the signatory States.

Done at Concord, N. H., this 29th day of May, A. D. 1934.

(Signed by members of commissions and by delegates of the States of Connecticut, Maine, New Hampshire, New York, Rhode Island, and the Commonwealths of Massachusetts and Pennsylvania.)

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 137 will be indefinitely postponed.

PUNISHMENT FOR IMPERSONATION OF CERTAIN GOVERNMENT OFFICERS

The Senate proceeded to consider the bill (S. 2381) to amend the Criminal Code by providing punishment for impersonation of officers and employees of Government-owned and Government-controlled corporations.

Mr. BARKLEY. Mr. President, may we have an explanation of that bill?

Mr. HATCH. The letter from the Attorney General which accompanies the report is short and explains the purpose of the proposed legislation. It states that the existing law makes it a crime to impersonate any officer or employee of the United States with intent to defraud. This bill extends the existing law to employees of a Government-owned corporation.

That, in brief, is the purpose of the bill.

Mr. BARKLEY. I have no objection.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 32 of the Criminal Code (act of Mar. 4, 1909, ch. 321, sec. 32; 35 Stat. 1095; U. S. C., title 18, sec. 76) be amended to read as follows:

"Whoever, with intent to defraud either the Untied States or any person, shall falsely assume or pretend to be an officer or employee acting under the authority of the United States, or any department, or any officer of the Government thereof, or under the authority of any corporation owned or controlled by the United States, and shall take upon himself to act as such, or shall in such pretended character demand or obtain from any person or from the United States, or any department, or any officer of the Government thereof, or any corporation owned or controlled by the United States, any money, paper, document, or other valuable thing, shall be fined not more than $3,000 or imprisoned not more than 5 years, or both."

JUDICIAL PROCEEDINGS TO WHICH UNITED STATES IS A PARTY

The bill (S. 2386) to give precedence to certain proceedings to which the United States is a party, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That if, in any civil or criminal proceeding to which the United States is a party, arising under the customs or internal-revenue laws, the district attorney files, at any time after joinder of issue, with the clerk of the district court in which such proceeding is pending a certificate that such proceeding involves a charge of fraud upon the revenues of the United States, thereupon such proceeding shall be given precedence over other cases on the civil or criminal docket of such court and shall be assigned for hearing and trial at the earliest practicable date, and be expedited in every way.

MARINE HOSPITAL IN FLORIDA

The bill (H. R. 4716) authorizing the construction and equipment of a marine hospital in the State of Florida, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to acquire by gift, purchase, condemnation, or otherwise, a suitable site in the State of Florida, to be selected by the Federal Board of Hospitalization, and to cause to be erected thereon a suitable building or buildings for a marine hospital, together with the necessary auxiliary structures, equipment, furniture, accessories, appurtenances, approaches, walkways, roads, parkways, ground improvements, wharfage, dockage, and trackage facilities, heating, ventilation, air conditioning, water, sewers and sanitary facilities, and the necessary preparation and improvements to the site.

SEC. 2. That the plans, specifications, and full estimates for said building shall be previously made and approved according to law, and the cost thereof, including the cost of the site and the improvement thereof, shall not exceed the sum of $1,500,000.

SEC. 3. There is hereby authorized to be appropriated the sum of $1,500,000 to carry out the provisions of this act.

BILLS PASSED OVER

The bill (S. 2601) to provide for refund of amounts collected as tax under the Bankhead Cotton Act, 1934; the Kerr Tobacco Act as amended; and the Potato Act of 1935, was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of that bill.

Mr. LOGAN. Mr. President, there is a good deal involved in the bill, and consequently I will ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 4689) to provide an additional sum for the payment of claims under the act entitled "An act to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the Navy and Marine Corps for personal property lost, damaged, or destroyed as a result of the earthquake which occurred at Managua, Nicaragua, on March 31, 1931", approved January 21, 1936 (49 Stat. 2212), was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill?

The PRESIDENT pro tempore. An explanation is requested.

Mr. McKELLAR. If not, let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

MARKING OF WRECKED AND SUNKEN CRAFT

The bill (S. 2579) to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. The Chair is advised that there is an identical House bill on the calendar, being House bill 7402. Without objection, the House bill will be substituted for the Senate bill, and be considered at this time. Is there objection?

There being no objection, the bill (H. R. 7402) to provide more effectively for the marking of wrecked and sunken craft for the protection of navigation, to improve the efficiency of the Lighthouse Service, and for other purposes, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4676 of the Revised Statutes, as amended, is hereby amended to read as follows:

"SEC. 4676. Whenever the owner of any sunken vessel, boat, watercraft, raft, or other similar obstruction existing on any river, lake, harbor, sound, bay, or canal or other navigable waters of the United States has failed to mark, or in the judgment of the Commissioner of Lighthouses has failed suitably to mark, the same in accordance with the provisions of section 15 of the act of March 3, 1899 (ch. 425, 30 Stat. 1152), the Commissioner of Lighthouses is authorized to suitably mark the same for the protection of navigation. Until such time as abandonment of any such obstruction has been established in accordance with the provisions of section 19 of the act of March 3, 1899 (ch. 425, 30 Stat. 1154), the owner thereof shall pay to the Commissioner of Lighthouses the cost of such marking. As soon as abandonment of any such obstruction has been so established, it shall be the duty of the Secretary of War to keep the same so marked pending removal thereof in accordance with the provisions of section 19 of the act of March 3, 1899 (ch. 425, 30 Stat. 1154), but the Commissioner of Lighthouses may at the request of the Department of War continue the suitable marking of any such obstruction for and on behalf of that Department. The cost of continuing any such marking shall be borne by the Department of War. All moneys received by the Commissioner of Lighthouses from the owners of obstructions, in accordance with the provisions of this section, shall be covered into the Treasury of the United States as miscellaneous receipts. No provision of this section shall be construed so as to relieve the owner of any such obstruction from the duty and responsibility suitably to mark the same in accordance with the provisions of section 15 of the act of March 3, 1899 (ch. 425, 30 Stat. 1152)."

SEC. 2. The Lighthouse Service is authorized, whenever an aid to navigation or other property belonging to that Service is damaged or destroyed by a private person, and such private person or his agent shall pay to the satisfaction of the proper official of the Lighthouse Service for the cost of repair or replacement of such property, to accept and deposit such payments, through proper officers of the Division of Disbursement, Treasury Department, in special deposit accounts in the Treasury, for payment therefrom to the person or persons repairing or replacing the damaged property and refundment of amounts collected in excess of the cost of the repairs or replacements concerned.

SEC. 3. The Commissioner of Lighthouses, subject to the approval of the Secretary of Commerce, is authorized in his discretion hereafter to establish and maintain aids to navigation to mark rivers, waterways, or channels, connected by navigable waters with the sea or the Great Lakes, which have been improved for navigation by the United States under proper authority, and appropriations made for the support of the Lighthouse Service are made available for the expenses of establishing and maintaining such aids to navigation.

SEC. 4. Section 4 of the act of Congress approved June 17, 1910 (ch. 301, 36 Stat. 537; U. S. C., title 33, secs. 711, 721), is hereby amended to read as follows:

"SEC. 4. There shall be in the Department of Commerce a Bureau of Lighthouses and a Commissioner of Lighthouses, who shall be the head of said Bureau, to be appointed by the President. There shall also be in the Bureau a Deputy Commissioner, to be appointed by the President, and a Chief Clerk, who shall perform the duties of Chief Clerk and such other duties as may be assigned to him by the Secretary of Commerce or by the Commissioner. There shall also be in the Bureau such inspectors, clerical assistants, and other employees as may from time to time be authorized by Congress. The Commissioner of Lighthouses shall make an annual report to the Secretary of Commerce, who shall transmit the same to Congress at the beginning of each regular session thereof. The Commissioner of Lighthouses, subject to the approval of the Secretary of Commerce, is authorized to consider, ascertain, adjust, and determine all claims for damages, where the amount of the claim does not exceed the sum of $500, occasioned by collisions, for which collisions vessels of the Lighthouse Service shall be found to be responsible, and report the amounts so ascertained and determined to be due to the claimants to Congress at each session thereof through the Treasury Department for payment as legal claims out of appropriations that may be made by Congress therefor."

SEC. 5. That so much of section 20 of the act approved May 28, 1935 (Public, No. 81, 74th Cong.), entitled "an act to authorize the Secretary of Commerce to dispose of certain lighthouse reservations, and for other purposes", as reads "to convey to the town of Southold, State of New York" is hereby amended to read "to convey to the Southold Park District in the town of Southold, State of New York."

SEC. 6. The Secretary of Commerce is authorized to convey to the State of Florida for public roadway purposes an additional portion of the Crooked River Range Lighthouse Reservation, Fla., 34 feet in width and approximately 500 feet in length adjoining the strip of land conveyed pursuant to section 4 of the act approved May 28, 1935 (Public, No. 81, 74th Cong.), to provide for a roadway 100 feet in width across the reservation. The deed of conveyance shall describe by metes and bounds the portion of the reservation transferred and the conditions imposed by section 36 of the act of May 28, 1935 (Public, No. 81, 74th Cong.)

The PRESIDENT pro tempore. Without objection, Senate bill 2579 will be indefinitely postponed.

FISHERIES OF ALASKA

The bill (H. R. 5860) making further provision for the fisheries of Alaska was announced as next in order.

Mr. McKELLAR. Mr. President, I think we ought to have an explanation of the bill.

The PRESIDENT pro tempore. An explanation is requested.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. WHITE subsequently said: Mr. President, my attention was diverted when Calendar No. 887, being House bill 5860, was called. I understood the Senator from Tennessee to ask that it go over.

Mr. McKELLAR. I asked for an explanation, and there seemed to be no one to give it.

Mr. WHITE. Mr. President, this is a bill that is of particular interest to the Pacific coast, and I take it that some Senator from that region could make a better explanation than could I, and yet I understand its terms and effect.

Under the act of 1924 it is provided that in Alaskan waters there may be granted no exclusive or several right of fisheries; that if any area was opened up to fishing at all, it should be opened up to all who might desire to fish therein.

This proposed legislation relates only to Bristol Bay, which is the great salmon area of Alaska. The bill is designed to protect the natives and residents of that locality against fishing operations by those who come from outside. It provides, in substance, that a certain type of fishing shall be permitted in that area only by the persons who have resided there for a period of 5 years.

I think the bill is aimed both at Japanese fishermen who have been coming into that area and also, I think, at the large fishing operations which originate down the coast, but which move up into that area and now threaten the commercial fisheries of the natives and the inhabitants of that section.

Mr. McKELLAR. Will the bill permit the natives to fish in the area mentioned?

Mr. WHITE. It will permit the residents of that area to fish there and would exclude others.

Mr. McKELLAR. All others?

Mr. WHITE. The bill would work a change in a principle of law which was written in the statute in 1924, but I understand it is satisfactory to the Department and to the people who are residents there. I know of no objection coming from any source.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. CHAVEZ. Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. CHAVEZ subsequently said: Mr. President, in order to clear the record I ask unanimous consent that the Senate recur to Calendar No. 887, being House bill 5860, making further provision for the fisheries of Alaska. Under a misapprehension as to the calendar number, I objected when that bill was called, thinking that the clerk had called Calendar No. 889. I have no objection to Calendar 887, being House bill 5860.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 5860) was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act approved June 6, 1924, entitled "An act for the protection of the fisheries of Alaska, and for other purposes" (43 Stat. 464), as amended, is further amended by inserting in said section at the end of the first proviso thereof another proviso to read as follows: "*Provided further*, That in the area embracing Bristol Bay and the arms and tributaries thereof, no person shall at any time fish for or take salmon with a stake net or set net, for commercial purposes, unless such person shall have theretofore continuously resided for the period of at least 5 years within a radius of 30 miles of the place where such net is staked or set."

WILDLIFE RESTORATION PROJECTS

The bill (S. 2670) to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes, was announced as next in order.

Mr. BARKLEY. Mr. President, I ask unanimous consent that that bill be passed over and be called at the end of the calendar, inasmuch as the Senator who is now presiding over the body is interested in the measure.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PUBLIC SCHOOL BOARD AT WOLF POINT, MONT.

The bill (S. 2372) for expenditure of funds for cooperation with the public-school board at Wolf Point, Mont., for completing the construction, extension, equipment, and improvement of a public-school building to be available to Indian children of the Fort Peck Indian Reservation, Mont., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $50,000 for the purpose of cooperating with the public-school board of district no. 45, town of Wolf Point, county of Roosevelt, Mont., for completing the construction, extension, equipment, and improvement of the public high-school building at Wolf Point, Mont.: *Provided*, That the expenditure of any money so authorized shall be subject to the express conditions that the school maintained by the said district in the said building shall be available to all Indian children of the Fort Peck Indian Reservation, Mont., on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That plans and specifications for construction, extension, or improvement of structures shall be furnished by local or State authorities, without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs actual work shall proceed under the direction of such local or State officials. Payment for work in place shall be made monthly on vouchers properly certified by local officials of the Indian Service: *Provided further*, That any amount expended on any project hereunder shall be recouped by the United States within a period of 30 years, commencing with the date of occupancy of the project, through reducing the annual Federal tuition payments for the education of Indian pupils enrolled in public or high schools of the district involved, or by the acceptance of Indian pupils in such schools without cost to the United States; and in computing the amount of recoupment for each project interest at 3 percent per annum shall be included on unrecouped balances.

RESOLUTIONS PASSED OVER

The resolution (S. Res. 140) authorizing an investigation of the delivery or nondelivery of mail to establishments where industrial strife is in progress, which has been reported adversely from the Committee on Post Offices and Post Roads was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

PUNISHMENT FOR VIOLATION OF NARCOTIC LAWS

The Senate proceeded to consider the bill (H. R. 6283) to increase the punishment of second, third, and subsequent offenders against the narcotic laws was announced as next in order.

Mr. KING. Mr. President, I find no report on that bill. I should like to have an explanation of the measure.

Mr. HUGHES. Mr. President, the bill was referred by the Judiciary Committee to a subcommittee of which I was chairman. House bill 6283 was substituted for the Senate bill. The purpose of the bill is to provide for more severe sentences in cases of conviction for selling narcotics for second and other offenses. For the second offense the penalty is increased to $5,000 or 10 years' imprisonment, or both, and for the third and subsequent offenses to $10,000 or 20 years' imprisonment, or both. it is a bill for which the Attorney General has asked because of the difficulty of dealing with offenders against the narcotic laws. Under the penalties which are now imposed offenders violate the law time and time again and repeatedly repeat the offense. This bill provides for the second, third, and subsequent offenses more severe penalties than are now provided.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HUGHES. Yes.

Mr. McKELLAR. Is the passage of the bill recommended by the Department of Justice?

Mr. HUGHES. It is.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a person who, after having been convicted of selling, importing, or exporting, or conspiring to sell, import, or export, opium, coca leaves, cocaine, or any salt, derivative, or preparation of opium, coca leaves, or cocaine, again sells, imports, or exports, or conspires to sell, import, or export, any of the said narcotic drugs, in violation of the laws of the United States, shall, upon conviction of such second offense, be fined not more than $5,000 or imprisoned in a Federal penitentiary for not more than 10 years, or both, in the discretion of the court, whenever the fact of such previous conviction is established in the manner prescribed in section 3 of this act.

SEC. 2. A person who, after having been two times convicted of selling, importing, or exporting, or conspiring to sell, import, or export, opium, coca leaves, cocaine, or any salt, derivative, or preparation of opium, coca leaves, or cocaine, again sells, imports, or exports, or conspires to sell, import, or export, any of the said narcotic drugs, in violation of the laws of the United States, shall, upon conviction of such third offense, or any offense subsequent thereto, be fined not more than $10,000 or imprisoned in a Federal penitentiary for not more than 20 years, or both, in the discretion of the court, whenever the fact of such previous convictions is established in the manner prescribed in section 3 of this act.

SEC. 3. Whenever it shall appear, after conviction and before or after sentence, that a person convicted of unlawfully selling, importing, or exporting, or conspiring unlawfully to sell, import, or export, any of the narcotic drugs enumerated in this act has previously been convicted of unlawfully selling, importing, or exporting, or conspiring unlawfully to sell, import, or export, any of said narcotic drugs, in violation of the laws of the United States, it shall be the duty of the United States district attorney for the district in which such subsequent conviction was had to file an information alleging that the defendant has previously been so convicted, and further alleging the number of such previous convictions. The court in which the defendant was convicted shall cause the said defendant, whether confined in prison or otherwise, to appear before it and shall apprise him of the allegations of the information and of his right to a trial by jury as to the truth thereof. The court shall inquire of the defendant whether he is the person who has previously been convicted. If the defendant states he is not such person, or if he refuses to answer or remains silent, a plea of not guilty shall be entered by the court, and a jury shall be empaneled to determine whether the defendant is the person alleged in the information to have previously been convicted, and the number of such previous convictions. If after a trial on the sole issue of the truth of such allegations the jury determines that the defendant is in fact the person previously convicted as charged in the information, or if he acknowledges in open court, after being duly cautioned as to his rights, that he is such person, he shall be punished as prescribed in sections 1 or 2 of this act, as the case may be, and the previous sentence of the court, if any, shall be vacated and there shall be deducted from the new sentence the amount of time actually served under the sentence so vacated.

LEO L. HARRISON

The bill (S. 2768) authorizing the Comptroller General to adjust and settle the claim of Leo L. Harrison was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claim of Leo L. Harrison for blood furnished February 19, 1937, for transfusion to George L. Oertel, a patient in a Government hospital, and to allow in full and final settlement of said claim an amount not in excess of $25, under the appropriation of the Veterans' Administration available for payment for blood transfusion: *Provided*, That no part of the amount in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

IRVIN U. JOHNSON

The bill (S. 2769) authorizing the Comptroller General to adjust and settle the claim of Irvin H. Johnson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the

claim of Irvin H. Johnson for blood furnished January 26, 1937, for transfusion to Nellie L. Ruble, a patient in a Government hospital, and to allow in full and final settlement of said claim an amount not in excess of $25, under the appropriation of the Veterans' Administration available for payment for blood transfusion: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

AL COCHRAN AND OTHERS

The Senate proceeded to consider the bill (S. 2427) for the relief of the estates of Al Cochran, Willis Cochran, and Russell Cochran, and for the relief of Shirley Cochran and Matilda Cochran, which had been reported from the Committee on Claims with amendments, on page 1, line 7, after the words "sum of", to strike out "$15,095" and insert "$5,145.55"; on line 9, after the words "the sum of", to strike out "$10,000" and insert "$3,505"; on page 2, line 1, after the words "sum of", to strike out "$10,000" and insert "$4,514.50"; in line 3, after the words "sum of", to strike out "$5,338.10" and insert "$2,338.10"; in line 4, after the words "sum of", to strike out "$16,557" and insert "$5,057.93"; in line 14, after the words "excess of", to strike out "10" and insert "5"; and in line 20, after the words "excess of", to strike out "10" and insert "5", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Russell E. Smith, as administrator of the estate of Al Cochran, deceased, the sum of $5,145.55; to Russell E. Smith, as administrator of the estate of Willis Cochran, deceased, the sum of $3,505; to Russell E. Smith, as administrator of the estate of Russell Cochran, deceased, the sum of $4,514.50; to Russell E. Smith, as guardian of the estate of Shirley Cochran, a minor, the sum of $2,338.10; and to Matilda Cochran the sum of $5,057.93; in full satisfaction of the claims of such estates and said Matilda Cochran against the United States on account of the deaths of Al Cochran, Willis Cochran, and Russell Cochran, and personal injuries to Shirley Cochran and Matilda Cochran resulting from an accident on August 14, 1936, 4 miles west of Alberton, Mont., on United States Highway No. 10, caused by a Civilian Conservation Corps ambulance striking the automobile in which the persons killed and injured were then riding: *Provided*, That no part of the amount appropriated in this act in excess of 5 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 5 percent thereof on account of services rendered in connection with such claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2707) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co. was announced as next in order.

Mr. KING and Mr. McKELLAR asked that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

WILLIAM A. PATTERSON AND OTHERS

The Senate proceeded to consider the bill (S. 1700) for the relief of William A. Patterson, Albert E. Rust, Louis Pfeiffer, and John L. Nesbitt and Cora B. Geller, as executors under the will of James T. Bentley, which had been reported from the Committee on Claims with amendments.

Mr. KING. Mr. President, I should like an explanation of the bill.

Mr. SCHWELLENBACH. Mr. President, this bill provides for repayment to the claimant of the sum of $46,670 which is now in a special fund in the Treasury and which was paid during the war as the result of a regulation of the Wool Section of the War Industries Board. The particular check which was given to the Wool Section of the War Industries Board contained on the back of it, as part of the endorsement by which it was accepted, the specific statement that it was paid with the understanding that the money would be returned if the regulation was declared invalid. The regulation was later declared invalid by the circuit court of appeals for the second circuit, in which the claimant was domiciled.

The objection of the Department to the bill is not so much the repayment of the money, but the Department contends that the passage of the bill would create a precedent. The committee did not feel that it would create a precedent.

There is a total in the special fund of only $51,000, some four or five thousand dollars more than the amount of this particular check. That money was put in by three or four other persons. So, since it was understood that the money was to be returned if the regulation was declared invalid by the Court, and the Court has declared it invalid, and since the Government accepted the check under the condition stated in the endorsement, it was the feeling of the committee that the money should be repaid.

It will not come out of the general fund of the Treasury. The money has been kept there all these years in a special fund, the Government recognizing that it was not entitled to this money.

Mr. McKELLAR. Mr. President, may I call the attention of the Senator to the fact that the report of the Secretary of Agriculture states:

The total amount of $760,702.91 was collected from 1,014 wool dealers. The amounts involved range from a few dollars to $80,000, the latter amount having been paid by one dealer in 1920 without court action, similar to the payment of $46,670.34 made by Patterson & Co.

It is stated that the matter for Congress to consider is as to whether all these sums should be paid back and there is indicated opposition on the part of the Department to paying one without paying all.

Mr. SCHWELLENBACH. Mr. President, as I said before, the position of the Department is to the effect that it may create a precedent. In view of the fact that this check was accepted under special circumstances on the endorsement specifically providing that it would be repaid, and since the Government put it into a special fund which contains a total of only four or five thousand dollars more than the amount of the check, the committee could not see how it would create a precedent.

Mr. McKELLAR. Is the remainder of the money held in the same way?

Mr. SCHWELLENBACH. Only some $4,000 or $5,000. I think there is $51,000 in the fund.

Mr. McKELLAR. The remainder of $760,000 is in the Treasury and would not be affected by the passage of the bill?

Mr. SCHWELLENBACH. It is the belief of the committee that it would not be affected.

The PRESIDENT pro tempore. The amendments of the committee will be stated.

The amendments were, on page 2, line 4, after the word "sum" to insert "which is to be in full and final settlement", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to repay, out of the special fund in the Treasury subject to check of the disbursing officer of the Department of Agriculture in which a payment of $46,670.34 made by Patterson & Co. on August 31, 1920, was deposited, said sum of $46,670.34 to William A. Patterson, Albert E. Rust, and Louis Pfeiffer, surviving members of the firm of Patterson & Co., a copartnership doing business in Boston, Mass., on August 31, 1920; and John L. Nesbitt and Cora B. Geller as executors under the will of James T. Bentley, a deceased member of said firm. Said sum, which is to be in full and final settlement, represents a payment made by Patterson & Co. in compliance with regulations promulgated on or about May 21, 1918, by the Wool Section of the War Industries Board, which regulations have since been held to be invalid by the Circuit Courts of Appeals for the First and Fourth Circuits, and was made under protest and upon condition that it be repaid if it should be determined by the courts that said regulations were of no legally binding effect: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent

thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

A. C. WILLIAMS

The Senate proceeded to consider the bill (S. 1043) for the relief of A. C. Williams, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, to strike out "$5,000" and insert "$2,962.63"; in line 8, after the word "injuries", to insert "and property damage"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to A. C. Williams, of Sentinal, Okla., the sum of $2,962.63 in full settlement of any and all claims against the Government on account of personal injuries and property damage sustained by him in an automobile collision with a truck owned by the United States Government and driven by Charles Cordell, agent and employee of the Government, in the service of the Works Progress Administration, near Socorro, N. Mex., on July 31, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REPAIR AND CONSTRUCTION OF NAVAL SHORE ESTABLISHMENTS

The bill (S. 2338) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, we have already passed during this session a very large appropriation bill for the Navy in which a very generous amount was carried for the acquisition of naval bases and lands in connection with the development of naval bases.

Mr. WALSH. Mr. President, the statement of the Senator from Utah is entitled to consideration, for he is always deeply concerned about Government expenses. Annually it becomes necessary for our Government to replace obsolete naval vessels and remodel, repair, and expand shore establishments of the Navy. The bill would authorize the construction and repair of certain shore establishments of the Navy. The original request from the Navy Department was for an authorized appropriation of about $20,000,000. The committee reduced it to $6,000,000. The exact amount to be authorized for appropriation is $6,099,057.

Nearly all of the projects referred to in the bill are on the west coast. Some of them are for the construction of radio stations, one for the construction of suitable housing facilities at Pearl Harbor, Hawaii, and at the submarine base at New London, where the present barracks buildings for the enlisted personnel are of temporary wooden wartime construction, totally inadequate to meet the demands upon them; are cold and draughty, without suitable accommodations for sleeping, bathing, recreation, or study; are in bad state of repair and constitute a menace to the health and life of the personnel occupying them. This group of buildings, nos. 14A, B, C, D, E, F, G, and no. 49, constitute a grave fire hazard, which is combated by constant and ever-watchful supervision and patrol. It is believed that should a fire get started in this group it could not readily be brought under control and might be accompanied by loss of life. The average number of enlisted men attached to the base, attending the Submarine School, Submarine Division 4, and transients from submarines having overhaul work done at the base, is approximately 550. The limited accommodations do not permit of segregating these men entirely by units and exercising the proper unit control over them. Because of the limited space and the uncomfortable living accommodations, many enlisted men are now, by preference, living in shops and other places where they are employed. It is expected that these buildings will become wholly unlivable within the next few years. The bad effect on health and morale of enlisted men living in the present barracks cannot be too strongly emphasized. It is believed that the existing barracks buildings are in such a bad state of repair that it is no longer economical to keep them in repair and that before long, repairs required will be tantamount to reconstruction.

The estimated cost of the building, with all services and accessories, is $675,000. As nearly as can be estimated in a period of rapidly changing prices, this figure is good as of April 1937.

Other projects approved by the committee are quarters for officers at the Fleet Air Base at Canal Zone, naval radio-station improvements at Annapolis, Md., Mare Island, Calif., and Hawaii, and improvements in marine barracks at Parris Island, S. C.

Mr. KING. The point I am making is that we passed a bill recently carrying over $500,000,000 for the Navy.

Mr. WALSH. It carried the usual authorizations.

Mr. KING. The same information must have been possessed then by the naval officials that was possessed by them when this bill was drafted and considered. Why were not these appropriations carried in the former bill?

Mr. WALSH. There was no authorization. The Navy cannot rebuild or repair buildings without authorization. Each year they have to obtain these authorizations. They cannot replace anything without an authorization. This is simply an authorization bill, and the committee decided that these matters requested were so essential and so necessary that the request ought to be granted.

I want particularly to stress the situation in other naval bases, particularly the one at New London, Conn., which I saw with my own eyes, where the young men who are working on our submarines are housed in quarters which are unsafe and unfit for habitation. We have just passed a slum-clearance bill. Both of the Senators from Connecticut are fully aware that the conditions in New London are as bad as many so-called city slums.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. MALONEY. It is also true that valuable machinery is being stored in New London in a building which constitutes an extreme fire hazard.

Mr. WALSH. In New London I saw a valuable marine machine that cost $90,000 in a building which cost, probably, less than $5,000, and which could easily be burned and destroyed by fire. Almost all the buildings at this naval station are real fire hazards.

Mr. CLARK. Mr. President, I dislike very much to object to any bill sponsored by the Senator from Massachusetts, but I think an appropriation of $50,000,000 is of such importance that it ought not to be considered and passed by unanimous consent on a call of the calendar for the consideration of unobjected bills.

More than that, we have had the experience in the last 3 or 4 years of having the Navy come back year after year always with requests for larger appropriations. They have been given unprecedented appropriations. They are like Oliver Twist, coming back and saying "More, more." So far as I am concerned, I think the matter should be considered more leisurely than can be done today, and accordingly I ask that the bill go over.

Mr. WALSH. I think the request of the Senator is in every way reasonable and I am glad to yield to it. I have no desire to press the matter at this time except I thought the amount involved so small that there would not be any objection.

Mr. CLARK. The amount is small only in comparison with what the Department asked.

The PRESIDENT pro tempore. The bill will be passed over.

ARTHUR W. BASS, UNITED STATES NAVY

The Senate proceeded to consider the bill (S. 2598) to provide for the advancement on the retired list of the Navy of Arthur W. Bass, a lieutenant (junior grade), United States Navy, retired, which was read, as follows:

Be it enacted, etc., That from and after date of enactment of this act Arthur W. Bass, lieutenant (junior grade), United States Navy, retired, shall have the rank of a lieutenant on the retired list of the United States Navy: *Provided*, That the said Arthur W. Bass shall not receive any increase in retired pay, allowances, or other benefits as a result of the passage of this act.

Mr. WALSH. Mr. President, this is a bill recommended by the Navy Department and introduced at the request of the Navy Department simply to do justice to an officer of the Navy who because of illness was not given the promotion to which he was entitled. I hope there will be no objection to its passage.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MUNICIPAL BANKRUPTCY SYSTEM

The bill (H. R. 5969) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

SEVERAL SENATORS. Over.

Mr. BARKLEY. Mr. President, may I ask the Senators who objected to withhold their objection for a moment in order that I may make a statement?

This is a bill in which the late Senator Robinson, of Arkansas, was very much interested. The bill was drawn after the Supreme Court declared unconstitutional the so-called Municipal Bankruptcy Act, which was previously passed. The bill was very carefully considered by the Judiciary Committee and framed along the lines outlined in the decision of the Supreme Court. It provides six divisions which are included under the bill—drainage, levee districts, and so forth; local improvement districts, involving sewers, paving, and other things of that kind; local improvement districts involving roads and highways; public-school districts, cities, and towns. Unless there is serious objection to it, in view of the care to which it has been drawn, I hope it may be considered at this time and passed.

Mr. ASHURST. Mr. President, supplementing what the able Senator from Kentucky [Mr. BARKLEY] has said, let me say that the bill passed the House and came to the Senate and was referred to the Committee on the Judiciary. It was the subject of close and careful examination by that committee. Division of opinion took place as to some parts of the bill, whereupon a subcommittee was named, of which I believe the Senator from Illinois [Mr. DIETERICH] was chairman, and the other members of which were the Senator from Kentucky [Mr. LOGAN] and the Senator from Oregon [Mr. STEIWER]. After a careful examination the subcommittee reported favorably to the main committee, and the main committee has reported the bill favorably to the Senate.

I hope Senators may find it within the scope of their duty to withhold any objection, because the bill is designed to cure, or to meet rather, the objections of the Supreme Court of the United States wherein the Court declared certain features of the previous bankruptcy law to be invalid.

No one will claim this is a perfect bill. Indeed I believe the able chairman of the subcommittee, the Senator from Illinois [Mr. DIETERICH] is not in accord with some provisions of the bill, but the bill is the result of a vast amount of study and faithful work.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly.

Mr. CLARK. Does not the Senator think this is an extremely important bill to be passed under the circumstances, on a call of the calendar for the consideration of unobjected bills? I have been told by the representatives of municipalities in my own State and also of municipalities in other States that both the original bankruptcy bill and the one to which reference is now being made involve the credit of every solvent municipality in the United States. The bill could not be carefully considered at this time under the circumstances. I have no doubt the subcommittee and the full Committee on the Judiciary considered it carefully, but it seems to me, being of such vast importance and involving such vast ramifications, it is entitled to a more careful consideration by the Senate than can be given to it at this time.

Mr. ASHURST. If it were a question of first instance and the prior bill and all the features surrounding it had never been the subject of examination, I would say the able Senator from Missouri was correct in his conclusions.

I do not know whether I ought to say this or not, but certainly it is true that the departed former Senator from Arkansas [Mr. Robinson]—may the sod rest lightly on his breast—seemed to take great interest in this measure.

Mr. KING. I think the bill ought to be passed over.

Mr. CONNALLY. Mr. President, in that connection may I suggest that the late Senator Robinson was very deeply interested because of the drainage and other districts in his State which would be affected.

Mr. ASHURST. I am sure that is true.

Mr. CONNALLY. The bill involves a broad general policy.

Mr. ASHURST. The late Senator Robinson did not have any other than a perfectly proper interest in the bill.

Mr. PEPPER. Mr. President, has objection been made?

The PRESIDENT pro tempore. Objection has been made.

Mr. KING. Mr. President, I shall be glad to join in moving at some proper time that the bill be taken up for consideration. I objected to some of the provisions in the committee, but I have no doubt we can arrange to consider it hereafter.

The PRESIDENT pro tempore. Objection having been made, the bill will be passed over.

Mr. PEPPER. Mr. President, I give notice that at the earliest possible time I shall move to take up this bill for consideration.

Mr. BARKLEY. Mr. President, I do not wish to press the matter now, during the call of the calendar. I think we may look forward within a few days to an opportunity to consider this bill on its merits.

Mr. KING. I shall be glad to join the Senator.

Mr. ASHURST. Very well.

AMENDMENT OF MERCHANT MARINE ACT, 1936

The bill (S. 2455) to amend the Merchant Marine Act, 1936 (act of June 29, 1936, ch. 858; 49 Stat. 1985), was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

Mr. McKELLAR. As I understand, that bill goes over under a previous order.

Mr. WHITE. Mr. President, was Senate bill 2455 passed over?

The PRESIDENT pro tempore. Objection was made to its consideration.

Mr. McKELLAR. The Senator from New York [Mr. COPELAND] brought it up last evening, and it went over until his return on Monday.

Mr. WHITE. Did he bring up this particular bill?

Mr. McKELLAR. Yes.

Mr. McNARY. No, Mr. President.

Mr. McKELLAR. Was it not this bill?

Mr. WHITE. I do not think it was this bill.

Mr. McNARY. The bill which the Senator from New York brought up yesterday evening was the flood-control bill.

Mr. WHITE. The flood-control bill and the river and harbor bill. This is a bill in which I know the Senator from New York is very much interested. It is designed to cure the current defects in the Merchant Marine Act of 1936. I can make a very brief explanation of the bill if the Senator desires it.

Mr. KING. I shall be glad to hear it.

Mr. WHITE. Mr. President, by section 202 of the Merchant Marine Act of 1936 there were transferred to the new Maritime Commission all the physical properties which were in the possession and control of the old United States Shipping Board and the Merchant Fleet Corporation, by whatever names they went. A question has been raised by the Comptroller General as to the right of the new Commission to lease some of the docks and piers and terminal facilities. The first part of the bill is designed to clear up that doubt, and to make certain that the original purpose of the Congress in passing the 1936 act shall be carried out.

The next major point in the bill is the right of the Commission to have in its funds the rentals and other income derived from these leases. Senators will remember that by the 1920 act there was set up a construction loan fund. That was carried on through the 1934 act and through the 1928 act and all other legislation of the Congress. In the 1936 act, all of these physical properties, including the entire construction loan fund, whatever was in it, and all amounts accruing to it from any source, were turned over to the Maritime Commission. Again, the Comptroller General has raised the question whether the Commission may carry in this fund the rentals and income from these properties which are under lease. The Comptroller General held that those receipts must be turned into the miscellaneous receipts of the Treasury.

This bill is designed to make certain that the purpose of the Congress in the 1936 act shall be fully carried out, and that these funds shall be available for the Maritime Commission.

Mr. McKELLAR. Mr. President, when the bill first came up I thought it was House bill 7646, Calendar No. 940, providing for flood control. That was the bill which was passed over last night before the Senator from New York [Mr. COPELAND] left.

Mr. WHITE. I know of no objection on the part of anyone to this bill.

Mr. McKELLAR. If it is a question of changing the law under which certain receipts are covered into the Treasury, I am not so sure but that the law ought to remain that way.

Mr. WHITE. I think I may say that there is in the record a very definite statement from the Director of the Budget that this bill does not conflict with the budgetary plans; and I am sure every one who has expressed himself concerning this measure has spoken approvingly of it, because it is simply designed to carry out the plain purpose of the Congress in the 1936 act.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce with amendments, in section 2, page 2, line 23, after the words "shall be" to strike out "controlled and employed" and insert "available for expenditure"; on page 3, line 1, after the word "provisions", to strike out "of titles IV, V, VI, and VII"; and in line 4, after the words "authority of", to strike out "said titles" and insert "this act", so as to make the bill read:

Be it enacted, etc., That section 202 of the Merchant Marine Act, 1936 (act of June 29, 1936, ch. 858, 49 Stat. 1985, 1986), is hereby amended by adding a sentence at the end thereof to read as follows: "Notwithstanding any other provision of law, the Commission may, in accordance with good business methods and on such terms and conditions as it determines to effectuate the policy of this act, operate or lease any lands, docks, wharves, piers, or real property under its control, and all money heretofore or hereafter received from such operation or lease shall be available for expenditure by the Commission as provided in this act."

SEC. 2. That section 206 of the Merchant Marine Act, 1936 (act of June 29, 1936, ch. 858, 49 Stat. 1985, 1987), is hereby amended to read as follows:

"SEC. 206. All sums of money now in the construction loan fund created by section 11 of the Merchant Marine Act, 1920, as amended, together with the proceeds of all debts, accounts, choses in action, and the proceeds of all notes, mortgages, and other evidences of indebtedness, hereby transferred to the Commission, and all of the proceeds of sales of ships and surplus property heretofore or hereafter made, including proceeds of notes or other evidences of debt taken therefor and the interest thereon, and, notwithstanding any other provision of law, all money representing amounts of unclaimed wages, salvage awards and miscellaneous unclaimed items carried as liabilities on the books of the United States Shipping Board Merchant Fleet Corporation and all money heretofore or hereafter received from the operation or leasing of lands, docks, wharves, piers, or real property shall be deposited in the Treasury of the United States and there maintained as a revolving fund, herein designated as the construction fund, and shall be available for expenditure by the Commission in carrying out the provisions of this act. All moneys received by the Commission under the provisions of this act shall be deposited in its construction fund, and all disbursements made by the Commission under authority of this act shall be paid out of said fund, and, notwithstanding any other provision of law, all disbursements applicable to the money referred to in this section may be made by the Commission out of said fund. Further appropriations by Congress to replenish said fund are hereby authorized."

SEC. 3. That section 209 (b) of the Merchant Marine Act, 1936 (act of June 29, 1936, ch. 858, 49 Stat. 1985, 1988), is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and, notwithstanding any other provision of law, without deduction, allocation, or segregation in any manner for amounts of unclaimed wages, salvage awards, and miscellaneous unclaimed items carried as liabilities on the books of the United States Shipping Board Merchant Fleet Corporation."

SEC. 4. The sections of this act shall be deemed operative as of the effective date of the sections of the Merchant Marine Act, 1936, amended thereby.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 7646) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors, for flood control, and for other purposes", approved June 22, 1936, was announced as next in order.

Mr. McKELLAR. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2575) to increase the efficiency of the Coast Guard was announced as next in order.

Mr. LA FOLLETTE. May we have an explanation of that bill, Mr. President?

Mr. McKELLAR. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

MISSOURI RIVER DIKE NEAR PIERRE, S. DAK.

The Senate proceeded to consider the bill (H. R. 6693) to legalize a dike in the Missouri River 6.9 miles downstream from the South Dakota State highway bridge at Pierre, S. Dak., which was read.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill? I do not know anything about the bill.

Mr. SHEPPARD. Mr. President, the State Highway Commission of South Dakota obtained permission from the War Department to build a dike to protect the banks of the Missouri River from damage due to the construction of a highway bridge at Pierre, S. Dak. They actually constructed the dike a mile below the point where they were authorized to locate it. The bill corrects that situation and legalizes the dike where it now stands, in order that the War Department may continue to have jurisdiction of it.

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RESERVOIR SYSTEM, PITTSBURGH AND JOHNSTOWN, PA.

The Senate proceeded to consider the bill (S. 2478) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, which was read, as follows:

Be it enacted, etc., That the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, as amended by act of Congress approved April 27, 1937, is hereby further amended to provide that, if, in the execution of the project for a reservoir system for the protection of Pittsburgh, it is found that geological and engineering conditions make it impracticable to construct a reservoir to provide protection for

the city of Johnstown, Pa., flood protection shall be provided for said city by channel enlargement or other works: *Provided*, That the total estimated construction cost of the entire project shall not be increased.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. GUFFEY. Mr. President, legislation previously enacted provided for the construction of certain reservoir dams near the city of Johnstown. In drilling test holes, it was found that reservoir dams of the size contemplated could not be built there.

The city of Johnstown and Cambria County, Pa., have appropriated $2,000,000 to help build the wall and dredge the river through Johnstown; and we desire the permission of the Government to build smaller dams and help on that matter, all the money to be expended under the direction of the Army Engineers.

Mr. KING. The bill does not call for an additional appropriation?

Mr. GUFFEY. No additional appropriation; the same appropriation.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BEQUESTS OF JAMES REUEL SMITH

The joint resolution (S. J. Res. 179) to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York, was announced as next in order.

The PRESIDENT pro tempore. This joint resolution is similar to Calendar No. 1037, House Joint Resolution 446, which, without objection, will be substituted for it and be considered at this time.

There being no objection, the joint resolution (H. J. Res. 446) to authorize the acceptance on behalf of the United States of certain bequests of James Reuel Smith, late of the city of Yonkers, State of New York, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 179 will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 988) to amend an act entitled "An act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce a Foreign Commerce Service of the United States, and for other purposes", approved March 3, 1927, as amended, was announced as next in order.

Mr. BARKLEY. Mr. President, the Senator from New York [Mr. COPELAND] asked that that bill be allowed to go over, due to his absence. Therefore I ask that it be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

SUSPENSION OR REVOCATION OF LICENSES OF MERCHANT MARINE OFFICERS

The Senate proceeded to consider the bill (S. 2433) to amend section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 U. S. Stat. 1380, 1383; title 46, U. S. C., sec. 239), which was read, as follows:

Be it enacted, etc., That section 4450 of the Revised Statutes of the United States, as amended by the act of May 27, 1936 (49 U. S. Stat. 1380, 1383; 46 U. S. C., sec. 239), be, and it is hereby, amended by inserting in the third sentence of paragraph (g) of said section the words "suspended or", after the word "is" and before the word "revoked", so that the said paragraph (g) of said section, when amended, shall read as follows:

"(g) In any investigation of acts of incompetency or misconduct or of any act in violation of the provisions of this title, or of any of the regulations issued thereunder, committed by any licensed officer or any holder of a certificate of service, the person whose conduct is under investigation shall be given reasonable notice of the time, place, and subject of such investigation and an opportunity to be heard in his own defense. The whole record of the testimony received by the board conducting such investigation and the findings and recommendations of such board shall be forwarded to the Director of the Bureau of Marine Inspection and Navigation, and if that officer shall find that such licensed officer or holder of certificate of service is incompetent or has been guilty of misbehavior, negligence, or unskillfullness, or has endangered life, or has willfully violated any of the provisions of this title or any of the regulations issued thereunder, he shall, in a written order reciting said findings, suspend or revoke the license or certificate of service of such officer or holder of such certificate. The person whose license or certificate of service is suspended or revoked may within 30 days appeal from the order of the said Director to the Secretary of Commerce. On such appeal the appellant shall be allowed to be represented by counsel. The Secretary of Commerce may alter or modify any finding of the board which conducted the investigation or of the Director of the Bureau of Marine Inspection and Navigation, but the decision of the Secretary of Commerce shall be based solely on the testimony received by the said board and shall recite the findings of fact on which it is based."

Mr. LA FOLLETTE. Mr. President, may we have an explanation of this bill?

Mr. WHITE. Mr. President, under existing law there is authority either to revoke or to suspend the license of an officer of the merchant marine who has been guilty of any offense or of any inefficiency. The law provides that he may have an appeal to the Secretary of Commerce from the action of a board which finds him guilty of an act which warrants revocation. The law does not give him an appeal in case of a suspension. The pending bill is designed to give him the same right of appeal to the Secretary from an order of suspension that he now enjoys from an order of revocation.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 2578) to authorize the Secretary of Commerce to continue the existing system of classification and pay of positions of lighthouse keepers was announced as next in order.

Mr. KING. Mr. President, does the present law expire and call for an additional statute to protect the rights of employees?

Mr. WHITE. Mr. President, if the inquiry is addressed to me, I must admit that I am not familiar with this particular bill.

Mr. BARKLEY. Let it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2638) to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 22, 1936, was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2729) to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului Townsite, island of Maui, Territory of Hawaii, in exchange for two plots of land located in the same town site and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co., and the Hawaiian Commercial & Sugar Co., Ltd., was announced as next in order.

The PRESIDENT pro tempore. This bill is the same as Calendar No. 1030, House bill 7714, which, without objection, will be substituted for it.

Mr. O'MAHONEY. Let the bills go over, Mr. President.

The PRESIDENT pro tempore. The bills will be passed over.

GUANICA LIGHTHOUSE RESERVATION, P. R.

The bill (S. 2786) to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. This bill is the same as Calendar No. 957, House bill 7823, which, without objection, will be substituted for it.

The bill (H. R. 7823) to authorize the Secretary of Commerce to exchange with the people of Puerto Rico the Guanica Lighthouse Reservation for two adjacent plots of insular forest land under the jurisdiction of the commissioner, department of agriculture and commerce, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 2786 will be indefinitely postponed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 413) to permit the transportation of passengers by Canadian passenger vessels between ports or places in the United States on Lake Ontario and the St. Lawrence River was announced as next in order.

Mr. McKELLAR. May we have an explanation of this? If not, let it go over.

Mr. WHITE. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

HUNTING ISLAND LIGHTHOUSE RESERVATION

The bill (H. R. 4642) to provide for the conveyance by the United States to the county of Beaufort, S. C., of the Hunting Island Lighthouse Reservation was considered, ordered to a third reading, read the third time, and passed.

CATANO RANGE REAR LIGHTHOUSE RESERVATION, P. R.

The bill (H. R. 6045) authorizing and directing the Secretary of Commerce to transfer to the government of Puerto Rico a portion of land within the Catano Range Rear Lighthouse Reservation, P. R., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATION, DAUPHIN ISLAND, ALA.

The bill (H. R. 6976) to provide for the establishment of a Coast Guard station on the coast of Alabama at or near Dauphin Island, Ala., was considered, ordered to a third reading, read the third time, and passed.

COAST GUARD STATION NEAR FORT MYERS, FLA.

The Senate proceeded to consider the bill (H. R. 6048) to provide for the establishment of a Coast Guard station in the vicinity of Fort Myers, Fla.

Mr. KING. Mr. President, during the past few weeks we have passed a large number of bills similar to that now before the Senate, establishing Coast Guard stations, and I am told that the expense is considerable not only for the establishment of such stations but for their maintenance. I was wondering whether at the mouth of every little creek, or bayou, or river, or at every indentation along the coast, there was to be established a Coast Guard station.

Mr. PEPPER. Mr. President, I know the Senator would not be disposed to object to this bill, because it is recommended by the Department. There is a long coast line that is not sufficiently protected, and it was the Department's idea, as much as that of anyone else, that a station should be established at this point. I hope, in view of the committee having passed on the matter, the House having passed the bill, and the Department having recommended it, that the Senator will not object.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ST. LAWRENCE RIVER BRIDGE, NEW YORK

The bill (H. R. 7514) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., was considered, ordered to a third reading, read the third time, and passed.

QUALIFICATION OF EMPLOYEES IN THE LEGISLATIVE BRANCH

The Senate proceeded to consider the bill (S. 2024) to amend the civil-service law to permit certain employees of the legislative branch of the Government to qualify for positions under the competitive classified civil service.

Mr. McKELLAR. Mr. President, I move that in lines 10 and 11, on page 1, and in lines 1 and 2, there be stricken out the words "or assistant clerk to a Senator and/or as a clerk to a Representative and/or as a clerk or employee to the several committees of the House and the Senate."

Mr. KING. I ask that the bill go over.

Mr. McKELLAR. May not the amendment be pending?

The PRESIDENT pro tempore. The amendment will be pending.

Mr. McKELLAR. I wish also to suggest another amendment, on page 2, to strike out "the 1st of the first month following its approval", and make it effective on the 1st day of July, 1937. I ask the Senator from Utah whether the amendment may not be agreed to?

Mr. KING. I think we had better let the bill go over. I find a letter of objection from the Chairman of the Civil Service Commission, Mr. Mitchell, and I am induced to make the objection by reason of the letter.

The PRESIDENT pro tempore. The bill will be passed over.

TRANSFER OF LAND IN BRECKINRIDGE COUNTY, KY.

The bill (H. R. 4705) to authorize the transfer of a certain piece of land in Breckinridge County, Ky., to the Commonwealth of Kentucky, was considered, ordered to a third reading, read the third time, and passed.

CONSOLIDATION OF HOLDINGS OF FEDERAL AND STATE LANDS

The Senate proceeded to consider the bill (S. 2682) to authorize the Secretary of the Interior to issue patents to States under the provisions of section 8 of the act of June 28, 1934 (48 Stat. 1269), as amended by the act of June 26, 1936 (49 Stat. 1976), subject to prior leases issued under section 15 of the said act, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior in adjudicating State exchanges, under section 8 of the act of June 28, 1934 (48 Stat. 1269), as amended by the act of June 26, 1936 (49 Stat. 1976), involving lands embraced in outstanding leases under section 15 of said act issued prior to the filing of the State exchange application, is hereby authorized upon the request of any State to issue patent to the State, subject to such outstanding lease: *Provided*, That the United States shall not by reason of the issuance of any such patents be required to account to the State for any money due and collected prior thereto as rent for any part of the then-current annual rental period except as is now provided by law.

Mr. McKELLAR. Mr. President, I should like to have an explanation of the bill.

Mr. O'MAHONEY. Mr. President, this measure comes from the Committee on Public Lands, and it bears the recommendation of the Department of the Interior.

Under the grazing law States to which have been granted public lands in the past are authorized to offer those lands in exchange for other lands for the purpose of consolidating the holdings both of the Federal Government and of the States. It was found that where the Department of the Interior had issued grazing leases upon Government-owned land that constituted an impediment to the exchange. The only effect of the bill is to permit the Department to exchange the lands subject to any leases which may be outstanding.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 589) prohibiting the operation of motor vehicles in interstate commerce by unlicensed operators was announced as next in order.

Mr. KING. Mr. President, this is too important a bill to be considered under the present proceeding. Let it go over.

Mr. CONNALLY. I should like to ask the chairman of the Committee on Interstate Commerce whether this bill would apply to commercial vehicles only, or also to pleasure cars.

Mr. KING. I have asked that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over, under objection.

ESTABLISHMENT OF MARINE SCHOOLS

The Senate proceeded to consider the bill (H. R. 7614) to amend the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911, which was read as follows:

Be it enacted, etc., That the first section of the act entitled "An act for the establishment of marine schools, and for other purposes", approved March 4, 1911 (36 Stat. 1353; U. S. C., title 34, secs. 1121–1123), is amended by adding at the end of the first section the following paragraph:

"The port of Norfolk specified in the preceding paragraph shall be construed as embracing Norfolk, or Portsmouth, or Newport News, or any other city, town, municipality, or locality within the territorial limits of the customs-collection district having its headquarters at Norfolk, Va."

Mr. WALSH. Mr. President, the title of this bill is very misleading. Existing law permits the establishment of a marine school at Norfolk. In fact, the law enacted in 1911 authorizes the Secretary of the Navy to furnish vessels or other naval equipment to any State which established under State authority a marine school. In the original act certain places were designated, and among them Norfolk was named as a place where a marine school could be established.

The officials of the State of Virginia desire to locate this school, not at Norfolk, but at Portsmouth or Newport News, and a Senate bill was introduced for that purpose by the junior Senator from Virginia [Mr. BYRD], but a House bill similar to it is now under consideration, and the committee reported the House bill favorably. All the measure does is to change the word "Norfolk", so as to permit the authorities to locate the school at Newport News or Portsmouth, which are near Norfolk.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

REIMBURSEMENT OF NAVAL EMPLOYEES

The bill (H. R. 4676) to provide for the reimbursement of certain civilian employees of the Navy for the value of personal effects destroyed in a fire at the naval air station, Hampton Roads, Va., May 15, 1936, was considered, ordered to a third reading, read the third time, and passed.

MEMORIAL TO MAJ. GEN. GEORGE W. GOETHALS

The bill (S. 2676) to amend the act approved August 24, 1935, entitled "An act to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, That section 2 of the act to authorize the erection of a suitable memorial to Maj. Gen. George W. Goethals within the Canal Zone, approved August 24, 1935, be, and the same is hereby, amended as follows: Strike out the figures "$75,000" where they occur in said section and insert in lieu thereof "$160,000", so that section 2 as amended will read: "There is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, a sum not to exceed $160,000 for every object connected with the purposes of this act, including site development and any essential approach work."

MINIMUM SALARY OF DEPUTY UNITED STATES MARSHALS

The bill (H. R. 6453) to increase the minimum salary of deputy United States marshals to $2,000 per annum, was considered, ordered to a third reading, read the third time, and passed.

FORT SCHUYLER MILITARY RESERVATION, N. Y.

The Senate proceeded to consider the bill (S. 2639) to authorize the Secretary of War to lease the Fort Schuyler Military Reservation, N. Y., which had been reported from the Committee on Military Affairs with amendments, on page 1, line 4, to strike out the word "chiefly," and on line 10, to strike out the comma after the word "occupancy", so as to make the bill read:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to lease to the State of New York, for nautical education purposes in the interests of national defense, the Fort Schuyler Military Reservation, N. Y., or portions thereof, for such term or terms, and upon such conditions as the Secretary of War may deem advisable, and he may authorize the State of New York incident to making the premises suitable for occupancy to change the contour of the land, alter or demolish existing buildings and other structures, erect new buildings and structures, construct roads and other utilities, and landscape the reservation: *Provided*, That all alterations, construction, and improvements made shall become the property of the United States: *Provided further*, That the consideration for said lease or leases shall be the repair and maintenance of the property by the State of New York in accordance with the terms of the lease, and such lease or leases shall reserve to the United States of America the right to resume possession and occupy said premises or any portion thereof whenever in the judgment of the Secretary of War an emergency exists that requires the use and appropriation of the same for the public defense.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OATHS OF OFFICE OF CIVILIAN EMPLOYEES

The Senate proceeded to consider the bill (H. R. 6295) to dispense with unnecessary renewals of oaths of office by civilian employees of the executive departments and independent establishments, which was read, as follows:

Be it enacted, etc., That civilian employees of the executive departments and independent establishments of the United States who, upon original appointment, have subscribed to the oath of office required by section 1757 of the Revised Statutes, shall not be required to renew the said oath because of any change in status so long as their services are continuous in the department or independent establishment in which employed, unless in the opinion of the head of the department or independent establishment the public interests require such renewal.

Mr. KING. Mr. President, what change would this bill make in existing law?

Mr. McGILL. The bill would change the law by providing that so long as civilian employees in any department or independent agency of the Government are in continuous service, they shall not be required to renew their oaths of office by reason of some change in their status. At the present time there are, in the Treasury Department in particular, as I understand, a number of employees in the field service, and when any change is made with reference to their status they have to go some distance to renew their oaths of office before they can perform any services for the Government. What is provided for in the bill is now provided by existing law insofar as the Department of Agriculture and the Veterans' Administration are concerned. The bill before us would make the law general as to all departments of the Government as it now prevails with reference to those two departments.

Mr. McKELLAR. It merely means that where a man has been sworn in once that is regarded as sufficient?

Mr. McGILL. So long as he works continuously in the same department or independent agency.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

BURR CREEK, BRIDGEPORT, CONN.

The bill (S. 2708) to declare Burr Creek, from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., a nonnavigable stream was announced as next in order.

Mr. LONERGAN. Mr. President, I ask that there be substituted for the Senate bill and considered at this time House bill 7766, Order of Business 1081.

There being no objection, the Senate proceeded to consider the bill (H. R. 7766) to declare Burr Creek, from Fairfield Avenue southward to Yacht Street in the city of Bridgeport, Conn., a nonnavigable stream.

Mr. BLACK. Mr. President, what is the object of declaring this a nonnavigable stream?

Mr. LONERGAN. Mr. President, Burr Creek is an open sewer in Bridgeport, and the health authorities want it closed.

Mr. BLACK. What is the object of declaring it a nonnavigable stream?

Mr. LONERGAN. My colleague can answer the Senator.

Mr. MALONEY. Mr. President, the power authorities of the War Department are quite satisfied to have the bill passed.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 2708 will be indefinitely postponed.

ADJUSTMENT OF TAXES OF CERTAIN ENROLLED INDIANS

The bill (S. 879) to carry out certain obligations to certain enrolled Indians under tribal agreement was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any person duly enrolled as a member of an Indian tribe who received in pursuance of a tribal treaty or agreement with the United States an allotment of land which by the terms of said treaty or agreement was exempted from taxation, restricted against alienation, or which by the terms of any act of Congress was continued under the supervision of the United States during the minority of such allottee, and from which land the restrictions have or have not been removed, and who was required or permitted to pay any Federal income tax on the rents, royalties, or other gains arising from such lands during such tax-exempt period or on income from any allotment during the minority of the allottee, or any such person who has been erroneously or illegally taxed by reason of not having claimed or received the benefit of any deduction or exemptions permitted by law, and who would be entitled under this or previous acts or rulings of the Treasury Department in similar Indian cases to a refund of the taxes so illegally or erroneously collected but for the fact that he failed to file a claim for such refund within the time prescribed by law, shall be allowed 2 years after the approval of this act within which to file such claim, and if otherwise entitled thereto he may recover such taxes in the same manner and to the same extent as if such claims for refund had been theretofore duly filed as required by law, it not being the policy of the Government to invoke or plead a statute of limitations to escape the obligations of agreement solemnly entered into with the Indian wards, or to exact for its own use and benefit an income tax from them while their property continued under the supervision of the United States and/or during the minority of such Indian allottee: *Provided, however*, That in the case of the death of any member of an Indian tribe any such illegal taxes paid by him or on his account may in like manner be claimed and recovered by the person or persons who would have received such money had it constituted a part of his estate at the time of his death.

That all acts and parts of acts in conflict herewith are modified for the purpose, and only for the purpose, of carrying into effect the provisions hereof.

NAVAL HOSPITAL, WASHINGTON, D. C.

The bill (H. R. 6547) to authorize the Secretary of the Navy to proceed with the construction of certain public works in or in the vicinity of the District of Columbia, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over.

Mr. WALSH. Mr. President, I should like to make a brief statement about this measure.

On February 25, 1931, Congress authorized an appropriation of $3,200,000 for the remodeling and reconstruction of the naval hospital here in Washington. Nothing has ever been done since the authorization due to several reasons, one of them being that the present site was thought not to be sufficiently large, and secondly, because the National Planning Commission of Washington thought that the present site should be used for other purposes.

It is desirable when we undertake to build the new naval hospital to have ample acreage, so that in the event of war the hospital facilities can be extended, and provision made for temporary accommodations of many thousands who may be injured or incapacitated.

The bill now under consideration increases the amount of the original authorization, which was $3,200,000, and provides for $1,600,000 additional, part of it being for the purchase of land. No location has as yet been agreed upon. No location is designated in the bill. There is a provision in the bill that has already passed the House that not more than 15 percent of the appropriation, however, shall be used for the purchase of land.

I may add one other word. Probably every Senator on the floor knows about the inadequacy of the present Naval Hospital. If not, all Senators ought to know about it, because it is the place where Members of Congress are usually taken when they are ill. Most of the buildings of the Naval Hospital are temporary wartime buildings, obsolete and inadequate. It is highly desirable that steps be taken in the immediate future to build a new hospital. We already have authorized $3,200,000. It is generally agreed that the Naval Hospital should not be built at its present location because sufficient land is not available; that it ought to be built on a larger acreage of ground, on an acreage of at least 50 acres; the present location consists of only a few acres; and that in building this hospital we should have in mind the possibilities of a rapid expansion, if necessary in time of war.

Mr. McKELLAR. Mr. President, earlier today I heard the Senator object very strenuously to using any money for buying any land at this time. We have made enormous appropriations for the Navy Department, and we have a very excellent hospital now. I have not been there as a patient, but I frequently go there to see my friends, and the hospital is a very excellent and well set up one. It seems to me in this particular when we have spent so much money; and especially when we have spent so much money on the Navy, that as the Senator from Massachusetts argued a while ago in connection with another bill, we can let the purchase of land go over a little while. I hope the Senator will let the bill go over.

Mr. WALSH. I am sorry that the Senator should feel that he should make an objection to a bill of such a public and humane character because of objections to an amendment offered by him to the slum-clearance bill that I did not think germane.

Mr. McKELLAR. When I referred to the Senator's objection I did it in a joking manner.

Mr. WALSH. I have one more word to say. This is an administration bill. It is not my bill. It is a bill in which the President of the United States is sincerely interested. He has given much thought to the question of naval hospitalization, and it is through his resistance to building a new hospital on the present site, and at the amount provided, that this measure providing for a new hospital is prevented. I think the President is correct in desiring a different location for the hospital, and desiring that the building of a hospital be on a more expansive scale.

Mr. President, the buildings of the present hospital have so deteriorated as to compel their abandonment as hospital spaces with the result that the bed capacity at the naval hospital has been reduced from 600 to 178. Buildings of permanent construction also have deteriorated to a point where special safety precautions have had to be installed. Estimated bare maintenance costs for the next 7 years are $276,753. Any appropriation toward the modernization of this plant would cost at least $1,000,000 and the facilities still would be inadequate.

The Naval Hospital, Washington, serves the personnel of a very large area, including the Navy Department; Washington Navy Yard; Naval Air Station, Anacostia; Naval Research Laboratory; Marine Barracks, Quantico; Naval Proving Ground, Dahlgren; Naval Powder Factory, Indian Head; Naval Observatory; Naval Radio Station; certain special cases from the Naval Academy, Annapolis; a large number of retired personnel living in Washington and vicinity; and certain officers and personnel of other governmental activities. Unusually extensive facilities for the hospitalization of officers under examination to determine their physical qualifications for retention in or retirement from the service are required. Provision also must be made at this hospital for the care of all Navy and Marine Corps mental cases pending final determination as to their disposition.

The facilities at the present naval hospital are entirely inadequate to fully and completely provide for the above activities and, too, the space for expansion is so limited that there is no room for the additional requirements that would be necessary in time of an emergency.

In view of all of the above, the committee considers that the authority provided in this bill should be granted and therefore recommends enactment of the bill.

Mr. McKELLAR. The Navy Department already has an appropriation for the hospital?

Mr. WALSH. An appropriation in 1931 was authorized for $3,200,000, but it has not been appropriated as no action toward building the new hospital has been taken. That authorization law in 1931 provided for the hospital buildings being located on the present site. The pending bill seeks to remove that requirement and permits building elsewhere on a larger area.

Mr. McKELLAR. Where will the hospital be built if the proposed legislation is passed?

Mr. WALSH. It will be built wherever the Navy authorities, under the guidance, direction, and approval of the President, directs the location of the new site.

Mr. McKELLAR. Let the bill be passed over for the present.

Mr. GILLETTE. Mr. President, I originally asked that the bill be passed over. In view of the explanation made by the distinguished chairman of the Naval Affairs Committee [Mr WALSH], I desire to explain briefly the objection which I made to the consideration of the bill at this time.

In accordance with the statement just made, ever since 1931, or for a period of 6 years, the sum of over $3,000,000 has been available for building the Naval Hospital. In the hearings it was shown that over $100,000 was spent in the preparation of plans which were never used. If a great need existed for building the hospital, attention is called to the fact that for 6 years the money was available. It seems to me there has been carelessness almost amounting to nonfeasance in connection with this matter.

Mr. President, I very much dislike to disagree with the chairman of the committee, or to go against the President's wishes, but it seems to me the measure ought not to be passed by unanimous consent.

The PRESIDENT pro tempore. The bill will be passed over.

IRRIGATION CONSTRUCTION COSTS ON WAPATO PROJECT, WASHINGTON

The Senate proceeded to consider the bill (S. 558) amending acts fixing the rate of payment of irrigation construction costs on the Wapato Indian irrigation project, Yakima, Wash., and for other purposes, which had been reported from the Committee on Indian Affairs with an amendment, to add a new section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That so much of the act approved February 14, 1920 (41 Stat. 431), as amended by the act approved May 25, 1922 (42 Stat. L. 595 and 596), as fixes the annual rate of payment of irrigation construction costs or assessments on the Wapato Indian irrigation project on the Yakima Reservation in the State of Washington be, and it is hereby, amended so as to fix the per-acre per-annum assessment rate of $1.25 against those lands classed as A or B which are subject to construction assessments pursuant to existing law. Such rate is to take effect immediately upon approval of this act and shall continue until the total cost assessable under existing law against such of the A and B lands shall have been repaid.

SEC. 2. The Secretary of the Interior is hereby authorized and directed to modify the annual repayment schedule set forth in the memorandum agreement of March 9, 1921, approved March 31, 1921, as amended, wherein provision is made among other things for payment of the actual cost of the 250,000 acre-feet of water for certain of the lands under the Wapato Indian irrigation project so as to extend payment of the balance of the cost of such water over a 24-year period commencing with the payment due December 31, 1937.

Mr. KING. Mr. President, I ask the Senator who introduced the bill, the Senator from Washington [Mr. SCHWELLENBACH], whether this appropriation comes out of a tribal fund, or whether it is a direct appropriation out of the United States Treasury. I should like an explanation.

Mr. SCHWELLENBACH. The bill simply brings this one particular project in line with all other irrigation projects and all other Bureau of Reclamation projects in the country insofar as it refers to the repayment of construction costs.

The Indians have a 40-year period within which to repay the construction costs. The only objection the Department offers to the bill in the report is that a House bill calling for a general investigation of the financing of Indian irrigation projects is now on the calendar. The representatives of the Department who appeared before the committee at the time of the hearing interposed no objection, and it was pointed out by them that in this particular case, as shown by the report, they have all the facts and all the information. All that the bill does is to put this project upon precisely the same basis as every other Indian project and every other reclamation project in the country. The bill extends the period of repayment to a total of 40 years, and it will not make any difference so far as the Treasury is concerned.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELINQUISHMENT OF LAND TO BLACKFEET TRIBE, MONTANA

The bill (S. 2774) to authorize the Secretary of the Interior to relinquish in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., the interest in certain land acquired by the United States under the Federal Reclamation laws was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to relinquish in favor of the Blackfeet Tribe of the Blackfeet Indian Reservation, Mont., the interest acquired by the United States for Federal reclamation purposes in the lands within the exterior boundaries of the present Blackfeet Indian Reservation, that were acquired for Federal reclamation purposes and are determined in the opinion of said Secretary not to be needed for such purposes. Such relinquishment shall be conditioned upon the repayment into the reclamation fund of a sum equal to the amount taken therefrom for the purchase of the lands so relinquished, including the amounts paid for the benefit of allottees where the land acquired for Federal reclamation purposes was allotted land. Upon such relinquishment and payment being made, the title to said lands shall be and remain in the United States in trust for the Indians of the Blackfeet Tribe of the Blackfeet Indian Reservation of Montana: *Provided*, That in making such relinquishments the Secretary may reserve for Federal reclamation purposes such easements and rights as in his opinion may be required for present or future developments under the Federal reclamation laws, and the amount payable into the reclamation fund on account of such relinquishment shall be reduced by the value of the easements and rights so retained for Federal reclamation purposes, such value to be conclusively ascertained by said Secretary: *Provided further*, That no relinquishments herein authorized shall be effective unless approved in writing by the Blackfeet Tribal Council.

SEC. 2. The Secretary of the Interior is hereby authorized to expend from any moneys on deposit in the Treasury of the United States to the credit of the Blackfeet Indians not to exceed $30,000 for the purpose of carrying out the purposes of this act.

ACQUISITION OF LAND FOR SHOSHONE IRRIGATION PROJECT, WYOMING

The bill (H. R. 6914) to authorize the acquisition by the United States of certain tribally owned lands of the Indians of the Shoshone or Wind River Indian Reservation, Wyo., for the Wind River irrigation project was considered, ordered to a third reading, read the third time, and passed.

FLOOD CONTROL IN CONNECTICUT RIVER VALLEY

The joint resolution (S. J. Res. 177) consenting to an interstate compact relating to flood control in the Connecticut River Valley was announced as next in order.

Mr. BARKLEY and Mr. LA FOLLETTE asked that the joint resolution be passed over.

Mr. MALONEY. Mr. President, I ask that the objection to Calendar No. 979, being Senate Joint Resolution 177, be withdrawn.

Mr. LA FOLLETTE. Mr. President, I am willing to withdraw my objection if the Senator wishes to make a statement. However, I assure the Senator that the joint resolution cannot be acted on today.

Mr. MALONEY. I rather suspected that it could not be acted on today. I wish, however, to call attention to the fact that the joint resolution would ratify a flood compact between four States. The commissioners of those four States met under the guidance of the War Department, I am advised by the commissioners representing my State, and entered into a compact. The four States,

through their legislative authorities, concurred in the compact. Officials of the War Department sat in on the various meetings during the time the compact was being drawn; and it was our understanding, and I believe my colleague from Connecticut [Mr. LONERGAN] and the Senators from Massachusetts [Mr. WALSH and Mr. LODGE]—these are the States most particularly affected by the floods—concur in the thought that all the conditions laid down by the Federal Government have been satisfied.

It now develops that there is objection on the part of the Federal Power Commission, on the ground that the compact trespasses on the Federal Power Act of 1920 and the subsequent legislation of 1936. I disagree with that opinion, Mr. President; and I should like to have Senators know that this is probably the last chance that the States of New England, which suffered to such a considerable extent from the disastrous floods of the last 2 years, will have in any way to correct that situation without calling into special session the legislative bodies of the States involved.

Mr. LA FOLLETTE. I ask that the joint resolution be passed over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

BILLS PASSED OVER

The bill (S. 2838) to establish a public airport in the vicinity of the National Capital was announced as next in order.

Mr. BYRD. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2846) to promote air commerce by providing for the enlargement of Washington Airport in the public interest was announced as next in order.

Mr. BYRD. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

WORK ON BONNEVILLE PROJECT

The bill (H. R. 7642) to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. It is my desire that the bill go over.

Mr. McNARY. Mr. President, on page 18 of the calendar will be found a Senate bill, being Senate bill 2092, Calendar No. 1046, which covers the same subject matter. I ask unanimous consent that all after the enacting clause of the House bill be stricken out, and that the language of the Senate bill, as reported from the committee, be inserted in lieu thereof.

The PRESIDENT pro tempore. The Senator from Nevada, the present occupant of the chair, objects to the present consideration of the bill.

Mr. McNARY. That may be, Mr. President; but I am entitled to this form of order at this time.

The PRESIDENT pro tempore. The Senator from Oregon asks unanimous consent that the Senate proceed to the consideration of House bill 7642 for the purpose of amending that bill by striking out all after the enacting clause and inserting the language of Senate bill 2092, being Calendar No. 1046, as reported from the committee. Is there objection? The Chair hears none, and it is so ordered.

The amendment offered by Mr. McNARY was to strike out all after the enacting clause and to insert the following:

That for the purpose of improving navigation on the Columbia River, and for other purposes incidental thereto, the dam, locks, power plant, and appurtenant works now under construction at Bonneville, Oreg. (hereinafter called Bonneville project), shall be completed, maintained, and operated under the direction of the Secretary of War and the supervision of the Chief of Engineers, subject to the provisions of this act relating to the powers and duties of the Bonneville power administrator provided for in section 2 (a) (hereinafter called the administrator) respecting the transmission and sale of electric energy generated at said project. The Secretary of War shall provide, construct, operate, maintain, and improve at Bonneville project such machinery, equipment, and facilities for the generation of electric energy as the administrator may deem necessary to develop such electric energy as rapidly as markets may be found therefor. The electric energy thus generated and not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith shall be delivered to the administrator for disposition as provided in this act.

SEC. 2. (a) The electric energy generated in the operation of the said Bonneville project shall be disposed of by the said administrator as hereinafter provided. The administrator shall be appointed by the Secretary of the Interior, by and with the advice and consent of the Senate; shall be responsible to said Secretary of the Interior; shall receive a salary at the rate of $10,000 per year; and shall maintain his principal office at a place selected by him in the vicinity of the Bonneville project. The administrator shall, as hereinafter provided, make all arrangements for the sale and disposition of electric energy generated at Bonneville project not required for the operation of the dam and locks at such project and the navigation facilities employed in connection therewith. He shall act in consultation with an advisory board composed of a representative designated by the Secretary of War, a representative designated by the Secretary of the Interior, a representative designated by the Federal Power Commission, and a representative designated by the Secretary of Agriculture. The form of administration herein established for the Bonneville project is intended to be provisional pending the establishment of a permanent administration for Bonneville and other projects in the Columbia River Basin. The administrator is authorized and empowered to direct and require the Secretary of War to install and maintain additional machinery, equipment, and facilities for the generation of electric energy at the Bonneville project when in the judgment of the administrator such additional generating facilities are desirable to meet actual or potential market requirements for such electric energy. The Secretary of War shall schedule the operations of the several electrical generating units and appurtenant equipment of the Bonneville project in accordance with the requirements of the administrator. The Secretary of War shall provide and maintain for the use of the administrator at said Bonneville project adequate station space and equipment, including such switches, switchboards, instruments, and dispatching facilities as may be required by the administrator for proper reception, handling, and dispatching of the electric energy produced at the said project, together with transformers and other equipment required by the administrator for the transmission of such energy from that place at suitable voltage to the markets which the administrator desires to serve.

(b) In order to encourage the widest possible use of all electric energy that can be generated and marketed and to provide reasonable outlets therefor, and to prevent the monopolization thereof by limited groups, the administrator is authorized and directed to provide, construct, operate, maintain, and improve such electric transmission lines and substations, and facilities and structures appurtenant thereto, as he finds necessary, desirable, or appropriate for the purpose of transmitting electric energy, available for sale, from the Bonneville project to existing and potential markets, and, for the purpose of interchange of electric energy, to interconnect the Bonneville project with other Federal projects and publicly owned power systems now or hereafter constructed.

(c) The administrator is authorized, in the name of the United States, to acquire, by purchase, lease, condemnation, or donation, such real and personal property, or any interest therein, including lands, easements, rights-of-way, franchises, electric transmission lines, substations, and facilities and structures appurtenant thereto, as the administrator finds necessary or appropriate to carry out the purposes of this act. Title to all property and property rights acquired by the administrator shall be taken in the name of the United States.

(d) The administrator shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purposes of this act, by the exercise of the right of eminent domain and to institute condemnation proceedings therefor in the same manner as is provided by law for the condemnation of real estate.

(e) The administrator is authorized, in the name of the United States, to sell, lease, or otherwise dispose of such personal property as in his judgment is not required for the purposes of this act and such real property and interests in land acquired in connection with construction or operation of electric transmission lines or substations as in his judgment are not required for the purposes of this act: *Provided, however,* That before the sale, lease, or disposition of real property or transmission lines, as herein provided, the administrator shall secure the approval of the President of the United States.

(f) Subject to the provisions of this act, the administrator is authorized, in the name of the United States, to negotiate and enter into such contracts, agreements, and arrangements as he shall find necessary or appropriate to carry out the purposes of this act.

SEC. 3. As employed in this act, the term "public body", or "public bodies", means States, public power districts, counties, and municipalities, including agencies or subdivisions of any thereof.

As employed in this act, the term "cooperative", or "cooperatives", means any form of non-profit-making organization or organizations of citizens supplying, or which may be created to supply, members with any kind of goods, commodities, or services, as nearly as possible at cost.

SEC. 4. (a) In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the administrator shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

(b) To preserve and protect the preferential rights and priorities of public bodies and cooperatives as provided in section (a) and to effectuate the intent and purpose of this act that at all times up to January 1, 1941, there shall be available for sale to public bodies and cooperatives not less than 50 percent of the electric energy produced at the Bonneville project, it shall be the duty of the administrator in making contracts for the sale of such energy to so arrange such contracts as to make such 50 percent of such energy available to said public bodies and cooperatives until January 1, 1941: *Provided*, That the electric energy so reserved for but not actually purchased by and delivered to such public bodies and cooperatives prior to January 1, 1940, may be disposed of temporarily so long as such temporary disposition will not interfere with the purchase by and delivery to such public bodies and cooperatives at any time prior to January 1, 1940: *Provided further*, That nothing herein contained shall be construed to limit or impair the preferential and priority rights of such public bodies or cooperatives after January 1, 1940; and in the event that after such date there shall be conflicting or competing applications for an allocation of electric energy between any public body or cooperative on the one hand and a private agency of any character on the other, the application of such public body or cooperative shall be granted.

(c) An application by any public body or cooperative for an allocation of electric energy shall not be denied, or another application competing or in conflict therewith be granted, to any private corporation, company, agency, or person, on the ground that any proposed bond or other security issue of any such public body or cooperative, the sale of which is necessary to enable such prospective purchaser to enter into the public business of selling and distributing the electric energy proposed to be purchased, has not been authorized or marketed, until after a reasonable time, to be determined by the administrator, has been afforded such public body or cooperative to have such bond or other security issue authorized or marketed.

(d) It is declared to be the policy of the Congress, as expressed in this act, to preserve the said preferential status of the public bodies and cooperatives herein referred to, and to give to the people of the States within economic transmission distance of the Bonneville project reasonable opportunity and time to hold any election or elections or take any action necessary to create such public bodies and cooperatives as the laws of such States authorize and permit, and to afford such public bodies or cooperatives reasonable time and opportunity to take any action necessary to authorize the issuance of bonds or to arrange other financing necessary to construct or acquire necessary and desirable electric distribution facilities, and in all other respects legally to become qualified purchasers and distributors of electric energy available under this act.

SEC. 5. (a) Subject to the provisions of this act and to such rate schedules as the Federal Power Commission may approve, as hereinafter provided, the administrator shall negotiate and enter into contracts for the sale at wholesale of electric energy, either for resale or direct consumption, to public bodies and cooperatives and to private agencies and persons. Contracts for the sale of electric energy to any private person or agency other than a privately owned public utility engaged in selling electric energy to the general public, shall contain a provision forbidding such private purchaser to resell any of such electric energy so purchased to any private utility or agency engaged in the sale of electric energy to the general public, and requiring the immediate canceling of such contract of sale in the event of violation of such provision. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate 20 years from the respective dates of the making of such contracts. Contracts entered into under this subsection shall contain (1) such provisions as the administrator and purchaser agree upon for the equitable adjustment of rates at appropriate intervals, not less frequently than once in every 5 years, and (2) in the case of a contract with any purchaser engaged in the business of selling electric energy to the general public, the contract shall provide that the administrator may cancel such contract upon 5 years' notice in writing if in the judgment of the administrator any part of the electric energy purchased under such contract is likely to be needed to satisfy the requirements of the said public bodies or cooperatives referred to in this act, and that such cancelation may be with respect to all or any part of the electric energy so purchased under said contract to the end that the preferential rights and priorities accorded public bodies and cooperatives under this act shall at all times be preserved. Contracts entered into with any utility engaged in the sale of electric energy to the general public shall contain such terms and conditions, including among other things stipulations concerning resale and resale rates by any such utility, as the administrator may deem necessary, desirable, or appropriate to effectuate the purposes of this act and to insure that resale by such utility to the ultimate consumer shall be at rates which are reasonable and nondiscriminatory. Such contract shall also require such utility to keep on file in the office of the administrator a schedule of all its rates and charges to the public for electric energy and such alterations and changes therein as may be put into effect by such utility.

(b) The administrator is authorized to enter into contracts with public or private power systems for the mutual exchange of unused excess power upon suitable exchange terms for the purpose of economical operation or of providing emergency or breakdown relief.

SEC. 6. Schedules of rates and charges for electric energy produced at the Bonneville project and sold to purchasers as in this act provided shall be prepared by the administrator and become effective upon confirmation and approval thereof by the Federal Power Commission. Subject to confirmation and approval by the Federal Power Commission, such rate schedules may be modified from time to time by the administrator, and shall be fixed and established with a view to encouraging the widest possible diversified use of electric energy. The said rate schedules may provide for uniform rates or rates uniform throughout prescribed transmission areas in order to extend the benefits of an integrated transmission system and encourage the equitable distribution of the electric energy developed at the Bonneville project.

SEC. 7. It is the intent of Congress that rate schedules for the sale of electric energy which is or may be generated at the Bonneville project in excess of the amount required for operating the dam, locks, and appurtenant works at said project shall be determined with due regard to and predicated upon the fact that such electric energy is developed from water power created as an incident to the construction of the dam in the Columbia River at the Bonneville project for the purposes set forth in section 1 of this act. Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of Bonneville project) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment over a reasonable period of years. Rate schedules shall be based upon an allocation of costs made by the Federal Power Commission. In computing the cost of electric energy developed from water power created as an incident to and a byproduct of the construction of the Bonneville project, the Federal Power Commission may allocate to the costs of electric facilities such a share of the cost of facilities having joint value for the production of electric energy and other purposes as the power development may fairly bear as compared with such other purposes.

SEC. 8. Notwithstanding any other provision of law, all purchases and contracts made by the administrator or the Secretary of War for supplies or for services except for personal services, shall be made after advertising, in such manner and at such times, sufficiently in advance of opening bids, as the administrator or Secretary of War, as the case may be, shall determine to be adequate to insure notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase or supplies or procurement of services does not exceed $500; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the administrator or the Secretary of War, as the case may be, may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

SEC. 9. (a) The administrator, subject to the requirements of the Federal Water Power Act, shall keep complete and accurate accounts of operations, including all funds expended and received in connection with transmission and sale of electric energy generated at the Bonneville project.

(b) The administrator may make such expenditures for offices, vehicles, furnishings, equipment, supplies, and books; for attendance at meetings; and for such other facilities and services as he may find necessary for the proper administration of this act.

(c) In December of each year, the administrator shall file with the Congress, through the Secretary of the Interior, a financial statement and a complete report as to the transmission and sale of electric energy generated at the Bonneville project during the preceding governmental fiscal year.

SEC. 10. The administrator, the Secretary of War, and the Federal Power Commission, respectively, shall appoint such attorneys, engineers, and other experts as may be necessary for carrying out the functions entrusted to them under this act, without regard to the provisions of the civil-service laws and shall fix the compensation of each of such attorneys, engineers, and other experts at not to exceed $10,000 per annum; and they may, subject to the civil-service laws, appoint such other officers and employees as may be necessary to carry out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

SEC. 11. All receipts from transmission and sale of electric energy generated at the Bonneville project shall be covered into the Treasury of the United States to the credit of miscellaneous receipts, save and except that the Treasury shall set up and maintain from such receipts a continuing fund of $500,000, to the credit of the administrator and subject to check by him, to defray emergency expenses and to insure continuous operation. There is hereby authorized to be appropriated from time to time,

out of moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

SEC. 12. The administrator may, in the name of the United States, bring such suits, at law or in equity, as he may find necessary in carrying out the purposes of the act; and he shall be represented in all litigation affecting the status or operation of Bonneville project by such counsel as he may select.

SEC. 13. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

Mr. McNARY. I now move that the Senate bill be indefinitely postponed.

The PRESIDENT pro tempore. Without objection, Senate bill 2092 will be indefinitely postponed, and House bill 7642 will be passed over.

Mr. McNARY. Mr. President, this bill has been on the calendar for some time. It conforms to the wishes of the administration in every particular; it has been agreed upon by the Senators from Washington and Oregon, inasmuch as the dam is in the Columbia River between these two Northwestern States.

I apprehend from what the Chair stated a moment ago that he objects to the consideration of the bill at this time. With that I certainly could have no objection, but I do wish to give notice that I shall do everything that I may to have the bill considered immediately following the disposition of the court bill.

SELECTION OF SITE FOR NATIONAL AIRPORT

Mr. KING. Mr. President, I ask unanimous consent for a minute in which to explain the airport bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Utah may proceed.

Mr. KING. Mr. President, some time ago the President of the United States and Congress joined in the appointment of a commission to select a site for a national airport. The commission functioned; they selected a site for an airport; they submitted a report; a bill has been submitted pursuant to the report. Objection was made to its consideration. I merely wish to state that the bill is of the greatest importance to the District of Columbia and the Nation, and I shall seek an early opportunity for its consideration.

Mr. McKELLAR. Mr. President, may I ask the Senator a question?

Mr. KING. Yes.

Mr. McKELLAR. Is it proposed to locate the airport in the vicinity of where it is now or near the Potomac River?

Mr. KING. I can answer the Senator categorically, no. We were charged with the duty of selecting a site that would be safe and suitable under all conditions of weather for a national airport. We carried out, I think, the instructions which were embodied in the authorization.

Mr. O'MAHONEY. Mr. President, may I ask the Senator does the bill select the site for the airport?

Mr. KING. Yes; we were authorized to select a site, and that was done.

Mr. O'MAHONEY. What is the site which was selected?

Mr. KING. It is several miles from Washington and is known as Camp Springs, containing about 2,300 acres. The best experts of the United States testified in regard to the matter. Forty-two sites were examined by the experts and by representatives of the committee.

Mr. O'MAHONEY. Is there any serious objection to that site?

Mr. KING. A number of persons wanted us to select a site nearer than about 8 or 9 miles from the city, and I understand that the Navy Department objected because they claimed there would be interference with some radio operations 3 or 4 miles away. I will be prepared at any time to show the fallacy of that contention.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President——

Mr. KING. I am trespassing upon the time of the Senate, because the bill is not now before the Senate.

Mr. O'MAHONEY. The questions that I ask are suggested by the fact that the next bill on the calendar apparently refers to the same subject matter.

Mr. KING. That has been objected to also.

Mr. McNARY. Mr. President, may I, with the indulgence of the Senate, make an inquiry of the Senator from Utah on the same subject? I think I have on my desk some correspondence advocating the location of the airport in Anacostia, and also I have had literature like those sponsoring what is called the Washington Airport, in Virginia. Have those two sites been examined and is the one the Senator has mentioned the ultimate site that the committee recommends?

Mr. KING. Mr. President, the committee was charged with the duty of locating an airport. We examined 42 proposed airport sites and selected one which met all the requirements contained in the act under which we were charged with responsibility. We disregarded the Washington Airport; we did not report favorably upon it, nor upon the other site to which the Senator refers. After examining 42 sites we unanimously selected one.

Mr. BARKLEY. Mr. President, I was out of the Chamber for a moment. May I inquire where that location is?

Mr. KING. Camp Springs is about in a direct line from the Capital, I should say, 8 or 9 miles. It embraces 2,300 acres; it is on high ground where there will be no fog. It would be free from obstruction and the experts testified that it would be safe 100 percent every day of the year.

Mr. BARKLEY. I merely wish to observe that it seems to me that in the Capital of the Nation, with as much land as there is in close proximity to Washington, it ought to be possible to select a location for an airport for the city.

Mr. KING. I think so.

Mr. BARKLEY. I am satisfied the Senator and his colleagues have diligently sought to do that, and, while I know nothing of this subject, if the committee examined 42 sites and found the one mentioned the most feasible, that fact would weigh a great deal with me in undertaking to locate a site.

Mr. KING. May I trespass a moment further by saying that General Westover, Chief of the Air Corps of the Army, and one of the most competent pilots in the United States, if not in the world, was the head of the subcommittee that examined aerially and over the terrain the 42 airport sites, and he and the executive committee were unanimous. Then the full committee, consisting of three Senators, three Members of the House of Representatives, and three members appointed by the President of the United States, likewise joined in the unanimous report.

The PRESIDENT pro tempore. The next bill on the calendar will be stated.

LEWIS LEONARD WOOD AND WINIFRED WOOD

The bill (S. 1673) for the relief of Lewis Leonard Wood and Winifred Wood was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

Mr. MALONEY. Mr. President, I will be pleased to explain the bill.

Mr. McKELLAR. Mr. President, I find that I have already read the report, and that the bill is a proper one; so the Senator need not explain it so far as I am concerned.

Mr. MALONEY. Very well.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Lewis Leonard Wood and Winifred Wood shall be held and considered to have been legally admitted to the United States for permanent residence on April 9, 1925.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the cases of said Lewis Leonard Wood or said Winifred Wood upon the ground of unlawful residence in the United States.

FLOOD CONTROL IN MERRIMACK RIVER VALLEY

The joint resolution (S. J. Res. 178) consenting to an interstate compact relating to flood control in the Merrimack River Valley was announced as next in order.

Mr. LA FOLLETTE. Let the joint resolution go over.

Mr. WALSH. Mr. President, I think it is appropriate that the same disposition should be made of this joint resolution as was made of the one relating to the Connecticut River, preceding it on the calendar. I should like to state for the RECORD that the Senator from New Hampshire has today introduced a resolution at the request of the administration which sets forth their position in reference to such flood-control compacts as the two on the calendar. Apparently the administration feels that the provision in the compact to the effect that the States may have the use or sale of the power generated at dams on flood-control reservoirs is not in conformity with the national program which the administration is planning. The authorities of the States claim that they seek control of power generated only by permission and consent of the Federal Government and that there is provision in the act of ratification to enable the Government to repeal or change the conditions. In any event, the point I wish to make is that there is another joint resolution dealing with the same subject, and I think that in time both the Federal authorities and the State authorities may be able to reach an agreement.

The PRESIDENT pro tempore. The joint resolution will be passed over.

PUBLIC SCHOOL BUILDING, MASON COUNTY, WASH.

The Senate proceeded to consider the bill (S. 2368) to provide funds for cooperation with School District No. 2, Mason County, State of Washington, in the construction of a public-school building, to be available to both white and Indian children, which was read as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $25,000 for the purpose of cooperating with School District No. 2, Mason County, State of Washington, for the construction and equipment of a public-school building at Lower Skokomish, State of Washington: *Provided*, That said school shall be conducted for both white and Indian children without discrimination, and that the cost of education of white children shall be defrayed by the State and local public-school authorities, in accordance with such agreement or agreements as may be made between the Secretary of the Interior and State or local officials, and any and all sums of money obtained by reason of such agreement or agreements shall be available for reexpenditure for support and maintenance of said school.

Mr. KING. Mr. President, I should like to ask the Senator from Washington whether there is not now a schoolhouse for the Indians at the place mentioned in the bill?

Mr. SCHWELLENBACH. Mr. President, the report of the Department shows that the schoolhouse there is not adequate or safe and that there is the necessity for a new schoolhouse.

Mr. KING. Why was not an appropriation made from the Indian funds and carried in the Indian appropriation bill?

Mr. SCHWELLENBACH. It should be remembered that this is not an appropriation. It comes under the general act under which the Department asks for appropriations every year for certain schoolhouses. They have left us out, the committee thought, a little too long. So I wanted it specifically designated so that when the appropriation is made for the operation of schools under the Indian Service the school referred to in the bill may be provided for.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FIXING OF FEES IN RECEIVERSHIP AND BANKRUPTCY CASES

The Senate proceeded to consider the bill (S. 2849) to prohibit certain agreements fixing fees or compensation in receiverships, bankruptcy, or reorganization proceedings, which was read as follows:

Be it enacted, etc., That (a) it shall be unlawful for any party in interest, or any attorney for any party in interest, in any receivership, bankruptcy, or reorganization proceeding, in or under the supervision of any court of the United States, to enter into any agreement, written or oral, express or implied, with any other party in interest, or any attorney of any other party in interest, in such proceeding for the purpose of fixing the amount of the fees or other compensation to be paid to any party in interest or any attorney of any party in interest in such proceeding, for services rendered in connection therewith. As used in this section, the term "party in interest" includes any debtor, creditor, receiver, or trustee and any representative of any of them.

(b) It shall be unlawful for the judge of any court of the United States to approve the payment of any fees or compensation the amount of which is fixed as the result of any act declared to be unlawful by subsection (a) of this section.

(c) Any person who commits any act declared by this section to be unlawful shall, upon conviction, be fined not more than $10,000 or imprisoned not more than 5 years, or both.

Mr. McKELLAR. Mr. President, apparently there is no report accompanying the bill. Will the Senator from Idaho explain it?

Mr. BORAH. Mr. President, it is rather an important measure, but I think I can explain it by making a short statement. In the first place, it has been reported by the Judiciary Committee. The bill simply provides that any agreement between attorneys in bankruptcy cases and reorganization cases as to fees shall be illegal, also as to compensation of receivers. It prohibits any agreement between parties in interest fixing compensation of receivers or fixing the compensation of attorneys. We have found out through investigation that the heart of the misdoings with reference to receivership cases was that attorneys get together and agree upon large fees, agree upon a receiver, agree upon receivers' fees, agree upon the compensation of all parties concerned, and the result is that they simply divide up the carcass and there is nothing left for creditors or anybody else.

Mr. McKELLAR. In view of the many scandals that have arisen in regard to receivership fees and even attorneys' fees in receivership cases, I am heartily in favor of the Senator's bill, and I hope not only the Senate will pass it but that the other House will pass it and that it will become a law.

Mr. BORAH. I thank the Senator.

I desire to offer an amendment for clarification more than anything else. I send it to the desk and ask that it may be read.

The PRESIDENT pro tempore. The amendment will be stated.

The amendment was on page 2, line 2, after the word "therewith" to insert:

When such fees or other compensation are to be paid from the assets of the estate in receivership, bankruptcy, or reorganization.

So as to make the section read:

That (a) it shall be unlawful for any party in interest, or any attorney for any party in interest, in any receivership, bankruptcy, or reorganization proceeding, in or under the supervision of any court of the United States, to enter into any agreement, written or oral, express or implied, with any other party in interest, or any attorney of any other party in interest, in such proceeding for the purpose of fixing the amount of the fees or other compensation to be paid to any party in interest or any attorney of any party in interest in such proceeding, for services rendered in connection therewith when such fees or other compensation are to be paid from the assets of the estate in receivership, bankruptcy, or reorganization. As used in this section, the term "party in interest" includes any debtor, creditor, receiver, or trustee and any representative of any of them.

Mr. BORAH. It was thought the bill as written would prevent a client from agreeing with his own attorney as to how much compensation he should pay his attorney, so we are proposing to limit the agreement to such compensations or attorneys' fees as are to come out of the estate or the reorganization fund, and so forth.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Idaho.

The amendment was agreed to.

Mr. BORAH. I desire to offer another amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The amendment was on page 2, after line 9, to insert a new paragraph, as follows:

(c) It shall be unlawful for the judge of any court of the United States to appoint as receiver, or trustee, any person related to such judge by consanguinity, or affinity, within the fourth degree.

The amendment was agreed to.

Mr. BORAH. I move to amend further by renumbering the last paragraph.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 10, it is proposed to renumber the paragraph by striking out "(c)" and inserting "(d)."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INVESTIGATION OF AGRICULTURAL COMMODITY PRICES, ETC.

The Senate proceeded to consider the resolution (S. Res. 158) to provide for an investigation of agricultural commodity prices, of an ever-normal granary for major agricultural commodities, and of the conservation of national soil resources, submitted by Mr. SMITH on the 23d instant.

Mr. BLACK. Mr. President, I have an amendment which I desire to offer to the resolution. I send it to the desk and ask that it may be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The amendment was, on page 1, line 12, after the word "Senate", to strike out the words "at the earliest practicable date" and insert "not later than October 15, 1937", so as to make the resolution read:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is authorized and directed to conduct investigations and draft legislation to maintain both parity of prices paid to farmers for agricultural commodities marketed by them for domestic consumption and export and parity of income for farmers marketing such commodities; and, without interfering with the maintenance of such parity prices, to provide an ever-normal granary for each major agricultural commodity; and to conserve national soil resources and prevent the wasteful use of soil fertility; and, in particular, so to consider S. 2787. The committee shall report to the Senate, not later than October 15, 1937, the result of its investigations together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. SMITH. Mr. President, I hope the amendment will not be agreed to. The committee unanimously agreed that they would take their time in making the investigation. I understand the object of the amendment, and I hope the Senate will accept the action of the Committee on Agriculture and Forestry which was taken in good faith. We propose to make the investigation as thorough as possible in the interest of agriculture. This is a matter which was threshed out yesterday on the floor of the Senate.

Mr. McKELLAR. Mr. President, Senators know there is no one for whom I have greater respect and admiration than I have for the Senator from South Carolina [Mr. SMITH], chairman of the Committee on Agriculture and Forestry. The Senator knows that the price of cotton has been going down very regularly in recent days, probably due to the fact that a great many people think we will have a very much larger crop than we have had in the last several years. While the price of cotton has been going down rather steadily lately, the new crop is about to come in.

If ever there was a time when we need control and a law for control it is now, for the reason that in the next 3 months the farmers, for whose interest the Senator from South Carolina has worked in this body as probably no other Senator has, are going to dispose of their cotton crop. If we are to have control, if we are to have regulation so as to benefit the farmers who have made this crop, the sooner we have it the better it will be for all concerned.

Mr. SMITH. Mr. President, the Senator from South Carolina knows about the movement of the cotton crop. We have a law now that will take care of the situation. Cotton has been produced and it is now being sold. It will be sold through September. It will be sold through October. By that time we could have a bill back here and by the time Congress got through arguing over it, the whole cotton crop would be sold.

This is nothing more nor less than an attempt by those who have gotten themselves in bad by sponsoring a bill that has destroyed the South, to come here now and try to placate the farmers of the South with an impossible thing.

I appeal to the Senate. Cotton is now moving in Texas, South Carolina, Georgia, and elsewhere. By the 15th of October the bulk of it will have been sold. Now a proposition is made here which is obvious to everybody, that we shall reconvene October 15 and debate a bill which is highly debatable, and there would be no assurance at all as to the time we would get through with it and ultimately have the desired regulation. I am as much in favor of regulation as is any other Member of this body, but I want common sense used in connection with it.

Mr. BYRD. Mr. President, if this matter is going to lead to an extended discussion, as apparently it is, I ask that the resolution may go over.

The PRESIDENT pro tempore. The resolution will be passed over.

Mr. SMITH. Mr. President, let me say just one word, if I may have unanimous consent to do so. The committee wanted to begin its work and wanted to know what funds were available for it. If it is desired to deprive the committee of its funds, it is perfectly all right with me, but I am not going to sit here and allow this kind of thing to happen without a vigorous protest. Let the resolution go over.

Mr. BILBO. Mr. President, there will be no harm done by letting the resolution go over, because the committee will not commence its investigations until after the adjournment of Congress.

The PRESIDENT pro tempore. The resolution will be passed over.

LEAVE OF ABSENCE TO HOMESTEAD SETTLERS DURING 1937

The bill (S. 189) granting a leave of absence to settlers of homestead lands during the year 1937 was announced as next in order.

Mr. MURRAY. Mr. President, a similar bill passed the House and has been reported to the Senate by the Committee on Public Lands and Surveys and is now on the calendar, being Calendar No. 1041. I ask that the House bill may be substituted for the Senate bill and be considered at this time.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2888) granting a leave of absence to settlers of homestead lands during the year 1937, which had been reported from the Committee on Public Lands and Surveys with amendments.

The first amendment was, on page 3, after line 3, to insert a new section 3, as follows:

SEC. 3. There is hereby authorized to be appropriated an amount equal to the amount of the unpaid balance of principal and interest which the Secretary of the Interior may find to be due on homestead and other entries or purchases on opened lands of the Coeur d'Alene, Cheyenne River, Colville, Fort Berthold, Fort Peck, Pine Ridge, Rosebud, Shoshone, and Standing Rock Reservations, and the Chippewa lands in Minnesota opened in accordance with the act of January 14, 1889 (25 Stat. L. 642), on the date of the enactment of this act, less an amount equal to the amount of payments made on such homestead entries after the enactment of this act and before the appropriation herein authorized has been made. Such an amount when appropriated shall be placed to the credit of the Indian tribes of such reservations in the Treasury of the United States, and shall be available upon the recommendation of the Indian tribe or tribes concerned for making permanent improvements on lands of the Indians, including the development of irrigation and the granting of aid to individual

Indians in establishing permanent homes, and for the purchase of lands on said reservations from individual Indians or from white owners, in the discretion of the Secretary of the Interior, and under such regulations as he may prescribe. Title to any lands so purchased shall be taken in the name of the United States in trust for the respective Indian tribes and such lands shall not be allotted in severalty.

The amendment was agreed to.

The next amendment was, on page 4, after line 4, to insert a new section 4, as follows:

SEC. 4. The provisions of this act shall in no way affect the liability of entrymen or purchasers on such opened lands in the said Indian reservations to complete payments on their entries. Any payments made by said homesteaders after the appropriation authorized by this act has been made shall be covered into the general fund of the Treasury of the United States. If any entry or purchase shall be relinquished or canceled on which the United States shall have advanced payments to the Indians of the reservation involved, said payments shall be reimbursed to the United States out of any funds on deposit in the Treasury of the United States to the credit of the said Indians.

The amendment was agreed to.

The next amendment was, on page 4, line 17, to renumber the section.

The amendment was agreed to.

The next amendment was, on page 4, line 20, before the word "entry", to strike out "this" and insert "his"; and in line 24, before the word "entry", to strike out "this" and insert "his", so as to make the section read:

SEC. 5. Any homestead entryman or purchaser of ceded Indian land who is delinquent in the payment of the purchase money or interest, or both, due on the land embraced in his entry, entries, purchase, or purchases, and who is unable to make payment thereof in accordance with existing laws, shall be accorded the privilege of relinquishing any subdivision, or subdivisions, as shown on the approved plat, of his entry, entries, purchase, or purchases, so that the purchase money paid on the whole of such entry, entries, purchase, or purchases, will be sufficient to complete payment on the lands retained, which retained lands shall be in reasonably compact form. Relinquishments heretofore made may be accepted under the provisions of this section.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read the third time, and passed.

The title was amended so as to read: "A bill to grant relief to homesteaders and purchasers of public and ceded Indian lands and to authorize advance of amounts due on delinquent homestead entries on certain Indian reservations."

The PRESIDENT pro tempore. Without objection, the bill (S. 189) granting leave of absence to settlers of homestead lands during the year 1937 is indefinitely postponed.

PERISHABLE AGRICULTURAL COMMODITIES

The bill (H. R. 6762) to amend the act known as the "Perishable Agricultural Commodities Act, 1930", approved June 10, 1930, as amended, was announced as next in order.

Mr. KING. Mr. President, that seems to be rather a formidable measure. I should like to have some explanation of it.

Mr. SMITH. Mr. President, that bill may go over.

The PRESIDENT pro tempore. The bill will be passed over.

EAST COAST SHIP & YACHT CORPORATION, OF NOANK, CONN.

The Senate proceeded to consider the bill (S. 718) for the relief of the East Coast Ship & Yacht Corporation, of Noank, Conn., which had been reported from the Committee on Claims with amendments, on page 1, line 7, after "(1)", to strike out "$4,200" and insert "$2,100"; in line 11, after "(2)", to strike out "$7,200.34" and insert "$4,518.74"; on page 2, line 3, after the word "contract", to strike out "and (3) $1,950, representing liquidated damages withheld by the Government under a contract numbered W–52, qm 416, entered into by said corporation with the War Department for repairs to the United States distribution box boat *L–40*"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the East Coast Ship & Yacht Corporation, of Noank, Conn., the following sums: (1) $2,100, representing liquidated damages withheld by the Government under a contract numbered W–51, qm–412, entered into by said corporation with the War Department for repairs to the United States steamer *Colonel Barnett;* (2) $4,518.74, representing payment for additional repairs which said corporation was required to make upon said steamer and which were not specified by said contract. The payment of such sums shall be in full satisfaction of all claims of said corporation against the United States arising out of said contracts or in connection with the repairs made on either of said vessels: *Provided*, That in the settlement of the claim the rights of subrogation by the Home Insurance Co. shall be fully protected: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION AND REHABILITATION AT MILITARY POSTS

The bill (H. R. 7645) to authorize appropriations for construction and rehabilitation at military posts, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. SHEPPARD. Mr. President, this bill is similar to a bill which passed the Senate a few weeks ago, and represents the minimum housing needs of the Army. It also provides for the acceptance by the Government of some very valuable property at Denver, Colo., and for the establishment there of an Air Corps technical school and firing ranges which are immediately necessary. It carries no appropriation, and none will be asked for during the present fiscal year.

Mr. McKELLAR. I observe that the bill authorizes an appropriation of $25,587,000.

Mr. SHEPPARD. The War Department's complete housing program calls for $162,000,000. After combing the matter thoroughly the Senate and the House Military Affairs Committees have developed a minimum priority program of about $25,000,000. The House added to what was in the Senate bill projects amounting to four or five million dollars and left out several items that were in the Senate bill. When the House bill came to the Senate, these Senate items were restored by the Senate Military Affairs Committee.

Mr. McKELLAR. Has the money already been appropriated? Is the money in hand to carry out the provisions of the bill, or will this be new money?

Mr. SHEPPARD. This is only an authorization.

Mr. McKELLAR. I know; but will the authorization prepare the way before the Appropriations Committee for supplemental appropriations, or for a deficiency appropriation?

Mr. SHEPPARD. Not at all.

Mr. McKELLAR. In other words, will the matter come up in the appropriation bill?

Mr. SHEPPARD. In the appropriation bill of the next fiscal year it will be necessary to have some kind of a program so that the War Department may begin its plans. The housing facilities at many of these posts are deplorable, and the construction of this school at Denver is immediately imperative. There we have a chance to secure the donation of a very valuable amount of property.

Mr. KING. Mr. President, if I may say so—and I hope my friend will pardon me—I think if we should close about two-thirds of the Army posts in the United States, it would make for economy and make for efficiency in the Army. I think we have scores more posts than are needed, and we have upon the shores a large number of naval stations that we do not need.

Mr. SHEPPARD. It is probably true that a number of posts ought to be dispensed with.

Mr. KING. Why not practise a little economy, instead of planning now for further appropriations and further posts?

Mr. SHEPPARD. This bill does not apply to the posts which are not needed.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. ASHURST subsequently said: Mr. President, I apologize for discussing a subject not immediately before the Senate; but we have today passed a housing bill calling for many millions of dollars. Now a bill is on our calendar which provides for the housing and hospitalization of our troops in various Army posts.

I respect the right of every Senator to object; but let Senators visit these Army posts. I have visited two of them, and I should not think of quartering a human being in some of the quarters now occupied by troops of the United States. One commanding general told me he was ashamed to quarter his troops in such a place.

Mr. ADAMS. Mr. President, I may say to the Senator that some of the pictures on the wall show better structures than those in some of the posts.

Mr. ASHURST. Quite so. These so-called slums, pictures of which are on the wall, are in some respects superior to the housing facilities of United States troops in places that I could mention. Indeed, in one post the soldiers are required to take iron bars to support the walls, to keep the walls from falling in upon them.

Having authorized the expenditure of millions of dollars to provide homes for people in so-called slums—with that I have no quarrel—at the same time, in the case of the troops of the United States who are protecting the lives and the liberty of the people, the soldiers whose civil rights are more or less suspended, we find ourselves in a situation where we cannot pass a bill providing for adequate housing and hospital facilities for the troops of the United States.

I find no fault with any Senator who deems it his duty to object; but I believe the able Senator from Texas would be within his rights in serving notice that at the earliest moment he will try to secure action upon this bill.

Mr. SHEPPARD. I shall be glad to do so.

Mr. ASHURST. I thank the Senator from Texas because of the diligence he has exercised in the matter.

Take, for example, if you will, the report of the Senator from Texas upon the bill to which I refer. It authorizes hospitals and beds, hospitals and quarter barracks, and now and then telephone construction. Forsooth, I do not like the idea of going into the purlieus of our large cities and there providing homes far better than the homes in which the majority of United States Senators were born for persons many of whom will not be citizens of the United States, and then shamefully neglecting the soldiers who have suspended their civil rights and gone into the Army to protect the people of the United States.

I should feel recreant to my ideas of duty and propriety if I did not say this much.

LOSSES TO FOREIGN SERVICE OFFICERS DUE TO APPRECIATION OF FOREIGN CURRENCIES

The bill (H. R. 7512) to amend the act approved March 26, 1934, was considered, ordered to a third reading, read the third time, and passed.

WATER LEVELS OF LAKE OF THE WOODS

The Senate proceeded to consider the bill (H. R. 6338) to fulfill certain treaty obligations with respect to water levels of the Lake of the Woods, which had been reported from the Committee on Foreign Relations with an amendment, on page 2, line 8, after the word "claimant", to strike out "or, in case the claim has been assigned, to the assignee thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of War is authorized and directed to pay the claims for damages against the United States arising out of the fluctuations of the water levels of the Lake of the Woods as ascertained by him under authority of section 3 of the act entitled "An act to carry into effect provisions of the convention between the United States and Great Britain to regulate the level of Lake of the Woods concluded on the 24th day of February 1925", approved May 22, 1926, as amended. The amount paid with respect to each claim shall be the amount of award set forth in the letter of the Secretary of War of February 16, 1931 (House Document No. 774, 71st Cong., 3d sess.), and the letter of the Secretary of War of December 8, 1931 (House Document No. 133, 72d Cong., 1st sess.). Such sums shall be paid to the claimant, or, in case the claimant is dead or insane, to the legal representative of the claimant. The Secretary of War is authorized and directed to prescribe such rules and regulations as may be necessary for the purpose of establishing the identity of claimants or their assignees or representatives, and his determination thereof shall be final. Payment by the Secretary of War shall be in full settlement of all claims for damages cognizable under section 2 of such act of May 22, 1926, as amended. If with diligent effort the Secretary of War has been unable to pay any such claim within 3 years after the date of the enactment of this act, the amount of such claim shall be covered into the Treasury as miscellaneous receipts.

SEC. 2. There is authorized to be appropriated the sum of $73,270.97 to carry out the purposes of this act.

The amendment was agreed to.

Mr. KING. Mr. President, I should like an explanation of this bill. I see that the Secretary of State approves it with certain amendments. I wonder if those amendments have been made. If the distinguished President pro tempore approves of the bill, he being chairman of the Foreign Relations Committee, I have no objection to it. Is the Senator from Idaho [Mr. BORAH] familiar with the bill? If not, let it go over.

Mr. CONNALLY. Mr. President, I should like to say to the Senator from Utah that this Lake of the Woods matter has been pending before the two Houses for a long while. It is a border matter which is regulated by treaty between Canada and the United States.

Mr. KING. I am familiar with that state of affairs; but an appropriation is asked for, and I notice that in a letter from the Secretary of State he states he approves of the bill if certain amendments are made. If those amendments are made, I have no objection to the consideration of the bill.

Mr. BORAH. The bill has been recommended by the Department.

Mr. KING. I have no objection.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CECILE C. CAMERON

The bill (H. R. 7387) for the relief of Cecile C. Cameron was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1567) to amend the act entitled "An act to amend the act entitled 'An act authorizing the conservation, production, and exploitation of helium gas, a mineral resource pertaining to the national defense, and to the development of commercial aeronautics, and for other purposes' ", was announced as next in order.

Mr. LODGE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. KING. Mr. President, I inquire what disposition was made of Calendar No. 996, House bill 2260.

The PRESIDENT pro tempore. That bill is the unfinished business of the Senate.

EXCHANGE OF LAND BY IGNATIUS T. FULKS AND OTHERS

The bill (H. R. 6145) authorizing the Secretary of Commerce to accept title to a certain parcel of land at Gaithersburg, Md., was considered, ordered to a third reading, read the third time, and passed.

REPORT OF SUBCOMMITTEE ON TECHNOLOGY

The concurrent resolution (H. Con. Res. 21) authorizing the printing of the report of the Subcommittee on Technology to the National Resources Committee, entitled "Technological Trends and National Policy, Including the Social Implications of the New Inventions", as a document was considered and agreed to.

INTERNATIONAL PETROLEUM EXPOSITION

The Senate proceeded to consider the bill (H. R. 7127) authorizing the President to invite the States of the Union

and foreign countries to participate in the International Petroleum Exposition at Tulsa, Okla., to be held May 14 to May 21, 1938, which had been reported from the Committee on Foreign Relations with an amendment, on page 2, line 2, to strike out "All articles that shall be imported from foreign countries for the sole purpose of exhibition at the International Petroleum Exposition upon which there shall be a tariff or customs duty shall be admitted free of the payment of duty, customs, fees, or charges, under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during the exposition to sell any goods or property imported for and actually on exhibition" and to insert "All articles which shall be imported from foreign countries for the purpose of exhibition at the International Petroleum Exposition, or for use in constructing, installing, or maintaining foreign buildings or exhibits at the said exposition, upon which articles there shall be a tariff or customs duty, shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during or within 3 months after the close of the said exposition to sell within the area of the exposition any articles provided for herein", so as to make the bill read:

Be it enacted, etc., That the President of the United States is authorized to invite by proclamation, or in such other manner as he may deem proper, the States of the Union and all foreign countries to participate in the proposed International Petroleum Exposition, to be held at Tulsa, Okla., from May 14, 1938, to May 21, 1938, inclusive, for the purpose of exhibiting samples of fabricated and raw products of all countries used in the petroleum industry and bringing together buyers and sellers for promotion of trade and commerce in such products.

SEC. 2. All articles which shall be imported from foreign countries for the purpose of exhibition at the International Petroleum Exposition, or for use in constructing, installing, or maintaining foreign buildings or exhibits at the said exposition, upon which articles there shall be a tariff or customs duty, shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulatio.ns as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during or within 3 months after the close of the said exposition to sell within the area of the exposition any articles provided for herein, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury may prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles which shall have suffered diminution or deterioration from incidental handling or exposure the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided further*, That at any time during or within 3 months after the close of the exposition any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles which have been admitted without payment of duty for exhibition under any tariff law, and which have remained in continuous customs custody or under a customs exhibition bond, and imported articles in bonded warehouses under the general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That the International Petroleum Exposition shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for, articles imported under the provisions of this act, shall be reimbursed by the International Petroleum Exposition to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930.

SEC. 3. That the Government of the United States is not by this act obligated to any expense in connection with the holding of such exposition and is not hereafter to be obligated other than for suitable representation thereat.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LUTHER JENNINGS WORKMAN

The bill (H. R. 4527) for the relief of Luther Jennings Workman, a minor, was considered, ordered to a third reading, read the third time, and passed.

EMILY HYER LAVERGNE, EXECUTRIX OF ESTATE OF W. K. HYER

The Senate proceeded to consider the bill (S. 593) for the relief of Emily Hyer LaVergne, executrix of the estate of W. K. Hyer, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, to strike out "not otherwise appropriated" and to insert "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", and on line 8, to strike out "$10,000" and insert in lieu thereof "$2,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, to Emily Hyer LaVergne, executrix of the estate of W. K. Hyer, the sum of $2,500 in full settlement of all claims against the United States on account of personal injuries resulting in the death of the said W. K. Hyer, in a collision on October 21, 1935, between an automobile owned and operated by the said W. K. Hyer and a Government vehicle operated in connection with the Civilian Conservation Corps near Charleston, S. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGNES EWING HARTER

The bill (H. R. 1114) for the relief of Agnes Ewing Harter was considered, ordered to a third reading, read the third time, and passed.

D. E. SWEINHART

The bill (H. R. 4775) for the relief of D. E. Sweinhart was considered, ordered to a third reading, read the third time, and passed.

ETHEL B. LORD, A MINOR

The bill (H. R. 5168) for the relief of Ethel B. Lord, a minor, was considered, ordered to a third reading, read the third time, and passed.

THOMAS H. M'LAIN

The bill (H. R. 5703) for the relief of Thomas H. McLain was considered, ordered to a third reading, read the third time, and passed.

ADELAIDE GUERINI

The bill (H. R. 991) for the relief of Adelaide Guerini was considered, ordered to a third reading, read the third time, and passed.

DEXTER P. COOPER

The bill (H. R. 1095) for the relief of Dexter P. Cooper was considered, ordered to a third reading, read the third time, and passed.

WILLIAM SPERRY

The bill (H. R. 4378) for the relief of William Sperry was considered, ordered to a third reading, read the third time, and passed.

JOHN P. RYAN

The bill (H. R. 5158) for the relief of John P. Ryan was considered, ordered to a third reading, read the third time, and passed.

A. F. AMORY

The bill (H. R. 851) conferring jurisdiction upon the United States District Court for the District of New Jersey to hear, determine, and render judgment upon the claim of A. F. Amory, was considered, ordered to a third reading, read the third time, and passed.

DOROTHY KRICK AND OTHERS

The bill (H. R. 1241) for the relief of Dorothy Krick, Ernest Krick, and the estate of James Albert Ferren, deceased, was considered, ordered to a third reading, read the third time, and passed.

CLIFFORD L. BONN

The bill (H. R. 3192) for the relief of Clifford L. Bonn was considered, ordered to a third reading, read the third time, and passed.

LUDWIG BAHNWEG

The bill (H. R. 5144) for the relief of Ludwig Bahnweg was considered, ordered to a third reading, read the third time, and passed.

WILLIAM SULLIVAN

The bill (H. R. 6010) for the relief of William Sullivan was considered, ordered to a third reading, read the third time, and passed.

HARRY W. DUBISKE

The Senate proceeded to consider the bill (S. 937) for the relief of Harry W. Dubiske, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to receive, consider, and determine, in accordance with law but without regard to any statute of limitations, any claim filed not later than 6 months after the passage of this act by Harry W. Dubiske, whose business address is 208 South La Salle Street, Chicago, of the State of Illinois, for the refund of income and profits taxes erroneously collected from the said Harry W. Dubiske for the year 1919: *Provided*, That the Commissioner of Internal Revenue shall deduct from the amount of any overpayment determined under the provisions of this act the amount of any additional tax determined to be due for the year 1919, whether or not the assessment or collection of such additional tax is barred by any statute of limitations: *Provided further*, That in the settlement of said claim there shall be no allowance of interest.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS AGAINST MEXICO

The Senate proceeded to consider the joint resolution (H. J. Res. 437) relative to determination and payment of certain claims against the Government of Mexico, which had been reported from the Committee on Foreign Relations with amendments, on page 5, line 2, after the word "by", to insert the words "said special Mexican Claims Commission during its existence and thereafter by", and to add a new section at the end of the joint resolution, so as to make the joint resolution read:

Whereas the act entitled "An act to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934", approved April 10, 1935 (49 Stat. 149), provides for the establishment of the Special Mexican Claims Commission and confers upon that Commission jurisdiction to hear and determine all claims against the Republic of Mexico, notices of which were filed with the Special Claims Commission, United States and Mexico, established by a convention of September 10, 1923, in which the said Commission failed to award compensation, except such claims as may be found by the committee provided for the Special Claims Convention of April 24, 1934, to be general claims and recognized as such by the General Claims Commission; and

Whereas the said Special Claims Convention of April 24, 1934, provides that the jurisdiction in and validity of the claims found by the said committee to be general claims shall be determined in each case when examined and adjudicated by the Commissioners or Umpire in accordance with the provisions of the General Claims Convention of September 8, 1923, and the protocol of April 24, 1934, or the Special Claims Convention of September 10, 1923, and the protocol of June 16, 1933, in the event it shall be found by the Commissioners or Umpire to have been improperly eliminated from the special claims settlement; and

Whereas certain claims filed with the said Special Claims Commission, United States and Mexico, established by the said convention of September 10, 1923, were found by the said committee to be general claims but have not yet been the subject of any determination by the said General Claims Commission; and

Whereas the said Special Mexican Claims Commission, established in pursuance of the said act approved April 10, 1935, expires by the terms of the said act on August 31, 1937; and

Whereas, by the terms of the protocol of April 24, 1934, between the United States of America and the United Mexican States, the said General Claims Commission expires on October 24, 1937, and the two Governments have undertaken, upon the basis of the joint report of the members of the said Commission, to conclude a convention for the final disposition of the claims pending before the said Commission, the said convention to take either the form of an agreement for an en-bloc settlement of the said claims or the form of an agreement for the disposition of the claims upon their individual merits by reference to an umpire; and

Whereas the committee provided for in the Special Claims Convention of April 24, 1934, found that the amount to be paid by the Government of Mexico in settlement of the special claims comprehended in that convention was $5,448,020.14, it being understood that the sum thus determined was susceptible of increase after express decision of the General Claims Commission in case the said Commission might decide to be within the jurisdiction of the Special Commission any one or more of the claims which the said committee found to be general claims; and

Whereas the said Special Mexican Claims Commission, in the event that the total amount of the awards made by it upon all claims is greater than the amount which the Government of Mexico has agreed to pay to the Government of the United States in satisfaction of the claims, is required by the said act approved April 10, 1935, to reduce the awards on a percentage basis to such amount; and

Whereas, in the circumstances set forth, it is not now possible to ascertain which, if any, of the claims found by the said committee to be general claims will be found by the said General Claims Commission to be special claims, nor what will be the amount of the total en-bloc settlement provided for in the said Special Claims Convention of April 24, 1934; and

Whereas payments on awards of the said Special Mexican Claims Commission from funds paid to the Government of the United States by the Government of Mexico under the Special Claims Convention of April 24, 1934, should not, in justice to the beneficiaries, be deferred until the question of the jurisdiction of the claims now pending before the General Claims Commission, by virtue of the classification of such claims as general claims by the joint committee, shall have been finally determined in the manner provided for in the said convention of April 24, 1934, or in the said protocol of the same date: Therefore be it

Resolved, etc., That the jurisdiction of the Special Mexican Claims Commission established in pursuance of the act approved April 10, 1935 (49 Stat. 149), shall not be deemed to include any of the claims found by the committee provided for in the Special Claims Convention of April 24, 1934, to be general claims.

SEC. 2. That for the purposes of the reduction of awards on a percentage basis as provided for in section 4 of the act approved April 10, 1935 (49 Stat. 149), the amount which the Government of Mexico has agreed to pay to the Government of the United States in satisfaction of the claims shall, subject to the provision in section 3 hereof, be deemed to be the sum of $5,448,020.14, set forth in the report of the said committee provided for in the said convention of April 24, 1934.

SEC. 3. That, in the event of the reclassification as special claims of any of the claims found by the said committee to be general claims, the claims so reclassified shall be passed upon by said Special Mexican Claims Commission during its existence and thereafter by a commission to be established in conformity with the said act of April 10, 1935, and the total amount payable by the Government of Mexico to the Government of the United States on account of the claims so reclassified, together with interest on all deferred payments under the Special Claims Convention of April 24, 1934, shall be added to the sum of $5,448,020.14 set forth in the report of the said committee. The total amount awarded by the Commission so established upon the claims so reclassified shall be added to the total amount of the original awards made by the Special Mexican Claims Commission, and any necessary readjustment of the awards of the Special Mexican Claims Commission and those that may be made by the Commission to be established pursuant to this section shall be made by the Secretary of the Treasury on the basis prescribed by section 4 of the act approved April 10, 1935.

SEC. 4. Upon the certification of the Secretary of the Treasury of the awards of the Special Mexican Claims Commission, he shall proceed to make payments as provided for in section 9 of the act approved April 10, 1935; and upon the certification of the Secretary of the Treasury of awards upon any claims reclassified as special claims he shall, after making the readjustments provided for in section 3 of this resolution, accord priority of payment on such awards until the beneficiaries thereof shall have been placed upon an equal percentage basis as to payments with the beneficiaries of awards of the Special Mexican Claims Commission.

SEC. 5. Section 6 of the act approved April 10, 1935, creating the Special Mexican Claims Commission, and for other purposes, is amended to read as follows:

"SEC. 6. The Commission shall complete its work within 3 years from the date on which it undertakes the performance of its duties, at which time all powers, rights, and duties conferred by this act upon the Commission shall terminate."

The amendments were agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The preamble was agreed to.

RESERVATION OF MINERALS IN CHOCTAW-CHICKASAW LANDS IN OKLAHOMA

The bill (S. 2851) to authorize the reservation of minerals in future sales of lands of the Choctaw-Chickasaw Indians in Oklahoma was announced as next in order.

Mr. KING. I should like to have an explanation of this bill. If there is no explanation to be made, let it go over.

The PRESIDING OFFICER (Mr. CLARK in the chair). The bill will be passed over.

Mr. THOMAS of Oklahoma subsequently said: Mr. President, during my momentary absence from the Chamber Senate bill 2851, Calendar No. 1018, was reached and was objected to. I ask unanimous consent that we return to that order of business.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 2851) to authorize the reservation of minerals in future sales of lands of the Choctaw-Chickasaw Indians in Oklahoma, which was read, as follows:

Be it enacted, etc., That hereafter, in all sales of tribal lands of the Choctaw and Chickasaw Indians in Oklahoma provided for by existing law, the Secretary of the Interior is hereby authorized to offer such lands for sale subject to a reservation of the mineral rights therein, including oil and gas, for the benefit of said Indians, whenever in his judgment the interests of the Indians will best be served thereby.

SEC. 2. That the provisions of this act shall not apply to the so-called timberlands of said Indians described in notice of sale of such lands published by the Superintendent of the Five Civilized Tribes Indian Agency, Muskogee, Okla., dated June 19, 1937.

Mr. THOMAS of Oklahoma. Mr. President, all this bill does is to authorize the Secretary of the Interior, in the sale of Indian lands in my State, to withhold the mineral rights, to sell the surface only. That is the only object of the bill.

I do wish to offer an amendment, to strike out section 2. When the bill was introduced the Secretary had advertisements out for the sale of certain lands, and because the advertisements were running we placed a clause in the bill to exempt the lands under that advertisement. Since that time the lands have been withdrawn, so that there is no occasion now to withhold the provisions of the act. Therefore, I move to strike out section 2.

Mr. KING. Mr. President, I should like to ask the Senator, in view of several letters which I received several months ago, whether the rights of the Indians in the oil and other minerals in the State of Oklahoma are fully safeguarded now by the Indian Bureau, and by the legislation which has been enacted recently by the Congress.

Mr. THOMAS of Oklahoma. If they are not, there has been no complaint, because our committee has been very diligent, and every bill that has come before the committee which has been recommended by the Department has received a favorable report from the committee.

Mr. KING. The complaints that came to me were as to administrative features, rather than as to legal questions.

Mr. THOMAS of Oklahoma. I have heard no complaint myself, I will say to the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEASING OF INDIAN LANDS

The bill (S. 2689) to regulate the leasing of certain Indian lands for mining purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That hereafter unallotted lands within any Indian reservation or lands owned by any tribe, group, or band of Indians under Federal jurisdiction, except those hereinafter specifically excepted from the provisions of this act, may, with the approval of the Secretary of the Interior, be leased for mining purposes, by authority of the tribal council or other authorized spokesmen for such Indians, for terms not to exceed 10 years and as long thereafter as minerals are produced in paying quantities.

SEC. 2. That leases for oil- and/or gas-mining purposes covering such unallotted lands shall be offered for sale to the highest responsible qualified bidder, at public auction or on sealed bids, after notice and advertisement, upon such terms and subject to such conditions as the Secretary of the Interior may prescribe. Such advertisement shall reserve to the Secretary of the Interior the right to reject all bids whenever in his judgment the interest of the Indians will be served by so doing, and if no satisfactory bid is received, or the accepted bidder fails to complete the lease, or the Secretary of the Interior shall determine that it is unwise in the interest of the Indians to accept the highest bid, said Secretary may readvertise such lease for sale, or with the consent of the tribal council or other governing tribal authorities, a lease may be made by private negotiations: *Provided*, That the foregoing provisions shall in no manner restrict the right of tribes organized and incorporated under sections 16 and 17 of the act of June 18, 1934 (48 Stat. 984), to lease lands for mining purposes as therein provided and in accordance with the provisions of any constitution and charter adopted by any Indian tribe pursuant to the act of June 18, 1934.

SEC. 3. That hereafter lessees of restricted Indian lands, tribal or allotted, for mining purposes, including oil and gas, shall furnish corporate surety bonds, in amounts satisfactory to the Secretary of the Interior, guaranteeing compliance with the terms of their leases: *Provided*, That personal surety bonds may be accepted where the sureties deposit as collateral with the said Secretary of the Interior any public-debt obligations of the United States guaranteed as to principal and interest by the United States equal to the full amount of such bonds, or other collateral satisfactory to the Secretary of the Interior, or show ownership of unencumbered real estate of a value equal to twice the amount of the bonds.

SEC. 4. That all operations under any oil, gas, or other mineral lease issued pursuant to the terms of this or any other act affecting restricted Indian lands shall be subject to the rules and regulations promulgated by the Secretary of the Interior. In the discretion of the said Secretary, any lease for oil or gas issued under the provisions of this act shall be made subject to the terms of any reasonable cooperative unit or other plan approved or prescribed by said Secretary prior or subsequent to the issuance of any such lease which involves the development or production of oil or gas from land covered by such lease.

SEC. 5. That the Secretary of the Interior may, in his discretion, authorize superintendents or other officials in the Indian Service to approve leases for oil, gas, or other mining purposes covering any restricted Indian lands, tribal or allotted.

SEC. 6. Section 1, 2, 3, and 4 of this act shall not apply to the Papago Indian Reservation in Arizona, the Crow Reservation in Montana, the ceded lands of the Shoshone Reservation in Wyoming, the Osage Reservation in Oklahoma, nor to the coal and asphalt lands of the Choctaw and Chickasaw Tribes in Oklahoma.

SEC. 7. All acts or parts of acts inconsistent herewith are hereby repealed.

CHEYENNE AND ARAPAHOE INDIAN LANDS, OKLAHOMA

The bill (S. 2698) to set aside certain lands in Oklahoma for the Cheyenne and Arapahoe Indians, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby eliminated from the Seger School Reserve and set aside for the use and benefit of the Indians of the Cheyenne and Arapahoe Reservation in Oklahoma, in township 10 north, range 14 west, Indian meridian, all of sections 22 and 23, all of section 21, except the east half northwest quarter and east half east half west half northwest quarter, and in section 15 a tract beginning at the northeast corner thereof, thence west along the north line of the section 88 rods, thence south 160 rods, thence east 88 rods to the east line of the section, thence north 160 rods to the point of beginning: *Provided*, That until otherwise directed by Congress none of the lands shall be allotted in severalty.

BILLS PASSED OVER

The bill (S. 1351) to amend the Packers and Stockyards Act, 1921, as amended, and for other purposes, was announced as next in order.

Mr. McKELLAR. May we have an explanation of this bill?

Mr. GILLETTE. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1344) providing for relief in cases of desert-land applications, or entries of lands within Verde River irrigation and power district, Arizona, was announced as next in order.

Mr. ADAMS. This bill was reported adversely by the committee, and I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

LANDS IN TUSCUMBIA, ALA.

The bill (H. R. 3421) to quiet title and possession with respect to certain lands in Tuscumbia, Ala., was considered, ordered to a third reading, read the third time, and passed.

POLICE JURISDICTION OVER SHENANDOAH NATIONAL PARK

The bill (H. R. 7086) to direct the Secretary of the Interior to notify the State of Virginia that the United States assumes police jurisdiction over the lands embraced within the Shenandoah National Park, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

OIL AND GAS PERMITS AND LEASES

The Senate proceeded to consider the bill (S. 2613) for the relief of certain applicants for oil and gas permits and leases, which was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to issue oil and gas prospecting permits pursuant to applications filed therefor under section 13 of the act of February 25, 1920 (41 Stat. 437), 90 days or more prior to the date of the amendatory act of August 21, 1935 (49 Stat. 674), by Blanche S. Trigg, attorney in fact for the respective applicants, said applications bearing serial numbers Las Cruces 050186, 050589, 050590, 050591, 050592, 050595, 050607, 050903, 050911, 050912, 050913, 050914, 050916, 050917, 050918, 050922, 051017, 051018, 051052, 051053, 051054, 051055, 051056, 051125, 051127, 051128, 051129, 051160, 051161, 051162, 051163, 051173, 051201, 051202, 051203, 051204, 051205, 051206, 051207, 051208, 051209, 051210, 051211, 051239, 051241, 051242, 051243, 051244, 051245, 051246, 051247, 051248, 051249, 051250, 051251, 051252, 051255, 051256, 051257, 051258, 051259, 051260, 051262, 051264, 051266, Sante Fe 069715, 069716, 069799, 069800, 069801, 069803, 069805, 069806, 069807, 070093, 070094, and to issue oil and gas leases under the ninth and tenth provisos of section 13 of the act of February 25, 1920, as amended by the act of August 21, 1935, pursuant to applications for prospecting permits filed after 90 days prior to the effective date of the amendatory act by said attorney in fact, said applications bearing serial numbers Las Cruces 051275, 051301, 051302, 051303, 051304, 051305, 051321, 051322, 051323, 051324, 051325, 052231, 052232, 052233, 052234, 052235, 052236, 052237, notwithstanding that the proof of qualifications submitted by each applicant in connection with his application was not under oath although acknowledged before a notary public, and notwithstanding that a curative qualifying affidavit was not filed until after the passage of the amendatory act of August 21, 1935, the delay in furnishing said curative qualifying affidavit being attributable to the suspension in the General Land Office of action on all applications for prospecting permits pending the enactment of the aforesaid amendatory act and the promulgation of regulations thereunder: *Provided*, That the lands applied for and described in said applications are unreserved and unappropriated public lands not subject to prior claims and that the applications are otherwise regular and allowable.

Mr. LA FOLLETTE. Mr. President, may we have an explanation of this bill?

Mr. HATCH. Mr. President, this is a bill giving the Secretary authority to issue permits under the new law passed in 1935. Difficulty arose because the applications for the permits filed prior to the enactment of the law of 1935 contained a technical defect, and the defect was that under the old law it was required that the applicant should make an affidavit as to his qualifications. The applicants in these cases did not make affidavits. They attached to their applications a notary's acknowledgement instead of an affidavit. That is the only difference. The Secretary of the Interior construed that as a defect, and held that the applications were void because of that difference.

Then the act of 1935 came into effect, and the error was not discovered until after the act became effective. The Secretary held that under the new act he had no legal authority to grant relief although the applicants filed their new applications or affidavits in strict compliance with the former law.

It is a purely technical defect, and the Secretary in his report advises that he has no objection to issuing the permits under the law in effect at the time the applications were filed, and which the 1935 law attempted to safeguard, but which, because of the technical defect, could not be safeguarded.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

O. W. WADDLE

The bill (S. 112) for the relief of O. W. Waddle was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of O. W. Waddle, of Tishomingo, Miss., for injuries alleged to have resulted from a poisoning contracted while in the performance of his duties with the United States Engineer Service during the year 1926: *Provided*, That no benefits shall accrue prior to the approval of this act.

LOWRENZA D. JOHNSTON

The Senate proceeded to consider the bill (S. 181) for the relief of Lowrenza D. Johnston, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert "$1,500"; in line 8, after the figures "26", to strike out "1934" and insert "1924"; and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lowrenza D. Johnston the sum of $1,500 in full settlement of all claims against the Government on account of the crushing and maiming of his left hand, received April 26, 1924, while serving a sentence as a military prisoner at Fort Leavenworth, Kans.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADDITION TO GOSHUTE INDIAN RESERVATION, UTAH

The bill (S. 2671) to reserve certain lands in Utah as an addition to the Goshute Indian Reservation was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That all vacant unappropriated lands in the following-described area be, and they are hereby, added to the Goshute Indian Reservation, subject to all valid existing rights and claims:

Township 10 south, range 19 west, and fractional sections 1, 12, 13, 24, 25, and 36, township 10 south, range 20 west, Salt Lake meridian, Utah.

PUBLIC SCHOOL BUILDING, WORLEY, IDAHO

The bill (S. 2862) to provide funds for cooperation with the school board at Worley, Idaho, in the construction of a public-school building to be available to Indian children in the town of Worley and county of Kootenai, Idaho, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $101,000 for the purpose of cooperating with the public-school board of district no. 57, Kootenai County, Idaho, for the construction and equipment of a public-school building at Worley, Idaho: *Provided*, That the expenditure of any money so appropriated shall be subject to the express conditions that the school maintained by said school district in the said building shall be available to all Indian children of the town of Worley and county of Kootenai, Idaho, on the same terms, except as to payment of tuition, as other school children of said districts: *Provided further*, That such expenditures shall be subject to such further conditions as may be prescribed by the Secretary of the Interior.

CHOCTAW INDIANS, MISSISSIPPI

The Senate proceeded to consider the bill (S. 1478) conferring jurisdiction on the Court of Claims to hear and determine the claims of the Choctaw Indians of the State of Mississippi, which had been reported from the Committee on

Indian Affairs with an amendment to strike out section 5 and insert a new section 5, so as to make the bill read:

Be it enacted, etc., That the Court of Claims be, and it is hereby, authorized and directed to hear and determine all claims against the United States of the Choctaw Indians of the State of Mississippi based upon the provisions of any treaty or agreement with or statute of the United States, or upon the failure of the United States to recognize or fairly and adequately to provide for the settlement of any interest, vested or contingent, of the aforesaid Choctaw Indians in administering or liquidating the assets or property of the Choctaw Nation and allotting in severalty the lands of said nation and distributing its property to the individual citizens of said nation enrolled on its final aproved citizenship rolls, or for indemnification to the extent of the aggregate average value of the interest in any lands lost by them, as to which they shall be entitled to recover if the said court shall find that, by treaty provisions or by acts of Congress, they would have been entitled to share therein upon identification and removal to and residence in the Choctaw Nation, and that the performance of any of these necessary conditions prior to the final closing of the citizenship rolls was prevented by the United States or by its officers or agents by their neglect, misrepresentation, failure to provide adequate or timely aid in removal after advising them against or obstructing private aid in their removal and the giving of assurances that the Government would so provide for their removal, disapproval of a general roll of identification embracing more than 500 of the present claimants without consideration of the merits of their application for identification, failure to exercise reasonable diligence to give actual notice to many of said Indians of the limitations placed by Congress upon the exercise of their treaty rights, or by any other acts, conduct, or omissions not consistent with the rules of fair and honorable dealing with Indians under the circumstances and conditions then existing: *Provided, however,* That the jurisdiction conferred by this act shall not extend to or embrace any claim or claims of any nature against the Choctaw Nation of Indians in Oklahoma, but solely to claims against the United States asserted by those Indians hereby authorized to sue, and no sum or sums recovered in any action hereby authorized or sums appropriated in payment or settlement thereof shall ever be the subject of a charge against or claim for reimbursement out of any of the property or funds of the said Choctaw Nation of Indians in Oklahoma, directly or indirectly, or as a set-off or counter-claim against any claim or demand of said nation against the United States now or hereafter asserted, whether said claim or demand be of a legal or equitable nature, or for a gratuity.

SEC. 2. That for the purposes of the action to be brought in said Court of Claims under the provisions of this act, the said Indians are hereby recognized as having the status of a separate band with authority in their representatives to employ counsel and to execute and file a petition or petitions setting forth their claims, and to prosecute said suit or suits to a final determination: *Provided, however,* That any question which may arise, or objection which may be made, as to the representative character of the organization so acting on behalf of said Choctaw Indians of the State of Mississippi, shall be heard and adjudicated by the said Court of Claims in the suit or suits hereby authorized to be brought.

SEC. 3. That any petition or petitions filed in the said Court of Claims under the provisions of this act shall be submitted to said court within 2 years from the date of this act, and said cause or causes shall thereupon be proceeded with in accordance with the law and practice of said court, and any claims not so presented within the said period of 2 years shall be thereafter forever barred: *Provided, however,* That, should the Court of Claims find that a petition so presented within said time is not presented by persons fairly representative of the said Indians, said court shall have the authority to permit amendments thereafter bringing proper parties before the court.

SEC. 4. That the hearing and adjudication of said claims shall be governed by equitable principles and shall fairly and finally determine the merits of the claims of said Indians and the obligations of the United States to them in administering the affairs of Indians subject to the guardianship and authority of the United States, in accordance with the customary action and precedents in the conduct of the estates of incompetent Indians, if the court shall find that said Mississippi Choctaw Indians were in fact as a group incompetent to manage their own affairs.

SEC. 5. That the amount of any judgment rendered in said cause when appropriated shall be set aside as a special fund to be paid or disbursed only upon such terms and conditions as Congress may by its subsequent legislation direct: *Provided, however,* That in entering its final judgment in said cause the Court of Claims shall hear and determine the amount, not to exceed 10 percent of the amount of any final award, which on a quantum meruit basis it shall find to be a reasonable compensation for the respective services and expenses of James E. Arnold as the representative, and of William E. Richardson and Thomas E. Rhodes as attorneys for said Indians, heretofore rendered or which may hereafter be rendered in the suit authorized by the provisions of this act, and shall as a part of said judgment award so much thereof as may be necessary to pay said compensation and reimbursement upon the basis herein directed to such person or persons, respectively, as the said court may find entitled thereto.

SEC. 6. That said court shall have further jurisdiction to hear and determine any counterclaims or counterdemands on the part of the United States against the said Choctaw Indans of Mississippi upon the said basis of equity and justice as directed in respect to the adjudication of all matters under the authority of this act.

SEC. 7. That either party aggrieved by any final decision of the said Court of Claims in said cause shall have the right to appeal such final decision to the Supreme Court of the United States as provided by law in respect to appeals from the Court of Claims to said Supreme Court: *Provided,* That the question of the validity of the claim or claims of said Choctaw Indians against the United States, or any counterclaims or demands of the United States against said Indians, the appellate jurisdiction of said Supreme Court of the United States is hereby expressly extended to the hearing and determination of an appeal by or on behalf of said Choctaw Indians or the United States.

SEC. 8. That for the purpose of this act the term "Choctaws of the State of Mississippi" shall include only those persons who on July 1, 1902, were residents in the States of Mississippi, Alabama, and Louisiana, having not less than one-eighth Choctaw Indian blood, and their descendants, and such persons as were thereafter identified on any approved roll of Mississippi Choctaws and their descendants, and shall not include any persons who were enrolled on the final citizenship rolls of the Choctaw Nation in Oklahoma.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

R. F. LASSLY

The bill (S. 2476) for the relief of R. F. Lassly was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of R. F. Lassly, former chief disbursing clerk, Department of the Interior, for the payment of $30 to D. W. Robinson, Jr., of Columbia, S. C., for the preparation of a legal opinion at the request of the South Carolina State Advisory Board for the Public Works Administration on the application of the town of Summerton, S. C., for a loan from the Federal Emergency Administration of Public Works, and for the payment of $75 to J. M. Cantez, Jr., of Columbia, S. C., for the preparation of a legal opinion at the request of the South Carolina State Advisory Board for the Federal Emergency Administration of Public Works, on the application of the city of Columbia, S. C., for a loan from the Federal Emergency Administration of Public Works, which payments were made by vouchers no. 7127 and 7128, respectively, and disallowed by the Comptroller General of the United States.

CARL E. PADGETT

The Senate proceeded to consider the bill (S. 1810) for the relief of Carl E. Padgett, which had been reported from the Committee on Claims with an amendment on page 2, line 3, after the word "disability", to strike out "resulting" and to insert "alleged to have resulted", so as to make the bill read:

Be it enacted, etc., That the requirements of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in the case of Carl E. Padgett, of Kansas City, Mo., formerly employed as a ward attendant, United States Veterans' Hospital, Kansas City, Mo., and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed by him under the provisions of such act, as amended, within 1 year after the date of enactment of this act, for compensation for disability alleged to have resulted from disease contracted by him while in the performance of his duties as such employee; but compensation, if any, shall be paid from and after the date of enactment of this act. Such payments of compensation shall be made out of funds heretofore or hereafter appropriated for the payment of awards under the provisions of such act of September 7, 1916, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NELSON W. APPLE

The Senate proceeded to consider the bill (S. 2138) for the relief of Nelson W. Apple, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "the sum of", to strike out "$2,260" and insert "$1,000", and on page 2, line 1, after the word "signals", to strike out "in the middle of" and to insert "on",

and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nelson W. Apple, Gallup, N. Mex., the sum of $1,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Nelson W. Apple on account of personal injuries received on the night of September 26, 1936, when the automobile in which he was riding ran into the rear of a truck, with trailer attached, in the service of the Office of Indian Affairs, such truck being parked without proper warning signals on the highway about 10 miles east of Gallup, N. Mex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CAMILLE CARMIGNANI

The Senate proceeded to consider the bill (S. 2139) for the relief of Camille Carmignani, which had been reported from the Committee on Claims with amendments, on page 1, line 3, after the word "Treasury", to strike out "is" and to insert "be, and he is hereby"; on the same page, line 6, after the words "sum of", to strike out "$10,000" and insert "$5,000"; on page 2, line 2, after the word "signals", to strike out "in the middle of" and to insert "on"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Camille Carmignani, Gallup, N. Mex., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said Camille Carmignani on account of the death of her son, George Carmignani, who lost his life on the night of September 26, 1936, when the automobile which he was driving ran into the rear of a truck, with trailer attached, in the service of the Office of Indian Affairs, such truck being parked without proper warning signals on the highway about 10 miles east of Gallup, N. Mex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REDEMPTION OF CERTAIN DOCUMENTARY REVENUE STAMPS

The Senate proceeded to consider the bill (S. 886) authorizing the redemption by the United States Treasury of certain documentary revenue stamps now held by L. J. Powers, which had been reported from the Committee on Claims with amendments, on page 1, line 4, after the word "authorized", to strike out "to redeem certain documentary revenue stamps, to wit: One for $500, serial no. 928; one for $500, serial no. 3577; total, $1,000; said stamps having been purchased to be used upon a deed of conveyance, which was never executed, and now owned by and in the possession of L. J. Powers, of Waterloo, Iowa", and to insert "and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to L. J. Powers, of Waterloo, Iowa, in full settlement of all claims against the United States for redemption of certain documentary revenue stamps now in the possession of said L. J. Powers; one known as serial no. 928, for $500, and one known as serial no. 3577, for $500: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

And to strike out section 2, as follows:

SEC. 2. That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, to L. J. Powers, of Waterloo, Iowa, the sum of $1,000 for the redemption of said documentary revenue stamps.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of L. J. Powers."

BILL PASSED OVER

The bill (H. R. 2904) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

COMPENSATION TO UNITED STATES EMPLOYEES INJURED IN PERFORMANCE OF DUTIES

The Senate proceeded to consider the bill (S. 1802) to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, which had been reported from the Committee on Indian Affairs with an amendment, in section 1, page 1, line 8, after the words "and all", to strike out "to persons, other than independent contractors and their employees, employed on the Menominee Indian Reservation in the State of Wisconsin, subsequent to September 7, 1916, in operations conducted pursuant to the act entitled 'An act to authorize the cutting of timber, the manufacture and sale of lumber, and the preservation of the forests on the Menominee Indian Reservation in the State of Wisconsin', approved March 28, 1908, as amended" and insert "employees (other than independent contractors and their employees) any part of the compensation of whom is paid out of any Indian tribal funds held in trust by the United States", so as to make the bill read:

Be it enacted, etc., That section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, is amended by inserting after the words "Panama Railroad Co.", the following: "and all employees (other than independent contractors and their employees) any part of the compensation of whom is paid out of any Indian tribal funds held in trust by the United States."

SEC. 2. Any award heretofore made by the United States Employees' Compensation Commission under such act of September 7, 1916, to persons coming within the purview of the first section hereof, for disability or death resulting from a personal injury sustained prior to the enactment of this act, shall be valid, if such award would be valid if made in respect to an injury or death sustained after the enactment of this act. Any claim for disability or death to any person coming within the purview of the first section hereof, if such disability or death occurred prior to the enactment of this act, may be filed at any time within 1 year after the enactment hereof.

Mr. KING. Mr. President, what about Calendar No. 1037?

The PRESIDING OFFICER. The Chair is informed that that joint resolution was passed a short time ago, when a similar Senate joint resolution was reached on the calendar.

Mr. KING. Mr. President, I inquire what change is made in existing law by the pending measure?

Mr. LA FOLLETTE. Mr. President, it is my contention that this measure does not make any change in what has always been the policy of the United States Compensation Commission in relation to Indian employees or persons in the Bureau who are paid out of tribal funds so far as the compensation act applying to them is concerned; but for 20 years, in every instance that I know of, no injury was

incurred by the Indians or employees of the Indian Service for which they were paid out of the tribal funds. They were compensated for under the Compensation Act.

In September 1936, however, the Compensation Commission reversed its policy which had existed ever since 1916, and held that Indians injured in lumber operations on the Menominee Indian Reservation were not entitled to compensation under the Compensation Act, because they were paid out of tribal funds. As I introduced the bill it was designed to take care only of that particular decision; but after we had the matter under consideration in the committee it was decided that the bill should apply to all similar instances. So, at the suggestion of the committee, the bill was amended to apply to all similar instances. It will simply define a policy which had existed for 20 years, from 1916 to 1936, and which is now in effect in many similar and analogous situations to that existing on the Menominee Reservation in Wisconsin.

Mr. KING. May I inquire of the Senator, in view of the statement he has made, whether the Indians, if they were employed in the lumber regions for private individuals, would come within the terms of this measure?

Mr. LA FOLLETTE. No; they must be employed and paid out of tribal funds in order to come within the provisions of the measure.

Mr. KING. And doing work for the benefit of the tribe, or in connection with the activities of the Government when it is dealing with the tribe?

Mr. LA FOLLETTE. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROTECTION OF CERTAIN ENLISTED MEN OF THE ARMY

The Senate proceeded to consider the bill (S. 2871) for the protection of certain enlisted men of the Army, which had been reported from the Committee on Military Affairs with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That, notwithstanding the language contained in the second proviso on page 6 of the act of July 1, 1937 (Public, No. 176, 75th Cong., 1st sess.), or any other act, during the 3-year period following the enactment of this act, enlisted personnel of the Army who have legally declared their intention to become citizens, or who do so during their current enlistment, and who also agree to complete expeditiously their naturalization and become citizens of the United States may be reenlisted and receive the pay to which, except for the aforesaid proviso, they would otherwise be legally entitled: *Provided*, That Filipinos who were serving in the Army on July 1, 1937, may be reenlisted without regard to their citizenship status, and receive the pay to which otherwise legally entitled.

The amendment was agreed to.

Mr. THOMAS of Utah. Mr. President, I offer an amendment to the bill, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 9, after the word "enlistment", it is proposed to insert "or who have been discharged from the Army since July 1, 1937."

Mr. KING. Mr. President, I inquire of my colleague whether Filipinos who served in the United States Army, and who returned to the Philippine Islands and are now being regarded as citizens of the Philippine Republic that is soon to be, will come within the terms of this bill and could be reenlisted in the United States Army.

Mr. THOMAS of Utah. I shall have to go back and make a statement in order that there may be an understanding of what the bill provides.

The appropriation act for 1937 carries a provision that none but citizens shall receive pay as civilians, or those in the Army. Since the 1st of July the enlistment periods of quite a number of noncommissioned officers who are Filipinos have come to an end. Exception has been made of them. The bill will make it possible for those to be continued. Among the noncommissioned officers there are many who have served for many years, some of them over 20 years, and they have taken out their first papers, but they have not completed their citizenship. The bill, of course, has the approval of and is recommended by the War Department, and is for the benefit of these particular classes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. THOMAS].

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PURCHASE OF METAL FOR MINOR COINS OF THE UNITED STATES

The Senate proceeded to consider the bill (S. 2794) to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States.

The PRESIDING OFFICER. This bill is similar to Calendar No. 1130, House bill 8025. Without objection, the House bill will be substituted for the Senate bill and will be considered at this time.

The bill (H. R. 8025) to amend section 3528 of the Revised Statutes relating to the purchase of metal for minor coins of the United States was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2794 is indefinitely postponed.

ISSUANCE OF NOTES IN AMOUNTS LESS THAN ONE DOLLAR

The bill (S. 2592) to repeal section 178 of the Criminal Code entitled "Issuing notes less than $1" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 178 of the Criminal Code reading "No person shall make, issue, circulate, or pay out any note, check, memorandum, token, or other obligation for a less sum than $1, intended to circulate as money or to be received or used in lieu of lawful money of the United States; and every person so offending shall be fined not more than $500, or imprisoned not more than 6 months, or both" (R. S., sec. 3583; March 4, 1909, ch. 321, sec. 178, 35 Stat. 1122; 18 U. S. C. 293) is hereby repealed.

AMENDMENT OF FEDERAL CREDIT UNION ACT

The Senate proceeded to consider the bill (S. 2675) to amend certain sections of the Federal Credit Union Act approved June 26, 1934 (Public, No. 467, 73d Cong.), which had been reported from the Committee on Banking and Currency with amendments.

The first amendment was, in section 1, page 1, line 4, after "(U. S. C.", to insert "1934 edition", and in line 6, before the word "Federal", to insert "Sec. 6", so as to make the section read:

Be it enacted, etc., That section 6 of the Federal Credit Union Act, approved June 26, 1934 (U. S. C., 1934 edition, title 12, sec. 1756), be, and the same is hereby, amended to read as follows:

"SEC. 6. Federal credit unions shall be under the supervision of the Governor, and shall make such financial reports to him (at least annually) as he may require. Each Federal credit union shall be subject to examination by, and for this purpose shall make its books and records accessible to, any person designated by the Governor. The Governor shall fix a scale of examination fees to be paid by Federal credit unions, giving due consideration to the time and expense incident to such examinations, and to the ability of Federal credit unions to pay such fees, which fees shall be assessed against and paid by each Federal credit union promptly after the completion of such examination. Examination fees collected under the provisions of this section shall be deposited to the credit of the special fund created by section 5 hereof, and shall be available for the purposes specified in said section 5."

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 13, after "(U. S. C.", to insert "1934 edition", so as to make the section read:

SEC. 2. Paragraph (7) of section 7 of the Federal Credit Union Act (U. S. C., 1934 edition, title 12, sec. 1757) is hereby amended by striking out the period at the end thereof, inserting a semicolon, and adding the following: "(c) in accordance with rules and regulations prescribed by the Governor, in loans to other credit unions in the total amount not exceeding 25 percent of its paid-in and unimpaired capital and surplus; (d) and in shares or accounts of Federal savings and loan associations."

The amendment was agreed to.

The next amendment was, in section 3, page 2, line 22, after "(U. S. C.", to insert "1934 edition", so as to make the section read:

SEC. 3. Section 16 of the Federal Credit Union Act (U. S. C., 1934 edition, title 12, sec. 1766) is hereby amended by adding subsection (e) to read as follows:

"(e) The Governor is hereby authorized to make investigations and to conduct researches and studies of the problems of persons of small means in obtaining credit at reasonable rates of interest, and of the methods and benefits of cooperative saving and lending among such persons. He is further authorized to make reports of such investigations and to publish and disseminate the same."

The amendment was agreed to.

The next amendment was, in section 4, page 3, line 9, after "(U. S. C.," to insert "1934 edition", and in line 11, before the word "The", to insert "Sec. 18", so as to make the section read:

SEC. 4. Section 18 of the Federal Credit Union Act (U. S. C., 1934 ed., title 12, sec. 1768) is hereby amended to read as follows:

"SEC. 18. The Federal credit unions organized hereunder, their property, their franchises, capital, reserves, surpluses, and other funds, and their income shall be exempt from all taxation now or hereafter imposed by the United States or by any State, Territorial, or local taxing authority; except that any real property and any tangible personal property of such Federal credit unions shall be subject to Federal, State, Territorial, and local taxation to the same extent as other similar property is taxed. Nothing herein contained shall prevent holdings in any Federal credit union organized hereunder from being included in the valuation of the personal property of the owners or holders thereof in assessing taxes imposed by authority of the State or political subdivision thereof in which the Federal credit union is located: *Provided, however,* That the duty or burden of collecting or enforcing the payment of such tax shall not be imposed upon any such Federal credit union and the tax shall not exceed the rate of taxes imposed upon holdings in domestic credit unions."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION OF BRIDGES IN MARYLAND

The Senate proceeded to consider the bill (S. 2761) authorizing the State of Maryland, by and through its State roads commission or the successors of said commission, to construct, maintain, and operate certain bridges across streams, rivers, and navigable waters which are wholly or partly within the State, which had been reported from the Committee on Commerce with amendments.

The first amendment was, in section 1, page 2, line 15, after the word "Island", to insert *"Provided,* That the latter bridge shall not be built or commenced until the plans and specifications for its construction, together with such drawings of the proposed construction and such map of the proposed location as may be required for a full understanding of the subject, have been submitted to the Secretary of War and Chief of Engineers for their approval, nor until they shall have approved such plans and specifications and the location of such bridge and approaches thereto"; on page 3, line 6, after the word "Fairfield", to insert *"Provided,* That the said bridge shall not be built or commenced until the plans and specifications for its construction, together with such drawings of the proposed construction and such map of the proposed location as may be required for a full understanding of the subject, have been submitted to the Secretary of War and Chief of Engineers for their approval, nor until they shall have approved such plans and specifications and the location of such bridge and approaches thereto"; and on page 4, line 15, after the word "other", to strike out "public board" and insert "corporation, public board", so as to make the section read:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the State of Maryland by and through its State Roads Commission or the successors of said commission, be, and is hereby, authorized to construct, maintain, and operate any or all of the following bridges and approaches thereto, at points suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act, to wit:

A bridge across the Potomac River from a point in Charles County at or near Ludlows Ferry to a point approximately opposite in the State of Virginia near Dahlgren and Colonial Beach.

A bridge across the Chesapeake Bay from a point in Baltimore County at or near Millers Island to a point approximately opposite in Kent County at or near Tolchester; or, as an alternate thereto, a bridge across the Chesapeake Bay from a point in Anne Arundel County at or near Annapolis to a point approximately opposite on Kent Island: *Provided,* That the latter bridge shall not be built or commenced until the plans and specifications for its construction, together with such drawings of the proposed construction and such map of the proposed location as may be required for a full understanding of the subject, have been submitted to the Secretary of War and Chief of Engineers for their approval, nor until they shall have approved such plans and specifications and the location of such bridge and approaches thereto.

A bridge across the Susquehanna River from a point in Cecil County at or near Perryville to a point approximately opposite in Harford County at or near Havre de Grace.

A bridge across the Patapsco River south of the city of Baltimore from a point at or near the mouth of North West Branch to a point approximately opposite at or near Fairfield: *Provided,* That the said bridge shall not be built or commenced until the plans and specifications for its construction, together with such drawings of the proposed construction and such map of the proposed location as may be required for a full understanding of the subject, have been submitted to the Secretary of War and Chief of Engineers for their approval, nor until they shall have approved such plans and specifications and the location of such bridge and approaches thereto.

The times for commencing and completing the construction of any of the bridges authorized by this section shall expire 3 and 5 years, respectively, from the date of approval hereof.

In lieu of any bridge hereinabove mentioned in this section, the State of Maryland by, and through its State roads commission or the successors of said commission be, and is hereby, authorized to construct, maintain, and operate a tunnel and approaches thereto at the same location; but no such tunnel shall be built or commenced until the plans and specifications for its construction, together with such drawings of the proposed construction and such map of the proposed location as may be required for a full understanding of the subject, have been submitted to the Secretary of War and Chief of Engineers for their approval, nor until they shall have approved such plans and specifications and the location of such tunnel and accessory works. The word "bridge" or "bridges" as hereinafter used in this act shall be deemed to include and to apply to any such tunnel or tunnels, and the powers granted by and the conditions and limitations contained in this act shall be applicable in all respects to any such tunnel or tunnels.

The authority herein granted to construct, maintain, and operate any of the foregoing bridges shall not be deemed to be exclusive or to repeal the authority heretofore granted to any other corporation, public board, or agency to construct a bridge at the same location.

The amendment was agreed to.

The next amendment was, in section 7, page 8, line 1, after the word "bridges", to insert "(except as applied to any bridge over the Potomac River)", so as to make sections 2 to 8 read:

SEC. 2. There is hereby conferred upon the State of Maryland and its State roads commission or the successors of said commission all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of any or all such bridges and their approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in condemnation or expropriation of property for public purposes in such State.

SEC. 3. The State of Maryland, by and through its State Roads Commission or the successors of said commission, is hereby authorized to fix and charge tolls for transit over any or all such bridges and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the Act of March 23, 1906.

SEC. 4. The State of Maryland, by and through its State Roads Commission or the successors of said commission, may unite or group all or such of said bridges into one or more separate projects for financing purposes as in its judgment shall be deemed practicable. If tolls are charged for the use of a bridge or bridges in a project, the rates of toll to be charged for the use of such bridge or bridges embraced in the particular project shall be so adjusted as to provide a fund not to exceed an amount sufficient to pay the reasonable costs of maintaining, repairing, and operating the bridge or all of the bridges included in the particular project and their approaches under economical management, and not to exceed an amount sufficient in addition to the foregoing, to provide a sinking fund sufficient to amortize the aggregate cost of the bridge or all of the bridges embraced in the particular project, and their approaches, including reasonable interest and financing costs, as soon as possible under reasonable charges, but within a period not exceeding 40 years from the completion of such bridge or from the date of comple-

tion of the last completed bridge in the particular project. The tolls derived from the bridge or bridges embraced in any particular project may be continued and paid into the appropriate sinking fund until all such costs of the bridge or bridges embraced in the particular project shall have been amortized. In any event, tolls may be charged on the basis aforesaid for transit over the bridge or bridges in each project for which revenue bonds of said State are issued, and such tolls may be continued and adjusted at such rates as may be necessary to pay such bonds with interest thereon and any lawful premium for the retirement thereof before maturity, subject only to the power of the Secretary of War or other authorized Federal authority to regulate such rates.

SEC. 5. The failure of the State of Maryland, by and through its State roads commission, to construct, maintain, and operate any one or more of the foregoing bridges, or to unite or group any two or more for financing purposes, shall in no wise affect its authority or powers hereby granted to construct, maintain, and operate such bridge or bridges as it may deem expedient, and any one of the bridges herein authorized may be constructed, maintained, and operated as a single project without uniting such bridge in a joint project with other bridges authorized herein.

SEC. 6. After a sinking fund sufficient to amortize the cost of any bridge or bridges in any particular project or group or sufficient to pay the principal and interest on bonds issued for the purpose of financing such particular bridge or bridges or project or group shall have been provided to the extent hereinbefore required, the bridge or bridges included in any such project or group shall thereafter be maintained and operated free of tolls: *Provided, however,* That tolls for the use of any such bridge or bridges may be continued thereafter in the event that such tolls shall have been pledged by the State roads commission to the payment of revenue bonds issued for any other bridge or bridges the construction of which shall have been authorized by Congress. An accurate record of the cost of each bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 7. The powers conferred by this act are supplementary and additional to all other authority and powers heretofore granted by law for the construction of the hereinbefore-named bridges, but all acts or parts of acts heretofore enacted, authorizing the construction of the hereinbefore-named bridges (except as applied to any bridge over the Potomac River) which are in conflict with the terms of this act be, and the same are, hereby repealed insofar as such conflict exists. Nothing in this act shall be construed as authorizing tolls to be charged for the use of any one or more of the hereinbefore-named bridges except as hereinabove provided, and nothing herein shall be construed so as to prohibit the State of Maryland from paying all or any part of the costs of the construction of any one or more of such bridges or their approaches, and any and all bonds issued for such purposes, from any funds of the State which may now or hereafter be made available for that purpose.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS FOR REFUNDS UNDER AGRICULTURAL ADJUSTMENT ACT

The Senate proceeded to consider the bill (S. 1681) to extend the time for filing claims for refunds under section 15 (c) of the Agricultural Adjustment Act, which had been reported from the Committee on Agriculture and Forestry, with amendments, in line 3, after the word "refund" to strike out "of processing taxes", and in line 5 to strike out "July 1, 1937", and insert "January 1, 1938", so as to make the bill read:

Be it enacted, etc., That the time for filing claims for refund under section 15 (c) of the Agricultural Adjustment Act, as amended and reenacted, is hereby extended to January 1, 1938.

Mr. KING. Mr. President, I inquire of the Senator from Tennessee [Mr. MCKELLAR] as to the necessity for this measure.

Mr. MCKELLAR. Mr. President, it is an entirely proper measure, merely extending the time for the filing of claims for refund to certain parties. The bill would merely give them an opportunity to present their claims. It does not require the payment of any claims.

Mr. KING. Is it approved by the Department of Agriculture?

Mr. MCKELLAR. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 610) to amend the act entitled "An act conferring upon the United States District Court for the Northern District of California, Southern Division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad", approved June 24, 1935, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ESSIE E. LEATHERWOOD

The Senate proceeded to consider the bill (S. 1660) for the relief of Essie E. Leatherwood, which had been reported from the Committee on Claims, with an amendment, at the end of the bill, to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Essie E. Leatherwood, of Albuquerque, N. Mex., the sum of $5,000 in settlement of any and all claims against the Government on account of the death of her minor son, William Eugene Leatherwood, who died as a result of injuries received in an automobile collision with a truck owned by the Government and driven by Lauren Allen, agent and employee of the Government, in the service of the Division of Grazing, near what is commonly known as Five Points, on the public highway in Bernalillo County, N. Mex., on August 8, 1936: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FLOOD CONTROL IN LOWELL CREEK, ALASKA

The bill (S. 2258) to authorize a modification of the project for the control of floods in Lowell Creek, Alaska, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the project for the control of floods in Lowell Creek, Alaska, is hereby modified in accordance with the recommendation in House Document No. 154, Seventy-fifth Congress, first session, and subject to the conditions set forth therein, the work to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers.

RECORD OF NAMES AND ADDRESSES OF PASSENGERS ON VESSELS

The bill (S. 2874) requiring the deposit in a safe place ashore of the names and addresses of passengers sailing on vessels plying the inland or coastal waters of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That from and after 10 days following the approval of this act it shall be the duty of the owner or operator of every vessel carrying passengers for hire upon the inland or coastal waters of the United States upon a voyage of one or more nights' duration, or upon a voyage for which the use of staterooms is sold, to deposit in a secure place ashore, prior to the sailing of said vessel, a complete list of the names and addresses of passengers sailing on said voyage.

SEC. 2. It shall be the duty of the Bureau of Marine Inspection and Navigation of the Department of Commerce to enforce the provisions of this act by appropriate inspection from time to time; and in case of failure to comply with said provisions, the Secretary of Commerce may levy a fine of not less than $100 nor more than $500 against the owner or operator of a vessel so failing to comply, which fine may be collected by suit in admiralty in any court of competent jurisdiction.

BILL PASSED OVER

The bill (S. 2817) providing for the purchase by the United States of air-navigation facilities established with the approval of the Secretary of Commerce by air-mail contractors on their contract routes was announced as next in order.

Mr. MCCARRAN. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

JUROR FEES IN FEDERAL COURTS

The bill (H. R. 8007) to restore the per-diem fee of $4 for service of jurors in Federal courts was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the twenty-third paragraph under the heading "Medical and Hospital Service" in the Department of

Justice Appropriation Act, 1938, approved June 16, 1937, which continues for the fiscal year 1938 the reduction of jurors' fees from $4 to $3, is hereby repealed.

BILL PASSED OVER

The bill (S. 2580) to amend existing laws so as to promote safety at sea by requiring the proper design, construction, maintenance, inspection, and operation of ships; to give effect to the Convention of Promoting Safety of Life at Sea, 1929, and for other purposes, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

COURT AT SHAWNEE, OKLA.

The bill (H. R. 4605) relating to the accommodations for holding court at Shawnee, Okla., was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the establishment of a term of the District Court of the United States for the Western District of Oklahoma at Shawnee, Okla.", approved May 13, 1936 (U. S. C., 1934 ed., Supp. II, title 28, sec. 182), is amended by striking out the period at the end of the proviso and adding the following: "until, subject to the recommendation of the Attorney General of the United States with reference to providing such rooms and accommodations for holding court at Shawnee, a public building shall have been erected or other Federal space provided for court purposes in said city."

REGULATIONS FOR PREVENTING COLLISIONS AT SEA

The Senate proceeded to consider the bill (S. 1273) to adopt regulations for preventing collisions at sea, which had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and insert the following:

That the Rules and Regulations for Preventing Collisions at Sea, appearing in annex II, as amended, of the Convention for Promoting Safety of Life at Sea, signed at London May 31, 1929, and proclaimed by the President of the United States September 30, 1936, so far as the same are applicable are hereby adopted and approved as the rules and regulations of the United States applying to all public and private vessels of the United States upon the high seas and in all waters connected therewith navigable by seagoing vessels.

SEC. 2. Said rules and regulations shall become of full force and effect upon proclamation thereof by the President.

Mr. McKELLAR. Mr. President, this is a very important matter. We ought to have an explanation of the bill.

Mr. WHITE. Mr. President, this is a bill to make effective certain means for preventing collisions at sea, under the recommendations of the International Congress held in 1929 dealing with the general subject. At that conference detailed provisions were adopted with respect to safety at sea. The conference considered as a part of its work the problem of signaling, the "language of the sea", if I may so express it, which is designed to minimize accidents arising from collisions. The conference did not adopt and make a part of the treaty those regulations. It simply approved the regulations and made recommendations to the nations of the world that the regulations be adopted.

We have on our statute books at the present time the act of 1890, which deals with the whole subject matter. The act of 1890 embodied previous international agreements with respect to what I call the "language of the sea", the meaning of lights and signals, rules for determining the rights-of-way of vessels approaching and crossing and overtaking each other, and all that sort of thing.

The conference made recommendation to the nations of the world that they adopt the provisions and regulations there worked out. This bill simply adopts the regulations there recommended and requires the President to make proclamation of the regulations. They become effective upon the proclamation of the President.

Mr. McKELLAR. Of course, we are all in favor of something of this kind. What nations have adopted these regulations?

Mr. WHITE. I cannot name the various nations which have done so, but I think most of the maritime nations of the world have adopted the rules and are following them in the navigation of their vessels.

Mr. McKELLAR. Will the Senator ascertain and place in the RECORD tomorrow the names of the nations which have adopted similar regulations?

Mr. WHITE. I shall undertake to get the information and insert it in the RECORD tomorrow.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. WHITE. I desire to offer an amendment to the committee amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to add a new section 3, as follows:

The act of Congress approved August 19, 1890, entitled "An act to adopt regulations for preventing collisions at sea" and all laws or parts of laws inconsistent with the rules and regulations contained in said annex II are hereby repealed, said repeal to become effective upon issuance of the proclamation by the President authorized by section 2 hereof.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WELTON B. HUTTON

The Senate proceeded to consider the bill (H. R. 4536) to provide for the holding of an examination by the Board of Optometry of the District of Columbia for a license to practice optometry in the District of Columbia for Welton B. Hutton, which was read, as follows:

Be it enacted, etc., That notwithstanding any limitations relating to the time required to be engaged in the practice of optometry as set forth in the act entitled "An act to regulate the practice of optometry", District of Columbia, 1924, the Board of Optometry in and for the District of Columbia is authorized and directed to hold an examination for a license to practice optometry in the District of Columbia for Welton B. Hutton, Washington, D. C., in accordance with the other provisions of the aforesaid act.

Mr. McKELLAR. Mr. President, will the Senator from Utah [Mr. KING] explain the bill?

Mr. KING. Dr. Hutton has been practicing more than 12 years in the District and has an excellent reputation for integrity, honor, and ability. The bill merely authorizes the board to give him a special examination.

The PRESIDING OFFICER. The question is, Shall the bill be read a third time?

The bill was ordered to be read a third time.

The bill was read the third time, and passed.

OPERATION OF AUTOMATIC MERCHANDISE VENDING MACHINES, ETC.

The bill (H. R. 6446) to prohibit in the District of Columbia the operation of any automatic merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle designed to receive or be operated by lawful coin of the United States of America, or a token provided by the person entitled to the coin contents of such receptacle in connection with the sale, use, or enjoyment of property or service by means of slugs, spurious coins, tricks, or devices not authorized by the person entitled to the coin contents thereof; and to prohibit in the District of Columbia the manufacture, sale, offering for sale, advertising for sale, distribution, or possession for such use of any token, slug, false or counterfeited coin, or any device or substance whatsoever except tokens authorized by the person entitled to the coin contents of such receptacle; and providing a penalty for violation thereof was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any person who shall operate or cause to be operated, or who shall attempt to operate or attempt to cause to be operated, in the District of Columbia any automatic merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle, designed to receive or be operated by lawful coin of the United States of America or a token provided by the person entitled to the coin contents of such receptacle, in furtherance of or in connection with the sale, use, or enjoyment of property or service, by means of a slug or any false token, counterfeited, mutilated, sweated or foreign coin, or by any means, method, trick, or device whatsoever not authorized by the person entitled to the coin contents of such merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle; or

any person who shall take, obtain, or receive from or in connection with any such merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle described in this section any goods, wares, merchandise, gas, electric current, or other article of value, or the use or enjoyment of any transportation or any telephone or telegraph facilities or service, or of any musical instrument, phonograph, or other property, in the District of Columbia, without depositing in and surrendering to such merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle described in this section lawful coin of the United States of America to the amount required therefor by the person entitled to the coin contents of any such merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle, or tokens provided and to the amount required by the person entitled to the coin contents of such legal receptacle, shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine not exceeding $500 or by imprisonment not to exceed 6 months, or by both fine and imprisonment in the discretion of the court.

SEC. 2. Any person who, with intent to cheat or defraud the owner, lessee, licensee, or other person entitled to the coin contents of any automatic merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle, designed to receive or be operated by lawful coin of the United States of America or a token provided by the person entitled to the coin contents of such legal receptacle, in furtherance of or in connection with the sale, use, or enjoyment of property or service, or any person who, knowing or having cause to believe that the same is intended for fraudulent or unlawful use on the part of the purchaser, donee, or user thereof, shall manufacture, sell, offer to sell, advertise for sale, give away, or possess, in the District of Columbia, any token, slug, false or counterfeit coin, or any device or substance whatsoever intended or calculated to be placed, deposited, or used in the operation of any such merchandise vending machine, turnstile, coin-box telephone, or other legal receptacle shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding $500 or by imprisonment not to exceed 6 months, or by both fine and imprisonment in the discretion of the court.

SEC. 3. The word "person", where used in this act, shall be construed to include any individual, individuals, copartnerships, associations, groups, and corporations.

INSPECTION OF MOTOR VEHICLES, DISTRICT OF COLUMBIA

The bill (S. 2194) to provide for the semiannual inspection of all motor vehicles in the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That at the time of the registration of each motor vehicle there shall be levied and collected a fee known as the "inspection fee" of $1 for the calendar year 1938 for each motor vehicle registered in the District of Columbia, including electrics, and that during 1939 and each year thereafter inspection fee thus levied shall be 50 cents on each vehicle.

SEC. 2. The inspection fee shall be paid to the collector of taxes and shall be deposited in the Treasury of the United States to the credit of the revenues of the District of Columbia.

SEC. 3. The annual estimates of appropriations for the government of the District of Columbia for the fiscal year 1938 and succeeding fiscal years shall include estimates of appropriations for the construction and/or rental and/or leasing of ground and buildings, the purchase of equipment and supplies, and the payment of salaries of mechanics, laborers, clerks, and other employees to carry out the semiannual inspection of all motor vehicles in the District of Columbia.

SEC. 4. All motor vehicles owned and officially used by the Government of the United States or by the government of the District of Columbia or by the representatives of foreign governments, shall be subject to semiannual inspection, such inspections to be furnished without charge.

SEC. 5. The Commissioners of the District of Columbia or their designated agent may refuse to register any motor vehicle or trailer which has not been inspected as required, or which is unsafe or improperly equipped, or otherwise unfit to be operated, and for like reason they may revoke or suspend any registration already made: *Provided*, That the provisions of section 13 (a) of the Traffic Acts, District of Columbia, shall be applicable in all cases where registration is refused, revoked, or suspended under the terms of this act.

SEC. 6. Any individual, partnership, firm, or corporation found guilty of using or permitting the use of any unregistered motor vehicle or trailer, or who is found guilty of using or permitting the use of the same during the period for which any such vehicle's registration is revoked or suspended under the terms of this act shall, for each such offense, be fined not more than $300.

SEC. 7. The Commissioners of the District of Columbia shall make such regulations as in their judgment are necessary for the administration of this act, and may affix thereto such reasonable fines and penalties as in their judgment are necessary to enforce such regulations.

PRACTICE OF THE HEALING ART, DISTRICT OF COLUMBIA

The bill (H. R. 6696) to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", known as the "Healing Arts Practice Act, District of Columbia, 1928", approved February 27, 1929, was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of Congress entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", known as the "Healing Arts Practice Act, District of Columbia, 1928", approved February 27, 1929, be amended by striking from the first paragraph of section 24 thereof the sentence reading as follows: "After 5 years after the approval of this act the commission shall issue no license to practice the healing art in the District of Columbia on the basis of a license to practice medicine and surgery or to practice midwifery, in the District of Columbia, in force on the date of its approval."

PROTECTION OF BUYERS OF POTATOES IN THE DISTRICT OF COLUMBIA

The bill (H. R. 6242) to protect the buyers of potatoes in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

OFFENSES AGAINST PROPERTY

The Senate proceeded to consider the bill (H. R. 6388) to amend subchapter 2 of chapter 19 of the Code of Law for the District of Columbia, relating to offenses against property.

Mr. LA FOLLETTE. Mr. President, these blind titles convey no information. I ask for an explanation of this bill.

Mr. KING. The Senator from Delaware [Mr. HUGHES] reported the bill from the committee, and I am sure he will explain it.

Mr. HUGHES. Mr. President, the District Commissioners and the United States Attorney for the District of Columbia drafted this bill and brought it before the District Committee. It appears that as the laws now stand in the District there is difficulty in arriving at the distinction between grand and petit larceny. The purpose was to simplify the procedure, provide what is grand larceny and what is petit larceny, and fix the penalty for each of them. The same thing is true as to obtaining money under false pretenses.

Mr. LA FOLLETTE. Mr. President, if the Senator will yield, I have no further objections.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

INCREASE IN AGE OF CONSENT IN THE DISTRICT

The bill (H. R. 5462) to increase the age of consent for marriage in the District of Columbia to 18 years of age in the case of males and 16 years of age in the case of females was considered, ordered to a third reading, read the third time, and passed.

DRS. M. L. PERRY AND N. E. JACKSON

The Senate proceeded to consider the bill (S. 1732) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. M. L. Perry, of Lumberton, N. C., and to Dr. N. E. Jackson, of Laurinburg, N. C., which was read, as follows:

Be it enacted, etc., That notwithstanding any limitation relating to the time within which an application for a license must be filed, the Commission on Licensure to Practice the Healing Art in the District of Columbia is authorized and directed to issue a license to practice the healing art in the District of Columbia to Dr. M. L. Perry, of Lumberton, N. C., and to Dr. N. E. Jackson, of Laurinburg, N. C., in accordance with the other provisions of the first paragraph of section 24 of the Healing Arts Practice Act, District of Columbia, 1928.

Mr. KING. Mr. President, I was acting in good faith when I said I thought the bill of which I spoke was the last bill of its kind. The bills about to be acted on are the last of these physicians' bills.

Mr. LA FOLLETTE. Have the bills been recommended by the District authorities?

Mr. KING. Oh, yes; by the Commissioners and by the medical board. No measure comes from our committee which is not recommended by the Commissioners.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. FREDERICK W. DIDIER

The bill (H. R. 4876) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Frederick W. Didier was considered, ordered to a third reading, read the third time, and passed.

DR. WILLIAM JUSTIN OLDS

The bill (H. R. 4982) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. William Justin Olds was considered, ordered to a third reading, read the third time, and passed.

DR. RUSSELL V. PEMBERTON

The bill (H. R. 5110) to provide for the issuance of a license to practice chiropractic in the District of Columbia to Dr. Russell V. Pemberton was considered, ordered to a third reading, read the third time, and passed.

HARBORING OF PERSONS CHARGED WITH CRIME

The Senate proceeded to consider the bill (S. 1547) to amend the law relating to the harboring of persons charged with crime, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the word "shall", to strike out "rescue or attempt to rescue" and insert "take or attempt to take", so as to make the bill read:

Be it enacted, etc., That section 141 of the Criminal Code (U. S. C., title 18, sec. 246) be, and the same is hereby, amended to read as follows:

"SEC. 141. Whoever shall take or attempt to take from the custody of any officer or person lawfully assisting him any person arrested upon a warrant or other process issued under the provisions of any law of the United States, or shall, directly or indirectly, aid, abet, or assist any person so arrested to escape from the custody of such officer or other person, or shall harbor or conceal any person for whose arrest a warrant or process has been so issued, for the purpose of preventing his discovery or arrest, after notice or knowledge of the fact that a warrant or process has been issued for the apprehension of such person, or shall harbor or conceal any person who has committed an offense against the United States, for the purpose of preventing his discovery or arrest, knowing that such person has committed such offense, shall be fined not more than $2,000, or imprisoned not more than 5 years, or both."

Mr. ASHURST. Mr. President, I think I should make a short explanation of this bill. I ask that the committee amendment be rejected, because upon a careful investigation of the Criminal Code it has been found that the original language of the law reads "rescue or attempt to rescue"; and since that language has been construed by the courts, I think it is safer to retain the original language. Therefore, I ask that the committee amendment be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was rejected.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRAND JURY EXTENSIONS

The bill (S. 481) to permit grand-jury extensions to be ordered by any district judge was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 284 of the Judicial Code, as amended (U. S. C., title 28, sec. 421), be, and the same is hereby, amended to read as follows:

"SEC. 284. No grand jury shall be summoned to attend any district court unless the judge thereof, in his own discretion or upon a notification by the district attorney that such jury will be needed, orders a venire to issue therefor. If the United States attorney for any district which has a city or borough containing at least 300,000 inhabitants shall certify in writing to a district judge of the district that the exigencies of the public service require it, the judge may, in his discretion, also order a venire to issue for a second grand jury. If the United States attorney for the southern district of New York shall certify in writing to the senior district judge of said district that the exigencies of the public service require it, said judge may, in his discretion, also order a venire to issue for a third grand jury. The district court may in term order a grand jury to be summoned at such time, and to serve such time as it may direct, whenever, in its judgment, it may be proper to do so. A district judge may, upon request of the district attorney or of the grand jury or on his own motion, by order authorize any grand jury to continue to sit during the term succeeding the term at which such request is made, solely to finish investigations begun but not finished by such grand jury, but no grand jury shall be permitted to sit in all during more than three terms. Nothing herein shall operate to extend beyond the time permitted by law the imprisonment before indictment found of a person accused of crime or offense, or the time during which a person so accused may be held under recognizance before indictment found."

BILL PASSED OVER

The bill (H. R. 7561) to amend the act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", approved March 24, 1934, was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

The PRESIDING OFFICER. The Senator from Tennessee asks for an explanation of House bill 7561.

Mr. McKELLAR. If not, let it go over.

SEVERAL SENATORS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF BANKRUPTCY ACT

The bill (H. R. 4343) to amend section 77B of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended, was considered, ordered to a third reading, read the third time, and passed.

PROCEEDINGS IN ADOPTION IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 2281) to regulate proceedings in adoption in the District of Columbia, which had been reported from the Committee on the District of Columbia with amendments.

Mr. KING. That is a good bill, Mr. President.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment was, in section 1, on page 2, line 13, after the words "adoptee is", to strike out "a minor" and insert "under 21 years of age"; in line 15, after the word "attached", to insert "which shall be served in such manner as the court shall therein direct"; in line 16, after the words "directed to", to insert "all parties to the decision who do not appear and consent to the adoption and to"; and in line 22, after the word "within", to insert "a period not in excess of", so as to make the section read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the District Court of the United States for the District of Columbia to hear and determine petitions and decrees of adoption of any adult or child (hereinafter called adoptee) with authority to make such rules, not inconsistent with this act, as shall bring fully before the court for consideration the interests of the adoptee, the natural parents, the petitioner, and any other properly interested party. No petition shall be considered by the court unless petitioner's spouse joins in the petition or consents to the adoption.

Jurisdiction is conferred if either of the following circumstances exist:

(1) If petitioner is a legal resident of the District of Columbia;

(2) If petitioner has actually resided in the District of Columbia for at least 1 year.

The petition shall state, so far as known, the name, age, race, occupation, and address of the natural parents, when known, and of the petitioner, whether the petitioner is married or single, the age and sex of the adoptee, the property owned by the adoptee, and such other facts as the court may require.

The court shall thereupon, if the adoptee is under 21 years of age, issue a rule with copy of the petition attached, which shall be served in such manner as the court shall therein direct, directed to all parties to the petition who do not appear and consent to the adoption, and to the Board of Public Welfare to verify the allegations of the petition, to make a thorough investigation for the purpose of ascertaining if the adoptee is a proper subject for adoption and if the home of the petitioner is a suitable one for the adoptee and within a period not in excess of 60 days to report its findings with recommendations to the court. If an investigation already has been made by a qualified social agency, the Board of Public Welfare shall accept it instead of making one itself.

The amendment was agreed to.

The next amendment was, in section 2, page 3, line 6, after the word "age", to strike out "the legal guardian of adoptee,

if any"; in line 17, after the word "parents", to insert "or adoptive parents by a previous adoption,"; in line 22, after the word "order", to strike out "or"; in the same line, after the word "where", to insert "it shall appear to the court that they have abandoned the adoptee and voluntarily failed to contribute to his or her support for a period of at least 1 year next preceding the date of the filing of the petition; or (4) where", so as to make the section read:

SEC. 2. If adoptee is under 21 years of age, no decree of adoption shall be made unless the court shall find that the following persons have consented to the adoption: Adoptee, if 14 or more years of age; and the natural parents or adoptive parents by a previous adoption, if living. The consent of the father of an adoptee born out of wedlock shall not be necessary unless he has both acknowledged the adoptee and contributed voluntarily to its support. The consent of a parent who is a minor shall not be voidable because of that minority.

If adoptee shall have attained the age of 21 years or over, the only consents which shall be required are those of such adoptee, and its spouse, if any.

The consent of a natural parent, or parents, or adoptive parents by a previous adoption, may be dispensed with (1) where after such notice as the court shall direct it shall appear to the court that such person or persons cannot be located; (2) where they have been permanently deprived of custody of the adoptee by court order; (3) where it shall appear to the court that they have abandoned the adoptee and voluntarily failed to contribute to his or her support for a period of at least 1 year next preceding the date of the filing of the petition; or (4) where investigation has shown to the satisfaction of the court extraordinary cause why such consent should be dispensed with.

The amendment was agreed to.

The next amendment was, in section 3, page 4, line 13, after the words "shall be", to strike out "signed by the court" and insert "entered"; in line 15, after the words "of the", to strike out "petition and if" and insert "petition. If, however"; and in line 17, after the word "court", to strike out "shall" and insert "may", so as to make the section read:

SEC. 3. After considering the petition, the consents, and such evidence as the parties and any other properly interested person may wish to present, the court may enter a final decree of adoption if it is satisfied (a) that adoptee is physically, mentally, and otherwise suitable for adoption by the petitioner; (b) that the petitioner is fit and able to give the adoptee a proper home and education; and (c) that the change will be for the best interests of adoptee.

No final decree of adoption shall be entered unless the adoptee shall have been living with the adoptor at least 6 months prior to the filing of the petition. If, however, it shall appear in the interests of the adoptee, the court may enter an interlocutory decree for adoption, which decree shall by its terms automatically become a final decree of adoption on a day therein named, which shall not be more than 6 months from the entry of such interlocutory decree unless such decree shall be set aside for cause shown. If it shall appear in the interests of the adoptee, the Board of Public Welfare shall visit the adoptee during the period of the interlocutory decree at regular intervals.

The amendment was agreed to.

The next amendment was, in section 5, page 5, line 10, after the word "all", to strike out "legal"; in line 17, after the word "adoptee", to strike out "its" and insert "his or her"; and in line 18, after the word "off" and the period, to insert "In the event one of the natural parents shall be the spouse of petitioner, then the rights and relations as between adoptee, such natural parent, and his or her parents and collateral relatives, including mutual rights of inheritance and succession, shall in nowise be altered", so as to make sections 4 and 5 read:

SEC. 4. Notice of a final decree of adoption shall be sent to the Bureau of Vital Statistics of the Health Department. This Bureau shall cause to be made a new record of the birth in the new name and with the names of the adoptor and shall then cause to be sealed and filed the original birth certificate with the order of the court and such sealed package shall be opened only by order of court.

SEC. 5. Entry of a final decree of adoption shall establish the relation of natural parent and natural child between adoptor and adoptee for all purposes including mutual rights of inheritance and succession the same as if adoptee was born of adoptor, except that adoptee shall not inherit from collateral relatives of or the parents of adoptor although such collateral relatives and parents of adoptor shall have the right of inheritance from adoptee. All rights and duties including those of inheritance and succession between adoptee, his or her natural parents, their issue, collateral relatives, and so forth, shall be cut off. In the event one of the natural parents shall be the spouse of petitioner, then the rights and relations as between adoptee, such natural parent, and his or her parents and collateral relatives, including mutual rights of inheritance and succession, shall in nowise be altered.

The family name of the adoptee shall be changed to that of adoptor unless the decree shall otherwise provide, and the given name of the adoptee may be fixed or changed at the same time.

The amendment was agreed to.

The next amendment was, in section 7, page 6, line 23, after "395", to insert "(title 15, sec. 1, New Code)", so as to make sections 6 and 7 read:

SEC. 6. Records and papers in adoption proceedings, after the petition is filed and prior to the entry of a final decree, shall be open to inspection by the parties or their attorneys, and members of the Board of Public Welfare or their agents, upon order of the court. Upon the entry of a final decree the Board of Public Welfare and the clerk of the court shall seal all papers in the proceedings. Said seals shall not be broken, and said papers shall not be inspected by any person, including the parties to the proceeding, except upon order of the court. Application for leave to inspect papers in adoption proceedings shall be by petition and shall be granted only for extraordinary cause shown. The court may appoint a master to consider and investigate the facts upon which such a petition is based, who shall make his findings and recommendations to the court.

The clerk of the court shall keep a docket of all adoption proceedings which shall only be inspected upon order of the court upon the same conditions hereinabove set out for the inspection of papers.

SEC. 7. Section 395 (title 15, sec. 1, New Code) of the Code of Law of the District of Columbia is hereby repealed. The provisions hereof shall have no retroactive effect and shall not be construed as affecting in any way the rights and relations obtained by any decree of adoption entered heretofore, and all proceedings instituted and pending on the date of this enactment shall be carried to their final determination in accordance with the provisions of section 395 as if this act had not been enacted, and all orders and decrees entered therein shall remain valid and binding on all parties thereby affected.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SMALL CLAIMS COURT FOR THE DISTRICT

The Senate proceeded to consider the bill (S. 1835) establishing a small claims and conciliation branch in the municipal court of the District of Columbia for improving the administration of justice in small cases and providing assistance to needy litigants, and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, in section 4, page 2, line 9, after the word "cases", to insert "within the jurisdiction of the court"; in line 11, after the word "exceed", to strike out "$100" and insert "$50"; and in line 14, after the word "authority", to insert "with the consent of all parties"; so as to make the section read:

SEC. 4. (a) Said branch shall have exclusive jurisdiction over all cases within the jurisdiction of the court in which the amount of the plaintiff's claim or the claimed value of personal property in controversy does not exceed $50, exclusive of interest, attorneys' fees, protest fees, and costs.

(b) In order to effect the speedy settlement of controversies said branch shall also have authority with the consent of all parties to settle cases, irrespective of the amount involved, by the methods of arbitration and conciliation. The judges of said branch may also act as referees or arbitrators, either alone or in conjunction with other persons, under title 24, chapter 5, sections 91 to 109, inclusive, of the Code of Law for the District of Columbia, or under the United States Arbitration Act of February 12, 1925 (U. S. C., 1934 ed., title 9, secs. 1 to 15), or otherwise. No judge, officer, or other employee of the municipal court shall receive or accept any fee or compensation in addition to his salary for services performed under this subsection.

The amendment was agreed to.

The next amendment was, in section 5, page 4, line 1, after the word "constitute", to insert "prima facie"; under the subhead "municipal court of the District of Columbia—small claims and conciliation branch", after the word "clerk" and the comma, to strike out "shall" and insert "may, if action is on a contract, express or implied,"; on page 5, after the word "foregoing", to strike out "verified"; and at the end of the form of affidavit to insert "clerk of the small claims and conciliation branch, municipal court", so as to make the section read:

SEC. 5. (a) Actions shall be commenced in said branch by the filing of a statement of claim, in concise form and free of technicalities. The plaintiff or his agent shall verify the statement

of claim by oath or affirmation in the form herein provided, or its equivalent, and shall affix his signature thereto. The clerk of said branch shall, at the request of any individual, prepare the statement of claim and other papers required to be filed in an action in this branch, but his services shall not be available to any corporation, partnership, or association in the preparation of such statements or other papers. A copy of the statement of claim and verification shall be made a part of the notice to be served upon the defendant named therein. The mode of service shall be by the United States marshal, as provided by law; or by registered mail with return receipt; or by any person not a party to or otherwise interested in the suit, especially appointed by the judge for that purpose.

(b) When notice is to be served by registered mail, the clerk shall enclose a copy of the statement of claim, verification, and notice in an envelope addressed to the defendant, prepay the postage with funds obtained from plaintiff, and mail the same forthwith, noting on the records the day and hour of mailing. When such receipt is returned, the clerk shall attach the same to the original statement of claim, and it shall constitute prima-facie evidence of service upon the defendant.

(c) When served by a private individual, as above provided, he shall make proof of service by affidavit before the clerk, showing the time and place of such service.

(d) When served by the marshal, or by registered mail, the actual cost of service shall be taxable as costs. When served by an individual, as above provided, the cost of service, if any, shall not be taxable as costs.

(e) The statement of claim, verification, and notice shall be in the following or equivalent form, and shall be in lieu of any forms now employed and of any form of summons now provided by law:

MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA
SMALL CLAIMS AND CONCILIATION BRANCH

(Location of room in courthouse) (Address of court)

Washington, D. C.

_____
Plaintiff
_____
Address
vs.
_____
Defendant

No._____

STATEMENT OF CLAIM

(Here the plaintiff, or at his request the clerk, will insert a statement of the plaintiff's claim, and the original, to be filed with the clerk, may, if action is on a contract, express or implied, be verified by the plaintiff or his agent, as follows:)

DISTRICT OF COLUMBIA, *ss:*

_____, being first duly sworn, on oath says the foregoing is a just and true statement of the amount owing by defendant to plaintiff, exclusive of all set-offs and just grounds of defense.

_____
Plaintiff (or agent)

Subscribed and sworn to before me this ____ day of ____ 19___.

_____
Clerk (or notary public)

NOTICE

To: _____
Defendant
_____
Home address
_____
Business address

You are hereby notified that _____ has made a claim and is requesting judgment against you in the sum of _____ dollars ($_____), as shown by the foregoing statement. The court will hold a hearing upon this claim on _____ at _____ m. in the small claims and conciliation branch (address of court).

You are required to be present at the hearing in order to avoid a judgment by default.

If you have witnesses, books, receipts, or other writings bearing on this claim, you should bring them with you at the time of the hearing.

If you wish to have witnesses summoned, see the clerk at once for assistance.

If you admit the claim, but desire additional time to pay, you must come to the hearing in person and state the circumstances to the court.

You may come with or without an attorney.

[SEAL] _____
Clerk of the Small Claims and Conciliation Branch, Municipal Court.

(f) The foregoing verification shall entitle the plaintiff to a judgment by default, without further proof, upon failure of defendant to appear, when the claim of the plaintiff is for a liquidated amount; when the amount is unliquidated, plaintiff shall be required to present proof of his claim.

(g) The clerk shall furnish the plaintiff with a memorandum of the day and hour set for the hearing, which time shall be not less than 5 nor more than 15 days from the date of the filing of the action. All actions filed in this branch shall be made returnable herein.

The amendment was agreed to.

The next amendment was, in section 7, page 6, line 9, after the word "for", to strike out "commencing" and insert "issuing summons and copies, trial, judgment, and satisfaction in"; and in line 11, after the figure "$1" and the period, to insert "other fees shall be as the court shall prescribe", so as to make the section read:

SEC. 7. The fee for issuing summons and copies, trial, judgment, and satisfaction in an action in said branch shall be not more than $1. Other fees shall be as the court shall prescribe. The judge sitting in said branch shall have full discretionary power to waive the prepayment of costs or the payment of costs accruing during the action upon the sworn statement of the plaintiff or upon other satisfactory evidence of his inability to pay such costs. When costs are so waived the notation to be made on the records of said branch shall be "Prepayment of costs waived", or "Costs waived." The term "pauper" or "in forma pauperis" shall not be employed in said branch. If a party shall fail to pay accrued costs, though able to do so, the judge of said branch shall have power to deny said party the right to file any new case in said branch while such costs remain unpaid, and likewise to deny such litigant the right to proceed further in any case pending in said branch. The award of costs shall be according to the discretion of the judge who may include therein the reasonable cost of bonds and undertakings, and other reasonable expenses incident to the suit, incurred by either party.

The amendment was agreed to.

The next amendment was, on page 7, after line 4, to strike out:

SEC. 8. The judge shall have full power in his discretion to award costs in a sum to be fixed by said judge, but not in any event to exceed the sum of $25, against any party, whether the prevailing party or not, who has set up a frivolous, vexatious, or false claim, or defense, or has made an unfair, insufficient, or misleading answer, or has in any other manner sought to hamper a party or interfere with the judge in securing a speedy determination of the claim upon its just merits; and to enter judgment and issue execution for such an award of costs or to set the same off against the affirmative award of costs, as justice may require.

The amendment was agreed to.

The next amendment was, on page 7, line 16, to change the section number from 9 to 8, and in line 20, after the word "conciliation" and the period, to strike out "No attorney shall have the right to represent any party in such effort at conciliation", so as to make the section read:

SEC. 8. (a) On the return day mentioned in section 5 hereof, or such later time as the judge may set, the trial shall be had. Immediately prior to the trial of any case the judge shall make an earnest effort to settle the controversy by conciliation. If the judge fails to induce the parties to settle their differences without a trial, he shall proceed with the hearing on the merits pursuant to section 9 (b) of this act.

(b) The parties and witnesses shall be sworn. The judge shall conduct the trial in such manner as to do substantial justice between the parties according to the rules of substantive law, and shall not be bound by the statutory provisions or rules of practice, procedure, pleading, or evidence, except such provisions relating to privileged communications.

(c) If the defendant fails to appear, judgment shall be entered for the plaintiff by default as above provided, or under any rule or rules of the municipal court now existing or hereafter promulgated, or on ex-parte proof. If the plaintiff fails to appear, the suit may be dismissed for want of prosecution, or a nonsuit may be ordered, or defendant may proceed to a trial on the merits, or the case may be continued or returned to the files for further proceedings on a later date, as the judge may direct. If both parties fail to appear, the judge may return the case to the files, or order the same dismissed for want of prosecution, or make any other just and proper disposition thereof, as justice may require.

The amendment was agreed to.

The next amendment was, on page 9, line 6, to change the section number from 11 to 10; in line 12, after the word "case", to insert "if all parties consent"; in line 13, after the word "or", to strike out "may" and insert "in the absence of such consent shall"; and in line 14, after the word "court", to strike out the comma and "as justice may require" and insert "for trial", so as to make the section read:

SEC. 10. Whenever the interests of justice shall seem to require it, and all parties consent thereto, any judge of the municipal court may certify any case to said branch for conciliation, or to endeavor to obtain a complete or partial agreed statement of facts or stipulation, which will simplify and expedite the ultimate trial

of the case. The trial of any such case if all parties consent may be completed in said branch or in the absence of such consent shall be recertified to another judge of the court for trial.

The amendment was agreed to.

The next amendment was, on page 10, line 8, to change the section number from 13 to 12; and in the same line, before the words "judge shall", to strike out "The" and insert "In all cases where the judgment is founded in whole or in part on a claim for wages or personal services the", so as to make the section read:

SEC. 12. In all cases where the judgment is founded in whole or in part on a claim for wages or personal services the judge shall, upon motion of the party obtaining judgment, order the appearance of the party against whom such judgment has been entered, but not more often than once each four weeks for oral examination under oath as to his financial status and his ability to pay such judgment, and the judge shall make such supplementary orders as may seem just and proper to effectuate the payment of the judgment upon reasonable terms.

The amendment was agreed to.

The next amendment was, on page 11, after line 22, to insert:

SEC. 18. In any case filed or pending in said branch in which any party is entitled to demand a trial by jury and files such demand, the case shall be assigned to and tried in one of the regular branches of the court under the procedure provided for such trials.

The amendment was agreed to.

The next amendment was, on page 12, after line 3, to strike out:

SEC. 19. Nothing in this act contained shall deprive any party of the constitutional right to trial by jury.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby established in the municipal court of the District of Columbia a small claims and conciliation branch.

SEC. 2. Whenever used in this act—

(a) "Branch" means the small claims and conciliation branch of the municipal court, herein created.

(b) "Judge" means the judge or judges presiding in said branch.

(c) "Clerk" means the clerk or any assistant clerk of said municipal court assigned to said branch.

(d) "Court" means the municipal court of the District of Columbia and the several judges thereof.

SEC. 3. One or more judges of the municipal court shall serve in said branch for such periods and in such order of rotation as the judges of the court may determine.

SEC. 4. (a) Said branch shall have exclusive jurisdiction over all cases within the jurisdiction of the court in which the amount of the plaintiff's claim or the claimed value of personal property in controversy does not exceed $50 exclusive of interest, attorneys' fees, protest fees, and costs.

(b) In order to effect the speedy settlement of controversies said branch shall also have authority with the consent of all parties to settle cases, irrespective of the amount involved, by the methods of arbitration and conciliation. The judges of said branch may also act as referees or arbitrators, either alone or in conjunction with other persons, under title 24, chapter 5, sections 91 to 109, inclusive, of the Code of Law for the District of Columbia, or under the United States Arbitration Act of February 12, 1925 (U. S. C., 1934 ed., title 9, secs. 1 to 15), or otherwise. No judge, officer, or other employee of the municipal court shall receive or accept any fee or compensation in addition to his salary for services performed under this subsection.

SEC. 5. (a) Actions shall be commenced in said branch by the filing of a statement of claim, in concise form and free of technicalities. The plaintiff or his agent shall verify the statement of claim by oath or affirmation in the form herein provided, or its equivalent, and shall affix his signature thereto. The clerk of said branch shall, at the request of any individual, prepare the statement of claim and other papers required to be filed in an action in this branch, but his services shall not be available to any corporation, partnership, or association in the preparation of such statements or other papers. A copy of the statement of claim and verification shall be made a part of the notice to be served upon the defendant named therein. The mode of service shall be by the United States marshal, as provided by law; or by registered mail with return receipt; or by any person not a party to or otherwise interested in the suit, especially appointed by the judge for that purpose.

(b) When notice is to be served by registered mail, the clerk shall enclose a copy of the statement of claim, verification, and notice in an envelope addressed to the defendant, prepay the postage with funds obtained from plaintiff, and mail the same forthwith, noting on the records the day and hour of mailing. When such receipt is returned, the clerk shall attach the same to the original statement of claim, and it shall constitute prima-facie evidence of service upon the defendant.

(c) When served by a private individual, as above provided, he shall make proof of service by affidavit before the clerk, showing the time and place of such service.

(d) When served by the marshal, or by registered mail, the actual cost of service shall be taxable as costs. When served by an individual, as above provided, the cost of service, if any, shall not be taxable as costs.

(e) The statement of claim, verification, and notice shall be in the following or equivalent form, and shall be in lieu of any forms now employed and of any form of summons now provided by law:

MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA
SMALL CLAIMS AND CONCILIATION BRANCH

(Location of room in courthouse) (Address of court)

Washington, D. C.

Plaintiff

Address
vs.

Defendant

No.----

STATEMENT OF CLAIM

(Here the plaintiff, or at his request the clerk, will insert a statement of the plaintiff's claim, and the original, to be filed with the clerk, may, if action is on a contract, express or implied, be verified by the plaintiff or his agent, as follows:)

DISTRICT OF COLUMBIA, *ss:*

----------, being first duly sworn, on oath says the foregoing is a just and true statement of the amount owing by defendant to plaintiff, exclusive of all set-offs and just grounds of defense.

Plaintiff (or agent)

Subscribed and sworn to before me this ____ day of ---------- 19__.

Clerk (or notary public)

NOTICE

To: ----------
Defendant

Home address

Business address

You are hereby notified that ---------- has made a claim and is requesting judgment against you in the sum of -------- dollars ($--------), as shown by the foregoing statement. The court will hold a hearing upon this claim on ---------- at -------- m. in the small claims and conciliation branch (address of court).

You are required to be present at the hearing in order to avoid a judgment by default.

If you have witnesses, books, receipts, or other writings bearing on this claim, you should bring them with you at the time of the hearing.

If you wish to have witnesses summoned, see the clerk at once for assistance.

If you admit the claim, but desire additional time to pay, you must come to the hearing in person and state the circumstances to the court.

You may come with or without an attorney.

[SEAL] ----------,
Clerk of the Small Claims and Conciliation Branch, Municipal Court.

(f) The foregoing verification shall entitle the plaintiff to a judgment by default, without further proof, upon failure of defendant to appear, when the claim of the plaintiff is for a liquidated amount; when the amount is unliquidated, plaintiff shall be required to present proof of his claim.

(g) The clerk shall furnish the plaintiff with a memorandum of the day and hour set for the hearing, which time shall be not less than 5 nor more than 15 days from the date of the filing of the action. All actions filed in this branch shall be made returnable herein.

SEC. 6. A separate small claims and conciliation docket shall be maintained in said branch, in which shall be indicated every proceeding and ruling had in each case.

SEC. 7. The fee for issuing summons and copies, trial, judgment, and satisfaction in an action in said branch shall be not more than $1. Other fees shall be as the court shall prescribe. The judge sitting in said branch shall have full discretionary power to waive the prepayment of costs or the payment of costs accruing during the action upon the sworn statement of the plaintiff or upon other satisfactory evidence of his inability to pay such costs. When costs are so waived the notation to be made on the records of said branch shall be "Prepayment of costs waived", or "Costs waived." The term "pauper" or "in forma pauperis" shall not be employed in said branch. If a party shall fail to pay accrued costs, though able to do so, the judge of said branch shall have power to deny said party the right to file any new case in said

branch while such costs remain unpaid, and likewise to deny such litigant the right to proceed further in any case pending in said branch. The award of costs shall be according to the discretion of the judge who may include therein the reasonable cost of bonds and undertakings, and other reasonable expenses incident to the suit, incurred by either party.

SEC. 8. (a) On the return day mentioned in section 5 hereof, or such later time as the judge may set, the trial shall be had. Immediately prior to the trial of any case, the judge shall make an earnest effort to settle the controversy by conciliation. If the judge fails to induce the parties to settle their differences without a trial, he shall proceed with the hearing on the merits pursuant to section 9 (b) of this act.

(b) The parties and witnesses shall be sworn. The judge shall conduct the trial in such manner as to do substantial justice between the parties according to the rules of substantive law, and shall not be bound by the statutory provisions or rules of practice, procedure, pleading, or evidence, except such provisions relating to privileged communications.

(c) If the defendant fails to appear, judgment shall be entered for the plaintiff by default as above provided, or under any rule or rules of the municipal court now existing or hereafter promulgated, or on ex-parte proof. If the plaintiff fails to appear, the suit may be dismissed for want of prosecution, or a nonsuit may be ordered, or defendant may proceed to a trial on the merits, or the case may be continued or returned to the files for further proceedings on a later date, as the judge may direct. If both parties fail to appear, the judge may return the case to the files, or order the same dismissed for want of prosecution, or make any other just and proper disposition thereof, as justice may require.

SEC. 9. If the defendant asserts a set-off or counterclaim, the judge may, in his discretion, require a formal plea of set-off to be filed, or may waive the same. If plaintiff requires time to prepare his defense against such counterclaim or set-off, the judge may, in his discretion, continue the case for such purpose. If the set-off or counterclaim be for more than the jurisdictional limit of said branch but within the jurisdictional limit of this court, the action shall nevertheless remain in said branch and be tried therein in its entirety.

SEC. 10. Whenever the interests of justice shall seem to require it, and all parties consent thereto, any judge of the municipal court may certify any case to said branch for conciliation, or to endeavor to obtain a complete or partial agreed statement of facts or stipulation, which will simplify and expedite the ultimate trial of the case. The trial of any such case if all parties consent may be completed in said branch or in the absence of such consent shall be recertified to another judge of the court for trial.

SEC. 11. When judgment is to be rendered and the party against whom it is to be entered requests it, the judge shall inquire fully into the earnings and financial status of such party and shall have full discretionary power to stay the entry of judgment, and to stay execution, except in cases involving wage claims, and to order partial payments in such amounts, over such periods, and upon such terms, as shall seem just under the circumstances and as will assure a definite and steady reduction of the judgment until it is finally and completely satisfied. Upon a showing that such party has failed to meet any installment payment without just excuse, the stay of execution shall be vacated. When no stay of execution has been ordered or when such stay of execution has been vacated as provided herein, the party in whose favor the judgment has been entered shall have the right to avail himself of all remedies otherwise available in said municipal court for the enforcement of such judgment.

SEC. 12. In all cases where the judgment is founded in whole or in part on a claim for wages or personal services the judge shall, upon motion of the party obtaining judgment, order the appearance of the party against whom such judgment has been entered, but not more often than once each four weeks for oral examination under oath as to his financial status and his ability to pay such judgment, and the judge shall make such supplementary orders as may seem just and proper to effectuate the payment of the judgment upon reasonable terms.

SEC. 13. The clerk of said branch shall maintain an accurate daily record of all transactions had therein and shall prepare and transmit to the Attorney General of the United States a monthly report in detail showing the number and nature of all such transactions.

SEC. 14. All provisions of law relating to the municipal court and the rules of the municipal court shall apply to the practice herein so far as they may be made applicable and are not in conflict with the provisions of this act or with the rules hereunder promulgated. In case of conflict the provisions of this act and the rules hereunder promulgated shall control.

SEC. 15. The judges of the municipal court shall forthwith make rules to provide for a simple, inexpensive, and speedy procedure to effectuate the purposes of this act and shall have power to prescribe, modify, and improve the forms to be used therein, from time to time, to insure the proper administration of justice and to accomplish the purposes of this act.

SEC. 16. The small-claims branch with a judge in attendance shall be open for the transaction of business on every day of the year except Saturday afternoons, Sundays, and legal holidays, and shall also hold at least one night session during each week.

SEC. 17. Nothing in this act contained shall deprive any party of the right now existing to petition the United States Court of Appeals for the District of Columbia for a writ of error to review any judgment rendered in said branch of said municipal court.

SEC. 18. In any case filed or pending in said branch in which any party is entitled to demand a trial by jury and files such demand, the case shall be assigned to and tried in one of the regular branches of the court under the procedure provided for such trials.

SEC. 19. Except as otherwise provided in this act, or in the rules promulgated hereunder, a party obtaining a judgment in said branch shall be entitled to the same remedies, processes, costs, and benefits as are given or inure to other judgment creditors in said municipal court.

SEC. 20. All acts and parts of acts inconsistent herewith are hereby repealed.

SEC. 21. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

SEC. 22. This act shall take effect on the thirtieth day after the date of its enactment.

VERDE RIVER IRRIGATION AND POWER DISTRICT, ARIZONA

Mr. ADAMS. Mr. President, I should like permission to return to Calendar No. 1022, Senate bill 1344, before the Senator from Arizona [Mr. ASHURST] leaves the Chamber.

The PRESIDING OFFICER. The Senator from Colorado asks unanimous consent to return to Calendar No. 1022, Senate bill 1344. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1344) providing for relief in cases of desert-land applications or entries of lands within Verde River irrigation and power district, Arizona, which had been reported adversely from the Committee on Public Lands and Surveys.

Mr. ADAMS. Mr. President, this bill was passed over on the call of the calendar at my request. Under the circumstances, in view of the report that has been made both by the Department and by the committee, I think the bill should be indefinitely postponed and retired from the calendar, and I make that motion.

Mr. ASHURST. Mr. President, of course I want to be a good loser. I introduced the bill. The Department reported unfavorably upon it; and the Senate Committee on Public Lands and Surveys, of which I am a member, and over which the Senator from Colorado [Mr. ADAMS] presides with great fairness, was almost unanimously against me.

I do not wish to indulge in any brutum fulmen, any harmless thunderbolts. In a case in which the Department and the committee of which I am a member are so nearly unanimous, I see nothing to do but acquiesce as gracefully as I may. There is nothing else I can do.

Mr. ADAMS. I move that the bill be indefinitely postponed.

The motion was agreed to.

COLLECTION OF STATE TAXES

The bill (S. 1551) to amend section 24 of the Judicial Code, as amended, with respect to the jurisdiction of the district courts of the United States over suits relating to the collection of State taxes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first paragraph of section 24 of the Judicial Code, as amended, is amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this paragraph, no district court shall have jurisdiction of any suit to enjoin, suspend, or restrain the assessment, levy, or collection of any tax imposed by or pursuant to the laws of any State where a plain, speedy, and efficient remedy may be had at law or in equity in the courts of such State."

SEC. 2. The provisions of this act shall not affect suits commenced in the district courts, either originally or by removal, prior to its passage; and all such suits shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this act had not been passed.

JOINT COMMITTEE ON HAWAII

The concurrent resolution (S. Con. Res. 18) to provide for the creation of a Joint Committee on Hawaii was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be known as the Joint Committee on Hawaii, which shall be

composed of not to exceed 12 Members of the Senate, to be appointed by the President of the Senate, and not to exceed 12 Members of the House of Representatives and the Delegate from Hawaii, to be appointed by the Speaker of the House of Representatives. The committee shall select a chairman from among its members. The committee shall cease to exist upon making its report to Congress pursuant to this resolution.

SEC. 2. The committee is authorized and directed to conduct a comprehensive investigation and study of the subject of statehood and of other subjects relating to the welfare of the Territory of Hawaii. The committee shall report to the Senate and to the House of Representatives not later than January 15, 1938, the results of its investigation and study, together with its recommendations for such legislation as it deems necessary or desirable.

SEC. 3. For the purposes of this resolution, the committee is authorized to sit and act, as a whole or by subcommittee, at such times and places as it deems advisable, to hold such hearings, to administer such oaths and affirmations, to take such testimony, and to have such printing and binding done as it deems necessary.

ROBERT G. DUNCAN

The Senate proceeded to consider the bill (S. 1646) for the relief of Robert G. Duncan, which had been reported from the Committee on Claims with amendments, on page 1, line 3, after the word "Treasury", to strike out "is" and insert "be, and he is hereby"; in line 5, after the word "appropriated", to insert "and in full and final settlement of all claims against the Government"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full and final settlement of all claims against the Government, to Robert G. Duncan, of Portland, Oreg., the sum of $500, such sum representing the amount of a fine for violation of the Radio Act of 1927, which was paid by him on November 12, 1931, and covered into the Treasury, said Robert G. Duncan having also served a sentence in jail because of such violation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FRANK PASHLEY AND BROWN GARRETT

The bill (S. 2832) authorizing the adjustment of the claims of Frank Pashley and Brown Garrett was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to adjust and settle the claims of Frank Pashley for blood furnished February 24 and 27, 1937, for transfusion to Llewelyn T. McKee, a patient in a Government hospital, and to allow in full and final settlement of said claims an amount not in excess of $15 and $10, a total of $25; also to adjust and settle the claim of Brown Garrett for blood furnished February 11, 1937, for transfusion to Albert King, a patient in a Government hospital, and to allow in full settlement of said claim an amount not in excess of $25, all under the appropriation of the Veterans' Administration available for payment for blood transfusion: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

F. P. WEAVER COAL CO., LTD.

The Senate proceeded to consider the bill (S. 2458) to carry out certain treaty obligations of the United States and for the relief of the F. P. Weaver Coal Co., Ltd., and for other purposes, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund and pay to the F. P. Weaver Coal Co., Ltd., a corporation, of Quebec, Canada, out of any money in the Treasury not otherwise appropriated, the sum of $10,957.10: *Provided*, That the Secretary of the Treasury shall be satisfied that the F. P. Weaver Coal Co. would have been entitled to receive such a refund if it had filed a proper and timely protest against the action of the collector of customs in the premises: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. This act shall take effect upon its passage.

Mr. McKELLAR. Mr. President, may we have an explanation of this bill?

Mr. WHITE. Mr. President, the bill authorizes the refund to this company of customs duties collected upon the importation of coal into the United States.

The company is a Canadian company which imported coal from Great Britain in a British vessel. The coal was received at the port of Portland some time in 1932. A contract for the purchase of the coal was entered into, and the importation of the coal was made in reliance upon rulings of the Treasury Department.

The particular ruling relied upon was, in substance, as follows: This is a ruling interpreting the Revenue Act of 1932. It says:

In view of the provisions in the treaties between the United States, and Great Britain and Germany, respectively, and of the express provision made by the Congress in section 601 (a) of the Revenue Act of 1932 for an exception from the application of the taxes thereby imposed in cases where treaty provisions of the United States otherwise provide, held that, so long as coal from Canada or any other country is exempt from the tax prescribed in section 601 (c) (5) of the revenue act, coal from Great Britain or Germany is entitled to similar treatment when imported into this country. Bureau letter dated November 14, 1932.

Notwithstanding that ruling, the tax was collected. Subsequently, the Assistant Secretary of the Treasury issued instructions to the effect that coal imported from Canada during the year 1933 would not be subject to the tax provided for in this section. Still later, the courts of the United States handed down decisions to the effect that coal imported from Great Britain was entitled to entry free of the said tax, so long as coal from Canada was entitled to such free entry.

It is in reliance upon that Treasury ruling, in reliance upon these decisions of our courts, and in reliance upon our treaty obligations, that these people are seeking the refund of taxes.

Mr. McKELLAR. Mr. President, I have come to the conclusion that there is no reason why this bill should not be passed.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the F. P. Weaver Coal Co., Ltd."

SAM KIMZEY

The Senate proceeded to consider the bill (S. 824) for the relief of Sam Kimzey, which had been reported from the Committee on Claims with an amendment to add a proviso at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sam Kimzey, of Cornelia, Ga., the sum of $1,500, in full satisfaction of his claim against the United States for damages arising out of the removal of certain buildings of an abandoned Civilian Conservation Corps camp from land owned by said Sam Kimzey: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSFER OF LIGHTHOUSE SITES IN HAWAII

The bill (H. R. 7714) to authorize the Secretary of Commerce to transfer the two unused lighthouse sites in Kahului town site, Island of Maui, Territory of Hawaii, in exchange

for two plots of land located in the same town site and now occupied for lighthouse purposes under permission from the respective owners, the Kahului Railroad Co. and the Hawaiian Commercial & Sugar Co., Ltd., was considered, ordered to a third reading, read the third time, and passed.

Mr. O'MAHONEY subsequently said: I ask unanimous consent that the vote by which House bill 7714 was passed be reconsidered.

The PRESIDING OFFICER. The Senator from Wyoming asks unanimous consent that the vote by which House bill 7714 was passed be reconsidered. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. WHEELER. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF INDIANS OF CALIFORNIA

The Senate proceeded to consider the bill (S. 1651) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. 602), which had been reported from the Committee on Indian Affairs with an amendment, on page 2, to strike out, beginning with line 1, through line 13, page 7, as follows:

"SECTION 1. That for the purposes of this act the Indians of California shall be defined to be all Indians who were residing in the State of California on June 1, 1852, and their descendants living on May 18, 1928, who are now on the census roll of the Indians of California under the act of May 18, 1928 (45 Stat. 602), as amended, and who may be enrolled in addition thereto under the provisions of this act."

SEC. 3. That sections 2 and 3 of the act of May 18, 1928 (45 Stat. 602), be amended to read as follows:

"SEC. 2. That all claims of whatsoever nature the Indians of California as defined in section 1 of this act may have against the United States by reason of lands taken from them in the State of California by the United States without just compensation or for the failure or refusal of the United States to protect their interests in lands in said State and for the loss of the use of the same, may be submitted to the United States Court of Claims by attorneys acting for and on behalf of said Indians, and it is hereby declared that the loss to the said Indians on account of their failure to secure the lands and compensation provided for in the 18 unratified treaties entered into with certain bands of said Indians in 1851 and 1852, and the loss to such Indians who were not parties to said unratified treaties of their lands to which they had title rising from occupancy and use, without just compensation therefor, is sufficient ground for equitable relief, and jurisdiction is hereby conferred upon the said court, with the right of either party to appeal to the Supreme Court of the United States, to hear, consider, and determine all such claims submitted to them and the said courts shall settle the equitable rights therein and decree just compensation therefor, notwithstanding the lapse of time or statutes of limitation or the fact that the same claim or claims have or have not been presented to any other tribunal, including the commission created by the act of March 3, 1851 (9 Stat. L. 631): *Provided*, That the courts shall determine, as near as may be, the acreage of the lands described in said unratified treaties as lands set apart forever for the occupancy and use of the tribes or bands of Indians parties to the said unratified treaties and shall compute the value of said acreage at $1.25 per acre, which amount shall be the basis upon which the court shall render judgment for just compensation for the taking of said lands: *And provided further*, That the courts shall consider and determine, as near as may be, the value of the personal property, rights, services, facilities, and improvements set out, described, and proposed in the aforesaid 18 unratified treaties and include just compensation for the value and loss of the benefit of the same in any decree rendered hereunder: *And provided further*, That the court shall determine, as near as may be and so far as necessary, the acreage of lands which such tribes of Indians, not parties to the said treaties, claimed by reason of occupancy and use, and shall compute the value of said acreage at $1.25 per acre, which amount shall be the basis upon which the court shall render judgment for just compensation for the taking of said lands: *Provided, however*, That the amount to be allowed on account of such nontreaty Indians shall not be less than the amount allowed on account of the treaty Indians, and shall be limited to an amount which shall bear a relation to the amount allowed by reason of said treaties, not greater than the number of tribes of nontreaty Indians bore to the number of tribes of treaty Indians and the court shall determine as near as may be the number of such tribes. Any payment which may have been made by the United States or moneys heretofore expended for the benefit of the Indians of California made under specific appropriations for the support, education, health, and civilization of Indians of California, including purchases of land, shall not be pleaded as an estoppel but may be pleaded by way of set-off against the total amount found due the treaty Indians and nontreaty Indians."

SEC. 4. That the act of May 18, 1928 (45 Stat. 602), be amended by adding a new section as follows:

"SEC. 3. That the Indians of California shall have the right to be represented by an attorney or attorneys of their own selection under contract or contracts approved by the Secretary of the Interior, and the courts are directed to recognize such attorneys as attorneys of record: *Provided*, That for the purposes of this act the Secretary of the Interior shall classify by counties the Indians enrolled as Indians of California under the provisions of the act approved May 18, 1928, as amended by the act of April 29, 1930 (46 Stat. 259), and determine the number of units therein of 100 each or fraction thereof, and under such regulations as he may prescribe shall provide for the election of Indian delegates to be held at one or more convenient places in each county in the State of California within 90 days after the approval of this act, provided each county shall be entitled to one vote for each unit or major fraction thereof and any Indian enrolled under said act shall be eligible for election as a delegate, and said Indians of each country may elect a delegate to represent each vote or one delegate to represent all its votes and any delegate may be elected by more than one county, and said Secretary shall provide for two conventions of such delegates to select and retain attorneys to represent the Indians of California; one convention to convene at Riverside and include all delegates in counties south of the southern boundaries of San Luis Obispo and Kern Counties and the northern boundary of San Bernardino County and the other convention at San Francisco to include all delegates north of said boundaries. Said conventions shall be held within 30 days after said election and shall be conducted in accordance with such rules as are usual for a convention: *Provided further*, That due and proper notice shall be given of the time, place, and purpose of said election and conventions; and upon final determination of such suit, said court is authorized and directed to fix and determine a reasonable fee for such attorney or attorneys, the aggregate amount of such fees not to exceed 5 percent of the amount recovered on a quantum meruit basis, for services actually rendered, and in addition thereto all necessary and proper expenses incurred in the preparation and prosecution of the suit and such fees and expenses shall be paid by the Secretary of the Treasury out of the appropriation made by Congress in payment of any decree renderd and the balance of such appropriation shall be placed in the Treasury of the United States to the credit of the Indians of California and shall draw interest at the rate of 4 percent per annum and shall be thereafter subject to appropriation by Congress for the benefit of said Indians."

SEC. 4. That section 7 of the act of May 18, 1928 (45 Stat. 602), as amended by the act of April 29, 1930 (46 Stat. 259), is further amended by adding the following proviso: *"Provided further*, That the Secretary of the Interior is hereby authorized and directed to allow 1 year from the date of the approval of this act in which to receive applications for enrollment of Indians residing in the State of California on June 1, 1852, and their descendants living on May 18, 1928, not now on the census roll of the Indians of California under the act of May 18, 1928 (45 Stat. 602), as amended, and the Secretary of the Interior shall have 6 months thereafter to approve such supplemental roll, at the expiration of which time the roll shall be forever closed and thereafter no additional names shall be added thereto.

"The time for filing amendments to the petition is hereby continued and extended to any time prior to the entry of judgment."

And to insert:

"SECTION 1. That for the purposes of this act the Indians of California shall be defined to be all Indians who were residing in the State of California on June 1, 1852, and their descendants living on May 18, 1928, and others born thereafter and living on date of entry of judgment of the Court of Claims herein, and all Indians who are now on the census roll of the Indians of California as authorized by the act of May 18, 1928 (45 Stat. 602), as amended, and who may be enrolled in addition thereto under the provisions of this act."

SEC. 3. That sections 2 and 3 of the act of May 18, 1928 (45 Stat. 602), be amended to read as follows:

"SEC. 2. That all claims of whatsoever nature the Indians of California as defined in section 1 of this act may have against the United States by reason of lands taken from them in the State of California by the United States without just compensation or for the failure or refusal of the United States to protect their interests in lands in said State, may be submitted to the United States Court of Claims by the attorney general of the State of California acting with associate attorneys selected by said Indians, and it is hereby declared that the loss to the said Indians on account of their failure to secure the lands and compensation provided for in the 18 unratified treaties entered into with certain bands of said Indians in 1851 and 1852, and the loss to such Indians who were not parties to said unratified treaties of their said lands without just compensation therefor, is sufficient ground for relief, and jurisdiction is hereby conferred upon the said court, with the right of either party to appeal to the Supreme Court of the United States, anything in the Judicial Code of the United States to the contrary notwithstanding, to hear, consider, and determine all such claims submitted to them, and the said courts shall decree just compensation therefor, notwithstanding the lapse of time or statutes of limitation or the fact that the same claim or claims have or have not been presented to

any other tribunal, including the commission created by the act of March 3, 1851 (9 Stat. L. 631), and the court shall determine, as near as may be, the acreage of the lands described in said unratified treaties and shall compute the value of said acreage at $1.25 per acre and shall render judgment for just compensation for the taking of said lands, and shall determine, as near as may be, the just value of the personal property, rights, services, facilities, and improvements set out, described, and proposed in the aforesaid 18 unratified treaties and award just compensation therefor in any decree rendered hereunder, and it is hereby declared that it was the purpose of the Congress that the Commission appointed to negotiate treaties with the Indians of California should negotiate the same kind of treaties with all of said Indians and it is the purpose of this act to treat those Indians not parties to said unratified treaties the same as if similar treaties had been negotiated with them, and the court shall consider that such unnegotiated treaties, if negotiated, would have commuted the claim of occupancy of those Indians, not parties to the unratified treaties, into reduced acreages and into pledged goods and services in the same ratios as that which the court shall find to have been promised in the said unratified treaties. To this end and under this declared policy of the Congress, the court shall find and determine as near as may be on the evidence submitted and such finding and determination shall be final and conclusive upon the parties, the number of bands who were parties to the 18 unratified treaties and the number of bands with whom no treaties were negotiated, and in lieu of more definite and conclusive evidence the court is hereby instructed to receive and accept official documents, maps, and records, including reports, records, and maps in the possession of the Smithsonian Institution, and depositions of experts, as sufficient proof. And the court shall find that each band of those Indians not parties to said unratified treaties is entitled to compensation for the wrong done and loss inflicted limited to the average amount allowed each band of those Indians who were parties to said unratified treaties and shall render judgment therefor. The court in finding the number of bands shall consider a village or rancheria as a band.

"Any payment which may have been made by the United States or moneys heretofore expended for the benefit of the Indians of California made under specific appropriations for the support, education, health, and civilization of Indians of California, including purchases of land, shall not be pleaded as an estoppel but may be pleaded by way of set-off against the total amount found due the treaty and nontreaty Indians. The court is hereby authorized and directed to hear, determine, and fix reasonable fees for the attorneys, and the compensation for other persons, for services rendered which the court may determine to have merit and value for the benefit of the Indians of California since approval of the enabling act of May 18, 1928, on a quantum meruit basis for such services, less any amount that the court upon evidence submitted may find to have been received on account of such services, such fees and compensation not to exceed 5 percent of the amount recovered, and the court shall find and fix, on the evidence presented, reasonable expenses incurred in the performance of such services, and shall deduct from such finding any amount which the court finds has been paid as expenses for such services, and the difference shall be the amount finally fixed as reasonable expenses, and such fees and compensation and expenses shall be paid by the Secretary of the Treasury out of the appropriation made by Congress in the payment of any decree rendered and the balance of such appropriation shall be placed in the Treasury of the United States to the credit of the Indians of California and shall draw interest at the rate of 4 percent per annum and shall be thereafter subject to appropriation by Congress for the benefit of the Indians."

"SEC. 3. That the act of May 18, 1928 (45 Stat. 602), be amended by striking from section 6 thereof the following words: 'and no part of said judgment shall be paid out in per capita payments to said Indians.'"

SEC. 4. That section 7 of the act of May 18, 1928 (45 Stat. 602), as amended by the act of April 29, 1930 (46 Stat. 259), is further amended by adding the following proviso: "*Provided further*, That the Secretary of the Interior is hereby authorized and directed to allow 1 year from the date of entry of judgment of the Court of Claims in which to receive applications for enrollment of Indians residing in the State of California on June 1, 1852, and their descendants living on May 18, 1928, and others born thereafter and living on the date of judgment, not now on the census roll of the Indians of California under the act of May 18, 1928 (45 Stat. 602), as amended, and the Secretary of the Interior shall have 6 months thereafter to approve such supplemental roll, at the expiration of which time the roll shall be forever closed and thereafter no additional names shall be added thereto.

"The right to present the claims hereunder to the Court of Claims either by original petition or amendment to the petition now pending in the court is extended to any time prior to the entry of judgment."

SEC. 5. That the act of May 18, 1928 (45 Stat. 602), be amended by adding a new section as follows:

"SEC. 8. That after the word 'that' and before the word 'notwithstanding' in the first line of section 8, insert the following: 'the claims of the Indians of California may be submitted to the United States Court of Claims by the attorney general of the State of California acting with associate attorneys selected by said Indians and notwithstanding any provision in the act of May 18, 1928, or in the Judicial Code of the United States to the contrary, any 500 or more of said Indians, who are 18 years of age or over, enrolled as Indians of California under existing law, may within 90 days after the approval of this act serve notice upon and file with the Secretary of the Interior a statement signed by them stating that they have retained an attorney or attorneys therein named, and the said Secretary shall within 30 days after the receipt of each of said statements certify to the Court of Claims the number of Indians signing each of said statements who are qualified to sign as herein provided, and immediately thereupon such attorney or attorneys thereby become associate attorney or attorneys with the attorney of record, provided there shall be only one attorney selected for each 500 qualified signers, and shall have the duties, responsibilities, and authority usually vested in associate attorneys to the end that the said Indians may have their claims hereunder adjudicated with the advantage of their selected attorney or attorneys and the Court of Claims is hereby instructed to recognize such attorney or attorneys so selected as associate attorney or attorneys of record and shall order that notices of all proceedings in said suit thereafter be sent to all such associate attorneys, and the attorney general of California shall continue as principal attorney of record. The Court of Claims is authorized and directed to fix and determine a reasonable fee for such attorney or attorneys on a quantum meruit basis for services rendered and the total amount paid for all services whether to attorneys or other persons acting for the Indians of California since the date of the enabling act of May 18, 1928, shall not exceed 5 percent of the judgment rendered hereunder, and shall determine and fix necessary and proper expenses, including compensation for experts and other persons, incurred in the preparation and prosecution of the suit and such fees and expenses as determined by the court, shall be paid by the Secretary of the Treasury out of the appropriation made by Congress in payment of any judgment rendered'."

So as to make the bill read:

Be it enacted, etc., That the act of May 18, 1928 (45 Stat. 602), entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", as amended by the act of April 29, 1930 (46 Stat. 259), be, and the same is hereby, amended as follows:

SEC. 2. That section 1 of the act of May 18, 1928 (45 Stat. 602), be amended to read as follows:

"SECTION 1. That for the purposes of this act the Indians of California shall be defined to be all Indians who were residing in the State of California on June 1, 1852, and their descendants living on May 18, 1928, and others born thereafter and living on date of entry of judgment of the Court of Claims herein, and all Indians who are now on the census roll of the Indians of California as authorized by the act of May 18, 1928 (45 Stat. 602), as amended, and who may be enrolled in addition thereto under the provisions of this act."

SEC. 3. That sections 2 and 3 of the act of May 18, 1928 (45 Stat. 602), be amended to read as follows:

"SEC. 2. That all claims of whatsoever nature the Indians of California as defined in section 1 of this act may have against the United States by reason of lands taken from them in the State of California by the United States without just compensation or for the failure or refusal of the United States to protect their interests in lands in said State, may be submitted to the United States Court of Claims by the attorney general of the State of California acting with associate attorneys selected by said Indians, and it is hereby declared that the loss to the said Indians on account of their failure to secure the lands and compensation provided for in the 18 unratified treaties entered into with certain bands of said Indians in 1851 and 1852, and the loss to such Indians who were not parties to said unratified treaties of their said lands without just compensation therefor, is sufficient ground for relief, and jurisdiction is hereby conferred upon the said court, with the right of either party to appeal to the Supreme Court of the United States, anything in the Judicial Code of the United States to the contrary notwithstanding, to hear, consider, and determine all such claims submitted to them, and the said courts shall decree just compensation therefor, notwithstanding the lapse of time or statutes of limitation or the fact that the same claim or claims have or have not been presented to any other tribunal, including the commission created by the act of March 3, 1851 (9 Stat. L. 631), and the court shall determine, as near as may be, the acreage of the lands described in said unratified treaties and shall compute the value of said acreage at $1.25 per acre and shall render judgment for just compensation for the taking of said lands, and shall determine, as near as may be, the just value of the personal property, rights, services, facilities, and improvements set out, described, and proposed in the aforesaid 18 unratified treaties and award just compensation therefor in any decree rendered hereunder, and it is hereby declared that it was the purpose of the Congress that the Commission appointed to negotiate treaties with the Indians of California should negotiate the same kind of treaties with all of said Indians and it is the purpose of this act to treat those Indians not parties to said unratified treaties the same as if similar treaties had been negotiated with them, and the court shall consider that such unnegotiated treaties, if negotiated, would have commuted the claim of occupancy of those Indians, not parties to the unratified treaties, into reduced acreages and into pledged goods and services in the same ratios as that which the court shall find to have been promised in the said unratified treaties. To this end and under this declared policy of Congress, the court shall find and determine as near as may be on the evidence submitted and such finding

and determination shall be final and conclusive upon the parties, the number of bands who were parties to the 18 unratified treaties and the number of bands with whom no treaties were negotiated, and in lieu of more definite and conclusive evidence the court is hereby instructed to receive and accept official documents, maps, and records, including reports, records, and maps in the possession of the Smithsonian Institution, and depositions of experts, as sufficient proof. And the court shall find that each band of those Indians not parties to said unratified treaties is entitled to compensation for the wrong done and loss inflicted limited to the average amount allowed each band of those Indians who were parties to said unratified treaties and shall render judgment therefor. The court in finding the number of bands shall consider a village or rancheria as a band.

"Any payment which may have been made by the United States or moneys heretofore expended for the benefit of the Indians of California made under specific appropriations for the support, education, health, and civilization of Indians of California, including purchases of land, shall not be pleaded as an estoppel but may be pleaded by way of set-off against the total amount found due the treaty and nontreaty Indians. The court is hereby authorized and directed to hear, determine, and fix reasonable fees for the attorneys, and the compensation for other persons, for services rendered which the court may determine to have merit and value for the benefit of the Indians of California since approval of the enabling act of May 18, 1928, on a quantum meruit basis for such services, less any amount that the court upon evidence submitted may find to have been received on account of such services, such fees and compensation not to exceed 5 percent of the amount recovered, and the court shall find and fix, on the evidence presented, reasonable expenses incurred in the performance of such services, and shall deduct from such finding any amount which the court finds has been paid as expenses for such services, and the difference shall be the amount finally fixed as reasonable expenses, and such fees and compensation and expenses shall be paid by the Secretary of the Treasury out of the appropriation made by Congress in the payment of any decree rendered and the balance of such appropriation shall be placed in the Treasury of the United States to the credit of the Indians of California and shall draw interest at the rate of 4 percent per annum and shall be thereafter subject to appropriation by Congress for the benefit of the Indians."

"SEC. 3. That the act of May 18, 1928 (45 Stat. 602), be amended by striking from section 6 thereof the following words: 'and no part of said judgment shall be paid out in per capita payments to said Indians.'"

SEC. 4. That section 7 of the act of May 18, 1928 (45 Stat. 602), as amended by the act of April 29, 1930 (46 Stat. 259), is further amended by adding the following proviso: "*Provided further*, That the Secretary of the Interior is hereby authorized and directed to allow 1 year from the date of entry of judgment of the Court of Claims in which to receive applications for enrollment of Indians residing in the State of California on June 1, 1852, and their descendants living on May 18, 1928, and others born thereafter and living on the date of judgment, not now on the census roll of the Indians of California under the act of May 18, 1928 (45 Stat. 602), as amended and the Secretary of the Interior shall have 6 months thereafter to approve such supplemental roll, at the expiration of which time the roll shall be forever closed and thereafter no additional names shall be added thereto.

"The right to present the claims hereunder to the Court of Claims either by original petition or amendment to the petition now pending in the court is extended to any time prior to the entry of judgment."

SEC. 5. That the act of May 18, 1928 (45 Stat. 602), be amended by adding a new section as follows:

"SEC. 8. That after the word 'that' and before the word 'notwithstanding' in the first line of section 8, insert the following: 'the claims of the Indians of California may be submitted to the United States Court of Claims by the attorney general of the State of California acting with associate attorneys selected by said Indians and notwithstanding any provision in the act of May 18, 1928, or in the Judicial Code of the United States to the contrary, any 500 or more of said Indians, who are 18 years of age or over, enrolled as Indians of California under existing law, may within 90 days after the approval of this act serve notice upon and file with the Secretary of the Interior a statement signed by them stating that they have retained an attorney or attorneys therein named, and the said Secretary shall within 30 days after the receipt of each of said statements certify to the Court of Claims the number of Indians signing each of said statements who are qualified to sign as herein provided, and immediately thereupon such attorney or attorneys thereby become associate attorney or attorneys with the attorney of record, provided there shall be only one attorney selected for each 500 qualified signers, and shall have the duties, responsibilities, and authority usually vested in associate attorneys to the end that the said Indians may have their claims hereunder adjudicated with the advantage of their selected attorney or attorneys and the Court of Claims is hereby instructed to recognize such attorney or attorneys so selected as associate attorney or attorneys of record and shall order that notices of all proceedings in said suit thereafter be sent to all such associate attorneys, and the attorney general of California shall continue as principal attorney of record. The Court of Claims is authorized and directed to fix and determine a reasonable fee for such attorney or attorneys on a quantum meruit basis for services rendered and the total amount paid for all services whether to attorneys or other persons acting for the Indians of California since the date of the Enabling Act of May 18, 1928, shall not exceed 5 percent of the judgment rendered hereunder, and shall determine and fix necessary and proper expenses, including compensation for experts and other persons, incurred in the preparation and prosecution of the suit and such fees and expenses as determined by the court, shall be paid by the Secretary of the Treasury out of the appropriation made by Congress in payment of any judgment rendered.'"

Mr. WHEELER. Mr. President, on page 12 of the bill, I desire to propose an amendment to the committee amendment, after the word "That", in line 21, to strike out:

After the word "that" and before the word "notwithstanding", in the first line of section 8, insert the following.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. LA FOLLETTE. I should like to ask the Senator from Montana whether the bill in its present form meets the objections which were made when the veto message was sent in.

Mr. WHEELER. This is a bill which was worked out by the Indian Office and the Indians. My understanding is that it is the hope of the Indian Office that it will meet the objections.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCLUSION OF HOPS UNDER THE AGRICULTURAL ADJUSTMENT ACT

The bill (S. 2791) to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such acts are applicable was announced as next in order.

Mr. GUFFEY. Let this bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 7836) to amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such act are applicable was announced as next in order.

Mr. GUFFEY. Let this bill go over also.

The PRESIDING OFFICER. The bill will be passed over.

Mr. DAVIS. Mr. President, will not the Senator from Oregon state what these bills provide?

Mr. McNARY. Mr. President, Order of Business 1084 is a Senate bill, and Order of Business 1085 is a House bill, both bills covering precisely the same subject matter. Objection was made to both bills when called.

Mr. GUFFEY. Mr. President, I objected to both bills at the request of the senior Senator from New Jersey [Mr. MOORE], who has been called out of town. I do not know anything about the merits of the bills.

Mr. McNARY. Of course, Mr. President, in deference to the wishes of the senior Senator from New Jersey, who is absent, I shall consent to the bills going over. I wish to state, however, that there is a misapprehension concerning these measures.

A year ago a bill was brought before the Senate providing for a processing tax of 2 cents on hops. It was then the purpose to provide that hops should be considered a basic commodity. Upon a vote the bill was defeated by a small margin.

The two bills now on the calendar in nowise contemplate benefit payments. They merely bring hops under the Marketing Agreement Act so that hop growers, in bad financial condition, may make contracts under the supervision of the Department of Agriculture with respect to the marketing of hops. In nowise do the bills involve the processing tax. I desire to make this clear so that those who are objecting to the bills may know they are not the same as the measure that was before the Senate last year. Heretofore no commodities have been denied treatment under the marketing provisions of the act. Just recently we passed a bill making soybeans subject to marketing agreements. Without provision for any benefit payments or any effort to raise the price of hops, the desire is to permit the growers to come to the Secretary of Agriculture and receive assistance in the marketing of their products.

I think that with this explanation no objection could be made, and if the Senator from New Jersey were present, I am sure he would acquiesce in my statement. The bill was considered by the House Committee on Agriculture, was reported favorably, and was passed unanimously by the House, and I hope that tomorrow, if the Senator from New Jersey is present, or on the next call of the calendar, to bring the bill up, and I am sure he will not object.

BADGE OF THE GIRL SCOUTS, INC.

The bill (H. R. 5194) granting a renewal of patent no. 60731 relating to the badge of the Girl Scouts, Inc., was considered, ordered to a third reading, read the third time, and passed.

COMPACT BETWEEN OHIO AND PENNSYLVANIA RELATING TO PYMATUNING LAKE

The bill (S. 2831) to approve a compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Whereas, under date of the 28th day of October 1936, the State of Ohio and the Commonwealth of Pennsylvania entered into a certain compact or agreement in the following words:

"AGREEMENT BETWEEN THE COMMONWEALTH OF PENNSYLVANIA AND THE STATE OF OHIO RE PYMATUNING LAKE

"This agreement made and concluded between the Commonwealth of Pennsylvania, acting by and through its lawfully authorized agency, namely, the Water and Power Resources Board, as party of the first part, and the State of Ohio, acting by and through its lawfully authorized agency, namely, its Director of Conservation, as party of the second part.

"Witnesseth:

"Whereas by act of Assembly of Pennsylvania approved the 2d day of May 1929 (Pamphlet Laws, 1503), as amended by the acts approved the 5th day of May 1931 (Pamphlet Laws, 84), the 24th day of April 1933 (Pamphlet Laws, 67), and the 9th day of July 1935 (Pamphlet Laws, 619), the Department of Forests and Waters of Pennsylvania, acting through the Water and Power Resources Board, was authorized inter alia to complete the work begun and continued under an act approved the 25th day of July 1913 (Pamphlet Laws, 1270), entitled 'An act providing for the erection of a dam at the outlet of Pymatuning Swamp and the establishment of a reservoir to conserve the waters thereof, providing for the taking of land and materials necessary thereto, vesting certain powers and duties in the Water Supply Commission, and making an appropriation', and did duly complete said work whereby there was created a lake or reservoir now known and hereinafter called Pymatuning Lake, extending in part across the boundary line between said States of Ohio and Pennsylvania into the State of Ohio; and

"Whereas the primary purposes of the project by which said lake was created was to conserve water draining said swamp, all of which has its source in Pennsylvania, as well as control floods and regulate the flow of water in the Shenango and Beaver Rivers, and, secondary thereto, permit the water and the land surrounding the same to be used for fishing, hunting, recreational, and park purposes under such terms and conditions as the Water and Power Resources Board might determine, in such way or ways as in the opinion of the said board will not materially interfere with the primary purpose in said acts of assembly and hereinbefore specifically referred to; and

"Whereas in view of the fact that a certain part of the lake extends into the State of Ohio whereby it is necessary and desirable that the use of the lake for the secondary purposes, namely, hunting, fishing, and recreational use, be uniformly provided for as well as to guard against inconveniences and mischiefs which might hereafter arise from the uncertainty of jurisdiction within and on said lake, to the end that the lake may be adequately policed and conflicts of jurisdiction for the arrest and punishment of offenders be avoided.

"Now, then, therefore, in order that law and justice may in all cases be executed and take effect upon said lake from shore to shore in all parts and places thereof where the lake is a boundary between said States the said parties hereto do agree for and in behalf of their respective States in the manner following:

"General use:

"It is hereby agreed that the entire Pymatuning Lake or Reservoir, subject to the primary use thereof by the Commonwealth of Pennsylvania for regulating the flow of the water in the Shenango and Beaver Rivers, as in paragraph 9 hereinafter more specifically mentioned, shall be open for recreational use equally to the citizens of both contracting parties save as restricted as to hunting, fishing, and boating in this agreement set forth or hereafter mutually agreed upon by both parties, but no person shall be permitted to hunt or fish thereon unless the lawful holder of a fishing or hunting license authorizing him or her so to do issued by the proper authorities of Pennsylvania or of Ohio.

"2. Arrest and prosecution of offenders:

"That each State shall enjoy and exercise a concurrent jurisdiction upon the water, but not upon the dry land between the shores of said lake, including the islands therein, with respect to the arrest and prosecution of offenders, but in such sort that any boat or vessel fastened to or aground on the shore of either State shall be considered exclusively within the jurisdiction of said State, but that all capital and other offenses, trespasses, or damages committed on or over said lake the judicial investigation and determination thereof shall be exclusively vested in the State wherein the offender or person charged with such offense shall be first apprehended, arrested, prosecuted, or first brought to trial, it being the intent of this agreement that an offender may be pursued and arrested anywhere on or over said lake or shores thereof or islands therein, regardless of the boundary line, by any peace officers or persons of either State authorized to make arrests whether the offenses be committed on or over any part of the lake on the shores or islands therein, regardless of the State in which the place where the offense was committed lies.

"3. Islands:

"All islands within the lake shall be considered as part of the State of Pennsylvania.

"4. Pollution of water:

"The lake shall forever be protected against pollution of its waters by industrial trade waste, individual or municipal sewage from shore or boat, and the discharge of any noxious or deleterious substance, liquid or solid, into the waters of the lake which is or may become inimical or injurious to public health or to animal or aquatic life is hereby expressly forbidden.

"No sewage may be discharged into the waters of the lake except after complete treatment and then only upon permit first approved by the health departments of both States.

"5. Boats and vessels:

"No power or motorboats nor hydroplanes or aquaplanes shall be permitted anywhere on said lake except such police or administration motorboats to the number which shall be mutually agreed upon by the parties hereto. Sail boats, rowboats, and canoes shall be permitted provided they first obtain a license from the respective State of which the owner is a resident under such regulations as each party to this agreement may now have or hereafter adopt.

"6. Fishing:

"Any person possessing a duly issued fishing license by either State, shall be permitted to fish anywhere on the entire lake (except such portion thereof as is closed to fishing by paragraph 8 hereof or such further portion as may hereafter by regulation be mutually agreed to by the parties hereto) but no fisherman shall be entitled to fish from the shores of the State of which he is a nonresident unless he complies with the nonresident fishing license law of said State.

"In order to permit the fish to fully propagate and develop, no part of the lake shall be open for fishing until the 1st day of July 1937 and thereafter shall be closed in each year between the 10th day of December and the 30th day of June.

"Until otherwise mutually agreed to by both parties hereto the creel size and season limits for the respective kinds of fish caught shall be such as may hereafter be agreed upon between the two States.

"7. Reciprocal hunting rights:

"Reciprocal hunting rights are hereby granted to the licensed hunters of each State on the water of that portion of the lake both in Pennsylvania and Ohio over the area bounded on the south by an east and west line crossing the State boundary five-tenths of a mile north of Simons, Ohio, and on the north by a line drawn between the point at which the Padamaram Road crosses the State boundary and a point formerly known as the Polleck Bridge but such reciprocal hunting rights hereby granted shall extend only to such wild migratory birds as are covered by the Federal Bird Treaty and Federal laws adopted thereunder.

"Hunting in such portions of the lake as are not included in the area above described and designated shall be and remain under the jurisdiction of the Commonwealth of Pennsylvania.

"No permanent blinds shall be erected anywhere on the lake and shores thereof but this provision shall not be interpreted as forbidding the use of a boat as a blind temporarily moored to or grounded on the shore of the lake or islands thereof.

"8. Wild game and fish sanctuaries:

"A. The Game Commission of the State of Pennsylvania having established a wild migratory bird and game sanctuary or refuge in that part of the lake located southeast of the Pennsylvania Railroad crossing it is expressly agreed that nothing herein contained shall be interpreted as entitling the residents of either State whether licensed to fish or hunt, trespass, or enter upon said sanctuary for any purpose whatsoever. Anyone so doing shall become amenable to prosecution therefor under the game laws of the State of Pennsylvania applicable to game refuges.

"B. The Conservation Division of the Department of Agriculture of the State of Ohio having established a fish sanctuary and game refuge in the following portion of the lake.

"Being the southerly parts of lots nos. 79 and 80, Richmond Township, all of lot no. 41 and all of lot no. 42 except the westerly 1,000 feet thereof in Andover Township, Ashtabula County, Ohio.

"Beginning at a point in the west line of lot no. 79, that is, 1,523 feet south of the north line of lot no. 79, also being the center line of Padanaram Road, thence southerly along the county highway along the westerly side of lot no. 79, 1,869.5 feet to the north line of Andover Township; thence westerly along the northerly line of Andover Township, 939.7 feet to the northwest corner of lot no. 41; thence southerly along the highway that marks the westerly line of lot no. 42, 1,000 feet to a point thence of lot no. 42; thence easterly along the north line of lot no. 42, 1,000 feet to a point;

thence in a southerly direction parallel to and 1,000 feet easterly from the westerly line of lot no. 42, 2,734 feet more or less to the southerly line of lot no. 42; thence easterly along the said southerly line of lot no. 42, 5,180.4 feet to the Ohio and Pennsylvania State line; thence northerly along the said Ohio and Pennsylvania State line 7,297.6 feet more or less to a point that is 1,523 feet southerly from the north line of lot no. 80; thence in a westerly direction 1,523 feet southerly from and parallel to the north lines of lots nos. 79 and 80, 5,260 feet more or less to the place of beginning.

"It is expressly agreed that nothing herein contained shall be interpreted as entitling the residents of either State whether licensed to fish or otherwise to fish in, hunt, trespass, or enter upon said sanctuary for any purpose whatsoever. Anyone so doing shall become amenable to prosecution therefor under the laws of the State of Ohio applicable thereto.

"9. Reservation of Pennsylvania's Right to the Body of the Water:

"It is expressly agreed that nothing herein contained shall operate to deny, limit, or restrict the right of the Water and Power Resources Board of Pennsylvania or any authority established hereafter by said State to exercise such power to at any time now or hereafter raise or draw off so much of the waters of the lake as in their sole judgment may be necessary to maintain or regulate the flow of the Shenango and Beaver Rivers in furtherance of the primary purpose for which said lake was established, and said water and power resources board shall without let or hindrance have the full right, irrespective of other considerations, to release so much of the water as they may deem proper to maintain the flow of the Shenango and Beaver Rivers irrespective of its effect on the level of the lake or use thereof for other purposes.

"In witness whereof the parties hereto have hereunto set their respective hands and seals by, for, and under the authority of their respective States this 28th day of October, 1936.

"COMMONWEALTH OF PENNSYLVANIA
"by and through
"WATER AND POWER RESOURCES BOARD

"Witness
"By J. F. BOGARDUS
"Chairman

"CHAS. E. RYDER
"STATE OF OHIO
"by and through
"CONSERVATION DIVISION
"By L. WOODDELL
"Commissioner

"R. P. JOHNSTON
"Approved as to form and manner of execution
"GROVER C. LADNER
"Grover C. Ladner
"Deputy Attorney General
"Commonwealth of Pennsylvania

and

Whereas the General Assembly of the Commonwealth of Pennsylvania by act approved the 5th day of June 1937 ratified and approved said compact or agreement; and

Whereas the General Assembly of the State of Ohio by act approved the 18th day of May 1937 ratified and approved said compact or agreement: Now, therefore

Be it enacted, etc., That the aforesaid compact or agreement be, and the same is hereby, approved pursuant to the provisions of a joint resolution of Congress approved the 8th day of June 1936.

CREDITS FOR SUBSTITUTES IN MOTOR-VEHICLE SERVICE

The bill (H. R. 2021) to provide time credits for substitutes in the motor-vehicle service was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the last paragraph of section 11 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes", approved February 28, 1925, as amended (U. S. C., 1934 edition, title 39, sec. 104), is hereby amended by adding at the end thereof the following sentence: "Any fractional part of a year's substitute service, rendered after the enactment of this sentence, shall be included with his service as a regular clerk, garageman-driver, driver-mechanic, or general mechanic in the motor-vehicle service, in determining eligibility for promotion to the next higher grade following appointment to a regular position."

FORTY-HOUR LAW FOR POSTAL EMPLOYEES

The bill (H. R. 2738) to extend the provisions of the 40-hour law for postal employees to watchmen and messengers in the Postal Service, was considered, ordered to a third reading, read the third time, and passed.

STENOGRAPHIC GRADE, RAILWAY MAIL SERVICE

The bill (H. R. 6341) to provide for a stenographic grade in the office of chief clerks and superintendents in the Railway Mail Service was considered, ordered to a third reading, read the third time, and passed.

ONE-HOUSE LEGISLATURE, ALASKA

The bill (H. R. 6651) to provide for a referendum in the Territory of Alaska as to the establishment of a one-house legislature, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF MINING PROSPECTING PERMITS

The Senate proceeded to consider the bill (H. R. 4277) to provide for the extension of certain prospecting permits, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with an amendment to strike out all after the enacting clause and to insert:

That oil and gas prospecting permits issued under authority of an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale gas, and sodium on the public domain", approved February 25, 1920, as amended, outstanding on December 31, 1937, (a) which have been committed in whole or in part to a cooperative or unit plan of development and operation that on December 31, 1937, has been approved or prescribed by the Secretary of the Interior, or is in process of revision or reconsideration pursuant to prior review, without rejection, in the Department of the Interior; or (b) which, together with one or more other permits, have been committed in whole or in part to a cooperative or unit plan of development and operation for the whole of any single oil or gas pool or field (or reasonably compact area) that was filed before January 1, 1937, and rejected pursuant to instructions of said Secretary; or (c) under which approved drilling was actively in progress at some time within the calendar year 1937; or (d) under which at least one well shall have been drilled to a depth of not less than 2,000 feet subsequent to August 21, 1935; or (e) which have been issued subsequent to August 21, 1935, and for which timely compliance has been made with the drilling requirements of section 13 of said act of February 25, 1920, to the extent required by December 31, 1937, or, in the absence of such timely drilling, for which an acceptable cooperative or unit plan of development and operation has been filed on or before said date are all hereby extended to December 31, 1939, the provisions of any other act or acts to the contrary notwithstanding, subject, however, to the applicable conditions of the permits and of unfulfilled conditions of any prior extensions. All oil and gas prospecting permits shall cease and terminate without notice of cancelation on the final date of their current term, including any extension herein granted, and no extension of any permit beyond December 31, 1939, shall be granted under the authority of this act or any other act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. O'MAHONEY subsequently said: Mr. President, I move that the Senate insist upon its amendment to House bill 4277, and ask for a conference with the House thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Wyoming.

The motion was agreed to; and the President pro tempore appointed Mr. ADAMS, Mr. O'MAHONEY, and Mr. NYE conferees on the part of the Senate.

GREAT SMOKY MOUNTAINS NATIONAL PARK

The bill (H. R. 5472) to authorize the exchange of certain lands within the Great Smoky Mountains National Park for lands within the Cherokee Indian Reservation, N. C., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

RECLAMATION PROJECTS ON CIMARRON, WASHITA, AND NORTH CANADIAN RIVERS, OKLA.

The bill (H. R. 7953) to provide for studies and plans for the development of reclamation projects on the Cimarron River in Cimarron County, Okla.; the Washita River in Oklahoma; and the North Canadian River in Oklahoma was considered, ordered to a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 6628) to permit the further extension of the Air Mail Service was announced as next in order.

SEVERAL SENATORS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 7433) to advance a program of national safety and accident prevention was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

TERM OF COURT AT BENTON, ILL.

The bill (H. R. 169) to provide for a term of court at Benton, Ill., was considered, ordered to a third reading, read the third time, and passed.

Mr. LEWIS. Mr. President, I ask for information as to the bill which was just passed. A bill is pending providing for the Federal court session at Benton, Ill., which was reported from the House and is awaiting Senate action. Am I to understand that that is the bill which is now before us?

The PRESIDING OFFICER. That bill was just passed.

Mr. LEWIS. Yes; but does the bill which was passed provide when the court shall sit at Benton, Ill.? There is one other bill relating to the same court.

The PRESIDING OFFICER. The bill that was just passed provides for the term of court.

Mr. LEWIS. I thank the Chair.

CONVEYANCE OF LAND TO NEW MEXICO

The Senate proceeded to consider the bill (S. 1889) authorizing the Secretary of the Interior to convey all right, title, and interest of the United States in certain lands to the State of New Mexico, and for other purposes, which had been reported from the Committee on Public Lands and Surveys with an amendment, in section 1, page 1, line 7, after the figures "17", to strike out "1922. Such quitclaim deed shall be conditioned upon such State's holding in trust, for the use and benefit of the Carrie Tingley Crippled Children's Hospital, all lots, tracts, or parcels of land patented under such patent as the Secretary of the Interior shall determine have not at the date of enactment of this act been irrigated and reclaimed as provided in section 4 of the act entitled 'An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes', approved August 18, 1894, as amended" and insert "1922, under the provisions of volume 28, United States Statutes, page 422, commonly known as the Carey Act: *Provided*, That such quitclaim deed shall contain a reservation of a right-of-way for ditches and canals as required by the act of August 30, 1890 (26 Stat. 391)", and to strike out all of section 2, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey by quitclaim deed to the State of New Mexico all the right, title, and interest, legal and equitable, of the United States in and to all lands patented to such State under patent no. 854989, issued March 17, 1922, under the provisions of volume 28, United States Statutes, page 422, commonly known as the Carey Act: *Provided*, That such quitclaim deed shall contain a reservation of a right-of-way for ditches and canals as required by the Act of August 30, 1890 (26 Stat. 391).

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PATENTS OF LAND TO NEW MEXICO AND CORDY BRAMBLET

The Senate proceeded to consider the bill (S. 2614) authorizing the Secretary of the Interior to patent certain tracts of land to the State of New Mexico and Cordy Bramlet, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 1, line 11, after "Cordy", to strike out "Bramlet" and insert "Brambiet", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue, without requiring the payment of any fees or charges whatsoever, (1) to the State of New Mexico a patent for lot 13, section 4, township 14 south, range 4 west, New Mexico principal meridian, such land to be subject to a reservation of a sufficient right-of-way and easement for the maintenance of any part of the sewer lines and sewage-disposal plant of the city of Hot Springs now maintained upon such tract; (2) to Cordy Bramblet, of Hot Springs, N. Mex., a patent for lot 14, section 4, township 14 south, range 4 west, New Mexico principal meridian.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the Secretary of the Interior to patent certain tracts of land to the State of New Mexico and Cordy Bramblet."

BRIDGE ACROSS CAMBRIDGE CREEK, MD.

The bill (H. R. 7807) authorizing the State Roads Commission of the State of Maryland to construct, maintain, and operate a free highway bridge across Cambridge Creek in or near Cambridge, Dorchester County, Md., to replace a bridge already in existence was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF ENLISTED MEN OF COAST GUARD TO FLEET NAVAL RESERVE

The bill (S. 2206) to provide for the transfer of enlisted men of the Coast Guard to the Fleet Naval Reserve was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That enlisted men now or hereafter in the Coast Guard shall be entitled to be transferred to the Fleet Naval Reserve upon the completion of 20 or more years' service; and when so transferred shall, except when on active duty, receive pay at the rate of one-half the base pay they were receiving at the time of transfer, plus all permanent additions thereto: *Provided*, That the pay authorized in this section shall be increased 10 percent for all men who may be credited with extraordinary heroism in the line of duty or whose average marks in conduct for 20 years or more shall not be less than 95 percent of the maximum. The determination of the Secretary of the Treasury as to what constitutes extraordinary heroism for the purpose of this section shall be final and conclusive. Enlisted men transferred to the Fleet Naval Reserve under this act shall upon completing 30 years' service be transferred to the retired list of the United States Coast Guard with the pay they are then legally entitled to receive, plus the allowances to which enlisted men of the Coast Guard are entitled on retirement after 30 years' service. As used in this act, the term "service" includes all service in the Coast Guard, the Revenue Cutter Service, the Life Saving Service, the Navy, and the Fleet Naval Reserve, time on the retired list of the Coast Guard, and other service which may be included in computing length of service for the purpose of retirement from the Coast Guard.

SEC. 2. In time of peace all enlisted men transferred to the Fleet Naval Reserve under this act may be required to perform not more than 2 months' active duty in each 4-year period, and shall be examined physically at least once during each 4-year period. Men found not physically qualified upon such examination shall be transferred to the retired list of the Coast Guard, with the pay they are then receiving, and upon the completion of 30 years' service they shall receive the pay they are then legally entitled to receive, plus the allowances to which enlisted men of the Coast Guard are entitled to on retirement after 30 years' service.

SEC. 3. All provisions of law applicable to enlisted men of the Navy who are transferred to the Fleet Naval Reserve shall, insofar as they are consistent with the provisions of this act, be applicable to enlisted men of the Coast Guard transferred to the Fleet Naval Reserve.

Mr. KING subsequently said: Mr. President, I ask the status of Calendar No. 1104, Senate bill 2206.

The PRESIDING OFFICER. The bill was passed without objection. The Senator has a right to return to it.

Mr. KING. I ask to recur to Calendar No. 1104, being Senate bill 2206.

Mr. BILBO. Mr. President, after the Senator from North Carolina [Mr. REYNOLDS] has made a short statement, I am sure the Senator from Utah will reserve his objection.

Mr. KING. I desire to call attention to the fact that the Acting Secretary of the Treasury says that the proposed legislation is not in accord with the program of the President.

Mr. REYNOLDS. Mr. President, for the information of my friend from Utah I desire to say that this measure was referred to a subcommittee. The chairman of the subcommittee was the junior Senator from the State of Mississippi [Mr. BILBO]. The subcommittee held exhaustive hearings upon the bill, after which the report was brought to the attention of the full committee; and the full committee reported the bill favorably, with the recommendation that it be passed. It requires the expenditure of no additional money on the part of the Government; and, as a matter of fact, I believe the chairman of the subcommittee would tell the Senate, as was agreed upon by the members of the committee itself, that the bill will encourage increased enlistment in the Coast Guard, which has been so long sought.

Mr. KING. Mr. President, I ask that the votes by which the bill was passed be reconsidered; and if that is done, I shall ask that the bill go over.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah [Mr. KING]? The Chair hears none, and the votes are reconsidered.

Mr. KING. I ask that the bill go over so that I may have a chance to study it.

The PRESIDING OFFICER. The bill will be passed over.

MISSOURI RIVER BRIDGE, ARROW ROCK, MO.

The bill (H. R. 6975) granting the consent of Congress to the county court of Saline County, Mo., to construct, maintain, and operate a toll bridge across the Missouri River at or near Arrow Rock, Mo., was considered, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, NEW ORLEANS AND GRETNA, LA.

The bill (H. R. 7440) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La., was considered, ordered to a third reading, read the third time, and passed.

BRIDGE OVER LAKE SABINE, PORT ARTHUR, TEX.

The bill (H. R. 6979) to extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Tex., was considered, ordered to a third reading, read the third time, and passed.

TOLL BRIDGE ACROSS NARRAGANSETT BAY, R. I.

The bill (H. R. 7266) authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown was announced as next in order.

Mr. SHEPPARD. Mr. President, I ask unanimous consent that this bill be recommitted to the Committee on Commerce for further study.

The PRESIDING OFFICER. Without objection, the bill will be recommitted to the Committee on Commerce.

LANDS IN JEFFERSON COUNTY, WASH.

The bill (H. R. 7278) to authorize the Secretary of Commerce to grant and convey to the State of Washington fee title to certain lands of the United States in Jefferson County, Wash., for highway purposes was considered, ordered to a third reading, read the third time, and passed.

OHIO RIVER BRIDGE, OWENSBORO, KY.

The bill (H. R. 7767) creating the Owensboro Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Owensboro, Ky., was considered, ordered to a third reading, read the third time, and passed.

TAHOE NATIONAL FOREST, NEV.

The bill (S. 2583) to provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and for other purposes, was announced as next in order.

Mr. McKELLAR. Mr. President, may be have an explanation of this bill?

Mr. McCARRAN. Mr. President, the bill gives the United States an opportunity to acquire the last tract of land on Lake Tahoe which will be or is available for public park purposes. The land is to become a part of the national forest. The land was acquired privately many years ago, and has been so held for many years; and an agreement exists between the owners and the Government that the Government shall acquire it. It will afford the only opportunity the public will have to get to the lake at all. All the land around the lake has been held for many years in private ownership, including this tract; but while it is held in private ownership, it is not subdivided.

Mr. McKELLAR. Mr. President, I have great sympathy with the object of the Senator from Nevada. I wonder if the Senator will let the bill go over until tomorrow, and accept an amendment from me on a similar matter in my own State.

Mr. McCARRAN. I shall help the Senator some other time.

Mr. McKELLAR. I have a provision covering exactly the same situation which I undertook to put on another bill today, and was defeated. The present bill provides a perfect avenue for that provision, and it will not be loaded down. It will help the Senator's bill through the House. I shall give him a guarantee as to that.

Let this bill go over until tomorrow. Meanwhile, I shall talk to the Senator from Nevada.

Mr. McCARRAN. Very well.

The PRESIDING OFFICER. The bill will be passed over.

PIPESTONE INDIAN SHRINE, MINNESOTA

The Senate proceeded to consider the bill (S. 1075) to establish the Pipestone Indian Shrine in the State of Minnesota, which had been reported from the Committee on Public Lands and Surveys with an amendment, to strike out all after the enacting clause and to insert:

That the lands lying in Pipestone County, Minn., within the area hereinafter described are hereby dedicated and set apart as a national monument for the benefit and enjoyment of the people of the United States, under the name of the "Pipestone National Monument": Beginning at a point 22.4 feet north and 45.08 feet west of the southwest corner of sec. 1, T. 106 N., R. 46 W., fifth principal meridian; thence north 1,655 feet; thence north 89°15′ E., 708 feet; thence north 0°45′ W., 607.3 feet; thence north 62°5′ E., 987.1 feet; thence south 27°55′ E., 264.5 feet; thence south 88°19′ E., 967.5 feet; thence south 0°24′ E., 144.3 feet; thence south 83°43′ W., 472.4 feet; thence south 2°17′ E., 2,249 feet; thence south 89°20′ W., 458.2 feet; thence south 0°0′ E., 101.1 feet; thence south 90°0′ W., 137.2 feet; thence north 0°0′ W., 100 feet; thence south 89°20′ W., 1,683.8 feet to the point of beginning; containing approximately 115.86 acres, including concourse, excluding from the area described herein 0.47 acres, constituting a right-of-way of the Chicago, Rock Island & Pacific Railway.

SEC. 2. The administration, protection, and development of such monument shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the act entitled "An act to establish a National Park Service, and for other purposes", approved August 25, 1916, as amended.

SEC. 3. The quarrying of the red pipestone in the lands described in section 1 is hereby expressly reserved to Indians of all tribes, under regulations to be prescribed by the Secretary of the Interior.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to establish the Pipestone National Monument in the State of Minnesota."

Mr. BARKLEY. Mr. President, it is obvious that we cannot complete the calendar this evening, and I think we had better discontinue at this point.

FORT PECK PROJECT, MONTANA

Mr. WHEELER. Mr. President, I ask unanimous consent for the consideration of Calendar No. 1119, Senate bill 2650.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 2650) to authorize the completion, maintenance, and operation of the Fort Peck project for navigation, and for other purposes, which had been reported from the Committee on Commerce with amendments.

The first amendment was, in section 1, page 2, line 7, after the words "energy as", to strike out "in his opinion will provide for the maximum production of hydroelectric power consistent with the primary demands of navigation, and the same shall be installed at such times as the administrator may deem necessary to develop electric energy as rapidly as markets may be found therefor. The electric energy thus generated and not required for the operation of the dam and appurtenant works at such project shall be delivered to the administrator, at a switchboard to be installed in or near the power plant, for disposition as provided in this act" and insert "the administrator may deem necessary to develop such electric energy as rapidly as markets may be found therefor. The electric energy thus gen-

erated and not required for the operation of the dam at such project and the navigation facilities employed in connection therewith shall be delivered to the administrator for disposition as provided in this act", so as to make the section read:

That for the purpose of improving navigation on the Missouri River, and for other purposes incidental thereto, the dam and appurtenant works now under construction at Fort Peck, Mont., and a suitable power plant for the production of hydroelectric power (which dam, power plant, and appurtenant works are hereinafter called Fort Peck project), shall be completed, maintained, and operated under the direction of the Secretary of War and the supervision of the Chief of Engineers, subject to the provisions of this act relating to the powers and duties of the Fort Peck project administrator provided for in section 2 (a) (hereinafter called the administrator) respecting the transmission and sale of electric energy generated at said project. The Secretary of War shall provide, construct, operate, maintain, and improve at Fort Peck project such machinery, equipment, and facilities for the generation of electric energy as the administrator may deem necessary to develop such electric energy as rapidly as markets may be found therefor. The electric energy thus generated and not required for the operation of the dam at such project and the navigation facilities employed in connection therewith shall be delivered to the administrator for disposition as provided in this act.

The amendment was agreed to.

The next amendment was, in section 2, page 3, line 20, after the word "basin", to strike out "The administrator shall give notice to the Secretary of War when he deems it necessary to provide, construct, maintain, improve, or increase generating machinery, equipment, or facilities at the Fort Peck project to meet market requirements for such electric energy" and insert "The administrator is authorized and empowered to direct and require the Secretary of War to install and maintain additional machinery, equipment, and facilities for the generation of electric energy at the Fort Peck project when in the judgment of the administrator such additional generating facilities are desirable to meet actual or potential market requirements for such electric energy. The Secretary of War shall schedule the operations of the several electric generating units and appurtenant equipment of the Fort Peck project in accordance with the requirements of the administrator. The Secretary of War shall provide and maintain for the use of the administrator at said Fort Peck project adequate station space and equipment, including such switches, switchboards, instruments, and dispatching facilities as may be required by the administrator for proper reception, handling, and dispatching of the electric energy produced at the said project, together with transformers and other equipment required by the administrator for the transmission of such energy from that place at suitable voltage to the markets which the administrator desires to serve", so as to make the section read:

SEC. 2. (a) The electric energy generated in the operation of the said Fort Peck project shall be disposed of by the administrator as hereinafter provided. The administrator shall be appointed by the Secretary of the Interior, by and with the advice and consent of the Senate; shall be responsible to said Secretary of the Interior; shall receive a salary at the rate of $10,000 per year; and shall maintain his principal office at a place selected by him in the vicinity of the Fort Peck project. The administrator shall, as hereinafter provided, make all arrangements for the sale and disposition of electric energy generated at the Fort Peck project not required for the operation of the dam at such project and the navigation facilities employed in connection therewith. He shall act in consultation with an advisory board composed of a representative designated by the Secretary of War, a representative designated by the Secretary of the Interior, a representative designated by the Federal Power Commission, and a representative designated by the Secretary of Agriculture. The form of administration herein established for the Fort Peck project is intended to be provisional pending the establishment of a permanent administration for Fort Peck and other projects in the Missouri River Basin. The administrator is authorized and empowered to direct and require the Secretary of War to install and maintain additional machinery, equipment, and facilities for the generation of electric energy at the Fort Peck project when in the judgment of the administrator such additional generating facilities are desirable to meet actual or potential market requirements for such electric energy. The Secretary of War shall schedule the operations of the several electrical generating units and appurtenant equipment of the Fort Peck project in accordance with the requirements of the administrator. The Secretary of War shall provide and maintain for the use of the administrator at said Fort Peck project adequate station space and equipment, including such switches, switchboards, instruments, and dispatching facilities as may be required by the administrator for proper reception, handling, and dispatching of the electric energy produced at the said project, together with transformers and other equipment required by the administrator for the transmission of such energy from that place at suitable voltage to the markets which the administrator desires to serve.

(b) In order to encourage the widest possible use of all electric energy that can be generated and marketed and to provide reasonable outlets therefor, and to prevent the monopolization thereof by limited groups, the administrator is authorized and directed to provide, construct, operate, maintain, and improve such electric transmission lines and substations, and facilities and structures appurtenant thereto, as he finds necessary, desirable, or appropriate for the purpose of transmitting electric energy, available for sale, from the Fort Peck project to existing and potential markets, and, for the purpose of interchange of electric energy, to interconnect the Fort Peck project with other Federal projects and publicly owned power systems now or hereafter constructed.

(c) The administrator is authorized, in the name of the United States, to acquire, by purchase, lease, condemnation, or donation, such real and personal property, or any interest therein, including lands, easements, rights-of-way, franchises, electric transmission lines, substations, and facilities and structures appurtenant thereto, as the administrator finds necessary or appropriate to carry out the purposes of this act. Title to all property and property rights acquired by the administrator shall be taken in the name of the United States.

(d) The administrator shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purposes of this act, by the exercise of the right of eminent domain and to institute condemnation proceedings therefor in the same manner as is provided by law for the condemnation of real estate.

(e) The administrator is authorized, in the name of the United States, to sell, lease, or otherwise dispose of such personal property as in his judgment is not required for the purposes of this act and such real property and interests in land acquired in connection with construction or operation of electric transmission lines or substations as in his judgment are not required for the purposes of this act: *Provided, however,* That before the sale, lease, or disposition of real property or transmission lines, as herein provided, the administrator shall secure the approval of the President of the United States.

(f) Subject to the provisions of this act, the administrator is authorized, in the name of the United States, to negotiate and enter into such contracts, agreements, and arrangements as he shall find necessary or appropriate to carry out the purposes of this act.

The amendment was agreed to.

The next amendment was, in section 4, page 7, line 8, after "(b)", to strike out "To preserve and protect the preferential rights and priorities of public bodies and cooperatives as provided in subsection (a), not less than 50 percent of the energy which the electric generating facilities, installed or readily installable, at the Fort Peck project are capable of producing, shall be reserved for sale to said public bodies and cooperatives until January 1, 1940", and insert: "To preserve and protect the preferential rights and priorities of public bodies and cooperatives as provided in subsection (a) and to effectuate the intent and purpose of this act that at all times up to January 1, 1941, there shall be available for sale to public bodies and cooperatives not less than 50 percent of the electric energy produced at the Fort Peck project, it shall be the duty of the administrator in making contracts for the sale of such energy to so arrange such contracts as to make such 50 percent of such energy available to said public bodies and cooperatives until January 1, 1941"; on page 8, line 2, before the word "may", to strike out "1940" and insert "1941"; in line 5, after "January 1", to strike out 1940" and insert "1941"; and in line 8, after "January 1", to strike out "1940" and insert "1941", so as to make sections 3 and 4 read:

SEC. 3. As employed in this act, the term "public body", or "public bodies", means States, public power districts, counties, and municipalities, including agencies or subdivisions of any thereof. As employed in this act, the term "cooperative", or "cooperatives", means any form of non-profit-making organization or organizations of citizens supplying, or which may be created to supply, members with any kind of goods, commodities, or services, as nearly as possible at cost.

SEC. 4. (a) In order to insure that the facilities for the generation of electric energy at the Fort Peck project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the administrator shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

(b) To preserve and protect the preferential rights and priorities of public bodies and cooperatives as provided in subsection (a) and to effectuate the intent and purpose of this act that at

all times up to January 1, 1941, there shall be available for sale to public bodies and cooperatives not less than 50 percent of the electric energy produced at the Fort Peck project, it shall be the duty of the administrator in making contracts for the sale of such energy to so arrange such contracts as to make such 50 percent of such energy available to said public bodies and cooperatives until January 1, 1941: *Provided*, That the electric energy so reserved for but not actually purchased by and delivered to such public bodies and cooperatives prior to January 1, 1941, may be disposed of temporarily so long as such temporary disposition will not interfere with the purchase by and delivery to such public bodies and cooperatives at any time prior to January 1, 1941: *Provided further*, That nothing herein contained shall be construed to limit or impair the preferential and priority rights of such public bodies or cooperatives after January 1, 1941; and in the event that after such date there shall be conflicting or competing applications for an allocation of electric energy between any public body or cooperative on the one hand and a private agency of any character on the other, the application of such public body or cooperative shall be granted.

(c) An application by any public body or cooperative for an allocation of electric energy shall not be denied, or another application competing or in conflict therewith be granted, to any private corporation, company, agency, or person on the ground that any proposed bond or other security issue of any such public body or cooperative, the sale of which is necessary to enable such prospective purchaser to enter into the public business of selling and distributing the electric energy proposed to be purchased, has not been authorized or marketed, until after a reasonable time, to be determined by the administrator, has been afforded such public body or cooperative to have such bond or other security issue authorized or marketed.

(d) It is declared to be the policy of the Congress, as expressed in this act, to preserve the said preferential status of the public bodies and cooperatives herein referred to, and to give to the people of the States within economic transmission distance of the Fort Peck project reasonable opportunity and time to hold any election or elections or take any action necessary to create such public bodies and cooperatives as the laws of such States authorize and permit, and to afford such public bodies or cooperatives reasonable time and opportunity to take any action necessary to authorize the issuance of bonds or to arrange other financing necessary to construct or acquire necessary and desirable electric distribution facilities, and in all other respects legally to become qualified purchasers and distributors of electric energy available under this act.

The amendment was agreed to.

The next amendment was, in section 10, page 15, line 3, after the word "appoint", to strike out "and fix the compensation of"; in line 6, after the words "provisions of", to strike out "other laws applicable to the employment, compensation, and classification of officers and employees of the United States" and insert "the civil-service laws and shall fix the compensation of each of such attorneys, engineers, and other experts at not to exceed $10,000 per annum", so as to make sections 5 to 11, inclusive, read:

SEC. 5. (a) Subject to the provisions of this act and to such rate schedules as the Federal Power Commission may approve, as hereinafter provided, the administrator shall negotiate and enter into contracts for the sale at wholesale of electric energy, either for resale or direct consumption, to public bodies and cooperatives and to private agencies and persons. Contracts for the sale of electric energy to any private person or agency other than a privately owned public utility engaged in selling electric energy to the general public, shall contain a provision forbidding such private purchaser to resell any of such electric energy so purchased to any private utility or agency engaged in the sale of electric energy to the general public, and requiring the immediate canceling of such contract of sale in the event of violation of such provision. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate 20 years from the respective dates of the making of such contracts. Contracts entered into under this subsection shall contain (1) such provisions as the administrator and the purchaser agree upon for the equitable adjustment of rates at appropriate intervals, not less frequently than once in every 5 years, and (2) in the case of a contract with any purchaser engaged in the business of selling electric energy to the general public, the contract shall provide that the administrator may cancel such contract upon 5 years' notice in writing if in the judgment of the administrator any part of the electric energy purchased under such contract is likely to be needed to satisfy the requirements of the said public bodies or cooperatives referred to in this act, and that such cancelation may be with respect to all or any part of the electric energy so purchased under said contract to the end that the preferential rights and priorities accorded public bodies and cooperatives under this act shall at all times be preserved. Contracts entered into with any utility engaged in the sale of electric energy to the general public shall contain such terms and conditions, including among other things stipulations concerning resale and resale rates by any such utility, as the administrator may deem necessary, desirable, or appropriate to effectuate the purposes of this act and to insure that resale by such utility to the ultimate consumer shall be at rates which are reasonable and nondiscriminatory. Such contract shall also require such utility to keep on file in the office of the administrator a schedule of all its rates and charges to the public for electric energy and such alterations and changes therein as may be put into effect by such utility.

(b) The administrator is authorized to enter into contracts with public or private power systems for the mutual exchange of unused excess powef upon suitable exchange terms for the purpose of economical operation or of providing emergency or breakdown relief.

SEC. 6. Schedules of rates and charges for electric energy produced at the Fort Peck project and sold to purchasers as in this act provided shall be prepared by the administrator and become effective upon confirmation and approval thereof by the Federal Power Commission. Subject to confirmation and approval by the Federal Power Commission, such rate schedules may be modified from time to time by the administrator, and shall be fixed and established with a view to encouraging the widest possible diversified use of electric energy. The said rate schedules may provide for uniform rates or rates uniform throughout prescribed transmission areas in order to extend the benefits of an integrated transmission system and encourage the equitable distribution of the electric energy developed at the Fort Peck project.

SEC. 7. It is the intent of Congress that rate schedules for the sale of electric energy which is or may be generated at the Fort Peck project in excess of the amount required for operating the dam and appurtenant works at said project shall be determined with due regard to and predicated upon the fact that such electric energy is developed from water power created as an incident to the construction of the dam in the Missouri River at the Fort Peck project for the purposes set forth in section 1 of this act. Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of Fort Peck project) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment over a reasonable period of years. Rate schedules shall be based upon an allocation of costs made by the Federal Power Commission. In computing the cost of electric energy developed from water power created as an incident to and a byproduct of the construction of Fort Peck project, the Federal Power Commission may allocate to the costs of electric facilities such a share of the cost of facilities having joint value for the production of electric energy and other purposes as the power development may fairly bear as compared with such other purposes.

SEC. 8. Notwithstanding any other provision of law, all purchases and contracts made by the administrator or the Secretary of War for supplies or for services, except for personal services, shall be made after advertising, in such manner and at such times, sufficiently in advance of opening bids, as the administrator or Secretary of War, as the case may be, shall determine to be adequate to insure notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed $500; in which cases such purchases of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the administrator or the Secretary of War, as the case may be, may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

SEC. 9. (a) The administrator, subject to the requirements of the Federal Water Power Act, shall keep complete and accurate accounts of operations, including all funds expended and received in connection with transmission and sale of electric energy generated at the Fort Peck project.

(b) The administrator may make such expenditures for offices, vehicles, furnishings, equipment, supplies, and books; for attendance at meetings; and for such other facilities and services as he may find necessary for the proper administration of this act.

(c) In December of each year, the administrator shall file with the Congress, through the Secretary of the Interior, a financial statement and a complete report as to the transmission and sale of electric-energy generated at the Fort Peck project during the preceding Governmental fiscal year.

SEC. 10. The administrator, the Secretary of War, and the Federal Power Commission, respectively, shall appoint such attorneys, engineers, and other experts as may be necessary for carrying out the functions entrusted to them under this act, without regard to the provisions of the civil-service laws and shall fix the compensation of each of such attorneys, engineers, and other experts at not to exceed $10,000 per annum; and they may, subject to the civil-service laws, appoint such other officers and employees as may be necessary to carry out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

The amendment was agreed to.

The next amendment was, in section 12, page 16, line 5, before the word "transmission", to insert "generation", so as to make sections 11, 12, and 13 read:

SEC. 11. All receipts from transmission and sale of electric energy generated at the Fort Peck project shall be covered into the Treasury of the United States to the credit of miscellaneous receipts, save and except that the Treasury shall set up and maintain from such receipts a continuing fund of $500,000, to the credit of the administrator and subject to check by him, to defray emergency expenses and to insure continuous operation. There is hereby authorized to be appropriated from time to time, out of moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

SEC. 12. The administrator may, in the name of the United States, bring such suits, at law or in equity, as he may find necessary in carrying out the purposes of the act; and he shall be represented in all litigation affecting the generation, transmission, and sale of electric energy generated at the Fort Peck project by such counsel as he may select.

SEC. 13. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESOLUTIONS REPORTED FROM THE COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

Mr. BYRNES. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, without amendment, Senate Resolutions 162, 160, and 159, and also, with an amendment, Senate Resolution 164. I ask unanimous consent for their consideration at this time.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolutions reported by the Senator from South Carolina? The Chair hears none and the resolutions will be considered in their order.

ALICE H. KEEGAN

The resolution (S. Res. 162) submitted by Mr. GLASS on July 30, 1937, and reported this day by Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, was read, considered, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Alice H. Keegan, widow of Henry F. Keegan, late an employee of the Senate, under supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

ASSISTANT CLERK, COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

The resolution (S. Res. 160) submitted by Mr. CONNALLY on July 28, 1937, and reported this day by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate was read, considered, and agree to, as follows:

Resolved, That Resolution No. 111, Seventy-third Congress, agreed to January 19, 1934, and continued by subsequent resolutions through the first session of the Seventy-fifth Congress, authorizing the Committee on Public Buildings and Grounds to employ an assistant clerk to be paid from the contingent fund of the Senate at the rate of $2,000 per annum, hereby is continued in full force and effect until the end of the Seventy-fifth Congress.

ASSISTANT CLERK, COMMITTEE ON IMMIGRATION

The resolution (S. Res. 159) submitted by Mr. RUSSELL on July 27, 1937, and reported this day by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate was read, considered, and agreed to, as follows:

Resolved, That Resolution No. 57, Seventy-fifth Congress, agreed to February 10, 1937, authorizing the Committee on Immigration to employ an assistant clerk to be paid from the contingent fund of the Senate at the rate of $2,400 per annum during the first session of the Seventy-fifth Congress, hereby is continued in full force and effect until the end of the Seventy-fifth Congress.

REORGANIZATION OF COURTS AND REFORM OF JUDICIAL PROCEDURE

The Senate proceeded to consider the resolution (S. Res. 164) submitted by Mr. HATCH and Mr. BURKE on August 2, 1937, and reported this day from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment.

The amendment was, on page 2, line 20, to strike out "$10,000" and insert "$7,500", so as to make the resolution read:

Resolved, That a special committee consisting of the chairman and six Senators who are members of the Committee on the Judiciary, to be appointed by the chairman of the Judiciary Committee, is authorized and directed to make a full and complete investigation and study of all matters relating to the reorganization of the courts of the United States, the appointment of additional judges for any of such courts, and the reform of judicial procedure, with respect to which any bills or resolutions (including resolutions proposing amendments to the Constitution of the United States) have heretofore been introduced in the Senate or may hereafter be introduced therein during the Seventy-fifth Congress, and to report to the Senate from time to time its recommendations with respect to such matters. The committee so appointed is further authorized and directed to make a special report to the Senate and to the Committee on the Judiciary with respect to any such pending bill or resolution, if such report is requested by the Committee on the Judiciary.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-fifth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $7,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The amendment was agreed to.

The resolution as amended was agreed to.

PROTECTION OF PROPERTY OWNED BY FOREIGN GOVERNMENTS

Mr. PITTMAN. Mr. President, very early in the consideration of bills on the calendar tomorrow calendar no. 1118, the joint resolution (S. J. Res. 191) to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes will be called for consideration. I think it advisable to publish, as a part of my remarks, at this point in the RECORD, the entire report of the Foreign Relations Committee upon the joint resolution for the information of the Senate.

There being no objection, the report (No. 1072) was ordered to be printed in the RECORD, as follows:

The Senate Committee on Foreign Relations, having had under consideration the joint resolution (S. J. Res. 191) to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes, hereby report the same with the following amendments and with the recommendation that it do pass:

Strike out all after the enacting clause and insert the following:

"That it shall be unlawful to display any flag, banner, or device designed or adapted to bring into public notice any party, organization, or movement, or the political, social, or economic acts, views, or purposes of any individual, party, group, or organization, within 500 feet of any building or premises within the District of Columbia used or occupied by any foreign government or its representatives as an embassy or for diplomatic or other official purposes, except by, and in accordance with, a permit issued by the superintendent of police of the said District; or to congregate within 500 feet of any such building or premises, and refuse to disperse after having been ordered so to do by the police authorities of the said District.

"SEC. 2. The police court of the District of Columbia shall have jurisdiction of offenses committed in violation of this resolution; and any person convicted of violating any of the provisions of this resolution shall be punished by a fine not exceeding $100 or by imprisonment not exceeding 60 days, or both."

Amend the title so as to read:

"Joint resolution to protect foreign diplomatic and consular officers and the buildings and premises occupied by them in the District of Columbia."

The object of the resolution is to offer the same protection to foreign diplomatic and consular officers and their embassies, legations, and consulates in the District of Columbia that we are urging foreign governments to grant to our diplomatic and consular officers and our embassies, legations, and consulates in their respective countries. Our citizens in foreign countries in the event of disturbances in such countries must rely in many cases upon the sanctuary universally granted in our embassies, legations, and consulates. Our immediate and pressing obligation at the present time is to protect our citizens in foreign countries or in portions of foreign countries where great disturbances exist. In many cases we cannot evacuate our citizens by reason of dangerous conditions and must attempt to safeguard them within

our diplomatic and consular premises. In further support of the resolution a report upon the resolution urging its immediate passage by the Secretary of State is herewith set out as follows:

DEPARTMENT OF STATE,
Washington, August 3, 1937.

The Honorable KEY PITTMAN,
Chairman, Committee on Foreign Relations,
United States Senate.

MY DEAR SENATOR PITTMAN: I refer to Joint Resolution No. 191 to regulate the use of public streets and sidewalks within the District of Columbia adjacent to property owned or occupied by foreign governments for diplomatic purposes and to express my approval of the resolution.

As you know, diplomatic officers are clothed with certain immunities under international law to enable them to transact in countries to which they are accredited or assigned the business of their respective governments. The immunity, therefore, is for a practical purpose, i. e., to allow governments to transact official business free from interruption which might flow from molestation of or interference with their representatives. Governments also send to foreign countries representatives who are not clothed with diplomatic immunity in the strict sense of the word but who are, because of their representative status, entitled to certain special protection under the local law, as, for example, consuls, trade commissioners, etc.

The United States with its 338 diplomatic missions and consulates is, perhaps more than any other country, interested in obtaining for its representatives the protection which they must have if they are to function effectively.

If we are to obtain for our representatives in foreign countries that degree of protection to which they are entitled, we should be in a position to show a like consideration for representatives of other governments in this country. Unless we extend such reasonable protection to representatives of other governments, we cannot hope to receive protection for our representatives abroad.

It is extremely embarrassing to the Department to be reminded by representatives of foreign governments in the United States that their missions are being interfered with by individuals or groups, particularly when existing domestic law does not seem to cover the situations of which complaint is made. By the comity of nations, representatives of foreign governments in countries where law and order are supposed to prevail are entitled to freedom from any attempted intimidation or coercion.

I therefore trust that you may find no difficulty in procuring passage of the resolution.

Sincerely yours,

CORDELL HULL.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Megill, one of its clerks, announced that the House had passed a bill (H. R. 7667) to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 826. An act for the relief of the estate of H. Lee Shelton, the estate of Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson; and

S. 1219. An act for the relief of Pauline M. Warden, nee Pauline McKinney.

HOUSE BILL REFERRED

The bill (H. R. 7667) to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes, was read twice by its title and referred to the Committee on Finance.

PLAN FOR PREVENTION AND CONTROL OF FLOODS—MOTION TO RECONSIDER

Mr. BONE. Mr. President, this is an important matter which I am about to present to the Senate. I ask unanimous consent to enter a motion to reconsider the vote by which the amendments of the House to joint resolution (S. J. Res. 57) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, and for other purposes, were approved by the Senate the other day.

The joint resolution originally passed the Senate and was sent to the House where certain amendments were adopted and subsequently concurred in by the Senate—though I think wrongly so. It was done in the midst of considerable confusion.

The joint resolution was signed by the Presiding Officer of the Senate and sent to the White House on August 3. When it was passed by the Senate it was a measure authorizing and directing the Secretary of War to make a report or a series of reports embodying a comprehensive national program and plan for the control of floods.

The joint resolution went to the House. In the House some very peculiar language was inserted in the joint resolution. I want to invite the attention of the Senators from those States affected, where the Federal Government is now either carrying on power development on major streams or contemplates such a thing, because the joint resolution deals very intimately with that activity of the Government.

It is my judgment that if the joint resolution becomes a law it will not only impinge upon, but probably nullify the power provisions of the bill which has been introduced by the senior Senator from Nebraska [Mr. NORRIS] known as the national conservation bill.

I invite the attention of Senators briefly to the language inserted in the joint resolution in the House. When the joint resolution was brought back to the Senate and we were asked to concur in the amendments of the House, I heard some one suggest on the floor of the Senate at the time something about the contents of the measure as it had been amended in the House. I asked the Senator from Arkansas [Mrs. CARAWAY] what had been done to the joint resolution in the House in the way of amendments. There was a great deal of confusion on the floor. We were preparing to enter upon consideration of the housing bill. I understood from her that the references to power in the House amendment were merely of a nature that would authorize the Secretary of War to report back to us what plans were contemplated with respect to power development.

I invite attention to the language of the House amendments, because if the joint resolution is signed by the President and becomes a law, we can expect power development to be shaped by the War Department instead of by those agencies which we have heretofore set up and which we may hereafter set up. I think this is a very serious matter, because it is, in my judgment, the beginning of a complete departure from the program we have been carrying on, and certainly from the program contemplated in the bill to which I have referred that was introduced by the Senator from Nebraska.

Mr. KING. Mr. President, may I submit an inquiry to the Senator from Washington?

Mr. BONE. I yield.

Mr. KING. Does the joint resolution which passed infringe upon the rights of the States to control the streams, including power, within their own boundaries? Is the Senator supporting a proposal that his own State or the State of Utah or any other State may not, through its own authority, have any voice in the control of the waterways within the boundaries of the State?

Mr. BONE. It does not even remotely come within striking distance of a theory of that kind. Under existing Federal legislation my State could, if it had State legislative authority, file upon a site on the Columbia River and get a permit from the Federal Power Commission to go ahead with a big State development. I am not objecting to that. The joint resolution comes back to us with this provision:

> That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all of the major rivers of the United States.

It is taking in all rivers.

Then it is provided:

Such plan and report or reports shall take into consideration flood-control projects now under construction or heretofore authorized by acts of Congress, and shall include provisions for the construction of levees, spillways, diversion channels, channel rectification, reservoirs, and utilization of water resources through the building of power dams or a combination of power, reclamation, conservation, and flood-control dams, and all works necessary for an effective soil and water conservation for all such rivers and their watersheds. Any plans or reports which include or recommend projects for reclamation shall be prepared in conjunction with the Department of the Interior.

Then the title of the joint resolution was amended so that it, together with the text of the joint resolution, would clearly seem to carry the implication that from now on it is to be the policy of Congress that the War Department shall lay its plans for future power development.

In my judgment, that is a dangerous thing. It is such a complete departure that it is subject to challenge at our hands. Certainly the President of the United States cannot sign the joint resolution in the light of his own attitude toward the Norris bill, the national conservation bill, without, in my judgment, the grave danger of rendering nugatory or almost nullifying the wholesome and desirable aspects of that bill.

For the reasons stated, I am asking unanimous consent to enter the motion at this time.

The PRESIDING OFFICER. The Chair understands the Senator from Washington to ask unanimous consent to enter a motion to reconsider the vote by which the Senate concurred in the amendments of the House to the joint resolution?

Mr. BONE. That is correct. I have sent my motion to the desk and ask that it may be read by the clerk.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that he may be permitted to enter a motion to reconsider the vote by which the Senate concurred in the amendments of the House to Senate Joint Resolution 57. Is there objection?

Mr. OVERTON. Mr. President, reserving the right to object, I should like to ask the Senator from Washington exactly in what particular the amendments which were adopted in the House and concurred in by the Senate interfere with the program which has heretofore been followed by Congress? Has any program yet been established by Congress?

Mr. BONE. Mr. President, this joint resolution applies to projects now in existence and to those hereafter to come into existence; and it is, in my judgment, a deliberate effort to turn over all the planning for power development to the War Department.

Mr. OVERTON. Is not the measure to which the Senator has reference a bill which relates to flood control?

Mr. BONE. No; that is the one to which I did not object when it went through.

Let me call the Senator's attention, from that standpoint, to the innocuous language of the joint resolution that we passed. Had I realized that the further language was in the joint resolution, however, I certainly should have objected when we concurred in the House amendments.

Senate Joint Resolution 57 provides:

That the Secretary of War is authorized and directed to submit to Congress with reasonable expedition a full report or a series of reports embodying a comprehensive national program and plan for the control of floods of all the major rivers of the United States.

But the joint resolution goes over to the House, and there they interpolate into it language which will turn over to the War Department the planning of all power developments in this country, including the Fort Peck project, which was covered by the bill which was approved here a moment ago.

If we want deliberately to turn this planning over to the War Department, let us do it with our eyes wide open; and if the President signs this joint resolution, in my judgment, the President will thereby elect to let the War Department do the planning instead of having it done under the organization set up in the plan which he has approved, embracing the creation of eight large major subdivisions of this country, of which the development of power will be an important item.

If we want that as our policy, we can now adopt it. We can let the joint resolution stay where it is. If the President wants to sign it, I want him to do it with full knowledge of what is being done; but I do not want this power program destroyed by perhaps the rapidity with which we had to act here.

When the joint resolution came back from the House, I asked the Senator from Arkansas [Mrs. CARAWAY] what changes had been made in it. Several Senators were on their feet, and there was so much noise in the Senate Chamber that I could not hear her reply distinctly, but I understood the Senator from Arkansas to say that the joint resolution merely calls for the engineers also to show what prospective plans might be made for power development. The language of the joint resolution, however, is too clear. It is very cleverly drawn, I will say that; and there have been suggestions and intimations that it is going to take out of the hands of present agencies the development of power and put it in the hands of the War Department.

If we are going to approve this joint resolution, let us do so with full knowledge of its implications; but I think we shall be doing ourselves a simple act of justice by bringing the measure back here and having it thrashed out on the floor before we shift our policy here in midstream.

Mr. OVERTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Louisiana will state it.

Mr. OVERTON. Is a motion to reconsider the action of the Senate in agreeing to the amendments of the House and in passing the joint resolution now in order?

The PRESIDING OFFICER. The Chair understands that the Senator from Washington asks unanimous consent that he be permitted to enter a motion to reconsider the vote by which the Senate agreed to the amendments of the House of Representatives to Senate Joint Resolution 57. The Senator from Washington announced that if that permission were granted it would be followed by a concurrent resolution asking for the return of the bill from the President. Has the Chair correctly stated the situation?

Mr. BONE. I think that states the parliamentary situation. If there is objection, of course I cannot enter this motion.

Mr. OVERTON. I will say to the Senator from Washington that I am not sufficiently familiar with the joint resolution to know whether or not I should object to the motion. Will the Senator from Washington be kind enough to withhold it until I may have an opportunity to look into the matter?

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. BONE. I yield.

Mr. LA FOLLETTE. I do not understand that the Senator from Washington has to obtain unanimous consent to enter a motion to reconsider. If he obtains recognition, he may make such a motion.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair will state that he is advised by the Parliamentarian that under Rule XIII the time for filing a motion to reconsider has expired, the question being whether the rule refers to a calendar day or a legislative day. If construing the rule independently, the present occupant of the Chair would be of the opinion that the rule applies to calendar days. The Chair will state, however, if the point is made, that feeling bound by the ruling of the President pro tempore as to the question of the number of speeches that may be made in one day, in which the President pro tempore held that the rule meant a legislative day instead of a calendar day, the Chair would hold that the rule means a legislative day instead of a calendar day.

The Chair will state that the House amendments were agreed to on the second day of August; and, of course, the question whether the rule means a calendar day or a legislative day would be determinative of the case. The Chair would prefer to have the President pro tempore make the

ruling rather than have it made by the present temporary occupant of the chair.

Mr. CONNALLY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. Has the joint resolution been transmitted to the President?

The PRESIDING OFFICER. The Chair is informed that the joint resolution was transmitted to the President on the third day of August.

Mr. CONNALLY. Then, has the Senate any jurisdiction except to adopt a resolution requesting the return of the joint resolution?

The PRESIDING OFFICER. The Chair does not feel required to pass on that point at the present time, for the reason that the Senator from Washington has made a request for unanimous consent. It is within the power of the Senate either to grant the unanimous-consent request or to refuse to grant it.

Mr. CONNALLY. It seems to me the only thing the Senate can do is to adopt a resolution requesting the return of the bill. If the President has it, we cannot reconsider our action upon it.

Mr. BURKE. Mr. President, if the request is for unanimous consent, in the absence of the Senator from Arkansas [Mrs. CARAWAY], who advocated the adoption of the House amendments, and in view of the fact that, as I understand, the joint resolution only calls for a report from the War Department, and in view of the further fact that the President has the full right and authority to veto the joint resolution if it is obnoxious, I shall object to the unanimous-consent request.

The PRESIDING OFFICER. The Senator from Nebraska objects to the request of the Senator from Washington.

Mr. BONE. Mr. President, first, I should like at least to have read by the clerk the concurrent resolution which I send to the desk.

The PRESIDING OFFICER. Without objection, the clerk will read the concurrent resolution submitted by the Senator from Washington.

The concurrent resolution was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That the President of the United States be, and he is hereby, requested to return to the Senate the enrolled joint resolution (S. J. Res. 57) to authorize the submission to Congress of a comprehensive national plan for the prevention and control of floods of all the major rivers of the United States, development of hydroelectric power resources, water and soil conservation, and for other purposes.

Mr. BONE. Mr. President, let me say for the RECORD and for the benefit of my fellows here that if this measure contained what is intimated and suggested by the Senator from Nebraska [Mr. BURKE], I should have no objection to it. You have heard the Senator from Nebraska say that the joint resolution requests the War Department to make a report. I should have no objection to that. The joint resolution, however, calls upon the War Department to prepare the plans. I think the Senator from Nebraska owes it to himself to read the joint resolution before he suggests anything of that sort.

I should have had no objection to the joint resolution, and had none at the time the Senator from Arkansas [Mrs. CARAWAY] reported it, if it had only called for a report; but it calls for the preparation of plans for hydroelectric development by the War Department, and that is a hundred million miles apart from the thing the Senator from Nebraska suggests.

Let us have no misunderstanding about this matter. It is too important a thing, because it is a complete divorce and departure from the program which the President suggested, the program to which many of us are so completely committed. All I want is that if the Senate of the United States is to divorce itself from that plan it shall do so deliberately, and not in this sidewise fashion. We are doing it here in a haphazard, hit-or-miss fashion, without giving the joint resolution the deliberation and the thought that it deserves.

This is a matter of major importance. It may involve the whole public power program of the country. If it is to be wiped out, destroyed, obliterated, I want to have it done here in the full light of all the facts, and not by a little measure of this kind.

I desire to say further that I have no objection and I am perfectly agreeable to the suggestion of the Senator from Nebraska that the matter go over until the Senator from Arkansas [Mrs. CARAWAY] is here. The boards proposed to be set up under the National Conservation Act are assumed to have the power to do this thing themselves; but now we are getting this other agency into the picture, and giving them blanket authority to prepare plans for power development on every major stream in America. If we are to do that, let us do it all out in the open. Then we shall know just where we are.

Mr. BURKE. Mr. President, there is no one in the country who has established a greater reputation than has the President for being sincerely interested in the development of the power resources of the country; and I think we can safely leave this matter in his hands.

If it is obnoxious and contrary to the policies heretofore announced, I am very sure that he will send the measure back with his veto. Therefore I stand on my objection.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CLARK in the chair) laid before the Senate message from the President of the United States submitting sundry nominations (and withdrawing a nomination), which were referred to the appropriate committees.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. GLASS, from the Committee on Appropriations, reported favorably the nomination of Agnes Van Driel, of Illinois, to be Chief, Division of Technical Training, Social Security Board.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of the following-named citizens to be second lieutenants in the Marine Corps, revocable for 2 years, from the 1st day of July, 1937:

Keith B. McCutcheon, of Pennsylvania; Donald N. Otis, of Massachusetts; William F. Pickett, of Oklahoma; and David W. Silvey, of Indiana.

Mr. WALSH also, from the Committee on Naval Affairs, reported favorably the nomination of Marine Gunner Kennard F. Bubier to be a chief marine gunner in the Marine Corps, to rank with but after second lieutenant, from the 26th day of June 1937.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

SOCIAL SECURITY BOARD

The legislative clerk read the nomination of George Edmund Bigge, of Rhode Island, to be a member.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. GREEN. I ask that the President be notified.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk read the nomination of James C. Archer to be passed assistant surgeon.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTER—NOMINATION REJECTED

The legislative clerk read the nomination of Oscar Ross Lang to be postmaster at Montgomery, La., which had been adversely reported from the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. The question is, will the Senate advise and consent to this nomination?

The nomination was rejected.

POSTMASTERS—NOMINATIONS CONFIRMED

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the other nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. SHEPPARD. I ask unanimous consent that the Army nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Army are confirmed en bloc.

INCOME TAXATION TREATY BETWEEN THE UNITED STATES OF AMERICA AND CANADA

The Senate, as in Committee of the Whole, proceeded to consider Executive B, Seventy-fifth Congress, first session, a convention between the United States of America and Canada on the subject of income taxation, signed at Washington, on December 30, 1936, which was read the second time, as follows:

The Government of the United States of America and the Government of Canada, being desirous of concluding a reciprocal convention concerning rates of income tax imposed upon nonresident individuals and corporations have agreed as follows:

ARTICLE I

The High Contracting Parties mutually agree that the income taxation imposed in the two States shall be subject to the following reciprocal provisions:

(a) The rate of income tax imposed by one of the Contracting States, in respect of income derived from sources therein, upon individuals residing in the other State, who are not engaged in trade or business in the taxing State and have no office or place of business therein, shall not exceed five per centum for each taxable year, so long as an equivalent or lower rate of income taxation is imposed by the other State upon individuals residing in the former State who are not engaged in trade or business in such other State and do not have an office or place of business therein.

(b) The rate of income tax imposed by one of the Contracting States, in respect of dividends derived from sources therein, upon nonresident foreign corporations organized under the laws of the other State, which are not engaged in trade or business in the taxing State and have no office or place of business therein, shall not exceed five per centum for each taxable year, so long as an equivalent or lower rate of income taxation on dividends is imposed by the other State upon corporations organized under the laws of the former State which are not engaged in trade or business in such other State and do not have an office or place of business therein.

(c) Either State shall be at liberty to increase the rate of taxation prescribed by paragraphs (a) and (b) of this article, and in such case the other State shall be released from the requirements of the said paragraphs (a) and (b).

(d) Effect shall be given to the foregoing provisions by both States as and from the 1st day of January, nineteen hundred and thirty-six.

ARTICLE II

The provisions of this Convention shall not apply to citizens of the United States of America domiciled or resident in Canada.

ARTICLE III

This Convention shall be ratified and shall take effect immediately upon the exchange of ratifications which shall take place at Washington as soon as possible.

Signed, in duplicate, at Washington by the duly authorized representatives of the United States of America and Canada, this thirtieth day of December, in the year of our Lord, one thousand nine hundred and thirty-six.

For the United States of America:

R. WALTON MOORE,
Acting Secretary of State.

For Canada:

HERBERT MARLER,
Envoy Extraordinary and Minister Plenipotentiary.

Mr. HARRISON. Mr. President, the State Department and the Treasury Department have been very insistent on early consideration of this treaty. There were certain provisions in the Revenue Act of 1936 which, in a practical way, invited treaties to be negotiated with the governments of contiguous countries which would permit of a reduction in the standard rate of income tax on nonresident alien individuals from 10 percent to 5 percent, and in the case of nonresident foreign corporations would permit of a reduction in the standard rate of income tax on dividends from 10 percent to 5 percent. In referring to nonresident alien individuals and to nonresident foreign corporations, it is intended to include only those not engaged in trade or business in the United States and not having an office or place of business therein.

Canada is aiding our country in the matter of ferreting out people who are attempting to evade the payment of taxes, and I hope very much the treaty may be ratified.

Mr. AUSTIN. Mr. President, I should like to ask the Senator from Mississippi whether the committee which considered the treaty was unanimous, or whether there was opposition.

Mr. HARRISON. I understand there was no opposition in the committee. I will ask the chairman of the committee whether or not I am correct in that statement.

Mr. PITTMAN. Mr. President, with the permission of the Senator from Mississippi, I may state that this matter was investigated a month or 6 weeks ago, and we received reports at that time from both the Treasury Department and the State Department. A subcommittee was appointed, with the Senator from Mississippi as chairman, and that subcommittee went into the matter very carefully and reported back unanimously in favor of the treaty.

About that time a joint committee was appointed, as the Senate will recall, to investigate and devise means of plugging up holes by which some were attempting to escape the payment of income taxes, and for that reason it was suggested that the subcommittee of the Committee on Foreign Relations make further investigation and have conversations with both the Treasury Department and the State Department, and see whether this treaty would in any way conflict with the investigations then going forward. The chairman of the subcommittee was authorized to make a report, and the subcommittee came to the conclusion that the treaty was in no way obstructive of the action of the committee investigating possible loopholes by which people were seeking to escape taxation.

Mr. HARRISON. I may say to the Senator from Vermont that I took this matter up with the Joint Committee on Tax Evasion, and it was believed by all the members of that committee who were present, and I believe all were present, that this treaty should be ratified.

Mr. AUSTIN. Mr. President, the Senator from Oregon [Mr. McNARY] not being present, I felt bound to make these inquiries. I personally have no objection, and in view of what has been said, I will not make any objection on behalf of anyone.

The PRESIDING OFFICER. If there be no amendment, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive B, Seventy-fifth Congress, first session, a convention between the United States of America and Canada on the subject of income taxation, signed at Washington, on December 30, 1936.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. [Putting the question.] Two-thirds of the Senators present concurring therein, the resolution is agreed to, and the treaty is ratified.

ORDER FOR CONSIDERATION OF CALENDER TOMORROW

The Senate resumed legislative session.

Mr. BARKLEY. I ask unanimous consent that when the Senate meets tomorrow the call of the calendar for the consideration of unobjected bills be continued where it was left off today.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until tomorrow at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 56 minutes p. m.) the Senate took a recess until tomorrow, Saturday, August 7, 1937, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 6 (legislative day of July 22), 1937

CHIEF OF THE BUREAU OF ORDNANCE, NAVY DEPARTMENT

Capt. William R. Furlong to be Chief of the Bureau of Ordnance in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES

GENERAL OFFICERS

To be major general, National Guard of the United States

Maj. Gen. Walter Perry Story, California National Guard.

To be brigadier generals, National Guard of the United States

Brig. Gen. Lewis Bacon Ballantyne, New Jersey National Guard.

Brig. Gen. Harcourt Hervey, California National Guard.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 6 (legislative day of July 22), 1937

SOCIAL SECURITY BOARD

George Edmund Bigge to be a member of the Social Security Board.

UNITED STATES PUBLIC HEALTH SERVICE

James C. Archer to be a passed assistant surgeon in the United States Public Health Service.

PROMOTIONS IN THE REGULAR ARMY

Charles Kleber Wing to be colonel, Coast Artillery Corps.

Charles Elting Coates to be colonel, Infantry.

Edward Postell King, Jr., to be colonel, Field Artillery.

Martin Conrad Shallenberger to be colonel, Infantry.

John Henry Pirie to be colonel, Air Corps (temporary colonel, Air Corps).

Kenneth Sheild Perkins to be colonel, Field Artillery.

Eugene Reybold to be colonel, Corps of Engineers.

Robert George Kirkwood to be colonel, Field Artillery.

Harold Everett Marr to be colonel, Field Artillery.

Hugo Ernest Pitz to be colonel, Quartermaster Corps.

Thomas Clair Cook to be colonel, Coast Artillery Corps.

Notley Young DuHamel to be lieutenant colonel, Corps of Engineers.

Dean Hudnutt to be lieutenant colonel, Field Artillery.

Louis Emerson Hibbs to be lieutenant colonel, Field Artillery.

Ludson Dixon Worsham to be lieutenant colonel, Corps of Engineers.

Horace Logan McBride to be lieutenant colonel, Field Artillery.

Ralph Gillett Barrows to be lieutenant colonel, Corps of Engineers.

Holland Luley Robb to be lieutenant colonel, Corps of Engineers.

Hamilton Ewing Maguire to be lieutenant colonel, Field Artillery.

Ray Corrigan Rutherford to be lieutenant colonel, Field Artillery.

William Morris Hoge to be lieutenant colonel, Corps of Engineers.

William Roscoe Woodward to be lieutenant colonel, Field Artillery.

Stanley Lonzo Scott to be lieutenant colonel, Corps of Engineers.

Tattnall Daniell Simkins to be lieutenant colonel, Corps of Engineers.

Henry Crampton Jones to be lieutenant colonel, Field Artillery.

Carl Lee Marriott to be lieutenant colonel, Chemical Warfare Service.

James Arthur Pickering to be lieutenant colonel, Field Artillery.

James Knox Cockrell to be lieutenant colonel, Cavalry.

William Spence to be lieutenant colonel, Field Artillery.

Willis McDonald Chapin to be lieutenant colonel, Coast Artillery Corps.

Fred Beeler Inglis to be lieutenant colonel, Field Artillery.

Robert Bruce McBride, Jr., to be lieutenant colonel, Field Artillery.

Paul Vincent Kane to be lieutenant colonel, Field Artillery.

DeRosey Carroll Cabell to be lieutenant colonel, Ordnance Department.

Ralph Irvine Sasse to be lieutenant colonel, Cavalry.

Edwin Howerton Roberts to be lieutenant colonel, Medical Corps.

Allan Wilson Dawson to be lieutenant colonel, Medical Corps.

Anthony Joseph Vadala to be lieutenant colonel, Medical Corps.

William Archdall Boyle to be lieutenant colonel, Medical Corps.

Albert Wright Greenwell to be lieutenant colonel, Medical Corps.

Myron Parkhill Rudolph to be lieutenant colonel, Medical Corps.

Patrick Sarsfield Madigan to be lieutenant colonel, Medical Corps.

William Cramer Pollock to be lieutenant colonel, Medical Corps.

Louis Martin Field, to be lieutenant colonel, Medical Corps.

Humphrey Newton Ervin to be lieutenant colonel, Medical Corps.

Ottis Lee Graham to be lieutenant colonel, Medical Corps.

William Scott Dow to be lieutenant colonel, Medical Corps.

John Glenwood Knauer to be lieutenant colonel, Medical Corps.

Fabian Lee Pratt to be lieutenant colonel, Medical Corps.

Charles Wallace Sale to be lieutenant colonel, Medical Corps.

Lorin Arthur Greene to be lieutenant colonel, Medical Corps.

James Edwards Poore to be lieutenant colonel, Medical Corps.

Herbert Clifford Mallory to be lieutenant colonel, Medical Corps.

Albro Lefils Parsons to be lieutenant colonel, Medical Corps.

Arthur Dudley Jackson to be lieutenant colonel, Medical Corps.

Paul Richard Eddins Sheppard to be lieutenant colonel, Medical Corps.

Christian Henry Dewey to be lieutenant colonel, Medical Corps.

Francis Belmont Dwire to be lieutenant colonel, Medical Corps.

Sam Fletcher Parker to be lieutenant colonel, Medical Corps.

James Emory Phillips to be lieutenant colonel, Medical Corps.

Albert Smith Dabney to be lieutenant colonel, Medical Corps.
Philander Chase Riley to be lieutenant colonel, Medical Corps.
John Joseph Madigan to be lieutenant colonel, Medical Corps.
Milton Weston Hall to be lieutenant colonel, Medical Corps.
Edward Chace Greene to be lieutenant colonel, Medical Corps.
Darius Cleveland Absher to be lieutenant colonel, Medical Corps.
Adam Edward Sherman to be lieutenant colonel, Medical Corps.
Bertram Henry Olmsted to be lieutenant colonel, Medical Corps.
John Wallace to be lieutenant colonel, Medical Corps.
Earl Lenwood Parmenter to be lieutenant colonel, Medical Corps.
Edgar Smith Linthicum to be lieutenant colonel, Medical Corps.
Howard Hume to be lieutenant colonel, Medical Corps.
Walter Fullarton Macklin to be lieutenant colonel, Medical Corps.
William Louis Hoffman to be lieutenant colonel, Medical Corps.
Clyde Watkins Jump to be lieutenant colonel, Medical Corps.
John Joseph McCormick, subject to examination required by law.
Arthur Parker Hitchens to be lieutenant colonel, Medical Corps.
Harry Baldwin Gantt to be lieutenant colonel, Medical Corps.
Daniel Bascom Faust to be lieutenant colonel, Medical Corps.
Wilmer Clayton Dreibelbies to be lieutenant colonel, Medical Corps.
Maxwell Gordon Keeler to be lieutenant colonel, Medical Corps.
Harold Vincent Raycroft to be lieutenant colonel, Medical Corps.
Hugh William Mahon to be lieutenant colonel, Medical Corps.
Thomas Harold Reagan to be lieutenant colonel, Medical Corps.
Morgan Clint Berry to be lieutenant colonel, Medical Corps.
Eli Edwin Brown to be lieutenant colonel, Medical Corps.
Ralph Elmer Curti to be lieutenant colonel, Medical Corps.
John Ignatius Meagher to be lieutenant colonel, Medical Corps.
Eugen Gottfried Reinartz to be lieutenant colonel, Medical Corps.
Albert Glenn Kinberger to be lieutenant colonel, Medical Corps.
Wilbur Gibson Jenkins to be lieutenant colonel, Medical Corps.
Victor Newcomb Meddis to be lieutenant colonel, Medical Corps.
Edwin Raymond Strong to be lieutenant colonel, Medical Corps.
Leroy Dilmore Soper, subject to examination required by law.
Thomas Morris Chaney to be lieutenant colonel, Medical Corps.
Cleve Carrington Odom to be lieutenant colonel, Medical Corps.
Louis Lathrop Shook to be lieutenant colonel, Veterinary Corps.
Daniel Henry Mallan to be lieutenant colonel, Veterinary Corps.
Louis Goldman Weisman to be lieutenant colonel, Veterinary Corps.
James Alexander McCallam to be lieutenant colonel, Veterinary Corps.
Harry John Juzek to be lieutenant colonel, Veterinary Corps.
William Henry Dean to be lieutenant colonel, Veterinary Corps.
Solon B. Renshaw to be lieutenant colonel, Veterinary Corps.
Frank Holmes Woodruff to be lieutenant colonel, Veterinary Corps.
Will Charles Griffin to be lieutenant colonel, Veterinary Corps.
Lloyd Clifford Ewen to be lieutenant colonel, Veterinary Corps.
Charles Oliver Grace to be lieutenant colonel, Veterinary Corps.
Edward Michael Curley to be lieutenant colonel, Veterinary Corps.
James Russell Sperry to be lieutenant colonel, Veterinary Corps.
Floyd Chauncey Sager to be lieutenant colonel, Veterinary Corps.
Henry Emil Hess to be lieutenant colonel, Veterinary Corps.
Forest Lee Holycross to be lieutenant colonel, Veterinary Corps.
Raymond Irvin Lovell to be lieutenant colonel, Veterinary Corps.
Joseph Fenton Crosby to be lieutenant colonel, Veterinary Corps.
Ralph Brown Stewart to be lieutenant colonel, Veterinary Corps.
Charles Mansur Cowherd to be lieutenant colonel, Veterinary Corps.
James Barto Mann to be lieutenant colonel, Dental Corps.
William Henry Siefert to be lieutenant colonel, Dental Corps.
Charles Jefferson Denholm to be lieutenant colonel, Dental Corps.
Elijah Garrett Arnold to be major, Infantry.
Benjamin Witwer Pelton to be major, Infantry.
Farlow Burt to be major, Infantry.
James Henry Howe to be major, Infantry.
Robert Artel Case to be major, Infantry.
John Russell Deane to be major, Infantry.
Richard Zeigler Crane to be major, Ordnance Department.
Paul Carson Febiger to be major, Cavalry.
Leslie Walter Jefferson to be major, Coast Artillery Corps.
John Reigel Embich to be major, Chemical Warfare Service.
Fred William Koester to be major, Cavalry.
William Neely Todd, Jr., to be major, Cavalry.
Thomas Reed Taber to be major, Ordnance Department.
Harry William Lins to be major, Coast Artillery Corps.
Harold Paul Stewart to be major, Cavalry.
Darrow Menoher to be major, Cavalry.
Mark Andrew Devine, Jr., to be major, Cavalry.
Robb Steere MacKie to be major, Infantry.
Boniface Campbell to be major, Field Artillery.
Lloyd Marlowe Hanna to be major, Field Artillery.
James Willard Walters to be major, Ordnance Department.
Richard Cox Coupland to be major, Ordnance Department.
Walter Alfred Elliott to be major, Infantry.
George William Brent to be major, Coast Artillery Corps.
Samuel Francis Cohn to be major, Infantry.
John Augustus Rodgers to be major, Infantry.
Ward Edwin Becker to be major, Ordnance Department.
William Wayne Murphey to be major, Field Artillery.
Timothy Sapia-Bosch to be major, Infantry.
Edward Garrett Cowen to be major, Coast Artillery Corps.
Kenyon Putnam Flagg to be major, Coast Artillery Corps.
Joseph Burske Hafer to be major, Coast Artillery Corps.
Edward Lucien Supple to be major, Coast Artillery Corps.
Samuel McCullough to be major, Coast Artillery Corps.

Mahlon Milton Read to be major, Coast Artillery Corps.
Allen Ferdinand Grum to be major, Ordnance Department.
Bernard Clark Dailey to be major, Coast Artillery Corps.
Eduardo Andino to be major, Infantry.
Robert Elwyn DeMerritt to be major, Coast Artillery Corps.
James Franklin Powell to be major, Air Corps (temporary major, Air Corps).
William Dalton Hohenthal to be major, Coast Artillery Corps.
James Ralph Lowder to be major, Coast Artillery Corps.
Willard Warren Scott to be major, Coast Artillery Corps.
Leonard Louis Davis to be major, Coast Artillery Corps.
Webster Fletcher Putnam, Jr., to be major, Coast Artillery Corps.
Merle Halsey Davis to be major, Ordnance Department.
Henry Devries Cassard to be major, Coast Artillery Corps.
Will Rainwater White to be major, Quartermaster Corps.
George Albert Bentley to be major, Quartermaster Corps.
Edward Hanson Connor, Jr., to be major, Infantry.
Norris Whitlock Osborn to be major, Ordnance Department.
Harry Raymond Leighton to be major, Veterinary Corps.
Verne Clifford Hill to be major, Veterinary Corps.
Elmer William Young to be major, Veterinary Corps.
Harold George Ott to be major, Dental Corps.
Conrad Toral Kvam to be captain, Dental Corps.
Albert Woods Shiflet to be captain, Medical Corps.
Kenneth Rider Nelson to be captain, Medical Corps.
Gottlieb Leonard Orth to be captain, Medical Corps.
James Coney Bower to be first lieutenant, Medical Administrative Corps.
James Lemuel Blakeney to be chaplain with the rank of lieutenant colonel, United States Army.
George Foreman Rixey to be chaplain with the rank of lieutenant colonel, United States Army.
William Joseph Ryan to be chaplain with the rank of lieutenant colonel, United States Army.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Maj. Abraham Robert Ginsburgh to Judge Advocate General's Department.
Capt. John Prame Kaylor to Field Artillery.

POSTMASTERS

CALIFORNIA

Doris Welsh Folsom, Walkermine.

ILLINOIS

Jerome A. Borkovec, Berwyn.
Clifford L. Neely, Hines.
Bohumil Plos, Lyons.
Thomas Edward Mostyn, Midlothian.

LOUISIANA

Lewis L. Morgan, Jr., Covington.
Charles William Wilson, New Roads.
Ernest S. Jemison, Slidell.

TENNESSEE

Bessie T. Queener, Jacksboro.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 6 (legislative day of July 22), 1937

POSTMASTER

NEW YORK

Miss Mary J. O'Brien to be postmistress at Bedford, in the State of New York.

REJECTION

Executive nomination rejected by the Senate August 6 (legislative day of July 22), 1937

POSTMASTER

LOUISIANA

Oscar Ross Lang to be postmaster at Montgomery, in the State of Louisiana.

HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 6, 1937

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Again, O Lord, Thou hast remembered Thy tender mercies and loving kindnesses; open Thou unto us the gates of Thy righteousness and may we go into them. We thank Thee for Thy promise: if any man lack wisdom, let him ask Thee; no true seeker shall miss this saving truth. We pray Thee that we may deaden self and thirst for the right and stand forth with the first-born sons of light. Open our minds to the truth and help us to understand Thy gracious will. O Immanuel, Son of God, be a light within us this day; give us strength, courage, and grace for its duties. We pray Thee to bring us all into harmony with Thee and make us worthy of that universe of light of which Thou art the center. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7051. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 826. An act for the relief of the estate of H. Lee Shelton, the estate of Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson; and

S. 1219. An act for the relief of Pauline M. Warden, nee Pauline McKinney.

VIRGINIA DARE AND SIR WALTER RALEIGH'S COLONY AT ROANOKE ISLAND

The SPEAKER. Pursuant to the provisions of House Concurrent Resolution 17, Seventy-fifth Congress, the Chair appoints as members of the joint committee on the celebration of the three hundred and fiftieth anniversary of the birth of Virginia Dare and the three hundred and fiftieth anniversary of the disappearance of Sir Walter Raleigh's colony, to be held at Roanoke Island, N. C., on August 18, 1937, the following Members of the House: Mr. WARREN, Mr. RAYBURN, Mr. BLAND, Mr. BOLAND, and Mr. SNELL.

EXTENSION OF REMARKS

Mr. DIRKSEN asked and was given permission to extend his own remarks in the RECORD.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point, by including therein a statement made this morning and released by the Secretary of State, having to do with a trade agreement with Russia.

Mr. MARTIN of Massachusetts. Does the gentleman request to put that in at this point in the RECORD?

Mr. ANDREWS. At this point; yes.

The SPEAKER. The Chair does not feel that he can entertain a unanimous-consent request of that sort unless remarks are made by a Member on the floor. The Chair is of the opinion it is bad legislative practice to extend extraneous matters in the body of the RECORD.

Mr. ANDREWS. Mr. Speaker, I withdraw the request and ask unanimous consent that I may extend my remarks, as indicated, in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOPE. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently there is not a quorum present.

Mr. JONES. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 136]

Bacon	Doxey	Johnson, Minn.	Shanley
Biermann	Drewry, Va.	Kelly, N. Y.	Simpson
Binderup	Driver	Kerr	Sirovich
Boyer	Eaton	Kirwan	Smith, Conn.
Brewster	Eicher	Kloeb	Smith, Maine
Buckley, N. Y.	Ellenbogen	Lambeth	Smith, Va.
Bulwinkle	Farley	Luckey, Nebr.	Smith, W. Va.
Caldwell	Fernandez	McClellan	Snell
Cannon, Wis.	Fitzpatrick	McGranery	Somers, N. Y.
Celler	Flannagan	McLean	Spence
Clark, N. C.	Flannery	Maas	Stack
Cochran	Fulmer	May	Starnes
Cole, N. Y.	Gasque	Meeks	Sullivan
Cooper	Gavagan	O'Connor, N. Y.	Taylor, Colo.
Cox	Gifford	O'Neal, Ky.	Thomas, N. J.
Creal	Gilchrist	Palmisano	Tobey
Crosser	Gildea	Pettengill	Towey
Crowe	Gray, Ind.	Peyser	Treadway
Crowther	Gray, Pa.	Pfeifer	Vinson, B. M.
Culkin	Gregory	Plumley	Voorhis
Dempsey	Gwynne	Quinn	Wood
Dickstein	Harter	Sadowski	
Dingell	Hartley	Scrugham	
Douglas	Hill, Ala.	Seger	

The SPEAKER. Three hundred and thirty-six Members have answered to their names, a quorum.

On motion of Mr. JONES, further proceedings under the call were dispensed with.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, the morning press informs us 41 Members of the Senate have signed a petition for a special session on October 15. It is stated this suggestion was inspired by the President.

I realize, of course, the spirit to treat Congress rather roughly and tell us nothing. I believe, in all fairness to the Members who have been here 7½ months, we ought to know what the program is. There is a lot of legislation pending that it is intended to push through in a hurried way, legislation which affects every nook and corner and every phase of American life. If we are going to come back for a special session on October 15, surely there is no reason for the present session to continue longer than tomorrow night. Personally, I do not favor a special session, because I believe one is unnecessary and expensive. [Applause.]

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for one-half minute more.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

Mr. MARTIN of Massachusetts. I do say if we are going to have a special session there is no justification for the present one to be continued longer, and that legislation be hurried through without mature consideration. I hope the leadership of the House will see that the rank and file have more knowledge of their plans in the future than they have had in the past. [Applause.]

RIVER AND HARBOR BILL

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7051) authorizing the construction, repair, and preservation of certain public works on rivers and harbors and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. MANSFIELD, DEROUEN, GAVAGAN, SEGER, and CARTER.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, I thought after making a statement in the House last week in reply to a question propounded by the minority leader [Mr. SNELL] that the program for the remainder of this session was well understood. It was put in the RECORD exactly as I stated it.

There is no disposition, certainly, on the part of the Speaker of the House or myself, to hold this Congress any longer than is absolutely necessary [applause], and it is our hope that by the 21st or the 25th of the present month a program will be finished, and that it will be such a program there will be no necessity for a recess of Congress or an extra session of Congress this fall, and in order to obviate any necessity for a recess until fall and, we hope, any necessity for an extra session being called by the President, we think that if everybody will be patient for 2 more weeks, we will know the definite date upon which we are going to adjourn. [Applause.]

Mr. COLMER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLMER. Mr. Speaker, few Members on either side of the aisle have supported labor and this administration through this great national emergency more consistently than I have. But I want to serve notice now, as one who is not breaking his neck to adjourn and go home, that there is going to be no consideration of a wage and hour bill, so far as I am concerned, unless there is some action for the relief of the farmer who is now facing a tragic falling market for his cotton and other products. A wage and hour law, greatly increasing the cost of everything the farmer must use, with a falling market on his products, would be fatal.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, rather than ask unanimous consent to address the House for a minimum period, I ask unanimous consent to extend my remarks in the RECORD at this point on the question of an early report on the housing bill by the House Committee on Banking and Currency.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. JONES. Mr. Speaker, reserving the right to object, we can carry on a discussion here all day long, but we have important legislation to consider, and we asked the House to meet at 11 o'clock this morning in order to finish it this evening. I must object to any further discussion at this time. When we have finished the legislation, I shall have no objection to it.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN of Massachusetts. Mr. Speaker, I dislike to object to any request of my distinguished colleague from Massachusetts [Mr. McCORMACK], but already this morning it was made impossible for a Member on this side to insert his remarks at this point. I object.

Mr. McCORMACK. Then, Mr. Speaker, I renew my request and ask unanimous consent to extend my remarks in the Appendix.

The SPEAKER. The gentleman from Massachusetts modifies his request in the manner indicated. Is there objection?

There was no objection.

SUGAR BILL OF 1937

Mr. JONES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the

state of the Union for the further consideration of the bill (H. R. 7667) to regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; to raise revenue; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7667, with Mr. BLAND in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the agreement yesterday, the reading of the bill is dispensed with, and the first matter to be considered will be the first committee amendment, which the Clerk will report.

The Clerk read as follows:

Page 24, between lines 2 and 3, strike out "30,000 to 50,000 and insert "more than 30,000."
Strike out "More than 50,000------ .450."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: Page 7, before line 8, insert "in no case shall the quota for the Commonwealth of the Philippine Islands be less than the duty-free quota now established by the provisions of the Philippine Independence Act."

Mr. JONES. Mr. Chairman, that is simply a provision that should have been in this bill, to make it so that we will not violate the Philippine Independence Act.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: Page 33, line 17, strike out "December 31, 1940" and insert "June 30, 1941."

Mr. JONES. Mr. Chairman, this is a correction, so that the tax will apply uniformly on the whole year's crop.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. JONES: Page 37, line 12, strike out "December 31, 1940" and insert "June 30, 1941."

The amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 37, line 14, strike out "such date" and insert "December 31, 1940."

Mr. JONES. That makes it conform to the other.

The amendment was agreed to.

Mr. JONES. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES: Page 14, strike out lines 1 to 8, both inclusive.
Page 14, line 9, strike out "(c)" and insert "Sec. 207. (a)."
Page 14, line 11, strike out "(d)" and insert "(b)."
Page 14, line 15, strike out "(e)" and insert "(c)."
Page 14, line 8, strike out "(f)" and insert "(d)."

Mr. JONES. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Chairman, this is not a committee amendment, but is one which I am offering to the bill. This is the important, controversial amendment that will be offered to the bill, and I propose to allow, with the consent of the committee, rather full discussion, which it should have.

This is an amendment to strike out subdivisions (a) and (b) of section 207 on page 14, and is the amendment which has been discussed somewhat during the general debate. I am going to talk frankly to the members of the committee and to those who are interested in legislation. I believe that the true friends of legislation, if they are wise, will agree to these amendments. I hope that those who want to secure legislation—and I am speaking from a disinterested viewpoint—will not permit their pride or feeling to control their judgment. As a great President once said, we are face to face with a condition and not a theory; and if you want legislation I believe these amendments should be adopted.

The administration, including the President, is very much opposed to these two paragraphs remaining in the bill. There is some criticism of that position being made known, but I think there is pretty good reason for it when a number of groups went to see him, both from among Members of Congress and elsewhere. At any rate, I want to say to the friends of this legislation that this is not the important provision in the bill, and I hope you will not permit a relatively unimportant amendment to jeopardize or imperil the major objectives of this legislation.

I am not going to discuss, in the main, the particular merits of the question. It is a debatable question. It is not a one-sided question; but just as a practical proposition, the bill as it is now written places control within the quota of the amount of direct-consumption sugar that can be brought in from Hawaii and Puerto Rico.

If those provisions were stricken out, there would be no limitation on the amount of refined sugar that could be brought in from those islands within their quota. It would not affect the quota but simply the amount of refined sugar that could be brought in within their quotas.

Now, listen for just a moment. These provisions in the bill would permit the largest amount of direct-consumption sugar or refined sugar to come in from those islands which they ever sent in in any one year prior to the enactment of the original act. The life of this bill is only a little more than 2 years. You Members who are interested—and some of you are vitally so, although it happens I am not interested except in the interest of good legislation—it probably will not make much difference in the amount of sugar that will be brought in in refined form from those islands within that 2 years. Is that not correct?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. McCORMACK. If that is so, why does the gentleman insist on his amendment?

Mr. JONES. I think the gentleman understands that. He is a pretty smart man. [Laughter.] I have a high regard for my friend from Massachusetts, and I do not think he is seeking information altogether, because I think he has it.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. MANSFIELD. Is it not a fact that while it may not materially affect the quantity of sugar coming in, it might affect the laborers who are in the employ of the domestic refiners?

Mr. JONES. If it does not affect the amount of sugar that comes in in refined form, how could it affect labor? Now, if a little more sugar were brought in, it might affect it, and it possibly would affect it. I will state to the gentleman that there is some argument on that basis, but it is not probable, in view of the historical basis of the entry of refined sugar prior to the enactment of the original act, that there is much involved.

Let me say that the position of the administration is this, that it is a matter of principle; that it will not affect much, during the life of this contract, two or two and a half years, the amount of sugar that will be brought in, but they are opposed to the discrimination against any group of American citizens living under the American flag. That is their position, and I want to state that the President has made it clear he is all for the beet growers and the cane growers, and wants them to have legislation. I think that most of you will realize that the great major objectives of this bill will remain the same, insofar as the American producers are concerned, whether these amendments are adopted or not. Then, too, even if my amendment is adopted, industry and labor will have the advantage of the other provision of the bill.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield for a question.

Mr. ROBSION of Kentucky. The gentleman stated that this question is relatively unimportant and that the administration is against it.

Mr. JONES. Now, let us get it correct. I said it is relatively unimportant as far as the mechanical amount of sugar that is brought in is concerned. The administration regards it important as a matter of principle.

Mr. ROBSION of Kentucky. That is what I am coming to, as affecting the amount of the finished product that comes into the United States.

Mr. JONES. No; as to the question of writing into a law a discriminatory feature, not that it will have much effect. It is just as though we tried to pass a law saying that the gentleman should not be permitted to go back to Kentucky this month. He might not want to go back, but if we were to pass a resolution that he could not go back, he would not like it.

Mr. ROBSION of Kentucky. Will the gentleman permit me to put my question?

Mr. JONES. Yes.

Mr. ROBSION of Kentucky. If I understood the gentleman——

Mr. JONES. Do not argue; ask the question; my time is limited.

Mr. ROBSION of Kentucky. As I understood the gentleman's statement, it was that the amount of sugar which would come in would be relatively unimportant but that the important thing involved is the question of principle.

Mr. JONES. I am stating the administration's position; this is correct.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. O'MALLEY. Is it not a fact that if the amendment the gentleman offers is adopted the entire production of raw sugar, or the entire quota of raw sugar, could be turned into refined sugar and then brought into continental United States?

Mr. JONES. Theoretically, that would be possible; but considered in the light of the historical background, when we had no limit at all, they did not bring in any more than they would be permitted to under this bill. They probably would not build any great refineries for a 2-year program. That is my frank answer.

Mr. O'MALLEY. The gentleman says it will not affect imports.

Mr. JONES. I say, in my judgment, it will not to any great degree within the time limits of the operation of this bill.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. O'MALLEY. One further question, if the gentleman will permit. Should the quota be increased, it would permit investment in refineries in the island. Would not this provide an additional reason for extending the provision for 2 more years?

Mr. JONES. Perhaps; but, as a matter of fact, they can build all the refineries they want to in the islands now.

Mr. O'MALLEY. With this quota taken off, which the gentleman's amendment purports to do, would not the domestic refineries be in the middle of a squeeze play where the island refiners can say to refiners in the continental United States, "You pay our price for raw sugar or we will take advantage of this unlimited quota and refine the sugar and send it into your market"?

Mr. JONES. I do not think they could do that to any great degree within a 2-year period.

Mr. O'MALLEY. Such things have been done before.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. LEWIS of Colorado. Even sitting here in the front row I could not hear the amendment when it was read. I would like to have the amendment read again, Mr. Chairman.

Mr. JONES. I will state it to the gentleman. It strikes out subdivisions (a) and (b) of section 207.

Mr. MAVERICK. Mr. Chairman, will the gentleman yield for a question?

Mr. JONES. I yield.

Mr. MAVERICK. Does the gentleman believe that these sections with reference to Hawaii and Puerto Rico are constitutional?

Mr. JONES. I think they are constitutional if quota provisions generally are constitutional. I do not think the legal question is materially involved. If we can adopt as a legal proposition quotas in reference to raw sugar, I cannot see why we cannot adopt them in reference to refined sugar.

Mr. MAVERICK. I understand, but that is a specific quota as against Hawaii and Puerto Rico, parts of the United States of America, the only geographical difference between them and the other components of the Union being that water separates them instead of land.

Mr. JONES. I do not think that question is much more serious in view of all the circumstances than the legal question involved in quotas generally. They are not States. Perhaps we could do as we please. But that is all the more reason why they should not be discriminated against.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. KELLER. If we are to strike out sections (a) and (b), why do we not also strike out section (c)?

Mr. JONES. Section (c) is not important for the reason that they are given a quota of all they ever produced. They produce only about 7,000 or 8,000 tons, and that is not important.

Mr. KELLER. Then why should it be in the bill?

Mr. JONES. I do not care. The gentleman may add that to my amendment if he wants to; that is not a controversial matter.

Mr. KELLER. I am going to try to strike it out.

Mr. JONES. I do not have any objection to that. It would not alter the matter one way or the other.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. LUTHER A. JOHNSON. How do sections (a) and (b) of this bill compare with the Jones-Costigan Act?

Mr. JONES. They are practically the same the way the bill is reported as reported in the original act.

Mr. Chairman, I hope the House will understand that I am presenting the position as best I can in the light of all the circumstances. I think it is but fair for me to read to the House a very brief statement prepared at my request by some of those who have had the responsibility of administering the various features of the Jones-Costigan Act, setting forth their position in the matter.

I believe the House would want to have the courtesy extended to have this read.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Chairman, this is only a three-page statement and I think that courtesy, in view of the interest manifested, should be extended to these people:

The first three paragraphs of section 207 of H. R. 7667 discriminate against Puerto Rico, Hawaii, and the Virgin Islands by limiting refining operations in these areas without corresponding restrictons on the other domestic areas of the United States. These provisions are demanded by the seaboard refiners of the mainland in order to limit the amount of competition in the sale of refined sugar. The seaboard refiners are given extraordinary benefits and protection under other provisions of the pending bill, as follows:

(1) Under the quota provisions total supplies are adjusted to consumers' needs which stabilizes the sugar market in the United States, as operations under the Jones-Costigan Act have indicated. Refiners thus obtain at public expense, in legal form and under public safeguards the general market stabilization which they sought unsuccessfully to achieve at their own expense through control of sugar marketing practices under the Sugar Institute regime of 1928–30, which control was held by the United States Supreme Court in its decision of March 30, 1936, to be in violation of the antitrust laws of the United States.

(2) For many years refiners have sought to limit importations of liquid sugar into the United States, which, they maintain, replaces their refined product among certain types of consumers (confectionery, baking, etc.). Section 208 of the bill prohibits the importation of liquid sugar from any foreign country except Cuba and the Dominican Republic, which two countries are permitted quotas based on previous years' marketings in the United States, thereby limiting competition of foreign liquid sugar with refiners' products. Section 210 (b) provides in effect that any liquid sugar marketed by the domestic areas shall be included in the sugar quotas, thereby limiting possible competition with seaboard refiners' products of liquid sugar which may be produced in domestic areas.

(3) Under section 207 (e) refiners receive the unusual protection of an outright embargo on any importations of direct-consumption sugar from the principal competing country (Cuba) in excess of 375,000 short tons, raw value, which represents a decrease, as compared with the 1936 quota, of 87,000 short tons of sugar, although the United States Tariff Commission, after official investigation of costs of refining in the United States and Cuba, reported to the President on January 22, 1934, that no change was warranted in the tariff differential between raw and refined sugar.

It should be clearly understood that the foregoing reference to the figure of 375,000 tons of direct-consumption sugar is not to be taken as implying acceptance of that figure. The Department of State maintains that the Cuban direct-consumption quota should not be reduced below a quantity equal to 22 percent of the total Cuban quota.

(4) Under the provisions of the Philippine Independence Act the refiners are protected against importations of refined sugar, duty-free, from the Philippine Islands, where great expansion of refined sugar production would be possible if no restrictions were imposed. To the limitation of 50,000 long tons of duty-free refined sugar provided for in the Philippine Independence Act, there is added the provision in the pending bill in section 207 (d) that no more than 80,214 short tons, raw value, of direct-consumption sugar may be brought in from the Philippines in any calendar year, even with payment of full duty.

Under the quota system the seaboard refiners increased their meltings from 4,129,000 tons in 1933, the year prior to the Jones-Costigan Act, to 4,514,000 tons in 1936. The excess of the American refiners' margin above the world refiners' margin per pound of sugar amounted to over $20,000,000 in 1936 on the refiners' aggregate deliveries of sugar, an indirect subsidy under quota legislation to the 14 refining companies of $1,600 for each person employed by them, as against an average wage of $1,005.

The question at issue is not whether the 14 mainland cane-refining companies, employing approximately 14,000 people, should be protected but whether, after having been granted the foregoing unusual forms of protection against competition in the bill, they should be given this additional protection, which is an outright discrimination against American citizens residing in the Territories and possessions of the United States.

The provisions discriminating against Hawaii, Puerto Rico, and the Virgin Islands in the matter of refined sugar are in complete violation of traditional American policy and of basic American principles.

First. These discriminatory provisions establish trade barriers within the United States. These provisions establish that a certain part of the Union may not manufacture, may not process, the products of its soil. This discrimination against one part of the Union is established not merely in favor of another part of the Union—in itself an unjustifiable performance. It establishes discriminations against parts of America, inhabited by American citizens, in favor of a few mainland companies already highly privileged by this legislation. As a precedent this kind of discrimination is unthinkable—and because it was introduced without the administration's approval 3 years ago in the Jones-Costigan bill, in an emergency, is no reason for making it continuing national policy.

May I say to the House that I am not talking about this position of the Department. I may not be able to finish this statement, but I feel it is fair to state it in the interest of the people who are concerned about this matter. I know some of you represent certain areas, and you, as a matter of policy, may have to vote against these amendments; but those who do not represent such districts, I believe, as man to man, you will be doing the great beet and cane producers of America a favor, not on the merits of the proposition, but in the interest of securing major legislation.

[Here the gavel fell.]

Mr. CRAWFORD. The gentleman should be permitted to finish reading this statement. It is very important and is a very vital part of this bill. He should have additional time to answer three or four questions, and I therefore ask unanimous consent that he may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JONES. Mr. Chairman, continuing this statement:

Second, these discriminations are contrary to the spirit of American institutions. They are contrary to contemporary American policy by establishing an Old World colonialism in America. The essence of Old World colonialism, the colonialism against which the Thirteen Colonies rebelled when they declared their independence from Great Britain, and against which the Spanish colonies rebelled when they broke away from Spain, was the right of the mother country to exploit those colonies, to consider their citizens as occupying a secondary and inferior status and to place economic obstacles in their path, in favor of commercial interests in the mother country. This is still the practice among Old World empires, though to a more limited extent than it was a century and a half ago—because colonies cannot be exploited as ruthlessly now as then. However, it is self-evident that sound statesmanship in the United States cannot recognize, cannot permit, the establishment of such a continuing policy with us. It has been part of our historic process that territories represented an earlier stage of political development, and that during that period of development their lack of voting strength in the Congress was not to be taken advantage of to penalize them, but on the contrary should entitle them to the fullest protection from the entire Congress. Because Hawaii and Puerto Rico have no vote in the Congress is not only not a reason for discriminating against their products and imposing restrictions upon them against which they cannot retaliate, but it is a valid reason for insuring them protection at the hands of the entire Congress. The Congress itself is looked to by American citizens in Hawaii, Puerto Rico, and the Virgin Islands to insure them equal treatment.

Mr. CRAWFORD. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Michigan.

Mr. CRAWFORD. In view of the announcement made by the floor leader a few moments ago, and the gentleman's statement, as I understood it, to the effect he is directly informed the President will veto this bill if these amendments are not agreed to, may I ask the gentleman, if the bill is vetoed and the Congress adjourns in the meantime, will there be any sugar legislation during this term of Congress?

Mr. JONES. The gentleman has asked two or three questions in one. I have not quoted the President. I do not undertake to quote Presidents. I do know from conversations that the President has taken a very firm stand on this matter, and I believe in all fairness if sugar legislation is desired this is about the only way to get it. Furthermore, if this bill should be passed in its present form and vetoed, I would like to call the attention of the friends of this legislation to the fact that the Congress has been very generous to the people who produce beets and sugarcane. There are a great many more consumers in this country than there are producers of sugar beets and sugarcane, and the Congress has been fair enough to go along on a great program that has done much, I believe you will all agree, for the sugar industry of America. There is much that may be done by the major provisions of this bill. Just as an open proposition, I do not think the people who are vitally interested could very well expect, in the event there should be

passage of the bill in its present form and it should not be approved, the people who are not interested to still go along and undertake to pass it, notwithstanding that you are not willing to be reasonable enough to recognize the realities of the situation and, in order to accomplish a great purpose, be willing to make a little sacrifice. [Applause.]

Mr. KENNEY. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from New Jersey.

Mr. KENNEY. If these amendments are voted down, then the islands would have the right to send to continental United States something like 600,000 short tons of refined sugar?

Mr. JONES. They would have the right, but probably under the physical conditions existing would not exercise the privilege.

Mr. KENNEY. But they would have that right?

Mr. JONES. They could not exercise the privilege, I may say.

[Here the gavel fell.]

Mr. KLEBERG. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is the first time I have found myself so directly opposed to my long-time and distinguished friend, the chairman of the House Committee on Agriculture, as to be moved to take the floor in opposition to the very fine statement he made, but a statement which, in my opinion, carried only one side of the picture. I do not blame him for his oversight. No man as busy as he has been in the last several months could be charged with such a little thing as probably overlooking a very significant and important bet. It is a very peculiar thing to find him, after having gone through the hearings along with other members of the committee, overlooking the significant fact that the House Committee on Agriculture has as its members a group of gentlemen whom I believe, like the distinguished chairman, desire to preserve every principle of fairness and justice that is due to him or to any other American citizen.

Mr. Chairman, when the statement is made that there is discrimination and that we are treating citizens under the American flag unfairly by this particular provision of the bill that is sought to be stricken out, I invite the attention of the members of the committee to the provisions of the entire bill. The State of Texas, the State of New York, and the State of Massachusetts at one time produced sugar beets and Texas produced sugarcane.

Under this bill and under the quota applied, States which at one time were able to indulge in that particular line of industrial endeavor are completely shut out from the so-called business of producing. The point I am trying to make is that the committee heard every single reason advanced today in the gentleman's argument and heard extensions of these reasons in the testimony before the committee, yet notwithstanding that, the entire committee, composed of men who, I repeat, are as fair and desire to be just as patriotic and law abiding as any group anywhere else, came to a decision, with the exception of one man who did not vote on the bill, that the provisions of this bill were O. K., including the two paragraphs which are the subject of the pending amendment.

Mr. Chairman, if these provisions are discriminatory as between citizens under the same flag, I challenge any man to stand up before this group in this great emergency and say the quota bill as written, from beginning to end, with these provisions knocked out, is not equally discriminatory. No man can apply the argument to one particular section because of administrative desire to have anything accomplished without being willing to look the facts and the figures in the face and recognize that the committee applied the quota system to the industry as it was at that time, limited it with proper adjustments, after due, careful, and deliberate consideration, and brought out the bill which this body is now considering. No committee working as we had to work would be able to bring out a perfect bill. I doubt if such an instrument has ever been passed. But when we come down to the issue involved today, whether to strike out provisions which do nothing more than freeze the refined sugar importations from Hawaii and Puerto Rico to the amount represented by their absolute peak of exportations of refined sugar to the United States, and then look at the other provisions and their effect on certain other States of the Union under the same flag, it does not seem to me we can be practical or consistent and still claim we are treating Puerto Rico and Hawaii with discrimination.

Mr. BUCK. Mr. Chairman. will the gentleman yield?

Mr. KLEBERG. Yes; I am pleased to yield to the gentleman from California.

Mr. BUCK. Is it not a fact that owing to the quota limitations we have put on the imports of raw sugar, the continental refiners are limited much more than the refiners in Hawaii and Puerto Rico?

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

Mr. CRAWFORD. Mr. Chairman, I reserve the right to object.

Mr. KLEBERG. I shall repeat the question so the gentleman will hear it.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KLEBERG. My distinguished friend the gentleman from California [Mr. BUCK] has just asked me whether or not in my opinion it is not true that the provisions of the quota restrict American refiners to a greater degree than the restrictive provisions complained of affect the refiners of Puerto Rico and Hawaii. I may say without any hesitation that that is perfectly patent on the face of the statement I have just made. The refiners on the continent are restricted, by reason of restrictions on the continental sugar producers of both cane and beet sugar, including not only the cane-sugar refiners but the processors of beets, to the limitation in this bill, which provides an opportunity for the law of supply and demand to function for the benefit of not only the producers but the consumers and the market to which the producers of raw materials must go.

Mr. Chairman, I hold that my distinguished friend overlooked this proposition when he made the statement that if we adopt this apparently innocuous amendment no damage will be done. I hold, Mr. Chairman, that whenever a great deliberative body like the Congress of the United States adopts an amendment such as the one now presented, and accepts without going more into detail the statement that there is no injury caused to a great industry thereby, a great offense is committed. I hold that no man who will take his pencil and paper and figure out the facts and go back to the historical record of this industry can say that the producers of cane sugar in the United States are not injured when their market has its throat cut. Whenever you destroy the market to which producers must go, you have done them an injury.

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. KLEBERG. I am pleased to yield to the gentleman from New York.

Mr. LANZETTA. Is it not a fact that quotas were established with respect to areas which were then producing beet and cane sugar?

Mr. KLEBERG. And refining, too.

Mr. LANZETTA. With respect to the raw sugar, the burden was placed equally on the shoulders of every American citizen in the producing areas where sugar was then under production.

Mr. KLEBERG. Except in the case of Puerto Rico and Hawaii.

Mr. LANZETTA. Is it not a fact that in the case of Puerto Rico and Hawaii quotas were fixed on the basis of the amount of sugar produced for a number of years past?

Mr. KLEBERG. Yes.

Mr. LANZETTA. Is it not a fact that the quotas of the continental beet and sugarcane growers were fixed in a similar way?

Mr. KLEBERG. Yes.

Mr. LANZETTA. Then, where is the discrimination?

Mr. KLEBERG. There is no discrimination because we find the industry processing sugar and the industry producing sugar are essential one to the other. The same principle applies to the production of the industrial product as applies to the case of reduction and curtailment in the production of the agricultural product.

Mr. LANZETTA. Then, there is no discrimination insofar as the beet or raw cane sugar is concerned.

Mr. KLEBERG. No; that is is not correct.

Mr. LANZETTA. The gentleman agrees with me that the quotas were fixed for all areas which were then producing raw sugar.

Mr. KLEBERG. That is correct.

Mr. LANZETTA. And if the burden is placed equally upon all of these areas, then there is no discrimination.

Mr. KLEBERG. There is equal discrimination, none the less, to everybody under this bill, but the discrimination is indulged in in order to arrive at a solution of a practical, economic problem, and until the Congress and this Committee understand that the purpose or objective of this bill is to accomplish such a solution of a problem which threatens the successful economic continuance of the sugar industry in continental United States, as well as in the islands, we will never properly join issue on the question.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. KLEBERG. Yes; if I can get just a little extra time, because I have not finished the point I want to make.

Mr. CRAWFORD. Do I understand the gentleman to say, as a member of the committee, that this bill will not permit the building of a sugar plant in Texas so they may refine beet sugar in Texas?

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KLEBERG. I will answer the gentleman in this way.

Mr. CRAWFORD. The reason I ask the gentleman the question is because of his remarks appearing at page 8320 of the RECORD, which the gentleman has repeated here. I want to find out whether, in the gentleman's opinion, this bill prohibits the building of a new beet-sugar mill in the State of Texas for the purpose of refining sugar.

Mr. KLEBERG. The question answers itself, because the State of Texas cannot go into the production of sugar beets under this bill.

Mr. CRAWFORD. How are the other Western States building mills and bringing them into production under such legislation?

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. KLEBERG. I yield.

Mr. JONES. I know the gentleman wants to be thoroughly accurate on that statement, and I think if he will read section 205 (a) of the proposed act he will find that there is provision for expansion of other new areas where it can be shown there is reason for such expansion.

Mr. KLEBERG. And that provision would apply equally to Puerto Rico and the Hawaiian Islands. They and Texas would have to show causes before they can expand.

Mr. JONES. That is right.

Mr. KLEBERG. The point I am making is that there is no discrimination in the bill between the continental area divided into States and the insular areas described as offshore possessions or territories.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KLEBERG. Permit me to conclude this statement.

The fact is that the issue hinges on two questions which the House must decide. First of all, whether we are going to continue the emergency provision set up under the Jones-Costigan Act, based on the same principle as the underlying principle of this proposed legislation, and pass this bill as written, or are we going to say that because of certain readjustments made necessary by application of these principles to the processing end of sugar, in some instances, we cannot be fair to the principles establishing quota-restricted production in continental United States when we do not recognize the importance of protecting the market for the producers of those States.

The other question we are going to have to decide is one that comes right straight home to us. As a member of the legislative committee I did my dead-level best to be impartial, to be fair, to be attentive, and to do the very best thinking of which I am capable in deciding upon the final vote on this measure. The legislative committee of which I am a member has decided upon the bill you now have before you, and they have backed it. We now come before the Committee of the Whole House and we find three departments of the administrative branch of the Government, backed by the President, have come to a different opinion with reference to a function which is essentially a part of the duties of this great body. If, because of the pressure that comes from that source, there is a failure to consider that the provisions of this bill represent the dead-level best of the committee to be fair, based on the historical data of the industry from its beginning, and if we decide, against our best judgment and duty, that because we are told that despite our best judgment this bill will be vetoed, with full knowledge of the fact that such veto power exists, I hold, Mr. Chairman, that we have come to a sad day.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. KLEBERG. I yield.

Mr. McCORMACK. We had a similar situation with respect to the veterans' bonus and the House proceeded and acted.

Mr. KLEBERG. Of course, I did not want to refer to historical matters, but I do want to call attention to the pertinency of that issue here.

Mr. Chairman, in conclusion I repeat that never have I faced a more solemn or difficult task when I find myself opposed to my loved, distinguished, and trusted friend the gentleman from Texas [Mr. JONES], who has presented this amendment here—and I make this statement, and if it is challenged, it is all right—because of the fact that he is a Democrat and because of the fact he felt prompted to do this out of courtesy for the departments that have objected to the provisions contained in the bill, and I repeat that as members of the committee and of the House, the question we must decide is whether or not the work done by the committee is going to be disregarded to sustain this amendment, which strikes down the deliberate judgment of your legislative committee and substitutes therefor the desire of Government departments.

Mr. REED of New York. Mr. Chairman, I move to strike out the last word. I rise to express my views on this sugar question.

The average per-capita consumption of sugar in 1900 in the United States was about 70 pounds. It is now estimated that the per-capita consumption is more than 103 pounds a year.

As I gather from statistical sources, about 20 percent of the sugar required by the consumers of the United States is grown in our own country; 40 percent of our domestic needs is obtained from Hawaii, Puerto Rico, and the Philippine Islands; the other 40 percent is imported from foreign countries, chiefly from Cuba.

The area in the United States that can be successfully utilized for cane-sugar production is limited by rainfall, soil, and temperature. The portion of the United States that meets these requirements is the Gulf Coast Plain. There are factors, however, that place this region under a competitive handicap with Puerto Rico, Cuba, Hawaii, and the Philippine Islands. The handicaps are annual frosts and the higher cost of labor.

It is quite different with beet-sugar production. This crop can be grown under a wide variety of climatic and soil conditions. If the problem of beet-sugar production were to be

approached from a statesmanlike point of view, vast areas could be opened up to the production of sugar beets. Instead of importing 80 percent of our sugar, the farmers of the United States might profit tremendously by supplying the ever-increasing per-capita demand for sugar.

Now as to the refining process. The cane sugar comes from the mill as raw sugar, and has to be refined. This business is so vast that the refinery must be located near the great commercial gateways of the consuming regions. The magnitude of this industry is shown by the daily capacity of one of the largest refineries which produces daily more than 4,000,000 pounds of sugar. I believe the reports show that the American Sugar Refining Co. produces in excess of 50,000 carloads annually. These great refineries are located principally near Boston, Brooklyn, Philadelphia, New Orleans, and San Francisco.

Now, with sugar-beet refining the facts are different. The average acre of beet land yields 9 to 11 tons of roots, from which 13 to 18 percent, by weight, is recovered in the form of sugar. The bulk of water and cellulose does not warrant shipment long distances to refineries; therefore, beet-sugar factories are located close to the point of production. This very fact tends to furnish pay rolls to the communities near the sugar-beet farms. The farmer benefits from the price he receives for the beets, and from the pay rolls of the factories located in close proximity to the farms.

I can see no sound reason why millions of acres should be taken out of production of paying crops to furnish a market for foreign sugar producers. As we displace our acres by the importation of farm crops we force the American farmer to engage in the production of crops of which there is already a surplus. This ruins his domestic market price, which results in poverty, distress, and unrest among our farmers.

The domestic market for farm products belongs to the American farmer, and until it is fully restored to him there can be no sustained prosperity for him.

I call attention to another fact, Mr. Chairman. Something has been said about the consumer and what it means to him to buy in the cheapest market. Just so long as we are dependent on foreign countries for the major part of a necessity such as sugar, when a crisis comes, and we need that product, then we will pay the price, as we did during the war. Every country in the world is trying by bonuses and subvention to produce sugar. We have the area here, the farmers can produce it, and there is no reason why we should take from the American farmer this opportunity to prosper in the raising of beet sugar. [Applause.]

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the pro-forma amendment, and ask unanimous consent that I may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Chairman, I stated yesterday, and I repeat today, that I represent a district in which there are no farms. I represent a district similar to districts that many Members of this House represent coming from large urban areas. As my friend from Texas [Mr. JONES] was talking about this amendment, he impressed me that his heart is not in the amendment that he has offered. He admitted that there were two sides to the question. We all know that. When my friend from Texas [Mr. JONES] was talking I know that he had in mind the fact that when he had his hard fights in the past putting through agricultural legislation it was Members like myself who rallied to his support. When my friend from Texas [Mr. RAYBURN], the majority leader, was also having his hard fights, and I know if he speaks on this amendment he will be conscious of the fact, he will remember that it was Members like myself from the industrial districts who were going down the line with him, helping his people, upon the theory that when we were passing legislation to improve the lot of an economically adversely affected group of our citizens we were doing something that inured to the general welfare. I am going to ask Members from other sections of the country to remember that we from the industrial East have helped them in many a close fought battle in this House. Only the other day the Gila Dam was up, and if you will look over the roll call you will find that the Members from the industrial East helped the West in that fight. A few days ago another dam was under consideration, and look over the roll call and you will find that the Members from the New York, New England, Pennsylvania, and other industrial sections were going down the line for our western friends.

Now, an attempt is being made to divide the farmer and the worker of the industrial area in their common interests in this bill. That will be the result of this amendment if it is adopted. My friend from Texas [Mr. JONES] knows that. The effort is being made to divide the common interest that exists between the farmers of the country and the consumer and refinery workers of the country; the Representatives in this body of the producers of the country and the Representatives in this body of the refiners and the employees of the refiners of the country. My friend from Texas [Mr. JONES]—and I say this impersonally—made a very ingenious argument. Oh, how vulnerable it would be to criticism if we did not know in our own minds that the gentleman is a soldier, and we respect and admire him for being the soldier that he is, and the soldier that the majority leader, if he speaks on this amendment, will be. It is not the heart that is behind their position; but they are soldiers, and on this occasion they are only doing the work of a soldier. The gentleman from Texas said that "the friend of this legislation, if wise, will agree to the amendments." I wonder what he means by that. Have I not been a friend of agriculture? I voted for the last farm bill. I took the floor for the cotton-control bill when it was in peril, and it passed by only six or seven votes. I voted for the potato-control bill of my friend from North Carolina [Mr. WARREN]. As I say, I took the floor on the cotton-control bill. I assumed then that it would do good for that form of agriculture. They asked me if I would take the floor, and I did. The bill, as I remember, passed by six or seven votes.

The gentleman says that certain Members, if they are wise will agree to the amendment. That argument falls to the ground, because the Representatives of the industrial districts have indisputably shown by their votes and voice that they are also the friends of agriculture. But in this bill today it is not only agriculture that is interested; it is the workers of the refineries, 16,000, approximately, throughout the country, on a 60 percent working basis, and if conditions improve, and if the demands are greater than under present conditions, opportunities of employment will increase. Indirectly many thousands of others are dependent upon this industry. In the city of Boston alone the industry spends $37,000,000 in wages and for supplies, materials, taxes, and other activities, and that all inures to the purchasing power of that section. New York, Pennsylvania, Michigan, Louisiana, California, and other States have refineries, and their problems are the same as my problem.

The argument of discrimination is raised. After the passage of the Jones-Costigan bill Hawaii contested the act and brought proceedings in the Supreme Court of the District of Columbia. Mr. Justice Bailey said:

> Complainants have failed to show any discrimination against them. Hawaii was, in fact, required to curtail its production less than any other area.

Again, the Justice said:

> Congress has the right to limit the importation of sugar from Hawaii, and that limitation in no way deprives plaintiff of property without due process of law.

My friend from Texas [Mr. JONES] says that if this bill is passed refined sugar imports from Hawaii and Puerto Rico will not increase; that it will not disturb the present situation during the life of the bill. If that is so, why should we adopt the amendment? What is the necessity for adopting the amendment?

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. TAYLOR of Tennessee. Was not the admission made before the Rules Committee by the friends of those who

would eliminate these two subsections, that if they were eliminated the industry in Hawaii would expand?

Mr. McCORMACK. That is my recollection.

If refined sugar from Hawaii and Puerto Rico will not increase, what is the necessity to have this amendment adopted? The present bill proposes to simply continue with reference to refining that which exists under the Jones-Costigan Act. We are dealing with a practical situation. We are not dealing with a theoretical matter. It must be viewed in a practical way.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. KING. It does not say, however, how much sugar we refined at the Atlantic seaboard. Does the gentleman know how much Hawaiian sugar is refined at Boston, in the district that the gentleman represents?

Mr. McCORMACK. If the gentleman wants to put it in the RECORD it is all right.

Mr. KING. I have the figures. In the port of Boston it is an average of 29,000 each year, which should not displace 10 men.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. O'MALLEY. Does not the gentleman suspect that the real reason for the proposed adoption of this amendment is to give Hawaiian producers another angle from which they can obtain a greater price for their raw sugar, by threatening to send in more refined sugar if they do not get a sufficient price for the raw sugar?

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent that the gentleman may have 10 additional minutes.

The CHAIRMAN. The gentleman has already received 5 additional minutes.

Mr. McCORMACK. I think the gentleman's question answers itself. It is entitled to that inference.

Mr. O'MALLEY. Even if they do not use it, they have a blackjack in their hands against the American refineries.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CRAWFORD. In view of the interest which the gentleman has taken in this bill and the people whom the gentleman represents and for whom he speaks so ably, I want to ask the gentleman this very vital question: Is the gentleman in position to say, officially for the refining industry——

Mr. McCORMACK. I am talking for the workers of the refiners. Please get that correct.

Mr. CRAWFORD. I thought this was a refiners' proposition.

Mr. McCORMACK. I am talking for the workers of the refiners. I am fighting to protect their best interests.

Mr. CRAWFORD. Is the gentleman in a position to say for the people he represents and in whose interest he is now speaking——

Mr. McCORMACK. The workers of the refiners.

Mr. CRAWFORD. That hereafter they will insist and stand by protection for the domestic beet-sugar and cane-sugar industry, which they have eternally fought heretofore? You are speaking of the seacoast refiners, as stated in your message yesterday.

Mr. McCORMACK. Now the gentleman is going pretty far afield.

Mr. CRAWFORD. I want to know where you stand on this.

Mr. McCORMACK. Oh, where I stand? Let me tell you where I stand on this. I would vote for an amendment that would bring about the maximum productive abilities of continental America and its possessions, after the termination of the reciprocal trade agreement with Cuba.

Mr. CRAWFORD. But will the refiners for whom the gentleman speaks——

Mr. McCORMACK. I am speaking for myself.

Mr. CRAWFORD. The gentleman is not representing the refiners?

Mr. McCORMACK. I have told the gentleman several times that I am speaking for the workers employed in the refineries.

As far as I am concerned, I think that the producers of America should be permitted to produce to their maximum capacity. [Applause.] I do not believe we should have crop control of beets and sugarcane for the benefit of some other country—and I refer to Cuba. I realize the practical situation that confronts us in the matter of the reciprocal trade agreement, but there should be no crop control in agriculture unless we have a surplus, and in the case of sugar we have an underproduction, a production incapable of meeting the consumptive demands of our people. Under those circumstances we should utilize to the maximum extent the productive capacity of the growers of the United States.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MOTT. Does the gentleman think that will ever be brought about as long as the reciprocal trade agreement is in force?

Mr. McCORMACK. No; I said after the termination of the reciprocal trade agreement. I think that is the practical situation that confronts us.

Mr. MOTT. Is the gentleman in favor of the repeal of the Reciprocal Trade Agreement Act?

Mr. McCORMACK. No; and I am consistent in my position.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. No; I have but a minute remaining.

Mr. KING. The gentleman mentioned my name two or three times in the course of his remarks.

Mr. McCORMACK. I dislike not to yield to anyone, even where it is at my own expense; even though I have never knowingly asked any gentleman to yield when he had only a minute remaining, yet I yield.

Mr. KING. Does the gentleman realize that the refinery in Boston, Mass., in his district, gets 90 percent of its raw sugar from a plantation in Cuba producing sugar under un-American conditions? We in Hawaii produce sugar on the American basis and pay American wages. [Applause.]

Mr. McCORMACK. What the gentleman says if true does not change my position, and it is not inconsistent with the position that I take today. If what has been stated on the floor is true, that there will be no increase of refined sugar from Hawaii and Puerto Rico, why does my friend want to have the increase? We are considering a practical bill. Those islands want to bring in all their quota in refined sugar when it has been stated, and not denied, that they do not intend to exercise the power.

Mr. KING. Does the gentleman want an answer to his question?

Mr. McCORMACK. In view of the few remaining moments that I have I suggest that the gentleman answer that in his own time. We are considering a practical matter today; not a theoretical one. We are, as we should, considering the whole matter from a practical angle. We have got to apply the rules of practical justice to all interested parties and at the same time have a regard for the consumer.

They talk about discrimination. Who is going to suffer if this bill goes through? Certainly not those employed in Hawaii and Puerto Rico, for under the present law they are now receiving approximately $100,000,000 a year more on the sale of their sugar to us than they would if they sold it in the world markets. Their present invested capital and their workers will not suffer. The only ones who will suffer if this amendment is adopted will be the refineries, through

the destruction of their capital investment, and through the throwing out of work of thousands of citizens of the continental United States. [Applause.]

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Chairman, let us keep clearly in mind the real issue that is involved in this discussion. The issue is not protection, because the findings of the Tariff Commission under two administrations have been to the effect that there is no difference in the cost of production for refining in the Tropics and in the continental United States. The issue is not labor because in all these refineries in the United States less than 14,000 people are employed and they receive an annual wage averaging about $1,005. If all the refined sugar which might be permitted to come into this country under this amendment came in—and it will not nearly all come in—I can assure the members of this committee of that—it could not possibly displace more than one-third of these workers, because it would be less than one-third of what these refineries are refining at this time. This is the extent of the labor issue.

The issue involved, is not the issue of protection for the domestic producer of cane and beets, because, as I pointed out yesterday, the refiners who are opposing this amendment have for 40 years done everything they could to destroy the domestic beet-producing industry in this country. [Applause.] I cannot understand why those who are speaking for the domestic beet-sugar industry should allow themselves to be made the tools of the refiners as is the case today.

Mr. CUMMINGS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Very briefly, for a question.

Mr. CUMMINGS. The gentleman asked a question, I wish to answer it. We are supporting it because they have repented and want to come into the fold. They should be allowed to do so.

Mr. HOPE. I am suspicious of death-bed repentances. All these refiners are doing is hitch-hiking on a bill for the relief of the domestic producing industry.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Briefly, yes.

Mr. CRAWFORD. As a matter of fact, would these refiners be willing to stand for the protection of the continental beet- and cane-sugar industry?

Mr. HOPE. No; their record for 40 years indicates they will not stand for that. They fought it continuously during all that time.

The issue today is simply whether you are going to permit this Congress to record itself as saying we should set up restrictions against one area in this country which do not apply to another area. If we can do that, as far as refined sugar in Hawaii is concerned, we can do it as far as processing cotton in Georgia or Alabama is concerned. We can do it as far as the manufacture of shoes in Kansas is concerned. We can do it as far as any area in the United States is concerned which has not developed its industrial capacity. That is the big, vital issue that is before the House today. It is a question as to whether we are going to treat our citizens in Hawaii and Puerto Rico just the same as we treat the citizens of Massachusetts and Kansas.

In the year 1887, 18 of the 21 sugar refiners of this country got together and organized what has since been known as the Sugar Trust. The Sugar Trust has been in continuous conflict with the laws of this country ever since. It has been a persistent violator of the antitrust laws. It has been during all its history, and still is, a monopoly today at heart. That is the reason the companies comprising the Sugar Trust are opposing competition from any other area.

Only a little over a year ago the Supreme Court of the United States rendered a decision affirming the action of the United States District Court for the Southern District of New York in restraining the Sugar Institute, which is the modern version of the Sugar Trust, from 45 separate practices in violation of the antitrust laws of this country. The Supreme Court modified the decision to the extent that it held 3 of the stated practices were not in violation of the antitrust laws, but as to 42 of them the decision was affirmed.

Mr. Chairman, I think it is a rather healthy thing in this country to have a little competition in the cane-sugar refining business. All the competition we have in that industry today comes from the small amount of sugar that is refined in Puerto Rico, Hawaii, and what we permit to come in under this bill from Cuba and the Philippines. Is it not about time that these 13 great sugar companies which comprise the Sugar Institute, and which refine approximately 66 percent of all the sugar refined in this country, have a little competition? That is the reason these refiners are fighting this amendment today. They are monopolists at heart. They always have been, and they want to continue to be a monopoly.

The issue has been raised here as to what will happen to this bill if we pass it. I do not care to discuss that question particularly, but everybody knows if we pass the bill in its present form it is going to be vetoed. I wonder how many Representatives of the beet-producing sections want to go back to their beet farmers and tell them they voted for a bill that they knew was going to be vetoed because the Sugar Trust refiners wanted them to do so. That is the only answer you can make.

Mr. CRAWFORD. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Does the gentleman know of any greater blessing that could come to the seacoast refiners than to have this bill killed completely, so that they could buy their sugar for 60 cents, 70 cents, or $1.25 a hundred and have a small cost with a high refining margin?

Mr. HOPE. I think that would be in line with their previous practices.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. HOPE. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does it seem fair to the gentleman to punish the workers because he does not like the activities of the manufacturers? We in New England and of the New England delegation feel very strongly that our workers should be protected. We have lost many industries. I wonder if the gentleman realizes how much we have suffered in the State of Massachusetts?

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mrs. ROGERS of Massachusetts. The gentleman spoke of a deathbed repentance. Does the gentleman admit, in making that statement, that it is the death of the refining industry, as the workers seem to feel?

Mr. HOPE. No. I have already stated that labor in this matter is not a consequential issue. It is not an issue in this proposition at all, because sugar refining is perhaps the most highly mechanized industry in the country.

I understand that some of my Democratic friends feel some resentment because the administration has rather emphatically stated its viewpoint and position in this matter, but it seems to me the issue is clear. It is either vote with the administration or the Sugar Trust. Certainly any Member of the majority party would rather have the administration tell him how to vote than to have the Sugar Trust do so. If the vote on this question today discloses that the Sugar Trust is a more potent factor in the Democratic Party than the administration, then these are indeed strange times. May I say to my Republican friends,

while they may take some pleasure in voting against the administration, I hope when they do so they will do it in a more worthy cause.

Mr. MICHENER. Will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Michigan.

Mr. MICHENER. Does the gentleman know that the Beet Growers' Association and the representatives of the beet growers of our country are here today urging the Members from those sections to vote for this bill without amendment? That is the beet growers themselves.

Mr. MAVERICK. Is it not a fact they are dominated by the Sugar Trust itself?

Mr. CUMMINGS. That is not true.

The regular order was demanded.

Mr. HOPE. In answer to the gentleman from Michigan and the gentleman from Texas, let me cite another instance of the activities of the companies comprising this notorious Sugar Trust. They have gone out in the beet-producing areas and have bought large interests in the beet refineries. They own 26 percent of the stock in the Michigan Sugar Co. The American Sugar Refining Co. has a large stock interest in the Great Western Sugar Co. I am told it is a stockholder in a number of other sugar-beet refineries. This is a further effort they are making to dominate the industry. I think you will find that is where the influence comes from which the gentleman from Michigan states is urging Members from sugar-beet sections to support this legislation. These refiners are simply too smart for both the representatives of beet producers and representatives of labor. They are using both as cat's-paws. [Applause.]

[Here the gavel fell.]

Mr. CUMMINGS. Mr. Chairman, this is the first time in the five sessions of Congress in which I have served that I have ever opposed an amendment offered by the gentleman from Texas [Mr. JONES]. May I say with reference both to the gentleman from Texas [Mr. JONES] and the gentleman who has just spoken, the gentleman from Kansas [Mr. HOPE], that if there is any change in administration at the next election I hope one or the other of these gentlemen will be the Secretary of Agriculture, and I mean it? [Applause.]

The gentleman from Kansas is very weak in his mathematics. May I read some figures from the Government report regarding wages paid in Hawaii. It is shown that the wage paid on the sugar plantations in Hawaii is $10.92 a week. The gentleman stated that the annual wage paid by the refiners is $1,090, and I am accepting the challenge.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. CUMMINGS. No.

Mr. KING. The gentleman is talking about me.

Mr. CUMMINGS. The gentleman talked three times yesterday.

Mr. KING. The gentleman is referring to field labor.

The CHAIRMAN. The gentleman declines to yield.

Mr. CUMMINGS. The wage paid is $10.92 a week. Multiply that by 50 and you get $546 in Hawaii and $1,090 in the United States, accepting the gentleman's figures as true. What wages are paid in other institutions in Hawaii? On the pineapple plantations, $13.50. In the canneries, $13.44. In building enterprises, $25.10 a week. Railroads, $24.95 a week. Longshore labor, $25.27 a week. Tin-can manufacturing, $22.38 a week. You have a very decent wage in all the industries until you hit sugar.

What is the truth about the cost of sugar? Somebody has said that the people have been very kind to the beet growers so far as the price of sugar is concerned. I have here a table prepared by the United States Department of Labor as of June 8, and it shows the index numbers of retail costs of food by commodity groups from 1929 to 1937, and shows all of the foods running, with 100 as a base, at 102, 122, 102, 102, and 110, but sugar has varied only from 66 to 72, and the last 2 years it has been 66, 66, and 65 on the base of 100; in other words, the cheapest food you eat.

People do not realize just how cheap sugar is. I have a table here prepared by the Secretary of Labor covering April 1937, and it shows the average price paid for food in 51 of the largest cities.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. CUMMINGS. No; I decline to yield now. I want to call attention to the value of sugar as compared with other commodities, and then I shall yield if I have time.

Sugar was worth 5 cents a pound then; butter was worth 8⅓ cents a pound, and you were paying 39.7 cents a pound for it. Bacon was worth 6⅔ cents per pound, and you were paying 39.9 cents per pound. You pay 45 cents here. When sugar was worth 5 cents a pound, lamb was worth 3⅔ cents, and you were paying 30½ cents. When sugar was worth 5 cents, sirloin beef was worth 2½ cents, and you were paying 41½ cents per pound. When sugar was worth 5 cents a pound, a can of peas was worth thirteen-twentieths of a cent, and you were paying 16.3 cents per can. A can of tomatoes was worth one-fourth of a cent, and you were paying 9.4 cents per can.

Now I yield to the gentleman from Illinois.

Mr. KELLER. I want to know what the wages of the workers in the beet fields of Colorado are as compared with the wages of the workers in Hawaii. I should also like to know what relation there is between the two, so far as this bill is concerned. Why should we bring up the matter of wages paid in one place or another? What effect does it have on this bill.

Mr. CUMMINGS. I contend that they are simply asking the privilege of refining the sugar in Hawaii because they can refine it with cheap labor and make more money and beat people who live on the continent out of a job.

Mr. KELLER. Does the gentleman believe it is just to deny to the people we took under our flag the same privilege the gentleman and I have?

[Here the gavel fell.]

Mr. HOOK. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Chairman, certain remarks have been made here to the effect that those who oppose this amendment are representing the refiners of this Nation. May I say right now that I have not a single refinery in my district and I have not a single solitary beet in my district. I am looking at this from the standpoint of a neutral party. I came to this Congress as a champion of labor and I intend to stay as a champion of labor. I do not like the insinuations of any man who does not know what he is talking about when he states that all those who are opposing this are representatives of the refineries. Does the gentleman know that the Brotherhood of Railroad Trainmen has endorsed the bill as it came from the committee? Does the gentleman know that the president of the American Federation of Labor endorsed this bill as it came from the committee? Does the gentleman know that there are 94,000 cars used to haul refined sugar on the railroads of the United States because of the refineries? Does he know they have spent $10,000,000 with the railroads and that $4,300,000 of that amount goes to pay labor? Does he know that at one time there were 25,000 men working in the refinery business and because of the importation of refined sugar that number has been cut down to 16,000 and they are attempting to wipe it out?

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. HOPE. Does not the gentleman think it would take just as many cars to haul that sugar in the United States whether it was refined in Puerto Rico or at Edgewater, N. J.?

Mr. HOOK. No.

Mr. HOPE. Why not?

Mr. HOOK. For the simple reason that these cars are brought to your refineries and the sugar, if brought in, would probably be brought into New Orleans and shipped up the river by boat, and if it was in a refined state it would then be shipped by water most of the way; but when

they have to bring it over here and put it in a factory, it has to be refined and then shipped out of the factory again.

Mr. HOPE. Is there any difference? Is there not just as much likelihood of refined sugar going by rail as raw sugar, or vice versa?

Mr. HOOK. They could bring it in direct by water and then stop.

Mr. HOPE. The gentleman does not believe that every community in the United States has water transportation?

Mr. HOOK. In other words, they could land it at the ports where there would be no rail hauls.

Mr. HOPE. Are not all the refineries located along the seacoast?

Mr. HOOK. No; not all of them.

Mr. HOPE. Will the gentleman tell me where there is a cane refinery that is not located along the seaboard?

Mr. HOOK. They are not all located at harbors.

Mr. HOPE. I would like the gentleman to inform me of one that is not located along the seaboard.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. BUCK. Regardless of the situation with respect to our seacoast, if, as we anticipate, the beet-sugar refineries were put out of business by the importation of refined sugar from Puerto Rico and Hawaii, would it not destroy the transportation by rail of the raw beets?

Mr. HOOK. The gentleman is correct.

Mr. KELLER. The gentleman has referred to the great loss in a number of men engaged in refining sugar during the last 25 years. Is that as great a loss as the loss that has occurred in all other mechanized lines in America?

Mr. HOOK. I do not know, but it was because of these importations of refined sugar that this loss came about.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman stated that the loss to the refining industry resulted in a loss to the railroad men and to the railroads and the gentleman from Kansas questioned that statement. Is it not a fact that at least a part of the work given to the railroad men was directly responsible to the refining industry itself or to refining operations, and by the elimination of the domestic refineries, at least, a part of that loss will affect American labor and American industry?

Mr. HOOK. The gentleman is correct.

Now, let us see just what we have before us. They say there will possibly be a Presidential veto. I do not believe this.

Let me read what the President of the United States said in his first message to Congress:

> The Jones-Costigan Act has been useful and effective, and it is my belief that its principles should again be made effective, and I therefore recommend to the Congress the enactment of a sugar-quota system and its necessary complements which will restore the operation of the principles on which the Jones-Costigan Act was passed.

Then he also asked for such legislation in 1934, and Secretary Wallace at that time gave out a statement to this effect:

> The Administration recognizes that the domestic beet and cane producers will suffer the disastrous effect of further price declines unless the impact of insular production on domestic markets is modified through definite restriction of shipments.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I would like to yield if I could get a little more time.

Mr. BUCK. Before the gentleman proceeds to his next point I would like to ask him this question. The gentleman read a portion of the President's message. In the whole message did the gentleman find any recommendation that the existing arrangement as to Hawaii or Puerto Rico should be changed?

Mr. HOOK. No; I did not.

The Democratic platform at one point states:

> We will continue, as in the past, to give adequate protection to our farmers and manufacturers against unfair competition or dumping on our shores of commodities.

With this in mind, I say to you that I do not believe the President of the United States is going to veto this bill. There is not a man authorized to stand on the floor of this House and say that the President will veto this bill. These are the same tactics that were used when they tried to browbeat us, and as you know they did through the departments when we were working on this matter in the subcommittee of the Committee on Agriculture.

Representatives from the departments came down and told us of a threatened veto, without any authority for their statements, and then after we unanimously passed the bill in its present form out of the Agricultural Committee what happened? Let us talk straight from the shoulder. The departments said, "If you will amend this bill that has been reported out unanimously by striking out section 207 we will see that you get a rule." What would we have come to, if that was done?

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. HOOK. Yes.

Mr. BIERMANN. The gentleman does not mean to infer that the Committee on Agriculture unanimously agreed to support this bill as it is?

Mr. HOOK. They unanimously reported it out, as it is.

Mr. BIERMANN. The gentleman does not infer that we all agreed to support it as it is.

Mr. HOOK. No; not as it is, but the great majority did. It was a unanimous report.

Mr. BIERMANN. I think the gentleman is accurate to that extent, but I do not want him to leave the inference that we all agreed to support it.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. HOOK. Yes.

Mr. HOPE. The gentleman quoted from the Democratic platform a moment ago. I ask him whether he interprets that to mean commodities from an integral part of the United States, or does it apply only to imports from foreign countries?

Mr. HOOK. It will apply to anything that will protect the labor of this Nation.

Mr. HOPE. Does the gentleman mean continental United States, or all of the United States?

Mr. HOOK. Let me answer it in this way. If you will take Bulletin 534, you will find the source of labor supply in Hawaii. First, the coolie from China, then from Japan, then from Portugal, then from Spain, then from Korea, and now principally from the Philippine Islands. What happened? Are conditions such over there that even the low-paid coolie must quit, and they have to jump from one country to another for their labor supply?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOOK. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOOK. Let us see whether or not this section 207 is a discrimination.

Mr. LORD. Mr. Chairman, will the gentleman yield?

Mr. HOOK. Yes.

Mr. LORD. The gentleman stated that this is a unanimous report from the Committee on Agriculture. I am a member of that committee. There was no roll call. I stated at that time that I reserved the right to oppose the bill on the floor of the House.

Mr. HOOK. That is correct. The gentleman is the only one that I heard say that. There was no minority report. They say this would be a discrimination. Let us follow that to a logical conclusion. We have our quotas on raw sugar, and we limit raw sugar, and we also have quotas on the direct consumption of refined sugar. If this would be a discrimination with regard to the refined sugar, then does not the same principle apply to the raw sugar? If we have the right to limit the quotas on raw sugar does the principle change when it comes to refined sugar?

Mr. LANZETTA. Mr. Chairman, will the gentleman yield?

Mr. HOOK. Yes.

Mr. LANZETTA. Does the gentleman seriously contend——

Mr. HOOK. I always seriously contend in anything that I take up.

Mr. LANZETTA. Does the gentleman seriously contend that insofar as direct-consumption sugar is concerned that there is no discrimination in the bill as it now stands with respect to Hawaii and Puerto Rico?

Mr. HOOK. Oh, I am glad the gentleman asked that question. I do not believe there is discrimination because in Puerto Rico you pay no income tax, because in Puerto Rico you are not subject to the Social Security Act, and because in Puerto Rico I am informed the wage and hour law does not apply.

Mr. LANZETTA. The gentleman is begging the question. Will the gentleman please answer my question? Does he seriously contend that there is no discrimination insofar as direct-consumption sugar is concerned with respect to Hawaii and Puerto Rico?

Mr. HOOK. There is no discrimination.

Mr. LANZETTA. Will the gentleman please explain?

Mr. HOOK. The discrimination is against continental America and I do not yield any further, but I will say this, as long as the gentleman asked the question about being serious. Is the gentleman serious in his protection of Puerto Rico?

Mr. LANZETTA. Yes, I am.

I subscribe to the theory that there is but one kind of American citizenship, and that if a person is an American citizen, irrespective of where he resides, he should be given the same treatment and consideration as any citizen in continental United States.

Mr. HOOK. That is true, and we are treating him better than we are treating the citizens of the continental United States.

Mr. LANZETTA. So the gentleman thinks.

Mr. HOOK. I know we are and we have been according them very good treatment ever since the time we picked them up. If Puerto Rico and Hawaii are serious in their stand, if they think they are being discriminated against, then I intend to introduce a bill and offer them independence and see whether they will take it.

Mr. LANZETTA. I do not think Hawaii or Puerto Rico seek independence.

Mr. HOOK. They do not want it because Puerto Rico could not pick up $20,000,000 relief from any other country.

Mr. LANZETTA. Does the gentleman's State want independence from the Union?

Mr. HOOK. My State does not happen to be a Territory.

Mr. HEALEY. What has been the source of labor supply in Hawaii?

Mr. HOOK. I have explained that it came from different countries, Japan, China, Portugal, Spain, Korea, and the Philippine Islands, and that they changed their source of supply periodically.

Mr. HEALEY. Many of them not American citizens.

Mr. HOOK. That is right. I was just wondering while the gentleman from Michigan [Mr. CRAWFORD] is on his feet, may I state when we were in committee on the hearings, did not the gentleman tell me about the Filipino labor and about all those who are not citizens in Hawaii, and was it not he who lit the spark in me first to search out about that labor situation? Now, why the change?

Mr. CRAWFORD. There is not any argument about that. The gentleman has a right to study the labor structure in Puerto Rico, Hawaii, and the Philippines the same as I have. Did you know that in past years, down through the decades, Puerto Rico, Hawaii, and continental beet and cane have stood side by side, shoulder to shoulder, financially and otherwise, organized tight as the Domestic Sugar Producers' Association, always giving each other strength and asking for protection under the tariff laws?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. HOOK. Mr. Chairman, may I have 2 additional minutes to answer that question?

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. The answer is this: The beet-sugar people have stood shoulder to shoulder, but being a champion of labor the only time that labor has come to the side of the beet-sugar industry is this time. Why? Because of the fact that we placed in this bill the duty upon the Secretary of Agriculture to protect the laborer and the right to force the payment of fair wages, and set up a living wage; because of the fact that we put a child-labor provision in here; and now labor is ready and willing to stand shoulder to shoulder with them. We will stand shoulder to shoulder with them as long as they treat American labor as we expect them to be treated.

Mr. CRAWFORD. Will the gentleman yield further?

Mr. HOOK. Yes; I yield.

Mr. CRAWFORD. Do you mean to say as a member of the Committee on Agriculture that the farmers and sugar-beet factory workers have not stood before this Congress for 40 years in succession asking for protection, and is not this the first time that the American sugar refiners ever came here asking for protection?

Mr. HOOK. They got protection under the Jones-Costigan Act?

Mr. CRAWFORD. They got it under the joint work of Puerto Rico, Hawaii, and United States beet and cane.

Mr. HOOK. They got it under the Democratic administration and a benevolent President. They would never have received it under your administration.

Mr. CRAWFORD. The Democratic administration made sugar free of duty, and you know it. [Laughter and applause.]

[Here the gavel fell.]

Mr. KING. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. JONES. Will the gentleman yield for a moment, not to be taken out of his time?

Mr. KING. I yield.

Mr. JONES. I hope, Mr. Chairman, that hereafter Members will confine their requests to 5 minutes. I would like to give everyone a chance to be heard, and I hope that other Members, if possible, will confine their requests to 5 minutes, because there are a great many who want to speak, and there are some other amendments. It is not my intention to ask to close debate, but I hope that after this Members will confine their requests to 5 minutes, so that all may have a chance to express themselves.

The CHAIRMAN. The Delegate from Hawaii.

Mr. KING. Mr. Chairman, there has been considerable argument pro and con and some attacks on Hawaii and many arguments in defense of the bill as not discriminating against Hawaii. I want to say that in the short time I have been here I have found very little, if any, desire on the part of the membership of this House to discriminate against Hawaii at all. Most of you who will vote against this amendment and in favor of the retention of the restrictions will do so in the firm conviction that there is no discrimination against Hawaii. I am going to do my best to convince you that there is such a discrimination, and if I fail I shall respect your convictions, and not take it to heart, as a personal matter, that you have not supported me.

As to the attacks on Hawaii, almost every person who has attacked my country and my people has done so in ignorance or on misinformation and without ever having been there. Everybody who has ever been to Hawaii comes back telling you that it is a splendid country, a modern, progressive community. Several such have spoken in support of my contention. There are no such labor conditions existing in Hawaii as have been pictured here by several

uninformed Members. Sometimes fragments of some report are read as something against us, and the rest of the report suppressed.

I want to read you what the President of the United States himself said when he visited Hawaii. He fished off the Kona coast, and he visited the town of Hilo. He went to Honolulu and drove around the island of Oahu, making us a visit of about 10 days. The President of the United States, a man who has been in public life as long as he has been, can gage a community and its standards and the way it lives and what it believes in just as quickly as anybody can. This is what he says.

Upon his departure this was his message to the people of Hawaii:

I leave, also, with pride in Hawaii—pride in your patriotism and in your accomplishments. The problems that you are solving are the problems of the whole Nation, and your administration in Washington will not forget that you are in very truth an integral part of the Nation.

In a fine old prayer for our country I found these words: "Fashion into one happy people those brought hither out of many kindreds and tongues." That prayer is being answered in the Territory of Hawaii.

You have a fine historic tradition in the ancient people of the islands, and I am glad that this tradition is so well maintained.

The gentleman from Michigan [Mr. HOOK] would find in this "fine historic tradition" a discrimination against a portion of the American people. He referred to the special privileges proposed to be extended to the native people of Hawaii as a discrimination against American citizens, although these people are themselves American citizens. The other residents of this neighborhood are willing and desirous of extending to these native Hawaiians an exclusive and prior right to engage in fishing off the rock-bound coast of Puna in the area proposed to be added to the Hawaii National Park. Those to whom these special privileges were to be extended are fishermen and the descendants of fishermen who have been engaged in that calling from time immemorial, and it is a privilege which all the other people living in Hawaii are willing and glad to concede and extend to them.

I continue to quote from the President's parting message:

You have built on it, built on it wisely, and today men and women and children from many lands are united in loyalty to and understanding of the high purposes of America.

And I have seen with my own eyes that you are doing much to improve the standards of living of the average of your citizenship. That is as it should be, and I know that you will put forth every effort to make further progress. There are indeed many parts of the mainland of the United States where economic and educational levels do not come up to those which I find here.

And I challenge the gentleman from Colorado [Mr. CUMMINGS] to compare labor conditions on the Hawaiian plantations with labor conditions in the Colorado beet fields. I have read several documentary records issued by governmental agencies, reports that state that labor conditions in Colorado—not necessarily in the gentleman's district—were terrible.

Mr. CUMMINGS rose.

Mr. KING. I am not going to yield for either a statement or a question at this time, Mr. Chairman.

I wish to read from a letter put into the RECORD of yesterday by the Resident Commissioner from Puerto Rico, Mr. IGLESIAS, written by the president of the American Federation of Labor. The president of the American Federation of Labor has been referred to as considering Puerto Rico and Hawaii not integral parts of the United States when it comes to the sugar question.

Mr. Green said:

DEAR MR. IGLESIAS: I will be pleased to speak to MARVIN JONES and put in a good word for Puerto Rico relating to the importation of refined sugar into the United States from Puerto Rico, as you suggested in your letter dated June 25.

It has ever been our purpose and desire to help and assist Puerto Rico and the Puerto Rican people. I can clearly distinguish the difference between the treatment which should be accorded the people of Puerto Rico and favor of them, and against Cuba and other countries not a part of the United States Government.

Be assured that I will do all I can to be helpful.

Sincerely yours,

WILLIAM GREEN,
President, American Federation of Labor.

In the other letter introduced into the RECORD the president of the American Federation of Labor asked for restrictions on Cuba's quota of refined sugar and in another portion of this letter referred to "such reasonable limitations against the importation of refined sugar from our insular possessions as circumstances may require." Of course, Hawaii is not an insular possession.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. KING. Not now; I did not interrupt the gentleman when he was addressing the House.

Mr. IGLESIAS. Mr. Chairman, will the gentleman yield?

Mr. KING. I am glad to yield to the Resident Commissioner from Puerto Rico.

Mr. IGLESIAS. I would like to add to the sentiment expressed in the letter of the President of the American Federation of Labor, that the ideals and principles of the American Federation of Labor, as the champion of labor, are not to allow anyone to crucify any class of people that lives under the American flag. [Applause.]

Mr. KING. The gentleman is quite right. The insular possession of Puerto Rico is in a different status from Hawaii. We are an incorporated Territory; they are not at the present time. But they have 1,800,000 people living in Puerto Rico who are striving to earn their living as best they can under great difficulty. They are exempted from the payment of Federal income taxes and have the customs duties collected in Puerto Rico returned to the insular treasury as a matter of necessity. We in Hawaii are not exempted from any levy or tax or customs duty. One of the Members advised me that he had been told we were exempt. I had the pleasure of telling him that we have paid every tax levied by the Federal Government on the people of the United States since we came under the American flag; and since the income-tax law was passed in 1913 we have paid into the United States Treasury every year more money in income taxes than that collected from 12 to 17 States, providing a greater revenue than almost all of the Rocky Mountain States except Colorado. I say this in no desire to pick on those States but as a simple statement of fact. In addition, we pay also the tariffs and customs duties that every other part of the United States pays.

Reference was made to a suit by the Ewa Plantation Co. and others against the Secretary of Agriculture. It was brought in a court of first instance in Washington, D. C., in the District Court of the United States for the District of Columbia. The plaintiff got an adverse decision, but I have here a photostatic copy of an agreement between the Hawaiian sugar industry and the Secretary of Agriculture on that suit. This agreement states:

It is hereby agreed between the parties to the above-entitled cause, that the adjudication in the court below in said cause is not to be asserted by either party in any other proceedings in this matter as the law of the case, insofar as it relates to the right of Congress to discriminate against Hawaii as distinguished from continental United States.

The Secretary of Agriculture, and his legal advisers, had so little confidence in this decision, even though he won the suit in this lower court, this court of first instance, that he entered into this agreement. Furthermore, he followed up this agreement with a production-adjustment contract with the Hawaiian producers that conceded nearly all the points for which our producers had been contending. From that time to this, we have cooperated fully with the Department of Agriculture in the labor provisions of the bill, the protection of the interests of our 3,500 adherent planters, and in the reduction of our production of sugar. May I say further we may have sued and lost a case; but we have yet to be indicted, tried, and found guilty in a United States court for many offenses against the law of the land like the sugar trust of the eastern refineries. [Applause.]

Mr. Chairman, there is really only one issue before us. Are Hawaii and Puerto Rico being discriminated against or not so far as the phraseology of these two sections concerning Hawaii and Puerto Rico are concerned? I say we are for the simple reason that we come under two bans. We all share together the ban on production quotas. Hawaii was reduced 75,000 tons in its production of sugar in the original

act and according to the testimony of the Secretary of Agriculture lost 500,000 tons of sugar from our production of sugar during the life of the Jones-Costigan Act, at an expense to us of whatever that may have amounted to in dollars at $50 to $60 per ton. We cooperated to the fullest extent in all the labor and other provisions of the A. A. A., which was an emergency matter. That is now water over the dam. We have a quota today of 976,000 tons. The new bill cuts that figure to 938,000, Hawaii sharing with the beets and Puerto Rico in a proportioned reduction in order to give the Louisiana-Florida area an additional quota. I personally had an idea the increase was going to be divided in some proportion between Louisiana and Florida. Puerto Rico and Hawaii were nicked a few thousand tons and the increase given to them. Hawaii lost about 38,000 tons in order to help that situation down there. That is fair and legitimate. I am anxious and glad to do it.

I may say frankly that I am not a sugar man, and I would not personally care if the Committee cut our quotas further in an equitable proportion and gave this additional cut all to Florida. It would be O. K. with me as far as I am personally concerned. I can agree to this perhaps because I have not any money in the sugar business. But, as a matter of principle, it would be equitable and fair if other areas joined in such an arrangement.

However, to return to the amendment, on top of all this production quota you come in with another quota restriction that applies only to Hawaii and Puerto Rico. If we were located on the mainland as a part of the continental United States, this would not be tolerated for a minute.

[Here the gavel fell.]

Mr. KING. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. KING. Mr. Chairman, I just want to make that one point a little more emphatic. Florida, as it happens, produces some 40,000 to 50,000 tons of sugar and does not refine any of it. It sends it all up to Savannah for refining. There is nothing in this law to prevent Florida erecting a refinery down there tomorrow in the sugar-producing area and refining all of that sugar. But there is something in this law that places, first, a quota on us, and then places us further under a restriction with reference to refining our own sugar by a refining quota. That is the discrimination against which I am protesting. No mainland area suffers this double restriction.

Another argument used against Hawaii is that we have received large sums in the form of benefit payments during the life of the excise tax and payments to producers under the Triple A. As a matter of fact we have received less per ton of sugar produced and less in proportion to our share of the total domestic production of sugar than any other producing area. I have here a table covering the period referred to, which I shall ask permission in the House to insert at this point, that shows clearly the truth of this statement.

Sugar production and benefit payments under the Agricultural Adjustment Act

	Production (tons)[1]	Percentage of total domestic production	Benefit payments [2]	Percentage of total benefit payments	Average payment per ton of sugar produced
Sugar beets	2,330,000	35.8	$27,215,335	41.5	$11.68
Louisiana-Florida	525,000	8.1	10,324,429	15.8	19.67
Hawaii	1,982,000	30.5	13,322,114	20.3	6.72
Puerto Rico	1,669,021	25.6	14,690,000	22.4	8.80
Total	6,506,021	100.0	65,551,878	100.0	10.08

[1] Production of sugar for crop years 1934-35 and 1935-36.

[2] Payments at time table was made were not complete for sugar beets but includes the 1935 advance payments totaling $7,572,000 as shown in U. S. Department of Agriculture Statistics of Agricultural Adjustment 1933-38. This does not include the 1933 refund payment of $2,640,000 paid to sugar-beet producers.

Source: U. S. Department of Agriculture (Agricultural Statistics, 1936, tables 124, 470, and 471).

Obviously Hawaii as the producer of about one-fourth of the domestic production of sugar should receive approximately the same proportion of the total benefit payments made to the domestic producers. But Hawaii has not received this in the past, nor will it receive payments in this ratio under the new bill. The measure under consideration makes a differential in benefit payments in favor of small producers that will further decrease Hawaii's share of such payments.

The Secretary of Agriculture has pointed out in one of his official statements on this subject that the processing taxes will not increase the price of sugar to the public, but will be borne by the industry; that the benefit payments are designed to return to the agricultural producer a greater share of the proceeds of the crop, and, by being made conditional, are designed not only to secure cooperation in the general sugar program, but are also intended specifically to permit (a) compliance with marketing restrictions, (b) the payment of fair and reasonable wages to agricultural labor as fixed by the Secretary of Agriculture, (c) the payment of a reasonable price for sugar cane or sugar beets, and (d) compliance with the soil-conservation programs.

To grant preferential benefits to the smaller producers may be justified; but it must be realized that the expense of the program is carried by large producers and their cooperation is necessary for the program's success. The differential, therefore, should be fair and equitable; and not become a punitive penalty.

I thank you for your patience and hope you will agree with me that the double restriction on Hawaii, imposing both a production quota and a 3-percent refining quota, does indeed constitute a discrimination which should be stricken out of the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. GREEN].

Mr. GREEN. Mr. Chairman, my State is tremendously interested in this bill. I did not speak on it yesterday. I therefore ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. MARTIN of Colorado. Mr. Chairman, reserving the right to object, there are quite a few who desire to speak on this bill. I am one of them. I would like to have some time.

Mr. GREEN. We have had 2 hours' discussion, lacking 15 minutes, and we have not heard from any one except members of the committee practically.

Mr. MAVERICK. Mr. Chairman, reserving the right to object, and I will not object, the chairman of the Committee on Agriculture said he would object to any Member asking for over 5 minutes from now on and I think we ought to stick to that.

Mr. HARLAN. Mr. Chairman, reserving the right to object, may I ask the Chair a question: Is there a limit on the time that is available for debating this amendment?

The CHAIRMAN. There is no limit on the time. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Chairman, my State is tremendously interested in this bill, particularly in the quota provisions. It happens that our State has been expanding in the production of sugar. It also happens that my State consumes about 90,000 or 100,000 tons of sugar per year. Under the provisions of this bill we will get probably less than 70,000 tons. It seems to me that where we only produce, in America, 25 to 28 percent of what is consumed in America it is a shortsighted policy for the Congress to restrict the American people in the production of this necessary commodity. There should be no limitation placed upon sugar production in America. I fully realize the entanglements and the obligations that our Government has assumed to certain other governments in this connection. I refer particularly to the quotas which have been allowed to foreign countries. I notice that under the provisions of this bill the following quotas are set up in the bill:

Domestic sugar beets, 1,550,000 tons. That is not too much.

Mainland cane sugar, 420,000 tons. This is not enough.

Hawaii, 938,000 tons, which is not too much.

Puerto Rico, 798,000 tons.

The Virgin Islands, 9,000 tons.

The Commonwealth of the Philippine Islands, not now an American possession, 1,029,781 tons. I am still not fighting so far as that is concerned.

Cuba, 1,911,476 tons.

Foreign countries other than Cuba, 26,000 tons.

Mr. Chairman, I believe in protecting American industry and expanding an essential industry for our American people in time of war and in time of peace. In line with that thought, the Florida delegation will offer an amendment and I hope you gentlemen who favor protection of our American people will vote for this amendment. The amendment we will offer provides for quota substitution as follows:

Domestic sugar for the first year, 1,550,000 tons. Louisiana, 360,000; Florida, 90,000, only 30,000 increase; Hawaii, 938,000; Puerto Rico, 798,000; Virgin Islands, 9,000; Philippine Islands, 970,000; Cuba, 1,917,000; this indeed is adequate. Foreign countries, 50,000.

May I ask each Member this question: As a consumer of America do you believe it is right, and as a Member of Congress, do you believe it is a sound policy to vote to restrict mainland production of sugar when we are producing only 23 to 28 percent of what we eat in America? Suppose you have war. Then, would not the Government have to subsidize production of sugar in America? Is it a sound policy to restrict the production of sugar in the Florida Everglades, the richest sugar lands in the world, to less than what we actually consume in the State of Florida? Soil, climate, and every sugar-producing requirement are ideal in Florida. I say it is unwise and I say it is un-American to give to Cuba, a foreign country, with foreign labor, paid probably 30 cents a day, a quota which should go to Florida, where we pay $2.70 a day for our own American labor? In addition to $2.70 minimum daily wage, employees are given housing, medical care, and other benefits. Is it right? Is it just? I have nothing to say against production of sugar in Puerto Rico or in Hawaii. These are our own territories. I have heard of no inclination on their part toward independence.

On the contrary, pending in the Committee on the Territories are requests that they be given statehood. Hearings have been held and this committee, of which I am chairman, will, I am sure, give their causes care and mature consideration. Their citizens are loyal American citizens, and I ask not for restriction of their quotas. Let them produce sugar. You have not restricted their quotas. On the contrary, you have restricted the quotas of your beet growers. You restrict the quota of Louisiana. You absolutely stop any expansion of production in the State of Florida. My colleagues, this is time for serious thought. I have due and high regard for administrative officials of the Government but I owe a responsibility first to the people in my State who sent me here and next to the American people, who are requesting expansion of our American industry to take care of our American people. I owe far greater allegiance and far greater support to the cane growers in the Everglades, to the cane growers in Louisiana, and to the beet-sugar growers in Colorado, than I do to foreigners who do not even purchase their pro rata of manufactured commodities from our American manufacturers. It is time for us to take the bit in our teeth and vote for our own people for one time, rather than continue to vote here to let American dollars and American production go to foreign countries and to foreign labor. I stand for the American laborer and the American standard of wages. I stand for assisting as far as we may foreign countries which give us our share of trade by buying from us. Cuba does not give us our share of trade through the purchase of our manufactured articles. On the other hand, out of the 6,682,670 tons of sugar consumed in our country annually we give her almost one-third. Why? I will let each answer for himself. Are you going to do it? You gentleman from Louisiana are paying a good wage and trying to expand your industry. You gentlemen from Colorado and the other beet States have worked for months on this legislation to try to bring your areas back in production. We in Florida are earnestly trying to expand in production of sugar. These three areas in the United States with a reasonable expansion can produce 50 to 75 percent of the sugar used in our country. Would that not be a far better position than we occupy today?

Mr. DEROUEN. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Louisiana.

Mr. DEROUEN. Does the gentleman from Florida believe we can rewrite this bill on the floor?

Mr. GREEN. I absolutely know we should adopt on this floor an amendment to take off a part of Cuba's quota and give it to Louisiana and Florida, and I hope the gentleman will stand with us.

Mr. DEROUEN. The gentleman from Louisiana will vote for the bill as reported by the Committee on Agriculture. We cannot write a bill on the floor.

Mr. GREEN. In the increase allowed under the bill, Louisiana gets the lion's share. This is possible under the historic base, but Florida will contend for an increase in quota.

Many years ago the Federal Government ceded to Florida between five and six million acres of swamp and overflowed lands in Florida, principally in the Everglades area. The condition of this transaction was that Florida should drain and reclaim this vast area. The State of Florida and her citizens diligently went about carrying out their part of this compact. Almost $100,000,000 was expended in the Florida Everglades in drainage, flood control, and navigation. Some 4,000,000 acres of this land is now arable and represents probably the richest and most fertile land in the world. It is peculiarly adapted to the growth of sugarcane. It produces, I believe, more tons of sugar per acre than any land in the world.

Our Everglades people did not turn to the production of sugarcane until adversities in vegetable production overtook them. First, they saw their pineapple industry move over to Cuba. Later, and at present, they are now seeing their winter vegetable industry absorbed by Cuba and other foreign islands on account of pernicious reciprocal-trade agreements entered into in the past by the Federal Government. Existing reciprocal-trade agreements with Cuba have made it unprofitable in many instances to undertake to grow winter vegetables in south Florida. Without these reciprocal-trade agreements and with adequate protection for our winter vegetables and fruits in the south Florida area, we would never have been forced to turn to the production of cane sugar.

As a last resort for American production capital turned to the Everglades and there established our present thriving sugar industry. We are cultivating probably less than 20,000 acres of sugarcane in the Everglades now. This low production was caused by the Jones-Costigan Act. If we could be permitted to expand production of sugarcane in the Everglades from three to four million acres could be taken up and would probably produce half as much, or possibly as much, sugar as is consumed in the United States.

Just as we are beginning to profitably produce sugar in the Everglades the Federal Government halts us and forbids expansion. This is an unwise policy and one which no businessman would permit in his own financial transactions. Florida is not interested in subsidies given for acreage reduced. It is true that some 5,000 acres of cane was, during the past season, plowed under in the Everglades and the Government paid more than one and one-quarter million dollars subsidy for this act. These same acres would have produced the growers far greater income if they had been permitted to harvest the cane crop.

The fact of the matter is we do not believe in restriction of production of sugar in continental United States and in our territories as long as we produce only a small percentage

of the amount consumed in the United States. In Florida is consumed possibly 100,000 tons a year. In Florida we are permitted to market, under the provisions of this bill, a far less amount; therefore, under the provisions of this bill, Florida takes the role of consumer rather than that of producer. It is an unfair and an unjust discrimination against my State to restrict it from producing less sugar than is actually consumed in it. It is a costly adventure for the Government to pay Florida growers funds to keep acres out of production and at the same time to import from foreign countries sugar which is needed by the American people. Undoubtedly this process of our Government will not long continue.

Even if this bill is passed and applied, it will be of temporary duration, because the sound judgment of a strong American Government will not long permit a process of this nature which on one side is governmental extravagance and on the other side is penalty on American labor and on American producers. If we were permitted to expand production of sugarcane in the Everglades, we would have no relief problem there among some 50,000 population. All in this south Florida area who desired to work could and would find gainful employment in an honorable and necessary industry for the future development and progress of our Nation. When production of sugar is restricted there it has the effect of adding thousands to the relief roll or at least failing to take from the relief rolls thousands that could be absorbed in gainful occupation. Therefore, our Government, through the workings of this bill, will deny employment to our persons, will keep them on the relief rolls, and at the same time will turn around and pay bounties to our people who desire to produce at a profit but who are not permitted to do so.

Mr. Chairman and members of the Committee, I cannot believe that a policy so unbusinesslike can long endure in our splendid Government. It is hoped that the House will accept the amendment which I have referred to. If this amendment should be declined, then other amendments will be offered. It is my intention to offer one which would take directly from foreign quotas some 25,000 tons of sugar and add it to our limited Florida quota. This would give us a reasonable expansion and would permit us to grow probably as much sugar as could now be processed in existing plants in the Florida Everglades.

This is a matter of transcendent importance, particularly to my State, and also indirectly to the American consuming public. In offering these amendments and making an effort to expand production of sugar in the Everglades of Florida, the Florida delegation is conscientiously working for what we believe will redound eventually for the best welfare of every consumer in America.

I urge my colleagues to stand with us and to adopt our amendments to this bill. [Applause.]

Mr. WADSWORTH. Mr. Chairman, I do not desire to appear before the Committee under false colors. I shall vote for the amendment offered by the gentleman from Texas [Mr. JONES] because I believe that if adopted it will take out of the bill its two worst features. Its adoption, however, does not leave the remainder of the bill satisfactory, to my humble and very often inadequate judgment.

We have heard a great deal about the discrimination implied or effected by paragraphs (a) and (b) of section 207. As the discussion has gone along, it has occurred to me, and it may have occurred to others who have listened, that as we take our steady steps toward a totalitarian state in which government is to tell the people how they shall earn their living, inevitably there arises in this body, as there would arise in any legislative body convened in such a state, a strenuous pulling and hauling as between sections. I think you will not deny that sectionalism has reared its head here in this debate. It is my confirmed opinion that sectionalism is bound to arise when government takes charge of business. If one section of the country or one industry happening to thrive in a certain section of the country is to be put upon a quota basis in the matter of production, whether it be sugar or cotton or potatoes, or whatever, and another section of the country engaged largely in the same business is put under another or a different quota, there is bound to arise an acute rivalry between the two sections, and the representatives of each section will hurry to Washington and try to get a Government decree advantageous to it and disadvantageous to the other.

This element appears in this bill as it is presented to the House. There is no restriction placed upon the refining of sugar by a continental refiner. He may purchase all the raw sugar he can purchase under the maximum quotas, and may refine 100 percent of it. In the same breath we propose to say to the refiner in Hawaii, "No; you cannot refine more than 3 percent of the raw sugar permitted to be produced in Hawaii." There is your discrimination.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. KLEBERG. I know the gentleman wants to be accurate, and, so far as his statement goes with respect to the restriction of 3 percent, the gentleman is accurate, but there is no restriction on what they can refine for home consumption or for the world market.

Mr. WADSWORTH. Surely the gentleman from Texas would not advance that suggestion as a defense of the pending provision. We know that the home consumption of Hawaii, of necessity, must be infinitesimal compared with its total production of raw sugar, and it would hardly satisfy the Hawaiian to say to him, "You can eat all the sugar you raise."

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JONES. Mr. Chairman, will the gentleman yield to me, not to be taken out of his time, in order that I may try to reach some agreement as to closing debate on the pending amendment and all amendments thereto?

Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 1 hour and 15 minutes, at the expiration of the additional time granted to the gentleman from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAVERICK. Mr. Chairman, will the gentleman from New York yield?

Mr. WADSWORTH. I yield for a very brief question.

Mr. MAVERICK. Would not this be just the same as if they would put a total quota on the State of Texas for the refinement of oil and say that Texas could not refine its own oil?

Mr. WADSWORTH. There is no difference in principle whatsoever. If the Congress can do this, if it is wise, if it is constitutional, if it is statesmanlike, then it can do it with any other crop or any other product in any State or in any group of States or in any colony or Territory or possession.

Mr. ANDRESEN of Minnesota. Mr. Chairman, will the gentleman yield for a brief question?

Mr. WADSWORTH. Yes.

Mr. ANDRESEN of Minnesota. Does the gentleman think that such a discrimination is constitutional?

Mr. WADSWORTH. I am but a layman and my judgment on constitutional questions is not worth listening to. My personal opinion is it could not stand in the courts; but, Mr. Chairman, the gentleman from Texas has just called attention to an analogy. I do not know how the members of this committee regard this kind of legislation. Mind you, I have no interest in the sugar business whatsoever, neither have any in my district, but look at the sentence on page 14, commencing at line 9. It is a little bit of a thing, but this is the kind of legislation the Congress of the United States has come to:

None of the quota for the Virgin Islands for any calendar year may be filled by direct-consumption sugar.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I cannot yield.

Mr. MANSFIELD. There is no refinery in the Virgin Islands.

Mr. WADSWORTH. I know that. The gentleman from Texas reminds me that at present there is no refinery in the Virgin Islands. This bill proposes to say to the people inhabiting that possession of ours, "You shall never have one." This is the kind of legislation we are coming to in this desperate endeavor to regiment the businesses and occupations of the people living under the American flag. No; there is no refinery in the Virgin Islands. There is a Government distillery there making "Government House Rum", financed by the United States Treasury. I have tasted it—never again! [laughter]—but that is beside the point.

The tendency and trend which this legislation portrays is inevitable so long as we live under that philosophy of government which assumes that government is all-wise and therefore should be all-powerful. From day to day, for 2 or 3 years, we have been saying "Thou shalt not" to you and "Thou shalt not" to you. "You shall run your business as I say you shall run it and in no other way. Government must be, and shall be supreme."

This is that kind of legislation. You say it is brought here to meet an emergency. What created the emergency and how long ago did it take place? At least 5 years ago, and day after day we find these bills brought in on the assumption that the emergency is not over, and never will be. We are extending these powers year after year without cessation. It is the settled policy of government today in America to have the American peple live under this kind of legislation. Why not admit it? Many people believe we should live that way. I do not. It is a difference of opinion, and an honest one, but, inevitably, as you proceed with it you will find the ugly head of sectionalism appearing in our legislation.

A bill is to follow this one next week known as the Black-Connery bill. I know that sectionalism is already involved in the consideration of that bill. There are men on this floor who will be influenced—they may not be decisively influenced, but who will be influenced, by the plea that if the Government by decree can fix minimum wages, one section of the country may suffer to the advantage of another. You know it just as well as I do. Sectionalism, again, because you are trying to center in one spot, here at the seat of the Federal Government, all power to control the methods of earning a living pursued by one hundred and twenty-odd millions of people, a task impossible of performance and fraught with the gravest danger to our civilization. [Applause.]

Mr. HARLAN. Mr. Chairman, I was interested in the remarks of the gentleman from Kansas [Mr. HOPE] when he said that this is not a tariff bill. It is not. It is far worse, far more iniquitous, far more vicious than any tariff bill that we have ever had in this country. When we enact a tariff bill, we say to the foreign countries, "We are excluding your commodities', and we know when we do that, that those foreign countries can retaliate, that they can exclude ours. Economic processes would do it, anyway, but they can accelerate it and make it faster. Here we undertake to impose a quota, more effectively injurious than a tariff, against an insular possession, which we know cannot retaliate, which cannot defend itself. We are treating our possessions far worse than we are treating any foreign country. I can in my imagination, as I sit here and listen to this debate, take myself back 175 years to the British Parliament, when they were saying under the same argument what we are having here today, "Don't let those Americans Colonies manufacture guns, don't let them distill rum, don't let them build ships, don't let them do anything, make them bring all of that to England", and that is what we went to war about.

If we are so terribly afraid of suffering from the reduced labor costs of our possessions, then let us do the honest thing, the courageous thing, and either turn these possessions loose or transfer them to the sovereignty of a nation that is not suffering so much from the jitters.

Without the Virgin Islands, of course, we would be depriving ourselves of a most valuable naval base in the Caribbean Sea. Without the Hawaiian Islands, we could prepare ourselves to treble the cost of our defense of the Pacific coast. We could prepare to junk our trans-Pacific air-mail and transport business; then having paid that cost, we could erect a tariff wall against these foreign possessions and be consistent with history and at least honorable in our dealings.

The gentleman from Massachusetts [Mr. MCCORMACK] a moment ago questioned the sincerity of the gentleman from Texas [Mr. JONES] in supporting the abolition of these quotas. I am not going to question the sincerity of purpose of anyone in this debate; but all that I will do is to ask this House to look at the districts from which those Members come, who are the most outspoken advocates of placing a quota on our insular possessions.

There we find the gentleman from Texas [Mr. KLEBERG], my very good friend and a man for whom I have the very highest regard. He represents a district that probably has more native Mexican and people of Mexican extraction than any other district in the United States. His constituents come up to Ohio and work in the sugar-refining business and take jobs away from native American laborers. Other districts which have loud spokesmen in favor of the insular refining quota, raise sugar beets. A very high percentage of the sugar-beet acreage in this country is under the direct ownership and control of the American Sugar Refining Co. Then we have the districts along the coast, where the coastal refining business prospers. Those districts are not without congressional advocates. In addition to that, we have a lot of sincere Members of this House who believe in the principle of protection and think that this is a proper method of achieving their purposes.

I do not question the good faith, nor the sincerity of any man who has debated on either side of this subject, but I ask the Members of this House to look over the speakers who have denounced this unfair, un-American insular quota system and see if there is a single one of them who can be accused of having a selfish interest in their advocacy. Look and see if you can find a single man advocating the repeal of this quota who is going to gain one vote or any other favors by his attitude.

What a farce is this plea "to defend American labor." The sugar industry pays less for labor out of its gross expenditures than almost any other industry in this country. So far as I know, it is absolutely the lowest. Three percent of its expenditures go for pay rolls, and, of course, it is because of that 3 percent that the sugar interests have flooded our hallways and the dining room downstairs with lobbyists. But last week, when one walked into the congressional dining room, he did not know whether he was in a Congress of lobbyists or in a meeting place for lawmakers. Oh, yes; they are interested in the 3 percent; they are not all interested in the other 97 percent of their expenditures. They are not at all hoggish in this matter, either. Under the Jones-Costigan Act, the coastal refineries increased their annual refined-sugar output by 386,000 tons. They are not satisfied with that. Like the dog with the bone crossing the bridge, who sees the reflection of another dog in the river, they want it all. They do not want Hawaii or any of our possessions to cut in on their 97 percent at all.

The gentleman from Michigan [Mr. HOOK] said that the number of employees in the refining business had dropped from 24,000 to 14,000 in the last few years. I do not know where he gets his figures; he did not specify; but if the employment did drop that much, it dropped in the face of a tremendous increase in output in the last 5 years. Of course, the refining industry has reduced their employees. Improved machinery has done the same thing for practically every other industry. It is because of this improved machinery that these refineries have reduced their labor

outlay to 3 percent of their total expenditures as against the railroads that pay out 50 percent of their expenditures for labor.

To show the absolute hypocrisy and absurdity of this claim about defending labor, let us assume the impossible; that is, that within the next 2 years Hawaii and Puerto Rico double their present production and that the Virgin Islands accomplish the inconceivable task of refining as much as the whole Hawaiian Archipelago. The total production of all our possessions under this impossible dream would be 242,000 tons. What effect will that have on an industry that in 1936 refined more than 4,500,000 tons? It would not be a drop in the bucket. There is not a man in this House, so far as labor is concerned, that would even know that the sugar was coming in, even those in the direct refining districts, such as the gentleman from Massachusetts [Mr. McCORMACK].

It is not the labor, it is the dividends that are footing the bill for this lobby; and, Mr. Chairman, with this iniquitous, abortive legislative bill as it now stands before this House, with these indefensible quotas included, I, for one, would rather see no sugar legislation, and from conversations I have had with Members of this House I feel that that sentiment is very prevalent throughout the Members of this body who do not represent either refining districts or sugar-growing sections.

Some gentleman said, a moment ago, that this is fair, that we are treating Hawaii and Puerto Rico the same, or better than continental United States. Mr. Chairman, let me tell you when we will be fair. When this Congress says to Ohio, when it says to Georgia, when it says to Texas, that the manufactures they have in those States shall stay as they are today now, and henceforth forevermore, that they shall not expand, then such a bill as this will be fair. If in this same bill we should say to New York, or Ohio, or Michigan, where there are refineries, "You cannot expand your refineries, you have to take the same as Hawaii, take what you get", then it will be fair. But this proposed exclusively insular quota is so obviously iniquitous, so obviously against our policy of a free people and a free Government, that I say I do not care whether the President of the American Federation of Labor, as the gentleman from Michigan [Mr. HOOK] asserted, or the C. I. O.—I would not care even if the President of the United States, if we can imagine such a thing—should approve this quota, it is not right. It does not make any difference who approves it, because their approval will not change the facts in the case. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

DOES LORD NORTH WALK THROUGH THE CHAMBER TODAY?

Mr. MAVERICK. Mr. Chairman, as the gentleman from Ohio [Mr. HARLAN] said, this is parallel to what happened some 175 years ago in the British House of Lords. Is the spirit of Lord North walking through our Chamber today? In the House of Lords they were discussing then, and up to the time of our Revolution, the matter of commercial restrictions on the Colonies. They placed those restrictions on the Colonies; and England got the Revolution and lost the greatest lands on the face of the earth.

What was the point at issue then?

The point at issue was that the Colonies could grow all the raw products they wanted, but could not manufacture anything, that they had to buy their manufactured goods from England, and could not manufacture anything themselves. When Burke made his speech for conciliation of the American Colonies, everybody booed in the good English fashion of the time and laughed at him.

SITUATION EXACTLY SAME AS 175 YEARS AGO

What is the situation today? Why, it is exactly the same. Of course, we have the force to make Hawaii comply with such a law if we want to do so, but I say from the viewpoint of justice, and from the viewpoint of the Constitution of the United States, we should not do it. It is not fair.

Let us compare raw sugar with crude oil. It is just the same as if we let California produce all the crude oil she wants, but that the Texas people could by influence force through a law that California cannot refine its own oil in California and ship it to other parts of the country. That is exactly the same principle.

Yes, Mr. Chairman; it is the same situation as if the cotton-growing State of Texas had enough power to force through a Federal law saying North Carolina cannot have textile mills in the State of North Carolina, because Texas might want to build up textile mills in the State of Texas.

That is exactly what the proposition is. It makes no difference whether the commodity is raw sugar, crude oil, cotton, or pigs—if you can produce them anywhere in the United States, you can process them into refined sugar, refined oil, textiles, and bacon. To deny Hawaii and Puerto Rico the right to process its sugar and sell the sugar in their own country is not only unconstitutional but illogical—or, it is fantastic, bizarre.

SUGAR LOBBY MOST PERNICIOUS IN UNITED STATES

The most pernicious lobby we have ever had in the United States is the sugar lobby. It has a long trail of indictments, corruption, and evil practices. The only benefit that this bill as it stands is to the refiners, and I say that if we want to do the thing that is just and fair and constitutional, we ought to adopt the Jones amendment, striking out the restrictions against Hawaii and Puerto Rico.

But suppose Hawaii does refine sugar, how are you going to stop it? It would be the same thing as Texas shipping refined oil or North Carolina shipping textiles, both in their own country. In other words, if we adopt the special restrictions we are adopting a policy of making colonies out of a part of our own country.

Certainly, it would be an evil precedent.

Oh, they talk about refineries, and that it means lower wages for 14,000 workers; but let us think about legislating for 127,000,000 Americans instead. So I say to you, for the sake of honestly following our Constitution and doing what is plain right, let us adopt the Jones amendment. [Applause.]

Mr. MICHENER. Mr. Chairman, I shall support this bill as reported by the Committee on Agriculture, and without any amendments. Hearings have been held; different theories advanced; all interests involved have been heard, and this bill comes before us as the best judgment of the committee. It is also endorsed by the sugar growers, producers, and refiners as the most practical method of meeting a necessitous situation.

The Jones-Costigan Sugar Control Act became a law in 1934. That law with its quota provisions expires December 31, 1937. I do not believe that the fundamental principle of the Jones-Costigan Act is the best method of approach to the United States sugar problem if genuine consideration is to be given to the American producing industry. That is not the question before us today, however. The Jones-Costigan Act with its quota and benefit provisions has been of value not only to our beet- and cane-sugar growers but also to our refiners. The real trouble with the principle of the law is that it is based on the premise—and the hope on the part of the administration—that the industry in the United States may be frozen at a given point and that by this method expansion in the continental United States may be stopped. It is needless to say that I am particularly opposed to any such theory.

About 20 percent of the sugar required by the consumers of continental United States is grown in continental United States; 40 percent of the sugar consumed in this country is obtained from Hawaii, Puerto Rico, and the Philippine Islands; the other 40 percent is imported from foreign countries and, as we all know, comes largely from Cuba. Now, it is clear to me that if the farmers of the United States can produce more of the sugar consumed in the United States, then they should be given that privilege. The domestic market for our farm products belongs to our own farmers and all legislation should be aimed toward the

end of restoring to the American farmer that market to which he is entitled. We can produce cane sugar and beet sugar in large quantities on our own soil.

The area of the country that can be most profitably utilized for cane-sugar production is limited by moisture, temperature, and soil. This territory exists largely in the southeastern part of the United States. Beet sugar, however, can be produced throughout a large part of our country. It therefore follows that instead of producing 20 percent of the sugar we actually consume, legislation should be enacted not only to make possible but to encourage the development of the beet-sugar and the cane-sugar industries in this country. We already have a vast surplus of cotton in the South. Every acre of cane sugar may mean just one acre less of cotton in our great southland. Every acre of sugar beets in the other sections of the country will mean just one acre less of wheat, corn, and other crops of which we already have domestic surpluses. I condemn the inconsistent policy of removing from production fertile acres and at the same time importing foodstuffs that might be produced on these American acres by American labor living according to American standards. Last year millions of acres were taken out of production in this country and benefits paid by the consumers of the country as a reward to farmers for not producing the things that the American people not only desire but need as the necessities of life. There is no better place to stop this foolishness than to stimulate the American sugar producing industry. While the purpose of this bill is not to accomplish this result, yet as an expedient it will prevent the total destruction of the industry for the time being. That seems to be the most that our home sugar producers can hope for from this administration.

When beet sugar is produced on our own acres, it not only furnishes an income to the owner of the land but it furnishes an income to the farmer who tills the land, and it goes further and furnishes seasonal employment to farmers and others living in the community where the beets are produced. Beet-sugar factories are not large institutions and are located in the communities where the beets are grown, so that the farmer receives benefits from the price he receives for the beets, also from the factory pay rolls in the community, and the local community benefits from the employment in the factories during the few months in the winter when there is no other employment on the farm or for the laborer in the villages or small towns where the beet-sugar factories are always located. Another element which is of prime importance to the local beet-sugar factory community is the fact that the factory is placed on the local tax roll and, therefore, contributes to the upkeep of the schools and the community in general. All of these are home benefits. They inure to our own citizens rather than foreigners.

Now sugar can be produced more cheaply in Cuba, Puerto Rico, and Hawaii than it can in continental United States, but that is no reason why it should not be produced in this country. Corn and meat products can be produced cheaper in South America, yet that is no reason why they should not be produced in this country. Wheat and dairy products can be produced cheaper in Canada and other countries than they can in this country, yet that is no reason why these products should not be produced by the American farmers. It costs more to live in the United States than it does in many of these other countries, but it is worth more. Our standards are higher and can only be maintained by some differential, preferably in the form of a protective tariff.

The traditional way of protecting the United States sugar producer was changed when the Jones-Costigan law was enacted. That bill relied upon the quota rather than the tariff. The important difference is that quota restrictions apply to local production as well as offshore importation. There is no question but that the underlying purpose of the Jones-Costigan law was not only to discourage, but to prevent development of the sugar industry in this country. Without sacrifice by each group or element in the sugar industry of the right to expand at will, there could be no quota system. Under that system the refiners are limited as to the offshore sugar they may refine, while the farmers are limited as to the amount of cane and beets they may harvest.

The administration is opposed to this bill, because it seeks to limit offshore importations into this country. Secretary Hull, of the Department of State, is particularly opposed to this bill on the ground that—

> The trade concessions granted to the United States by Cuba in the reciprocal-trade agreement signed August 24, 1934, were based in part on the assumption that the sugar-control plan, if continued in effect, would not be changed to Cuba's disadvantage.

In short, in the reciprocal-trade agreement with Cuba, Secretary Hull traded off the United States beet producer and has agreed with Cuba that our production will not be increased, and that Cuba may continue to furnish to our consumers the sugar that our farmers can and should be permitted to produce.

The gentleman from Colorado [Mr. CUMMINGS], who is thoroughly conversant with our sugar problem, tells us that, without sugar legislation at this time, the sugar industry of Hawaii, Puerto Rico, and the United States is absolutely ruined because we go on the world market with a 90-percent tariff protection, while we had $2 against Cuba and $2.50 against the world before the quota system became effective. Now, there is no question but that the gentleman is correct; and it follows as the night follows the day that after December 31, 1937, unless legislation is enacted, Secretary Hull's agreement with Cuba rings the death knell to the sugar industry in our own land. It is not only advisable, but it is imperative, that we have sugar legislation at this time, even though we must enter into some compromises to bring it about.

Here the refiners and producers are united and fighting for a common cause; that is, the life of each industry. This is strange, because the seaboard refiners and the growers of beet sugar have been economic enemies from the beginning. The refinery is nothing more or less than a processing factory. The prosperity of the refiner depends entirely upon the quantity of raw sugar available to be refined. He, therefore, has always opposed any protective tariff or limitation on importation of raw sugar into this country. The cheaper he can buy the raw sugar in Cuba and refine it in this country the more money he makes. He has no trouble about his market and, if given a free hand, the American refiner absolutely controls the price of sugar to the consumer in this country. That raw sugar is produced by peon labor under conditions unthinkable in this country.

The beet-sugar grower in my section of the country must compete with this raw sugar from Cuba. In a beet-sugar factory the raw product is the beet, and the finished product is the sugar in the bags ready for the market, so that we do not have sugar refineries in the beet industry akin to the cane-sugar refineries. These refiners have always fought the beet-sugar farmers. They would have none of us. In the past they have conducted most unwarranted propaganda against beet sugar, and as a result of the propaganda, beet sugar today sells 15 to 20 cents per hundred less than cane sugar, although its qualities and composition are identical. In view of these facts, I hold no brief for the refiners. Greeks bearing gifts are always subject to distrust, we are told. These people are momentarily with us because it best serves their purpose, but we must take stock of the morrow.

It is true that about 14,000 persons are employed in the seaboard refineries. All of these are in the larger cities. I thoroughly believe in protecting this United States labor. At the same time, it is not consistent to furnish these workers with free raw sugar at the expense of the farmers who want to produce cane and beet sugar in this country. The difference is, that in the case of the refiner, the workers in the refinery are protected against cheap foreign competition, while in the case of the beet-sugar producer not only the workers in the factories, but the owners of the farms and the workers on the farms are given like protection.

The House is practically unanimous for this legislation. However, we are advised that the President will veto the bill unless we comply with his demands and the demands

of Secretary Hull above referred to. We are told that we cannot legislate for the benefit of the continental refiner and grower without taking into consideration Cuba's interests and the interests of Puerto Rico and Hawaii in the world sugar market. That is where the fight is today. The gentleman from Texas [Mr. JONES] will offer amendments complying with the administration demands. The temper of this House is such that its independence will be asserted and the bill that leaves the House will represent the mature judgment of the Members. Some changes will undoubtedly be made in the Senate, and the emergency is such that it may be necessary for the House to again yield to the Executive or lose all immediate protection for the beet-sugar industry. When, oh when, will this Executive domination cease?

Mr. HEALEY. Mr. Chairman, the gentleman from Texas [Mr. MAVERICK] who preceded me stated that the persons chiefly concerned with the passage of this bill without the amendment are the so-called pernicious sugar lobby. I hope I shall have the time to read into the RECORD at this time the petition of 1,200 employees of the sugar refineries at Boston, Mass. This petition was brought here by a committee of four representing the sugar workers' union of that city, not lobbyists, not paid by any sugar refiners to come here—oh, no, they come here as the representatives of their fellow workers to appeal to this Congress to save their jobs. The expense of their trip is defrayed by their union. The petition which they have delivered to me is far more eloquent and appealing than any remarks I am capable of making on this legislation.

Let me read this petition:

We, being sugar workers in the various cane-sugar refineries in continental United States, hereby petition you as an American official to do all in your power to have taken out of pending sugar bill any provision that permits entry into the United States of sugar in refined form from Cuba or any other offshore area.

The entry of such sugar, refined by low-wage tropical labor, has wrought havoc among our workers. A great number of our fellow workers are now on relief, and if the sugar bill passes in its present form a great number of our present employed workers will continue to work only a fraction of the time. We are more than anxious to earn an honorable livelihood and do not want Government bounty.

Cuban workers, who perform the same type of work as we, get, in Cuba, a minimum wage approximating a dollar a day, and in Puerto Rico 85 cents a day, whereas we have been receiving during depression times several times these amounts per day.

We want this petition to be understood as an emphatic protest against what we term "a discrimination against American labor."

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Duggan, 54 Rutland Square, Boston; William Zaleskas, 613 East Fifth Street, South Boston; Joseph Perry, 197 Highland Avenue, Somerville; Joseph R. Oliver, 82 Lewis Street, Everett; E. F. Williams, 28 William Street, Cambridge; Albert Kobbs, 36 Belfort Street, Dorchester; Fred J. Grafton, 3 Pacific Street, South Boston; Michael J. Murphy, 154 Tudor Street, South Boston; Ralph L. Kramer, 316 Huntington Avenue, Boston; Benie Sierko, 70 A Street, South Boston; John Manning, 157 West Seventh Street, South Boston; Jeremiah Croke, 7 Van Ness Road, Belmont; Joseph Jasinkiewicz, 27 Lithgow Street, Dorchester; James J. McCoy, 15A Ashland Street, Somerville; Daniel J. Fitzgerald, 41 Dorset Street, Dorchester; Charles A. Daley, 18 Newport Street, Dorchester; Edward Willette, 110 West Broadway, South Boston; Patrick Daly, 321 Fourth Street, South Boston; Jack Vas, 14 Rose Street, Boston; James O'Sullivan, 125 Pleasant Street, Dorchester; Peter Furtado, 11 Marble Street, Roxbury; Walter J. Jasinkiewicz, Jr., 27 Lithgow Street, Dorchester; August Amado, 5 Dover Street, Boston; Frank F. Vas, 610 Shawmut Avenue, Boston; Gomi Tabada, 23 Aero Street, Boston; Peter Kusavichius, 6 Brewster Street, South Boston; Martin Donoghue, 167 H Street, South Boston; Frank Krilevich, 125 Bowen Street, South Boston; Joseph Stanton, 17 Newport Street, Dorchester; Jacob J. Daher, 12 Laconia Street, Boston; Thomas F. Meagher, 85 Barry Street, Dorchester; George Joseph Daher, 98 Hudson Street, Boston; William Hennessy, 100 G Street, South Boston; Walter Jasinkiewicz, 27 Lithgow Street, Dorchester; Stephen Zebris, 136 Bowen Street, South Boston; Victor

Silva, 57 Pine Street, Canton; Stanfield Dawson, 71 Dorchester Street, South Boston; Leon Yarnus, 175 M Street, South Boston; John Wallace, 432 East Sixth Street, South Boston; Sam David, 11 Medford Court, Boston; John Gonsalves, 12 Albion Street, Boston; Thomas Wallace, 157 H Street, South Boston; Frank Blake, 73 Fenwood Road, Roxbury; Charles F. 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Delay, 6 Grayson Street, Dorchester; James Dirrane, 113 Sixth Street, South Boston; John Cassidy, 714 East Fifth Street, South Boston; Ronald R. Gobey, 250 Gold Street, South Boston; George H. Phillips, 66 Walnut Street, Arlington; Michael Lynons, 545 East Sixth Street, South Boston; James P. Franks, 12 Elton Street, Dorchester; Peter O'Toole, 48 Sunnyside Street, Hyde Park; Merlin Moran, 255 Gold Street, South Boston; Francis J. Kenny, 121 Third Street, South Boston; Joseph Kelly, 159 I Street, South Boston; Patrick Gillen, 243 West Fifth Street, South Boston; John L. Martin, 633 East Seventh Street, South Boston; James J. Nunan, 22 Lyon Street, Dorchester; Charles E. Krause, 121 West Third Street, South Boston; Michael E. Minor, 18 Freeman Avenue, Everett; Elias Bonnevie, 32 Nottingham Street, Dorchester; Eugene Curtis, 4 Saxton Street, Dorchester; Stephen Lynch, 103 Union Park Street, Boston; Robert J. Craven, 4 Burnham Place, South Boston; Timothy Price, 151 East Cottage Street, Dorchester; Romas Urbin, 236 Bolton Street, South Boston; Thomas Glavin, 15 Edison Green, Dorchester; Patrick Gannon, 105 Fifth Street, South Boston; Michael Habeck, 749 Dorchester Avenue, Dorchester; M. J. Bodkin, 26A Geneva Avenue, Dorchester; O. Walsh, 12 Inwood Street, Dorchester; T. Cooney, 117 West Seventh Street, South Boston; Patrick Carney, 33 Gates Street, South Boston; John W. Fitzgerald, 34 Thurman Park, Everett; John J. Butler, 65 Dix Street, Dorchester; Charles J. Banick, 302 West Third Street, South Boston; John Evelly, 52 Humphrey Street, Dorchester; John Hamaty, 126 West Brookline Street, Boston; Robert Burns, 72 East Canton Street, Boston; John Nugent, 51 Murray Hill Road, Cambridge; Patrick Cunningham, 484 East Seventh Street, South Boston; John Flynn, 6 Lincoln Park, South Boston; William J. Purtell, 128 G Street, South Boston; Stanley W. 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Donovan, 260 Hancock Street, Dorchester; Dominic Crenovitch, 246 West First Street, South Boston; Martin Korklinewski, 104 Third Street, South Boston; Manuel Galvin, 32 Seneca Street, Boston, Mass.; Edward Kakoski, 926 Dorchester Avenue, South Boston; Joseph P. Baldwin, 9 LeRoy Street, Dorchester; John Coleman, 58 Vale Street, South Boston; John Wozniak, 15 Vale Street, South Boston; Alex Sluzas, 36 Westville Street, Dorchester; Antoni Dzimitrowicz, 9 Liberty Street, South Boston; Peter Sameskes, 31 Mercer Street, South Boston; Richard Sluzas, 36 Westville Street, Dorchester; James E. Murphy, 24 Auckland Street, Dorchester; Victor Bernotas, 147 M Street, South Boston; Daniel McDonough, 7 Lark Street, South Boston; John Bacrone, 468 Seventh Street, South Boston; Pius Peter Bernatovice, 171 M Street, South Boston; Anthony J. 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Maroney, 377 Arlington Street, Watertown; Edward Skamarakas, 82 Baxter Street, South Boston; Luid Gental, 286 West Fourth Street, South Boston; Joseph Dean, 42 Clarkson Street, Dorchester; Peter Galinauski, 167 Silver Street, South Boston; Joseph Kibartas, 87 West Seventh Street, South Boston; Peter Samuks, 841 Second Street, South Boston; Bolis Masiulis, 436 East Sixth Street, South Boston; John Saparnis, 17 South Monroe Terrace, Dorchester; Simon Baksis, 285 Fifth Street, South Boston; J. Jacobowski, 114 West Sixth Street, South Boston; Frederick A. Dean, 42 Clarkson Street, Dorchester; Arthur C. Gay, 537 Summer Street, Arlington; Albert Kawaler, 7 Hancock Street, Boston; Kazimeras Mickiewicz, 391 Fourth Street, South Boston; Charles Dubinskus, 315 Lafayette Street, Randolph; Adam Ashmensky, 123 Bown Street, South Boston; Joseph A. 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Sonenberg, 64 Roberts Street, Roslindale; Marco Grampo, 11 Squ're Court, East Cambridge; Edward Frith, 47 Symphony Road, Boston; Bernard E. Fitz-Maurice, 21 Parker Street, Charlestown; Lawrence L. Chetwynde, Druid Hill Avenue, Burlington; John T. O'Leary, 77 Neposit Avenue, Dorchester; Manuel Airen, Elma Street, Cambridge; Ernest Gervino, 6 Sackville Street, Charlestown; Paul C. Mann, 75 Smith Street, Roxbury, Mass.; J. O'Brien, 17 Meacham Road, Cambridge; J. Sweeny, 18 Alpine Street, Somerville; J. Middleton, 677 River Street, Mattapan; Major Braxton, 14 Gentros Street, Roxbury; L. Mello, 306 Holly Street, Cambridge; James J. Cranney, 160 Linden Avenue, Malden; Michael J. Devine, 21 Longfellow Street, Dorchester, Mass.; Jacob Brown, 41 Hamond Street, Boston, Mass.; Isaiah Engermann, 11 Huberth Street, Roxbury, Mass.; Walter Jefferson, 853 Columbus Avenue, Boston, Mass.; James Collins, 31 Woodward Street, Everett, Mass.; Herbert R. Banks, 11 Albemarle Street, Boston, Mass.; Richard Williams, 43 Bower Street, Roxbury, Mass.; Joseph Miller, 280 Albert Street, Cambridge; Joseph Bent, Charlestown, Mass.; Joseph Givinnetto, 14 Wall Street, Charlestown; T. H. Bell, 84 Gainsborough Street, Boston; C. F. Schaller, Brookline, Mass.; R. G. Chausse, 33 Kenberma Road, Dorchester, Mass.; Frank Sweeney, 18 Alpine Street, Somerville, Mass.; Edward Byron, 57 Monument Avenue, Charlestown, Mass.; Robert J. Tynes, 31 Cunard Street, Boston; Joseph Beady, 193 Cypress, Brookline; Kenneth J. Mac Killop, Central Street, North Reading; Gatono Eramo, 2 Jackson Street, Charlestown; Nando Bosari, 48 Henley Street, Charlestown, Mass.; Joseph McCarthy, 2 Greenwood Avenue, Boston; Harold C. Richardson, 65 Adams Avenue, Everett, Mass.; Antonio Latorella, 305 Chelsea Street, East Boston.; Edward J. Gould, 2 Reed Court, North Cambridge, Mass.; William E. 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Buman, 21 Dartmouth Street, Arlington; Walter Sands, 121 High Street, Charlestown, Mass.; Charles W. Riess, 31 Leonard Street, Somerville, Mass.; Harold R. Rugley, 21 Halbrook Street, Charlestown; Joseph E. Morrissey, 43 Cook Street, Charlestown, Mass.; D. C. Reed, 30 Stone Avenue, Somerville; D. Neal, 14 Webber Street, Medford; R. Gordon, 508 Green Street,

Cambridge, Mass.; Paul Johnston, 120 G Street, South Boston, Mass.; Paul F. W. Dunse, 251 Lexington Street, Woburn, Mass.; Giovanni De Vito, 382 Medford Street, Charlestown, Mass.; Pietro De Vito, 352 Medford Street, Charlestown; Frederick W. Finn, 38 Bloomfield Street, Dorchester; Henry Latorella, 305 Chelsea Street, East Boston; Francis X. Lewis, 4 Bunker Hill Court, Charlestown; John Dukus, Pomfret Avenue, North Wellington; John J. Howard, 62 Elm Street, Charlestown; John Bishop, 122 Second Street, Chelsea, Mass.; Frank Wehler, 257 Bunker Hill Street, Charlestown, Mass.; Thomas Hickey, 14 Belmont Street, Charlestown, Mass.; James Webber, 27 Leonard Street, Dorchester; Warren Rundull, 34 Clarkson Street, Dorchester, Mass.; Charles E. Frost, 12 Central Avenue, Everett, Mass.; Murrel Santos; Fred Lonergan, 56 Monument, Charlestown; Thomas Whelan, 83 Cambridge Street, Charlestown; Donald Ladue, 131 Lamortine Street, Jamaica Plain; Peter Klemiatu, 53 Middle Street, South Boston; Thomas Walsh, 31 Hannewell Avenue, Brighton; John J. Russell, 61 Shaver Street, Charlestown; Samuel Kamsky, 643 Morton Street, Dorchester; Wm. E. Collins, 18 Essex Street, Charlestown, Mass.; Edward E. Welch, 101 Marlboro Street, Chelsea, Mass.; William Foley, 158 Middlesex Avenue, Medford, Mass.; Daniel J. Eagan, 83 Euston Road, Brighton, Mass.; L. Page, 127 Lowell Street, Arlington, Mass.; Charles Wolejka; Francis J. Dunn, 3 Ledge Street, Stoneham; Timothy Mahoney, 8 Auburn Street, Charlestown; Walter Logan, 111 H Street, South Boston, Mass.; B. Thurman; S. C. Jones, 80 Perkins Street, Melrose, Mass.; Andros Banyasski, 42 Plymouth Street, Everett; Harold I. Timlin, 3 Jess Street, Jamaica Plain; Joseph Devine, 19 Luant Street, Dorchester; Joseph B. Mills, 25 Hunting Street, Cambridge, Mass.; H. Lacey; J. Regon; Thomas Smith; Charles E. Simonin; Erveil Fountain; Eugene Tobey, Jr.; Chas. Russell; Francis Burns; Allen G. Hatcher; Jack T. Finley; Charles D. Herbert; Angelo Dalbo Russo; William Kendall; Ernest Bever; Clarence Courtney; David Moore; John Silva; John Williams; Shermont Ruth; Luke Bullock; Jason T. Weekes; Stanley I. Talbott; James Jordan; Ralph Regan; William H. Long, 65 Hammond Road, Belmont; John F. Durante, 61 Prescott Street, Everett, Mass.; Ralph Brovnick, 61 Bellingham Street, Chelsea; Frank Corvia, 42 Alpine Street, Somerville, Mass.; Luigi Delcore, 131 Princiton Street, East Boston, Mass.; George H. McLucas, 154 Walnut Street, Somerville; Fred C. Wren, 108 Central Street, Somerville; Harry H. Hamilton, 18 Inman Street, Cambridge; Harvey C. Fess, 21 Beach Street, Charlestown; Ralphord W. Hartline, 40 Anderson Street, Charlestown; C. L. Taggart, 70 Lincoln Road, Medford; J. M. Burnham, 59 Albion Street, Melrose; Conant W. Udell, 538 Pleasant Street, Dracut, Mass.; Cedric L. Gillespie, 78 Charnwood Road, Medford; Alice E. Gallen, 16 Hardy Avenue, Watertown; P. Cullen, 26 Allston Street, Charlestown; Grace Russell, 437 Eastern Avenue, Chelsea; Charles Dogaluk, Charlestown; Michl Zelmski, 139 Chamber Street, Boston; Baltazar Valente Rodrigues, 422 Cambridge Street, Cambridge; William F. Fountain, 80 Allston Street, Allston, Mass.; Mark Cochran, 59 Heath Street, Somerville; Gordon Stewart, 31 Harold Street, Medford; Peter Johnston, 21 Hurlcroft Avenue, Medford; Bernard E. Kenney, 27 Maine Avenue, Somerville; Antonio Severino, 39 Calvin Street, Somerville; Joseph Alves, 72 Elm Street, Charlestown; Louis A. Young, 59 Pearl Street, Somerville; Morgan J. Sweeney, 11 Thorndike Street, Arlington; Angelo Salvato, 54 Jay Street, Cambridge, Mass.; William Carey, 73 Sycamore Street, Somerville, Mass.; Alex Beaton, 25 Partridge Avenue, Somerville, Mass.; George Lucas, 55 Warvar Avenue, Boston, Mass.; James W. Gover, 54 Bartlett Street, Charlestown, Mass.; William Richey, 25 Queensbury Street, Boston; H. O. Jacobson, 137 Woodlawn Street, Everett; Frank G. Alves, 3 Pleasant Street, Charlestown; Maniel (X) Dias, 20 Bolton Street, Somerville, Mass.; Jeremiah McLaughlin, 5½ Armory Street, Charlestown; J. E. Fitzgibbon, 18 Trowbridge Street, Arlington; W. G. MacNeil, 140 Warren Street, Arlington; H. D. Gaffny, 11 Pleasant Street, Stoneham; Adam Platukis, 179 West Fifth Street, South Boston, Mass.; Milford Vidito, 84 Decatur Street, Charlestown, Mass.; Maurice Reed, 87 Bow, Somerville, Mass.; James Davis, Pleasant Street, Marblehead; Vincent Pizzolante, 464 Saratoga Street, East Boston; Dennis E. O. Keefe, 265 Bunker Hill Street, Charlestown; Edward H. Akerley, 55 Edgar Avenue, Somerville; George V. Hughes, 111 Pearson Road, Somerville; Ernest T. Reimann, 146 Spruce Street, Watertown; Guy Arno, 65 Walnut Street, Belmont; P. J. Hunt, 33 Alpine Street, Somerville; William Bertkisvicz, East Cambridge, Mass.; John E. Kelleher, 37 Reserve Street, Malden, Mass.; Olin Howe, 15 Hill Street, Somerville, Mass.; George H. Hutchinson, 519 Mystic Valley P'kway., Somerville, Mass.; Peter Warreliby, 8 Seraph Street, Charlestown, Mass.; Glenn L. Boyce, 16 Bolton Place, Charlestown, Mass.; Anthony Nouickos, 74 Dorchester Street, Dorchester; Domenick Ballerini, 150 Everett Street, East Boston; Michele Pall, 52 Belmont Street, Charlestown; N. John Bonal, 33 Belmont Street; Donald Campbell, 107 Hammond Street, Roxbury; McDonald Folkes, 181 Northampton Street, Boston; Manuel S. Rebelo, 629 Brookline Avenue, Brookline, Mass.; Patrick H. Jones, 403–A Columbus Avenue, Boston, Mass.; John Wishnitzky, 5 Milton Street, Boston; Arnold Springer, 330 Western Avenue, Cambridge; Philip A. Cooper, 47 Ferdinand Street, Melrose; James S. Ruddock, 205 Wyoming Avenue, Melrose; William Rowell, 48 Cook Street, Charlestown, Mass.; George A. Hoyt, 223 Vernon Street, Wakefield, Mass.; David Fyschuk, 5 Milton Street, Boston, Mass.; Albert G. Smith, 22 Carney Street, Charlestown, Mass.; Joseph Fraser, 54 Monument Street, Charlestown; F. Doherty, 202 Brookside Pkway; Walter Stone, 9 Third Street, Chelsea; Charles Lennox, 510 Broadway, Saugus; Walter Arnold, 83 Fort Avenue, Roxbury; Wilfred Brownell, 26 Maple Avenue, Medford; J. Connolly, 44–B Park Street, Lynn; H. Holmes, 390 Savin Hill Avenue; George A. Childs, 78 Putnam Road, Somerville; Manuel Souse, 1 Mill Road, Melrose; T. Larkin, 8 School, Somerville; John H. Friar, 73 Ridgewood Street, Dorchester; Frank Holley, 12 Beach Street, Revere; Frank Hanson, 103 Crescent Avenue, Melrose, Mass.; Gerald Edward Jennel; L. Fitzgerald, 110 Broadway, Wakefield, Mass.; W. J. Mackey, 16 Thelford Avenue, Dorchester; John Jansen, 1356 Eastern Avenue, Malden; Ann Bambery, 6 Wood Place, Charlestown; Vincent Yussel; Dominic Allegra, 31 Rhode Island Avenue; James Porter, 89 Russell Street, Boston; John Walsh, 67 Baldwin Street; Patrick McGoniagh, 118 High Street, Charlestown; Frederick W. Mackey, 43 Warner Street, Dorchester 24; Wm. A. Leahy, 20–A Orchard Street, Medford, Mass.; Andrew Correira, 15 Young Street, Somerville; Francis X. Gillespie, 24 Beverly Street, Melrose; James White, 19 Edmonds Street, Somerville; Bernard Mack, 161 Walnut Street, Chelsea; Lawrence Morgan, 239 Park Street, Medford; Patsy Serase; Spencer Jones, 83 Sterling Street, Roxbury; A. Gould; James Craney; Carroll Boneyparte; Jas. Donnelly; Catherine Thompson; Charles W. Gould, 242 Willow Avenue, Somer; Frank Rump, 596 Highland Avenue, Malden; S. J. Tang, 3 Oak Street, Charlestown; John Landry, 775 Main Street, Greenwood; John Hartnett, 15 Mystic Street, Charlestown; Joseph A. Lucci, 116A Prospect Street, Somerville; P. E. Del Ave, 131 Princeton Street, East Boston; Alex Santoski, 1254 Cambridge, Cambridge; Mikolai Wounievicz, 710 Plymouth, Cambridge; William McDermott, 63 Decatur Street, Charlestown, Bennard J. Malone, 401 Bunker Hill Street, Charlestown; Lawrence E. Kane, 5 Rowen Court, Jamaica Plain, Mass.; John Pabian, 3 Franklin Street, Somerville, Mass.; Frank Rabidon, 16 Belmont Park, Everett; Manuel Costa; Leo O'Donnell, 160 Elm Street, Cambridge; Rocco, Silvert; Louis Chagnan, 26 Winslow Street, Roxbury; Alek Scheekee, 186 Sydney Street, Dorchester, Mass.; John Sullivan, 66 Pearl Street, Charlestown, Mass.; Jeremiah Mulcahy, 333 Medford Street, Charlestown; William Connelly; John Joseph Griffin, 39 Cook Street, Charlestown; Lewis B. Sponagle, Bedford Street, Pinehurst, Mass.; Daniel E. McTear, Jr., 152 M Street, South Boston; Joseph Buravich, 82 East Menott Road, ———; Phillip Muskavitz, 123 Mills Street, Malden, Mass.; Edw. Sweeney, 372 Medford Street, Charlestown, Mass.; D. Doyle, 77 Bay State Avenue, Somerville; J. A. Reddington, 681 Monument Street, Charlestown; Patrick Murphy, 23 East Street, Charlestown; Raymond W. Beecher, 117 Middlesex Avenue, Reading; William Dowd, 141 High Street, Charlestown; Joseph P. McNamara, 91 Pearson Road, Somerville; Edward Gerasim, 149 Fisher Avenue; Walter L. Sheppard, 15 Warren Avenue Extended, Greenwood, Mass.; Geo. O'Connor, 101 Congress Avenue, Chelsea; Richard G. Noonan, 68 G Street, South Boston; Philip Crawford, 41 Granville Street, Dorchester; Howard McGrath, 53 Nahant Avenue, Winthrop, Mass.; Manuel Perry, 165 Tremont Street, Cambridge; Geo. (x) Rudgus, 7 Willard Street, Boston; John Finn, 8 Haverhill Street, Charlestown; John Rump, 8 Watts Street, Malden; Thomas F. Naughton, 86 Bunker Hill, Charlestown; Arthur Romkey, 26 Senes Street, Charlestown; Alfred D. Short, Gorham, Maine; Joseph Perry, 25 Fenwick Street, Cambridge; Frank Nugent, 3 Robinson Street, Dorchester; Adams Santoske, 993 Cambridge Street, Cambridge; Walter Sanders, 199 Fells Avenue, Medford, Mass.; Joaquin Oliveira, 89 Third Street, East Cambridge, Mass.; Felix Gerasim, 149 Fisher Avenue, Roxbury, Mass.; John Cameron, 7 Pearl Street Place, Somerville; Walter Ostrowski, 10 Magnus Avenue, Somerville; Michael J. Lacey, 40 Sockvill Street, Charlestown, Mass.; Joseph J. Yelmokas, 161 West Fifth Street, South Boston, Mass.; Walter F. Gover, 384 Amory Street, Jamaica Plain, Mass.; Edw. Fredrickson, 12 Central Avenue, Everett, Mass.; Edw. Rahdon, Boston Road, Billinca, Mass.; Richard Dunn, 1 Reed Court, Cambridge, Mass.; Charles R. Poirier, 63 Warrenton Street, Boston, Mass.; Joseph Bedmarck, 67 Broadway, Chelsea, Mass.; Joseph Petrowski, 29 Jenkins, South Boston, Mass.; Margaret Driscoll, 4 Auburn Square, Charlestown; Mary O'Connen, 46 Dorst

Street, Dorchester, Mass.; Mary Doherty, 5 Allen Street, Boston; Anthony DiMarco, 1 Patridge Avenue, Boston; Rosa M. Dotolo, 209 Endicott Street, Boston, Mass.; Elizabeth McDevitt, 72 Monument Street, Charlestown; Anastacia Smith, 22 Carney Street, Charlestown; Thomas Romano, 928 Dorchester Avenue, Dorchester, Mass.; Clara Ciarmataro, 24 Russell Street, Charlestown; Jessamina De Vita, 354 Medford Street, Charlestown; Helen Rzezuska, 44 Joseph Street, Medford, Mass.; Rita Hickey, 14 Belmont Street; Margaret Doherty, 5 Allen Street, Boston; Marie Medeiros, 103 Spring Street, East Cambridge; Catherine McDevitt, 72 Monument Street, Charlestown; Joseph Barahona, 7 Marney Street, Cambridge; T. McAleney, 114 Hamilton Street, Dorchester; Owen O'Rourke, 1 North Meade Street, Charlestown; William Sauro, 24 Granville Avenue, Medford; Manuel N. Costro; Seraph Silva, 187 Charles Street, Cambridge; Lawrence Ahearn, 6 North Meade Street, Charlestown; John Kevinsky; Harry R. Buckley, 10 Nottinghill Road, Brighton; Wm. Frongillo, 34 Clyde Street, Somerville; Eugene Chicanello, 266 Cedar Street, Somerville; Joseph Doherty, 10 Allston Street, Charlestown, Mass.; James S. Smith; Guy J. Saccordo, 56 Belmont Street, Charlestown; James Walsh, 6 Carnegy Street; Clarence Tuttle, 833 Medford Street, Malden; Charles Siliro, 6 Lincoln Park Avenue, Somerville; Michael C. Kelehs, 7 Sheafe Street, Charlestown, Mass.; Mary Parker, 372 Bunker Hill Street, Charlestown; Dzyia Howe; Charles Chicarello, 225 Cedar Street, Somerville, Mass.; Priscilla Wisniewska, 72 Broadway, Chelsea; Rose De Vita, 354 Medford Street, Charlestown; Eldridge Kinsman, 25 Allen Street, Arlington; Alfred Callahan, 91 Lake Mattakan; Mary Hogan, 39 Mystic Street, Charlestown; Ruth Royal, 4 Kelley Court; Geo. E. Winson, 620 Main Street, Malden; Myles Tennihan, 24 Marion Street, Charlestown; Al MacSwain, 70 Julian Street, Dorchester; Armand Barahona, 14 Whitman Street, Malden; Anna Powers, 45 Henley Street, Charlestown, Mass.; Kittie Reilly, 58 Choppie Street, Charlestown, Mass.; Helen Paredillio, 37 Belmont Street, Charlestown; Helen Hogan, 39 Mystic Street, Charlestown; Catherine M. Laughlin, 40 Corey Street, Charlestown; Thomas W. Tipping, 30 Mead Street, Charlestown; P. I. Conncerghton, 57 Cherry Street, Somerville; Mary Perkins, 6 North Mead Street; Nora Seeley, 34 Polk Street, Charlestown; Lillie Olsen, 166 Bunker Hill Street, Charlestown; Victoria Koslofsky, 21 Beach Street, Charlestown; Joseph Broiomski; W. Ballou, Andover, Mass.; Robert Beveridge, 68 Alpine Street, Roxbury, Mass.; John Heveran, 825 Saratoga Street, East Boston; A. Del Corl, 143 Princeton Street, East Boston, Mass.; Benedetto Maglioyp; Martin Hyan, 78 Pearl Street, Charlestown, Mass.; L. M. Gerasin, 120 Webster Avenue, Cambridge; A. R. Easterlind, 82 Newhall Street, Lynn; G. G. McLain, 67 Sterling Street, West Somerville; John J. Creel, 40 Monument Square, Charlestown, Mass.; James L. Evartt, 45 Connecticut Avenue, Somerville, Mass.; Thomas Gaughan, 23 Treadway Road, Dorchester; John Budrow, 35 North Greenwich Street, Dorchester; James Roach, 9 Haskins Street, Roxbury; David McDonald, 20 Gates Street, South Boston; Leslie Haynes, 14 Fairmont Avenue, Cambridge, Mass.; Herbert Praria, 41 Montial Street, Wilburn, Mass.; Francis Z. Kelley, 123 Webster Avenue, Cambridge; Wm. Bambery, 6 Wood Place, Charlestown; E. U. Hodgkins, 29 Ottawa Road, Arlington, Mass.; Giusippe A. Lanzello, 325 Lumne Street, East Boston, Mass.; Arthur Grossman, 42 Clarendon Street, Boston, Mass.; Warren Reed, 46 Maple Street, Stoneham, Mass.; Carl H. Collins, 31 Woodward Street, Everett, Mass.; Maxwell Brownell, 13 Richdale Avenue, Somerville, Mass.; C. Dover; A. Jackson; H. Swim; A. Ramsey; John Parks; John Mockey; M. Long; Peter Perrara; Wilbur T. Jones; Frank Nigro; Frank A. Smith; T. W. Tipipngs, Jr.; Wm. Marshall; Manuel Souza; John McGonegle; John Cummings; M. Garvin, 15 Clark Street, Saugus; Anthony Di Lorenzo, 11A Fifth Street, Medford; John Feixa, 313 Portland Street, Cambridge; Thomas Donovan, 143 Bunker Hill Street; Edward Donovan, 250 Bunker Hill Street, Charlestown; Luigi Gfrisellini; Timothy P. Garitz, 63 Carroll Street, Chelsea; Leo Cassidy, 38 Clarke Street Everett; Michael Sirporo; James Arinello; John Nastaro; Wm. M. Hill; Joseph Gligo; Thomas Scoppetnolo; P. Bowering, 95 Billings Avenue, Medford; J. Rafferty, 15 Edmund Street, Malden, Mass.; William Younger, 505 Shawmut Avenue, Boston; Possidonio Almeida; Antonio Sanches; Augusta Spencer; Edwin Joy; Thomas Murphy; Arthur Joy; Mortimer Douglas; George Avery; Anthony Cella; Joseph McNamee; John Brock; Charles Pagic; Harold V. Connell; James Sears; Ernest Panza; Neil Cadigan; Charles H. Cronin; I. J. Steutrino; Joseph Gentile; Albert Hardy; W. Tobin; Peter Burns; J. A. Russell; S. Nicholls; J. Corniser; Frank Morris; John J. Donnelly; J. Loygie; Martin Barnett; Jose Mello; John J. Ryan; John J. Thompson; Fitz Spooner; A. R. Wallace; Frank Mello; Dennis Sears; Thos. LaRorque; John Gill; John Dunlea; Louis Jimenez; John Kemp; Thomas Mackey; P. Fecost; Alfred J. Mellino; George H. Cummings; Joseph A. Murray; John McFadd; Bernard Cummings; Fred Berry; John Middleton; Domica Fra De Stefano; Carmino Guasino; Louis Mello; A. Clark; John Connors; Ernest F. Follansbee; Thomas McBride; Michael Devine; Edward McDonough; Paul Bolas; Anglo DeAngleus; Fis. Cseh; H. Kautz; M. W. Marsh; Victor E. Paulson; Geo. B. Trefrey; Joseph H. Smith; Daniel Dwyer; Frank Lapham; L. Butler; L. Clark; P. Durante, Jr.; Charles E. Townes; Edw. L. McCarrick; Garrett L. Sullivan; John E. Brenner; Patrick J. Kelley; Frank P. Holmes; John J. Sullivan; John H. Marshall; Francis J. Harrington; William P. Sullivan; Thomas Rumley; D. J. Giannetto; Patrick Santos; Frank Quinn; Dana J. Harding; A. E. Wilkin; James Harrington; Antonio Zaccone; Joseph Sincevich; Gerald MacDonald, John De Costa; R. Alman; M. Fangino; N. Prato; E. S. Weymouth; J. Koochervok; L. De George; David Foley; John Noonan; Daniel Harrigan; Eugene Cox; John Sylvia; George White; Fred Schaffer; Walter Lord; Charles E. Lyons; Thos. Gould; Michael Gervino; Arnold Stelin; Percy Williams; Manuel Paiva; Sam Skinner; F. M. Hall; D. Kenneally; L. Murphy; Dominico Santirocco; Robert Canavan; Andrew D. Andrew; Daniel J. Keleher; John Brown; Henry St. John; Joseph Giannetti; Antonio Azereedo; Joseph Spooner; John Rausky; Stanley Hall; T. U. Pike; William Hunt; S. Donnelly; J. Brady; John E. Kelleher, 37 Reserve Street, Malden, Mass.; Chas. W. Aires, 56 Coffey Street, Mep. Dorchester; Pasquale Durant, 221 Havri Street, East Boston; Anthony Hondi, 204 East Eagle Street, East Boston; D. V. Eigo; Patrick Hogan; Francis A. Monahan; Frank D. Finneran; Hugh A. Cox; Frank X. Byrd; John J. Donahue; Angelo Gianetti; James Thompson; Alfred Sullivan; Ernest Sofia; Leslie Thoreault; Richard MacSwain; Joseph De Angelis; Edward Shaw; Edward Sonja; Engene Powell; Manuel Maura; William A. Noonan; Helen G. Lyons; John J. Maddin; H. W. McGrouch; Mary A. McLaughlin; Virginia Walden; George Brady; William P. Keating; James J. Rourke; Raymond A. Rourke; Anna E. Graham; Howard S. Walter; Daniel P. Dorr; J. B. Proudfoot; Byron Hudson; William F. Walsh; James A. Shevory; L. W. Driscoll; F. Ducey; W. E. Collins; Maurice O'Connor; Frank C. McCarty; Loring E. McGowen; Pauline Sulisky; Elizabeth D. Gustafson; H. L. Turner; E. A. Roberts; A. M. Neely; K. G. Crowley; E. R. Peach; W. R. Bolton; J. H. Doyle; E. R. T. Marquette; John T. Kennedy; E. J. Nolan; Thomas Roche; John Terrasecchia; John Thornton; Bernard Jansen; William Shannon; Peter Dziedzic; James Stone; Joshua B. Smallwood; Bernadine M. Sheridan; John P. Morrissey; U. P. Bemis.

This is signed by 1,200 men who now have jobs, who are now being paid American wages, and who are now working under American labor standards. This is their petition to the Congress of the United States, not at the instance of the sugar lobby, but emanating from the workers themselves in an attempt to save their livelihood and support and protect their families. Mr. Chairman, I represent many of the sugar workers who have signed this petition. I believe it to be my bounden duty to exert my best efforts to protect their opportunity to earn a living.

Mr. Chairman, I ask unanimous consent that I may place this petition with the signatures on it in the RECORD at this point.

I am sorry that the time allotted to me does not permit me to further extend my remarks on a subject so vital to these workers. However, I urge the membership to vote down the Jones amendment, in order that these men and other sugar workers throughout the United States may have their means of livelihood safeguarded.

The CHAIRMAN. The Chair will state to the gentleman from Massachusetts that consent must be obtained in the House as to the matter of the petition.

The gentleman from Maryland [Mr. LEWIS] is recognized for 10 minutes.

Mr. LEWIS of Maryland. Mr. Chairman, we have just heard portions of a petition signed by some 1,200 employees of the sugar refineries in the State of Massachusettes, who object to the imports of cane sugar when refined. The petition gives no information as to the American exports which will cease with the cessation of such imports or the connected reduction of employment here. The utter incompleteness of a single fact like that for constructive purposes brings to mind, perhaps, the most impressive statement I have ever read upon the subject of the tariff, and it has happened in my life that I have had to read a very great deal on that sub-

ject. The statement came from Sir Henry Sedgwick, one of the leading intellects of the nineteenth century, an economist and philosopher well known to a former generation. Sedgwick said he did not quite agree with the classical economists; that he thought he could imagine instances where a little protection placed here and a little protection placed there might work an advantage for the national economy; but what he could not imagine was a parliament of men with sufficient knowledge and wisdom to pick out only such instances for the privilege of tariff protection, and with sufficient strength of character, when the necessity for that protection might have disappeared, to withdraw the unrighteous privilege inexorably. [Applause.]

One of the great facts, though but lowly visible, impossible to evaluate in a discussion like this, is the effect on our exports. How many laborers in the United States, with such imports cut off, are going to lose their jobs because their products cannot be exported? There is a law of imports. There is a law of exports. Permit me to say it is not less valid, it is not less self-enforcing than the laws of Nature. Indeed, it is like Newton's third great law. You will all recall it; it is the simple law that action and reaction in the physical world are equal and opposite. The outgoing tide will equal the incoming tide. The incoming tide determines the extent of the outgoing tide. And we can no more repeal that great law of economics, whether we can now recognize its effects through the labyrinthian circumstances of commerce and industry or not, we can no more repeal that law than we can repeal the well-known laws of the great natural philosopher, Sir Isaac Newton.

But a highly visible and tremendously important element is involved. Certain moral values are concerned here. This Nation, like human beings, does not live by bread alone. It lives and it survives because its foundations rest on certain deep, strong, abiding moral principles. When you violate the principle of equal right and equality before the law with reference to your own citizenship, then you do it at a moral cost, the debt which will have to be paid some day. Paid by immediate revolt? Perhaps not. There may be no Washington in Hawaii. There may be no Adams in the island of Puerto Rico, but the great laws of God are there and ultimately will assert their consequences however much we may wish, for paltry, temporary, commercial, geographical, and indeed political, considerations, to violate them today. [Applause.]

I would invite your attention to an editorial found in the Baltimore Sun of yesterday. My fellow Democrats, you may accept the apostleship of the Baltimore Sun on this subject of the right of trade, of freedom of commerce, and of democratic principle in the matter of tariffs. It has fought desperate battles for the democratic principle at great cost to itself. On one occasion, the elders among you will recall, it even fought Arthur Pue Gorman, then a national leader and quite the political dictator in our dear old Commonwealth of Maryland; and it ultimately triumphed. The point to which the Sun particularly directs attention is the circumstance that in these restrictions we—and who are we? We are the democratic revolt of the United States, two-thirds of its people speaking—we Democrats are introducing a new kind of Grundyism. The old kind was directed against foreigners. It, at least, carried one element of fairness, a foreigner could retaliate with laws of his own, and did retaliate. This Grundyism proceeding from this side and producing its inevitable retaliations from other countries was a large factor in bringing about our terrible depression.

But the new Grundyism is directed against our own fellow citizens. Can they retaliate? We are striking down men we have disarmed. We have deprived them of the ballot. We have taken their lands and their homes and compelled them to accept allegiance to the United States, and then here on this day we would reward their ready acquiescence by a repudiation of the great principles upon which our Republic is founded. That is the new Grundyism as compared with the old. Do you think that our rebuke from the people will be less drastic, less certain than the rebuke which filled this House with Democrats and emptied the House of its Republican membership? I think you are tempting political death if you follow and aggravate the occasion which the old Grundyism gave to a people to enter into a great revolt.

[Here the gavel fell.]

Mr. BIERMANN. Mr. Chairman, I ask unanimous consent that the gentleman may be given the time that was allotted to me.

The CHAIRMAN. Without objection the gentleman from Maryland will be recognized for 3 additional minutes, the time which was to have been allotted to the gentleman from Iowa [Mr. BIERMANN].

There was no objection.

Mr. LEWIS of Maryland. I need not say that to do this thing is to violate the great law of our birth as Americans, a principle which caused the United States of America to dissever itself from the greatest state authority at that time in the world. All our traditions teach us that no such violation should be committed, at all in modern times, by a country having colonies—that no such violation at any rate could be committed by the hands of a statesmanship with a background such as we of America boast.

When that occurred in Great Britain a Lord North, Prime Minister, occupied Whitehall and a crazy George gave him kingly support; but it is a happy thing to know today that we have a prime minister occupying our White House, a prime minister, Franklin Roosevelt, who rises in all the majesty of his might and office to protest against the doing of this thing. [Applause.]

[From the Baltimore Sun of Aug. 5, 1937]

THE NEW GRUNDYISM

In the old days when the high protectionists of the Grundy school were in the saddle at Washington, they always professed to be fighting for the welfare of the American producer against the subversive competition of the dastardly foreigners. They asked for prohibitive tariff rates on the ground that such rates were nothing more than patriotic devices to preserve the home market for American producers. No such argument is possible on behalf of the new school of high protectionists who are supporting the sugar bill, to which the Rules Committee yesterday granted a preferred status on the House calendars.

The advocates of this bill are not seeking to defend the American producer against the foreigner. They are seeking to exalt one group of American producers at the expense of another group. They propose to do this not by the use of higher tariff rates but by quota restrictions, and they insist on applying the quotas not against foreign nations but against sugar producers in Hawaii and Puerto Rico, which are under the American flag, and in Cuba, which is within the American economic system. Hawaii and Puerto Rico have been American possessions for 40 years. Cuba has enjoyed preferential tariff relations with us for an equal period. We have encouraged capital to invest in these areas in the expectation that Hawaiian, Puerto Rican, and Cuban products would have easy access to our markets. Industry has been conditioned in those islands to this expectation. Neither Cuba nor Hawaii nor Puerto Rico can look to any country except our own as a market.

We have not done this solely out of an altruistic regard for the welfare of those peoples, although some of us would like to think that altruism had a part in it. We have done it mainly because of the belief that if we allowed the people of Puerto Rico and Hawaii and Cuba access to our markets they would allow us access to theirs. This expectation has been justified. We have bought liberally from the people of these islands and they have bought liberally from us. Now the domestic beet- and cane-sugar producers and the domestic sugar refiners seek to throw a monkey wrench into the trade relationships which we have invited these people to build up. It is proposed in the new sugar bill to restrict imports of raw and refined sugar from our own dependencies of Puerto Rico and Hawaii and from a republic, which we have encouraged to take up a position within our orbit. To act in this manner would be a breach of faith, objectionable on moral grounds. It would be even more objectionable on the grounds of expediency.

For it would not only exalt American sugar producers at the expense of sugar producers in Cuba, Hawaii, and Puerto Rico, who have a right to expect better treatment from America. It would also exalt American sugar producers at the expense of American manufacturers now enjoying the benefits of profitable trade with those islands. The House and the country in general ought to be mindful of these facts in listening to the pleas of the spokesmen of the sugar interests who are demanding this sacrifice of our national advantage on the altar of the new Grundyism.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Maryland yields back 2 minutes.

Mr. MARTIN of Colorado. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN OF Colorado. I understood that the request for the additional 3 minutes was outside the allotted time.

The CHAIRMAN. It was taken out of the time of the gentleman from Iowa [Mr. BIERMANN].

Mr. BIERMANN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BIERMANN. I understood the gentleman from Texas to ask when he sought to limit debate that those Members who were then seeking recognition were to get 5 minutes apiece.

Mr. MARTIN of Colorado. That is my understanding also.

The CHAIRMAN. At that time certain Members had already indicated to the Chair that they wanted 5 minutes.

Mr. BIERMANN. Mr. Chairman, would it be in order to ask unanimous consent that all Members whose names the Chair has noted as having requested time on this amendment be recognized for 5 minutes each?

The CHAIRMAN. If the gentleman submits that as a request the Chair will put the request.

Mr. BIERMANN. I make that request, if it is in order, Mr. Chairman.

Mr. DIES. Mr. Chairman, may I inquire how many names the Chair has on his list?

The CHAIRMAN. There are 18 names on this list.

Mr. JONES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JONES. Do those Members all want to speak on this amendment? The only reason I want to close debate on this amendment is because there are two or three other amendments on which other Members want to be heard. I hope all the time will not be taken on this amendment.

Mr. DIES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DIES. Is it intended to finish the bill today?

Mr. JONES. Yes.

Mr. DIES. There is no necessity for our staying here until 7 or 8 o'clock tonight to finish the bill. Let us work on the bill until about 5 and come back tomorrow.

The CHAIRMAN. There are now 19 names on the list, including that of the gentleman from Texas [Mr. RAYBURN].

Mr. BIERMANN. Mr. Chairman, I withdraw my name. That will leave 18.

Mr. JONES. Mr. Chairman, can we not have all the amendments offered now that are ready to be offered and agree that all debate on the bill and all amendments close at 4:30, and then after the amendments are read let the gentlemen have their time and permit the other gentlemen to discuss their amendments?

Mr. DONDERO. Does the gentleman mean on subsequent sections of the bill?

Mr. JONES. All sections of the bill. The reading of the bill has been waived.

The CHAIRMAN. Will the gentleman state his request?

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all debate on the bill and all amendments thereto close at 4:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Colorado. Mr. Chairman, reserving the right to object, this is the same old story. We start out by being very liberal and permit Members to speak for 15 or 20 minutes. There are other Members here who are just as much interested and who have just as much at stake and who have just as decided opinions on this legislation as the gentlemen who have previously spoken. It is the duty of these Members to speak on this legislation whether they want to or not, and they will probably get shut out.

Mr. JONES. How much time does the gentleman want?

Mr. MARTIN of Colorado. We ought to have 3 minutes apiece.

Mr. JONES. If it may be agreed that the 18 whose names are at the desk may take 3 minutes, that will be satisfactory. I am trying to give everyone a chance to speak.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. JONES. Mr. Chairman, may I change my request and ask unanimous consent that all of the gentlemen whose names are on the list up there have 3 minutes, except the gentleman from Texas [Mr. RAYBURN], who may have 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. KENNEY. Mr. Chairman, I object.

Mr. JONES. I hope the gentleman will not object.

Mr. KENNEY. I withdraw my objection.

There was no objection.

Mr. MOUTON. Mr. Chairman, several months ago I introduced a bill which would have permitted the continental United States to produce sugar in unlimited quantities, and I am still of the opinion that there should be no restriction on the production of sugarcane and sugar beets in the United States.

However, I have yielded temporarily to the leadership of the administration in the House and to the Committee on Agriculture, not because I agree with the quota that has been assigned to the State of Louisiana, but because, in a practical sense, this entire sugar bill has been the subject of several various compromises. I have yielded, also, with the knowledge that this bill is only for a limited term of 3 years, and it is not, therefore, to be considered as the permanent policy of our Federal Government.

To present my credentials to this august body, I might momentarily digress to say that I represent the largest sugar-producing district in the United States, the Third Congressional District of Louisiana. I have spent my entire life in and around the sugarcane fields down there and I feel that I am particularly qualified to speak on this subject as only one who has spent many long hours on the grounds studying the different phases of the situation can speak. Sugar is the "yellow gold" from where I come. We live, sleep, and, with no intention of being ludicrous, eat sugar. Sugar is our lifeblood—and we will call on every resource at our command, stop at nothing—to make our fellow American citizens realize that they must not stop our lifeblood without immediate annihilation to us and ultimate disaster to themselves.

The history of our sugarcane industry is studded with color and interest. To trace it to its origin takes us back over the years, to be specific, to the year 1751, during the time Louis XV graced the throne of France and numbered Louisiana among his colonies. Sugarcane was introduced to our soil in that year, the records disclose, by the Jesuit missionaries, who brought some stalks of this heretofore unknown plant from Hispaniola to the beautiful land of the new colony as an experiment. From that time henceforth, throughout the years, cane has flourished in Louisiana. One hundred and eighty-six years of experience lie behind the cultivation of that plant. While it is not a native plant, the study and attention it has received has resulted in its becoming our largest agricultural crop. Yes; we have been beset with calamities in the form of devastating crop diseases, floods, and other set-backs, but that has only resulted in our eradicating the evil and surging forward with a never-say-die spirit. New and scientific varieties of cane have been developed over the years, where today we have the largest yield of sugar per acre ever produced.

We have also kept step with the times in paying livable wages. Of course, by its very nature, the industry is a seasonal operation, but, during the time of harvesting and processing, it affords employment to countless thousands, and all are paid a livable scale of wages. This scale has been rising and rising over a period of years, and that brings us to the crux of our problem, namely:

We need protection against competition from offshore areas where peon wages are the order of the day, and, naturally, ruinously low prices prevail.

Mr. Chairman, the quota system of protection instituted by the present administration when first assuming office is perfectly adapted to our problem. It was first placed in effect in the Agricultural Adjustment Act and subsequently carried on in the Jones-Costigan Act of the Seventy-fourth Congress after the invalidation of the A. A. A. by the Supreme Court. It is well recognized by all who are familiar with the sugar situation that it has proven more efficacious and efficient than the tariff system used by past administrations.

Under this bill in its present form the States of Louisiana and Florida, the only two continental sugarcane-producing areas, are allotted a combined quota of 420,000 tons. Louisiana alone, and I quote from the record, produced 386,000 tons of sugar last season and is on the way, from all indications of the crop now in the ground, to producing 425,000 to 450,000 tons during the next season. Obviously, anyone can see that a quota of 420,000 tons combined with Florida is an inadequate figure, but we have presented our case in committee and after much discussion have come to the conclusion that such a quota for the life of this legislation, which, as I have pointed out, is 3 years, is acceptable. We have by no means altered from our contention that the figure is inadequate—which will be borne out by future events—but, realizing that the entire problem is alive with complexities and throbbing with divergent interests working at cross-purposes, we have agreed to the reduced figure and will support this bill.

In connection with the quota allotted to our State it should be pointed out that the Resettlement Administration, which is now a branch of the Department of Agriculture, has financed and encouraged hundreds of farmers in the State of Louisiana to plant sugarcane on an estimated acreage of 15,110 acres in 21 different parishes. Furthermore, definite information is at hand indicating the doubling of this rehabilitation program. This alone will mean an increase of from 50,000 to 60,000 tons of sugar, since the plantings are all of the new seed variety. Therefore it must be evident to all of you that while Louisiana appreciates the improvement in its quota, it cannot by any stretch of the imagination be considered as adequate or satisfactory.

Nevertheless, everything being considered, and recognizing the difficulties that have faced the fair-minded and very efficient chairman of the Agriculture Committee, my colleague the Honorable MARVIN JONES, and in further view of the fact that this is a bill for only a limited period, which will give us the opportunity to have our industry considered on the basis of its full production when the time comes for continuing the sugar program, it is my intention and that of the entire House delegation from my State to support the committee in the passage of this bill.

Coming from the cane-growing area of my State, I might point out that my interest and duty alone is to see that my people are protected. I bear not one iota of animosity against any particular area, or group, or offshore interest—only when they jeopardize my people's livelihood. The other various quotas written in this legislation appear to me to be in harmony with the scheme of the quota system, as do the other features, of which there are many, pertaining to the operation of this program.

Mr. Chairman, I do sincerely appeal to the membership of the House to give serious thought to this proposal which has been finally worked out by your Committee on Agriculture after many, many months of minute attention under the leadership of their very able and considerate chairman. They have probed and dug into the very meat of this issue and have finally emerged with this bill as representing their true conception of the solution to the enigma. It will preserve the continental sugar industry for the present, although, as I have already shown, will not permit us to reculitivate and gain back the acreage which has fallen into discard over the depression years. Nevertheless, it will prevent us from being destroyed, with a resultant throwing open of the doors to foreigners and the creation of a Frankenstein condition with sugar ranging anywhere from 10 to 30 cents per pound during times of stress, when we are at the mercy of such interests; a situation which is no doubt indelibly impressed upon the minds of those who are familiar with prices during the World War.

I hope and trust that you will not falter in lending your support to this measure. It is a fair-minded piece of legislation designed to redound to the best interests of our entire country and is well deserving of your approval.

Before concluding, Mr. Chairman, I would like to ask unanimous consent that I be granted the privilege of revising and extending my remarks on this subject.

Mr. LANZETTA. Mr. Chairman, following my query to the gentleman from Michigan, I do not think that any Member of this House can in all seriousness contend that there is no discrimination against Puerto Rico in this bill as it now stands, with respect to direct consumption sugar. The argument which some of the Members have interposed, who are opposed to the Jones amendment, that the continental refiners are also restricted in the manufacture of direct consumption sugar does not hold water.

In this connection I wish to read part of a statement made by the Secretary of the Interior, the Honorable Harold L. Ickes, wherein he says :

> The fact is that the supply of raw material for the seaboard refiners has increased under the quota provisions aggregating 4,514,000 tons in 1936 as compared against 4,129,000 tons in 1933, the year prior to enactment of the Jones-Costigan Act. The quota system does not "shut off" but adjusts the supply of sugar available for the United States market in accordance with consumers' requirements. This stabilization is in the interest of the refiners. The quota system also protects the seaboard refiners in the extraordinary form of an embargo upon shipments of refined sugar to the United States in excess of a stated quantity, from the principal competing foreign country which is limited under present legislation to a quota for direct-consumption sugars of 22 percent of the sugar quota. And the refiners also have protection from importations of direct-consumption sugars from the Philippines under the provisions of the Philippine Independence Act. They have been given protection by quotas against increased importation of liquid sugars which in some areas and in some industries has tended to replace ordinary commercial refiners' sugar.
>
> The subsidy of the 14 American seaboard refiners on their deliveries of sugar for domestic consumption under the quota system aggregated $22,738,000 in 1936, the margin which the refiners exacted from the American consumer exceeding the margin on sales of refined sugar abroad by this amount. This is equal to a subsidy of about $1,600 for each person employed by the refiners, as against an average annual wage per employee of only $1,005, according to the last census figures.
>
> Never satisfied, the refiners are seeking to obtain further protection in the form of a trade barrier against Hawaii and Puerto Rico, a form of protection that was not even suggested under former high-tariff administrations in the days of Smoot and Grundy. And they are seeking to slip it over in an agricultural bill rather than introduce it as a piece of manufacturers' legislation and permit it to be considered and judged on its own merits.
>
> Why does this monopoly demand this special privilege and unneeded protection? Simply because they want to dominate, to control, and to get richer and richer at the expense of all of the people. Their disregard for the consumers' interests has been demonstrated repeatedly, culminating in a decision last year by the United States Supreme Court in which the refiners were found guilty on 40 different counts of conspiring to restrain commerce in sugar.

In view of this statement and what has already been said on the floor of this House, I repeat that no Member can seriously contend that Puerto Rico and Hawaii are not discriminated against when they are limited as to the amount of direct-consumption sugar which they can send into the continental United States.

I shall vote for the Jones amendment and trust that the membership of this Committee will also support the chairman of the Agriculture Committee. By agreeing to this amendment the Congress of the United States will assure the American citizens who reside in Puerto Rico that in the

future they will receive at the hands of the Federal Government the same treatment as the American citizens who reside in continental United States.

Mr. PETTENGILL. Mr. Chairman, it is entirely clear to me that President Roosevelt is right in this matter. The parts of the bill sought to be stricken out by the Jones amendment, which I shall support, attempt by statute to deny to an American citizen access to the American market. This is a violation of sound constitutional principle. It puts in reverse the historical development of this country for 150 years. It creates a precedent which will be seized upon in later years by those interested in commodities other than sugar. Those supporting the bill in its present form in behalf of sugar today will in the future be the victims of the precedent which they are creating.

This carries us back to the conditions that preceded the American Revolution and attempts to impose upon Americans of today the same species of legislative discrimination which our ancestors fought a war to free themselves from. When that war was over, the representatives of those who had suffered from these conditions met to write the Constitution of the United States and to form the more perfect Union which came into being with the adoption of the Constitution. It is probable that there was no single influence which had greater weight in 1787 toward causing our fathers to scrap the Articles of Confederation and form the Constitution of the United States than the tariff walls between the Colonies. The Court's opinion in Gibbons against Ogden was written by men who in their own lifetimes had experience with those conditions. In that case one may find this language:

> If there was any one object riding over every other in the adoption of the Constitution, it was to keep the commercial intercourse among the States free from all invidious and partial restraints.

Under the confederation the restraints on the free flow of commerce between the Thirteen Original States were many and vexatious. Nearly every State erected tariff walls against its sisters. Each tried to build up its own economy at the expense of the others. And it may be doubted whether any factor has contributed as much toward building this Nation as the fact that "commercial intercourse among the States" has been kept "free from restraints imposed by each State upon the others." As a result each State has not only had a free national market for its own goods but in turn has been able to buy what it cannot itself produce wherever it could buy cheapest. In other words, each State has had the benefit of the cheap producing costs of the other States. This has constantly lowered the cost of goods to every American citizen and thus given a greater measure of general prosperity than any other nation ever achieved. All this is commonplace. One State grows cotton and buys wheat. Another makes automobiles and buys gasoline.

Now, when the States surrendered to the new Government under the Constitution the power which they previously held to regulate commerce, is it to be supposed that they intended the grantee of that power—Congress—to use it or permit it to be used to build up the industry of a State—whether petroleum, coal, wheat, automobiles, or cotton—at the expense of the others? When a State gave up its power to exclude the goods of other States in exchange for a surrender by a sister State of a like power to exclude the goods of the first, can it be assumed that Congress was to prohibit what the States gave up the right to prohibit?

But now we are reversing all this. We propose after 150 years to again erect statutory dams against the flow of commerce among our citizens. This is the beginning of a new competition. Heretofore we have had competition between members of the same industry; we have had competition between different industries for the consumer's dollar; the automobile competing with the radio; but now, under a revival of medieval mercantilism, we are entering into a new competition between American citizens as to which group can command the greatest number of votes in the National Legislature for its advantage and to the disadvantage of other groups.

There are not less than 10 provisions in the Federal Constitution designed to give to each American citizen a free national market among all other American citizens. Many of these provisions are prohibitions against acts by the States; but, as I have said, can it be supposed that the States, when they give up the right to discriminate against American citizens living in other States, intended the Congress of the United States to impose such discriminations?

The Republican Party, during a long period of years, built up a protective-tariff system, but they did it against aliens and not against American citizens; and, whatever may be said in criticism of the protective system, it was at least fair in the sense that the foreign nation could enter upon counterbalancing reprisals against us.

Today, however, we propose to adopt a new Grundyism, as referred to in the Baltimore Sun of yesterday, which makes the old Grundys and Penroses look like amateurs.

One may give whatever consideration he desires to special interests in this bill, but it is unsound in principle, and I do not believe that a principle which has been demonstrated to be sound and beneficent in the building up of this Nation for 150 years can be violated without in the long run producing disastrous results. If you are going to deny to American refiners located under the flag equal access with all other refiners to the American sugar market, then by the same token any similar discrimination is equally valid, and it will all depend upon who has the most votes in the National Congress. If this is right, then the cane- and beet-sugar industry of America, if they have the more votes in Congress, can deny access to the American market of the maple-sugar industry of this country. If this is right, then the apple growers of Virginia and New York and New England, if they have the superior voting strength here in Washington, can deny the national market to the apple growers of the Northwest. The same thing would apply to petroleum, coal, wheat, cotton, automobiles, farm machinery, anything else.

It should be recognized that we are introducing a new principle in our commercial life—the principle of industrial quotas; the principle of denying to certain producers access to the American market which is granted to other producers. It is a denial of equal privilege and the equal protection of our laws. It is sectionalism, pure and simple, as the gentleman from New York [Mr. WADSWORTH], the gentleman from Texas [Mr. MAVERICK], and the gentleman from Ohio [Mr. HARLAN], and others have stated.

It may be a debatable question whether Hawaii or Puerto Rico should ever have come under the American flag. Nevertheless, they are here and they are here by our invitation. We expected to gain certain advantages by reason of bringing them under the American flag and we must take the responsibilities that go with the advantages.

It is probable, however, that in the long run no real disadvantage will accrue to this country by permitting our island possessions from developing and prospering through the marketing and processing of their goods. To the extent that they become prosperous they become the purchasers of our automobiles, plows, machinery, shoes, clothing, and so forth. If they do not sell they cannot buy and it cannot be forgotten that the loss of export trade puts out of employment a worker on the American mainland who would otherwise have made the goods for export just as surely as imports may tend to compete with American labor.

But however true this may be with reference to business with foreign nations, surely we cannot by statute discriminate against some of our own citizens in favor of others.

I am going to support President Roosevelt in this matter. I think he is absolutely right. We will rue the day we start a precedent in this country of denying any part of the American market to any American producer, wherever he lives under the Stars and Stripes. [Applause.]

[Here the gavel fell.]

Mr. BUCK. Mr. Chairman, I think we have lost sight of what we are actually debating here. Some of the remarks gentlemen have recently made are addressed to the principle of the quota, rather than the amendment before

us. I served on the Committee on Agriculture in 1934 when the Jones-Costigan bill was written, and I know just how hard a time we had in trying to arrive at some suitable method of taking care of the sugar industry of this country, which was not only depressed, but on the road to ruin. Now, when it is on the upgrade, our friends forget what the situation was then and object to an extension of the principle of the original Jones-Costigan bill. The quota system put the sugar industry on the upgrade.

There has been talk this afternoon about discrimination. If you now abandon the principle of the Jones-Costigan bill, which provided for these same quota restrictions with regard to Hawaii and Puerto Rico, you are discriminating against your beet and cane-sugar producers and refineries of continental United States.

The essential feature of the quota system is restriction of the entire industry. It is based on annual consumption of sugar in continental America. It prescribes as a part only of the system the total volume of sugar which may be refined in Hawaii for shipment to the continent. The amount fixed is more than ever heretofore made by Hawaii. Shipments of refined sugar from Hawaii elsewhere are uncontrolled. As I endeavored to develop this morning by a question to the Member from Texas [Mr. KLEBERG], the total quantity of raw sugar available for refining in the continent in effect limits the amount of refined sugar that may be produced to approximately 60 percent of the capacity of continental plants. Certainly under these circumstances, the refining sugar features of the system are more liberal to Hawaii than to the continent.

The pending bill is based on the continuation of the quota system which is now in existence. Any effort to change it, such as by the adoption of the Jones amendments, would disturb the entire continental beet and cane-sugar industry.

Moreover, it must be remembered that this bill proposes the payment of benefits to sugar producers which are financed by subsidies provided by the grower, refiner, and consumer of continental United States. The raw-sugar producers of Hawaii and Puerto Rico are today maintained by these subsidies, and it certainly would be discrimination not only against the beet and cane grower, but the American consumer, to give the Hawaiian refiners an opportunity to expand their refining from an incidental to a major pursuit.

Possibly I should not have taken time today to discuss this question, since my position on this matter has been well known ever since I served on the Committee on Agriculture, if it had not been that one of my colleagues from California [Mr. DOCKWEILER] yesterday afternoon gave the House the impression, perhaps, that California was not for this bill. Whatever his personal views may be, the fact is that a meeting of the California delegation was held not long ago at which, a majority of the delegation being present, it went on record as favoring the principle of the bill as written with the refined sugar quota restrictions on Hawaii and Puerto Rico.

There is no State in the country which is more interested in the preservation of the present sugar situation than the State of California. In 1936 we harvested 1,939,000 tons of sugar beets. The average price for the crop was $5.81 a ton, making a total payment to the farmers of $11,265,590. Add to this the items for fuel, bags, freight, other supplies, equipment and installations, taxes, brokerage, insurance, and so forth, which amount usually to about 150 percent of the bare cost of beets, amounting to approximately $17,000,000. Thus, the total cash turnover in the industry of sugar-beet growing and processing for California alone in the 1936 crop would amount to more than $28,000,000. Our beet producers need the protection of the quota system to keep their industry alive and effective. The quota system, plus a reasonable conditional payment raised, as provided in this bill, from the industry itself and not from the Federal Treasury, can place us on a parity with other industries which are protected by high tariffs, on a parity with labor which is protected by immigration restrictions, and so on. Unless this quota system is continued, together with the payments and continued on approximately the basis of the Jones-Costigan Act, the sugar-beet industry faces disaster. The amendments proposed by Chairman JONES go to the heart of the situation, and in effect, if adopted, will destroy that which he and I and the other members of the Committee on Agriculture labored so hard and earnestly to bring about in 1934. For that reason, much to my regret, I must oppose my former chairman and ask that these amendments be rejected.

Let me say one more word: The beet-producing farmers, when added to the men who are employed in the sugar refineries, from not the insignificant number, if it be such, of 12,000 or 16,000, which you heard ridiculed this afternoon, but a very, very large and important portion of the population of the United States. But it is not so much a question of how many workers or farmers are involved, or what acreage they farm, or of capital invested, as it is a question of preserving the buying power of both laborer and farmer; of continuing the right of our continental Americans to work and farm in an industry that does not deserve to be outlawed or wrecked; of maintaining undisturbed an arrangement that has brought prosperity even to those who now want to scrap the quota system. No one can deny our sugar industry, including that of Hawaii, is in a favorable condition. The only question is, Shall we take a chance and change it. As one who helped frame the original Jones-Costigan law, as a Representative of a great farming district and the great farming State of California, I refuse to take that chance and propose to stand by the bill as it is written in respect to these refined sugar quota provisions. I not only hope that all the other Members of the California delegation will do so, but that an overwhelming majority of the House will defeat the proposed change.

Mr. MARTIN of Colorado. Mr. Chairman, I want to say a word about the great need for this legislation.

This bill is virtually a continuance of the Jones-Costigan Act, with no substantial changes. The quotas are substantially the same and the tax the same. The Jones-Costigan Act was based on the principles of the A. A. A., with such adaptations in technique as fitted the particular industry. It was based upon the A. A. A., just as was the cotton bill, the tobacco bill, and the corn-hog and other measures which pulled agriculture out of the hole in this country.

In my State the beet-sugar industry was not merely stabilized, it was saved from destruction, and what is true of my State is true of other States. Before the passage of the Jones-Costigan Act the factories were operating at a loss. Farmers were getting less than the cost of production for their beets. Laborers were getting less than a decent day's wage. The payment of dividends had been suspended. Since the passage of the Jones-Costigan Act the companies are again out of the red, again making profits, again paying dividends. Farmers who were getting $4.50 a ton for their beets, less than the cost of production, have been getting $6.50 to $6.75. Labor, which was getting only $12 to $13 an acre for the cultivation of beets, has been getting $18 to $19 an acre, which is a record price for labor in the beet fields. Children have been taken out of the beet fields.

This legislation has been so successful it is not questioned here. We have fussed here all day about a little drib of quotas to a couple of small islands. The highest testimonial to the success of the sugar legislation is that it is not questioned that the legislation has been a success, insofar as the industry is concerned. It was prostrate, now it is prosperous.

Mr. Chairman, all this has been accomplished at an extra cost to the consumer so small as to be negligible. I am going to undertake to prove this statement by figures taken from the mouth of an enemy of domestic sugar. I have in my hand a clipping from the Washington Post, in which one of its special writers on economic matters, criticizing the message of the President to Congress recommending substantially the reenactment of the Jones-Costigan bill, condemned the legislation as having robbed the consumer, and then sets out the figures to show how much the consumer has been robbed.

It will be interesting to first read three or four sentences from these statements before giving the figures.

Says the correspondent:

Like all price-fixing schemes, the Jones-Costigan system has militated against consumers.

Again—

There is less justification for the sugar quota system than there is for many other price-fixing schemes. In this case the American consumer is overcharged for sugar for the benefit of a very small segment of the country's population engaged in a concededly uneconomic undertaking.

He also says:

President Roosevelt, in his message to Congress, indicates that he realizes that the American consumer has been rooked out of millions of dollars in sugar prices.

Now let me give the writer's own figures to substantiate the foregoing and similar statements, which bestrew a two-column article.

The average price for 1933 was 5.4 cents a pound.
For 1934 it was 5.6 cents.
For 1935 it was 5.7 cents.
And for last year (1936) it was 5.6 cents.

Then he immediately follows these figures with the astonishing statement:

Instead of the price to the consumer going down, it actually went up.

He shows that the average price of sugar in 1933 was 5.4 cents a pound. This was before the Jones-Costigan Act and at a time when the consumer did not have the 5.4 to pay.

He then shows that in 1936 the average price was 5.6 cents a pound. In other words, he shows that under 3 years' operation of the Jones-Costigan Act—1934, 1935, and 1936—the average market price of sugar had gone up one-fifth of a cent a pound.

When you consider how everything else had gone up during the same period, including ability to pay, it strikes me that the price of sugar had actually gone down. I doubt whether any major product, either of agriculture or industry, can show such a slight increase in price during that period of time. If the price increase in sugar were taken as an index of recovery, it would be a conceded failure.

It seems to me that the industry is worth preserving even at a greater increase than one-fifth of a cent a pound. On the basis of our annual sugar consumption, which is about 100 pounds per head, this would be 20 cents per head a year. For this trifling increase a domestic industry has been pulled off the rocks and stabilized and made profitable for the processor, the grower, and the worker.

These results would appear to justify fully the statement in the President's message that—

The Jones-Costigan Act has been useful and effective, and it is my belief that its principles should again be made effective.

The principles of the Jones-Costigan Act are made effective in the bill before the House. My only regret is that other farm legislation, to restore the principles in other farm legislation which went out under the decision of the Supreme Court on the Agricultural Adjustment Act, and particularly the cotton and tobacco legislation, is not before the House. When such legislation comes before the House again, and I am ready to stay here until it does come before it, it shall have my cordial support, as it had before.

Mr. Chairman, I am no new recruit to the cause and need of crop control. On the floor in the debate on February 26, 1935, on the bill to make rice a basic commodity and place it under the Agricultural Adjustment Act, I said:

The farmers must regulate the output and marketing of their products and stabilize prices if they expect to preserve the agricultural industry in this country and get anything out of it.

On the occasion of the repeal of the cotton, tobacco, and potato acts, February 7, 1936, following the invalidation of the Agricultural Adjustment Act, I expressed my views about not only the benefits but the necessity of those acts to the great agricultural commodities involved in the strongest possible language.

From my remarks on the floor on May 26, 1933, I quote the following statement:

The displacement of labor, both skilled and common, by the machine, is so obvious that it is known by the man in the street. It is less obvious, but none the less true, that the machine is putting the farmer out on the highway as rapidly as the laborer.

The following paragraph is from remarks on the floor, August 5, 1935:

Production in both industry and agriculture must be regulated, and they can be regulated only through the exercise of national powers.

And on January 23, 1936, the following:

Permanent large-scale unemployment in industry and surpluses in agriculture are fixed conditions in our economic life. The sooner the American people face and admit these facts, the sooner we may work out an answer to these problems.

A final quotation is from remarks made on the floor in support of the Bankhead cotton bill when it passed the House on March 17, 1934, although I might quote many other statements:

The Agricultural Adjustment Act is based on recognition of the fact that the mass production made possible by the machine must be controlled and regulated so that supply may be kept somewhere in the bounds of demand, while at the same time the producer gets at least the cost of production plus a reasonable profit out of his production and his labor.

Now the acts passed by Congress to regulate production and stabilize prices have been swept from the statute books, while Congress and the country are confronted on a major scale with the problems which that legislation undertook to solve. There is virtually a farm-bill panic on in Congress. Corn, wheat, cotton, tobacco, rice, and potatoes are in the surplus class for 1937. Bumper crops are coming and the market is breaking down even before they get here. What the President said in his opening message to Congress regarding N. R. A. is equally applicable to agriculture:

The statute has been outlawed. The problems have not. They are still with us.

A Washington paper advises Congress to let nature take its course. It would be a valuable, if expensive, lesson. My views being long since fixed, I do not feel that I need the lesson, and I am in favor of crop control legislation now.

That is exactly what this sugar bill is, and everybody knows that unless this legislation is enacted the 1938 sugar situation will be what the 1933 situation was. You had just as well say that shoe factories cannot produce more shoes than the people can wear, or that any branch of industry in this country today cannot turn out a surplus product, as to say, given a normal season, that agriculture cannot turn out surpluses which will break down the market and send crop prices down to where they are not worth the cost of planting, harvesting, and marketing.

Mr. KENNEY. Mr. Chairman, I hope the Members of the House will not be confounded by the charges of discrimination that have been raised here with respect to Puerto Rico and Hawaii. There will not be any difference of opinion among the membership if they will bear in mind that the sole purpose of the bill is to preserve the existing status of all the parties concerned. This is what the bill does, and it does not discriminate in any way. There is no discrimination in favor of the domestic refineries in the United States. They take what is left after the refined sugar has been parceled out to the islands. Puerto Rico and Hawaii have become opportunists. They have raised the technical question of Americanism. What do they want to do? They want the opportunity of taking away from the States the refining industry and in time the whole sugar industry. If we vote down this amendment, the amount of refined sugar that will come in will not affect our American labor and we will at the same time protect our present standard of living. If you vote this amendment up, you will take away 2,100,000 tons of refined sugar, which will be refined in the islands, while we will only refine 3,000,000 tons here.

We have been told that it might be wise to allow this to be done, but if you allow this to be done, as the gentleman

from Texas [Mr. KLEBERG] has said, the market will go down to the islands and not only the cane growers and cane refiners will lose but the beet growers and the beet refineries will suffer irreparably and eventually we will have no sugar industry in the States of the country.

We must, first of all, protect our labor and, secondly, have thought of the matter of national defense. Do you want sugar, a necessity of our lives, to be cut off altogether from continental United States and do you want to have us at the mercy of an island sugar market?

O Mr. Chairman, we are going to be told again that it is wise to vote to let this come to pass, but it is the most unwise policy, in my opinion, that the Congress could adopt. Let us be sane, let us be sensible, let us preserve the status of these people and let no opportunist arise to destroy our markets. Let us be real Americans. It was not on account of any issue like this that the American colonies fought against the mother country. The mother country did not want to preserve an existing satisfactory status. She oppressed and exploited us. It was not at all a similar case, and I am surprised that some of the gentlemen here stand up and undertake to draw such a comparison.

Vote this amendment down.

Mr. HILL of Washington. Mr. Chairman, I have quite a number of beet growers in my district and also a number of refineries. I do not want to injure them and I am certainly in favor of farm legislation. I have also always been in favor of labor legislation, but I think the gentleman from Kansas [Mr. HOPE], has proven that the adoption of this amendment will not injure either the farmer or the laborer very materially.

I also listened to our friend, the gentleman from Maryland [Mr. LEWIS], and I believe the moral side of this question is very important, living on the coast we are interested in the matter of exports, because we export a great deal to Hawaii.

However, I am supporting the amendment for another reason, which has been touched on by only three or four Members, and that is the constitutional issue involved. Who is Mr. KING? He is the Delegate from Hawaii representing here citizens of the United States. Who is Mr. IGLESIAS? Is he not the Commissioner representing the citizens of Puerto Rico, and I challenge any Member of the House to produce any proof that there is any constitutional ground for these provisions which the Jones amendment would eliminate being in the bill. We should treat the citizens of Puerto Rico and Hawaii the same as we treat the citizens of the States of New Mexico, Texas, or Washington. It is true that these men are only Delegates without a vote. But the same was true regarding the Delegate from the Territory of Washington before it became a State or any other Territory before statehood. It seems to me that from the constitutional angle we must recognize the fact that the men and women in the islands of Puerto Rico and Hawaii are citizens of the United States and, as such entitled to the same privileges and rights as we are.

I was against the policy of imperialism when we took over Hawaii and when we went into the Spanish-American War, resulting in the acquisition of Puerto Rico. I believe, however, when we take the flag into foreign lands and take charge of such islands or countries, we should not only receive the benefits that accrue to the monopolies of this country, but also assume the responsibilities that we, as American citizens, owe the citizens of Puerto Rico and Hawaii, and any other possessions where citizens of the United States live. We have no moral nor constitutional right to exploit these islands and then discriminate against them.

So I shall support the amendment from this angle and I believe it will do away with any constitutional issue involved.

The gentleman from New York [Mr. WADSWORTH], whom we all respect, said he did not know whether this is constitutional or not. He stated that as a layman he did not want to pass on the constitutionality of any proposed legislation. I think he is seriously in error in this matter. He is a Member of this legislative body the same as the rest of us. This is not a technical question of law. The Constitution is plain as to the rights of States and Territories and the prohibition on Congress to levy a tariff or quotas or restrictions against States or Territories. Even a layman can read the plain language of the Constitution in this regard. It is time that we, as Members of Congress, determine whether or not the measures we are considering for enactment are within the Constitution and not pass it up to the courts. If we did our duty in this matter, there would be no necessity for the Federal courts to usurp this prerogation of the legislative branch of our Government. But when we supinely pass legislation to favor certain groups or certain sections without any regard for the Constitution, or the "general welfare" of all the citizens of the United States, we invite a veto, and deserve to be retired by the voters who sent us here. [Applause.]

Mr. MANSFIELD. Mr. Chairman, we have heard some able arguments against this bill on the question of quotas, and all those arguments apply with equal force against the bill, whether it has this provision in it or not in regard to refined sugar. The bill has quotas, and those quotas have been put in there for the protection of Hawaii and Puerto Rico, as well as for the protection of the beet growers, the cane growers, the refiners, and the consumers of continental United States. We are told that there is discrimination in the bill against Hawaii and Puerto Rico. The truth is they will ship just as many pounds of sugar into the United States if these paragraphs are left in the bill as they will if they are taken out of the bill. The bill does not discriminate against them. They will ship the same quantities of sugar here as they do now. The only difference will be whether or not a larger proportion of it will be refined in Puerto Rico and Hawaii.

If my information is correct, the major portion of the refineries in Hawaii and Puerto Rico are owned by men in the United States. They have recently been established there, only for a few years. A few years ago they were not there, and they were established in order to take advantage of cheap labor, and they have displaced that much labor here in continental United States. A few years ago I was in Puerto Rico, and the distinguished Chairman of this Committee of the Whole House was there with me at the time. He and I are the only Members of this Congress who were together on that occasion. I visited every central or sugar factory in Puerto Rico at that time, and there was not then a single refinery in Puerto Rico. They shipped all of their raw sugar to the United States. The elimination of the provision covered by the amendment will affect no one but the refiners in Hawaii and Puerto Rico, and it is for their benefit alone. It will not change in any degree the amount of sugar that will come into the United States. It is not, therefore, in the interests of the grower or the consumer.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BIERMANN. Mr. Chairman, when this measure was before the Committee on Agriculture we had testimony from all of the interested groups that might be affected by the legislation, and we also had testimony from the governmental departments concerned; and out of it came the bill that is before us. During the course of discussion and argument back and forth on the bill, the attitude of the departments—the Interior, Agriculture, and State—was talked of, and members of the committee went down and talked to representatives of those departments, and the upshot of the whole thing is this: We can say, I think certainly, that if paragraphs (a) and (b) of section 207 are left in the bill the President will veto the bill, and that means that we will have no sugar legislation, and that means in turn that the only beneficiaries of what we do here will be the sugar refineries along the eastern coast. They benefit if we get no bill, and, of course, they benefit if we leave these

two subsections in the bill. But if we leave them in, we will get a veto by the President of the United States, and that will wreck the beet-sugar industry. There is not a beet-sugar man in this House who does not know that if we fail to get legislation out of this bill it will wreck the beet-sugar business in the United States. As the gentleman from Colorado [Mr. MARTIN] said, sugar beets were selling for $4.50 a ton in 1933, and now they are selling at a reasonable price. They will go back to $4.50 a ton unless we get some legislation out of this bill, and the only way that we can do it is to support the amendment of the gentleman from Texas [Mr. JONES].

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. Yes.

Mr. DONDERO. How will it destroy the beet-sugar business of the country if this bill is vetoed?

Mr. BIERMANN. It will throw the business back to the position it was in before we had the Jones-Costigan Act.

Mr. DONDERO. Will the foreign possessions bring in any more sugar than they are bringing in now?

Mr. BIERMANN. If we do not get this legislation by December 31, we will be in the same shape we were in before the original Jones-Costigan Act, when $4.50 a ton was the price for sugar beets. The beet-sugar business is dependent on the quota system. Without quota legislation, the beet-sugar business is doomed. The only way to get the legislation at this session is to support the amendment that we have before us.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CRAWFORD. Mr. Chairman, those who have invested money in seacoast refineries and the management of those refineries necessarily want free trade in sugar. That is a fundamental fact that no refinery spokesman has dared to deny. With free trade, more sugar will be refined at the seacoast refineries than on any other basis. That means more work for American workers in the big refineries on the seacoast. It would also mean less work for American workers on the farms, in the beet-sugar-growing districts, and the beet-sugar plants which are not refineries by any means. Free trade does not mean work for people in the American transportation system and other related activities in the domestic-sugar industry. The greatest calamity for the beet-sugar industry would be to have this bill fail because of a veto and be asked to go back to a free-trade basis.

No refiner's representative dare refute that statement. When we vote down the amendment, we cast the die. But it is not at the cost of the refinery or of the refinery laborer. It is at the cost of the laborer in the interior of the country. When you kill the domestic-sugar industry in Hawaii and kill it in Puerto Rico, you automatically and simultaneously kill it within the United States, but you do not hurt the refiner on the seacoast and you do not hurt the laborer who is in that refinery. The position of the two groups is dissimilar. One thrives on free sugar; the other group dies.

The question is this: If the President vetoes this bill and we have adjourned in the meantime, or fail to pass it over his veto, there is no legislation. That helps the refinery. That helps the labor in the refineries. That brings about virtually free trade—only $1.50 against Cuba. That is the situation we face. The fellow from the beet territory has to go along with the beet grower who says "I want the amendment killed." That is the fact. Getting legislation passed is not a science. It is a practical horse-trading proposition. [Applause.]

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman has expired.

WE SHOULD NOT DISCRIMINATE AGAINST HAWAII, AN INTEGRAL PART OF THE UNITED STATES

Mr. TOLAN. Mr. Chairman, I do not think we realize the importance of this sugar bill to the Pacific Coast States. I do not mean to our beet farmers, but to other farmers and to our industries and factories.

Hawaii lies 2,000 miles off the Pacific coast. If it were part of the mainland, no one would ever urge that it be treated any differently than any other part of our country. But simply because it is separated by blue water from the rest of our territory, some of us seem to think it is all right to discriminate against its citizens, in favor of some other part of our country. No one would ever have thought of doing that to Oklahoma or Arizona when they were Territories.

Hawaii is not so far away as one would think. Five days by steamer from San Francisco; 16 hours by regular airplane service. One can travel from Honolulu to New York by air in less than 36 hours. And when our Constitution was adopted it took a week to travel from Boston to Philadelphia.

What do we on the Pacific coast owe to Hawaii? In the first place we must look to it for protection from oriental aggression. It is our military outpost in the Pacific, and upon its defense rests the safety of San Francisco and Seattle, and all of our great seaboard cities. The Panama Canal would fall easy prey to an enemy in the Pacific, were it not for Hawaii, from a military standpoint.

Then also, it is the crossroads of the Pacific, and its harbor is our greatest asset in gaining and holding Pacific trade. It also furnishes a landing field for trans-Pacific airplanes. Without it, airplane service from California to the Orient would be impossible. No other country can use it without our permission and the United States will be able to control trans-Pacific airplane service—a matter of incalculable value to our country.

But in addition to its incalculable value for military purposes, and as a crossroads for Pacific commerce, Hawaii is of major value as a purchaser of goods from other parts of our country. It buys two-thirds of the California rice crop. It buys millions of feet of lumber from Washington and Oregon. It buys cotton goods from New England and the South, and flour and meat products from the Middle West. There is not a part of our country which does not receive some benefit from trade with Hawaii, either directly or indirectly.

Mr. Chairman, we devote much attention to our foreign trade and rightly so. But our foreign trade is but a pigmy compared with our internal trade. How many of you know that Hawaii each year buys more than $80,000,000 of products from other parts of our country. And how many know that Hawaii each year buys more of our products than does any foreign country save five; that it buys more than Mexico, or Cuba, or Italy, or Brazil, or China. The figures are as follows:

1. United Kingdom	$440,000,000
2. Canada	384,000,000
3. Japan	204,300,000
4. France	129,500,000
5. Germany	109,600,000
Territory of Hawaii	85,700,000
6. Mexico	76,000,000
7. British South Africa	71,200,000
8. Cuba	67,400,000
9. Belgium	58,800,000
10. Italy	58,800,000
11. Australia	58,500,000
12. Argentina	56,900,000
13. Netherlands	52,800,000
14. Brazil	49,000,000
15. China	46,800,000
16. Sweden	43,100,000
17. Colombia	27,900,000
18. British India	26,800,000

Of course, it follows that if we restrict Hawaii's production or her manufacture of her products, we reduce her trade by just that amount and her ability to purchase the goods of other parts of our country. If she cannot refine her sugar but must pay the eastern refiner to do so, there will be less lumber, less rice, and less flour purchased by her from the rest of the country, and the Pacific coast will be the principal loser.

Mr. Chairman, to suggest that it is public policy to discriminate against one part of our country in order to favor another is shocking. It has never been our policy. One of the causes of the Revolutionary War was England's tradi-

tional policy of preventing manufacturing in the Colonies in order that industry in the mother country might thrive.

Some parts of our country have natural advantages over other parts, and because of this fact industries rise and prosper in some areas and languish in others. It has never been our policy to deprive any part of our country of its natural advantages by law or to legislate natural advantages out of existence.

The coal in Pennsylvania and the oil in Texas give them natural advantages over areas not possessing these natural advantages. So, also, the water power in the Western States and the minerals of Colorado. It is the same with soil and climate. New England had a monopoly of cotton spinning for many years because of her cheap water power. But electricity and climate and plentiful labor in the South has resulted in a rapid growth of spinning there, where the cotton is grown. No one would think of preventing the South by law from spinning her own cotton simply that New England might continue her monopoly.

We now have pending before us wage and hour legislation. Many of the southern Representatives strenuously oppose its enactment, because they contend it will deprive the South of her advantage of a plentiful supply of labor. We must recognize that local conditions make it proper that there should be wage differentials between different parts of our country, influenced in part by its availability, but greater still by the cost of living, climate, and other such factors.

Mr. Chairman, if our Territories have cheaper labor than the Atlantic coast, that is no reason why they should be deprived of their right to manufacture their agricultural products. The wage and hour law will apply to sugar refining in Hawaii, and, if there is any reason why wages should be raised or hours lessened in Hawaii, the Federal Government will be able to do it. The labor question is a false issue and has no place in the consideration of this legislation.

It is interesting to speculate as to the amount that Japan, for instance, would pay if it could own the Hawaiian Islands. And yet those islands, after a century as an independent sovereignty, voluntarily elected to become part of our country under our solemn assurance that it would become an integral part of our Nation, and as such is entitled to fair and equal treatment.

Under this assurance the Republic of Hawaii turned over to the United States all its properties, the money in its treasury, its forts and public buildings, and more than a million acres of public lands. We not only did not have to pay for the Territory, but we got the money in the treasury and all public properties. In addition Hawaii has paid into the United States Treasury in taxes $150,000,000 more than Congress has expended upon it. We received the islands as a voluntary gift and have made a profit of $150,000,000 out of them.

Mr. Chairman, not only would it be a disastrous national policy for us to discriminate against Hawaii, but I earnestly say that it would be a gross breach of faith with her children—a violation of the trust under which she became part of our Nation. [Applause.]

Mr. MASON. Mr. Chairman, I am opposed to this bill in general, largely for the same reasons so admirably expressed by the gentleman from New York [Mr. WADSWORTH]. But, unlike Mr. WADSWORTH, I am opposed to the Jones amendment. I am opposed to the Jones amendment because I believe it will take jobs away from organized American workmen and give those jobs to native, unorganized workmen in our possessions or in our islands.

I confess I cannot see any discrimination in this bill against Hawaii and Puerto Rico in the refined-sugar quotas. The provisions of this bill limit the output of refineries in continental United States to about 60 percent of their capacity by limiting the raw product which goes to them. But the provisions of this bill as they are now do not limit the production of any refinery in Puerto Rico or Hawaii, because this bill permits them to at least produce to capacity. I see no discrimination there. If there is any discrimination it is against our own refineries here and against our own workmen here if this amendment is adopted.

Mr. Chairman, congressional leaders who are urging us to lift the import quota upon refined sugar are really asking us to give American workingmen's jobs to natives of far-away islands.

Last month these same congressional leaders urged upon us the one and one-half billion relief appropriation "to keep American workingmen and their families from starving."

Next week these same congressional leaders will be urging us to raise the standard of living for the submerged one-third of our American population that we have heard so much about by passing the so-called wage and hour bill, a bill that seeks to establish minimum pay and maximum hours—and other things far less desirable.

I defy anyone to find anywhere a more outstanding example of loose thinking, inconsistent reasoning, or contradictory action than is to be found right here in Congress when we compare the aims, the purposes, and the objectives of this sugar bill, the wage and hour bill, and the Wallace farm bill. Any reasonable man must know we cannot raise the standard of living and wages for the American workman and at the same time invite importation of foreign goods made with cheap labor; we cannot raise the standard of living and prices for our American farmers and at the same time invite importation of agricultural products produced upon foreign soil by peasant toilers. It just does not make sense. High prices for farm products, high wages and shorter hours for labor, must of necessity mean protective tariffs. This principle was recognized by the late Congressman Connery in drafting his bill. It was recognized by the men who drafted the 1937 A. A. A. bill. It underlies the question at issue on this sugar bill. So let us quit kidding ourselves; let us act like logical beings; let us face the facts.

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, we have given over 2 days to debate on this important sugar bill. I have frequently stated here that more wars have been fought over sugar than any other commodity. Today we are surrounded by sugar people from all parts of the world watching carefully what we will do with this bill. The objections of the administration to the bill brought to us by the Agriculture Committee are regarding two of the paragraphs in section 207 which would limit the amount of refined sugar coming to the United States from the Hawaiian Islands and Puerto Rico. It has nothing to do with the amount of the raw sugar in the quotas contained in this bill. The seaboard refineries want the refined limits left in the bill on the ground that unless that is done hundreds of American workers would be thrown out of jobs. The sugar-beet interests in my State want the sections left intact on the grounds that unless that is done it may work a hardship against the sugar-beet farmers of Nebraska.

Mr. Chairman, the committee has worked many months over this sugar bill. I have attended many of those meetings in order to determine just how this important legislation would affect the consumers of America and also our farmers.

I am opposed to any quota being put on sugar farming in the continental United States, Mr. Chairman. I say that because we raise only about 20 percent of the sugar we consume here. We find ourselves faced with orders to take out of production many thousand acres of land because we are told we raise too much corn and wheat and cotton and other farm crops. At the same time we appropriate many hundreds of millions of dollars for irrigation to put new farm lands into production to raise the same things. Yet here we are telling our farmers that notwithstanding the fact that we only raise 20 percent of the sugar we eat we must raise so much and no more, thus leaving an American market wide open to the sugar barons of the world to exploit. Why should we tell our sugar-beet farmers that notwithstanding

the fact that they have the land they can only grow a limited amount of sugar beets even though there is never a surplus of sugar beets in our country? American consumers should know that last year they paid a subsidy of about $350,000,000 to the sugar people of the world. That gigantic annual amount represents the amount more than the sugar people got for their sugar on the world market. That is because in the United States we pay 1 cent and more a pound for sugar than is paid on the world market. There is a world market and a United States market. American consumers pay the bill. That is, they pay a subsidy or a higher price than other people in other countries of the world pay.

Mr. Chairman, while I am in sympathy with the President, on principle, in his stand against parts of this bill, I feel that as long as we are putting a quota on our sugar production in this country and carrying out this quota program through which our offshore possessions will profit, there is nothing inconsistent and there is no discrimination against offshore possessions to put a certain quota on how much refined sugar they can ship into our continental United States. We are told that these offshore possessions will be allowed to ship as much refined sugar as their present capacity. We are told that they will not be stopped from refining sugar and that they can sell all they want on the world market. So we merely say for the sake of protecting American labor, American industry, and American farming, that they can ship their present capacity to us so that American industry will be protected against the possibility that eventually all the sugar raised in these offshore possessions will not be refined there and shipped directly to us with the possible danger of closing down all of our refineries and make America the dumping ground for all the world sugar and sugar substitutes that are now rapidly wiping out the market which heretofore was enjoyed by American farmers who raise corn and grain.

Mr. Chairman, if there was no quota on sugar in the United States and we were allowed to raise whatever sugarcane and sugar beets we cared to raise, I would feel that I would follow the principle in the arguments advanced by the apponents to this bill. I want to go on record with other Members that industry in Hawaii and Puerto Rico and the Virgin Islands should be treated as all other Americans because the islands are American and the people who live there under our flag are also Americans. But as long as these quotas are forced upon us; as long as we are told in the United States that "we must not raise more than so many acres of sugar beets" and so long as these quota regulations are forced upon us I feet that the quotas can be placed on refined as well as raw sugar.

Mr. Chairman, I do not care to dwell much longer on this particular phase of this very important bill. There is one paragraph in section 207 to which I am opposed. In it we say that in the Virgin Islands we must not refine any sugar. That is in these islands which belong to us and where the people live under the Stars and Stripes and where the principal crop is sugarcane from which fine sugar can be made—we say to these people that they cannot make and refine sugar. I feel that is rank discrimination and a blot on legislative procedure here. In those islands we force these people to grind their sugarcane into juice from which our Government, at Government expense and under our Government supervision, makes rum which we distribute throughout these United States in competition with the distillers of our own land who are endeavoring to abide by their promises to our farmers that they will distill their spirits from our corn and our grain.

Mr. Chairman, I wish to call attention of Members of this House to another amendment which is going to be offered very soon. This will have to do with an excise tax of about 8 cents a gallon on liquid sugar or blackstrap molasses. This liquid sugar is coming to us as refined sugar and carries no duty. I hope every Member who is anxious to protect the American market for the American farmer and every Member who is anxious to protect American jobs for the American workingman will join us in keeping this amendment in the bill.

Sometime ago, Mr. Chairman, I became the author of H. R. 2268, a bill making it unlawful to sell certain spirits containing alcohol produced from materials other than cereal grains. It has the support of the Farm Bureau and other farm organizations. Extensive hearings were held on this bill. It was fought, in my opinion, by the great Sugar Trust and even some of the refiners. Up to this time this bill has been waylaid in committee.

This amendment to this bill to put an excise tax on this molasses coming to us from foreign countries and even our offshore possessions may help my bill and may help our farmers who may this year have an overabundance of corn. In the absence of a price stabilization bill for our corn crop this year, I beg Members of this House to help us pass this amendment, which will protect a market for about thirty or more million bushels of corn annually and a very large amount of other cereal grains. The amendment will in no way stop the importation of blackstrap molasses where it comes for the purpose of mixing with alfalfa and which is an adjunct for livestock feed. It will, however, give corn and grains an equal chance with blackstrap molasses in the manufacture of distilled spirits, alcohol, and so forth.

Mr. Chairman, we have heard many statements on the floor of this House during the past few weeks to the effect that farmers are so much better off now. Members who do not know the truth and merely get their information from the newspapers and reports about high prices of farm products really should know that in my State there is no prosperity yet among the farmers. Thank God we are going to get a corn crop according to present indications. But up to this time our farmers had to pay high prices for corn and grain to feed their starving livestock. They have paid $1.25 a bushel for corn which today has already dropped 30 cents on the market. They have paid 65 cents a bushel for oats for which they now are getting 30 cents at the elevators.

So you see, Mr. Chairman, these debt-burdened farmers who are forced to give all their small grain to pay for feed and seed loans are depending upon what little money they are going to get from the sale of their corn, if they get a crop of corn. They must be protected.

You will remember that during the fight for the repeal of the prohibition law the farmers of our country were told that if they voted for repeal they would be given a real market for their corn and grain. But what really happened? Immediately after repeal the Molasses Trust began using substitutes for corn and grain. They built gigantic distilleries where they are manufacturing all kinds of distilled spirits and alcohol from this cheap blackstrap molasses and flooding our country with it. The great chemists continually show that they can make alcohol much cheaper from this substitute than from the real products of the farm. Thirty million bushels of corn is substituted each year by this blackstrap molasses, which is a byproduct of sugarcane which comes to us from the fields of foreign countries.

The beet-sugar and cane-sugar farmers of our country know that none of their byproducts go into alcohol. It is used up mostly by the yeast people. Therefore, every Member from a beet-sugar district and a cane-sugar district of our country and who is in this House this afternoon should know that all of the blackstrap molasses which is replacing corn and grain in the manufacture of alcohol comes to us from foreign countries and very little from our island possessions. By voting for this amendment, and also the Dirksen amendment, which has practically the same objectives, you will be helping to protect the American market for the American farmer.

I wish, Mr. Chairman, that every Member of this House, especially those Members from our industrial East and

South, would know the true picture of many of the farmers in my district. These farmers have hung on through drought, grasshoppers, and dust storms. They have seen their fields eaten up by hoppers, burned up by the sun and hot winds, and they have seen their livestock starving. A majority of them have gone broke financially and have been forced to sell down their livestock until many of them do not have enough livestock on hand to work their farms effectively. Up to the present time practically all of the corn and grain have been shipped into the district and fed on arrival. Today they have completed harvesting a small grain crop. But most of that crop will go to settle some of the heavy debts which they were forced to acquire during the drought days. But bountiful rains have fallen, and the prediction is that the corn crop will be a good one. In some of my counties there will be no grain and no corn and not even a garden of vegetables. But generally I am reliably informed there will be corn. It is the corn crop on which our farmers depend to keep them going until the next crop. I beseech Members of this House now to do something in this bill to give these corn farmers the market to which they are entitled, and not keep surrendering it to the foreigners, who are rapidly taking it away with these substitutes.

Mr. HIGGINS. Mr. Chairman, may I take a few moments of the time of the Members of the House to summarize my views on the proposed legislation? I was privileged yesterday to listen to many mighty fine presentations of the subject from the lips of men who are undoubtedly students of the subject of sugar legislation, and I could not help but draw my own conclusions as to the problem confronting this House. As Representatives in Congress we should be primarily concerned in enacting into legislation a law that would be beneficial first to the American consumer; secondly, to the American producer; and, finally, to the American refiner.

Briefly, the recent history of sugar legislation will call to mind the Fordney-McCumber Act, which in effect was the Tariff Act of 1922 and, subsequently, the Smoot-Hawley Tariff Act of 1930, both of which proposed to maintain and increase the domestic market for domestic producers. The tariff acts of these years did not accomplish this purpose but shifted the American market from Cuba to the insular possessions, with resulting economic distress to the sugar industry generally and a loss of markets to Cuban producers. When the present administration assumed office, the failure of the tariff system as a method of aid was apparent to all interests. The price of sugar for March 1933, I am informed, was close to its extreme low for all time and, as a result, the Tariff Commission, which had studied the sugar problem from all angles, acknowledged the failure of former sugar legislation and outlined in a letter from Robert L. O'Brien to the President in 1933 possible substitutes for the traditional method of assistance. Among the plans suggested by the Tariff Commission was a limitation in the form of a quota system, which feature, together with direct benefits to domestic and insular producers which were to be made from the funds arising through the processing tax on sugar, was embodied in the Sugar Act of 1934. Following this legislation, the Department of Agriculture attempted to reach a stabilization agreement with the industry but failed, and subsequently the President, faced with the failure to reach the agreement, sent a message to Congress, which turned to the principles of the Agricultural Adjustment Act for partial solution, at least, of the sugar problem. The principles of the Agricultural Adjustment Act, now invalidated, could not be applied precisely in the case of sugar as in other commodities such as wheat because sugar was an import and not an export commodity and we did not have a surplus but rather a deficit in the commodity at that time. The President's message raised the principal issue as to whether or not the sugar industry should be afforded any measure of public protection and concluded, "I do not at this time recommend placing sugar on the free list." In brief, the President asked Congress to protect what he described as an expensive industry but not to enlarge it. The consequent result of the message was the enactment of the Jones-Costigan Act of 1934.

Leaving the legislative background of sugar for a moment, let us proceed to a consideration of the effects that the present bill under consideration would have, first, upon the consumer; secondly, upon the producer; and lastly, upon the refiner. Statements made here on the floor yesterday by the very distinguished chairman of the Committee on Agriculture set forth the fact that the average price on sugar to the consumer under the provisions of the Jones-Costigan Act, which incidentally embraces the quota system, was less and is less today than it has been for many years. This fact—that the present price on sugar is lower than it has been for a great number of years—was supported by the statements of the gentleman from Colorado [Mr. CUMMINGS], who is probably as well informed on this subject as any man in the House. Finally the gentleman from Michigan [Mr. HOOK] submitted statistical data which proved to the satisfaction of those of us who were present that the statements made by the chairman and the gentleman from Colorado were correct. These statements are obviously true because they remain unchallenged. The second consideration that Members of the House should have should be toward American sugar producers; that is, toward the farmer, who actually tills the soil which produces this very controversial commodity. Our interest in that class of men should be satisfied by the statements of none other than the distinguished gentleman from Colorado [Mr. CUMMINGS], representing as he does a great beet-sugar area, and who is recognized as a great authority on sugar legislation, when he said that as far as the sugar producers are concerned, the elimination of subdivisions A and B of section 207, which wipes out the quota provisions from the present bill, would make no difference to the producer, for he would get the same price for his product whether the quota provisions were in the bill or eliminated from it. I think we can all take that statement as a fact in view of the authority from which it comes.

The main purpose, as far as I am concerned, of this bill is to enact into law legislation that will first and foremost protect the consuming public, and incidentally protect the farmer-producer of sugar, and finally American industry, which employs thousands of our citizens in refining enterprises throughout America. This bill continues the quota, which system, in effect, for the past 2 years of its life, at least, has accorded the American consumer the lowest average price for sugar that the consumer has enjoyed for many years.

Secondly, the bill provides, as similar provisions have during the life of the Jones-Costigan Act for the last 2 years, protection for the farmer-producer of the Middle West and the South. If the provisions of the Jones-Costigan Act work so well, then is it not a practical thing for us to embrace the main provisions of the Jones-Costigan Act in framing present legislation.

This brings us to the consideration of the most controversial features of the bill—subdivisions A and B of section 207—which, in effect, establish a similar quota system in the present bill as is present in the Jones-Costigan Act. The present administration, under advice, I assume, from Secretaries Ickes, Wallace, and Hull, wants the quota on refined sugar from the insular possessions, described in the section above, abolished. This brings us to the consideration of the last group aforementioned, namely, the status of the American refiners under the bill now under consideration. The quota system, affecting as it does American refineries, has worked well during the life of the Jones-Costigan Act, and, in my opinion, should be perpetuated in the present legislation for the reason that the plan of Ickes, Wallace, and Hull, if it were enacted into law, would mean less raw sugar shipped here, thus less refining here in America, and, more

important still, what would be refined in America would have to be sold against ruinous competition of producers of Hawaii, Puerto Rico, and the Philippines, whose finished product would be produced at a minimum labor cost. The abandonment of the quota system would undoubtedly throw American workmen out of employment in order that natives in far-away insular possessions might gain employment and refineries on those islands, which, as a matter of interest, the gentleman from Colorado [Mr. CUMMINGS] said are controlled by six corporations, would gain greater profit.

It must be obvious to thinking persons what would happen if the quota support were withdrawn from the present bill. It is safe to say that such a withdrawal would bring about a new alinement of supply and demand, and hence new but indeterminate prices when Cuba and the insular possessions would be permitted to expand their exports of sugar to the United States. The history of sugar legislation teaches us that the American consumer paid 25 to 30 cents a pound for sugar in the years 1920 and 1921, and it is my humble opinion that if the quota provisions of this bill are withdrawn and the American refiners are compelled to close their refineries because of ruinous competition, then insular refineries will be in a fine position to dictate the price of sugar in continental United States. This reasoning appears to me to be logical, since there will be no American competition and literally a monopoly will be set up among refiners on the insular possessions, supported, maintained, and perpetuated upon a cornerstone of cheap labor.

Should the advocates of the amendment that is to be offered to eliminate the quota provisions of section 207 prevail, then eventually the beet-sugar farmer of the West, the cane-sugar producer of Florida and Louisiana will be in trouble. I hold no brief for the American refiners and I recognize that the industry has had an unfavorable record in the public mind and that its long-drawn-out controversies with the Government and its subsequent conviction of engaging in combination and conspiracy in restraint of trade in commerce have not left any too favorable a taste in the minds of many people, yet I do hope that legislation enacted into law should be so designed as to stabilize all features of the industry and extend no preference to insular labor over American labor.

If the provisions of the Jones-Costigan Act of 1934, which are in effect embodied in this legislation, have worked so well and have afforded the consumer the lowest price in many years for sugar and have protected the farmer-producer, then why is it not consistent to permit the American refineries, which employ about 14,000 of our citizens, to continue to enjoy the benefits they have had during the life of the Jones-Costigan Act.

If the opinion of the present administration is written into the law, American refiners could not maintain the industry, paying the American standard of wages to its workmen as against the competition of the lower labor standard of wages paid to workmen in the insular possessions. As far as Boston and New England are concerned, we might well anticipate the closing down of a century-old industry with a pay roll to New England workmen of over $2,000,000 per year, not to mention the millions which are added to New England purchasing power in the nature of wages, supplies, freight, advertising, and the like. What is true of New England is true of other sections of the country where the refining industry is located and where that industry has played an equally important part in the industrial advancement of such States as New York, New Jersey, Pennsylvania, Maryland, Georgia, Louisiana, Texas, and California. Thousands of men throughout America will be deprived of an opportunity to work, and, in most instances, will be returned to local relief rolls. Personally, it does not seem to me to be good business nor to be consistent with the governmental policy in recent years in these times of unemployment to further reduce and eventually wipe out the pay roll of approximately 14,000 men employed in this industry and paid $25,000,000 yearly, in favor of cheap tropical labor in Puerto Rico, Cuba, and Hawaii.

In conclusion, Mr. Chairman, may I say that it is rather ironical for the present administration to ask industry to absorb the unemployed and, at the same time, attempt to enact into law sugar legislation, without quota provisions, which would admittedly discharge thousands of Americans engaged in the sugar-refining industry in Boston and other cities of the country.

Mr. BIERMANN. Mr. Chairman, will the gentleman yield?

Mr. HIGGINS. I yield.

Mr. BIERMANN. If section 207 does not go out we will not have any bill and the farmer will be just as bad off as he was in 1933.

Mr. HIGGINS. The gentleman holds an opinion contrary to that of the gentleman from Colorado [Mr. CUMMINGS] who on yesterday stated that it did not make any difference one way or the other.

Mr. BIERMANN. Does he think we can override a veto? We are going to get a veto if that section stays in the bill.

Mr. HIGGINS. The gentleman does not know that we are going to get a veto.

Mr. BIERMANN. I assure the gentleman there will be a veto.

Mr. HIGGINS. The gentleman has no guarantee of that any more than I have.

This brings us down to the most controversial feature of the bill.

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Iowa [Mr. THURSTON] is recognized for 3 minutes.

Mr. THURSTON. Mr. Chairman, this may be a sweet bill for the Government of Cuba and several large banks in New York City and some large banking concerns in Canada, which control much of the Cuban sugar land, but I think it is a rather sour subject to the United States Treasury and the American farmer, because, under the reciprocal treaty we made with Cuba, already in 32 months we have remitted $78,000,000 in duties on Cuban sugar that otherwise would have been paid into the Treasury of the United States. These figures are authentic and official. What have we received in return? Slightly increased exports of our products, but we have not one-tenth of the amount that we have given to the Cuban Government in an agreement carrying the word "reciprocity."

How does this concern us? We are paying benefits to the farmers so they will not raise sugarcane or sugar beets; paying them to keep their land out of cultivation so that we may import more sugar from Cuba. Do you believe that a similar example could be found in the whole world? No. When we add the cost of these benefits paid the farmer it means that our Government has already lost more than $100,000,000 because of this unfortunate agreement the Roosevelt administration made with Cuba. Furthermore, the loss in revenue is increased at the rate of $2,000,000 per month.

This so-called sugar mess can mostly be traced to the reciprocity agreement with Cuba. Just another hundred million dollars to support the good-neighbor policy of Hull and Roosevelt.

To you Members who have refineries in your district, or in whose district sugarcane or sugar beets can be grown—and I have neither—I suggest that the root of your trouble is these abominable treaties which are taking away the use of our land and the employment of our people. So if you want relief or if you want to make a satisfactory approach to the solution of the sugar problem, you will have to reach farther back than this bill; you will be forced to bring about a termination of the reciprocal-trade agreements with Cuba. If we could be encouraged to increase domestic production of cane and beets it would put vacant land into sugar crops, stop benefit payments, and take some of the

pressure off of corn and wheat and thereby help the other farmers of the country. But we are faced with this illogical, unsound condition, brought about by dreamers and visionaries, and whether you have quotas or not, you are never going to bring about a real solution of this question until you terminate this sugar agreement.

I assert that this foreign sugar fiasco has already cost the United States Treasury more than $100,000,000. Probably the low-tariff, free-trade sponsors of this program would say that the amount mentioned only increased the public debt that sum. Just a good-will move.

But we must not forget that it will take sweat and taxes to pay for this unfortunate trade experiment.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. COFFEE] for 3 minutes.

Mr. COFFEE of Nebraska. Mr. Chairman, in closing the debate in opposition to this amendment I wish to call to the attention of the Members of the House a few pertinent facts.

The restrictions in this bill, limiting the importation of refined sugar from Puerto Rico and Hawaii, are the same as the restrictions in the Jones-Costigan Act and the resolution continuing the quota provisions, passed last year, both of which were signed by the President. This bill simply limits the refined sugar to the maximum amount that Hawaii and Puerto Rico are able to refine at the present time.

I am primarily interested in the passage of this bill in the interest of the growers. The domestic sugar industry is a very important industry in this country and should be preserved.

The committee gave a great deal of consideration to the controversial question at issue. We felt there was no justification in encouraging the building of new refineries in Hawaii and Puerto Rico at this time that would jeopardize the investments in continental refineries and the jobs of the men now employed in them.

From the consumers' viewpoint, if we encouraged the dismantling of our continental plants and the building up of refineries in our offshore areas and in foreign countries controlling the chief sources of supply, might we not sooner or later become the victims of a monopoly that could force the people in the United States to pay a price of 18 or 20 cents per pound for sugar, as happened in 1920? Let us preserve this American industry.

I urge the passage of this bill as reported by the Committee on Agriculture, with the suggestion that, in the light of recent political developments, if it is found necessary that some further compromise be made, it can be done in the Senate. This is not permanent legislation.

[Here the gavel fell.]

The CHAIRMAN. There is one other speech, that of the gentleman from Texas [Mr. RAYBURN], and then debate under the agreement will close.

The gentleman from Texas is recognized.

Mr. RAYBURN. Mr. Chairman, I take the floor today for one reason, and one reason only, that I am a friend to the sugar industry and I want sugar legislation.

Mr. Chairman, my very dear friend, the gentleman from Massachusetts [Mr. MCCORMACK] this morning, anticipating that I would make a few remarks later in the day, called attention to the fact that the city Members had upon every occasion supported farm legislation. I join him in that statement, but say further that my observation has been that the Members from the great cities have with as much unanimity supported all farm legislation as have those of us from the so-called country districts.

To me there is a principle involved in the Jones amendment. This may not be exactly on all fours with the proposition that we are considering, but I say the same principle is involved.

If there is a strong industry in the country I represent, it is the Cottonseed Crushers' Association. That organization is without doubt the strongest single organization in northeastern Texas. They came to me some years ago and stated that the cottonseed-oil industry was in a bad way, and that it was being hounded to death by Philippine oil. I told these gentlemen then, as I say to you today with reference to this matter and with reference to other American citizens, just as the Filipino was a full American citizen at that time:

I realize your situation, but as long as the Philippine Islands are a part of the United States I will not by my vote levy a tax against them any more than I would against any State of the Union.

[Applause.]

Mr. Chairman, we are up against a certain proposition here and we might as well be frank about it. I stated at the beginning of my remarks that I rose for one purpose and one purpose only. That is, I want the sugar question settled for at least 2 years. I think it is in the interest of American refiners, I think it is in the interest of American producers, and I think it is in the interest of those extra Americans in what we call our possessions. I think this is more sentiment than anything else, or an understanding, as some people might say. Do you not think it would be better to adopt the Jones amendment, which I do not believe will hurt the American refiners, because I believe there will be no extra refineries built in Hawaii, Puerto Rico, or the Virgin Islands if the Jones amendment is adopted, and get real sugar legislation and be sure of it than to hazard getting nothing and throwing this great industry into what you yourselves call chaos? Some of you gentlemen have been telling me for 3 long weeks that we must pass some sugar legislation or the sugar industry is going to be in very bad shape.

I want to assure you that the President and all departments concerned are wholly opposed to these two paragraphs.

Mr. Chairman, that is all I have to say. I trust the amendment will be adopted because, as I stated at the beginning, I am a friend of the beet man, I am a friend of the cane man, I am a friend of the industry, and I want this great industry to have the support in years to come that this legislation will give it. [Applause.]

The CHAIRMAN. All time has expired under the agreement.

Mr. KELLER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Mr. KELLER offers an amendment to the amendment: Page 14, lines 9 and 10, strike out subsection (c).

Mr. JONES. Mr. Chairman, I ask that the amendment be agreed to so that the vote may come on my amendment as amended. I ask unanimous consent that the lettering may be changed in my amendment so as to completely fit the situation.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. JONES] as amended.

The question was taken; and on a division (demanded by Mr. JONES and Mr. LANZETTA) there were—ayes 73, noes 125.

Mr. JONES. Mr. Chairman, this is a very important amendment and I demand tellers.

Tellers were ordered, and the Chair appointed Mr. JONES and Mr. CUMMINGS to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 92 and noes 135.

So the amendment was rejected.

Mr. JONES. Mr. Chairman, in order to give all the Members who have substantial amendments a chance to present them and have them read and then to have discussion on all amendments, I am going to ask that the amendments

may be read and that all debate on this bill and all amendments thereto close at 5 o'clock.

The CHAIRMAN. The Chair may say to the gentleman from Texas that there are certain committee amendments that were passed over temporarily.

Mr. JONES. I would like to have them disposed of first, of course. I am perfectly willing for the amendments to be offered and pending, so that they may all be read in the meantime and then anyone who has an amendment will have the opportunity to speak, but the debate will close at 5 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. PETERSON of Florida. Mr. Chairman, reserving the right to object, we have a series of amendments relating to the Florida situation. Of course, the action on some of the first ones might possibly influence the others.

Mr. JONES. The gentleman may offer his amendments and have them considered.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to have all amendments offered now, debate to be closed at 5 o'clock and that the Member offering an amendment shall have the opportunity to be heard.

Mr. JONES. Mr. Chairman, I would not want to foreclose the right to offer amendments. I am seeking to give the privilege to those who have substantial amendments to have them read now.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. WILCOX. Mr. Chairman, reserving the right to object, may I inquire from the gentleman from Texas if it is his idea that all amendments shall be read at one time and then there will be block arguments on all amendments?

Mr. JONES. No; it is my thought that a Member may offer an amendment and discuss the amendment. I had hoped we might agree as we went along as to the time on each amendment and perhaps confine it to two or three speeches and dispose of it. I want to close debate at 5 o'clock and in order that all amendments may be pending I sought to have them read at this time.

Mr. WILCOX. I am perfectly willing to limit debate on any amendment. I have no desire to obstruct the gentleman.

Mr. JONES. Mr. Chairman, I will change the unanimous consent request and ask unanimous consent that all debate on this bill and all amendments thereto close at 5 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The amendments now to be taken up will be the committee amendments.

Mr. JONES. Yes; I think those should be taken up now.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 26, after line 8, insert "notwithstanding the foregoing exceptions, sugar in liquid form (regardless of its nonsugar solid content) which is to be used in the distillation of alcohol shall be considered manufactured sugar."

Mr. GAMBRILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not intend to take up much of the time of the Committee, but I do want to submit that blackstrap molasses is used very largely in the manufacture of industrial alcohol. It takes about 2½ gallons of blackstrap molasses to make 1 gallon of industrial alcohol. To impose a tax of about 3 cents on a gallon of blackstrap molasses would increase the cost of industrial alcohol from 7 to 8 cents a gallon. I believe the amendment should be defeated.

Mr. LUCAS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, for a great number of years the farmers of the Nation have attempted to interest the American Congress in legislation which would place the corn producer of the United States upon a near parity basis with the producer of blackstrap molasses in tropical countries. That goal will be accomplished if the amendment which I have introduced and which is now a part of the bill becomes the law of the land. The amendment appears under the definition of sugar and is found on page 26 of the bill. It reads as follows:

Notwithstanding the foregoing exceptions, sugar in liquid form (regardless of its nonsugar solid content) which is to be used in the distillation of alcohol shall be considered manufactured sugar.

In addition, two other amendments which are corollary to the one just quoted have been placed in the bill. On page 30 I have caused to be struck out the words in the title, "Livestock food and distillation" and have had inserted in lieu thereof "and livestock feed." Also, on page 30, in line 21, I have caused to be struck out the words "or for the distillation of alcohol." My colleagues, these amendments do not tax blackstrap molasses which may be imported for livestock food.

Mr. Chairman, various chemical companies and interested industries throughout the Nation have flooded the offices of Members of Congress with letters opposing this amendment. It is the same old story when legislation is proposed which for the first time, seeks to interfere with a bonanza which has been heretofore unmolested by tax legislation. I do not blame them for attempting to keep a closed corporation on one of the most profitable businesses in America.

I have no quarrel with them for attempting to defeat this amendment, as it is an immutable law that every man in this world must look after himself. I approach this problem from the standpoint of the farmer who has for years visioned purchasing power dwindle into the evening shades of bankruptcy. Through this amendment I am only attempting to deal out a bit of single-handed justice for the basic industry of America, heretofore long neglected.

Mr. Chairman, I am one who believes in reciprocal-trade agreements. I am convinced that it is the only method that can bring back to this country a demand for our surpluses, which is so necessary in our general scheme of permanent prosperity. But I submit that the disparity existing between the producer of blackstrap molasses in foreign countries and the producer of corn in America for the distillation of alcohol is shameful and appalling. Reciprocity upon this question is a mere platitude.

Let it be understood at this point of my argument that the farmers of this country do not want a complete embargo upon blackstrap. This is where I am forced to disagree with the position taken by the gentleman from Illinois [Mr. DIRKSEN], who admits that if his amendment were adopted the tax would prohibit blackstrap molasses from entering this country. I believe that I understand the feeling and temper of the American farmer. No class of individuals in this country is more fair and equitable in their relationships with the other industries of the world. I say with candor that the farmers of America do not want an embargo upon blackstrap molasses. The farmers of America do not want such high and preferential treatment. However, they do ask that every reasonable opportunity for the disposition of the surplus of the basic commodities of America be made available. They want to open every possible avenue to increase production consistent with a fair and decent price. And my amendment, which is now a part of the bill, seeking to place an importation and manufacturers' tax upon sugar, regardless of its nonsugar content, will, in my opinion, go a long way toward helping the corn producers of America. No opportunity to develop more markets for these commodities should ever be overlooked. No one will disagree with my statement when I say that such a program is socially desirable and economically sound, and the more I study the contents of my proposals and their possibilities the more I am puzzled as why this legislation has been so long delayed.

Mr. Chairman, I now submit further supporting facts which should convince the Congress that these amendments are meritorious and justifiable.

First. Do you know that outside of a small excise tax under the tariff act there is not a single dime of tax upon the importation or manufacture of blackstrap molasses? Is there any legitimate or economic reason why this liquid commodity, which comes to this country in millions upon millions of gallons, should be exempt? Under this bill sugar pays an importation and manufacturers' tax. Sugar is one of the necessities of life, while most of the alcohol distilled from blackstrap molasses goes into beverages and radiator caps, rather luxurious business at least. All I seek in this amendment is to place the actual sugar content of blackstrap molasses upon the same taxable basis as edible sugar. What is unfair about that? Is there a single individual interested in this bill who, if he uses American equality as a premise, dare challenge this position?

Second. Do you know that last year 179,123,000 gallons of molasses came into this country from the tropical countries? Now, under my amendment the importation and manufacturers' tax would be approximately 7.72 cents per gallon, resulting in the raw material cost of a gallon of alcohol of approximately 25 cents. Chemists tell me that a bushel of corn will yield 2½ gallons of alcohol. Therefore, if corn is selling at 75 cents per bushel and the same were being used in the distillation of industrial alcohol, the raw material cost of 1 gallon would be 30 cents; if corn were selling for 70 cents per bushel, the raw-material cost of a gallon of industrial alcohol would be 28 cents; if corn were selling for 65 cents per bushel, the cost would be 26 cents per gallon; if corn were selling for 50 cents per bushel, the cost would be 20 cents per gallon; and if corn were selling for 40 cents per bushel, the raw material cost of a gallon of industrial alcohol would be 16 cents. At 65 cents per bushel corn would be an attractive influence to the distillers of alcohol for industrial purposes, and this basic commodity in America would meet the competition of blackstrap molasses. If corn sold below that price, we then would be aiding the American farmer by giving to him an opportunity to sell to the manufacturer of alcohol at a cost lower than that for which blackstrap molasses could be bought in the tropical countries. Here would be a chance to expand our market when it is most needed.

And here, my colleagues, are some startling figures: Using the same figure of 179,123,000 gallons of molasses, the amount shipped in this country last year and used in making alcohol, we find that is equivalent to 28,660,000 corn-bushels. It takes 1,189,000 corn-acres to produce that number of bushels.

Mr. Chairman, I emphatically deny that this bill will be of no benefit to farmers, as is claimed by some of my colleagues upon the floor of the House. But assuming, for the sake of argument, that such is true, and that corn cannot compete with other commodities in the making of industrial alcohol and ethyl and methyl alcohol, I return you to my first observation and ask, Why should blackstrap molasses come into America tax free? There is seldom a day passes that some statesman does not rise on the floor of this House and discuss seriously the question of balancing the Budget. If my amendment will not turn the eyes of the industrial crowd to the cornfields of America, it will turn their pocketbooks toward the United States Treasury, which is sorely in need of money. It is estimated that the annual revenue to be produced by blackstrap molasses, if this amendment goes into effect, will be around $7,000,000; and even in these days $7,000,000 is a goodly sum.

I sincerely hope that the proposition to eliminate this language from the bill in the amendment will be decisively defeated; and I call upon those in this Hall who are interested in the farmers of America to help write into law a bill which will, for the first time, give the corn farmer an opportunity to compete on an equal basis with the fellow who produces the blackstrap in the Tropics.

Mr. BIERMANN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am from a district where the principal field crop is corn. If I believed this amendment would help the corn growers and was anywhere near fair to the rest of the country, I certainly would be for it. I am against it.

This amendment was adopted without any hearings in committee, and without any statement except the very able one by the gentleman from Illinois [Mr. LUCAS]. I do not believe a radical step like this ought to be taken by the Committee of the Whole when the matter has not been given mature consideration by any committee of the House. Obviously, the amendment is designed to help the corn growers. I would like to help them. This amendment, if written into law, will not help them. The manufacture of alcohol from corn would not begin until the price of corn got down to about 40 cents a bushel.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. I do not have time to yield.

One bushel of corn makes 2½ gallons of alcohol. The net cost of the manufacturing process in making a gallon of alcohol from corn is 6 cents. Therefore, if corn is selling at 40 cents a bushel, alcohol can be produced at about 22 cents a gallon. It is now produced from blackstrap molasses at approximately 20 cents a gallon and can be produced from petroleum products for just a little more.

May I read from a statement by the Department of State:

This measure—

That is, the pending amendment—

would apparently not achieve its objective of causing more corn to be used in the distillation of alcohol; instead, it would tend to increase the price of industrial alcohol, disrupt our established molasses trade, and decrease the purchasing power for American goods in molasses-supplying countries. * * *

According to the informal advices of the Federal Alcohol Administration, 90 percent or more of alcohol obtained from molasses is used for industrial purposes, 5 percent for laboratory, pharmaceutical and medicinal purposes, and only about 5 percent for beverages. * * *

The commodity which would stand to benefit most by the resultant interruption in the country's trade in molasses would be ethyl sulphate, a petroleum byproduct, an economical raw material for producing synthetic alcohol. The American corn producer would not be a beneficiary, but more probably the payer of a higher price for his industrial alcohol, and a loser to the extent that American exports of farm products to molasses-supplying countries—particularly to Cuba and the Dominican Republic—would suffer curtailment.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. BIERMANN. Not now. If I can get more time, I will yield.

Synthetic alcohol has occupied an increasing portion of the alcohol market of this country. In 1935, 9 percent of the alcohol was made from petroleum product; and in 1936, 16 percent; and in 1936 only 7 percent of the alcohol was made from corn.

There are fundamental reasons why it would be unsound to adopt this amendment. The alcohol-producing factories are along the Atlantic coast, where they get a cheap water haul for this molasses from the West Indian Islands. The factories for making alcohol from corn are also on the east coast, and they would have a long rail haul, and they cannot use corn unless the price is down to about 40 cents a bushel at the factory.

So we are supposed to be doing something for the farmer here, which is simply not going to be accomplished by the amendment. So I hope that this amendment, which was not considered in the committee, will not be adopted.

Mr. HOFFMAN. Mr. Chairman, will the gentleman now yield?

Mr. BIERMANN. I yield.

Mr. HOFFMAN. How would this amendment affect Tugwell's molasses company or the Virgin Islands industry?

Mr. BIERMANN. Oh, that has no bearing on this matter.

Mr. HOFFMAN. None at all?

Mr. BIERMANN. A gentleman as smart as the gentleman from Michigan ought to ask a more pertinent question.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 6 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I only regret there was not a larger membership on the floor yesterday when I thought I had rather exhaustively discussed this whole subject of blackstrap; and I am a little surprised, of course, at the refreshing and delightful lack of information of my friend from Iowa, who does not know a great deal about the subject, because it does constitute a menace to the American farmer.

Without going into the matter too completely, let me say that 78 percent of all the blackstrap that is used in the country today comes from Cuba. It is being protected down there, and they are the ones who are seeking to perpetuate the use of blackstrap in American industry.

One hundred and forty-nine million gallons of alcohol was manufactured in this country in 1936 from blackstrap. This is the equivalent of 30,000,000 bushels of corn.

The gentleman from Iowa states that the benefits will go to the sulphate industry if we put a quietus on blackstrap. There is only one manufacturer of alcohol from sulphate in the country today.

What do you want to do in the face of the situation of a corn production of 2,600,000,000 bushels? Do you want to have the corn farmers come here and ask us to resort to some contrivance like regimentation and to subsidize our corn farmers the difference between the parity price and the price that obtains, or are we going to help to recreate this market which has been taken away by these importations of blackstrap?

I cite you this afternoon the prophetic drop in the price of corn in the last 30 days, a drop from a price of 94 cents for December, to a price of 64 cents quoted in the Washington papers of yesterday. This is an average drop of 1 cent a day.

Oh, the corn farmers have been here virtually tearing the hearts out of the Members for some kind of general legislation because they know that when the impact of this surplus comes on the market, down will go the corn price. Do you want to penalize the American consumer by reaching into the Federal Treasury in the form of benefits or are you going to give back to the corn farmer the 30,000,000 bushels of corn that is being usurped by this stuff that comes in from the islands and which, today, pays a tax of one-fifth of a cent a gallon, while under this bill it will pay two and a quarter cents for the equivalent of a bushel of corn. Is it not nonsensical that under the Tariff Act of 1930 a bushel of Argentine corn pays 25 cents before it can jump over the tariff hurdle, while if we vote down this amendment, we will say that it will be all right for 72 pounds of blackstrap which is the equivalent of a bushel of corn for distillation purposes, to pay two and a quarter cents, or one-eleventh of the corn price?

You ought to support the amendment of my colleague the gentleman from Illinois [Mr. LUCAS]. [Applause.]

[Here the gavel fell.]

Mr. BOYLAN of New York. Mr. Chairman, I have been a consistent friend of the farmers of the United States. I have voted for all farm legislation which has been presented here practically during my term of office, away back to the $500,000,000 revolving fund in the McNary-Haugen bill, and for every other bill that was here to help the farmer. Prior to that in my own State of New York I was consistently a friend of the farmers. So I do not stand before you today as one who would do anything to hurt the American farmer. I do say that the passage of this amendment will not help the American farmer in the slightest degree. Let us read the language:

Notwithstanding the foregoing exceptions, sugar in liquid form (regardless of its nonsugar solid content) which is to be used in the distillation of alcohol shall be considered manufactured sugar.

First it refers to sugar in its liquid form, and then says "regardless of its nonsugar solid content." Remember, Mr. Chairman, we are dealing with a nonedible product. I would not come before you if we were talking about the use of corn in producing edible alcohol because I know that many of you like a good nip of corn whisky, which has plenty of power in it, but here we have something in which there is no sugar and yet you want to tax it. Mr. Chairman, this alcohol made from blackstrap is used for one purpose only, and that is by the industrial manufacturers of the United States. There is hardly a man in the House who has not some manufacturer in his district that uses some of this blackstrap industrial alcohol. It should be remembered that if this amendment is agreed to, it will add to the price, and the result of that would be that alcohol used for industrial purposes will be made in a synthetic manner, and corn will not get a chance.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. BOYLAN of New York. Yes.

Mr. GREEN. Much of this blackstrap would go to waste. It is good for no other purpose than industrial alcohol.

Mr. BOYLAN of New York. Absolutely.

The CHAIRMAN. The time of the gentleman from New York has expired. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. DOCKWEILER and Mr. DONDERO and others) there were—ayes 83, noes 67.

Mr. BIERMANN. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chair appointed Mr. LUCAS and Mr. BIERMANN to act as tellers.

The Committee again divided; and the tellers reported—ayes 89, noes 65.

So the amendment was agreed to.

Mr. JONES. Mr. Chairman, the other two amendments are clarifying, to make the bill conform to this amendment. I ask that they be considered now.

The CHAIRMAN. The Clerk will report the other committee amendments.

The Clerk read as follows:

Page 30, line 1, strike out the comma and the words "livestock food, and distillation" and insert "and livestock feed."

Page 30, line 21, strike out "or for the distillation of alcohol."

The CHAIRMAN. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. WILCOX. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILCOX: Page 10, at the end of line 19, strike out the period, insert a colon and the following: "*Provided*, That no proration or allotment shall be made which shall have the effect of preventing the sugar producers in any State from producing and marketing an amount of sugar equal to the consumption requirements of that State."

Mr. WILCOX. Mr. Chairman, I think the amendment as offered explains itself. It simply provides that every sugar-producing State shall have a minimum quota for that State equal to its own consumption requirements. I discussed the bill at some length yesterday, as did my colleague [Mr. PETERSON]. We undertook to point out to the House the fact that under the bill as drawn some of the States of the Union will be prevented from producing the amount of sugar which they themselves consume. This is particularly true of Florida, which will be restricted to approximately 50 percent of its own consumption. I believe that this amendment is essential to the validity of this measure, as well as to the economic question that is involved. I very seriously doubt the right of the Federal Government to go into a sovereign State of the Union and say to the people of that State that they shall not have the power of produc-

ing their own requirements of food, particularly when the entire United States produces less than one-third of its consumption requirements. This bill as drawn and reported seems to prohibit the shipment of any sugar in interstate commerce which had been produced in any area in excess of the quota allowed under the proposed bill. This regulation is, of course, placed in the bill to give Federal jurisdiction over the subject matter. The bill proposes to set aside a definite and specific quota for Florida and Louisiana; it then proposes that the Secretary of Agriculture shall divide this quota as between these two States. In order that neither State shall produce more sugar than is allotted to it as its quota by the Secretary of Agriculture, the bill prohibits the shipment of any excess quota in interstate commerce. Now it is rumored that the allotment to be assigned to Florida will be approximately 60,000 tons if this bill is passed. Therefore, if Florida should undertake to ship more than 60,000 tons in interstate commerce, it would be penalized under the bill. This would not be quite so bad if the measure stopped at that point. The bill, however, goes further than this. It prohibits the local sale of sugar in competition with sugar which has been shipped in interstate commerce.

It may be possible, it may be constitutional for the Federal Government to say to me in Florida that I cannot produce sugar and ship it across the State line into Georgia because that would be a matter of interstate commerce, but I do not believe that the Federal Government has any constitutional, legal, or moral right to say to me that I cannot produce food on my own farm by my own efforts, with my own labor and my own money and sell it to my neighbor on the adjoining farm. You might as logically and as constitutionally say to a farmer that he shall not raise enough potatoes to feed his family.

Now, I know that we have gone a long way toward abolishing States' rights. I know that the tendency is toward centralizing all power in the Federal Government and toward having the bureaucrats regulate, control, and direct the daily lives of all the people of the country. But I do not believe that we have yet reached the point where a Federal official in Washington can tell a man in my State that he cannot produce food on his own land with his own labor and sell it to his neighbors in the same State.

If Congress can prohibit the production of sugar in my State it can prohibit the production of corn or wheat or apples or dairy products in other States, and not only can Congress prevent their shipment in interstate commerce but it can prevent their sale to a neighbor on an adjoining farm.

I believe that when a bill goes to that extent it violates not only the spirit but the letter of the Constitution. I think that when this measure undertakes to limit production within a State it is treading on very dangerous ground and that this amendment is necessary to the validity and constitutionality of the statute. I believe it is also economically sound to put this requirement in the statute, and that without the amendment the measure is unfair and economically unsound. I cannot understand the economic philosophy which says that in a country which produces less than one-third of its requirements of a necessary element of food, a sovereign State shall not be permitted to produce the amount of food which it itself consumes. Such a scheme just does not make sense. All in the world this amendment will do will be to say to the beet States and to the cane States and to all of the States of this Union that they shall have a minimum quota of the amount of their own consumption requirements. That does not give to Colorado, to California, to Florida, and to Louisiana even the same consideration that is given to Puerto Rico and Hawaii, because Puerto Rico and Hawaii are permitted to produce their own requirements and are then given an allotment of the amount that they can ship into the balance of the United States. But this amendment says to my State, "You shall not be limited to 40 percent of your consumption requirements", as the present bill would probably do, "but you will be given a minimum quota, a minimum allotment of the amount of sugar which the people of Florida consume."

I cannot see that there is anything wrong about it. It seems to me the economics are sound. It seems to me that it improves a bill whose constitutionality is at least questionable, and it appears to me to be a good amendment, and I think it ought to be adopted. I request the committee to adopt the amendment.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes.

The CHAIRMAN. Is there objection?

Mr. BOILEAU. Reserving the right to object, what is the request?

Mr. JONES. That all debate on this amendment close in 3 minutes.

Mr. BOILEAU. Is this the only amendment to be offered on this Florida proposition?

Mr. JONES. There will be other amendments. I want 3 minutes.

Mr. BOILEAU. Is the gentleman going to oppose this amendment?

Mr. JONES. I am.

Mr. BOILEAU. I have no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Chairman, I trust the House will vote down this amendment as utterly unworkable and impractical, for two good and sufficient reasons. In the first place, it would require going across the border and counting just how much sugar is used in some of these States, to determine the quota of the States. It is a difficult job to handle this quota even by regions and areas, but it would mean that a man might be living on the border with part of his land in one State and part in another. It might be desirable and it might sound good, but this thing is based on an historical background. You might as well follow it down and say that each county should be permitted to have a quota of all it consumes. Then you could go down to precincts and probably divide on plantations between tenants.

Mr. WILCOX. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. WILCOX. The gentleman would not object to even carrying it further and saying a man ought to be permitted to produce all he can eat?

Mr. JONES. It would take a constabulary to do that job, and that is not what we are engaged in.

Mr. BOILEAU. Will the gentleman yield?

Mr. JONES. I yield.

Mr. BOILEAU. If each State were to produce all they could consume, they would have to take the quota away from some of these islands, would they not, so that we would not have an oversupply of sugar in the country?

Mr. JONES. They would probably have to adjust the situation all along the line. It is impractical.

Mr. BOILEAU. It would wreck the bill, would it not?

Mr. JONES. Yes, of course it would.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. WILCOX].

The question was taken; and on a division (demanded by Mr. WILCOX) there were ayes 33 and noes 58.

So the amendment was rejected.

Mr. BUCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUCK: On page 24, in the table between lines 2 and 3, strike out the figures "500 to 1,500" and insert the figures "1,000 to 1,500."

Mr. BUCK. Mr. Chairman, section 304 provides the amount of the base rate of payment for benefits to growers.

Section 304 (c) provides that those payments shall be reduced in accordance with a scale of reduction on that portion of the quantity of sugar or liquid sugar included in the table of intervals of short tons set out on page 24 between lines 2 and 3. The reductions provided in the table start at 500 tons. Evidence was presented to the Committee on Agriculture by the western beet growers that the proper breakdown should start, not at 500 tons but at 1,000 tons, and that should be the starting point as provided in my amendment. The system of reduction in base payments—this is a somewhat technical matter—is based on the fact that under the original Jones-Costigan law payments were made without regard to the amount of tonnage that any individual grower or any corporation grower might produce.

As was stated earlier this afternoon, one corporation received a check for over $1,000,000 from the Government as benefit payment. This aroused a considerable outcry, though the payment was made in strict accordance with the law. I do not believe there is anything logical at all in the system of reduction on account of gross tonnage. However, it may be that for a psychological reason some such scale as has been inserted in this bill is proper and should be adopted. I yield to the judgment of the committee in this. At the hearings, I introduced evidence covering California territory—and I cannot speak for the rest of the United States, but I believe the conditions are the same elsewhere—to show that reductions should not start at as low an amount as 500 tons per grower. We desire all individual growers to receive their full benefit. The table I introduced, at page 82 of the hearings, shows that some 95 percent of the growers—growers, understand, farmers, come under 1,000 tons. If you start at 500 tons only 83 percent will receive full payment. You are leaving out 11.3 percent of those who individually farm their lands. Why penalize them? Owing to the fact that in the West a large amount of sugar beets are raised under irrigation, owing to the amount of capital necessary to invest in irrigation plants, pipes, and other things that go with it, and owing to the acreage involved it is about impossible for an individual farmer to farm a small acreage. He will be more apt to raise between 500 and 1,000 tons. Our farmers work a larger number of acres in the West than perhaps they do in the East and the South. It is therefore somewhat reasonable to take the point where the individual farmer disappears from the picture and the corporate farmer comes into it. According to the table referred to, that point is exactly 1,000 tons.

If my amendment is adopted, 95 percent of the farmers, which means practically every individual farmer, will receive the full benefit. Those who farm larger acreage will have their benefit payments scaled down. At the same time, if my amendment is adopted, some 68 percent of the acreage of the country will receive full benefit payment, whereas if the bill remains as it is some 24 percent of the acreage will not receive the full benefit payment. This is merely a matter of fairness to the individual farmer. I hope I have made this clear to the committee and they will accept the amendment.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CUMMINGS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I dislike very much to disagree with my friend the gentleman from California [Mr. BUCK], but 500 tons of sugar means between 280 and 290 acres of beets. There has been trouble over benefit legislation for farmers, it is true, but I think we ought to get this right somewhere along the line.

The average beet farm in the United States is from 16 to 20 acres. In Utah it is 6. In Colorado it is something like 20. In California it is much larger. Five hundred tons of sugar means 10,000 sacks. I think, if the Government takes care of a man to that extent, that they have done pretty well by him.

Mr. Chairman, I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

Mr. VOORHIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment submitted by Mr. VOORHIS. Page 37, line 10, after title V, add a new title, as follows:

"TITLE VI—CONSUMER-PRODUCER ADJUSTMENT PROVISIONS

"SECTION 601. For the protection of consumers and to permit the gradual substitution of sugar produced at low cost for sugar produced uneconomically or at high cost in areas making deliveries to the United States, and to promote increased exports of farm and factory products produced in the United States, the Secretary shall determine at the close of each calendar year the excess amount which consumers have paid during the year for sugar in the United States, and shall determine the amount of sugar which on the average is produced in the United States in 1 year on a total investment in land and production equipment equal to 20 percent of such excess amount paid by consumers. For the succeeding calendar year the Secretary shall add the amount of sugar so determined to the quotas of areas which most economically can supply such additional amount, and shall deduct such amount from the quotas of other areas: *Provided*, That the amount so added to and subtracted from quotas in any year shall not exceed 200,000 tons: *And provided further*, That the amount deducted from the quota of any area in 1 year shall not exceed 10 percent of its quota for the preceding year.

"SEC. 602. For the protection of producers and to permit the gradual adjustment of sugar production to areas economically most suited to that purpose, there shall be levied, collected, and paid additional taxes subject to the same conditions and refunds and in the amount of 50 percent of taxes authorized to be levied under title IV. The Secretary is authorized, in any calendar year and in the aggregate amount of 50 percent of total payments made under title III, to make additional payments to growers of sugar beets and sugar cane in those areas for which quotas for that year have been reduced, and such additional payments shall be distributed among the several areas in the same proportion as the distribution of total quota deductions in that year pursuant to the provisions of section 601. Such additional payments in any calendar year shall be offered to growers in each area as final payment under this act with respect to that proportion of sugar beet or sugar cane acreage which corresponds to the percentage reduction in quota of the respective area in that year, and thereafter the Secretary shall deduct from quotas determined for each such area under title II the cumulative total of its quota deductions for which final payments have been made. Within each area the additional payments in any calendar year shall be added pro rata to payments made under title III to growers in such area in that year.

"SEC. 603. For the purpose of the determinations made as provided by section 601, the excess amount paid for sugar by consumers shall be the difference between the value (raw basis), including excise tax, of sugar produced in the United States during the calendar year and the value of such sugar at the world price (New York basis) as determined by the Secretary from statistics available in the Department of Agriculture, and the total amount of sugar to be added to and subtracted from quotas shall be the result obtained by dividing 20 percent of the excess amount paid by consumers by the weighted average investment per ton of sugar produced in the United States in 1 year. Average investments per ton of sugar produced in any area of the United States which have been, or shall be, determined by the United States Tariff Commission may be employed by the Secretary in making this determination. Determination by the Secretary of areas which most economically can supply additional amounts of sugar as provided in section 601 shall be based upon relative costs of production which have been, or shall be, found by the United States Tariff Commission, with due allowance for alternative land use, conservation of soil resources, and relative returns to tenants, sharecroppers, adherent planters, and wage labor, as determined by the Secretary from statistics available in the Department of Agriculture."

Mr. JONES. Mr. Chairman, I reserve all points of order on the new bill for I have not had a chance to read it. [Laughter.]

Mr. KNUTSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KNUTSON. Is this a substitute for the bill under consideration or an amendment?

The CHAIRMAN. This is offered as an amendment to the bill. All points of order have been reserved by the gentleman from Texas.

Mr. VOORHIS. Mr. Chairman, for the comfort of the gentleman from Texas and of the gentleman from Minnesota, permit me to say that I entertain no illusion about the possibility of this amendment being adopted, but I believe it sets forth, if you will take the trouble to read it, a sound policy based upon the principle that the size of the quotas for different areas should have some direct relationship to the cost of production and to the capacity of those areas to produce sugar at a reasonable cost to the 130,000,000 consumers of the Nation. And may I say, also, that I sent copies of the amendment to every Member of the House some days ago.

In this short time, obviously I shall have no opportunity to explain in full the significance of this amendment, but I may briefly say that the amendmemnt provides that the Secretary of Agriculture shall first compute the difference between what American consumers have paid and what they would have paid on a world market price basis. That excess payment by consumers has amounted to about $300,000,000 per year in the last few years. I do not mean to say that I think there should be no protection for the American sugar producer who has to have a margin above the world price, but I do say that where the margin is too high and we set up quotas that we are thereby setting up a virtual monopoly.

We restrict output and then erect a tariff barrier, to boot. I think that today we have established a monopoly for the refiners. I think that the people are paying a pretty big bill in this respect, and to gradually remedy this condition is the real purpose of this amendment.

According to the amendment the Secretary would compute 20 percent of the overcharge paid by American consumers over and above the world price.

He would then determine the total investment in the production and processing of sugar. He would figure up the amount of sugar which would, on the average, be produced on an investment in land and equipment equal to 20 percent of the excess cost paid by consumers. Whatever this tonnage was, the Secretary would be instructed by this amendment to shift that much of the total of quotas of high-cost production to areas of low-cost production. A tax of 50 percent of the tax levied in title IV of this bill would be levied to make possible additional benefit payments to the growers in areas from which the quota was removed. These benefit payments would be considerably larger than the regular benefit payments, and they would be in the nature of final payments. The consumers would, in effect, have bought out that much investment in high-cost sugar.

Mr. Chairman, the purpose of the amendment is this: We have set up here a great industry, largely on the basis of political protection. It is not fair to knock the props out from under the industry all at once, even in the areas where the cost of production is high, nor would I suggest such a course, but I believe the consumers of America should get something in return for what they pay in additional costs, and that is all this seeks to do. It is an attempt to make a fair adjustment to all concerned and to point in a direction which will lead to a sounder policy.

I am in accord with the protection of American industries which are able to produce in abundance a crop or type of goods that America needs and consumes, and which can furnish this crop or goods within reasonable distance of world prices. Sugar is a special case and as long as we are legislating for the purpose of a particular industry and the protection of that particular industry, we have to use our best judgment and consider the question on the basis of merit in order to compare the gain from one course of action and the losses from that same course, the gains and losses from an alternative course, and so on.

I do not believe you can make a great sweeping principle apply when you are attempting to legislate, as we are trying to do, on the tariff, tariff protection, production control, and such things as we are attempting to do here. It is a question whether unlimited protection to a given industry really increases employment in this country. I think there are many instances where it does not do so. There are cases where the industries are of such scope and economically so sound that perhaps it does. I believe, as I said before, that each one of these industries has to be considered on its own merits. There is much merit, in my opinion, in the contention of the gentleman from Florida as indicated in this debate. They have a viewpoint that is about as sound as any we have heard.

Mr. SABATH. Will the gentleman yield?

Mr. VOORHIS. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman said there is an agreement on the part of the refiners. Does not the gentleman think it would be well, if he desires to break up that combination, to ask the Federal Trade Commission to make an investigation of the secret agreements by which the American people are mulcted out of $300,000,000 or more every year?

Mr. VOORHIS. I thank the gentleman for the suggestion. I was thinking about that, but it occurred to me that the Supreme Court of the United States has recently rendered a decision which perhaps makes that unnecessary. It found the Sugar Institute guilty, I believe, on about 40 separate counts of engaging in a combination and conspiracy in restraint of trade and commerce in sugar.

As I said, I know my amendment will not be adopted. But sooner or later we must get this whole sugar business on a much sounder and fairer basis than it is now.

[Here the gavel fell.]

Mr. JONES. Mr. Chairman, I withdraw the point of order I previously made and ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. VOORHIS].

The amendment was rejected.

Mr. PETERSON of Florida. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PETERSON of Florida: Page 8, line 14, after the word "effect" strike out the period and insert in lieu thereof the following: A comma and the words, "*Provided, however,* That any deficit of Louisiana shall be first allotted to Florida, and any deficit of Florida shall be first allotted to Louisiana to the extent of their respective abilities to supply such deficit."

Mr. PETERSON of Florida. Mr. Chairman, the amendment speaks for itself. In the event the Louisiana cane-producing area fails to produce its part, then my amendment provides that Florida may have that quota, and, in turn, if Florida fails to produce its part, that quota may go to the other continental cane-producing area in the United States, namely, Louisiana.

I trust the amendment may be agreed to by the Committee. I will not take all of the time allotted to me, because I have other amendments to offer. This is very vital to the State of Florida and I sincerely trust the amendment will be agreed to. It is fair to both States and does not disturb the beet quota. I want to urge the members of the Committee to vote for it.

Mr. JONES. Mr. Chairman, I do not think it is practical, in view of the vast reaches of this industry, to have all of these allotments and deficits as between the various States. I therefore ask that the amendment be defeated.

Mr. WILCOX. Will the gentleman yield?

Mr. JONES. I yield to the gentleman from Florida.

Mr. WILCOX. This is not a matter of disrupting the allotment as between beet and cane. This simply provides that as between two cane-producing States—and there are only two—if one of the cane States fails to produce, then the other one shall have the benefit of that deficit. That cannot upset the quotas.

Mr. JONES. I think they will take care of the deficit situation. There is a formula in the bill for that.

Mr. WILCOX. Cuba might get it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. PETERSON].

The question was taken; and on a division (demanded by Mr. PETERSON) there were—ayes 14, noes 56.

So the amendment was rejected.

Mr. PHILLIPS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. Are there any other amendments to be offered?

Mr. PETERSON of Florida. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. PETERSON of Florida: Page 6, strike out lines 23 and 24, and on page 7, strike out lines 1 to 7, inclusive, and the table which follows and insert:

Area	Quotas (short tons)		
	1937–38	1938–39	1939–40
(a) For domestic sugar-producing areas:			
Domestic beet sugar	1,550,000	1,550,000	1,550,000
Louisiana	360,000	375,000	400,000
Florida	90,000	150,000	175,000
Hawaii	938,000	938,000	938,000
Puerto Rico	798,000	798,000	798,000
Virgin Islands	9,000	9,000	9,000
(b) For the commonwealth of the Philippine Islands	999,782	970,000	970,000
(c) For foreign countries:			
Cuba	1,911,476	1,866,258	1,816,258
Foreign countries other than Cuba	26,412	26,412	26,412

(d) In the event that the Secretary determines that the amount of sugar needed to meet the requirements of consumers is less than 6,682,670 short tons, then the Secretary shall first establish the quotas for the areas and in the respective amounts set forth in subsections (a) and (b) and, after deducting the total thereof from the determined consumption requirements, shall prorate the difference on the basis of the quota established for Cuba and foreign countries other than Cuba in subsection (c); if the Secretary determines that the amount of sugar needed to meet the requirements of consumers exceeds 6,682,670 short tons, then the Secretary shall deduct the total of the quotas set forth in subsections (a) to (c), inclusive, from the determined consumption requirements and shall prorate the balance among the domestic sugar-producing areas set forth in (a) and Cuba and foreign countries other than Cuba on the basis of the quotas set forth in subsections (a) and (c).

Mr. PETERSON of Florida. Mr. Chairman, the purpose of this amendment is to subtract from the quotas of the Philippine Islands during the years 1937 and 1938, and the Philippines and Cuba during 1939 and 1940, in order to add to the quotas of the cane areas in continental United States, and especially in order to add to the Florida quota.

As I explained the existing situation in Florida yesterday, we cannot proceed upon a historical basis for this reason: The Everglades at one time were subject to flood. We finally drained the area by the combined effort of the Federal Government and local enterprise, and turned the Everglades into one of the greatest cane-producing areas in the world. However, just about the time the plantations were getting in good shape the quota system went into effect, and 5,000 acres were taken out of cultivation. The largest single check issued for production restriction in continental United States went to the cane-producing people of this section. I understand the argument made today by those who do not want to disturb Hawaii and Puerto Rico, so I have taken amounts from the Philippines and from Cuba in order that we may have a chance to produce in our own State. An infant industry is begging for the opportunity to expand, to expand economically, and to employ American labor with the payment of decent wages. The minimum wage is $2.70, plus housing, lights, and so forth. I am pleading today that this vast area, developed in part through Federal funds, may be able to take care of Florida's unemployment. This amendment does not take from Hawaii or Puerto Rico, nor does it take from continental United States.

Mr. WILCOX. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from Florida.

Mr. WILCOX. The gentleman's amendment does not disturb the quotas allotted to the beet people, but leaves them exactly as in the bill?

Mr. PETERSON of Florida. Yes; exactly as in the bill.

Mr. WILCOX. The gentleman's amendment does not reduce the quota allotted the Philippine Islands under the Independence Act?

Mr. PETERSON of Florida. No.

Mr. WILCOX. The amendment leaves the quota at the exact amount fixed by the Independence Act?

Mr. PETERSON of Florida. Yes.

Mr. WILCOX. However, beginning with next year, this amendment would reduce the Cuban allotment by a few tons and add this amount to the quotas of Louisiana and Florida?

Mr. PETERSON of Florida. The gentleman is correct.

Mr. CALDWELL. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Florida. Yes.

Mr. CALDWELL. This amendment by subtracting from the Cuban quota does not violate the reciprocal-trade agreement in any way?

Mr. PETERSON of Florida. No.

I am pleading for the opportunity to expand for American capital, American labor, and American producers. We begin at a quota less than the consumption of our own State. I hope the committee will back me up on this amendment.

Mr. JONES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the allotment for Florida and Louisiana under the original act was 220,000 tons, which was later increased to about 360,000 tons. This allotment gives them practically 100,000 tons above the previous amount. It is a difficult matter to figure out quotas. When you get to figuring on them you can just reach up in the air and pull down another one and get all confused. These quotas have been carefully worked out. I hope the Committee will not adopt this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment do now close.

Mr. WILCOX. Reserving the right to object, Mr. Chairman, I would like to be recognized for 2 minutes.

Mr. PHILLIPS. Mr. Chairman, I would like to be recognized for 3 minutes.

Mr. JONES. Are there any other amendments?

Mr. GREEN. I have an amendment, Mr. Chairman.

Mr. JONES. Mr. Chairman, I modify my request and ask unanimous consent that hereafter all remarks on all amendments be limited to 2 minutes, with the understanding that if there is time not occupied after the offering of all amendments, any Member who is recognized may use the remaining time.

Mr. McCORMACK. Mr. Chairman, reserving the right to object, does the gentleman from Texas have in mind that the gentleman from Connecticut [Mr. PHILLIPS] desires to be recognized for 2 minutes?

Mr. JONES. I think the gentleman should be recognized.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WILCOX. Mr. Chairman, may I call the attention of the membership to the fact that when I offered an amendment a few moments ago to guarantee to each sugar-producing State a minimum quota equal to its own requirements of sugar, the amendment was objected to by the chairman of the Committee on Agriculture upon the ground that it was too indefinite. The gentleman from Florida [Mr. PETERSON] has now offered an amendment which is very specific. The gentleman's amendment does not take away from the beet producer a single ounce of the sugar provided for in this bill. It guarantees the beet producers the same amount

guaranteed in the bill. It does not disturb Hawaii or Puerto Rico but leaves them exactly as they are under the terms of the bill. It does not reduce the quota of the Philippine Islands below the amount specified in the Independence Act but simply takes from the Philippines any excess above the amount specified in that act. However, the amendment does gradually take from the Republic of Cuba, an independent nation, a small amount, a few tons a year, and permits the development of a profitable and efficient industry financed by American capital and carried on by American workmen in American territory. It will open the way for the employment of a few thousand American citizens who otherwise must continue on relief.

Mr. CALDWELL. Mr. Chairman, will the gentleman yield?

Mr. WILCOX. Yes.

Mr. CALDWELL. This amendment does not reduce the quota of Louisiana?

Mr. WILCOX. It does not reduce the quota of Louisiana but increases it to a small degree, the same as it does the quota of Florida. This amendment does not disturb a single thing in this bill, except that it does permit the gradual reduction by a few tons a year of the amount which has been gratuitously given the Republic of Cuba.

Mr. PHILLIPS. Mr. Chairman, first of all I must respectfully decline to yield because of the shortness of the time available.

I am sure there must be other Members of the House beside myself who have listened to the debate here for the last few hours, hearing that one group of our citizens will be helped by certain legislation and hearing that other groups will be helped, a section here and a section there, but how many people have come down to the Well of this House and raised their voices telling of the moral responsibility we have to Puerto Rico and Hawaii because we took them, in effect, by force of arms and we keep them, in effect, by force of arms, and have a moral responsibility therefore to treat them just the same as the people of continental United States.

Mr. Chairman, if I make an agreement with you and you make an agreement with me, and suddenly the agreement pinches, none the less we are morally bound, and should be bound, to go on with that agreement, and therefore much as some other people, I am sure beside myself, but certainly myself feel that we might like to vote for legislation of this kind, we feel we are sitting here and in effect acting like footpads haggling over the personal effects of somebody whom we have waylaid. So until we recognize Hawaii and Puerto Rico like other people in the community of the United States I, for one, feel that we should vote against this whole bill, lock, stock, and barrel. [Applause.]

Mr. JONES. Mr. Chairman, I desire to state in connection with this amendment that I hope the House will not disturb the arrangements made here with reference to quotas, because it has been worked out and there are many conflicting interests involved.

I want to make one statement in answer to an argument made the other day about permitting America to produce all that her farmers can of any commodity not produced in surplus quantities. I thoroughly agree with that philosophy for any industry that does not require special protection. If we had no stimulus to production and without protection, on their own, they could expand, that would be one thing, but when we are making a special provision that would grant benefit payments and grant certain special concessions, as well as protection, then if these are to continue, it seems to me it is but fair that we should prevent artificial stimulation of enlarged production.

I felt this should be stated in connection with the statements that have been made.

Mr. KING. Mr. Chairman, I move to strike out the last word just for the purpose of taking about 30 seconds.

I appreciate the remarks of the gentleman from Connecticut [Mr. PHILLIPS], but I would like to make one correction. Hawaii came under the American flag voluntarily and was not captured or purchased. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. PETERSON].

The question was taken; and on a division (demanded by Mr. PETERSON of Florida) there were—ayes 23, noes 45.

So the amendment was rejected.

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: On page 10, line 19, strike out the period, insert a colon and the following: "*Provided*, That the Secretary of Agriculture shall allot to Florida not less than 90,000 tons annually, 25,000 of which shall be charged against quotas of foreign countries as provided in this act."

Mr. GREEN. Mr. Chairman, I think this brings the question right down to its final analysis. Will this Congress give Florida 25,000 tons that now go to Cuba and foreign countries? Do you want us to expand or do you want Cuba to expand? Do you want us to pay $2.70 for labor as we do in Florida, or do you want the American people to eat 17-cents-a-day-labor sugar made in Cuba and in other foreign countries? Are we to be treated as well as the Territories, are we to be treated as Americans, or are we to be treated worse than those in foreign countries?

Mr. Chairman, we are in dead earnest about this matter. If the chairman tells you this amendment does not conform with other sections of the bill, let it go to the other end of this Capitol and there be whipped into certain form, and allow this amount of 25,000 tons to be taken from foreign countries and given to a State which I still say is one of the 48 States of this Union. Mr. Chairman, it is wrong, it is bad legislation, if you penalize a State of this Union and place it further down in the category of privilege—if you want to put it that way—than you place foreign countries. I urge you to vote for the amendment. It is fair and just.

Mr. JONES. Mr. Chairman, I hope the amendment will be voted down. The formulas are set out in the bill. It is a technical matter and if we undertake to make these little changes, we will have a bill all out of kilter. I hope the amendment will be voted down.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Florida.

The question was taken; and on a division (demanded by Mr. GREEN) there were—ayes 32, noes 45.

So the amendment was rejected.

The CHAIRMAN. There being no other amendment, under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BLAND, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 7667, and pursuant to House Resolution 297, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question has been ordered. Is a separate vote demanded on any amendment? [After a pause.] If not, the Chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the amended bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. LANZETTA) there were—ayes 165, noes 55.

So the bill was passed; and a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DEMPSEY, for today, on account of illness.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on H. R. 7948, which passed the House last Monday, explaining the provisions of the bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to incorporate in the remarks I made this afternoon a certain petition.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein correspondence between myself and the Governor of the Farm Credit Administration dealing with the policy of the Farm Credit Administration, and with deficiency judgments.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO FILE REPORT

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the Committee on Labor may have until midnight tomorrow night to file a report upon the wage and hour bill.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mrs. O'DAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my remarks made this afternoon by inserting a table referred to.

The SPEAKER. Is there objection?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under the special order of the House heretofore made the gentleman from Texas [Mr. JONES] was to be recognized for 1 hour. The Chair understands, however, that the gentleman from Texas does not desire to avail himself of that privilege today.

The gentleman from California [Mr. DOCKWEILER], under the special order of the House, is entitled to be recognized for 5 minutes.

CARE OF TRANSIENTS IN CALIFORNIA

Mr. DOCKWEILER. Mr. Speaker, what will happen this winter to the thousands of destitute who fled to California from other States seeking relief from the dust, drought, and depression? Federal relief aid has been curtailed; California's relief burden is fast becoming unbearable, and impoverished thousands, living in squalor, facing hunger and disease, threaten national health and add to the possibility of a bitter and possibly violent agricultural and industrial labor conflict.

Assistant W. P. A. Administrator Aubrey Williams, while on a recent tour of western relief agencies, is quoted by a Los Angeles newspaper as saying:

Care of transients—and of homeless Americans from the Dust Bowl—is strictly a State problem.

With that assertion, Mr. Speaker, apparently we cannot hope for substantial aid from Mr. Hopkins, W. P. A. Administrator. Apparently the responsibility for thousands of drought and depression refugees from all parts of the United States has been tossed directly into the laps of California taxpayers, who are already staggering under a terrific and ever-increasing relief burden. What are we in California doing to help out this situation, speaking for Los Angeles County?

In 1936 the cost of all classes of relief amounted to $87.51 per taxpayer, or $44.52 for each of the 2,366,904 persons residing in the county. In 1925 relief cost per capita was only 92 cents, with a gradual increase up to 1934 when it was $22.51 per person. In 1935 the cost of relief climbed to $30.24, and last year, in Los Angeles County, it was $44.52 per capita. Other California counties have experienced the same startling upward trend in relief costs which are fast becoming unbearable to local taxpayers.

California tax rates have grown with the increasing cost of relief. The tax rate in Los Angeles County has increased from 80 cents per $100 of assessed valuation in 1920 to $1.27 for the fiscal year 1936–37 and preliminary estimates for the current year indicate a tax rate of $1.65 per $100, a 34 percent increase over the previous year. Rates in other California counties have increased accordingly. So you see we Californians are not welching from our share of the responsibility.

Despite the overwhelming increases in the cost of relief in California brought about by the influx into the State of refugees from all parts of the United States, the Assistant W. P. A. Administrator insists that responsibility for the welfare of these people is California's own problem.

Since the depression and the drought hundreds of thousands of refugees have been flooding into California from other States seeking relief from debt-burdened homes, dust covered farms, and other hopeless conditions. Most of the migrants entered southern California declaring it their destination and a large proportion of these said they were seeking employment. More than 75 percent of the jobseekers were from the drought States. Adding these people to other types of relief cases, today there are 275,362 men, women, and children dependent in one form or another on relief from the several government agencies in Los Angeles County alone.

Clearly, California agriculture and industry cannot absorb the dwelling tide of destitute migrants within a short time. Most of the migratory workers are seeking agricultural employment and the field is greatly overcrowded. State agricultural production grew only 20.1 percent from 1920 to 1930, but the number of available farm workers grew by 57.1 percent. While large-labor requiring crops played a more important role in State agriculture in 1930 than in 1920, the difference is not great enough to justify the growth in the number of agricultural workers. Furthermore, the peak of California's farm labor demand is about four times as great as the low point and the off-season falls in the winter months. What will happen this winter to the thousands thrown out of employment as well as to the scores of refugees who flock into California every day in search of work?

Each month of last year 23,000 people were placed in jobs by the State reemployment service, but it is impossible to fill the ever-increasing demand for employment. Estimates made by farm employers indicate that in 1935 there were 128 farm workers for every 100 jobs, and this excess of 28 percent applied to agricultural workers as a whole and not merely to migratory workers. Since 1935 the number of excess workers has undoubtedly increased tremendously. "All the settlers need", Assistant W. P. A. Administrator Aubrey Williams is quoted as saying, "are jobs, sanitation, and good food." I agree with Mr. Williams. But where are these destitute people to find these necessities in a State where the labor market is flooded, the State overburdened with the relief load, and the W. P. A. program curtailed.

A California relief administration study of applicants for relief in 1935 reports average annual earnings of 775 migrant families, most of which received between $300 and $400 in 1930, and between $100 and $200 in 1935. The great influx of additional labor will cause further decrease in wage rates and a spread of labor unrest. How far, Mr. Speaker, will wages drop? How far will standards of living fall?

The ragged camps of migrants squatting in filth by the roadside, in open fields, along irrigation ditches, or on garbage dumps fairly beggar description. These people are not stumble bums. Disease is rife, and National as well as State health is seriously threatened. Large growers sometimes pro-

vide good housing for workers, but smaller groups with short peak seasons are often unable to do this. Many camps similar to the present three Resettlement camps are needed to provide adequate housing for migrants not only in California but also in other States, where Dust Bowl refugees and other homeless tend to concentrate. The resettlement camps in California house 500 families, less than 1 percent of the State's estimated migratory workers.

Two years ago California threatened, in self-defense, to close its borders to the destitute people who were creating such an economic problem within the State. The resulting howls from Washington, accompanied by threats of cutting off Federal relief aid, were heard across the country. Instead of closing her borders, the California relief laws were liberalized and migrants from all parts of the United States continued to pour into the State. But there is an economic limit to the number of destitute which the State can support. Taxpayers threaten to strike; and unless the Federal Government will make an effort to understand California's unique relief problem and cooperate with the State in solving the situation, the State borders may yet be closed in self-defense.

The drought refugees from the Great Plains who have been pouring into California by the scores of thousands to the west coast are leaving areas where depopulation is desirable for the national economy. They are not drifting but are seeking resettlement. They are helpless victims of a short-sighted national policy which threw open the Great Plains to a type of settlement unsuitable to natural conditions.

Why should not the Federal Government help us financially in this plight? The creation of the Midwestern Dust Bowl and the attendant problems have their roots in economic conditions, prevailing attitudes, and public policies reaching back into the 1860's. The lure of free land on the frontier under the Homestead Acts was the major influence in the settlement of the Great Plains. The movement gained force and direction from such factors as favorable market conditions, the development of railroad transportation, and the lure of free or cheap land. But throughout the settlement period free land greatly stimulated immigration and materially affected the pattern of settlement. Public-land policy proved unfortunate in at least two respects. Speculation in land, with attendant abuses in its development, was facilitated, and the holdings permitted under the Homestead Acts were so small as to stimulate overcultivation. Both factors tended to induce a more intensive use of land in the Great Plains than was justified by natural conditions. Millions of acres of natural grass cover which should never have been touched by a plow were turned under and the soil exposed to the scorching sun and the winds, which later turned parts of the Great Plains into a barren desert.

Let me repeat again that today the Federal Government, speaking through Mr. Williams, of the W. P. A., disclaims any responsibility for the drought refugees from the Great Plains.

Mr. Edward J. Rowell, regional labor adviser of the United States Resettlement Administration, in a report, Drought Refugee and Labor Migration to California in 1936, writes:

> Those States characterized as drought States continued to be the heaviest sources of migrants. Of the total of 71,047 migrants entering the State during the year (ending June 15, 1936), 56,225, or 79.1 percent came from the drought States. During the first 6 months of 1936 the proportion of Dust Bowl refugees was even greater than in the last half of 1935. Of all out-of-State migrants 85.5 percent fled from the drought area during 1936 as compared with 74.8 percent in 1935. Oklahoma alone contributed 24.6 percent of all out-of-State migrants and the States of Oklahoma, Texas, Arizona, Arkansas, and Missouri, combined, contributed 64.8 percent. It is apparent, therefore, that the tragic disruption of the rural economy of this area is by far the most important factor in the movements under consideration.

Last year 12.3 percent of the Nation's total transient population received State and county aid in California which in 1930 had only 4.7 percent of the Nation's population. In a 24-hour census of the transient and homeless conducted in 1935 by local public agencies in Los Angeles 95 percent of 4,033 cases were interstate wanderers, and among the total of 1,656 persons arrested and convicted for vagrancy in Los Angeles in January 1936, 75 percent had been in the State less than 1 year.

Although California taxpayers are bearing more than a just share of the relief burden, the State has received the lowest per-capita apportionment of Federal funds in comparison with other major industrial States. In fact, the average per capita of Federal relief for California has been less than the average per capita for the United States. This low average has been maintained despite the facts that California is the fifth ranking State in population, stands third in provisions for State and county relief funds, and is staggering under an ever-increasing relief burden.

Mr. Speaker, the burden of localities which receive disproportionately large numbers of persons in need of relief and rehabilitation, whether drought refugees or migrants following hoped-for agricultural work, is a heavy one. The problem of transient relief is a national problem and, as such, should be dealt with by the Federal Government. State and Nation should share the financial burdens imposed on county and State by relief, rehabilitation, or resettlement of nonresidents. It is the only efficient, economical, and equitable solution.

Federal aid in the form of W. P. A. funds apportioned to the State in accordance with the net total of transients and drought refugees entering California from other States would be a just and equitable method in solving California's relief problem. The Resettlement Administration should authorize loans to migrant agricultural families which will enable them, where land values are not too high, to set up farms of their own in suitable locations on the Pacific coast. Many more resettlement camps for migrants should be built not only in California but in every area where migratory workers need better housing and sanitation.

It is only fair to ask that the Federal Government take immediate steps to provide aid for the thousands of destitute in California and other communities where transients from all parts of the United States tend to concentrate. The health, education, and morale of these people who travel across State lines in search of better living conditions is more than a State problem; it is national in scope. The localities need the assistance of the National Government, and need it quickly so these unfortunates will not starve or fall victim to disease this winter.

Mr. Speaker, what is going to happen this winter to the impoverished thousands who have been driven to California from other States by dust, drought, and depression? Is the administration going to allow them to be the forgotten men, women, and children of 1937? If this great human influx continues for long, then the California taxpayer will be leveled down to impoverishment, and he might just as well resign now and take up his household effects and, bag and baggage, settle with the unemployed migratory band of his fellows.

The SPEAKER. The time of the gentleman from California [Mr. DOCKWEILER] has expired.

EXTENSION OF REMARKS

Mr. LEWIS of Maryland. Mr. Speaker, I ask unanimous consent to add to my remarks made this afternoon an editorial from the Baltimore Sun on yesterday, to which reference was made in my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 826. An act for the relief of the estate of H. Lee Shelton, the estate of Mrs. H. Lee Shelton, Mrs. J. R. Scruggs, and Mrs. Irvin Johnson; and

S. 1219. An act for the relief of Pauline M. Warden, nee Pauline McKinney.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 7472. An act to provide additional revenue for the District of Columbia, and for other purposes.

ADJOURNMENT

Mr. THOMASON of Texas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.), pursuant to its order heretofore entered, the House adjourned until Monday, August 9, 1937, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON NAVAL AFFAIRS

Special Subcommittee on Naval Affairs, appointed by Chairman CARL VINSON will hold continued open hearings on H. R. 7777, to further amend section 3 of the act entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limit prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", approved March 27, 1934 (48 Stat. 505), as amended by the act of June 25, 1936 (49 Stat. 1926; 34 U. S. C., sec. 496), Monday, August 9, 1937, at 10:30 a. m.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold a public hearing in room 219, House Office Building, Washington, D. C., Tuesday, August 10, 1937, at 10 a. m., on H. R. 8080, a bill to establish a fund for the insurance of mortgages securing loans for the construction or reconditioning of floating property used for commercial purposes

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

780. A letter from the Acting Secretary of Commerce, transmitting a report pertaining to the sale of 128,659 pounds of paper for $270.18 which was recommended in House Report No. 1003, Seventy-fifth Congress, first session; also the sale of 4,330 pounds of paper for $9.09, authorized in House Report No. 3080, Seventy-fourth Congress, second session; to the Committee on the Disposition of Executive Papers.

781. A letter from the Attorney General, transmitting a draft of a bill in compliance with the Naval Appropriation Act, approved March 3, 1909 (35 Stat. 768; U. S. C., title 34, sec. 533), authorized the sale of goods by Navy post exchanges to officers and enlisted men of the Navy and Marine Corps and to civilians employed at naval stations located beyond the continental limits of the United States and in Alaska; to the Committee on Naval Affairs.

782. A letter from the Archivist of the United States, transmitting a report consisting of 889 items, among the archives and records of the Department of Commerce; to the Committee on the Disposition of Executive Papers.

783. A letter from the Archivist of the United States, transmitting a report consisting of 11 items, among the archives and records of the Department of the Navy; to the Committee on the Disposition of Executive Papers.

784. A letter from the Archivist of the United States, transmitting a report consisting of 33 items, among the archives and records of the Department of the Interior; to the Committee on the Disposition of Executive Papers.

785. A letter from the Archivist of the United States, transmitting a report consisting of 562 items, among the archives and records of the Department of Agriculture; to the Committee on the Disposition of Executive Papers.

786. A letter from the Archivist of the United States, transmitting a report consisting of 332 items, among the archives and records of the Department of the Treasury; to the Committee on the Disposition of Executive Papers.

787. A letter from the Archivist of the United States, transmitting a report of six items, among the archives and records of the Department of War; to the Committee on the Disposition of Executive Papers.

788. A letter from the Archivist of the United States, transmitting a report consisting of 57 items, among the archives and records of the Department of Labor, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

789. A letter from the Archivist of the United States, transmitting a report consisting of one item, among the archives and records of the Civil Service Commission which the Commission has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

790. A letter from the Archivist of the United States, transmitting a report consisting of 91 items, among the archives and records of the Veterans' Administration, which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

791. A letter from the Archivist of the United States, transmitting a report consisting of one item, among the archives and records of the Federal Trade Commission, which the Commission has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

792. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 170 items, among the archives and records of the Federal Communications Commission, which the Commission has recommended should be destroyed or otherwise disposed of; to the Committee on the Dispostion of Executive Papers.

793. A letter from the Archivist of the United States, transmitting a list of papers, consisting of one item, from the Civil Service Commission; to the Committee on the Disposition of Executive Papers.

794. A letter from the Archivist of the United States, transmitting a report, consisting of two items, among the archives and records of the Federal Emergency Administration of Public Works; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. JONES: Committee on Agriculture. H. R. 7697. A bill to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes; without amendment (Rept. No. 1450). Referred to the Committee of the Whole House on the state of the Union.

Mr. COOLEY: Committee on Agriculture. S. 1998. An act to amend the act entitled "An act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture", approved June 24, 1936; without amendment (Rept. No. 1451). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. S. 2475. An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; with amendment (Rept. No. 1452). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DUNCAN: A bill (H. R. 8174) to make available to each State which enacted in 1937 an approved unemployment compensation law a portion of the proceeds from the Federal employers' tax in such State for the year 1936; to the Committee on Ways and Means.

By Mr. DIRKSEN: A bill (H. R. 8175) to aid in the prevention of certain injurious and uneconomic practices in the distribution in the District of Columbia of competitive commodities bearing a distinguishing trade-mark, brand, or name; to the Committee on the District of Columbia.

By Mr. EDMISTON: A bill (H. R. 8176) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes; to the Committee on Military Affairs.

By Mr. MAGNUSON: A bill (H. R. 8177) to create a commission to be known as the Alaskan International Highway Commission; to the Committee on Foreign Affairs.

By Mr. HARRINGTON: A bill (H. R. 8178) to amend the act cited as the Farm Credit Act of 1933, as amended, to improve and safeguard the financial integrity of the Farm Credit Administration by effecting a better coordination of Federal lending and marketing activities, and for other purposes; to the Committee on Agriculture.

By Mr. JENKINS of Ohio: A bill (H. R. 8179) to prohibit certain agreements fixing fees or compensation in receivership, bankruptcy, or reorganization proceedings; to the Committee on the Judiciary.

By Mr. MAVERICK: A bill (H. R. 8180) creating a United States Unemployment Commission to investigate the problem of unemployment in the United States, and for other purposes; to the Committee on Labor.

By Mr. CASEY of Massachusetts: Joint resolution (H. J. Res. 482) giving advance consent to compacts relating to flood-control projects in the Connecticut River Basin; to the Committee on Flood Control.

By Mr. CITRON: Joint resolution (H. J. Res. 483) to establish the General Casimir Pulaski Memorial Commission to formulate plans for the construction of a permanent memorial to the memory of Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PETERSON of Florida: A bill (H. R. 8181) for the relief of James F. Johnston; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 8182) for the relief of Joseph Crisp; to the Committee on Naval Affairs.

By Mr. WITHROW: A bill (H. R. 8183) to confer citizenship on Christian Holseth; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3143. By Mr. CULLEN: Petition of the International Association of General Chairmen, Brotherhood of Railroad Trainmen, urging the enactment of Federal train-limit law; to the Committee on Interstate and Foreign Commerce.

3144. By Mr. CURLEY: Petition of the Central Trades and Labor Council of Greater New York and Vicinity, endorsing the Allen-Schwellenbach bill, providing for the reinstatement of workers dismissed from the Works Progress Administration and who have not found employment in private industry; to the Committee on Appropriations.

3145. Also, petition of the New York Lawyers Association, of New York City, urging disapproval of House bill 1659, providing for the establishment of the Bank of the United States owned, operated, and controlled by the Government of the United States; to the Committee on Banking and Currency.

3146. Also, petition of the New York County Lawyers' Association of New York City, urging enactment of Senate bill 2494, in relation to changing the 2-cent local rate on letters so that instead of applying to only first-class matter mailed for local delivery it covers all mailing for delivery within the corporate limits of the same municipality; to the Committee on the Post Office and Post Roads.

3147. Also, petition of sundry citizens of the city of New York, endorsing the Allen-Schwellenbach bill for the reinstatement of needy workers dismissed from the Works Progress Administration rolls and unable to find employment; to the Committee on Appropriations.

3148. By Mr. FITZPATRICK: Petition of Local No. 802 of the Associated Musicians of Greater New York, urging the passage of the Schwellenbach-Allen resolution relative to Works Progress Administration workers; to the Committee on Appropriations.

3149. Also, petition of the Central Union Label Council of Greater New York, urging the passage of the Schwellenbach-Allen resolution in relation to the reinstatement of Works Progress Administration workers; to the Committee on Appropriations.

3150. Also, petition of the Brotherhood of Railroad Trainmen, urging the passage at this session of Congress of the train-limit bill, known as Senate bill 69; to the Committee on Interstate and Foreign Commerce.

3151. By Mr. LUTHER A. JOHNSON: Petition of E. E. McAdams, executive secretary, League of Texas Municipalities, Austin, Tex., favoring House bill 7186, with respect to the payment of interest on demand deposits of certain public funds; to the Committee on Rules.

3152. Also, petition of C. W. McCaskill, secretary, Ennis Division, No. 88, Order of Railway Conductors of America, Ennis, Tex., favoring House bill 147, train-limit bill; to the Committee on Interstate and Foreign Commerce.

3153. Also, petition of E. C. Hawkins, vice president, Ennis State Bank, and Ernest L. Raphael, both of Ennis, Tex., favoring House bill 6744; to the Committee on Agriculture.

3154. By Mr. KEOGH: Petition of the Brotherhood of Railway Trainmen, Cleveland, Ohio, concerning the train-limit bill (S. 69); to the Committee on Interstate and Foreign Commerce.

3155. Also, petition of the Interstate Airways Committee, Washington, D. C., concerning the McCarran-Lea bill for public regulation of air transport; to the Committee on Interstate and Foreign Commerce.

3156. Also, petition of the Central Union Label Council of Greater New York, Brooklyn, N. Y., concerning the Schwellenbach-Allen joint resolution; to the Committee on Labor.

3157. Also, petition of the United Shoe Workers of America, New York City, concerning the Schwellenbach-Allen joint resolution; to the Committee on Labor.

3158. Also, petition of E. R. Squibb & Sons, New York, concerning the Lucas amendment to the sugar bill (H. R. 7667); to the Committee on Agriculture.

3159. Also, telegram of the Beauty and Barber Supply Institute, Inc., New York City, concerning the sugar bill (H. R. 7667); to the Committee on Agriculture.

3160. Also, petition of the Triangle Ink & Color Co., Inc., Brooklyn, N. Y., concerning the Black-Connery bill; to the Committee on Labor.

3161. Also, petition of the G. F. Richter Manufacturing Co., Inc., Glendale, Long Island, N. Y., concerning the Black-Connery bill; to the Committee on Labor.

3162. Also, petition of the Merchants Association of New York, concerning the Fair Labor Standards Act; to the Committee on Labor.

3163. By Mr. LANHAM: Petition of Elizabeth Fountain and others, concerning House bill 2257; to the Committee on Ways and Means.

3164. By Mr. O'NEAL of Kentucky: Petition of 38,449 citizens of Louisville and Jefferson County, Ky., praying for direct aid by appropriation of the Congress of these United States of America to the flood sufferers of the Ohio Valley; to the Committee on Appropriations.

3165. By Mr. PFEIFER: Petition of the Washington Restaurant Association, Washington, D. C., concerning House bill 7950; to the Committee on the District of Columbia.

3166. Also, petition of the Eagle Lock Co., New York, concerning the train-limit bill (S. 69); to the Committee on Interstate and Foreign Commerce.

3167. Also, petition of the Brotherhood of Railroad Trainmen, Cleveland, Ohio, concerning the train-limit bill (S. 69); to the Committee on Interstate and Foreign Commerce.

3168. Also, petition of the American Bakers Association, Chicago, Ill., concerning Senate bill 2475 and House bill 7200, the wages-and-hours bill; to the Committee on Labor.

3169. Also, petition of the Merchants Association of New York, concerning the Fair Labor Standards Act; to the Committee on Labor.

3170. Also, petition of Rockwood & Co., Brooklyn, N. Y., concerning the Celler bills (H. R. 7152 and 7550); to the Committee on Ways and Means.

3171. Also, petition of the Triangle Ink & Color Co., Brooklyn, N. Y., concerning the Black-Connery bill; to the Committee on Labor.

3172. Also, petition of the Interstate Airways Committee, Washington, D. C., concerning the McCarran-Lea bill, for public regulation of air transport; to the Committee on Interstate and Foreign Commerce.

3173. Also, telegram of the Beauty and Barber Supply Institute, Inc., New York City, concerning the sugar bill (H. R. 7667); to the Committee on Agriculture.

3174. Also, telegram of the Toilet Goods Association, New York, concerning the Gambrill amendment to the sugar bill (H. R. 7667); to the Committee on Agriculture.

3175. Also, petition of E. R. Squibb & Sons, New York, concerning the Lucas amendment to the sugar bill (H. R. 7667); to the Committee on Agriculture.

3176. By Mr. SANDERS: Petition of the American Legion of Kilgore, Tex., urging passage of H. R. 6704 and S. 25, the Sheppard-Hill universal service bills; to the Committee on Military Affairs.